



World-Class  
Franchise®  
2004, 2005, 2006,  
2007, 2008, 2009

Survey Report Created For:



**Joe's Deli**  
11223 Main Street  
Anywhere, US 54321

**Phone**  
1.800.123.4567  
[www.JoesDeli.com](http://www.JoesDeli.com)

SAMPLE REPORT



FRANCHISE RESEARCH  
INSTITUTE

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Dear Reader:

Not all franchise opportunities are created equal.

Great franchise opportunities don't happen by accident. It takes a World-Class CEO and senior management team that understand the complexities of running a high quality franchise system. Your success as a franchisee in large part depends upon the franchise company providing expert guidance and assistance in setting up and running your franchise business. The more effective a franchise is at sharing its expertise, the greater the chances are that any individual franchisee will be successful.

When you make the decision to invest in a franchise opportunity, you want a clear, unbiased assessment of each franchise you're considering. Likewise, as you prepare to make a major financial and personal investment, you will want to be sure that your money and time will be well spent.

While no one ever receives a perfect score, any franchise that meets the tough standards required by the Franchise Research Institute® and receives our certification is definitely worthy of your careful consideration.

Our objective is to identify and certify franchise opportunities by listening to the opinions and experience of the existing franchisees; which allows you to focus your time and money investigating franchises that have already received the World-Class Franchise® rating.

Only the best franchise companies earn the right to display the World-Class Franchise Certification SEAL which signifies a documented commitment to supporting and assisting their franchisees. It's the best assurance you can get that a potential franchise investment is a good one. The rest is up to you!

From all of us at the Franchise Research Institute, may your franchise experience be enjoyable AND profitable.

Jeff Johnson  
Founder/CEO  
Franchise Research Institute®

# THE MOST PRESTIGIOUS AWARD IN FRANCHISING!



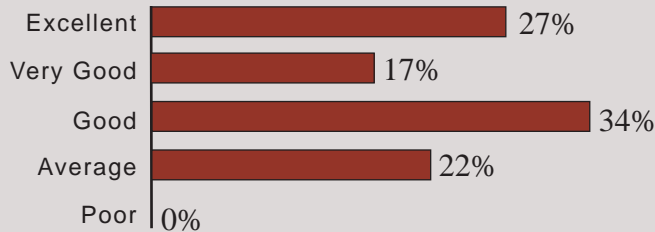
THE HIGHEST HONOR ANY FRANCHISE COMPANY  
CAN EARN IS THE ENTHUSIASTIC SUPPORT  
OF ITS OWN FRANCHISE COMMUNITY.  
JOE'S DELI HAS EARNED THAT DISTINCTION!

## World-Class Franchise® Certification Requires:

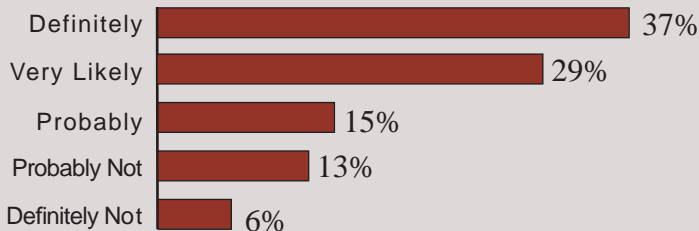
- The franchise company must allow Franchise Research Institute to contact every individual franchisee and give them the opportunity to participate in the confidential survey.
- A minimum of 70% of the franchisees must complete the survey.
- A survey is a 'snap-shot' of opinions at a specific point in time and as such it is of limited value as time passes. For that reason we require franchise companies to resurvey annually to maintain certification.
- The Franchisor must receive a positive rating from two-thirds (66%) or more of their franchisees on every one of the seven following questions: **[Quick Score\*]**
  1. In general, how would you rate the overall quality of your Franchisor?
  2. Knowing what you know now and if you had it to do all over again, would you buy this franchise?
  3. Would you recommend this franchise to a prospective franchisee?
  4. My Franchisor and I are committed to a positive, long-term relationship.
  5. My Franchisor understands that if I am successful, they will be successful.
  6. My Franchisor is a competent, skillful organization which I rely on for help.
  7. Please rate the initial training supplied by the franchisor.
- An item of constant concern is franchise companies that have been franchising for too short of an amount of time or have too few franchisees (or both) which makes it difficult to acquire enough useful data. This issue will be reviewed on an individual basis; however, it would be extremely rare to find a Certified World-Class Franchise that contained fewer than 20 franchisees that had not each been open for one year or more.

