

Make the Most of Your Face-to-Face Investment: Maximizing ROI at Franchise Expos

Franchising is, and always will be, about establishing and building relationships.

BY JOEL GOLDSTEIN



Statistics can be quite convincing. Companies use them all the time to suit their needs, usually to support the need for their product or service, for example, “One out of every 10 dentists recommend our toothpaste” or, “Over 90 percent of Americans’ diets are dangerously lacking in calcium,” says a calcium supplement

company. The problem is that stats have been so overused; people have become desensitized to them.

That’s why, when it comes to franchise development, experts can throw out all the stats about what methods work better to help attract quality leads and convert them to sales, but often the strongest way to illustrate the most effective approach is the good old-fashioned real-life anecdotes—success stories involving real franchises and prospects.

Success Stories

As told by Tony Foley, CFE, president, United Franchise Group Services: “We met with a couple on the first morning of the IFE [International Franchise Expo], and by the afternoon, they had returned to our booth with the completed profile application for being our new master franchisee for Sign-A-Rama in the country of Jordan. They came specifically to meet with us, this was the concept they wanted.”

Kim Nunez, development manager of Global Franchise Group, reported that her company had invited a prospect that they had been speaking with for about four weeks prior to the West Coast Franchise Expo. The prospect showed up at the Expo with all his paperwork, a business plan in hand, and bought a Marble Slab Creamery. She had the opportunity to connect him with their real estate development manager, as well as the vice president of the company in their booth.

At last year’s International Franchise Expo, nearly 8,000 domestic and international visitors came to explore and talk business with representatives from 200 franchise companies, each offering a wide range of opportunities at virtually every investment level. Here, success stories like the two here are plentiful—too many, in fact, to include in a single magazine article.

Establishing, Building Relationships

Such examples are becoming key drivers of the industry trend toward franchise expos, mostly due to the power of face-to-face interaction. Attendance at all MFV expos continues to climb among both prospects and franchise organizations. While prospects realize the value of attending expos to more deeply investigate the brands of interest and actually look their future potential franchisor directly in the eye, more franchisors are re-allocating funds to exhibit.

Franchise deals are often seeded on the Internet, nurtured on the phone and sealed at the expo once a voice and face can be tied together.

Franchising is, and always will be, about establishing and building relationships. At expos, prospects can put a face, a voice and an aura around investment they are considering. Similarly, franchise companies view expos as a way to seal the deal with their Internet leads. Bottom line, franchise deals are often seeded on the Internet, nurtured on the phone, and sealed at the expo once a voice and face can be tied together.

For many emerging franchises, expos are considered powerful tools to create brand awareness, as well as network and learn with other franchises. Often, the peers they meet at franchise expos develop into long-lasting professional relationships. Many new and established franchises, as well as prospects, also value expos for the educational benefits they offer. At last year’s IFE, more than 30 free educational sessions were conducted during the event on topics that included franchising basics and ways to obtain financing.

Maximizing Return on Investment

With budgets still tight, franchise companies can take several steps to maximize the return on investment of the

expos they attend. First, they should be particular about which expos to attend. Factors to consider include the target audience, opportunities for meeting quality leads, the credibility of the hosting organization and networking opportunities with other franchises. It's wise to conduct due diligence by asking others around the industry which expos have been most beneficial for them on all levels.

Exhibitors who get the best results tend to do some preparatory work before the expo. To set themselves up for success, several weeks before attending, they will seek out leads in the area and target them with direct mail, advertising and public relations materials, thus creating more qualified leads once they arrive and set up their booths.

For example, Greg Delks, director of franchise development for Firehouse Subs, takes several measures to set the lead-drive stage before the IFE.

"We didn't just meet the people walking the show. We sent a pre-expo e-mail invitation to our database of prospects to drive additional traffic right to our booth," Delks said. "The quality of people attending are educated and ready to buy a franchise. Nothing beats the face-to-

face opportunity of being at the IFE. It's the best way to start a relationship. We see the IFE as our chance to build long-term relationships with the best candidates to grow our business."

The most successful exhibitors also have a positive attitude at the show. Conversations with prospects or peers should showcase the exhibitor's excitement for the brand represented, as well as foster positive discussions around the franchising model in general. Prospects are attracted to and can sense genuine positive aura, so it should emanate from your booth.

Finally, follow-up activity is a huge factor contributing to expo ROI. Promptly follow up with prospects and provide requested information as soon as possible. Expectations also need to be properly set. Often, it can take attendance at multiple shows and continuous follow up to strike the ultimate deal, according to Dave Schaefer, CFE, senior vice president of franchise development, Driven Brands.

"We haven't just met with new prospective franchisees at West Coast Franchise Expo, we've met with people that we've met a year ago, six months ago who are still considering buying a

business and who have gone through our process and remain interested," Schaefer said. "We have met with folks who have been in our pipeline, and WCFE was a great opportunity to reconnect with these prospects. Either you're in the business or you're not. We're in franchising for the long haul. If we don't award a new franchisee at the expo this year, we'll get one next year."

Whether it's to increase brand awareness, meet a certain number of realistic potential prospects to start the conversation process or to seal the deal with a prospect a franchise has already been working with, expos provide an ideal environment. No matter how many conversations you've had over the phone, via e-mail or on Facebook, Twitter, LinkedIn or other social networks, nothing surpasses a straight-up, eye-to-eye conversation. However, expos are not magic bullets. Like anything else, preparation, positive attitude and diligent follow up with prospects will maximize your investment. ■

Joel Goldstein is the group marketing director at MFV Expositions, the producer of leading franchise events worldwide. He can be reached at jgoldstein@mfveexpo.com.