

Winter 2014 Franchise Business Network Meeting The Next Stage of Growth: Are You and Your Business Ready?

January 16, 2014

Agenda

Welcome and Introductions

Joel Buckberg, Of Counsel

Baker Donelson

Speakers:

Mark Carlson, Corporate/Merger & Acquisitions Practice Group Leader

Baker Donelson

Jason Meadows, Nashville Office Managing Partner

Frazier & Deeter

Turner Gaw, Vice President, Small Business Lending

First State Bank

Glenn Carver, Ambassador of Attitude

**Mark A. B. Carlson**

Shareholder
Atlanta
Phone: 404.589.3400
Fax: 404.238.9711
mcarlson@bakerdonelson.com

Mark A. B. Carlson, shareholder in the Firm's Atlanta office and leader of the Firm's Corporate/Mergers & Acquisitions group, helps his clients to structure, negotiate and execute middle market M&A deals, joint ventures and other business combinations as well as general business transactions. Mr. Carlson's industry experience includes transactions and strategic initiatives in wireless technology, manufacturing, private equity, financial services, medical devices and international transactions.

After law school, Mr. Carlson initially worked as a strategy consultant for a leading management consulting firm in Boston, and he has served as senior in-house mergers and acquisitions counsel for a large international infrastructure corporation based in San Francisco.

Recent Representative Matters

- Represented private equity group in multiple acquisitions of businesses in the wireless sector.
- Represented business with U.S. and Chinese operations in partial sale of business to private equity group.
- Represented Indian corporation in the acquisition of a U.S.-based medical device manufacturer.
- Represented pharmaceutical company in negotiation of multiple licensing and manufacturing arrangements.
- Represented U.S.-based chemical manufacturer in negotiation of licensing and production arrangements in India and various European Union member states.
- Represented green technology emerging company in capital raising initiatives and other business transactions.
- Represented private equity group in all aspects of fund formation and investor solicitation for various investment funds as well as negotiation of multiple credit facilities.

Publications & Speaking Engagements

- Panelist – "Dispositions and Divestitures," Southeastern M&A/Private Equity Forum 2013

- Guest on "[Special Edition: TiE Atlanta](#)," Atlanta Business RadioX, Atlanta, Georgia, September 2013
- Panelist – "Super Entrepreneur Secrets: VC Rounds," TiECON Southeast 2013
- Panelist – Global Center for Medical Innovation 2012 Education Series: Funding & Exit
- Author – "Business Due Diligence Challenges in Successful Lower Middle Market M&A Transactions," *Inside the Minds: Business Due Diligence Strategies*, 2011 edition
- Speaker – "Seller Financing in M&A Transactions," IBBA/M&A Source 2009 Conference
- Speaker – "2008 Outlook for Private Equity Middle Market Mergers & Acquisitions," University of Chicago Graduate School of Business
- Speaker – "Advanced Solutions to Closing Risk-Challenged Deals," IBBA/M&A Source 2008 Conference
- Speaker – "Legal Considerations in Buying/Selling a Business," Tennessee Society of Certified Public Accountants
- Speaker – "Legal Considerations for the Entrepreneur," FedEx Institute of Technology

Professional Honors & Activities

- Listed in *The Best Lawyers in America*[®] in Securities/Capital Markets Law, 2012, 2013, 2014
- Listed as a top Corporate/M&A lawyer in Georgia by *Chambers USA: America's Leading Business Lawyers*, 2013
- Selected as one of "Georgia's Legal Elite" in Corporate Law by *Georgia Trend Magazine*, 2012
- Member – Leadership Atlanta, Class of 2011
- Member – Wireless Technology Forum, 2013 to present
- Member – Bioscience Leadership Council of the Metro Atlanta Chamber of Commerce, 2010 to present
- Advisory Board Member – National Association of Corporate Directors, Atlanta Chapter, GA, 2008 to present
- Member – Association for Corporate Growth, Atlanta Chapter, 2008 to present
- Founding Board Member – Promise Academy Charter School, Memphis, TN, 2004 – 2008
- Named to *Memphis Business Journal's* "Top 40 Under 40", 2007
- AV[®] Preeminent[™] Peer Review Rated by Martindale-Hubbell

Admissions

- Georgia, 2008

- Tennessee, 2004
- California, 1998
- Massachusetts, 1996

Education

- Harvard Law School, J.D., 1995, cum laude
- Dartmouth College, B.A., 1992, cum laude

The Next Stage of Growth: Are You and Your Business Ready?

“The Importance of Self Due Diligence”

Mark A. B. Carlson
Corporate/M&A Practice Group Chair
Baker Donelson

Thursday, January 16, 2014

BAKER DONELSON

EXPAND YOUR EXPECTATIONS[®]

Developing a Financial Plan for Growth

- From time-to-time, business owners receive unsolicited, unanticipated and unbeatable offers for their businesses
 - But don't count on it!
- Better to have a financial plan for growth
 - Self-funded through business profits
 - Private equity investment
 - Bank or SBA loan



Where Due Diligence Fits in the Overall Process

- Often a business owner decides she wants to raise third party capital and engages a banker to help her do so
- The company and its advisors prepare data room
- Revelations from due diligence process impact transaction
 - Deal or no deal
 - Purchase price

*Missing step is usually the
"self" due diligence review*



Why Conduct Self Due Diligence?

- Business owner will almost always discover business-impacting and transaction-impacting issues she was not aware of
- Discovering issues early in transaction process is always beneficial
 - Allows for more time to fix issues
 - Gives confidence to potential capital sources
 - Provides ability to craft message to potential capital sources
- Incremental cost of fixing issues is lower when bankers, lawyers and accountants have already been mobilized for a transaction

Key Elements of Self Due Diligence (I)

- Look at the business through the eye of a capital source in light of “likely” transactions structure(s)
- Debt and equity capitalization
 - Arrangements with investors and employees
- Financial condition of the company
- Tax compliance



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Key Elements of Self Due Diligence (II)

- Nature and condition of the company, its business and its assets
- Confidential and proprietary information
 - Patent and trademark protections
 - Vendor and employee contracts
- Terms of key contracts
- Required consents and approvals
 - Timing and feasibility



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Private Equity Investors vs. “Strategic Buyers”

- Private equity investors often have different risk tolerance levels than corporate or “strategic” buyers
- Strategic buyers want the business and assets
- Private equity investors want the management and growth



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Diligence Considerations for Private Equity Investors

- Private equity investors are typically more risk averse
 - Trying to sell business within three to five years so they have less time to manage through difficult circumstances
 - Use of high levels of debt or “leverage” makes consistency of cash flows extremely important to manage debt service
 - Strategic buyers often are better equipped to react to adverse operational situations
- Accordingly, private equity investors typically conduct more exhaustive due diligence reviews and may seek more safeguards
 - Operational due diligence
 - Financial due diligence

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Any questions?

- Feel free to follow-up with questions to:



Mark A. B. Carlson
Corporate/M&A Practice Group Chair
Baker Donelson Atlanta Office
(404) 589-3400
mcarlson@bakerdonelson.com



Jason M. Meadows

Experience

Jason joined Frazier & Deeter in December of 2000 after having previously been with Arthur Andersen's Atlanta office. Jason served as the Head of the Frazier & Deeter Tax Department during 2011 and 2012.