## Overall Opinion of Franchise

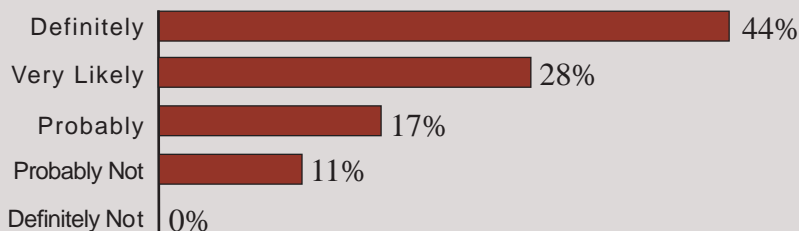
**Q:** *In General, how would you rate the overall quality of your Franchisor? (n=206)*



**Q:** *Knowing what you know now, and if you had it to do all over again, would you buy this franchise? (n=206)*



**Q:** *Would you recommend this franchise to a prospective franchisee? (n=205)*



\*(n=#) represents the total respondents who answered that specific question.

**\*Quick Score:** See page 3 of this report for an explanation of the importance of the FranSurvey® Quick Score.

## Survey Report Created for:



In one all encompassing question we ask the franchisee to rate the quality of the Franchisor. This question provides insight, without any specifics or qualifiers, about their overall impression of the franchise.

Combined scores of “excellent” + “very good” + “good” responses

**= 78%**  
**Quick Score\***

This question is extremely important when evaluating a franchise. However, occasionally a franchisee will rate this question unusually low because the concept has changed significantly since they purchased the franchise or because of personal issues.

Combined scores of “definitely” + “very likely” + “probably” responses

**= 81%**  
**Quick Score\***

We feel this question important enough to include it in the seven questions for FranSurvey Certification; when asked anonymously would the franchisee recommend the franchise. The question speaks for itself.

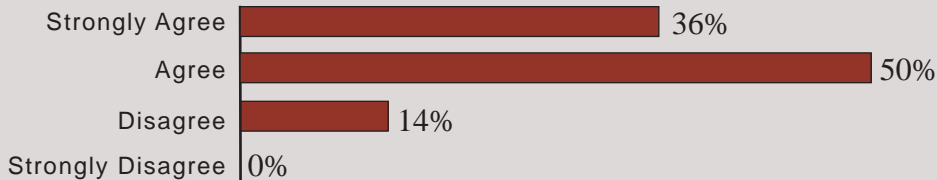
Combined scores of “definitely” + “very likely” + “probably” responses

**= 72%**  
**Quick Score\***

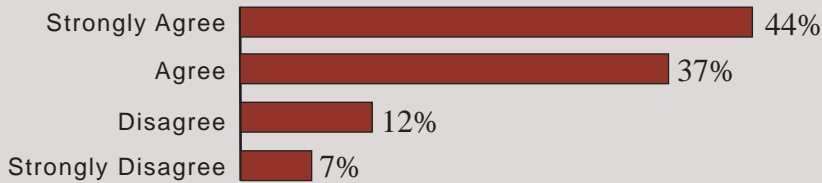


## Overall Opinion of Franchise

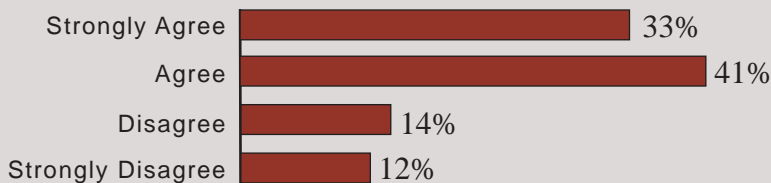
**Q: My Franchisor and I are committed to a positive, long term relationship. (n=207)**



**Q: My Franchisor understands that if I am successful they will be successful. (n=207)**



**Q: My Franchisor is a competent, skillful organization which I can rely on for help. (n=205)**



\*(n=#) represents the total respondents who answered that specific question.

