

FAQ's:

Here is just a selection of the most common questions prospective franchisees are asking:

THE FRANCHISE:

1. How long has Beauty Call been franchising?

Beauty Call was founded in April 2006. We started selling franchises in September 2009. We ran a 4 month pilot franchise scheme involving four test franchise areas.

2. What professional support has Beauty Call had in developing the franchise?

Beauty Call has used FDS (Franchise Development Services) to advise on the early set up stages of setting up a franchise. Our legal agreement was drawn up by 'Chambers and Co Solicitors' – Specialist Franchise Solicitors.

3. Who is your main competitor?

Our main competitors are individual freelance hair and makeup artists throughout the country. There are a few other companies listing hair and makeup artists for weddings, but none that work in the same way as us. We are unique!

4. How many franchisees are there?

We currently have 15 franchisees:

Nicky covering KT (Kingston) and TW (Twickenham)

Samira – M (Manchester) and WA (Warrington)

Danielle - OX (Oxford) and RG (Reading)

Stephanie - RH (Redhill) and SM (Sutton)

Jenny - MK (Milton Keynes) and NN (Northampton)

Marie - SN (Swindon) and SP (Salisbury)

Kim - BH (Bournemouth), PO (Portsmouth) and SO (Southampton)

Dannique - BR (Bromley), DA (Dartford) and SE (South East London)

Alison - LS (Leeds) and YO (York)

Louise - GU (Guildford) and SL (Slough)

Patsy – CM (Chelmsford), E (East London) and IG (Ilford)

Annabel - SW, W and WC (South West, West and Central London)

Becky – BN (Brighton)

Sarah – CT (Canterbury), ME (Medway) and TN (Tunbridge Wells)

Sarah CL – RM (Romford) and SS (Southend)

5. Will the territory offered be for my exclusive use?

Yes we offer exclusivity to all franchisees. Territories are made up of 2 or 3 postcode areas.

6. Do any franchisees run more than one franchise?

No, currently no franchisees run more than one franchise. As the wedding market is a very localised industry, we believe that it is very important for a franchisee to be in or live very close to their territory.

7. What are Beauty Call's development plans?

We are looking to expand the business via franchises. We hope to reach 22 franchisees by the end of 2012. As we gain more franchisees the number of jobs we do obviously also increases. In 2010 we did 491 jobs, 2011 we did 928 jobs. We are projecting to do 1500 jobs in 2012.

8. How is Beauty Call's Head Office organised?

Beauty Call is a family company. Founded by Nicky Mowat in 2006, Nicky is the Managing Director and a Franchisee herself. Younger brother, Phil, is the Sales and Marketing Director and deals with franchisee recruitment and account management. Dad, Ian is the Chairman. We also use a freelance Admin Assistant, currently this is Sally.

9. How are franchisees chosen?

Franchisees are carefully selected to ensure that they are going to be right to run a successful franchise. We invite all interested parties to come and meet us either at our base in London, or we visit them. At this meeting we run through the ins and outs of the franchise and ask them questions to learn more about them. We want to know about their previous work, their experience in their hair and makeup industry and their personality. It's like a relaxed two-way job interview!

10. How thoroughly do you vet prospective franchisees to maintain a high standard in the network?

We initially ask all prospective franchisees to fill out an online application form to work for us a freelancer – <http://www.beautycall.co.uk/work.php> (unless they require hair and makeup training via Beauty Call Academy).

We are currently receiving an application every 2 days. We do turn down a lot of applicants, based on their experience and quality of work in their images. We also turn down artists if we already have enough artists in that area. If you are applying for the franchise we will advise / train you, to get to the standard that we require.

There is also a Franchise Application Form to be completed after we meet at the initial meeting to discuss the franchise. If we feel that the applicant is not right for the franchise, we will turn them down and give our reasons.

Costs and projections:

1. How much does the franchise cost in total?

The initial investment is £3,500 + VAT = £4,200. There are no other costs in the 1st year, until you start getting jobs in.

