

# FRANCHISING FAQS



Prepared by:



Preparing to make a significant investment like becoming a franchise owner requires that you do your due diligence. Researching the franchise opportunity in which you think you might want to invest is an important part of the process, so we went ahead and compiled this list of franchising frequently asked questions.

Read through this guide to learn the answers to these 6 commonly asked questions about franchising:

1. What is the difference between franchisor and franchisee?
2. What is B2B?
3. What qualities make a good candidate for franchising?
4. How many hours will I have to work as a franchisee?
5. What should I consider before investing in a franchise?
6. How much should I expect to invest?

The answers to these questions should help you through the whole franchise process from start to finish, preparing you for franchise ownership.



## WHAT IS THE DIFFERENCE BETWEEN FRANCHISOR AND FRANCHISEE?

Every industry has its own jargon, and getting used to the lingo of something new is sometimes challenging. In franchising, two of the most important terms you will need to know are “franchisor” and “franchisee.”

The franchisor is the company that gives license to a third party to operate a business using its name, products/services, and trademarks. As the owner of the trademark and brand name, the franchisor generates income when new franchisees join the brand and pay royalties.

A franchisee is the third party investor, mentioned above. A franchisee is an owner-operator under the franchisor’s brand, which is one reason franchising is so appealing to many people. Franchisees are business owners, working for themselves and stimulating their local economies in the way that only small businesses can.

The relationship between the franchisor and franchisee is mutually beneficial. The franchisor benefits from revenue that comes from an expanding company, while the

franchisee enjoys a support system from an experienced corporate network. The franchisor can be as hands-off as they want, and the franchisee still gets many of the perks of owning a business, such as greater independence and flexibility.

Because franchisees receive expert training, ongoing support, and a host of resources, investing in a franchise is a great way to get started as a business owner.



## WHAT IS B2B?

B2B stands for business to business, which, in the case of franchising, means that a B2B franchise offers products or services to other businesses. Compare this with B2C, which stands for business to consumer and characterizes businesses that cater to consumers.

B2B businesses are smart investments because transactions between businesses tend to bring in more revenue than transactions between a business and a consumer. Simply put, businesses spend more money at a time than most consumers do, which has potential for your bottom line.



Another reason why B2B franchises are a smart choice: repeat business. Companies large and small like to work with the people and businesses that they have relationships with, so they are more likely to work with a company that they know offers quality products than risk problems with a new company.

Signarama is an excellent example of a smart B2B franchise opportunity.

Here's why:

- We have been in the sign industry for 25 years, so we know the products
- Signs are an invaluable marketing tool for businesses of all sizes
- We offer more than just signs; our customers utilize a whole array of branding products
- We are the most established brand in the industry

## WHAT QUALITIES MAKE A GOOD CANDIDATE FOR FRANCHISING?

Becoming a Signarama franchisee does not require any industry experience, just a willingness to work hard. Here are a few of the traits that we have observed in some of our top franchisees:

- Passionate
- Driven
- Smart
- Responsible

People with backgrounds in customer service, marketing, sales, and military are well-suited for franchising because the skills needed to succeed in those fields apply to owning and working in a franchise system.

When you join an experienced franchise brand like Signarama, you are investing in a turnkey business model that has been tested and proven across decades. Getting to know this model—and the programs and systems that go along with it—will teach you new skills and help you adapt to the way that the franchise does business.

## HOW MANY HOURS WILL I HAVE TO WORK AS A FRANCHISEE?

We don't want to sugar coat it—starting a business requires dedication and a lot of hard work. New franchisees can sometimes work long weeks while they are building up their businesses, but when you work for yourself the work is so rewarding.

Studies reveal that people who own their own businesses are happier than people who work for other people, which goes to show just how rewarding it is to be your own boss. When you own a franchise, you have the added benefit of working with a built in network of people who are veritable experts in your field—something people who start their businesses from scratch usually don't have.





## WHAT SHOULD I CONSIDER BEFORE INVESTING IN A FRANCHISE?

Becoming a franchise owner is a big change in your career, and before you invest make sure that you consider it from every angle. Two big things to take into consideration are the franchisor and the industry.

### THE FRANCHISOR

If you are going to invest time, work, and money in a franchise brand, take the time to learn about the brand's history and what support it has to offer its franchisees. Ask these questions about the franchise to gain an understanding of how life as a franchisee will work:

- How long has the company been in business?
- How many franchise locations are open?
- Does the franchisor provide adequate training?
- What resources are there to help me get started?
- Are there assistances with things like marketing?

Signarama has been in the sign industry for over 25 years, and we have spent that time streamlining our business model and building our brand. We now have nearly 900 stores around the world, and we offer thorough training and amazing resources to all of our franchisees.

### THE INDUSTRY

As a business owner, the industry might be the most important factor to consider. Before you invest in anything, ensure that the industry has plenty of growth potential and demand. The sign industry, for example, has high demand as businesses in every industry use signs for marketing. Even better, Signarama's products are on the cusp of sign innovations because we continually update our offerings to keep up with changes in technology.

## HOW MUCH CAN I EXPECT TO INVEST?

The biggest question before any investment is “How much does it cost?” In some industries, like hotels and restaurants, total franchise startup costs can go into the millions, but Signarama is a low cost franchise opportunity.

The total estimated investment of a Signarama franchise is \$185K-\$195K. This covers your initial franchise fee, supplies, training, marketing expenses, and your grand opening, essentially getting you ready to open for business. And don't forget that your investment in Signarama gets you access to our turnkey business model, proven systems, and tested products.

There is no reason to reinvent the wheel when you become a business owner, and joining a proven franchise system is like getting special access to roadmap to a strong business.





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TO GET STARTED WITH  
SIGNARAMA, VISIT US AT  
**WWW.SIGNARAMAFRANCHISING.COM**  
AND APPLY NOW!

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WE CAN'T WAIT TO  
WORK WITH YOU!



**561-578-0247**

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