



# IS YOUR FRANCHISE THRIVING... OR SIMPLY SURVIVING?

Franchising can be an extremely effective way of expanding a business, and for franchisees it's a great way to own a business with far less risk than starting from scratch.

Getting a franchise up and running is one thing, but thriving rather than simply surviving in today's environment is an entirely different ball game.

In order for franchise businesses to get ahead in today's extremely fast changing market, franchisors must be committed to three key areas – people, innovation and systemisation.

“People do invest in a franchise business on the expectation the franchisor is the captain, steering the ship and guiding them on the journey to success.”

Michael Paul | CEO & Founder  
PACK & SEND



## People

The key differences between thriving and surviving businesses tend to be internal factors such as personality, adaptability and culture.

Most franchisors will agree that a supportive team culture within a franchise is one of the most important assets to foster. While franchisees are business owners who are personally and financially invested in the company performing well, it's still important to nurture a culture that truly values people – regardless of their position – permeating from the head office all the way through to each individual franchise.

Culture can be one of the company's greatest strengths, helping to instil a spirit of teamwork and aligning all stakeholders around the vision, mission and values of the brand. However, in cultivating a culture, it's important that it does not become a barrier to innovation and change. In today's modern world any company that routinely tosses aside new ideas on the basis of “that's not how we do it around here” could be setting themselves up for major competitive challenges in the future. A strong culture should promote the idea that long term sustainability of the very business that supports them requires an evolving business model – and therefore, people must be agile and adaptable to changing circumstances and markets.

It's imperative that the franchisor nurtures an understanding of its culture at the outset with prospective franchisees – and also explains how the business relationship needs to work. This includes ensuring an understanding that whilst franchising is a collaborative relationship, the division and separation of responsibilities between franchisor and

franchisee is at the essence of successful franchising.

Our PACK & SEND franchisees are classic examples. They're the faces of the overall business, and of their individual businesses too. As members of the communities they service, they play an integral role in the local marketing of the PACK & SEND business as well as in developing an impeccable reputation and building trust for the brand.

In contrast, the role of the franchisor is to provide franchisees with a solid foundation of business systems, providing their small business with the tools of big business. It is the role of the franchisor to provide clear and positive leadership with the strategic direction and vision of the company. This is particularly important given the era of continuous change we live in. Our future is very much dependent on the extent to which we can adapt to the fast-changing forces in the market and deploy them to our advantage.

## Innovation

Once a franchise is running like a well-oiled machine it's tempting to sit back and question whether there's any room (or need) to invest in innovation. This is one of the biggest mistakes a business can make. There are plenty of examples of companies who were so intent on staying on the path of least resistance that they didn't see the threat coming up behind them. Winners became losers because it was easier to keep doing the things that made them winners in the first place.

Franchisors must provide clear direction and leadership for franchisees, as well as demonstrate their commitment to continual growth and innovation. This doesn't mean that every innovation a franchisor

implements will be popular (because most people don't like change), but people do invest in a franchise business on the expectation the franchisor is the captain, steering the ship and guiding them on the journey to success.

