

# the franchise review

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## Redefining the future

Leveraging digitisation  
and technology

Engaging customers  
and franchisees

Post-pandemic  
expansion strategies

Leadership and  
business planning



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After the trials and tribulations of 2020, most businesses are cautiously looking towards a better year ahead.

# FCA maintains focus on member support

By Mary Aldred,  
CEO, Franchise Council of Australia

The restrictions and resulting tough economic climate have demanded adaptability, determination and innovation by all businesses and franchising has stood out as one of the most resilient business models.

However, many franchise businesses have been operating in the hardest-hit sectors – food and catering, hospitality, travel and home services – and have relied heavily on the FCA for guidance, support and advocacy.

With 2021 looming larger, the FCA continues to focus on three key priorities:

1. supporting members with access to information, resources and support through the transition from COVID-19 lockdowns and trading restrictions to business reopening
  2. advocating and representing the interests of members to all levels of government on the issues, concerns and needs of our members and the small business sector
  3. and through the media, enhancing the standing and reputation of franchising as the preferred model for small-medium business success, including highlighting the resilience of franchise systems during the challenges of 2020.
- The FCA has engaged deeply at all levels of government both informally and formally in recent months, including:
- facilitating COVID-safe business recovery by emphasising the specific assistance and regulatory changes needed by diverse business sectors
  - bringing bad commercial leasing practices and landlord misconduct to their attention and urging government intervention
  - reinforcing the need for fairness in application of operating rules across sectors, including highlighting disparity between public and private outdoor workers
  - encouraging Federal Treasury and state governments to introduce or continue support for struggling businesses and workers facing unemployment

“In the most difficult of circumstances, 2020 has seen both franchisees and franchisors alike finding new opportunities and creating success in the changed operating environment, with some demonstrating outstanding achievements.”

- making submissions on specific issues to various state government small business departments on business restrictions, exemptions, customer registers and industrial relations

The core of our advocacy has been a concerted campaign of dialogue with members to test government policy and temporary regulatory changes, as well as to provide input on specific measures requested by members.

The FCA continues to respond to a high level of calls and emails from members seeking assistance or providing feedback on these matters.

Feedback from FCA members, supported by a high level of membership renewal and retention (around 90%, plus 15 new members since July 2020), is that they feel they have been supported, listened to and represented through access to information and resources, and government advocacy.

Concurrently, the FCA has continued to provide input on Franchising Code of Conduct reforms, based on the input of members on the negative impacts of specific measures.

With nearly 600,000 Australians employed in franchise businesses and an annual economic contribution of more than \$180 billion, franchising is vital to our national economy and it's crucial that regulation is fair and effective for both franchisors and franchisees and avoids unnecessary regulatory burden.

The limitations on gatherings this year also forced a rethink of the Franchising Forum and Legal Symposium, which were successfully delivered as virtual events online.

The FCA Legal Symposium in November attracted almost 200 participants over the two day program, which included five plenary sessions, four blocks of six concurrent sessions and 23 roundtables.

Feedback has been very positive on the legal program content and all sessions were recorded and are being made available to delegates.

In the most difficult of circumstances, 2020 has seen both franchisees and franchisors alike finding new opportunities and creating success in the changed operating environment, with some demonstrating outstanding achievements.

The 2020 MYOB FCA Excellence in Franchising Awards showcased some of the franchisors, franchisees and individuals who continue to make outstanding business contributions in extraordinary circumstances.

I congratulate winners and finalists on their exemplary performances, resilience in the face of adversity, and continued contributions to their franchise systems and communities.

In the year ahead, we are determined to get the FCA schedule of program initiatives back on track, including:

## Sustainability Forum (April 2021)

Earlier in the year, the FCA announced a Sustainable Food Leadership Forum, open to members and non-members looking for leadership, innovation, best practice and improved regulatory understanding of single use plastics, food waste and recycling.

The intention is to support businesses in the food and hospitality sectors progress the implementation and scale of sustainable practices, but as with many initiatives the first forum had to be postponed due to COVID-19.

Providing a forum for businesses to share problems, solutions and discuss innovation is still an FCA priority and in 2021, we propose to hold the first of a series of annual forums.

## Regional Revitalisation Campaign

The FCA began a campaign in 2019 to support regional revitalisation by highlighting franchises as an efficient, innovative means of addressing service and small business ownership gaps.

The FCA engaged with regional economic development officers across Australia where councils are seeking to attract new franchised businesses. Concurrently, a number of franchisors advised their interest in setting up in specific regions and attracting potential franchisees and business operators.

COVID-19 brought the program to a grinding halt but in 2021, the focus will be on linking franchise members, local government and potential franchise operators to spark a new wave of franchise expansion to the benefit of regional communities across Australia.

## National Franchise Convention (August 2021)

As with other national industry and business conferences, NFC20 was cancelled due to social distancing requirements and bans on large gatherings. NFC21 will be held at the Melbourne Convention and Exhibition Centre at Southbank in Melbourne in August next year instead of the usual October timing.

