

# 10 STEPS TO BUY A FRANCHISE

*My complete  
process*



*"Connor's expertise and  
connections helped me  
make the **best possible**  
investment."*

*- C.E. from Tacoma, WA*

**CONNOR GROCE**  
FRANCHISE INSIGHTS

# Thinking about buying a franchise?

## Read this first.

Buying a franchise can be one of the **best financial decisions of your life**—or one of the **biggest regrets**. I've seen both.

Some people **rush into franchising**, only to realize they picked the wrong business, overpaid, or didn't fully understand the risks.

Others get stuck in **analysis paralysis** and miss great opportunities.

***You're smarter than that.***

Because right here, you have the **exact process used by successful franchise owners**.

These are the steps I walk through with my consulting clients, who have gone on to buy great businesses and transform their lives.

So before you invest a dollar, take 10 minutes to read this.

**It could save you thousands.**



**Hi! I'm Connor.** I'm a franchise consultant — I help people find the best fit business for them to buy.

**I'm not here to sell you on franchising.** I'm just here to share what I know. If you decide it's a good fit, I can help.

When you're ready, **book a call** and we can jump in!



Book a call. 

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# Step 1: Define your "why?"

This is where I start with everyone—and where some people realize they shouldn't be buying a franchise at all.

And honestly? That's a win.

Because a business is a **slingshot**—it pulls you backward before it propels you forward. You're going to work harder before life gets easier.

I talk to people all the time who've bought into the pipe dream that franchises are effortless money. They're not. You don't have to be flipping burgers, but you do have to be involved—at least until the business is running smoothly.

So if your goal is to make quick, passive income while sipping cocktails on a beach, I can save you a lot of time right now: franchising is not for you.

But if you're ready to put in the work for long-term freedom, this is where we figure out exactly what you're looking for.

So get out a notepad or open up a document and write down your answers to the questions on the next page.

There's no right or wrong answer to these, but knowing what you want is essential.

## WHY DO YOU WANT TO OWN A BUSINESS?

This is the foundation for every decision you'll make. Ask yourself:

- Are you looking for a lifestyle change or an investment?
- Do you want to be deep in the business every day, or do you want to hire someone to run it?
- Are you trying to replace a job, build long-term equity, or scale into something bigger?

## WHAT IMPACT DO YOU WANT IT TO HAVE ON YOUR LIFE?

A franchise is a vehicle—but you need to know where you're driving it.

- **Time** – How much of your day-to-day do you want to dedicate to this business?
- **Financial goals** – Are you looking for a steady paycheck, long-term wealth, or a high-growth exit?
- **Lifestyle** – Are you building a flexible business or one that requires serious hustle upfront?

## WHAT ARE YOUR GOALS?

This is where things get real.

- Where do you want to be in five or ten years?
- Do you see yourself owning multiple locations, or is this a one-unit operation?
- Will this business be a family asset, a stepping stone, or a retirement play?

When you're clear on your goals, everything else gets easier.

You'll stop wasting time on franchises that don't fit and start focusing on ones that actually move you toward the life you want.



# Step 2: Consider your **capital options**

A lot of people do things backwards: they fall in love with a franchise first—then realizing they can't afford it.

Instead, figure out your financial parameters upfront so you don't waste time chasing deals that aren't viable.

Here are the main funding options you'll have at your disposal.

## **CASH IS KING**

If you've got the cash, this is the cleanest way to do it. No debt, no banks, no interest payments. You're in full control from day one.

That said, cash isn't infinite. Don't want to put yourself in a tight spot by draining your savings to buy a business.

The smartest move? **Keep enough working capital on hand** to sustain operations and cover personal expenses during the early ramp-up phase. Because if you need a loan later, the terms won't be nearly as friendly.

## **SBA LOAN – financing for select franchises**

SBA 7(a) loans are one of the most common ways people finance a franchise. They let you put **less money down** and keep more liquidity, but they come with strings attached:

- You'll need 15-20% of the total investment in cash.
- The franchise must be SBA-approved.
- You need good credit and a strong financial profile to qualify.

I see people waste months chasing a franchise only to find out they can't get the financing. That's why it's smart to talk to a lender early and figure out what you qualify for before you go too deep.

### 401(K) ROLLOVER (ROBS) – using retirement funds

If you've got a healthy retirement account, a ROBS (Rollovers as Business Startups) plan lets you tap into your 401(k) or IRA without penalties or taxes.