**\*Quick Score: See page 3 of this report for an explanation of the importance of the FranSurvey® Quick Score.**

## Survey Report Created for:



From the point of view of the franchisee; is there a commitment on the part of the franchisee and the franchisor for a "positive", "long-term" franchise relationship?

Combined scores of "strongly agree" + "agree" responses

**= 86%  
Quick Score\***

In the most successful franchise systems there is a very clear understanding of the interdependent relationship between the success of the franchisee and the franchisor. This question measures the level of understanding of that concept among the franchisee community.

Combined scores of "strongly agree" + "agree" responses

**= 81%  
Quick Score\***

Does the franchisee believe that the franchisor has the talent and skills necessary to assist the franchisee in succeeding? It is important that the franchisor not only have the ability but that they are also looked to by the franchisees for their guidance and expertise.

Combined scores of "strongly agree" + "agree" responses

**= 74%  
Quick Score\***



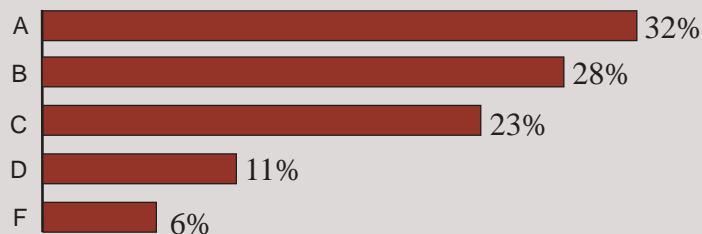
## Grade specific areas of your Franchise Relationship

**Q; ASSIGNING AN "A" THROUGH "F" GRADE, HOW WOULD YOU RATE YOUR FRANCHISOR IN THE FOLLOWING AREAS?**

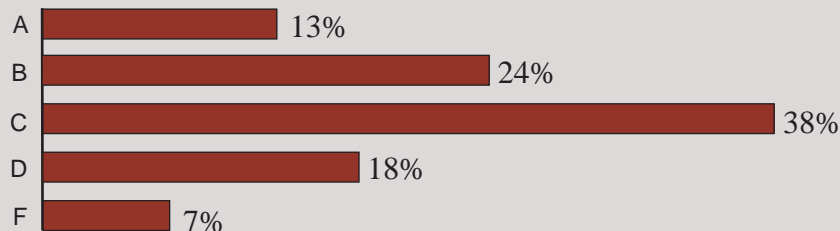
### 1. Initial training supplied by the franchisor. (n=208)



### 2. The initial opening support supplied by the Franchisor. (n=206)



### 3. The ongoing training and support supplied by the franchisor. (n=206)



\*(n=#) represents the total respondents who answered that specific question.

**\*Quick Score: See page 3 of this report for an explanation of the importance of the FranSurvey® Quick Score.**

## Survey Report Created for:



The initial training provided by the franchisor is crucial to the success of new franchisees. Every franchise provides some form of initial training and the quality of this training is of tremendous importance to high quality franchise companies.

Combined scores of  
"A" + "B" + "C" responses

**= 90%**  
**Quick Score\***

Opening support can be incredibly important to the customer receiving a positive first impression of your business. However, this depends on the franchise category and in many cases the franchisor may be required to offer little to no opening support.

Combined scores of  
"A" + "B" + "C" responses

**= 83%**  
**Quick Score\***

Again, depending upon the franchise category the importance of ongoing support and training can vary greatly. Thus, the importance of this score is relative to the type of franchise you are reviewing.

