

# Determining How Franchisors Treat Their Franchisees

Find out by getting the franchisor to answer these five simple questions.

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How do you gauge what the franchisor/franchisee relationship is like within the system you're interested in? Can you predict whether the franchisor will respect your voice as a franchisee...or disregard you completely? While franchise relationships may be difficult to decipher, there are a few objective factors that could provide clues. Here are some questions you must ask a franchisor-and have them answer-before buying into their system:

- Is the market for the product or service of the franchise program strong, or is it declining?
- Is there an independent franchisee association in the system?
- How does the franchisor handle competition issues between its franchisees?
- What were the typical store sales last year, and what is the range of sales?
- What process has the company put in place for the governance of the system? Do franchisees have a say in the development of new products or services?