Why Your Franchisor Hates You

David Chapman

As the founder of an agency that interacts with more than 20,000 franchisees on a daily basis, I'm in the middle of the inevitable tension that exists between franchisors and franchisees as the brand expands its geographical footprint with more and more franchisees coming on board.

Consequently, we are often listening to franchisors speak about their growing frustrations managing the franchisee network.

Here's the unwelcome news first: Your franchisor hates you. Don't worry; your franchisor knows that you're the backbone of the business and whatever else you'd like to hear that would massage your ego. But, yes, your franchisor hates you, too.

Now, of course, you're thinking, how can that be? (And didn't you just write about franchisees hating franchisors?)

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Unfortunately, you all hate each other. So, if you're looking to improve your franchisor relationship, here are some of the reasons they aren't too thrilled with you.

You bought into the model – and immediately bucked the system.

Maybe you see holes in the operational approach, or you have your own ideas about pricing strategies or ways to improve the products or services offered.

But here's what your franchisor sees: Your franchisor spent a fortune creating a proven business model that works. And now you are voicing your dissatisfaction with other franchisees.

The point of investing in a franchise is that you are following a proven "cookbook" to ensure that the customer consistently enjoys the same brand experience anywhere in the world. But right off the bat, you're showing that you are going to be a distraction and detractor.

You're constantly complaining about the royalty and marketing fees.

You are constantly kicking a healthy percentage to corporate without so much as a thank you. So, yes, you're going to complain.

But here's what your franchisor sees: Nobody forced you to join; in fact, you seemed pretty excited when you first came aboard.

Royalty and marketing fees are like a tax, only instead of going to pay for local roads and schools, that money enables corporate to hire the best people, build the brand nationally and to provide you the best marketing programs and technologies in the world.

Just as nobody likes paying taxes, nobody likes paying royalty fees -- and every franchisor knows that. However, if you are constantly complaining to fellow franchisees and to corporate, you're not exactly going to create a lot of goodwill.

You aren't spending the local marketing funds per the franchise disclosure document.

You signed a franchise disclosure document, and odds are it mandates a certain amount of money be spent locally to help market *your* business. It's your responsibility to have a solid plan for how that money should be spent, and you're not doing it. You're swamped, and you can't quite see investing funds to build your brand locally when you're worried about real-time business issues.

But your franchisor sees a lot of franchisee owners complaining that franchisors don't market the brand enough. So when the franchisee doesn't do its part to implement local marketing programs, it seems self-defeating, *especially* if you complain that the franchisor needs to be doing more marketing.

You aren't promoting or protecting the brand on social media.

Your franchisor has likely established a local social media strategy and protocol. If you are inactive, you are hurting yourself by being conspicuously absent and missing out on marketing opportunities.

If you are socially active but going against the system's brand guidelines, you are destroying the essence of the brand that everyone paid dearly to be a part of when they became a franchisee. And if you aren't monitoring your online presence and responding to negative online reviews, you're killing the credibility of your brand locally.

Your franchisor sees exactly what the public is seeing: a business with terrible reviews going unchallenged by the owner or management and a franchisee that apparently has stopped caring. The reality is that not monitoring your business online is a little like having a storefront and letting mud, dust and litter collect around the door and on your sign.

You're territorial.

New franchisees are being onboarded and some of them are a little too close for comfort. You're letting your franchisor know that you are not pleased and you're undermining their efforts to add locations in the same market.

You spent a lot of money to buy into the franchise. Maybe you were on board early and, now that things are going great, the last thing you want is some newbie nearby who is going to cannibalize your sales.

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But here's what your franchisor sees: You don't want to see your market share drop. However, data indicates that as a franchise brand grows, market share and average sales per unit climbs. After all, many of the biggest and best franchises are everywhere – and that is often how they get to be the biggest and best.

Take Chick-fil-A as an example. When a brand is seemingly everywhere, people have a sense that it must be good and they'll try it eventually. In other words, having locations pop up near you is a good thing. It's good for you, just as your presence is good for a new franchise owner.

If you want to blow off steam and gripe about how hard running a franchise is, vent to a spouse, a sibling, your best friend, your therapist, your dental hygienist – anyone *but* your franchisor.

If you want to maintain a healthy franchisor-business relationship and grow your business, be an active team player. You may think of yourself as a righteous franchisee, but your franchisor will just see a cranky old guy who doesn't want kids stepping on his lawn.

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