Franchising and small business leaders from across Australia are expected to attend NFC21 to immerse themselves in a program of practical ideas and information at the most comprehensive professional development event on the Franchise Council of Australia's annual calendar.

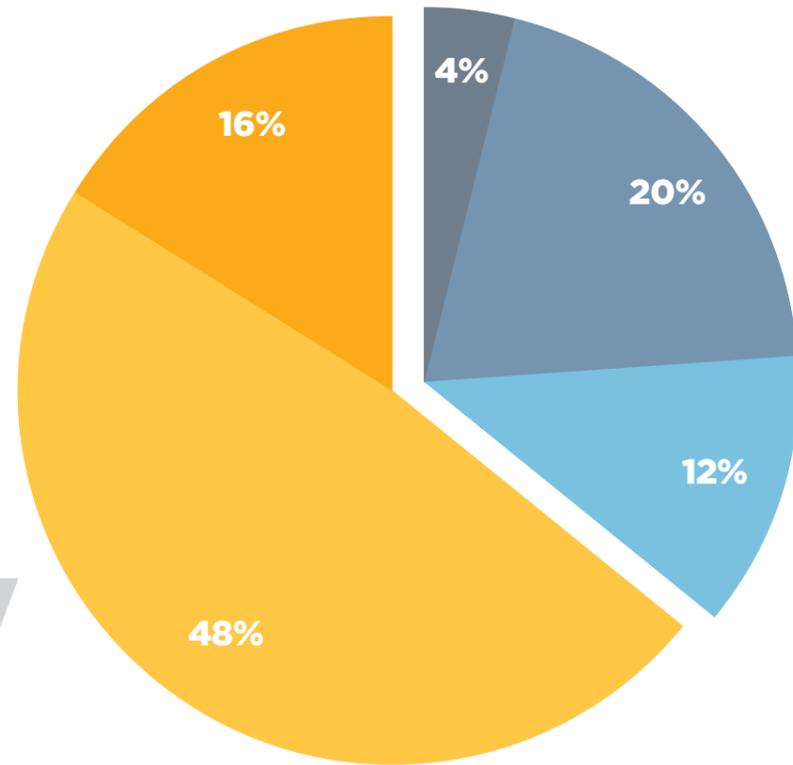
NFC21 is being designed to offer attendees an unrivalled opportunity to build their knowledge base, make invaluable connections and find solutions to their business challenges.

We look forward to sharing more information about these events with you early in the new year.

Whatever 2021 brings, the FCA will strive to support the ongoing success of our members and more broadly franchising and small business across Australia. ■

The Franchise Council of Australia's national survey of franchise businesses has shown 64 per cent of respondents were optimistic about business conditions heading into 2021 following improved trading during the September quarter, compared with the previous three months.

# Survey shows business optimism for 2021



Overall how are you feeling about business conditions for the next six months?

- Very optimistic
- Optimistic
- Indifferent or neutral
- Pessimistic
- Very pessimistic

Representatives of 109 Australian franchise systems covering 15,649 franchised units and 2,012 company operated units contributed to the "Pulse Check" survey, undertaken by FRANData for the Franchise Council of Australia.

"Franchise businesses have demonstrated incredible resilience throughout the pandemic, and while it is pleasing to see increased optimism as trading conditions improve, the recovery will be a long haul and the survival of thousands of franchisees will depend on sustained support," said Franchise Council of Australia CEO, Mary Aldred.

Positive trading experiences in the September quarter continued to be most apparent across the QSR, maintenance, health and pet care related franchise systems. Cafes, restaurants (sit-down), fitness clubs, lodging and child related services proved less resilient.

The survey showed restrictions in Victoria heavily impacted the trading performance of many franchised businesses in the state.

95 franchised units were permanently

closed across 34 franchise systems, predominantly in the retail food (café) category in the September 2020 quarter.

At the same time 174 new units were opened across 45 brands, predominantly in retailing, pet care and home maintenance services.

Trading conditions remain tough, but franchising is showing resilience and tenacity as franchisees continue to benefit from strong and sustained support from franchisors, including 21.5 per cent providing financial support to 100 per cent of their network.

"Those franchise brands which enjoyed the greatest resilience in 2020 are ramping up their new store opening programs," said Darryn McAuliffe, CEO of FRANData.

"Whilst new unit openings are positive, they are generally in non-food type franchises. The greatest number of permanent closures are among food related businesses which unfortunately are likely to deliver a high number of job losses.

"There is a risk of increased closures across franchise networks if franchisors pull

back or cannot sustain their current high levels of support for franchisees," he said.

The survey responses show franchisors' actions to assist their franchisees focused on:

- advice around navigating new regulations and restrictions,
- assistance with accessing government support programs
- supporting franchisees with landlord negotiations
- providing royalty reduction and deferral programs, and
- actions that monitor and support the well-being of franchisees.

The greatest concerns in the September 2020 quarter were the "wellness" of franchisees & support staff (48 per cent), franchisee financial performance (44 per cent), landlord issues (41 per cent), franchisee engagement and satisfaction (36 per cent) and recruitment (34 per cent).

