

Ed Murphy reveals the secrets to success at franchising

After the sale of a number of very successful franchise businesses, experienced Wexford entrepreneur, Ed Murphy talks about his business journey and outlines his intriguing goals and plans for the future.

What's your current business focus?

At the end of last year, I sold both the Snap and Home Instead, master franchise businesses. In the meantime, I have invested in a couple of other businesses and continue to invest, but without the need to be actively involved on a day-to-day basis. So, the dial has moved from actively running businesses towards a new focus of business investment. I also wanted to give something back and have taken on a role with Wexford County Council as chief economic adviser, to help attract more employment to the county.

What is the biggest challenge in growing a franchise business?

There's only one major challenge in growing a business whether that's a franchise or otherwise

and that's sales. There are many books written on how to make a business successful, but if you had to narrow it down to one keyword, that word would always be sales. If you had to put it down to two words, it would be profitable sales. Beyond that, you'd talk about cashflow, about marketing and other aspects; but mostly if you have customers, if you have sales, if you have profitable sales, you can solve all the other problems. Essentially, it's all about sales.

How important is marketing in business?

A worry I have is that some people believe that good marketing on its own, is all that's needed to encourage customers to buy. Generally marketing helps create a desire and encourages interest, but you still need to directly engage with the customer and say, '*okay, now that you've seen everything, will you buy?*' Someone within the business needs to be able to tie down the sale. That last yard requires people who are prepared to sell, prepared to make that call, not just by email or text, but to engage eyeball to eyeball. If I'm mentoring a person who is not prepared to go out and negotiate deals, talk to people and push their way into offices, and make things happen, undoubtedly it raises immediate concern.

How many international franchisor businesses have you introduced into Ireland?

I have been involved in setting up four franchises including Contours Express, CEX, Snap and Home Instead; sourcing one from the UK, two from the USA and one from Australia. We were able to determine quite quickly the level of success we could achieve, as these franchises had already worked out successfully in another country.

About 12 years ago, I set up two franchises at the same time, namely Home Instead and Contours Express, a ladies' fitness gym. A year later, I had set up two Home Instead and 13 Contour Express sub-franchisees respectively. However, after a short while, I could see that Contour Express was only going to be a very minor success story and so within a year and a half of establishing it, I sold it. I knew at that stage that even if it performed really well, it was never going to turn into anything substantial.

On the other hand, with Home Instead we knew we had a viable business, which had the potential to significantly scale to 25 additional locations. I started Home Instead to enable older people remain independent and be in their own home for as long as possible. From a standing start, we eventually ended up with 5,500 older people in our care on a daily basis, being looked after by a staff of 4,500. When I sold the business last year, we were turning over €70 million per annum.

What insights can you share from experience gained within franchising?

Over the years, I have developed great first-hand knowledge and experience of franchising across a range of different enterprises from health and wellness, home care, printing and electrical goods.

They were all different, but the common factor was that they were all franchises. A useful feature when you purchase a franchise is that it teaches you the technical components of a particular business. The key to success within a franchise is combining a tried and tested system, with an ability to drive sales and marketing. For me, it means that if a franchise has been successful somewhere else, I can make it work here.

What's next for you in business?

I am now starting on the other side of the healthcare spectrum. I have recently launched a company with two other people and the business is called The Kids Clinic. It provides assessments and interventions for children with autism, ADHD, etc. There is an enormous demand out there that is not being fully addressed and I wanted to get involved, to make a difference in these kids' lives and to get them the help and support they need.

Who do you admire in business and why?

Michael Kearney has been my partner in business for twenty-seven years and is a person whom I greatly admire. Behind the scenes he was both an excellent mentor and coach as well as becoming my best friend. Another businessman, the legendary Fergal Quinn, whom I knew personally had the right approach to business. His focus was always on, '*what does the customer need?*' Fergal's strategy has stayed with me and has been a key principle throughout my business journey.

What makes it all worthwhile?

Enjoying the business and having fun with it. Snap was very successful, but I was too serious about it and it possibly had too big an effect on my life. I changed my attitude when I started *Home Instead*. I decided I was going to have fun with the business and enjoy it and I actually worked my butt off to make sure that everyone loved working there. If I start another business, I'm going to make sure that it is something I love and enjoy and will genuinely make a difference.

Interview by Brendan Byrne

26 June, 2019