

You're buying a lot more than a job

David Coates, a Mortgage Choice franchisee, says it took him a while to get the hang of franchising and the mistake he made at the start is one lots of people make when they get themselves into a franchise system.

Coates thought he was buying himself a job, not investing in a business, when he bought a Mortgage Choice franchise seven years ago.

"I have to admit, I was a slow starter in the first few years," Coates says. "I treated it like a job. I would come in to work, write my loans, see my customers and get my income.

"I had no vision of the franchise as a business. The penny dropped after a few years, when I realised that at some point I would want to get out of the industry.

"To get some value out of my investment, I would have to start developing the franchise as a business.

"A lot of people who come into franchising are the same. They have never run their own business before



Vision . . . David Coates realised his franchise was an investment. Photo: Gary Medicott

and they see themselves moving from one kind of job to another."

Coates was an information technology consultant before getting

into mortgage broking. He had had no experience running a business.

He says he was fortunate in that, once he realised he needed to develop

a business strategy, the Mortgage Choice franchise system had the resources to support him.

"I took some training courses and started networking with other franchisees. I came into contact with people who had developed sales systems that could be replicated when they hired staff.

"I met people who were planning to own several franchises. I learnt how to get more referrals."

Coates now has two employees in his business and is planning to take on a third person in the next few months. He says the business is continuing to produce good revenue in the downturn because his business development has created a broad customer base.

Coates' advice for anyone thinking of joining a franchise system is to talk to some of the franchisees already in the system and find out what sort of business development support the franchisor offers.