The FCA will use the information gathered to support ongoing submissions and representation to government for Australian franchising. ■

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# Redefine your relationship with business systems for a bright future

Article provided by  
**MYOB**

As we all know, 2020 has been a tough year for the world, and it's been a uniquely challenging one for Australian franchise owners.

Early on, we thought things couldn't get much worse than the bushfires that greeted the start of the year. Then March arrived and so did the full force of COVID-19.

No one would have predicted all those months ago, just how significant an impact the pandemic was about to have on our lives, and how seismic the aftershocks would be for our communities and our businesses.

Australian small businesses were particularly vulnerable to an economic downturn, many of them franchisees. These businesses are the engine room of our economy, and the employer of around 4.7 million people before the pandemic

began, so helping as many businesses as possible survive these changes has been a major focus for MYOB.

However, not only were 85 percent of SMEs in a state of unpreparedness for a disruption like a pandemic, they are also most at risk of the knock-on effects of COVID-19.

As a result, there are few operators – franchisees, franchisors and their advisors alike – who've not had to show resilience, tenacity and a willingness to adapt to difficult circumstances in order to survive in 2020.

Plenty has been discussed already about Government assistance, as well as strategies and tactics business owners can take on themselves to ensure long-term sustainability, but in this article we're going to focus on digital adoption and why understanding it is important for your business.

Digital adoption has direct implications for the future of franchisees.

There's a direct correlation between a franchisee's ability to continue trading

and the degree to which their businesses were digitised or able to quickly become digitised. And that can come in a lot of forms – their ability for teams to work from home, their ability to trade online or even simply to communicate easily and effectively with their clients.

## Why is digitisation important?

Well, from an economic perspective, MYOB calculates that enhancing the digital capability of Australia's 2.4 million small businesses could increase SME contribution to the Australian economy by 20.8 per cent, the equivalent of \$33 billion.

In doing so, it will increase employment opportunities for Australians at a critical time for the country. It can also resolve existing challenges for small businesses.

A healthy digital ecosystem also ensures the continued creation of successful and effective homegrown technology companies, servicing the needs of franchisees.

## How does digital adoption help franchises?

The solutions on offer from digitisation can be grouped into five key areas:

### 1. Finding talent

Digital recruitment tools fine tune the hunt for the right skillset and digitisation removes geography as a requirement for hire. SMEs who have adopted digital are eight times more likely to create jobs.

In addition, remote working productivity drives growth: almost half of the workforce will continue to work remotely after coronavirus and nearly half of fully remote employees exhibit high discretionary effort.

### 2. Access to capital

Cashflow has increased as digitising payment processes leads to faster payment times and fewer barriers to financial supports. For example, MYOB customers can be pre-approved for loans via in-product data analysis.

Further, there will be increased customer demand for digital payment solutions. Australians are embracing contactless mobile payments as a result of COVID-19, used by 10.8 per cent – up from 7.1 per cent a year ago.

### 3. Efficient revenue generation and cost of servicing benefits

Digitised SMEs are 14 times more likely to innovate by offering new products or services as businesses have greater flexibility to adapt and lower the cost of diversification.

A Salesforce Deloitte Access Economics report found small businesses using Salesforce see 32 per cent more leads and 26 per cent more deals.

### 4. Compliance costs

The time cost of compliance for SMEs is significant. Through automating repetitive tasks, such as multiple data entry, and improving accuracy, time spent is greatly reduced.

MYOB product research demonstrates a 27 per cent time gain for SMEs using accounting software.

### 5. Cross-border e-commerce

Research shows SMEs who have embraced digitisation are seven times more likely to export and that digital interaction with B2B customers is now twice as important as traditional channels, jumping more than 30 per cent since pre-COVID-19.

Our research throughout the COVID-19 crisis has consistently shown that, while bigger businesses benefit from increased productivity through flexible working or faster adoption of online services and e-commerce by customers, 66 per cent of sole traders and 49 per cent of micro businesses saw no benefit afforded by the pandemic.

This is compounded by a lack of optimism regarding the future among the small business community, echoed by the fact that 42 percent of businesses with between five and nine employees believe it will take more than 12 months to recover from COVID-19.

Franchisors and their advisors are best placed to support franchisees

The lack of confidence exhibited by small business means franchisors and their business advisors have a great ability to support their franchisees' longevity. And that means not only putting out fires and working to inform stakeholders of the key stimulus and budgeting measures to guarantee cash flow, as many have been focused on in recent months, but in driving the digital adoption within your organisation that can reinvigorate Australia's economy.

Research shows SMEs with advanced levels of digital engagement are 50 percent more likely to grow revenue and earn 60 per cent more revenue per employee. Therefore, franchises are going to play a critical role in increasing levels of digital engagement, and MYOB aims to play a critical role in helping you.

“While the learning curve has been steep, those who have embraced it are set to come through the other side with more robust and more flexible businesses.”