In June of 2012, Jason became the Managing Partner of Frazier & Deeter's new Nashville office.

Jason primarily specializes in complex business taxation consulting and compliance. His focus includes privately held, private equity backed and publicly traded entities.

Jason has provided consulting services regarding corporate and equity compensation, including the use of stock options and partnership interests. On the transactional side, Jason has provided consulting services regarding mergers & acquisitions and business restructuring for purposes of asset liability protection. Jason has also done extensive work in tax attribute preservation (IRC §381/§382), derivative and mark-to-market taxation, and ASC 740 (FAS 109 and FIN 48).

Jason has experience in a variety of industries including healthcare, technology, service, manufacturing, and real estate. Jason is partner on several of the firm's largest clients.

Jason is frequently involved with conflict resolution matters regarding the Internal Revenue Service, including representation of the client during the audit process. He has successfully drafted Private Letter Ruling requests as well as Offers in Compromise dealing with significant liability reduction.

Jason is also a frequent speaker at various colleges and business organizations.

Education

Bachelor of Business Administration, Georgia State University, Atlanta, Georgia, 1996.

Professional and Civic Organizations

Treasurer-Elect – Nashville Kiwanis
Georgia Society of Certified Public Accountants

American Institute of Certified Public Accountants

Boy Scouts of America – Scout Master, 1998-1999

Life Enrichment Services – Board Member, 2006-2008

The Role of the CPA in a Growing Business

Role/Benefit of the Audit

- Gives users of your financial statements greater assurance in management's presentation of company's performance and position.
- Help management to better understand and improve company's controls and processes.
- Helps to address complex accounting issues –
 - Revenue recognition.
 - Lease accounting.
 - Financial impact of equity compensation.

When Should you get an Audit

- In general, not before it is necessary. At times, an audit is simply required.
 - By the bank.
 - By outside investors.
- Sometimes, there may be value in getting an audit even when not required.
 - Contemplation of an exit in next three (3) years.
 - Advocates during the diligence process.

Other Benefits

- Even in absence of audit, a CPA firm's audit department can assist with –
 - Helping develop or strengthen company's accounting system.
 - Helping develop controls and processes.
 - Helping recommend and implement best practices.

Role of the Tax Advisor

- Help to maximize cash flows through appropriate minimization of taxes by helping to navigate the complex (and constantly shifting) tax landscape.
- Help to identify exposure inherent in current positions.
- Help to think through your tax position strategically, whether –
 - Starting a business.
 - Growing a business.
 - Exiting a business.

Role of the Tax Advisor

- Help to interface with other professionals regarding tax-related issues –
 - Taxing authorities.
 - Due diligence professionals.
 - Bankers.
 - Attorneys.



Contact Information

Jason Meadows

- Jason.meadows@frazierdeeter.com
- 615.782.7356

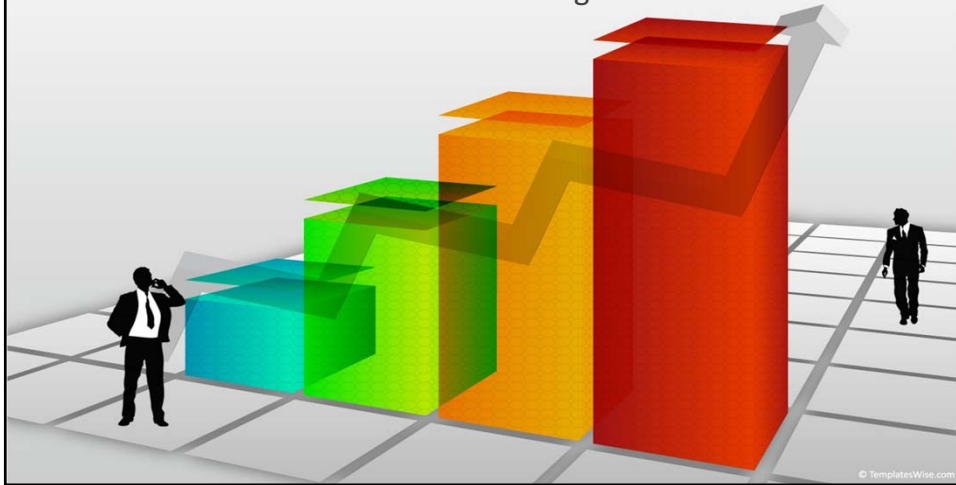
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Smart Money: Funding Growth

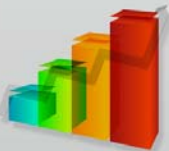
First State Bank's
Small Business Lending Division



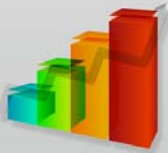
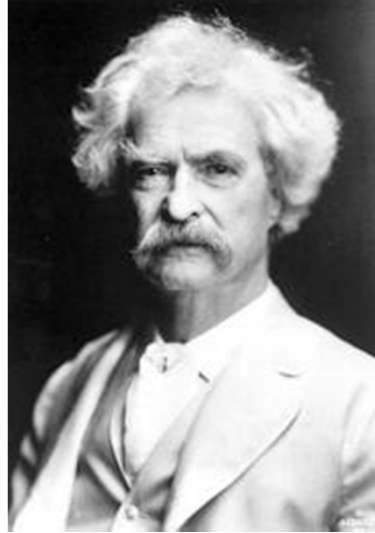
Today's Small Business World

In the Spring 2013 Small Business Owner Report by BOA, the average small business owner worries most about.....

- 76% Recovery of consumer spending
- 67% Taxation
- 56% Health care costs
- 52% Availability of credit

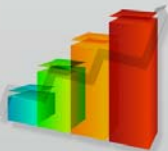


My Great Grandfather always
said...

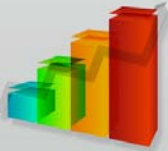


What Every Business Needs

- A Plan
- Strategic Partners
- Time
- Credit Availability
- Enough Money

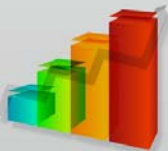


My Grandfather always said...

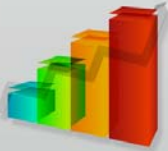


How to do lending RIGHT

- Flexible credit “box”
- Extended terms
- Creative capital structure
- Cash-flow lending
- Working capital & closing costs financed
- Cover your geographic market

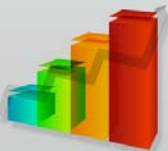


My Dad always said...



Opportunities in 2014

- Expansion
- Acquisition
- Revenue Growth
- Partner Buyouts
- Succession Planning
- What If...



We can help you plan

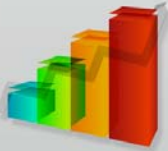
Turner Gaw

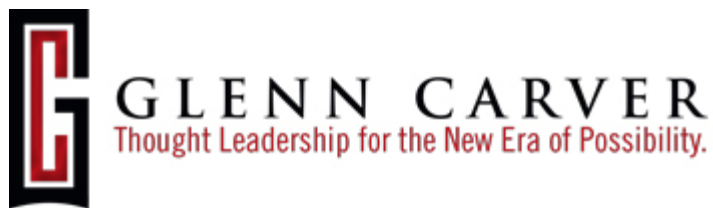
First State Bank

Vice President of Small Business
Lending

Cell- (615) 342-9445

tgaw@first-state.net





My name is Glenn and I am passionate about your success - your individual success and the success of your organization.

