



# 4 THINGS MOST PEOPLE DON'T THINK ABOUT BEFORE BUYING A FRANCHISE

**THE LIFESTYLE YOU'RE CRAVING ISN'T AS FAR AWAY AS YOU THINK.**

I am a franchise consultant. I use my experience as a franchisee, entrepreneur, and investor to guide you on your exploration of franchise ownership.

Here are the top considerations that I use for myself, personally, and for everyone I work with seeking a flexible, rewarding (on many levels), lifestyle through franchise ownership.

## 1. Identify what you REALLY want - it might not be what you think.

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Your passion today can turn into your burden tomorrow. Many entrepreneurs make the mistake of believing the hobby or skill they most enjoy is where they should focus a new business - but turning a hobby into work can quickly take the fun out of it.

It is a common misconception that you must love the service you are going to provide. It is extremely common for people's new business to become their new enemy. Why is that? The responsibilities and demands of a business are often significantly different to your passions and it's previous day to day requirements. Being skilled at a service does not necessarily translate to running a successful business. The time investment needed to run the business is often beyond the capabilities of 1 person. Staff must be trained and if your staff cannot match your skill level, then the vision for your business will likely not get fulfilled and you will find yourself working overtime and end up hating your passion.

Instead, explore the characteristics of businesses you're considering and focus your efforts there. Is your greatest thrill helping other people? Are you a people person that thrives around big groups, such as managing a large team of employees and wants to build an empire? Perhaps you're seeking security and need a set amount of recurring revenue coming in each month and are hoping to scale from one location to multiple locations.





## **2. Begin with the end in mind.**

Think about your exit plan today and not when you decide to exit. Successful franchise owners know there are multiple options when it comes to the exit strategy of their business - either grow (by organically opening more locations, or through acquiring other locations), or sell your location. Of course, you want either of these options to be available to you in the long run, or you may want to add a legacy for your children and have them take over the business.

Consider these courses of action when choosing your franchise. Some businesses can expect to experience rapid growth, adding locations and expanding across a regional market. Or, your neighboring franchise location might be looking to add to their portfolio and hope to buy more locations. Consider your long term goals regarding an exit plan when you're thinking through what type of franchise to invest in. Franchises are great because they offer several exit strategies over a Mom and Pop shop.

Franchises can have great built in expansion plans and exit strategies with neighboring franchisees. Generally, people who planned for their exit strategy profit the most when it becomes time to sell. Many great businesses will continue to grow and expand after they are sold.



### **3. Talk with other franchisees.**

Talk with franchisees in your desired field and focus on the ones that are doing well. Sure, talk with average or under performers and learn from them. Talk with the top performers and find out why they are top performers. Do they have the best markets in the city or the best city in the country? Are they good at marketing, operations or delegation? Find out why they are top performers and see if you can see yourself doing what they do. Understand the mindset of the top performing franchisees and analyze why they are succeeding. You can also find out why their competitors are not successful; often times they have a very different view as to why the losing franchises are failing compared with the view of the losing franchise owner.

#### **4. There will be anxiety - the key is managing it.**

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The decision to become a franchise owner can be a daunting one - but it needn't be. Knowledge is power and the more you have, the more secure you'll feel. Often, the people in your life may be unwittingly undermining your decision process with well-meaning advice or opinions. Likewise, your family members may have concerns about how this new venture will impact them.

Anxiety is something we all face. Paralysis by analysis can often cause inaction. Be mindful of well-intentioned people that you trust that might try to talk you out of buying a franchise. Educate yourself. Knowledge is power, and by educating yourself you are equipping yourself with the confidence to take action. The more informed you are the less you will feel swayed by uninformed people or loved ones that say you shouldn't buy or start a franchise.

Don't let that fear and uncertainty decide your fate. Remember: if you do the research, and are secure in your knowledge, choosing a franchise is one of the least risky business decisions you can make - because you hold all of the power before, during, and throughout.





“Being aware of your fear  
is smart.  
Overcoming it is the mark of  
a successful person.”

**-Seth Godin**



## About Me

I am an entrepreneur/investor that uses franchising as a vehicle to success. Over the years I have been involved in many aspects of franchising. In my mid 20's, I bought my first franchise in Kansas City. I started as a multi-unit franchisee with a top-rated retail franchise, and finished the first year as one of the company's top new franchisees.

Over the next 9 years I expanded the business to 12 locations and bought the Regional Development (RD) rights for Austin, Texas. I grew that RD from 5 offices in 2004 to 42 offices before I sold it back to the parent company. Since selling my first franchise in 2011, I have accelerated my growth and bought 3 more franchise brands as either RD or multi-unit franchisee.

I live in the Black Hills of South Dakota on an 80-acre playground of outdoor fun with my wife and 3 daughters. I own several franchisees in Southern California that are all run by my management team. I have weekly calls with them and travel to California once or twice a year. Most businesses are not capable of being run like that, but the ones that can be (and are cash cows) are called HOMERUNS!

I have been helping people explore franchising since 2005 after I experienced success. I have personally helped hundreds of people find a franchise that is the perfect fit for them. I love helping people stuck in Corporate America or entrepreneurs ready for diversification to find the right franchise, and I will show you the exact same process that I have personally used when buying my franchises. I will share things with you that I have learned from personal experience as well as information that I have from my personal network who are involved in every segment of franchising.

My goal is to help you identify what you really want or need in a business versus what you think you want. I will help you shortcut your process and save you a massive amount of time researching by narrowing the thousands of franchises to the one that fits you.

I Love Franchising,  
Erik VanHorn

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CONSULTATION WITH ERIK**



**I AM HERE  
TO BE  
YOUR GUIDE  
EVERY STEP  
OF THE WAY.**