Software-as-a-Service (SaaS) platforms have quickly replaced earlier digital systems, creating a multi-tiered environment when it comes to digitisation. Where the most modernised business systems – inventory, point-of-sale, recordkeeping, time tracking and more – are available to workers anywhere, anytime, many small businesses find themselves caught in a hybrid state, between paper-based solutions, desktop systems and a few simple SaaS solutions.

And while COVID-19 hasn't created the demand for mobile, flexible business platforms, it has dramatically enhanced it. Changes we expected to occur over five to ten years have taken hold over a matter of months as the majority of the business landscape was thrown into the remote work paradigm.

By dropping us in the deep end, the pandemic has forced businesses to address issues that might previously have been barriers to change. While the learning curve has been steep, those who have embraced it are set to come through the other side with more robust and more flexible businesses.

## Building and retaining efficiency with modern tech tools

First of all, it's important to remember that digitisation is a journey.

There are many tools currently available to you, but it's important to embrace them in a considered manner to ensure that you retain efficiency along the way. It's counter-productive for you or your clients to implement any new tools or workflows at the expense of efficiency.

While COVID-19 has amplified the need to be able to work remotely, it's important that doing so doesn't come at the cost of improving your margins through efficient process and technology.

But first, you need to make sure you're driving efficiency with the tools you already have access to today. For MYOB customers, that means using the wealth of features and functions that enable the digitisation of your clients' businesses, and your own.

As an example, we've completely rebuilt our MYOB Essentials solution from the ground up, with your needs in mind, to create a powerful business management solution. It will help you and your clients get an even greater understanding of how their business is performing and will create major time efficiencies for you, enabling you to get more done, provide more valuable insights and help your clients make better business decisions.

Furthermore, our AccountRight solution is now available via your web browser. This ensures a similar workflow and more seamless experience for accountants and bookkeepers working across both of our SME products. It means users of both AccountRight and Essentials can take advantage of a new online reporting suite that early adopters have described as game changing.

Finally, MYOB's Practice Solutions have been providing users with remote access to their software for over a decade, so we're no strangers to the demands of remote working or a flexible workforce.

For advisors to franchises working remotely, you can access MYOB Accountants Enterprise or Accountants Office from home, with minimal disruption, using a VPN. ■

## Find out more

For further information about how MYOB can help your Franchise, contact Shehan DeSilva Business Development Manager – Franchise at [Shehan.desilva@myob.com](mailto:Shehan.desilva@myob.com)

Taking a customer-centric approach to the JAX Tyres & Auto business has always been a part of our DNA. So, when the COVID-19 pandemic hit Australia, supporting the community became a driving force for our team. Supported by our value proposition, we were able to use a combination of measures, including remote and digital technologies, to adapt our standard business processes and launch various initiatives to ensure our franchisees could keep their businesses running and deliver peace of mind for Australian drivers.

# Transforming customer & community support in lockdown

By Steve Grossrieder

Chief Executive Officer and Executive Director, JAX Tyres & Auto



## Shifting gears with business priorities

The onset of the COVID-19 environment required us to quickly assess how we could adapt our unique operational model and utilise our long-standing retail and mechanical expertise to best support the community, our team and suppliers through these unprecedented times.

With community lockdowns being implemented in various forms across different states and regions, it was important to ensure our business was acting strategically and in the interests of our 87-plus stores across the country.

A key element was to make a considerable investment in digital channels so customers would understand our business was continuing to operate as an essential service. A significant portion of our marketing investment was channelled towards social media, streaming television and digital so we could maintain a connection with our customers while they were at home.

As lockdowns started to ease, we understood people may be under financial stress and conscious of investing in mechanical services or a new set of tyres. By utilising our strategic partnerships with our suppliers, we were able to offer customers competitive discounts on key products and after-lockdown bookings. Not only did this support our franchisees' business pipeline, it also helped to give customers peace of mind when venturing back on the roads.

## Supporting our franchise network

The work our franchisees do on the frontline is integral to business success, regardless of the economic environment. During the pandemic, it was essential for us to work closely with our stores to develop and implement processes and solutions that would support their day-to-day to business.

Having regular meetings was useful in gaining a better understanding of how each local market was behaving during all stages of lockdown, particularly the community reactions after the toughest periods. Leveraging these insights at a local and regional level informed our national business response.

As an example, the foundation of JAX Zero Contact Service, (social distancing and hygiene measures implemented in-store for customer and team health and safety) was formed in accordance with the World Health Organisation and Australian government alignments and the proactive response from our franchisees. This early collaboration set up a robust dialogue that proved useful to

responding to different challenges related to COVID-19. This approach will be used to inform our response to future hurdles.

## Innovating vehicle safety checks

The second wave of Victorian lockdowns presented a challenge and an opportunity for the business to directly respond to franchisees' pain points and address the major concern of losing touch with our customer base.

Knowing that idle vehicles could present potential issues to our customers, the concept of a remote iteration of JAX Vehicle Inspections was developed, providing our customers with a preliminary visual diagnosis from the comfort of their own home.