**= 75%**  
**Quick Score\***

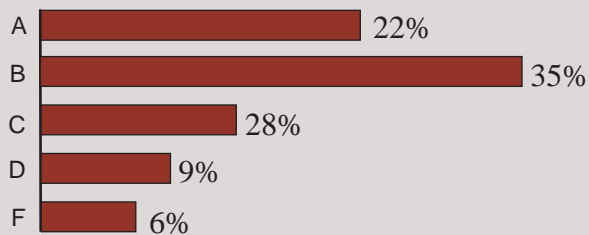


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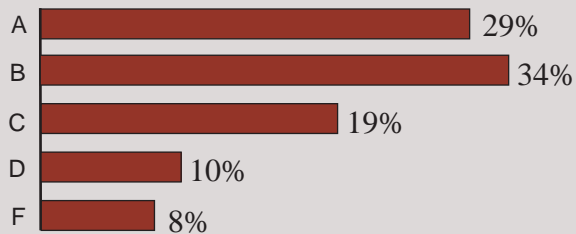
## Grade specific areas of your Franchise Relationship

**Q; ASSIGNING AN “A” THROUGH “F” GRADE, HOW WOULD YOU RATE YOUR FRANCHISOR IN THE FOLLOWING AREAS?**

**4. The helpfulness of the franchisor’s field representatives. (n=202)**



**5. The helpfulness and communication between fellow franchisees. (n=204)**



\*(n=#) represents the total respondents who answered that specific question.

## Survey Report Created for:



Almost every franchise system has individuals that are responsible for assisting franchisees when they have questions and/or problems. This question is simply designed to measure the helpfulness of these individuals.

Combined scores of  
“A” + “B” + “C” responses

**= 85%**  
**Quick Score\***

Healthy franchise systems have franchisees that work well with one another. They don't look to the franchisor to have all the answers and they feel comfortable communicating with one another, sharing information and assisting their fellow franchisees.

Combined scores of  
“A” + “B” + “C” responses

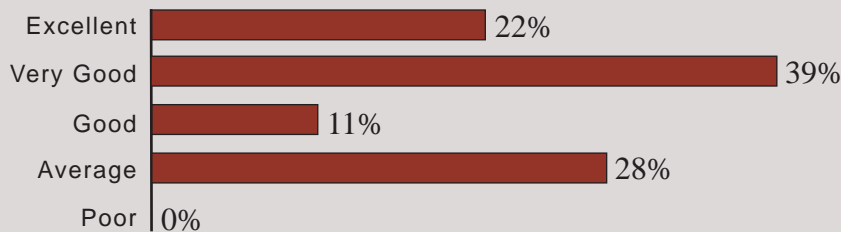
**= 82%**  
**Quick Score\***



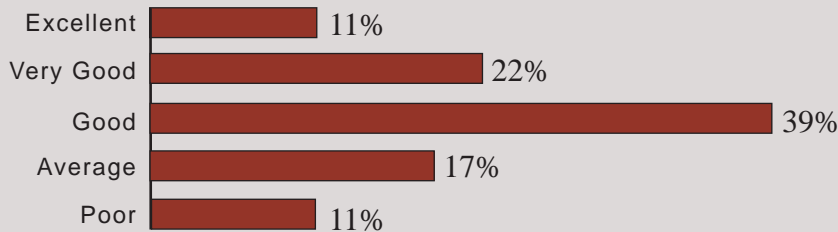
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## Overall Opinion of Franchise

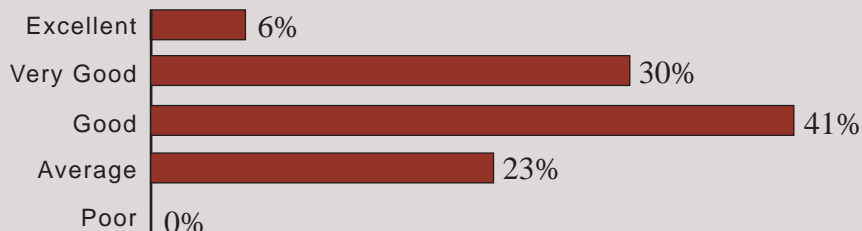
**Q:** *How would you rate the quality of products and/or services received from your franchisor? (n=207)*



**Q:** *How would you rate the quality of new product and/or service introductions supplied by your Franchisor? (n=208)*



**Q:** *How would you rate the overall communication between home office personnel and franchisees? (n=206)*



## Survey Report Created for:



The question does depend on the individual franchise category being reviewed however in most systems you receive "some" products and/or services directly from the franchisor. This question simply asks the current franchisees to rate the quality of these products and/or services.