A monthly commission is paid to Head Office based on jobs that have taken place:

- 16% + VAT on jobs over £100.01

- 5% + VAT on jobs under £100.00

From the 2nd year a yearly management fee of £1,200 + VAT is payable on a yearly basis.

Payment plans available for the initial investment and yearly management fee.

2. Can you provide a breakdown of all necessary costs?

This is a low cost franchise, with low running costs. You are providing a service, using your skills in hair and makeup.

Running costs to consider are: Hair and makeup supplies, telephone and internet bill, local marketing and advertising.

3. What exactly is included?

The package inclusions are clearly written on the 3rd page of the Franchise Opportunity leaflet.

4. What are the on-going costs? Do I contribute to any other costs such as advertising and promotional expenditure?

The on-going costs to Head Office are as above in question 1 – monthly commission and yearly management fee. The management fee is used by Head Office for its marketing campaigns. Head Office will never ask for any more money.

5. What help, if any, will I receive if I want to do some advertising and promotion on my own?

We can most definitely help you – the Operations Manual includes a section “Local Marketing Guide” to guide you in what to do and how to get the best deal. We can help with design work (free of charge) and ideas for promotions. Any costs incurred for local advertising will be down to you.

6. Can I see actual trading figures from existing franchisees?

We have enquiry and booking numbers available for all franchisees for everybody to review. Trading figures for each franchisee are private, but if you contacted them I'm sure they will give you a heads up of what their profit looks like!

Again because there are low running costs it's very easy to make a profit and pay yourself a good salary.

7. Is there a minimum performance requirement?

We don't have an official minimum performance requirement, but do hope each franchisee to do a minimum of 80 jobs per year. This works out at just 1.5 jobs per week – perfectly achievable.

8. What is the market size for my territory and who is the competition?

Your territory will be 2 or 3 postcodes in size. Postcodes vary in actual area size, but generally have equal populations. So all franchisees have a pretty similar amount of people as a market. From our research from the National Office of Statistics there is a pretty even spread of about 4,000 to 6,000 weddings happening every year across 2 postcode areas.

So your market is effectively 4,000 to 6,000 brides every year. You want to get to a minimum of 80 brides – so 2%!

Methods:

1. Is the business seasonal?

It is a common misconception that weddings only take place in the summer. Look at our bookings figures and you'll see they happen year round. Obviously May to September is the peak season when you need to work very hard, but you will still get opportunities through the autumn and winter. Plus we don't just do weddings. We send makeup artists out to Special Occasions, Hen Parties, Makeup Lessons, and Proms. Head Office also looks after the event side of the business and franchisees get asked first to work at these.

2. Can I choose alternative suppliers?

You are able to use whichever brands of hair and makeup you desire. We have a recommended printer, but you are under no obligation to use them, but we advise you do for cost and quality of work. We encourage you to build links with local companies to build your business.

3. Do you allocate exclusive territories?

Yes we do. You will be the only franchisee in your 2 or 3 postcodes. You will have a team of freelancers that live in your, or nearby postcodes, that will become part of your team.

4. How many enquiries are you currently getting for my territory?

We are able to pull off a long excel report of all the job enquiries we have had since the online system was started. This shows towns and postcodes, but does depend on what exactly was filled in by the customer. So there are a lot of TBC's and also general towns, like London (which isn't great for data research if we looking at very particular postcodes). However we are more than happy to pull this report off and email it to you – we go through it and highlight any enquiries that have been specifically for your area. Having said all this, the main point to raise here is that we only spend money and target our marketing on the franchised areas. So unfranchised areas, i.e. the areas you are looking at, will have far less enquiries than the franchises ones. But with a mix of our targetted marketing and your local marketing (i.e. meeting venues, wedding suppliers and going to wedding fairs) there would be a massive increase in enquiries!

5. For how long is the initial franchise agreement? Is there a renewal fee at the end of the agreement?

The legal agreement lasts for 3 years. After that term if you want to carry on and we want you to carry on then we re-sign the paperwork at no extra cost.

6. What happens at the end of the agreement? Can I sell the franchise on?

If you decide you want to carry on after the 3 year agreement, and we want you to carry on with the franchise, then we simply re-sign the franchise agreement with a fresh 3 years (at no extra charge).