The bottom line is I truly care!

I love people and I am fascinated with the unlimited potential of living an inspired life. I am a speaker, author, entrepreneur and student of life. My mission is to help millions of people worldwide realize their greatest potential through my speaking, writing, radio and television production, and online information products.

Over the last ten years, I have has inspired thousands of entrepreneurs, business owners, sales professionals, corporations and associations throughout North America and South Africa. Recently, I was interviewed by Inc. Magazine on how to cultivate the “entrepreneurial spirit” within an organization and help its members take their personal and professional lives to new levels. That's what jazzes me and gets me out of bed in the morning! With a passion for free enterprise and a total commitment to human potential and personal development, I am a worldclass communicator with a gift for connecting and developing rapport with audiences of any nature.

So, what does this mean for you?

When I speak to your organization, you won't be listening to a talking head. You will be participating in an interactive experience that will: Inspire, educate and entertain while setting the tone for the entire event that anything is possible! Cultivate an “entrepreneurial spirit” that encourages you to take initiative and accept responsibility. Increase mental toughness and motivate you to think BIGGER! Help you find opportunity in adversity and remain composed under pressure. Improve rapport and human connection with customers and teammates to drive revenues and results.

THINK BIGGER!

H _____ E _____ A _____ T _____

Inc Magazine

Have Passion! Treat your job like it's your own _____.

Be self-reliant and take _____.

Treat the company's _____ like it's your own.

- **Manage Your Emotions**

Release your _____. Stress resides solely in the _____ of man.

Confront your fear _____.

Accept full _____ for the condition of your life and business.

The best way to combat fear is to have a compelling _____.

On the opposite side of your fear may reside your life's _____.

- **Visualize Your Outcome**

I AM _____.

Have a goal so **BIG** that it's _____!

Reframe failure as _____.

If YOU don't _____ your mind, someone else will.

Eliminate " _____ " from your vocabulary.

- **Take Massive Action**

Choose to see the _____ in adversity!

Have the _____ to ask for what you want.

Pick _____ thing and do it in a world-class manner.

Expand your _____ zone.

BEcome comfortable being _____.

Use "reward and consequence" to hold yourself _____.



GOVERNMENT RELATIONS & PUBLIC POLICY **Update**

New Hampshire Franchise Relationship Bill Language Officially Filed as HB 1215

Rep. Patrick Abrami (R) has officially filed legislation entitled the [New Hampshire Small Business Investment Protection Act](#). In New Hampshire, every bill is assigned to a policy committee which is required to hold at least one public hearing. The hearings are generally followed by several open subcommittee work sessions. HB 1215 has been introduced in the House and will be referred to the House Commerce Committee. An initial public hearing is anticipated as early as mid to late January and no later than the end of February. The Committee is required to vote on the bill, and the recommendation will go to the floor for a vote by the full House. If the bill is adopted by the originating body, the process repeats itself in the other Chamber.

Franchise Community Stands Together Against Labor Nominee

The Senate Committee on Health, Education, Labor and Pensions (HELP) [approved](#) the nomination of [Dr. David Weil](#) as Administrator of the Department of Labor's Wage and Hour Division in a party-line vote held earlier this week. Having been approved by the committee, the confirmation vote will now be moved before the full Senate. Dr. Weil, a Boston University professor, has repeatedly demonstrated hostility towards the franchise business model in both his public statements and published research. If confirmed to lead the Wage & Hour Division, Dr. Weil would likely continue to target franchise businesses for selective enforcement of labor regulations, in lieu of responding to real complaints of illegal activity by employers.

The IFA, along with other leading trade associations, strongly opposes Dr. Weil's nomination and has designated the confirmation vote as one of its "[Key Votes for 2013](#)." You can use [this action alert](#) to email your Senators to urge them to reject Dr. Weil's nomination. For additional information, please see this [Wall Street Journal article](#) highlighting IFA's efforts to oppose the nomination.

IFA Recognized for Employer Mandate Lobbying Efforts

Earlier this week, The Hill named IFA on its list of the year's top lobbying victories, citing its collaboration with other industry leaders in opposition to the Affordable Care Act's employer mandate. IFA played a critical role in persuading the Obama Administration to delay the mandate's implementation until 2015. According to [recent research](#) commissioned by IFA and the U.S. Chamber of Commerce, the Affordable Care Act presents a number of challenges for small businesses and their employees, particularly those in the franchise community. The one-year delay of the employer mandate, spearheaded by IFA and other franchise groups, is credited as paving the way for later challenges and delays to the health law. You can find the complete article [here](#).

Bipartisan Legislation to Boost Veteran Franchise Ownership Introduced

Last week, Congressman Bill Flores (R-TX) introduced [H.R. 3725](#), the Veterans Entrepreneurs Act of 2013. The bill, cosponsored by Reps. Mark Tankano (D-CA), Paul Cook (R-CA), Jon Runyan (R-NJ), Brad Schneider (D-IL), Dina Titus (D-NV), Mike Coffman (R-CO), and Richard Hanna (R-NY), creates a tax credit for veterans and their spouses for up to 25% of initial franchise fees, capped at \$100,000. If signed into law, this bill would make small business ownership even more accessible to the veteran community. IFA [applauded](#) the move to extend opportunities for entrepreneurship amongst veterans, which provides a number of economic benefits.

Maine Committee Likely to Address LD 1458 on January 16

The Maine Labor, Commerce, Research & Economic Development Committee will hold a public work

session to address LD 1458, the franchise legislation held over from 2013, on January 16 at 1 p.m. In advance of this work session, IFA has been galvanizing its grassroots opposition and building its coalition against the legislation. Between now and January 16th, IFA will have an almost daily presence in Augusta to ensure legislators continue to hear from IFA members and coalition partners about the harmful impact of LD 1458. Material to educate your franchisees about the legislation can be found [here](#) and a link to our grassroots alert is available [here](#) which we encourage you to direct your franchisees in Maine to send a letter to their legislator.

IFA Meets with California Allies

This week, IFA staff held several meetings in Sacramento with groups that share its legislative interests, including the Civil Justice Association of California and the California Restaurant Association. Items discussed at the meetings included opposition to recent "living wage" proposals, as well as ways to reduce the amount of frivolous litigation and legislation currently burdening businesses and consumers in the state. IFA also met with representatives from California companion care franchisors and franchisees to coordinate efforts against a union-driven initiative that would force companion care franchisees to pay 75% of their revenues to home health care providers. For more information on these meetings, please contact Dean Heyl at dhey1@franchise.org or 202-662-0792.

IFA will host the second annual California Franchise Day on March 4, 2014 in Sacramento. Attendees will meet with legislators and other policymakers in California to explain the franchise model, share their stories from the industry and advocate for pro-growth policies. If you would be interested in attending this year's event, please contact efarage@franchise.org or 202-662-0760.

Senate Passes Bipartisan Budget Deal

On Wednesday, the Senate [approved](#) a two-year budget deal by a vote of 64-36. The bipartisan compromise, originally negotiated by House Budget Committee Chairman Paul Ryan (R-WI) and Senate Budget Committee Chairman Patty Murray (D-WA) would reduce the deficit by \$85 billion over the next decade, while rolling back some segments of the budget sequester. President Obama is expected to sign the legislation next week. IFA strongly [supports](#) the deal, which will normalize the appropriations and budget processes, allowing Congress to move forward on other critical issues such as reforming the Affordable Care Act and fixing the nation's immigration system.