Combined scores of "excellent" + "very good" + "good" responses

**= 72%**  
**Quick Score\***

The same question as the previous one only directed towards "new" product and/or service introductions. Again depending on the franchise category there may be few if any "new" product and/or service introductions.

Combined scores of "excellent" + "very good" + "good" responses

**= 72%**  
**Quick Score\***

We believe communication is a critical aspect in franchising. The franchisee must depend on the franchise company to provide expert guidance and assistance in setting up and running their franchise business. The more effective a franchise is at sharing its expertise, the greater the chances are that an individual franchisee will be successful.

Combined scores of "excellent" + "very good" + "good" responses

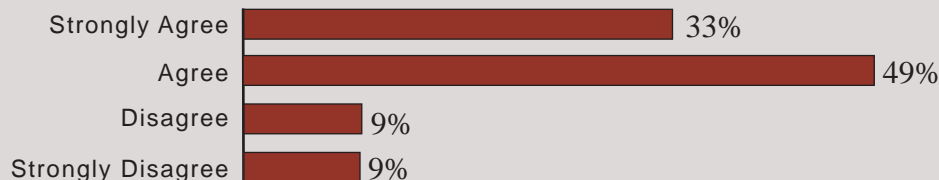
**= 77%**  
**Quick Score\***



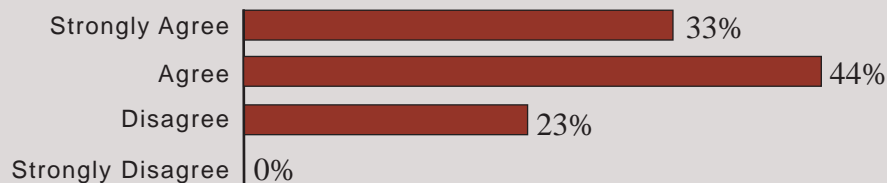


## Franchise Opportunity Provided

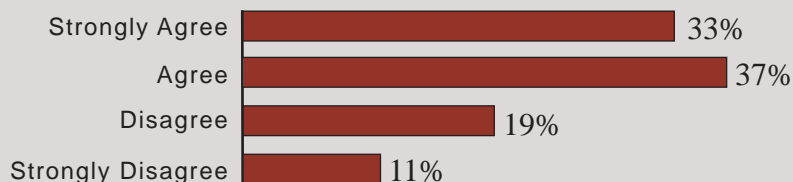
**Q: My Franchisor responds in a timely way to my questions and minor problems. (n=206)**



**Q: I am able to communicate directly and effectively with senior management. (n=208)**



**Q: My Franchisor encourages high standards of quality performance throughout the organization. (n=202)**



## Survey Report Created for:



We find that questions and minor problems are inevitable in any dynamic business venture. Successful organizations find ways of dealing with these issues so that they don't affect the productivity of the "franchise team" as a whole. This question measures the franchisee's perception of the effectiveness of the franchisor's ability to solve these types of problems.

Combined scores of "strongly agree" + "agree" responses

**= 82%**  
**Quick Score\***

As we measure high quality franchise organizations one thing always stands out and that is the ability of franchisees to feel that they can directly interact with senior decision makers.

Combined scores of "strongly agree" + "agree" responses

**= 77%**  
**Quick Score\***

High quality franchising requires high standards throughout the system and the leadership for these standards starts at the top.