If you decide that you do not want to carry on the franchise after 3 years, then you would basically surrender your Beauty Call business back to us (i.e. clients, contacts, etc.). We undertake the re-sale of the franchise, but if you have recommendations then we would appreciate you passing them on.

7. What marketing programme do you have?

Head Office undertakes all national and online marketing; including looking after the website ensuring we are high on Google searches for key terms in franchised areas (search engine optimisation and Google ad words campaigns). We also ensure we have coverage in national press magazines and are listed on all the major web directories and listings. Social media (Facebook, Twitter and You Tube) are all essential too – we head this up, but appreciate all of our franchisees to get involved with these too!

Support:

1. What training is provided? How long will it last?

As part of the franchise package you receive two full days of business training at the studio in London or at your base. We run through the Operations Manual in the two days covering everything from the website, to the online booking system, sub-contracting jobs to other artists and a local marketing guide. If you would like a look at the Operations Manual we can show you this at a meeting. Following your two days of training, we offer full time support, via phone, email, Gmail chat and of course personal meetings as required.

2. Do I receive operating manuals to keep?

Yes you get your own personal manual – this is also saved online in the Franchise Panel (online booking area) in case you don't want to carry your folder around with you! You will be emailed updates and new procedures as they happen. You should print these out and then add to the manual.

3. How long will it take to start trading from the time I sign the contract?

We can literally start you the same day – but realistically give it a couple of days to allow us to get your email and Franchise Panel all set up.

4. What ongoing support do you provide? Are there extra costs for future training?

As mentioned in question 1 - we offer full time business support, via phone, email, Gmail chat and of course personal meetings as required. This is at no extra cost. If you require extra hair and makeup training, we can organise this for you at an additional cost, dependent on what exactly is required. Or there is the option to come on our one-day re-fresher training days.

5. What support is available if a franchisee runs into difficulty?

We are behind our franchisees 100% of the way. It's important to remember that you are working for yourself but with our constant support. We make our money from you being successful, so will do everything we can to help you succeed! We can assist with complaint handling and difficult customers (and we do want to hear about all complaints, not to catch you out, but to help you resolve them quickly and amicably).

We keep a track of how all franchisees are doing and will keep a special eye on those not doing as well – we will help them and offer advice. At the end of the day that's all we can do – it's up to the franchisee to put our suggestions into place.

6. How do you handle grievances with existing franchisees?

We are a very honest and open company. We know we can sort out issues if there are problems, so the best way to deal with them is to do it as soon as they arise.

7. Can I be provided with a full list of all franchisees in the network and can I contact them?

Our current franchisees are listed in 1.4 – their contact numbers and emails are listed on the website:

<http://www.beautycall.co.uk/artists.php>. We are more than happy for you to contact them to discuss their experiences.

They have left testimonials here:

<http://www.beautycall.co.uk/Testimonials%20from%20Beauty%20Call%20Franchisees%202.pdf>

8. How often does the network get together?

We have 3 franchise meetings per year – one in early January, one at the end of May and one in October. These are held at our studio in London. They are a great chance to share views, questions and thoughts! We also have a Chat Forum in the Franchise Panel where franchisees can talk openly to each other. There are a number of different topics and discussions.

9. Can I meet the Head Office team?

Of course! And we all want to meet you.

10. Do you see any threats in the current marketplace?

Despite the recession hitting hard over the last couple of years, people are still getting married. As we have grown via franchising, the number of enquiries we take every month has increased massively. From Jan to March 2010 we took 291 enquiries, in the same months in 2011 we took 901 enquiries!

We sit in a very nice middle ground of the wedding hair and makeup market – we are not expensive, yet we are not cheap. However we are exceptional value for the level of artists and professional service we provide.

Question to ask yourself:

Are your goals realistic and attainable?

Do you have drive, tenacity and self-discipline to succeed?

Can you develop and sustain relationships with a wide range of people?

Do you have the full support of your family?

If you have answered yes to all of the above please call us:

Phil – 0203 490 9384 or 07833 473410

phil@beautycall.co.uk