The service - a visual inspection conducted by certified mechanical team members to identify vehicle issues - was offered in a complimentary initial pilot. After immediately getting endorsement from our franchisees, our operations and marketing teams supported franchisees with scenario mapping, role playing, training, sourcing a technology partner to deliver the video function and then proceeding to roll out to our Victorian customers.

This form of remote service is a first for the tyre retailing and automotive mechanical servicing industry, bolstering the company's personalised digital experience offering and enhancing the capabilities of its market-leading eCommerce platform.

## Providing customer-centric value add services

We knew that introducing new technologies alone would not be enough to minimise the impacts to our business and to effectively support the local community through this crisis.

Finding fresh ways for our store teams to provide above-and-beyond customer service was of utmost importance. Another pivot we quickly realised was important to our business response was



a remote drop-off and pick-up service. Rather than introduce innovation for innovation's sake, coming up with a practical, effective solution that tailored existing products and services to meet changing customer behaviours and needs helped us to facilitate safe, value-added community support.

As the COVID-19 situation escalated in certain regions, we augmented these community support packages to respond to ever-changing circumstances with complimentary JAX Vehicle Inspections, tyre puncture repairs and financial offers for those most affected by the pandemic. This initiated from the understanding that many in the community were experiencing financial stress and uncertainty and that taking on a support role for the community during such challenging times could only enhance the long-term halo effect with our brand and business.

## Changing how we delivered expert advice

Whether it's leveraging new technologies or tapping into the best-in-class expertise within our franchise network, we're committed to delivering premium retail service in increasingly innovative and agile ways.

While taking this approach on a local level was helpful for our franchisees, the business also applied this mindset to digital customer touch points to keep the channels of communication with our expert teams open during COVID-19 and further funnel business through our network.

This is most evident in the way we pivoted the methods we provided customers with expert tyre and mechanical servicing advice. In addition to JAX Video Vehicle Checks, we enhanced our website offering by implementing an online chat function (powered by Podium), for customers to speak to stores directly including outside of store opening hours. We have given our customers who were browsing the JAX Tyres & Auto website the ability to communicate with our expert teams, first via webchat then continuing the conversation through text messages.

Utilising this technology helped to broaden the channel of communications with customers, assured customers that we were available to provide our expert support outside of our tried-and-true face to face methods and from an operational perspective, helped stores to work with fewer staff members when needed.

## The road ahead

Finding ways to leverage market-leading technology hand-in-hand with our best-in-class retail and franchise expertise and taking an agile approach to business processes has proven to be a winning formula for our business in the past few months and will be vital to our business strategy moving forwards.

This has certainly been a 'business as unusual' year and while some uncertainty remains over what the short-to-medium-term will look like for the JAX Tyres & Auto business, I'm confident in our team's ability to rise to any challenge. ■

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# Nurturing customer loyalty and trust through and beyond 2020

For 120 years, Fergusson Plarre Bakehouses has been putting a smile on people's faces through their fresh-baked pastries and sweets. As Australia faced the challenges and uncertainty the COVID-19 pandemic in 2020, the brand's commitment delivering on and communicating this ethos has been central to maintaining and growing customer loyalty and trust. *The Franchise Review* spoke to Chris Cotton, Head of Marketing at Fergusson Plarre Bakehouses to find out more.

**The Franchise Review (TFR):**  
**How has Fergusson Plarre's customer engagement changed as a result of the pandemic?**

**Chris Cotton, Head of Marketing, Fergusson Plarre Bakehouses (CC):** At a strategic level it hasn't really changed at all. This period has simply convinced us the path we had set out was the right one - genuinely loving your customers, trying to understand them as best you can and then helping them to love you by being authentic and putting a smile on their face with every interaction.

We're a trusted brand and people rely on us to provide happiness through food. We realised very quickly that in such a difficult time we had a role to play by doing just that and if anything, our customer engagement simply dialled up the smiles.

Operationally is where there has been change, with new channels such as delivery emerging and existing but underutilised channels (for us) such as our website becoming so much more important. We've had to translate that trust in our offering to those channels and had to listen to what our customers needed during this time, quickly adapting our product range to suit.

Our franchisees are our customers too and with their stores facing significant challenges, the change there has really been all about frequency and format of communication. Here we've employed video and digital communications as well as the usual face-to-face work to disseminate vital information and ensure that we have supported everyone to the best of our ability.

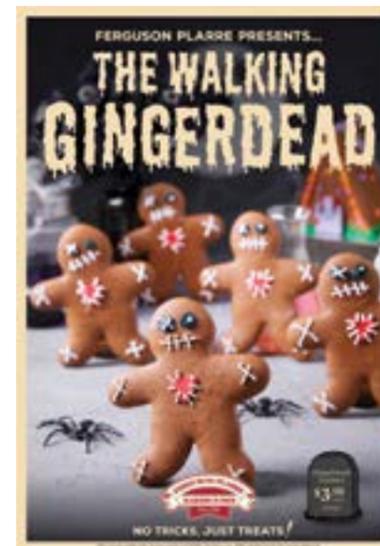
**TFR: What have been the key strategic outcomes you've been looking to achieve through your customer engagement activities throughout the pandemic?**

**CC:** Just letting people know they could still access our products was a basic but huge focus. Once we'd achieved that, increased retention was the main goal - that's where our ability to keep customer experiences personal, provide great service and ultimately deliver incredible food comes in.

