

Franchise operations trends 2020

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The global business landscape has changed rapidly in 2020. Here are four key issues currently facing franchisors in Canada.

1. Issues with the franchise disclosure and contracting process

- 35% of franchisors not providing initial site-specific disclosure document
 - 50% of franchisors find disclosure/contracting more difficult right now
- Our disclosure process is still paper based which requires printing and shipping.

It's a challenge to make sure everyone is following the right [franchise disclosure and contracting] process.

We are concerned about executing on delivery of FDD to franchisees.

Ensuring continuity of information flow from other parts of the organization is challenging, even when we weren't working remotely.

2. Teams are in transition

The remote work environment changes the way franchise operations teams work, magnifying existing process issues. Top concerns around remote work:

- 80% Process/organization
- 60% Access to essential information
- 47% Data security
- 42% Productivity

One of our top challenges in a remote environment is access to paper files.

Communication is a big challenge for us in a remote working environment.

3. Making the most of technology

Franchise disclosure and contracting support teams are not effectively using (or aware of) technology to streamline franchise operations. Potential to add most value:

- 15% Contract automation
- 25% Franchise management system

Common technologies used:

1. E-signature software (80%)
2. Customer relationship management (CRM) (70%)
3. Franchise management system (50%)
4. Content Management System (45%)
5. Ticket or tickler system (50%)

More than **40%** of teams are not leveraging available technologies to improve franchise operations.

4. Doing more with less

- 44% of teams expect personnel restructuring
 - 30% of teams expect a decrease in external spend
 - 44% of teams expect to keep more work in-house
 - 70% of teams expect the volume of disclosure/contracting to stay the same or increase
- A top challenge for our team right now is how to manage our workload at a minimum cost.