

FranchiseBusinessREVIEW

Ratings and Reviews of the Best Franchise Opportunities by Franchisees | 2016

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TOP LOW-COST FRANCHISES

Under \$100K Opportunities Ranked Highest by Franchisees Who Own Them

Janice Sinardi, a Cruise Planners franchisee since 2008, runs her business out of her home.



A Personal Experience Led The Gilberts to Purchase a Senior Care Authority Franchise

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The List: Best of the Best Low-Cost Franchises

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Murphy Business & Financial Enabled Peggy Kragh to Pursue A New Career

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How Low Can You Go?

I love to get something of quality for a bargain. Who doesn't? The important word to focus on here is "quality", particularly if you are considering purchasing a low-cost franchise.

There are hundreds of low-cost franchises to choose from, business opportunities that require an initial investment of \$100,000 or less. They cover a variety of industries including home maintenance, business consulting, fitness, and travel services. There truly is one for every interest. The challenge is knowing which ones are worth investing in and which are a good fit for you.

In this special report, we highlight how to identify a quality franchise and feature helpful insight from franchisees and franchisors, as well as a list of top low-cost franchises with the highest owner satisfaction ratings in their industries (see page 6). If you're serious about owning your own business, this report is a great place to start your research.

For additional resources including brand-specific satisfaction reports, franchisee profiles, and our FBR Franchise Buyer's Toolkit, be sure to visit www.FranchiseBusinessReview.com.

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Informed franchising is happy franchising,

Emma Pearson, Editorial Director

FranchiseBusinessREVIEW™

Sharing the franchise experience

Franchise Business Review is the leading national franchise market research firm that performs independent surveys of franchisee satisfaction and franchise buyer experiences. Before you invest in any franchise opportunity, read our reports to get the facts from those who know best—franchisees. We publish six annual research reports: Guide to Today's Top Franchises, Top Senior and Child Services Franchises, Top Low-Cost Franchises, Top Home Services Franchises, Top Food Franchises, and Top Franchises for Veterans. All are available for free at FranchiseBusinessReview.com. To see our list of the top 200 franchises according to the franchisees who own them, visit FBR50.com.

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ABOUT OUR RESEARCH

Participation in Franchise Business Review's franchisee satisfaction research is free for all North American franchise systems with a minimum of 10 franchisees. For this report, we surveyed approximately 11,000 franchisees representing 125 low-cost brands between November 2015 and April 2016. We asked each franchisee to answer 33 benchmark questions ranking their franchise in the areas of financial opportunity, training and support, leadership, operations and product development, core values (e.g., honesty and integrity of franchisor),

general satisfaction, and the franchisee community. We also asked them to answer an additional 16 questions about their market area, demographics, business lifestyle, overall enjoyment running their franchise, and role in the franchisee community. From this data, we identified our list of top food franchises with the highest franchisee satisfaction. **Surveys to determine the Top Franchises for 2017 are underway.** If you are a franchisor and would like to participate, please call 866-397-6680 or contact info@FranchiseBusinessReview.com.



Expedited Profitability and Less Debt: Lower start-up costs combined with less overhead increases your chances of achieving profitability faster. Higher cost franchise opportunities, which are usually more expensive to run and may require larger loans, typically take much longer to generate a return on your investment.

“The low overhead that comes with owning a home-based franchise is a huge advantage,” says Thomas Bunchman, CEO of **JumpBunch**, which offers sports and fitness activity programs for children. “The funds that would have to be used to pay for rent, electricity, water, and maintenance somewhere else instead go towards direct revenue generation.”

Easier Scalability: If you aren't buried in debt and are making a good profit, you may well have the funds needed to purchase additional locations or territory. Based on our current research, the median annual pre-tax income of multi-unit franchisees is \$88,000, with 29% earning over \$150K and 16% earning over \$250K. By contrast, only 11% of single-unit franchise owners earn more than \$150K and only 4% earn over \$250K.

Recession Resistant: Since they typically do not to require expensive overhead and lots of staff, low-cost franchises tend to have a better chance of surviving through challenging economic climates. This is particularly true of those that fulfill non-optional needs such as senior and childcare services, as well as automobile and home maintenance.

More Location Choices: The majority of low-cost franchises are service businesses that can be run out of a home office. Some franchisees can run their business from anywhere with Internet access.

Flexible Hours: Since it's likely you won't have a brick-and-mortar location that requires someone to be on-site, you can answer client calls while watching your children play sports and schedule client appointments around other things that are going on in your life. Even though your hours may be flexible, you are going to have to work very hard to make your business a success.

“I put in about 45 hours of office time during the week, go home and coach sports with my kids, then spend a few more hours at night on

business activities,” says Wilson of Window Genie. “The first few months of business were much more hectic. I now have a good rhythm to the week.”

WHAT TO CONSIDER PRIOR TO INVESTING IN ANY FRANCHISE

Regardless of the investment range, deciding to invest in a franchise business necessitates extensive due diligence. There are specific things to look for.

“A prospective franchisee should be looking for a franchisor that has a good history or reputation of proven support within their franchise system,” says **MaidPro** CEO, Mark Kushinsky. “A franchisor should supply their franchisees with personalized business and marketing strategies, industry leading technology, top-of-the-line sales teams for franchisees' prospective clients, and round-the-clock help for the day-to-day questions.”