Despite the severity of the situation, the fact that as an essential business we could remain open gave us an opportunity to address two strategic goals - growing brand awareness and acquiring new customers. With several important campaigns planned for this period we decided to keep all marketing plans in place and the results of that have been incredible.

Customer engagement played a role that because it was important to give a great experience to those new to the brand and convert them to long term customers.

For our franchisees, the strategy has been all about support - providing them with everything we can in order to help them to thrive in a difficult period.



**TFR: Can you please share some examples of Fergusson Plarre's successful customer engagement throughout COVID-19?**

**CC:** I think where we have been really successful is with our key seasonal campaigns. Seasonal events such as Mother's Day or Halloween were definitely different this year but we realised that our customers still wanted to celebrate and were using them as a distraction from the drudgery of lockdown. So rather than ignore them we've tried to make them bigger than



ever before and that's really worked. That's happened across all channels, physical and digital.

As I said earlier, we're all about making people smile and the most successful engagements have been when we've done just that. Social media has been a key place to interact and engage with our customers and our Corona-OKE song parody series has been something that's had a huge response from customers new and old.

We've also worked hard to communicate with and reward our most loyal customers and through our loyalty programme continued to surprise and delight through this period with content and giveaways such as a free coffee or free samples of our latest products such as our plant-based range, which were well loved by our customers. It's been important to thank our loyal customers for their amazing support and keep them up to date with the latest information.

**TFR: You mentioned one aspect of your engagement has been CEO Steve Plarre's Corona-OK karaoke videos through social media. Can you share how this idea came about, the strategy behind it and the customer response to this.**

**CC:** I wish I could say that this was a clever marketing strategy I put together but I can't! This was simply our CEO Steve looking at the problem in hand -

how can we continue to put a smile on people's faces during this period? - and then using what he had to hand to do just that. All I've done is encourage it and helped to make sure as many people saw it as possible! As a concept and through execution it ticks so many strategic boxes but at the end of the day it's very authentic and lots of fun. I think people can see that and that's why they have responded so well to it.

After the initial video the response was huge and we realised we had something that could really work we put some structure around it but really it's just Steve coming up with ideas and going off and creating this with his family.

The response has been amazing - people just love it and demanded it returned for lockdown 2.0. The videos have collectively had millions of views, with the Mary Poppins parody receiving over 3 million views on TikTok alone. Steve had a live segment on Channel 9's Today show and he's been stopped in the street a few times now. We've even had people emailing and asking for personalised birthday video messages for loved ones!

We've finished the Corona-OKE series now in line with the end of the second lockdown here in Melbourne but Steve will be back at Christmas for some festive fun.



**TFR: What are the key engagement channels you've used and why?**

**CC:** Omnichannel is really important for most businesses but because of the demographic spread of our customer segments it's vital for us. That means our customer engagement work exists across pretty much every channel there is. We've even used delivery aggregators' bags as a channel with personalised notes to bring that feeling you get in a store to someone's home - recreating the experience they have missed by not being physically in a Ferguson Plarre store.

**TFR: How have you measured the success of customer engagement activities throughout the pandemic?**

**CC:** The ultimate measurement of any customer engagement activity is revenue and it's no surprise we've kept an eye on that!

Our formal measurement of consumer customer engagement happens twice a year through a major piece of research. This has just kicked off again and will allow us to really understand if our brand awareness has shifted the way we think it has, how this period has changed our customers and the way they feel about the work we've done during this period.

We've seen growth in engagement metrics across all our channels, social media, loyalty programmes and website engagement metrics and anecdotal positive feedback from customers in store and through customer service channels so the expectation is we have performed well.

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**TFR: In the uncertainty of the pandemic, building and maintaining brand trust are an important part of any customer engagement strategy. How have you done this at Ferguson Plarre?**

**CC:** I'm really lucky because I've been working with Ferguson Plarre for eight months, but they have been building and maintaining brand trust for 120 years. It's now our responsibility to keep deepening that relationship to help grow the business and so we can rely on it again when we really need it. That means continuing to understand our customer, creating great products that we know the customer wants, providing great customer experiences and communicating effectively.



**TFR: While much of your customer engagement has been focussed on putting a smile on people's faces, you've also been in the position of needing to let customers know there was a positive COVID case at one of your stores. Can you share how you did this?**

**CC:** The key thing here was being prepared. As a Victorian business that remained open during the lockdown periods we were aware that this could happen and a lot of work has been done to ensure both the bakery itself and all our stores are operating within strict safety guidelines. That planning included how we would communicate with our customers.

