

Molly Wally's

Franchisee Satisfaction Report | November 2023



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About FBR

Franchise Business Review (FBR) is the leading market research firm in the franchise sector specializing in satisfaction and business performance. Since 2005, we have worked with over 1,200 leading franchise brands.

Our mission is simple:

We gather actionable insights from your key stakeholders – your franchisees, your employees, your candidates, and your customers – and we put those insights to work to help you build a stronger, more successful company.

For us, **driving better results** is much more than a tagline. It's about helping the very best franchise companies achieve greater success.

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Introduction

Overview of Project

Franchise Business Review (FBR) recently completed a franchisee satisfaction benchmark project with **Molly Wally's**. Our research was completed in November 2023 with all current franchisees (**42**) being contacted by email and asked to complete a detailed satisfaction survey and **33** franchisees (**79%**) completed the survey.

FBR's standard satisfaction survey asks 33 benchmark questions across eight primary areas: Training & Support, Franchise System, Leadership, Core Values, Franchisee Community, Franchisee Self-Evaluation, Financial Opportunity, and General Satisfaction. The survey also asks franchisees several market information, business lifestyle, and demographic questions.

Scoring and Analysis

Franchisee Satisfaction Index (FSI)

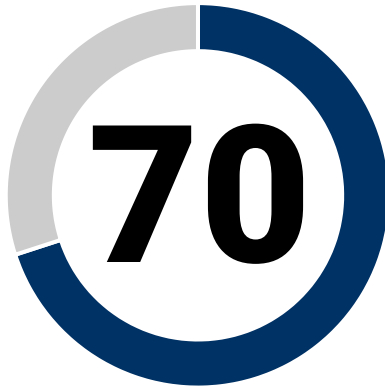
Each question receives a Franchisee Satisfaction Index (FSI)™ score, which is a weighted average of the responses given to each 5-point scale question. Individual answers are given a score of 100, 75, 50, 25, or 0 across the range from most positive to the least positive response choice. FSI scores can range from 0-100 points. Generally speaking, an FSI score above 70 is considered above average, 60-70 is average, and lower than a 60 is below average. That said, FSI scores can vary significantly from question to question.

FSI Benchmarking

All standard FBR survey questions were benchmarked to a custom **Abistar Brands** containing data from a select group of **4** brands. This benchmark includes current data from over **184** franchisees representing more than **624** locations.

Overview

Overall FSI Score



79% participation

33 out of 42 invited franchisees took part in the survey.



17% above average

Your overall score is 17% above the average 60 FSI. Of the 4 brands in the benchmark, FSI scores range from 44 to 72.