Effectively Delivering Your Marketing Messages

Franchises must figure out how to deliver a great experience to customers who access their websites using mobile devices.

BY JEREMY LADUQUE, CFE

IN THE 1990S, CUSTOMER ENGAGEMENT became a 24/7, 365-day venture due to the rise of the World Wide Web. We forget this now, but at the time, this change in the way businesses engaged with customers was revolutionary.

Today, that same magnitude of revolution is upon us, with the ascent of social media and mobile devices – both smartphones and tablets alike. And with this revolution, franchises are faced with ever increasing complexities of how to effectively deliver marketing messages.

Your brand, arguably your most important asset, is being stretched and pulled in every direction, across every marketing channel and is subject to the full transparency and scrutiny of every customer.

How do you keep your brand ahead of this curve and effectively deliver your marketing message? Keeping up with mobile and social venues is a start, but these are just facets of the biggest challenge facing franchises everywhere - omni-channel marketing.

Omni-channel marketing is a modern approach to creating a seamless consumer experience across all available customer channels. This could include a business' website, its email marketing campaigns, what is being talked about on social media, and yes, even the experience in brick and mortar properties. For franchisors, it's about putting franchisees in a position to be relevant and able to effectively engage with prospective customers across each digital venue.

Let's look at three trends occurring today that are shaping omni-channel marketing:

1. Modern Marketing Means Mobile-Friendly

The "Mobile Revolution" is staggering. According to a 2013 Pew Internet study, adoption rates are soaring, and when you consider that 56 percent of American adults are smartphone owners and 34 percent own a tablet device, simply providing a good mobile experience doesn't quite cut it anymore. Instead, franchises must figure out how to deliver a great experience to customers who access their websites using mobile devices.

How franchises adjust to the mobile revolution will weigh heavily on their ability to effectively deliver marketing messages. A 2012 Google study found that 72 percent of customers expect companies to have a mobile-friendly website. Perhaps more importantly, failure to adjust to the smart device boom can be very harmful to brand preservation. In a recent eConsultancy survey, 55 percent of customers said that a poor mobile experience on a website can actually hurt their opinion of a company's brand.

The key to piecing together the mobile puzzle is optimizing your franchisees' websites for any device – regardless of its screen size – by using a coding methodology called responsive web design.

With responsive web design, a website will automatically detect the screen size of the device accessing it and triggering content to adjust accordingly. The appropriate content reconfiguration ensures the right user experience is delivered to the right device. This way, whether a customer is using an iPad, smartphone or traditional desktop computer to visit your website, the proper information and optimal experience is delivered. Even better, responsive design can future proof your website against new devices and screen sizes introduced to the marketplace.

The benefits to optimizing your website for the mobile revolution are enormous. A 2012 Arbitron and Edison survey states that 91

percent of smartphone users have their devices within arm's reach 24 hours a day. Moreover, according to a 2013 Google study, nine out of 10 searches conducted on smartphones result in an action, for example, a store visit, online purchase and others. With a responsive website, franchisees will be able to engage customers anywhere, anytime.

2. Automatically Market the Right Content, to the Right Audience, at the Right Time

It's no secret that your most desired customers surfing the web value their own time. From a technology perspective, anything your franchisees can do to expedite customer engagement, and convenience, is pivotal to success. One way to do so is by leveraging your web platform to enable the delivery of targeted content.

Targeted or "persuasive" content is technology that automatically displays relevant information to website visitors based on what they are likely looking for. Targeted content can be dynamically generated and seamlessly

presented to customers based on anything from whichever device they are using (i.e., laptop or smartphone), to their navigation behavior, to the search terms they queried on Google or Bing to access your site, as well as other key demographics.

Persuasive content can be a critical tool that helps franchisees deliver personalized customer experiences, ultimately allowing visitors to immediately see the content they want.

Here's an example: You're a franchisee of a lighting supply company that distributes all types of lighting solutions – home, business, indoor and outdoor. A prospective customer looking for "indoor lighting fixtures" on Google finds the search result for your website and clicks on the link. Embedded search technology enables your website to immediately recognize the origin of the source traffic, the search term used, and instantly display the indoor lighting products in your store catalog rather than, for example, products for outdoor lighting. This targeted display of product content offers a better user experience and caters to that prospective customer's specific needs.

Leveraging this type of technology that easily works in concert with customer goals, eliminates barriers and automates the ability to deliver the most relevant marketing message to your customer.

3. Deploying Individual Websites for Franchisees

At this juncture, most corporate marketing franchise teams are familiar with "Glocalization," a term detailing a franchise's ability to market its global brand reach at a local level. Adopting a "glocal" strategy restores the balance of power in favor of franchises by reinforcing brand recognition in a personalized manner.

This final piece of the omni-channel marketing puzzle ties the two previous techniques together. Franchises that embrace a glocal strategy and provide franchisees with their own mobile-friendly websites that drive persuasive content leveraging the power of the national brand are more likely to deliver effective marketing messages.

"Giving each store location its own responsively designed website has increased the power our franchisees have

(Continued on page 20)

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National or Local Pay-Per-Click for Your Brand – How to Choose?

Supplementing your national PPC ad budget with a comprehensive local strategy is no longer something to simply consider, it's essential.

BY TIM MILLER, CFE

IN TALKING WITH A FEW HIGH-OCTANE BRANDS at recent industry conferences and events, I've been alarmed at how their national pay-per-click programs are structured. Actually, let me rephrase the concern: it's alarming that so many have their heads in the sand when it comes to the local PPC programs their franchisees are running.

Embracing the Opportunity

Before I offend any top-tier corporate franchise digital marketing teams, let me be perfectly clear: some of you get it, and I applaud you. But many have yet to embrace the opportunity local PPC presents and are more concerned with buzzwords and new trends than getting this essential piece of the puzzle right. Supplementing your national PPC ad budget with a comprehensive local strategy is no longer something to simply consider, it's essential to the online marketing success of your franchise system.

Let me also clarify that I realize doing local-store PPC correctly and in cooperation with national programs is the Holy Grail for franchise systems, and developing a cohesive strategy is not always an easy task. Franchisees are generally only concerned with driving more foot traffic into their store locations and making more money in their unit(s) in the process. Corporate franchise marketing teams can only do so much to fight the battle of consistent brand messaging while allowing the franchisees they represent a level of autonomy and control of their individual store marketing efforts. The franchise advisory councils within most systems are the voice of the franchisees, but even they can disagree on how a comprehensive online marketing plan should be executed for maximum return on investment.

If a national ad fund exists and is controlled by the FAC, it is generally used as a means to promote and build brand equity for the entire system which, in theory, should benefit

everyone from the top down and vice versa. The problem that exists with this approach occurs when franchisees don't necessarily see local PPC marketing programs benefit them immediately at the store level and instead seek out their own self-funded programs and individual vendors as a result. After all, they are business owners, and they have their own bottom lines to worry about. Thus, if there are no corporate-approved suppliers for local store PPC programs, franchisees will inevitably start competing with corporate when bidding on brand terms that are also central to the national PPC campaigns, and this does nothing more than waste budgets on both sides. There is no better way to cannibalize budgets



(Continued on page 22)

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(Continued from page 21)

than to use this approach. Unfortunately, it occurs frequently across a variety of verticals and precious dollars are easily lost before anyone in the franchise system realizes what's happened.

