

THE
Lifecycle
OF A
FRANCHISE
SYSTEM

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Each step on the path presents it's own challenges and could fill pages and pages of text. The purpose of this infographic is to briefly describe each step in the cycle to allow franchise business owners (or those contemplating taking the leap into franchising), to determine at what point on they cycle they are at, and what they should consider to proceed along the path to success.



STEP 1

INCUBATION PERIOD

6 to 12 months

ASK YOURSELF "Is franchising for you?"

- Do you have the time and financial resources to devote to establishing a franchise system?
- Develop business processes and systems (this will become the operations manual)
- Ensure all registrations are in place (trademarks)
- Develop a picture of your perfect franchisee
- Develop territory strategy
- Develop a marketing plan for the franchise, and the product or service franchisees are selling



STEP 2

LEGAL DOCUMENTATION

1 to 2 months

- Drafting disclosure document, franchise agreement, confidentiality agreements
- Ensuring corporate structure is appropriate (consider a separate corporate entity as franchisor)
- Double checking all registrations are in place to commence operations



STEP 3

SYSTEM LAUNCH

- Marketing launch/Sales strategy
- Franchisee selection processes
- Supporting initial franchisees establish their business



STEP 4

EXPANSION/CONSOLIDATION

- Recruitment and establishment of new franchisees
- Develop support structures for franchisees
- Consolidate, evolve and improve systems
- Master franchising/International expansion
- Managing franchisee issues as they arise



STEP 5

EXIT STRATEGY

- Ensuring system and the critical relationships are properly documented and up to date
- Ensuring franchisee support systems are operating effectively
- Market the system to potential buyers
- Manage transition to new franchisor entity
- Manage franchisee concerns



THE NEXT STEP

Regardless of what stage your franchise business is at, Aventus can assist. From developing business systems and processes, to strict legal work, Aventus has experience in all facets of franchising.

To find out how Aventus can assist your franchise business give us a call on 1300 294 539 for an obligation FREE chat.