Combined scores of "strongly agree" + "agree" responses

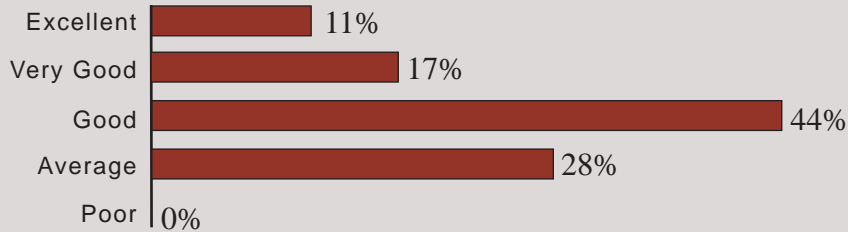
**= 70%**  
**Quick Score\***



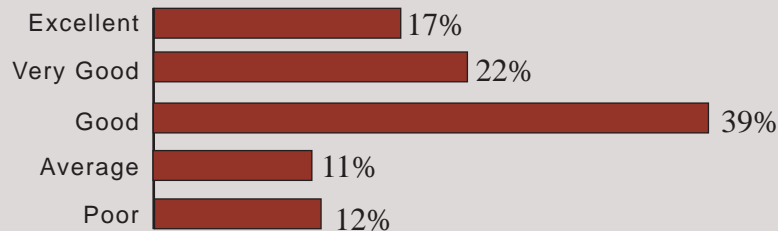
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## Franchise Opportunity Provided

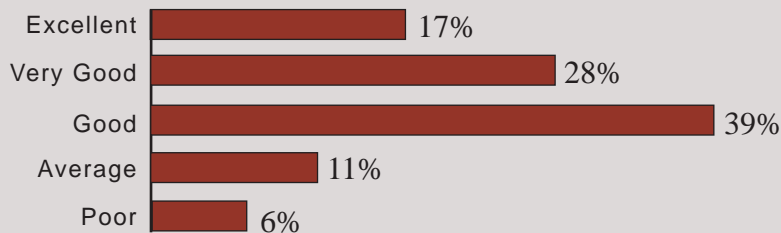
**Q: In general, how would you rate the opportunity provided by this franchise system? (n=207)**



**Q: The long term growth potential for my business is: (n=206)**



**Q: How would you rate your franchise business compared to the local competition? (n=208)**



## Survey Report Created for:



Without any qualification, in general how the franchisee rates the overall opportunity of the franchise they have chosen tells us a great deal; especially when considered along with the next two questions.

Combined scores of "excellent" + "very good" + "good" responses

**= 72%**  
**Quick Score\***

Now we ask about the franchise opportunity but qualify the question and focus on long term growth potential. This offers terrific insight as to the franchisees perspective on this very important topic.

Combined scores of "excellent" + "very good" + "good" responses

**= 78%**  
**Quick Score\***

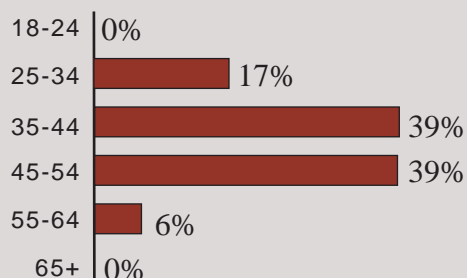
Once again we focus on the opportunity provided by the franchise but ask the franchisees to rate their franchise business compared to local competition. The two most important components to investing in a franchise are 'Brand Awareness' and the 'Operating System'.