Fluid Rather Than Linear

"Today's path to purchase is fluid rather than linear, it is consumer directed versus brand directed and it requires guidance from multiple sources," said Location3 Account Dir. Anne Baum. "Managing the path to purchase for franchise systems requires a combined effort between franchisors and franchisees."

Preventing issues like those that involve individual locations competing with the national budget on the same brand terms with their own local PPC campaigns is a key to success. By understanding the individual consumer's path to purchase for all those in the franchise system, corporate teams can do a better job of developing integrated digital marketing programs for the entire system while providing the franchisees with the guidance they need to market their store locations successfully.

PPC programs are typically the first place a franchise brand would start spending marketing dollars in the digital space due to their ease of use and the ROI that strategically developed campaigns can produce. Some brands only have a budget for a national campaign, but corporate may discover that bottom line increases attributed directly to PPC campaigns allow them to include local budgets as well.

Even if there isn't funding for campaigns on a location-by-location basis, encouraging franchisees to use the same PPC partner that corporate employs ensures that the campaigns complement each other rather than compete against one another to their respective long-term detriment.

If you consider nothing else, seriously consider how you are structuring your PPC campaigns.

If you consider nothing else, seriously consider how you are structuring your PPC campaigns. Allocate a national budget, but provide options for the local stores as well. Ideally, find a PPC partner who can manage campaigns at both levels. Otherwise you will find yourself competing with franchisees or field marketing teams bidding on similar terms. This results in wasted effort and money in the long run. ■



Tim Miller, CFE, is director of sales & business development for Location3 Media, a digital marketing partner built to increase the online "findability" and performance of national and local brands. Find him at fransocial.franchise.org via the directory.

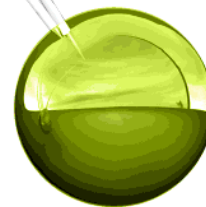
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Leveraging Marketing Technology and Transparency to Drive Franchisee Success

Marketing technology and automation provide cost-efficient, cutting-edge tools that are intuitive and easy to use.

BY AMIT PAMECHA, CFE

UNLIKE ANY OTHER TIME in the history of marketing, competition demands that today's marketers must be creative as always, but they must also be technologically thorough and financially savvy to compete effectively.

The definition of marketing technology and automation is typically cloud or server-based software that automates repetitive marketing tasks. For many, that might include email marketing platforms, social media marketing solutions, aggregated performance metrics, automation of appropriate messaging, drip marketing/nurturing, campaign analysis and many more features that are widely available.

At the heart of this article is a paradox – marketing technologies and automation are everywhere, but when acquired like so many a la carte items on a restaurant menu, these disparate tools provide you with little ability to get a complete picture of your market and campaign performance.

Survey Says ...

Franchisees continue to place ever-increasing pressure upon their marketing departments to provide them with what they hope is that elusive silver bullet. Conversely marketers have this impending sense that they are falling further behind competitors and respond by providing the latest marketing technology or “campaign du

jour” without consideration of how these disparate silos will be reconciled further down the road.

Our study of franchise best practices has demonstrated that the more disparate marketing lifelines you throw to franchisees, coupled with an absence of proven return on investment, the more confusion, expense and subsequent challenges you'll have in maintaining your franchisees' trust and buy-in.

After a while, frustration sets in and franchisees may simply give up, retreating to other less essential activities within their businesses.

To illustrate, the results of a FranConnect survey of franchise CEOs and marketers illustrate key opportunities for improvement. Is it any wonder that survey results reported that only 30 percent of franchisees spend the local marketing allocation required in the franchise agreement or spend more than

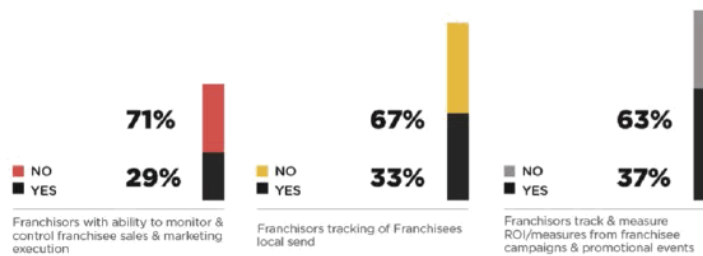
10 percent of their time actively making and keeping customers? There's simply no way to coach or hold franchisees accountable.

We are faced with three critical issues:

1. Marketing is complex and needs to be simplified.
2. Technology and solutions are changing at a rapid rate and it's hard to keep up.
3. You can't improve what you are unable to measure.

Simplifying Marketing Complexity

Marketing automation goes beyond the obvious increase in productivity, volume of message throughput and the number of campaigns. It's also about having the ability to generate effective messaging, coming from marketing



*Results of 2013 FranConnect marketing poll

automation's ability to identify prospects and to trigger content tailored to prospect behavior. It's also critical to generate metrics including shortened sales cycles, increased revenue per customer, better customer retention and brand differentiation. Without having the right tools for the job, today's marketing is plain and simply too complicated.

The objective of marketing technology and automation is to provide cost-efficient, cutting-edge marketing tools that are intuitive and easy to use for even the least Web-savvy users. Conversely, many franchisors are permitting or fostering franchisees to work independently with a disparate array of marketing tools and partners. These arrangements can be expensive, unwieldy and difficult to manage for most franchisees. It also makes effective data-gathering and enforcement of branding standards all but impossible for the franchisor.

Best Practices in Marketing Technology and Automation

Today's best practices in marketing technologies simplify the lives of your franchisees. They also provide a framework to integrate your established tools and services that are working, while adding new capabilities or replacing those that aren't working. Here are a few examples.

<p style="text-align: center;">INTEGRATED DATA</p>	<p>Marketing technology is at its best when disparate solutions and systems are able to share data between programs and can be ultimately aggregated to provide robust reports dashboards and benchmarks made up of leading vs. lagging marketing indicators.</p>
<p style="text-align: center;">PERFORMANCE TRANSPARENCY THROUGH REPORTS, DASHBOARDS AND SCORECARDS</p>	<p>The most successful franchisors publish and rank franchisee marketing performance designed to inform and motivate franchisees toward continuous improvement. Data pulled from their integrated programs are published as scorecards able to provide key performance indicators and metrics across the marketing spectrum such as social traffic and conversions, consumer lead source, brand awareness and affinity, search engine optimization impressions, clicks and calls from pay-per-click campaigns, customer experience, etc.</p>
<p style="text-align: center;">AUTOMATED DATA ENTRY</p>	<p>With an integrated customer relationship management, franchisees are relieved of the need to perform data entry. Leads are automatically populated in the CRM-saving costs and complexities associated with list importing.</p>
<p style="text-align: center;">AUTOMATED WORKFLOW</p>	<p>Triggers immediate auto responses to prospects and end-customers based on their entry point. Given the sheer volume of most marketing campaigns, you can't possibly identify and respond to every sign of buyer interest manually. If you really want to target customers and prospects with the right messages at the right time, you'll need a marketing automation software platform that customizes content and automates the timing of all your marketing communications based on prospect interest, purchase history and milestones.</p>
<p style="text-align: center;">CONGRUENCY AND SUSTAINABILITY</p>	<p>In the event of a franchise closure, the franchisor has the means to assign the location's previous lead and customer data to a new franchisee or neighbor during the transition period.</p>
<p style="text-align: center;">SUPPLEMENT YOUR FRANCHISEES' MARKETING EFFORTS</p>	<p>Marketing technology enables corporate to assist those who are unable to keep up or execute at higher levels. This can be evidenced with a social media management tool in which content can be developed and published correctly and at greater frequency while maintaining brand standards. Capitalize on real-time opportunities (e.g. in response to competitors actions, events, weather, news, etc.) with well-written content, coupons, etc. at the local, regional or national level.</p> <p>Take control by scheduling social media posts in advance with "set-it and forget" batch capabilities.</p>