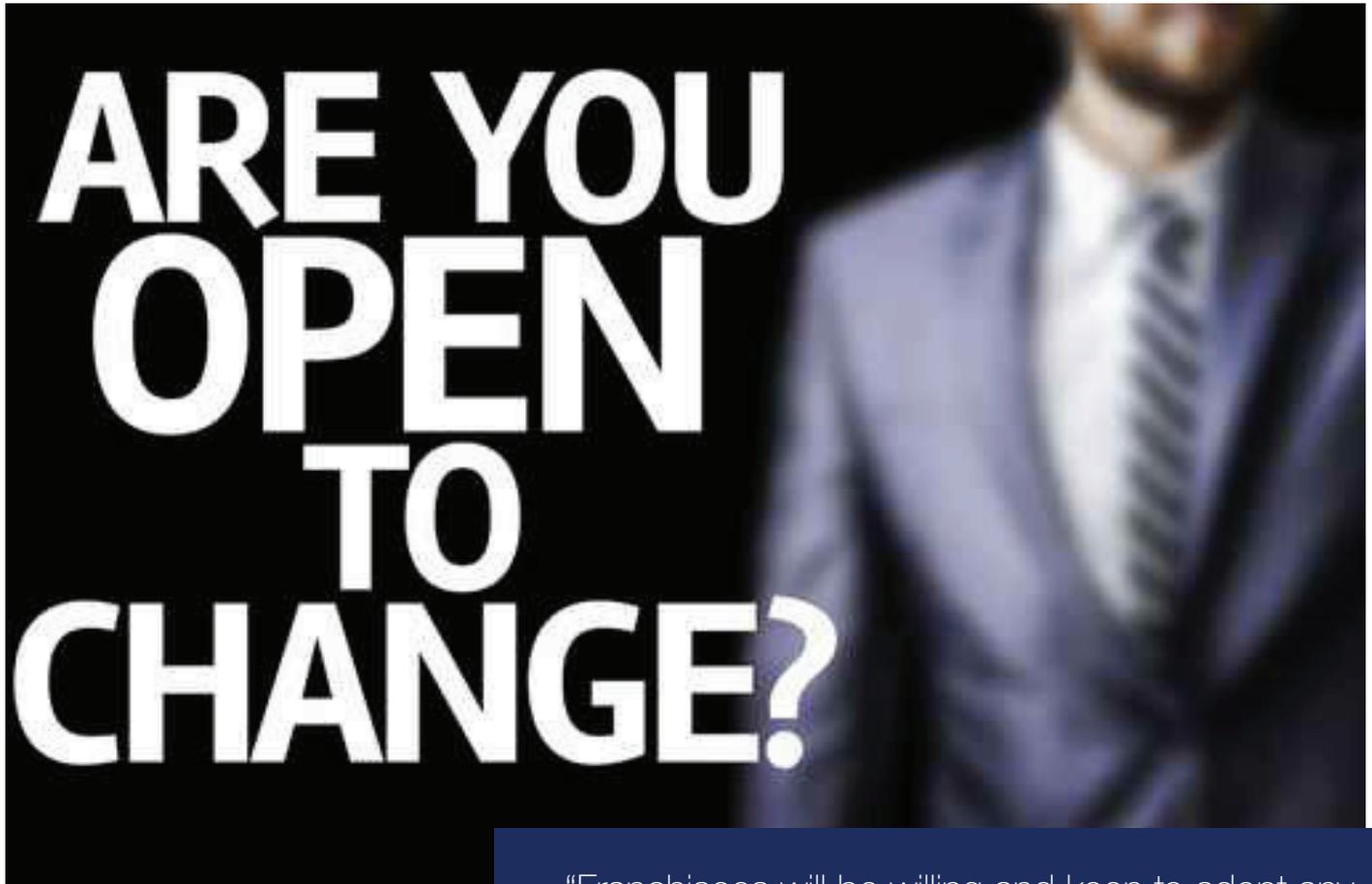
In order to steer the company in the right direction, where franchisees can innovate and grow, franchisors must first invest time understanding today's new customer.

Today's empowered customers want to purchase products and services when, where and how they want. They readily shift from channel to channel to make purchasing decisions and also freely move between devices (PC, smartphone and tablet). Some are influenced by social media, while some embrace apps and many others rely on retailer premises. Boundaries between channels are now blurred and the ease of shifting between them has been accelerated by the mass market adoption of smartphone usage.

We must learn to adapt and innovate alongside our customers, and the leadership to achieve this lies with the owner of the business system – the franchisor.

How companies implement innovations has also changed. In a world of rapid and constant change the traditional approaches to project management for launching innovative new services are no longer relevant. Today, organisations have to become more agile in order to thrive. For example, at PACK & SEND we have abandoned the traditional project management of sequential development as it resulted in significantly slower time to get to market.

We now have established Agile Innovation Teams - made up of a representative cross-section of franchisees and franchisor staff.



These teams are empowered to work on specific projects, with the objective of ‘innovating quickly together’. It usually means a quick launch of a new initiative and a ‘inspect and adapt’ approach along the way. It means we might not get it perfectly right the first time – but it does result in earlier and more regular releases of innovative new services and products – which we continuously improve over time. This approach has accelerated the delivery of our innovations and significantly increased sales growth.

### Systemisation

For national companies, systemisation is very important. After all, it’s common knowledge that at the core of any franchise’s success is a tried, tested, and perfected system which is then duplicated over and over again.

Systemising helps a franchisor keep track of metrics and identify what works and what doesn’t, enabling them to pinpoint the areas in which it makes strategic sense to invest more. Systemisation is also essential to create a business model that is a format for success which of course improves many processes such as employee training and allows new franchisees to easily pick up

where their predecessors left off.

While all franchises are bound to have their own personalities, the overall business practises of each franchise must be kept in line with the company as a whole to ensure the same brand values are upheld throughout the organisation.

When introducing a new service or system, it’s imperative that all team members are up to speed on how to facilitate it and how to implement it to ensure maximum results. Our experience at PACK & SEND is that franchisees will be willing and keen to adopt any new system innovation if they know it means more solutions and services for their customers... because ultimately that increases their market share, profits and business value.

Getting ahead today is all about working smarter, not harder. When attention is focused on systemisation, continual innovation and understanding what makes customers tick, you’re on the right track

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to take your business from surviving to thriving.

**CEO and Founder Michael Paul established PACK & SEND together with his wife in 1993 after noticing that businesses and consumers were looking for one-stop-shop solutions for sending anything, anywhere – that also included a convenient packaging service.**

**Under Michael’s guidance and leadership the company has evolved from a single retail outlet to offering services through multiple sales channels that include a vast network of convenient Retail Service Centres, Logistics Fulfilment Centres, Call Centre, Online Courier Booking systems and Online Retail Integrations. The PACK & SEND brand has also expanded to the UK and New Zealand.**

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