Combined scores of "excellent" + "very good" + "good" responses

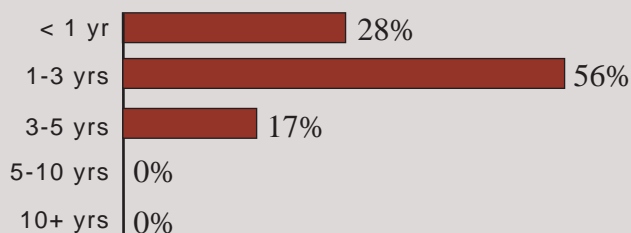
**= 84%**  
**Quick Score\***

## Personal Profile

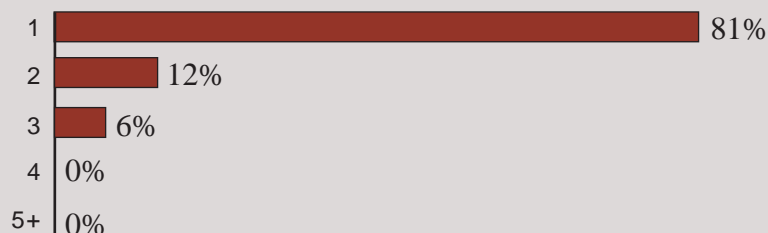
**Q: Which age group do you fit in? (n=208)**



**Q: How long have you owned this franchise? (n=206)**



**Q: How many stores, outlets or territories of this franchise do you own? (n=208)**



## Survey Report Created for:



We ask five franchisee demographic profile questions. These five questions are intended to give the prospective franchise investor an overview of what the franchisees of this system "look like". 1. How many franchisees fall into the different age groups 2. How long have franchisees owned the franchise 3. How many stores, outlets or locations of this franchise do these franchisees own 4. Prior to opening this franchise, how much business experience (not business ownership experience) did the individual have and 5. The level of education the individual franchisee has obtained.

We understand that there are an endless number of questions that could be asked of franchisees in this area. However, our mission is to obtain the most useful information, certify the best franchise opportunities based on the experience and opinions of the franchisees and not bury the franchise investor with useless information.

This is only one very important step in the due diligence process. If existing franchisees are supportive of the current franchise relationship and the support services provided by the company and excited about the future of their franchise business...you have found an opportunity definitely worth further investigation.

## Personal Profile

Survey Report Created for:



**Q:** *Prior to opening this franchise my business experience could best be described as? (n=207)*

Little to none	6%
Part-time or volunteer work	6%
2-4 years of entry level management	11%
5-10 years of middle management	17%
More than 10 years of business experience	61%

**Q:** *What was the last level of school you completed? (n=206)*

Some High School or less	0%
High School Graduate	6%
Some college or current college student	22%
College graduate or beyond	72%

## Methodology

**FranSurvey®** sent a study-solicitation notification, to all two-hundred fifty-four (254) Joe's Deli franchise owners. The study was completed in January 2009. Joe's Deli personnel gave franchisee contact information to **FranSurvey®**. The notification included the URL (web address) of the **FranSurvey®** franchisee satisfaction online survey as well as a numeric "pass code" to insure no duplication of responses.

Franchise owners were encouraged by the company and by **FranSurvey®** to complete the survey and were assured that their individual responses to the questionnaire would never be revealed to anyone outside of **FranSurvey®**, including Joe's Deli management.

Franchisees logged onto the online survey questionnaire, entered their individual "pass code", completed and submitted the survey. Two-hundred eight (208) of the two-hundred fifty-four (254) total franchisees, or 82%, responded and took the survey. **FranSurvey®** has no reason to believe that non-respondents answers would vary substantially from those of respondents.

The maximum error range on this study is plus or minus 0.9% at the ninety five percent confidence level.

On our reports we offer a "**Quick Score**"\* for 7 questions, which is the total of the positive scores. Based on our experience and after surveying thousands of franchisees, we require a minimum baseline grade of 66% or two-thirds of the franchisees. Simply stated, "You can't please all the people all the time". But, it is reasonable to expect that a minimum of two out of three existing franchisees would rate a good opportunity positively on all seven of these questions.

\*Note: Franchise Research Institute® does not endorse any franchise companies. Investing in a franchise is an important decision. Franchise Research Institute research services are intended to provide basic, high-level information about franchise opportunities from current franchisees and should not replace the standard due diligence performed by any investor. Franchise Research Institute recommends that prospective franchise buyers consult a lawyer, accountant, and/or other professionals before signing any franchise agreement. See terms and conditions on World-ClassFranchise.com for more information.

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Investigate . Inquire . Invest



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