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Marketing Technology Yields Diverse Benefits

The benefits of embracing a marketing technology and automation partnership can include:

Higher revenues: Franchisors can continue to streamline and simplify local marketing, and empower franchisees with powerful, customized tools and strategies. In turn, more aggressive and effective local marketing enhances profitability for both franchisees and franchisors.

Consistency: A centralized marketing platform enables teams to maintain brand consistency and proper trademark usage system-wide.


Cost Savings: By consolidating services and vendors through an effective marketing technology platform, you'll pass on significant cost savings to franchisees often totaling 60 percent less than purchasing disparate stand-alone solutions.

Franchisee Satisfaction: Franchisors report significant improvement in satisfaction thanks to increases in efficiency and ease of use achieved with a single sign-on platform solution where all marketing collateral, assets and tools are centrally located and connected within a few easy steps.

Franchisee Recruitment: A centralized marketing platform can be a powerful franchisee recruitment tool. It provides a striking example of a franchisor's ongoing commitment to franchisee success, and the value gained by being a franchisee. ■




Amit Pamecha, CFE, is the founder and CEO of FranConnect, a technology provider to franchise systems with more than 500 franchise brands as customers. Find him at fransocial.franchise.org via the directory.




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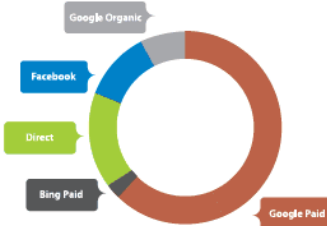


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Facebook Ads and Paid Strategies: Ways to Grow Your Facebook Community

The greatest tip available is to accept that social media isn't free.

BY KELLY MAQUIRE



SOCIAL MEDIA REPRESENTS AN exciting and important opportunity to not only reach your customers, but to actually connect and engage with them. Unlike other online content, social media is not static and does not age. It is the medium of "now" and consumers are increasingly placing their trust in the

Common misconceptions about social media marketing are that it is "free" and works under a "if you build it they will come" philosophy.

timeliness and relevancy that social media can offer that other forms of media cannot.

Because of this unique ability to connect with your audience, deliver information in near-to-actual real time and provide trusted messaging, it is important that your social community be as large as possible and grows continually. This will ensure that the time and effort that goes into a properly executed social strategy isn't wasted or lost due to people not having the opportunity to see it. Consider your community as your soapbox and the greater that soapbox, the louder your message will be.

Common misconceptions about social media marketing are that it is "free" and works under a "if you build it they will come" philosophy. The fact is there are

hundreds of thousands of businesses all vying for the attention of a limited audience with limited time and attention. Since potential customers have the attention

span to only "Like" so many pages and can spend only so much time engaging with brands on a platform intended for them to engage with friends and family, it becomes critical to support your social efforts with a properly thought-out paid strategy.

Only through the investment of budget, time, resources and commitment can you truly stand out from the crowd and develop the meaningful connections that will drive your social presence forward and create

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the value it has the potential to offer. This investment is real in the sense of allocating actual budgets to paid strategies and perceived in the sense that you must also invest time and energy toward the proper execution of social strategies, or pay someone who has the ability to dedicate resources toward it. In the end, true social impact comes from the combination of community size and activity which stems from the combination of organic and paid efforts, otherwise known as time and money.

This can be a disheartening realization to the business owner who was excited about a “free” advertising platform. However it is important to look at social media as an investment and an opportunity. Unlike traditional advertising mediums, it is not a short-term investment; it is an investment that will continue to pay off through an ongoing connection with the individual customer and access to their social network as well.

Social media requires a paid strategy to reach its full potential. What are the best paid outlets for delivering this value? The primary one is Facebook ads, a relatively simple platform designed to allow the average business owner to jump in and begin a campaign. However, there are intricacies and hidden knowledge behind this platform that are needed to develop and manage campaigns that will drive the best performance. Without this expertise it is easy to find yourself struggling to extract the most return on investment from these ads. Many factors go into the performance of Facebook ads, but the primary areas to consider are:

- **Audience Targeting.** You must be sure you are reaching the right people and not wasting your impressions on those who are unlikely to respond to your message.
- **Creative.** It is critical to make sure the message you are promoting resonates with your target audience. If it doesn't you will spend a lot of money and get few results.
- **Segmentation.** It is impossible

to understand what is working and what is not if you do not break up your campaign into different variables. That allows you to optimize, based on what performs and what does not. Facebook offers many ad elements that can be mixed and matched into testing combinations to deliver greater insight with which to optimize.

- **Ad Types.** Facebook is increasing the areas where advertising is allowed and each ad unit offers its own unique performance angle. It is important to factor the various uses for standard side-bar ads, sponsored stories, newsfeed ads, and any other ad unit Facebook is likely to roll out. These should not be overlooked. Each should have thought and strategy behind it.

Tips to drive the best possible performance from your Facebook ads

- Think long and hard about who your target customer is and what that customer typically likes. Unlike search ads, you are not targeting keywords that people are searching right then and there; you are targeting keywords that your audience has taken the time to place within their profiles over time. Think about the TV shows they watch, books they read, music they listen to and things they like. Target them based on their psychological profile instead of their actions.
- Experiment with your ad image and ad copy; try different message tones and image types. Try to stick with images that are bold and stand out. Look for images with people in them, as they tend to perform better within this social environment. Whenever possible use some type of humorous or conversational tone in your copy and include a call to action such as “Like Us”

or “Click Now.”

- Rotate your creative content regularly to avoid letting it get stale and allowing your audience to suffer from “ad blindness.”
- Break your ads into demographic “buckets” such as gender (male vs. female) and age (18-24, 25-35, 45+, etc.). This will allow you to see which audiences are responding and make adjustments to your campaign accordingly.
- Retrieve your reports and analyze them, trying to find what is performing and make adjustments to cater your campaign to those areas. Much data is available; use it whenever possible.
- Consider finding a Facebook ads expert who is adept at utilizing all these different ad parameters and executing them. You will often find that whatever fee this requires will easily be recouped in the efficiencies that this expert can develop for you. Facebook ads are easy to use, but hard to master. The difference between a campaign properly developed and managed compared with the ads that a social media intern will create is vast.