Businesses have a responsibility to their customers to make them aware of an issue such as this and that was our key objective - just making sure that the people who needed to know did. We used all the direct channels we had access to, social, email and the media.

The advice I'd give to other franchise systems when communicating is simply to act quickly and be as open and honest as you can be. Also, if you don't have the resource in-house then work with a trusted PR agency. We work with Sidekick Communications and they've been amazingly helpful in dealing with the media during the pandemic.

The response from our customers was a direct result of the trust and relationships we've built over 120 years - constructive, supportive and positive.

**TFR: Finally, how do you see customer relationships and engagement evolving as we look to the future and a COVID-normal?**

**CC:** I think we'll see businesses taking it more seriously because the brands that have been successful are those that have a deeper relationship with their customers. A lot of businesses, especially food businesses have relied on impulse, people just being there, and then struggled when the pandemic has taken those people away from their physical store.

For many franchise systems this may mean an ongoing change in the location the product or service is delivered and how they talk to their customers- i.e., direct to home rather than in a food court and that will force a change to the way customers are engaged. For a brand to be successful it will increasingly have to become a destination (physically or digitally) and customer engagement plays a huge role in making that happen.

As a business with an engaged and dedicated following we're lucky but having seen just how important it really is we're accelerating our 'out of store' activity. Home delivery, our website, digital communication and loyalty plans are all being enhanced. This will ensure every point of interaction works in unison and we increase the personalisation of the service. ■



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# Expansion in a pandemic: finding opportunities for growth

In a year where businesses across Australia have faced unprecedented challenges, the franchise sector has demonstrated its capacity for resilience and innovation, and time and again, new directions for growth have been found. Some, like Mail Boxes Etc (MBE) Australia and Shoebox Books have added new services and franchise models to the mix and others, such as Roll'd, are reshaping their expansion plans with a focus outside CBD areas. Poolwerx is growing through a combination of converting independent stores to the brand and multi-unit growth, while City Cave and Snap Fitness have looked to expand their businesses to meet a renewed demand for wellness and fitness services. *The Franchise Review* looks at how each of these brands have found opportunities to grow during COVID-19.



## Roll'd focuses on regional and suburban growth

Vietnamese food brand, Roll'd, will place a heavy focus on expanding outside metropolitan Melbourne, Sydney and Brisbane and look to establish stores in suburban and regional Australia as part of its growth strategy.

The brand has announced eight new store openings across Australia by Christmas, with many located beyond Brisbane, Sydney and Melbourne CBD, and concentrated on areas such as Elonora, QLD; Adelaide, SA; Canberra, ACT; and Fremantle, WA.

The strategy is guided by research that suggests that many Australians, specifically those in major cities, will swap the busy inner-city life for a sea change of greener pastures and somewhere a little more spacious.

Similarly, domestic travel is said to boom

and as the numbers of those moving to regional areas continues to grow, 'non-metro' hospitality is set to reap the benefits.

Roll'd founder and CEO, Bao Hoang, believes that regional areas are a huge opportunity for the fast-casual Vietnamese street eats brand.

"We want to continue serving fresh, healthy Vietnamese food to more and more Australians, and that means looking beyond the CBD and localised suburbs into regional areas that may have limited healthy takeaway options," said Hoang.

The Roll'd business model has also adapted to a changing hospitality landscape through innovations including the Roll'd Runner (Roll'd's food truck) and Roll'd Meal Box which have kept the brand vital and directional during the pandemic, and in doing so have enabled Roll'd to open 5 new stores, maintain jobs and stimulate growth.

The brand now envisions a future where new store locations are less reliant on foot traffic, but rather focus on various delivery methods including the Roll'd Run, the Roll'd Runner, traditional delivery drivers, with drone delivery planned to come within the next five years.

## MBE looks to three tier growth plan

For Mail Boxes Etc (MBE) Australia, the pandemic has seen a noticeable shift in operations, with the pack and ship component of the business growing in comparison with the franchise's mailbox and printing services.

"We've actually come through COVID relatively unscathed, because we have been classed as an essential business mainly around the shipping and courier and logistics side of the business," said MBE CEO Clayton Treloar.

While printing has historically accounted for 70-80 per cent of business, this year pack and ship has increased from 10-20 per cent of business to around 30 per cent of business across the board.

There has also been a noticeable change in the way customers interact with the centres during COVID, with contactless and online service jumping from around 80 per cent to 95 per cent of business.

The result has been a change in both the strategy for site selection and expansion.

"We're not even looking at busy high street locations anymore. We're looking at easy access for couriers and shipping



companies," said Treloar.

"We also don't need as much room for a store that focusses on the pack and ship as opposed to the printing side of the business."

This is reflected in MBE's most recent store opening in Port Macquarie, the brand's 40th Australian store, which is located in premises that are smaller than the typical MBE site.

"MBE is an international franchise with 2500 locations worldwide, so I've also been reaching out to other countries to find out how they've grown. One of the success stories is Malaysia where they've grown up to 100 MBE centres in a short period of time by focussing more on the pack and ship side of the business and the size of the store and therefore the profitability of the business," said Treloar.