The short version of how it works:

1. You create a C-corp (it has to be a C-corp for this to work).
2. The corporation sets up a qualified retirement plan.
3. You roll over your existing 401(k) funds into this new plan.
4. The retirement plan buys stock in your company, funding your franchise investment.

This is a great option for people who have money locked up in retirement but want to put it to work now instead of waiting until they're 65. But it's not a DIY job—**you need a specialist to set it up** correctly and avoid IRS issues.

### SO HOW DO YOU CHOOSE?

This all boils down to one key question: What are you comfortable with?

- Do you want to stay debt-free or leverage financing to keep more cash on hand?
- Are you okay with using retirement funds, or do you want to keep them untouched?
- How much capital can you realistically invest without stressing your personal finances?

Get clear on this now, and you'll avoid chasing deals you can't fund.

Plus, when you find the right franchise, **you'll be ready to move quickly**—which matters in competitive brands where territories get snapped up fast.

# Step 3: Choose your parameters

Once you know why you want a franchise and how you'll fund it, it's time to narrow the field. Consider the following questions to narrow down what will actually work for you.

## **GEOGRAPHY – where do you want to be?**

The obvious answer is “where I live,” but let's go deeper:

- Are you willing to drive for a great opportunity, or does it need to be close?
- If you're in a rural area, are you open to expanding into a bigger market nearby?

Franchise success is heavily location-dependent. The right business in the wrong place is still the wrong business.

## **REAL ESTATE – what kind of footprint do you want?**

Franchises fall into three categories:

- 1. Home-based** – No lease, no overhead, low startup costs.
- 2. Brick-and-mortar** – Think retail, food, gyms—high visibility, but also higher costs and longer ramp-up times.
- 3. Flex space** – Mobile services, industrial businesses—usually a warehouse or small office instead of a storefront.

Some people love the idea of a high-traffic retail location, while others never want to deal with a landlord. Knowing this upfront eliminates bad fits immediately.

#### **OPERATIONS & SALES – who's running this thing?**

Don't force a franchise to fit your lifestyle. Find one that already fits. So be honest: are you going to be the full-time operator, or do you need a business that can run without you?

- **If it's you**, what are you good at? If you hate sales, don't pick a sales-heavy business.
- **If it's not you**, find a model that actually works with an owner-operator setup. Not all of them do.

#### **CAPITAL – how much are you really comfortable investing?**

You know your financing options from step 2. Now, lock down your actual budget.

- How much **cash** do you have?
- How much **debt** are you comfortable taking on?
- How much **runway** do you need before this business pays for itself?

A franchise can be the best investment of your life—but only if the numbers make sense.

#### **EXPANSION – what's the long-term plan?**

Are you trying to build a mini-empire, or are you happy with a single unit?

- If you want multi-unit ownership, you'll need a franchise with territory availability and a model that scales.
- If you're playing the long game, look for brands with high resale value and strong franchisee support.

This is where most people make emotion-based decisions—they pick something they like, then try to justify it. Instead, start with your criteria, then find the business that fits.



## Step 4: Build a long list

Now it's time to put together a real list of options. There are thousands of franchises out there, but only a handful will actually fit your criteria.

The goal here isn't to find "the one" — it's to build a list of 10-20 solid contenders that align with what you want.

### WHERE DO THESE FRANCHISES COME FROM?

There are two ways people build their list:

1. They Google random franchises and get overwhelmed.
2. They work with someone who knows what's actually worth looking at.

I've looked at hundreds of franchises, and the reality is that most aren't worth your time. The ones that are tend to follow patterns—strong unit economics, great support, and real potential for growth.

That's where we focus.

### HOW TO FIND THE RIGHT FRANCHISES

Go back to your search criteria from step 3:

- Does it fit your geography?
- Does it match your real estate preference?
- Can you afford it with your available capital?

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- Does it fit your operating style (owner-operator vs. semi-absentee)?
- Does it align with your long-term goals (single-unit or multi-unit growth)?

If a franchise doesn't check these boxes, cut it now. No reason to waste time on something that won't work.

### WHY 10-20 FRANCHISES?

This range gives you enough options to compare, without getting so overwhelmed that you can't make a decision. Most people make the mistake of either looking at too few or too many. This approach keeps you focused but flexible.

Once you have your list, the next step is to start narrowing it down—and that's where we move to the short list.

# Step 5: Construct a short list

Now it's time to get serious. The goal here is to cut your long list down to the top three franchises that actually have potential.

Why three? Because it's the sweet spot—enough to compare, but not so many that you get stuck in analysis paralysis.