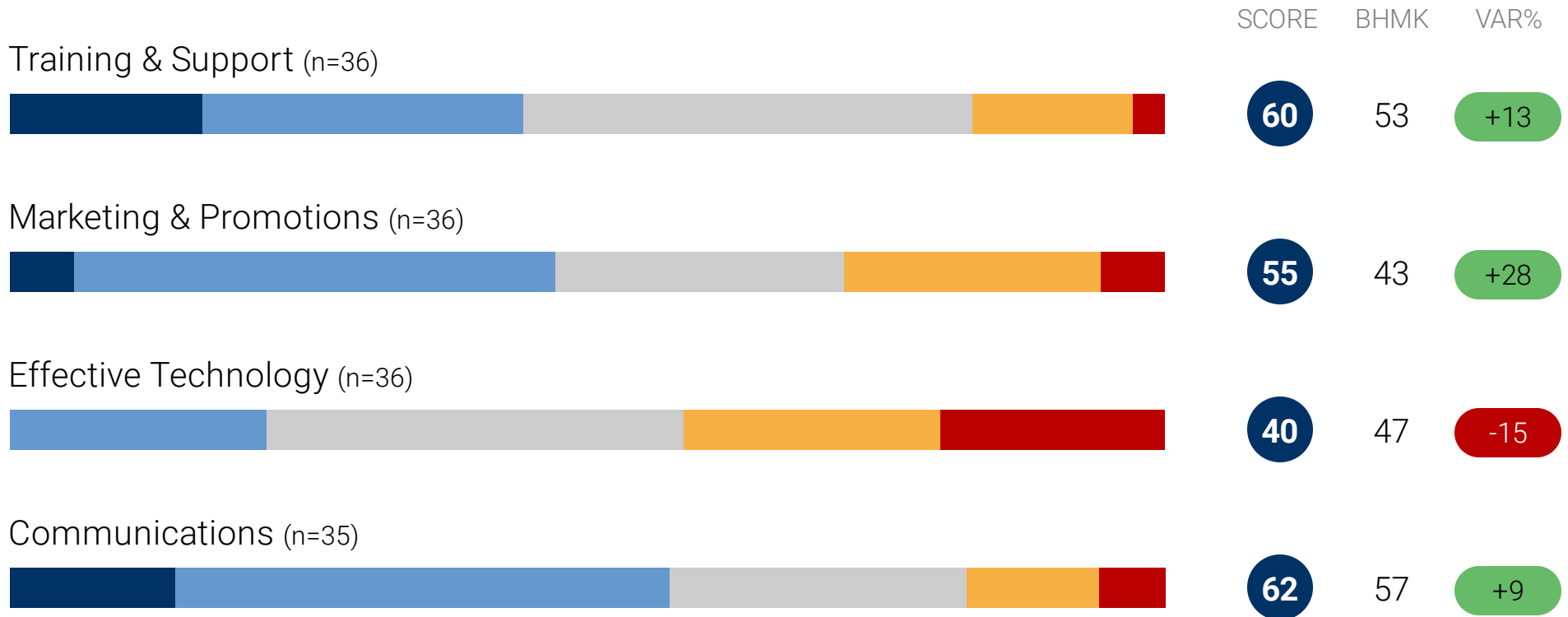


Top percentile

Your score is in the Top quartile of Abistar Brands.



Training & Support



KEY INDEX:

"n" = number of responses by question.

"SCORE" = your current Franchise Satisfaction Index (FSI) score.

"BHMK" = the current FBR benchmark FSI score (see page 3)

"VAR%" = the +/- percentage variance between your score and the benchmark.

Franchise System

	SCORE	BHMK	VAR%
Ops & Systems (n=35)	64	47	+36
Products & Services (n=35)	67	58	+16
Competition (n=35)	65	66	-2
Innovation (n=35)	56	50	+12

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Leadership

	SCORE	BHMK	VAR%
Clear Vision (n=34) 	71	62	+15
Team Culture (n=35) 	76	61	+25
Involves Franchisees (n=35) 	64	47	+36
Effective in Driving (n=35) 	69	58	+19

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Core Values

	SCORE	BHMK	VAR%
Trust (n=34)	71	59	+20
Respect (n=34)	79	67	+18
Honesty & Integrity (n=34)	76	62	+23
Cares About My Success (n=34)	71	65	+9

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Franchisee Community

	SCORE	BHMK	VAR%
Support Brand (n=34)	74	77	-4
Support Management (n=34)	73	59	+24
Support Each Other (n=33)	81	85	-5
Active Community (n=34)	76	71	+7

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Self-Evaluation

	SCORE	BHMK	VAR%
Enjoy the Business (n=33)	82	77	+6
Enjoy the Organization (n=33)	83	75	+11
Active Participant (n=33)	83	76	+9
Valued Member (n=33)	72	65	+11

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Financial Opportunity

	SCORE	BHMK	VAR%
Fees (n=33)	64	49	+31
Total Investment (n=33)	67	51	+31
Financial Picture (n=33)	70	54	+30
Long-Term Growth (n=33)	70	65	+8

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General Satisfaction

	SCORE	BHMK	VAR%
Overall Opportunity (n=33)	69	53	+30
My Overall Performance (n=33)	73	61	+20
Overall Satisfaction (n=33)	65	51	+27
Do It Again (n=33)	71	61	+16
Recommend (n=33)	78	60	+30

Recommendations & Next Steps

Thank Franchisees

If you haven't already done so, send a system-wide broadcast thanking all your franchisees for taking part in the survey project. Show your appreciation for all the feedback they shared. You can explain that you and your team are working with Franchise Business Review to analyze the many responses from franchise owners, and you will circle back soon to share the results. This will help reinforce the value of the survey project and encourage even higher participation next time around.

Share Survey Results

You and your team obviously need time to digest and analyze your survey results. That said, the sooner you can share some high-level insights with franchise owners, the better engagement you will receive. Thank franchisees again for participating and sharing their feedback. Highlight the strong franchisee community and strengths of the brand and be honest about any challenges. Don't worry about solutions yet; franchisees just want to know their voices have been heard and you are taking their feedback seriously. Explain there is work to be done, but TOGETHER you can build a better franchise system.

