

Entrepreneur

July 17, 2012

The Melting Pot Looks to Diversity to Grow its Franchise

By Jason Daley



Historically, franchising has been dominated by a limited demographic of people with solid business chops, high net worth and pockets deep enough to cover steep franchising fees and build-out costs. But in recent tough years, franchisors have found it necessary to expand their bases, and some have begun to reach out to new communities to find well-rounded candidates with experience and means. True to its name, [The Melting Pot](#)--a Tampa, Fla.-based fondue concept founded in 1975 that now has more than 140 U.S. locations--has made diversity a focus both in its corporate office and among its franchisees.

"It goes back to a couple of years ago, when our organization wanted to beef up our efforts to create additional diversity and awareness, regardless of race, gender and sexual orientation," explains Dan Stone, vice president of franchise development at The Melting Pot's parent company, Front Burner Brands. "I definitely think there is a shift to focus on diversity more and more in the franchise community."

We got Stone to tell us how The Melting Pot is bringing more people to the table.

What communities are you working with?

We are working with the International Franchise Association's Minorities in Franchising initiative; VetFran, which presents opportunities to retiring soldiers; and we've had a big focus on taking The Melting Pot international in the last couple of years, which involves learning about new cultures. Part of that was looking at LGBT groups. In the last 12 months we became a silver sponsor at [GayFranchise.com](#) and have advertised in LGBT publications.

How did you decide to openly market to the LGBT community?

We're looking for the best candidates regardless of background. We have some LGBT franchisees in our systems, we have LGBT people on our support staff, and they appreciate the fact that we are open

to promoting our brand in this segment. It's not one we ignore or shy away from. The gay community embraces our franchise. The concept by its nature is about celebrating occasions, whether significant or the small things in life. Anyone who likes going out to enjoy dinner appreciates that.

What are the advantages in targeting niche franchisees?

One of the problems with franchise marketing is that lots of brands advertise in the same publications. It can get cluttered. But by focusing on something like GayFranchise.com, there are fewer competitors, and we have a more targeted audience. The leads get e-mailed directly to me. I've encountered studies out there indicating that, on average, the LGBT community has a higher disposable income, does not have kids and tends to have more money to invest. From that perspective, we're looking for people to put their money in a proven franchise system.

Why the international push?

The whole idea of The Melting Pot is spending time around a plate of food and enjoying a relaxed dining experience. America is such a rushed society--we want something to carry out. Other cultures spend two hours or more dining every night; in many cases, lunch is just as long and as important. In the U.S., everyone got a fondue pot in the 1970s as a wedding present, so they're familiar with the concept. In other parts of the world it's new to them.