

RESEARCH REPORT World-Class Report July 2020

archadeck° outdoor living

Archadeck www.archadeck.com





When you're looking at a franchise opportunity, how can you tell the good from the not so good... and find one which is extraordinary?

The answer lies in how existing franchisees rate their franchise as a business investment!

Archadeck is World-Class because their franchisees say they are!

World-Class Certification is research-based documentation of High Franchisee Validation.

To be considered, a franchisor must be **transparent** and offer access to every franchisee.

The results must be **comprehensive** (70%+ participation) and responses must remain **confidential**...

no-risk for negative and no-reward for positive ratings.



The Franchise Research Institute® is the original independent auditor of franchisee validation and does NOT sell leads or advertising.



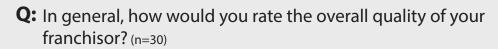
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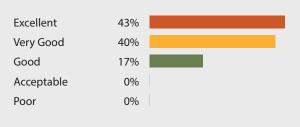
Franchise Opportunity Provided

Overall Quality

100%

In one all-encompassing question we ask the franchisee to rate the quality of the franchisor. This question provides insight (without any specifics or qualifiers) about their overall impression of the franchise.

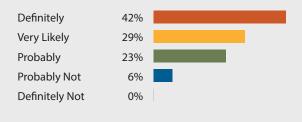




Invest Again

This question is extremely important when evaluating a franchise. However, occasionally a franchisee will rate this question low because the concept has changed significantly since they purchased the franchise, or because of personal issues.

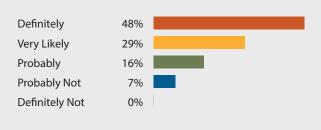
Q: Knowing what you know now, and if you had to do it all over again, would you invest in this franchise? (n=31)



Recommend to Others

When evaluating franchise investments, it is extremely important that existing franchisees (when asked confidentially) will recommend the franchise to prospective franchisees.

Q: Would you recommend this franchise to a prospective franchisee? (n=31)



(n=#) represents the total respondents that answered each specific question.

*Combined scores of all positive responses

-A.B. and C

-Definitely, Very Likely, and Probably
-Exceeded My Expectations and Met My Expectations

-Excellent, Very Good, Good, and Acceptable -Strongly Agree and Agree

-Strongly Agree, Agree, and I am not aware of any disagreements



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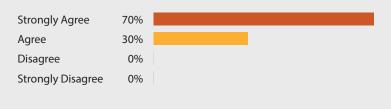
Relationship with the Franchisor

Long-Term Commitment

100%

From the point of view of the franchisee; is there a commitment on the part of the franchisee and the franchisor for a "positive, long-term" franchise relationship?

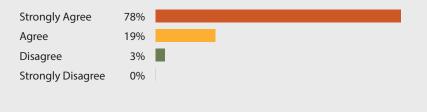
Q: My franchisor and I are committed to a positive, longterm relationship. (n=30)



Joint Success

In the most successful franchise systems there is a very clear understanding of the interdependent relationship between the success of the franchisee and the franchisor. This question measures the level of confidence in the understanding of that concept by the franchisor.

Q: My franchisor understands that if I am successful, they will be successful. (n=31)

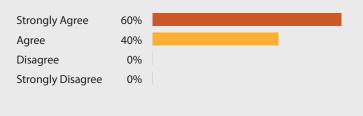


Franchisor Competence

100%

Does the franchisee believe that the franchisor has the talent and skills necessary to assist the franchisee in succeeding? It is important that the franchisor not only have this ability, but also that their franchisees look to it for guidance and expertise.

Q: My franchisor is a competent, skillful organization which I can rely on for help. (n=30)



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FRANCHISE RESEARCH INSTITUTE FRANCHISEE OPINION RESEARCH



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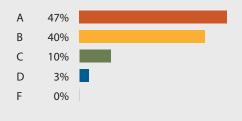
Training and Support

Initial Training

97%

The initial training provided by the franchisor is crucial to the success of new franchisees. Every franchise provides some form of initial training, and the quality of this training is of tremendous importance to highquality franchise companies.

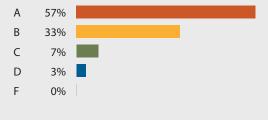
Q: How would you grade the initial training supplied by the franchisor? (n=30)



Opening Support

Opening support can be incredibly important in creating a customer's positive first impression of your business. However, this depends on the franchisee category and product or service offered. In many cases, the franchisor may be required to offer little or no opening support.

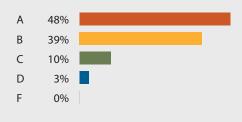
Q: How would you grade the initial opening support provided by the franchisor? (n=30)



Ongoing Training and Support

While the importance of opening support can vary with the franchise category, the post-opening training and support provided by the franchisor is extremely important to franchisees' long-term success.

