

MEDIA RELEASE
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NEW RESEARCH TELLS WHAT MAKES FRANCHISE BUYERS TICK

New Australian research looking into the reasons why someone would leave their job and buy a franchise shows financial factors and field support are key drivers in the decision-making process.

The study uncovered the key drivers critical to purchasing a franchise were local area marketing budgets and mentoring from support staff. Franchisors looking to sell franchises in an environment of low unemployment and rising employee salaries need to take these factors into account when selling to potential franchisees who are currently salaried employees.

Encouragingly, 71 percent of people looking into Franchising want to be a franchisee rather than a salaried employee but 78 percent need three to 12 months to research their decision.

Market intelligence firm and survey author 10 THOUSAND FEET surveyed over 570 prospective franchisees for the *2007 Franchisee Recruitment Report* in March 2007 during the Sydney Franchising Exhibition.

Franchise Council of Australia (FCA) has thrown its support behind the Report believing it contains information every franchisor should have at their fingertips to extend their business network and target potential franchisees well.

According to FCA CEO Richard Evans there is no doubt the franchising sector is creating wealth for the Australian economy. Already there are over 960 franchise systems with franchisees employing some 700,000 Australians in over 72,000 workplaces. Generating the equivalent of 14% of GDP – it's an important sector.

"The intelligence uncovered in the 2007 Franchisee Recruitment Report is vital for every franchisor looking for the most effective and targeted way to communicate to potential franchisees. In the current economy, recruiting quality franchisees is very competitive and franchisors need to have messages that cut through the clutter. This Report arms them with the latest facts and provide insights into key motivating factors," Evans said.

According to 10 THOUSAND FEET's Managing Director Ian Krawitz, the Report looks at a wide range of issues related to franchisee recruitment in the current Australian marketplace, uncovering vital nuances that every franchisor needs to understand to make the most of their marketing push in a highly competitive marketplace.

"Selling franchises is an important part of the ongoing development of any franchise business. What the *2007 Franchisee Recruitment Report* has uncovered is there are different motivating factors for people looking to buy a franchise," he said

The Report also has data on the demographics of prospective franchisees, how many hours per week they are willing to work, how much they are willing to spend on a franchise business and what type of franchise they are most interested in (21% want a food franchise).

"What franchisors need to appreciate is the market is not homogenous. Different messages are required for different audiences and the marketing needs to have a long term focus."

Endorsed by the Franchise Council of Australia, the 2007 Franchisee Recruitment Report is in its second year and has already pre-sold 65 percent of the total sales compared to 2006. For more information or to purchase a copy for \$660 (ex GST) please call 10 THOUSAND FEET on 02 8080 7544 or visit www.10THOUSANDFEET.com.

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