

Why are Serious Franchise Leads So Hard to Find?

How to Find Serious Leads

One of the questions we hear repeatedly is “How do you find interested/serious/qualified leads”. The most common methods in use today involve some combination of...

- ▶ Employing or hiring call screeners to do basic qualification of inbound leads from various sources. So essentially, “dialing for dollars”
- ▶ Purchasing, often expensive, leads from third-party firms that do more detailed candidate qualification before selling them to you. So, in theory, they are sending you pre-screened leads that have the resources to become a franchisee somewhere, although rarely is a detailed background check part of the screening process
- ▶ Adding additional questions on inbound lead forms or call centers from mass media advertising, social media or franchise portals that require additional background and/or financial responses
- ▶ Referrals from trusted professionals in the franchise/financial/real estate industries’ ecosystems

Regardless, the primary reason actionable performance from all these lead sources remains spotty is that often a lead isn’t ready to decide one way or another. They are “early stage”. But they are “interested”. Right? So, you put them into your pipeline and hope for the best. The franchise industry knows there’s always needles in that haystack. But the needles have become more expensive and harder to find over the past decade.

Now to be clear, we’re not talking about well-known regional or national brands or emerging brands that catch fire. That’s a small number of better-known franchise opportunities. This whitepaper is for everyone else:

- 1. Newly minted franchisors**
- 2. Confident brokers making leaps above \$100K in commissions annually**
- 3. Emerging brands that need to move from “friends and family” deals that fall in love via visits to early locations or know someone they trust to deals with “strangers” relatively unfamiliar with your brand.**

Let's examine the pros and cons of each method of finding serious leads

Employing or hiring call screeners to do basic qualification of inbound leads from various sources. So essentially, "dialing for dollars"

During the Gold Rush of 1848-1855, over 750,000 pounds of gold were extracted. Over 300,000 people migrated to California, the largest mass migration in US industry. However, very few of those "gold hunters" struck it rich. The people who did strike it rich were those that sold services to all those hopeful gold hunters.

The gold rush is analogous to "dialing for dollars". Hoping you'll find enough nuggets to grow your franchise brands and broker practices. The reality is that you're panning for gold in the same stream as your richer, more established competitors. What are the odds that, with limited resources, your new or relatively unknown brand or broker business will break through if you do the same thing as most of your competitors?

Can you outsmart them?

Purchasing, more expensive, leads from third-party firms that do more detailed candidate qualification before selling them to you. So, you hope these "leads" have the resources to become a franchisee somewhere

Due diligence is the key to finding serious leads from these firms. They come in all stripes: great, good, mediocre and terrible. Our experience informs that testing and tracking results is the best way to determine a path forward. The goal is to find firms that can regularly produce actionable leads (i.e. act on a typical opportunity in the next 12-15 months). Paying large sums for leads that must be "educated" and "nurtured" can tack months onto that lead's potential value to you. Could be worth it, but the stakes are higher for less established franchisors and brokers.

Some questions to consider:

- ▶ *Can you get references?*
- ▶ *How long do clients stay?*
- ▶ *What's the average annual budget for a "good" client*
- ▶ *Can you find "word of mouth" references amongst your colleagues?*
- ▶ *Do you have the money (these leads can generally cost several hundred dollars each) to generate the leads you need to grow your business this way?*
- ▶ *Do you have the time horizon needed to "test and learn" which of these firms should be your partners?*

Your competitors are using these firms too.

Can you squeeze out your share of serious leads?

Adding additional background and/or financial questions on inbound lead forms or in/outbound call centers scripts that result from mass media advertising, social media or franchise portal advertising

The major downside for adding additional fields to lead forms is that it reduces the number of leads submitted whether from a website, portal or other advertising source. The more you ask a lead to disclose, the greater the chance they do nothing. Most leads are in early research. We recommend these first touches via text, email, etc. facilitate a preference for your franchise brand or company.

Get these leads to “fall in love” with your franchise brand’s potential and watch as the online content they access and the amount of time they spend on your website increases. Engagement with you will follow for those that see themselves fitting into your world.

Think of it like dating. You’re attracted to someone. You don’t propose or ask to meet their family on the first date. It’s a courtship. Courting strangers helps them fall in love with unfamiliar brands. If they don’t feel the love, then things stall out before you even have a chance to get started.

This debate cuts both ways. Some brands or brokers only want to speak with people that have already made the decision to invest. Asking for disclosure is a compliance step in their process since they must make do with limited human resources and time.

However, our experience shows that educating and nurturing leads, in lieu of pushing them, has a short, medium and long-term payoff. But you’ve got to be able to track the leads showing serious interest while they’re doing their initial research. In fact, our metrics of some 15 years, show that 20% of your future deals will come from a lead acquired in a previous year if you stay in touch.

Pushing too early can take you out of not only current consideration, but future consideration as well.

Can you track your lead’s serious interest?