## VERIFY TERRITORY AVAILABILITY

Franchises don't sell unlimited locations—territories fill up. Before you fall in love with a brand, check if there's even room for you.

- If a franchise doesn't have availability in your area, cut it immediately.
- If it does, make sure the territory size works for your goals (single unit vs. multi-unit growth).

Territory availability alone usually cuts the list in half.

## NARROW TO YOUR TOP 3

From what's left, focus on the best fit based on everything you've already outlined:

- The franchise's business model matches your strengths.
- The financials make sense for your budget and funding.
- It aligns with your lifestyle and long-term goals.

At this stage, people tend to overthink things—but remember, you're not committing yet. You're just selecting three franchises to take through the next stage of due diligence.

# Step 6: Connect with franchisors

Now that you've got your top three, it's time to start talking to the people who actually run these brands. This is where you enter the discovery process—a series of calls and meetings where you and the franchisor evaluate each other to see if it's a good fit.

## 1. INTRO CALL

Your first conversation with a franchisor is usually low pressure—just an intro to the brand and a chance to align on next steps. But don't just sit back and listen—use this call to assess them, too.

- Do they seem organized and competent?
- Are they transparent about the business model?
- Do they actually want to work with you, or are they just selling another unit?

If something feels off—bad communication, vague answers, or pressure to move too fast—it's a red flag.

## 2. DISCOVERY PROCESS

If the intro call goes well, you'll move into a series of focused calls covering key areas like:

- **Unit economics** – What are the real numbers behind successful locations?
- **Marketing** – How does the franchisor generate leads?

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- **Operations & support** – What help do you actually get after signing?
- **FDD review** – A deep dive into the Franchise Disclosure Document (this is where you get the legal and financial details).

Each franchisor structures this process a little differently, but it typically takes 2-4 weeks before you're ready to move forward.

### WHY THIS STAGE MATTERS

This isn't just about them selling you—you're evaluating them, too.

- Do they have a vision for growth, or is this just a money grab?
- Do they seem to care about their franchisees, or are you just another number?
- Are they upfront about challenges, or are they sugarcoating everything?

If you get through discovery and still feel good, you're ready for the next big step: validating with existing franchisees.

# Step 7: Conduct standard discovery

At this stage, you've had intro calls with the franchisors, and now you're diving deeper. This is where you get into the details that actually matter—not just the sales pitch.

## 1. STRUCTURED CALLS

Every franchisor has their own discovery process, but it usually includes a series of deep-dive calls on topics like:

- **Unit economics** – How do the numbers work? What's the average revenue? What's realistic for a first-year owner?
- **Operations** – How does the business actually run day-to-day?
- **Marketing & lead generation** – Does the franchisor drive demand, or is that all on you?
- **Technology & systems** – What tools do they provide? How streamlined is the business?
- **Franchise Disclosure Document (FDD) review** – A breakdown of financials, fees, and legal agreements.

This process takes 2-4 weeks, and the goal isn't just to learn—it's to spot any red flags. If a franchisor dodges tough questions or gives vague answers, take note.

## 2. LEADERSHIP INTERACTION

At some point, you'll get to meet with the executive team—the people actually running the brand. This is a big moment because:

- You'll see how they think about the future of the business.

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- You'll get a feel for whether they genuinely care about franchisee success.
- You'll figure out if they want you in the system—or just want to sell another unit.

I tell people all the time: you only want to be in rooms where you're welcome. If the leadership team seems disengaged or uninterested, that's a bad sign.

### 3. PREPARING FOR VALIDATION

Once you've gone through discovery, your next move is talking to actual franchisees to verify everything you've been told. This is the step where a lot of deals fall apart—because franchisees will tell you the truth, not the polished sales version.

If you've made it this far and still feel confident in the brand, you're ready for the validation process.

# Step 8: Validation

This is where the rubber meets the road—talking to actual franchisees. Up until now, you've mostly heard from the franchisor. Now, you get to hear from people who are already in the system, running the business day-to-day.

Franchisees will tell you the truth—the good, the bad, and the ugly. If you've been sold a dream, this is where you'll find out.

## HOW VALIDATION WORKS

Most franchisors will set up calls or group sessions with current franchisees. These can happen in two ways:

- 1. Group calls** – Like a town hall. A franchisor invites multiple candidates and a few franchisees, and you all ask questions.
- 2. One-on-one calls** – These are where you get real insights. You can dig deeper and get honest feedback without the franchisor listening in.