Q: How would you grade the ongoing training and support supplied by the franchisor? (n=31)



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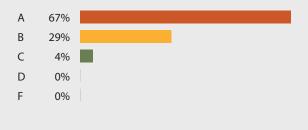
Helpfulness, Communication and Products/Services

Field Representatives

100%*

Almost every franchise system has individuals that are responsible for assisting franchisees when they have questions and/or problems. This question is designed to measure the helpfulness of these individuals.

Q: How would you grade the helpfulness of the franchisor's field representatives? (n=27)

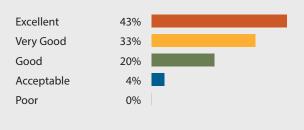


Overall Communication

100%

We believe that quality communication is a critical aspect of successful franchising.

Q: How would you rate the overall communication between home office personnel and franchisees? (n=30)

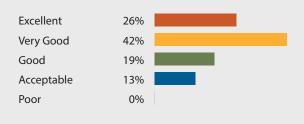


Product/Service Quality

100%

In most systems, franchisees receive some type of products and/or services directly from the franchisor. This question asks the current franchisees to rate the quality of these products and/or services.

Q: How would you rate the quality of products and/or services received from your franchisor? (n=31)



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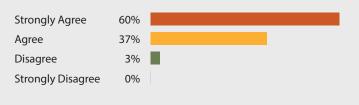
Management

Problem Solving

97%

This question measures the franchisee's perception of the effectiveness of the franchisor's ability to solve questions and problems in a timely manner.

Q: My franchisor responds in a timely way to my questions and minor problems. (n=30)

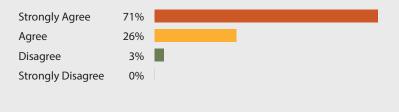


Communication with Senior Management

97%

As we measure high-quality franchise organizations, one thing always stands out - the ability of franchisees to feel that they can directly interact with senior decision makers.

Q: I am able to communicate directly and effectively with senior management. (n=31)

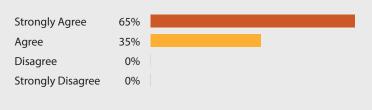


Performance Standards

100%

High-quality franchising requires high standards throughout the system. Leadership for these standards starts at the top.

Q: My franchisor encourages high standards of quality performance throughout the organization. (n=31)



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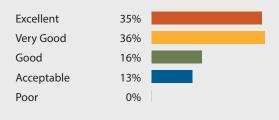
Opportunity and Growth

Opportunity

100%*

Without any qualification, how the franchisee rates the overall opportunity of the franchise they have chosen tells us a great deal; especially when considered along with the next two questions.

Q: In general, how would you rate the opportunity provided by this franchise system? (n=31)

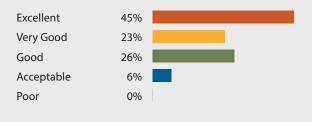


Growth Potential

100%

Now we ask about the franchise opportunity, but qualify the question by focusing on long-term growth potential. This offers insight as to the franchisees' perspective on this very important topic.

Q: How would you rate the long-term growth potential for your franchise business? (n=31)

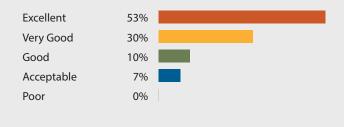


Local Competition

100%

Once again, we focus on the opportunity provided by the franchise, asking the franchisees to rate their franchise business compared to local competition.

Q: How would you rate your franchise business compared to the local competition? (n=30)



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Methodology

The Franchise Research Institute sent a study solicitation notification to all 42 Archadeck franchise owners. The study was completed in July 2020. Archadeck personnel gave franchisee contact information to the Franchise Research Institute for the sole purpose of sending the notification. The notification included a unique link for each franchisee to insure no responses were duplicated.

Franchise owners were encouraged by Archadeck and by the Franchise Research Institute to complete the survey, and they were assured that their individual responses would never be revealed to anyone outside the Franchise Research Institute (not even Archadeck management).

Franchisees logged on to the online survey questionnaire using their unique survey link, completed and submitted the survey. 31 of 42 franchisees, or 73.81%, responded and took the survey. The Franchise Research Institute has no reason to believe that non-respondents' answers would vary substantially from those who did respond.

The maximum error range on this study is $\pm 5.5\%$ at the 95% confidence level.

*Note: The Franchise Research Institute® does not endorse any franchise companies. Investing in a franchise is an important decision. Franchise Research Institute research services are intended to provide basic, high-level information about franchise opportunities from current franchisees, and should not replace the standard due diligence performed by any investor. The Franchise Research Institute recommends that prospective franchise buyers consult a lawyer, accountant, and/or other professionals before signing any franchise agreement.

See terms and conditions on www.FranchiseResearchInstitute.com for more information.