The greatest tip available is to accept that social media isn't free. Assign a budget that you are comfortable with, and begin to test different outlets and platforms to drive the connections that will help drive your business forward in the social arena. You will be shocked at the difference a truly well thought-out, executed and managed social campaign can have over a plan developed by a so-called “social expert” who lacks the proper experience or understanding of social media as it pertains to business. ■



Kelly Maquire is senior director, digital strategy for Aviatech, a full-service strategic marketing agency specializing in digital activities. Find him at fransocial.franchise.org via the directory.

What Happens When You're not MOBILE-FRIENDLY?

Becoming mobile friendly is a journey not a destination; it will take time.

BY ALEC STERN

IT'S NO LONGER A QUESTION of whether or not you need to consider mobile communications technology when it comes to marketing. All you need to do is look around to see faces buried in mobile devices to know that these devices are everywhere. So what happens when your website and marketing communications are not mobile-friendly? Well, a few things can go wrong.

Let's get the worst case scenario out of the way first.

If your business is not displaying mobile-friendly experiences for your customers, the worst that can happen is that these people decide not to do business with you.

That's the bottom line. And it can also have a big impact on your bottom line.

When a potential customer finds your website through listing sites like Yelp or TripAdvisor or through a general mobile search, that customer is usually thinking of buying something or contacting your business. It's important that he can easily purchase something from his mobile device or can find the contact information he's looking for. These two components play into a mobile-friendly experience that can be extremely powerful when it comes to conversions.

Aside from losing business, there are a few other things that can happen if you're not mobile-friendly that you'll probably want to avoid.

Say Hello to Disgruntled Customers

The scenario goes something like this: An excited new customer arrives at your website and is laser-focused on buying one of your products. He's done his research, combed through your stellar business reviews, and is ready to click the purchase button.

But, he can't find that button.

Perhaps it's because that button is actually a link and when he goes to click it, his finger presses the link below it, which immediately sends him into a frenzy of frustration.

Then, as if things couldn't get any worse, the visitor can't find your phone number so that he can call and scream, "Please just let me buy your product!"

Yes, the scene is gruesome. But, it's a reality many mobile users face. You've already started your relationship off on the wrong foot.

New Customers Can't Find You

Not updating your online listings on sites like Yelp and Trip Advisor is the quickest way to simply not exist to the many people searching and shopping on their mobile devices.

Not being visible on these sites equates to another missed opportunity. According to new data from Nielsen, 41 percent of shoppers will purchase from a local business after visiting Yelp.

It shouldn't come as a surprise that in a recent survey from SinglePlatform, 85 percent of small businesses said they believe it is important to be seen on major search sites like Google, Yahoo, TripAdvisor, Yelp and Yellow Pages.

Existing Customers Disengage

If your emails and newsletters aren't mobile-friendly, your existing customers might eventually disengage or even worse, unsubscribe from your mailing list altogether.

Chances are, the majority of your customers are busy and read your communications on-the-go from their mobile devices. If they are excessively squinting, pinching and scrolling, they'll quickly send that email to the trash bin. As much as they love your business, products and services, they just don't have time to fuss with an annoying email.

Start Slow, But Get Going

Becoming mobile-friendly is not something that will happen overnight. Do a little bit at a time to avoid feeling overwhelmed. Here are a few simple things you can do in

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the next few months to get your business moving with the mobile tides.

A mobile-friendly website is basically a shorter, more condensed version of your main site.

Make Sure Your Website is Mobile-Friendly

A mobile-friendly website is basically a shorter, more condensed version of your main site. Simply paring down your content into digestible chunks will help greatly. Also, make sure you have a clear "click to call" button on every page. That alone is crucial when it comes to making it easier for people to contact you.

Update Your Online Listings

Make sure all of your online listings are updated. You should also encourage existing customers to write reviews for you because they are incredibly powerful in the customer buying process.

Improve Emails and Newsletters

For starters, keep them short and sweet. That's the motto for mobile-friendly emails and newsletters. Next, make sure your text font is big enough so it's easy to read. Your text should be presented in at least an 11-point font.

That's it! These few adjustments will enable you to have an excellent start toward becoming mobile-friendly and they don't require that much time or effort at all. All it takes is thinking a little differently about your website and communications. Remember, becoming mobile-friendly is a journey not a destination. It will take time. ■



Alec Stern is a primary member of the founding team and vice president, strategic market development for Constant Contact. Find him at fransocial.franchise.org via the directory.



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Making COUPON REDEMPTION



Part of Your Mobile Marketing Strategy

Businesses that combine mobile with offline marketing are able to reach consumers at home and on the go, increasing awareness and response.

BY CHRIS RIMLINGER

THERE'S NO DENYING IT: smartphones are changing the way consumers interact with businesses. Modern phones can keep us informed on events around the world and down the street, let us stay up-to-date with the lives of family and friends, and even manage our finances.

With a smartphone, everyone has instant access to anything on the Internet, wherever they are. A 2012 study conducted by Pew Internet found that nearly 55 percent of cell phone owners prefer to access the Internet through their mobile devices. In addition, a 2013 study conducted by ABI Research reported that 52 percent of consumers said they would definitely use mobile coupons for a discount at a local store. As these numbers grow, media outlets and businesses will continue to transition their marketing approach to integrate mobile marketing as a means of reaching consumers and driving engagement.

What Does it Mean for Businesses?

Whether it's adding a mobile component to existing marketing efforts or creating a new mobile-only campaign, mobile can be very powerful. Opt-in based mobile coupons let consumers tell a business that they want to hear from them, giving a business direct access to a loyal customer base. Text message offers can also be created on-the-fly and reach consumers in a matter of minutes, giving a business opportunities to connect with consumers in real time. In addition to text messages, businesses can use a dedicated mobile app to give consumers a richer experience.

For smaller, local businesses that don't have the budget or expertise to build their own app, a partnership with someone like Money Mailer will give exposure to a large consumer base without incurring any app development costs. To get the most out of mobile couponing, savvy marketers are

integrating mobile couponing with other marketing channels such as print and television. This approach allows them to reach a consumer at the kitchen counter with a mailed piece, in the living room with TV and on their phones. Businesses that combine mobile with offline marketing are able to reach consumers at home and on-the-go, increasing awareness and response.

What's in it for Consumers?

For consumers, this trend toward mobile integration means they don't have to miss a deal because they forgot to bring a coupon from home. With a quick text message opt-in or app download they have access to instant savings, right at their fingertips. These offers come from businesses consumers know and trust, making them more relevant and useful. Additionally, many mobile coupon apps include built-in features such as social sharing, click-to-call and directions to the nearest store based on your exact location, making it easier for consumers to save. Consumers can use coupon apps to discover new businesses in their neighborhoods, or find a deal when they're traveling or running errands.

Things to Consider Before Implementing a Mobile Strategy

There are many components that need to be considered before creating and implementing mobile coupons for your business. The types of platforms, expiration dates and redemption tactics are all important pieces of a mobile strategy. Examples of popular platform options are text-only coupons – SMS or short message service – and Web-based and app-based coupons.

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The types of platforms, expiration dates and redemption tactics are all important pieces of a mobile strategy.

Text coupons are typically limited to 160-character messages and allow businesses to include short links, coupon codes and instructions for using the coupon. This platform allows businesses to “push” messages out to consumers, which means businesses can use the timing of the message to help increase response. For example, a retailer may find that it’s more effective to send coupons over the weekend while consumers are likely to be shopping. A restaurant can send a message out during the week to drive lunch traffic, or even schedule a message for the end of the workday to increase to-go orders for dinner.