## WHAT TO ASK FRANCHISEES

Your job is to get past the surface-level stuff and dig into the reality of running the business. Ask questions like:

- **Financials** – What do your numbers actually look like? (People may not give exact numbers, but you can ask about gross margins, breakeven time, and profitability.)
- **Support** – Does the franchisor actually help, or are you on your own once you sign?
- **Marketing** – Do their lead-gen systems work, or is that all on you?
- **Biggest challenges** – What's harder than you expected? What do new franchisees struggle with the most?
- **The gut-check question** – If you had to do it over again, would you still buy this franchise?



One of my favorite questions: "What question should I be asking you that I haven't asked?" This often gets you the real stuff that franchisors don't talk about.

### WHAT TO LOOK FOR

If multiple franchisees are all saying the same things, pay attention.

- Consistent success stories? Good sign.
- Frustration with support or marketing? Huge red flag.
- A mix of good and bad? That's normal—but the key is figuring out why some are winning and some aren't.

### THE TAKEAWAY

By the end of validation, you should have a clear picture of what this franchise is really like. If you still feel good, you're ready for Confirmation Day—the final step before signing.

# Step 9: Confirmation Day

This is the final step before signing. Most franchisors will invite you to their headquarters for Confirmation Day—also called Discovery Day by some brands.

This is your chance to meet the team, see their operation firsthand, and make sure everything feels right before pulling the trigger.

## WHY THIS STEP MATTERS

By now, you've done the research, validated with franchisees, and have a solid grasp of the business. But numbers on a spreadsheet don't tell the whole story—meeting the people behind the brand gives you one last gut check before committing.

## WHAT HAPPENS AT CONFIRMATION DAY?

Every franchisor runs this a little differently, but here's what to expect:

- **Meet the leadership team** – You're getting face time with the decision-makers. Pay attention to their energy and vision.
- **Tour the facilities** – If it's a brick-and-mortar franchise, you'll visit locations. If it's service-based, they'll walk you through their operations.
- **Final Q&A session** – You'll have a chance to ask anything you haven't covered yet. Now's the time to get clarity on any remaining concerns.

### WHAT TO HAVE IN PLACE BEFORE YOU GO

Before Confirmation Day, make sure you're ready to move forward if everything checks out. That means having:

- **Validation** – You've talked to enough franchisees to feel confident.
- **Territory confirmed** – You know exactly what area(s) you'll be securing.
- **Draft of the franchise agreement** – You've reviewed it and had any concerns addressed.
- **Money ready to go** – You have your funds allocated and accessible to cover franchise fees.

### THE FINAL GUT CHECK

You'll leave Confirmation Day excited—that's normal. But before you sign anything, ask yourself:

- Do I feel good about the leadership team?
- Do I trust their vision for the brand?
- Do I fully understand the financials and risks?
- Am I actually ready to do this?

If you can say yes to all of the above, you're ready for the final step—signing the franchise agreement.

# Step 10: **Sign** the agreement

**This is it**—you're about to become a franchise owner.

The process can feel big, but if you've done everything right up to this point, it should be a confident decision, not a nervous one.

## **WHAT HAPPENS WHEN YOU SIGN?**

- You officially secure your territory.
- You pay your franchise fees.
- You get access to the franchisor's onboarding and training programs.

## **WHAT HAPPENS NEXT?**

Now the real work begins. The franchisor will guide you through launching your business, but at the end of the day, this is your operation. The best franchisees succeed because they take ownership—not because they expect the franchisor to do everything for them.

## **FINAL THOUGHT**

If you've gone through this process the right way—by defining your goals, evaluating your options, validating with real franchisees, and making an informed decision—you're in a great position to win.

Congratulations—you're a franchise owner. Now it's time to build something great.



# What's **next?**

Reading this, you're now **10 steps ahead of most franchise buyers.**

But here's the thing—**knowing the process isn't the same as making the right choice.**

The best franchise for you depends on your goals, finances, and risk tolerance—and that's where expert guidance can make all the difference.

I help people like you navigate the franchise buying process, avoid costly mistakes, and find the right fit. **If you're serious about franchising, let's talk.**

(By the way — my services will never cost you a dime.)

Ready to go?

👉 **Book a free 30-minute consultation** Spots are limited.

Still researching?

👉 **Subscribe to my newsletter** (No spam, just real insights.)

**THE RIGHT FRANCHISE CAN CHANGE YOUR LIFE.**

Let's find it together.

Thanks for reading!

- **Connor**