“The number one ‘must have’ is fantastic training. The reason you're buying a franchise is to follow a proven system and the only way to do so is to get the proper knowledge and training that is crucial to succeed once you open your doors for business,” says Dave Claflin, President of Franchise Development at **Fastest Labs**. “Second is ‘culture.’ Every business has its own personality, so you must make sure you fit into the culture of the franchise team. You're essentially entering a marriage when your purchase a franchise, so you want to make sure that you have fun and can enjoy the next chapter of your working career.”

Talking with existing franchisees and reviewing a brand's franchisee satisfaction survey results will provide you many insights into a specific franchise company. The following are a few key things you should also consider before signing any franchise agreement. With the exception of franchisee satisfaction insight, the information can be obtained from a franchisor's Franchise Disclosure Document (FDD), which outlines what the franchisor will do for you, what they will expect of you, financial information, information about franchise performance, and contact information for current franchisees as well as those that have recently exited the system. An in-depth breakdown of an FDD is presented via on-demand video segments within our FBR Franchise Buyer's Toolkit.

FEATURED Franchisee



Steve and Katy Gilbert

Senior Care Authority
Phoenix Metropolitan Area
and Northern Arizona
Franchisees since June 2015

What was it about the franchise model that led you to purchase it?

We have a combined 45 years of experience in social services, healthcare, and business services. When we looked through the lens of our professional knowledge at our own experience trying to find the right care for family members, we felt there must be a much better way for assisting seniors in their journey through their later years. During our research we came across Senior Care Authority, which is an assisted living, dementia and residential care placement service franchise. In addition to being able to provide us with the tools to make a positive difference in the lives of seniors and their families, its belief system aligned with ours. We knew we had found the perfect fit.

What things do you like most about your job?

After we place a senior and they and their family are happy with their new living arrangements and care, it is extremely satisfying. We know we helped them find a home away from home they wouldn't have been able to find otherwise.

How did you fund your franchise?

Our franchise was funded through a 401K Rollover Plan. There was a reduction on purchasing more than one territory up front that we benefitted from.

What advice do you have for prospective franchise buyers?

As a new franchisee, be prepared to fill multiple roles—everything from answering phones to outlining strategy. Each role is important and letting one slip can be very disruptive to the flow of your business. Prioritize and focus on building relationships first. Hire support for specific functions like administration as soon as you are able to.



Senior Advocacy and Living Source

For more information on Senior Care Authority opportunities, call (888) 809-1231 ext. 2 or visit www.SeniorCareAuthority.com/franchise.

Continued on page 10.

THE LIST

Best of the Best: Top Low-Cost Franchises

“Great brand, and fulfilling work that offers meaningful memories and a creative outlet for guests. Very supportive franchisees and responsive back office support.”

— Pinot’s Palette Franchisee

	Survey Date	Startup Investment	Cash Requirement	Total Units
Miracle Method Surface Refinishing Bathroom & kitchen remodeling	Jan. 2016	\$75,000 – \$138,000	\$55,000 – \$120,000	137
* Murphy Business & Financial — <i>more on p. 11</i> Business brokers	June 2016	\$57,525 – \$116,650	\$50,000	189
Office Pride Commercial cleaning services	Oct. 2015	\$51,400 – \$100,100	\$51,400	134
* Our Town America — <i>more on inside front cover</i> Advertising services	Sep. 2015	\$74,800 – \$105,450	\$75,000	58
* Padgett Business Services Financial & Tax	Dec. 2015	\$99,975 – \$99,975	\$99,975	368
* Painting with a Twist Paint & sip	Feb. 2016	\$94,300 – \$131,800	\$25,000	216
* Payroll Vault Payroll services	July 2016	\$42,000 – \$69,000	\$50,000	27
* Pillar To Post — <i>more on p. 20</i> Professional home inspections	Aug. 2015	\$33,150 – \$42,550	\$25,000	530
* Pinot’s Palette Painting class	April 2016	\$76,600 – \$196,600	\$50,000	188
PropertyGuys.com — <i>more on inside front cover</i> Real estate	June 2016	\$45,000 – \$92,000	\$55,000	110
Rhea Lana’s Children’s consignment	Feb. 2016	\$16,050 – \$33,050	\$8,000 – \$10,500	80
Right at Home In-home senior care	Feb. 2016	\$78,150 – \$131,650	\$150,000	520
Rooterman Plumbing & drain cleaning services	July 2016	\$46,750 – \$137,600	\$18,000	583
* Sandler Training — <i>more on p. 19</i> Business consulting & coaching	Oct. 2015	\$88,150 – \$105,750	\$73,000	258
* Senior Care Authority — <i>more on p. 7</i> Assisted living placement services	May 2016	\$52,350 – \$78,150	\$50,000	21
Service Team of Professionals Restoration services	March 2015	\$78,600 – \$138,500	\$56,000	33
ShelfGenie Shelving solutions	July 2016	\$70,100 – \$125,250	\$70,000	179
Showhomes Home staging	Jan. 2016	\$45,300 – \$78,000	\$10,000	55
Sit Means Sit Dog training	April 2015	\$45,000 – \$93,850	\$45,000	82
* Soccer Shots Youth sports	Dec. 2015	\$31,742 – \$38,500	\$29,500	183