Web and app-based mobile coupons represent the “pull” side of the equation; consumers access these offers when they’re ready to buy. Without the 160-character limit of text messages, this platform allows a business to tell a more compelling story using images and text. In addition, because the mobile site or app can

leverage the built-in features of the consumer’s smartphone to access things like navigation and phone calls, consumers can take immediate action and make a purchase or place an order.

Once the platform has been determined, there is a variety of options for redemption. The most common approach is to ask consumers to use their mobile devices within the store and show their coupons at the point of purchase. For this approach, the salespeople must be aware of how to spot valid coupons and process the offers.

Businesses that are using aggressive offers to drive traffic can also add a unique code into their process to help track redemptions. For example, when an offer is redeemed from the Money Mailer Mobile Coupons App, it generates a code that can be recorded and matched with that transaction.

Mobile couponing can be a very powerful tool in a business’s marketing arsenal. When paired with local marketing, it can attract new customers, as well as increase visits from existing customers, increasing revenue and pushing business operations to the next level. ■



Chris Rimlinger is senior vice president of marketing for Money Mailer, a leader in the U.S. direct marketing industry that generates results through integrated shared mail and interactive solutions. Find her at fransocial.franchise.org via the directory.



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FEATURES

Four Features Franchisors and Franchisees Need in an Online Marketing Portal

Media automation platforms offer the promise of saving time, cutting costs and providing convenience.

BY WILLIAM RODRIQUEZ

IN TODAY'S COST-CONSCIOUS and value-oriented economy, consumers are more focused on deals than ever before. While they're certainly loyal to your brand and your products, you know that the key to getting them in the door – and keeping them coming back – is targeted, demographic-specific local advertising.

As a franchisor, you're understandably concerned with protecting the integrity of your brand, and ensuring that any promotions offered by your franchisees are appropriate, relevant and consistent with the image, messaging and marketing strategy you've carefully cultivated.

And as a franchisee, who on any given day may be juggling construction, staffing, customer service, inventory, IT, product and accounting issues – just to name a few – your marketing focus is most likely on getting the word out as quickly and effectively as possible to the people you want coming through your doors or requesting your services.

That's where a marketing portal – or media-automation platform comes in – no matter how big or small you are, or whether you're a traditional brick-and-mortar business or one that is exclusively service-oriented. Media-automation platforms are the newest and sexiest solutions in today's dynamic franchise arena. They offer the promise of saving time, cutting costs and providing complete convenience. But



as you'll see when you begin evaluating what's out there in the marketplace, all platforms are not created equal.

Before you even look at what they offer, the first "must" on your list is that the media-automation platform should not charge you to use its system. While there will be costs associated with purchasing media to distribute your promotions, there should be no fee for choosing your tactics, selecting the ZIP codes that you'd like to reach or designing your creative materials.

Here are four key features that you should look for to realize the cost, time and convenience benefits that your business deserves.

Multi-Media Tactic Selection

It probably comes as no surprise that most media-automation platforms are designed around the specific tactic offered by the company providing the portal. For

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MOST POPULAR FRANCHISE LOCAL ADVERTISING TACTICS

In a recent comparative analysis performed by Silvercrest Advertising, the following five advertising tactics were the most requested by their franchise customers.

- Door hangers
- Direct mail
- Newspaper FSI
- Shared mail
- Newspaper front page notes

example, a social media company might provide a portal that streamlines Facebook, Twitter, Pinterest and other social media outreach. Or a door hanger company might make available a portal that enables you to design and purchase their products. What none of these tactic-specific portals offer, however, is a one-stop destination where you can browse and select all of the advertising vehicles that you'd like to utilize to publicize your business.

Imagine one portal that gives franchisees the option of designing door hangers, newspaper ads, direct mail, free-standing inserts, billboards, brochures, letterhead, business cards and more all in one place.

Imagine the savings in time and staff resources, not to mention the sheer convenience, of only logging into and utilizing one portal. And from a bottom-line perspective, imagine the savings you can realize by taking advantage of the frequency or volume discounts inherent in such consolidated buying power, as opposed to buying little pieces of your local media plan from multiple vendors.

The best media plans are those that leverage multiple channels. Find a media-automation platform that is robust and flexible enough to accommodate not only one or two media tactics, but as many as you need to get the word out about your business.

Creative Customization

From both a franchisor and franchisee perspective, the creative component is an essential aspect of your plan. The media-automation platform that you select should provide the ability to design pieces easily and efficiently, while adhering to franchisor advertising guidelines and requirements. Franchisors should be able to load pre-approved templates and promotions into the portal, again, at no cost, giving franchisees a literal menu of offerings from which to "click and pick." Franchisees then "drag and drop" the promotion(s) that they'd like to extend to their customers into the template, and with just a few simple clicks, are ready to implement their marketing plan. Franchisors looking for even more control over, and comfort in, the creative process can also opt to proof the franchisees' creative material through the portal prior to submission.

As critical as ease of design is, equally important is the ability to do so across multiple marketing channels. A true one-stop media-automation platform allows end-users to create door hangers, free-standing inserts, newspaper ads, solo mail pieces and more from one intuitive, user-friendly portal. This makes it a

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"no-brainer" for a franchisee or the person in charge of their marketing to execute a media plan.

Tactic Distribution and Budget Determination

Depending on the media tactic selected, there are endless possibilities and requirements associated with the respective vendors. For example, newspapers may mandate different minimum quantities on different days of the week, as well as different zones or even full-run stipulations. With door hanger vendors, deliverable versus non-deliverable areas come into play, whereas carrier route data and post office boxes are important for every-door direct mail.

Not only is this confusing, but it can get even trickier if a media-automation platform isn't equipped to handle a project from start to finish. Our LMap evaluates vendors' minimum requirements and the franchisee's budget, determines the scope of advertising tactic design and distribution, and provides analytics that indicate the number of pieces redeemed and which offers appealed most to individual demographic sectors. This enables franchisees to determine the return on investment on each marketing effort, and to tweak their messaging for future consumer promotions.

Choose a one-stop marketing portal that specializes in multiple channels and is equipped to guide your franchisees through the entire marketing campaign. This expertise will save you time, money and headaches, both in the short term, as well as over the long haul.

Check-Out and Execution

The final step in utilizing a media-automation platform is check-out and execution. Franchisees should be able to pay for the media outlets selected immediately using a credit card, and have peace of mind knowing that the distribution of the advertising tactics they designed and funded will be executed for them seamlessly and without further attention on their part.

Thanks to their one-stop convenience and inherent cost and time efficiencies, full-service media-automation platforms are not only here to stay, but are expected to flourish as awareness increases about their end-user benefits and technological advances continue to be incorporated into their portals.

The platforms that lead the franchise industry currently are those that offer a variety of complementary multi-media tactics and franchisor-controlled/franchisee-customized creative. These platforms additionally have the ability to determine and revise marketing budgets based on quantities and media selected, and to provide the comfort of knowing that the media plan selected and funded is exactly the one that will be executed. ■



William Rodriguez is president and founder of Silvercrest Advertising, a Los Angeles-based media planning/buying firm that leverages national marketing technology on a local level. Find him at fransocial.franchise.org via the directory.