Referrals from trusted professionals in the franchise/financial/real estate industry ecosystems

In our experience, these can be the strongest lead sources of all. Much is dependent on your referral partner’s active engagement in the franchise industry. The trick is to cultivate these sources, so you learn about opportunities early enough in a lead’s research cycle so you can become involved in the conversation.

The other consideration about relying on referrals from any source is your reliance on luck, good timing and circumstances generally out of your control. The deeper your network, the more likely you’ll be able to predict the number of referrals that will come from various sources. Another approach is to simply build and work your referral network but not rely on any deal estimates in planning your business strategy. Anything that happens is like a bonus.

It takes a great deal of time to build and nurture a referral network. Is this the best use of your time when you're trying to build your franchise brand or your brokerage? Or is the risk higher than the reward?

What is the consideration stage and qualification of the referrals you receive?

How We Help Brand Business Developers and Franchise Brokers Find Serious Leads

As described above, most of the traditional methods of finding serious leads are problematic in different ways. After many years of trial and error, we've developed an integrated pipeline management methodology that overcomes many of these issues. It allows franchise brands and brokers to first, identify leads showing serious interest in a brand story; and second, lavish your time and attention on these people.

Our pipeline management theory is simple: if we can help you find and talk with more of the right people (i.e. serious interest) do you think you could do more deals?

Focusing on serious leads doesn't mean you stop calling leads. Our methodology helps you prioritize that effort. For example, if a lead hasn't opened the first few emails you've sent or visited your website, then you don't prioritize contacting them.

Franchise Pipeline Solutions Uses 3 Means to Determine Serious Interest

We've developed several proven contact methodologies that complement this approach.

Email and Website Behavior Tracking and Analysis

Our integrated system tracks behavior from email to your website (browsing, downloads, video views, etc.) which enables you to watch your leads "fall in love" with your story. Our algorithms award different scores to different actions. For example, a downloaded e-book is a more valuable action than a page view. When a lead's behavioral scores reach higher and higher inflection points, they get prioritized differently by the development team or broker.

Emotional storytelling via your automated emails, text messages and on your website is all designed to build trust, confidence and credibility in your franchise brand or business. The goal is to set the hook for the courtship to begin.

In general, our goal metrics call for lead sources to produce 8%-10% of leads that show serious interest. Referrals are about double that. Social media much lower (2%-4%). The better your lead source is at targeting the ideal demographics of your ideal franchisee, the better your results. But lesser known franchise brands/brokers should be able to achieve these results if your story emotionally draws in your targeted lead.

▶ Leads Automatically Book Calls with You if You're Telling a Great Story

When you emotionally connect with “strangers” (leads generally unfamiliar with your brand) they begin their early research phase. Many voraciously consume your content via email and on your website. Their behavior scores rise. Many of these now serious leads will contact you directly via our integrated auto appointment scheduler that virtually eliminates phone tag.

These leads will have ample opportunity to schedule their calls with you. Every email, every text message and your website all have “Schedule Call” buttons or links that make your calendar one click away. When you analyze leads that auto schedule their Intro Calls, you'll find both low, medium and high behavioral scores. Over the years, we've learned that talking to people who want to talk to you is never a bad idea. In 10 minutes, a business development pro can qualify the right people for advancement and bucket the rest for active nurture or disqualify them.

Generally, between 3%-5% of leads will automatically schedule an intro call with you. Our integrated system has numerous email and text reminder templates to improve call compliance. In fact, typical call compliance runs between 65% and 87% if you keep your call appointment in front of them.

▶ Leads Who Text You Questions

Since almost everyone is married to a smartphone today, text messaging plays an increasingly important role in connecting with leads. Our system not only sends automated email with your story but complements those emails with intelligent text messages based on your lead's actions or lack of action.

Even an early stage serious lead is reluctant to make quick contact with a brand or broker. But there's a group of leads that doesn't think twice about texting questions to you. Why? Because they're in control of the dialogue at this early juncture. A prompt response begins to earn their trust.

After almost four years of integrating text messaging into our pipeline management system, we've observed the following:

- ▶ **People who text generally skew younger or are tech savvy**
- ▶ **People who text you represent between 2%-3% of your leads helping you know which channel they initially prefer**
- ▶ **Conversion of texters to scheduled Intro Call runs between 30%-60%. This wide range in dependent on the timeliness and quality of their experience communicating with you this way**

Franchise Pipeline Solutions specializes in integrated business development pipeline management systems exclusively for small and emerging franchise brands and growing franchise brokers. Our systems identify leads showing "serious interest" in a brand story helping focus valuable relationship-building time on more of the right types of people.

Our system integrates 1:1 and group text messaging, advanced marketing automation (combining email and text), behavioral tracking and scoring (some actions are worth more than others), auto call scheduling to eliminate phone tag and a world-class CRM to handle incoming leads plus candidate task and sales communication management. Our systems do so much more than a simple CRM, while eliminating the confusion, clutter and complexity of other systems.

Download a [virtual demo for franchise brands](#) or a [virtual demo for brokers](#) or simply [schedule a chat](#) to learn more.