Engage Franchisees in the Solutions

Whenever possible, allow franchisees to participate in the solutions and action planning that develops post-survey. The more franchisees can "own the process," the more active and engaged they will be in implementing any changes or system improvements presented.

Make Unit-Level Economics Priority #1

Create an internal strategy and marketing campaign with the top priority of boosting franchisee revenue and profitability. It would be good to have a 3-5 year stretch goal that gets franchisees excited. Driving revenue growth is obviously the goal of every company, but you'll want to tweak internal communications to place an emphasis on driving "franchisee sales and profitability." This messaging will need to be at the core of all your business strategies and communicated frequently across the network.

Keep Communicating Your Progress

Clearly communicate goals and action plans that result from this project, and report back to the entire network regularly on your progress toward these goals. Whenever possible, highlight franchisees who have been involved and celebrate project milestones at both annual and regional meetings. Keep reminding franchisees that these activities and accomplishments are a direct result of their feedback. Franchisee engagement will continue to grow.

Win-Win Not "Us vs Them"

Remind corporate employees, field support staff, business coaches, vendors, and other partners that many of your franchisees have invested their life savings into your brand, and they don't get a paycheck at the end of the week until all their employees and bills are paid. Inflation and labor costs are driving up costs for every business owner, and profit margins are getting leaner in many cases. Do not tolerate anyone on your team talking negatively to or about a franchisee, even when a franchisee is angry or frustrated. Demonstrate to your franchisees that EVERYONE in your organization is working for them, not the other way around.

Press the Flesh

Get senior leadership out in the field and in your franchise locations as much as possible. Launch a new listening tour and meet face-to-face with as many franchisees as possible. Find a few key areas to highlight to franchisees that corporate is listening. Having leadership widely visible in your locations is more important than ever.

Spend Time on the Front Lines

Everyone throughout the organization should spend time working in a franchise location several times a year. Being on the front lines on a regular basis will bring a new and fresh perspective to every role. Engage with employees, managers, franchisees, and customers for feedback and ideas to address key challenges. The best insights often come from working on the front lines and serving customers.

Recommendations & Next Steps

Reinforce Franchisee Leadership

From your Franchise Advisory Council all the way down to local and regional franchisee committees and boards, thank all your owners for serving, and remind everyone of the importance of two-way communication with their “constituents.” All too often, franchisee leaders serve on various committees but rarely communicate with the franchisees they represent. Franchisees at all levels of the organization need to be directly engaged by their local franchisee leaders, and regular communication needs to flow both ways. Assess that your franchisee leadership is diverse and representative of all ownership segments, and most importantly, viewed positively by the franchisee community. Engage new and younger franchisees to step up into leadership roles to ensure fresh ideas and new perspectives.

Celebrate the Wins... Big and Small

Today's business environment is challenging and stressful. Look for ways to identify and celebrate the heroes within your organization and share their stories with the world. Franchisees, employees, and customers will all appreciate hearing about your success.

Individual Follow-up

Once the overall results have been shared with your system, schedule one-on-one time with each franchisee for individual follow-up. Clarify any outstanding questions or concerns, and clearly identify each franchisee's key priorities. Set realistic timeframes around each priority and identify some “easy wins” to show short-term, bottom-line results.

Measure... Adjust... Repeat

The days of doing a single annual survey with franchisees or employees are over. Your organization needs to engage your key stakeholders more frequently to create a constant performance feedback loop. Shorter, more frequent pulse surveys will help keep franchisees and employees more engaged and give your entire organization additional insights to improve performance and grow.

For us, driving better results is much more than a tagline. It's about helping the very best brands – and their franchisees – achieve greater success.

Congratulations on Taking a Big Step Toward Building Stronger Franchisee Relations.

Running a successful franchise organization is challenging. We hope this report provides you with a few actionable insights and ideas to help move your company forward.

The FBR team is here for you. If you need additional feedback from your franchisees, your employees, your candidates, or your customers, we'll help you get the insights you need. Please don't hesitate to reach out with any questions about our research, or ideas on how you and your team can continue to drive better results.

Happy Franchising!

Your Team at Franchise Business Review