In Australia, MBE is now providing franchisees with three offerings: a kiosk (with the first of these sold in North Sydney at the beginning of 2020), an MBE hub of up to a 50 square metre footprint and the full MBE centre, which can have a footprint up to 120 square metres.

It's the hub model, with a cheaper entry level and the opportunity to more quickly grow a profitable centre as well as the potential to expand at a later date, that's proving most attractive to prospective franchisees – and there has been a substantial increase in enquiries over the COVID period.

"We were already laying a foundation for three different levels of MBE centre and the COVID period has really propelled us forward," Treloar said.

## Shoebox Books launches expanded franchise model

For one of Australia's largest bookkeeping franchises, 2020 has been a year of finding opportunities in adversity for franchisees.

Moving quickly to develop unique JobKeeper packages for franchisees to offer to clients helped Shoebox Books franchisee's achieve overall growth of 27.91 per cent in revenue.

The brand has also opened five further franchise locations during COVID and has now launched its Shoebox Books & Tax franchise to provide both bookkeeping and tax services for franchisees to offer their clients.

It's an offering that has been on the radar for a while, but COVID moved its launch further up the priority list.

"With the COVID pandemic here in Australia impacting so many businesses, with redundancies and extremely qualified workers having no control of their work-life balance, it was a no brainer!" said Shoebox Books Co-founder Yvette Coad of the launch.

And while Shoebox Books was unsure about what franchise enquiries would look like during COVID, the Shoebox Books Franchise Manager has had numerous conversations with high-quality potential



franchisees over the last few months.

"After so many qualified and skilled workers found themselves unemployed, we made the decision to target this particular type of person and really try to reach this market. Reviewing our enquiry rate and quality of leads, we'd definitely say it's been a win, win...increased number of leads with a fantastic trend of high-quality," Coad said.

"We also made note that with a lot of people working from home and businesses having to restructure due to the 'new landscape', dipping our toes further into the finance and accounting industry was only beneficial to the Shoebox network."

The new franchise model will enable franchisees to offer a 360-degree experience for clients and is being offered

both as an upgrade for eligible existing franchisees for an additional cost of \$36,000 plus GST and as a model for new franchisees, with a special offer of \$59,990 + GST for the first ten franchisees to join as Shoebox Books & Tax.

"We are very excited to announce that we have our first three Shoebox Books & Tax franchisees starting their training in January 2021. These current franchise owners have qualified and have jumped at the chance to up-skill and increase their own growth, so we have hit the ground running and are only looking forward," said Coad.

"Introducing our new tax franchise model only expands our network growth strategy, enabling the Shoebox brand to further service Australian businesses and clients.

"It's been a ride, but we've really advanced in 2020."



## City Cave goes for growth

The blueprint has included new marketing initiatives, bringing more franchisee recruitment specialists into the fold, and ramping up support services for centres.

### Floating on air

Launched in 2016, City Cave now has 12 centres, with five more in COVID-safe locations set to open their doors by the end of 2020 – one each in Springfield, Toowoomba and Everton Park in Queensland; Broadway in NSW; and Queenstown in New Zealand. A combination of float therapy (using sensory deprivation to achieve deep relaxation), infrared saunas (detoxifying the body) and massages (relieving tired muscles) has quickly won over female and male customers, while interest from potential franchisees has been strong.

During COVID-19, Hassell says City Cave has remained positive and initiated

special team-building activities (including Zoom wine and cheese nights) and networking events to boost morale and allay any pandemic-related concerns. "When people are scared, leaders and brands need to step up," Hassell says.

As part of the latest expansion phase, City Cave franchisees Kathy Rees (Ipswich and Springfield) and Damian Coppolecchia (Beenleigh and Everton Park) will become the group's first multi-unit operators.

Hassell says while City Cave is eager to bring in new franchisees, they have to be the right fit. Part of the recruitment criteria is that prospective franchisees must embrace one or more of the brand's four key values – collaboration, empathy, abundance and balance. "We want people to have the same ethos as us," says Hassell, who adds that about 80 percent of current franchisees started out as customers.

### Financial edge

On the funding front, City Cave encourages potential franchisees to research their own funding avenues. However, it can provide details of finance brokers that existing franchisees have used and it supports applicants as required.

Some franchisees also involve third-party investors, while access to equipment loans is an option. Hassell says City Cave's efforts to keep improving its forecasting and business planning has helped applicants get funding across the line. He adds that he and his business partner Tim Butters are "obsessed with their franchisees' profitability". "Everyone who joins City Cave has invested in us and we take that very seriously. We really do appreciate all of the love that people put into our brand."

City Cave's long-term goal is to open 150 City Cave centres in Australia, 40 in New Zealand, 1500 in the United States



and 200 in Europe.

Although COVID-19 has been a blessing in disguise for City Cave, Hassell balks at suggestions that the franchise system is an "overnight success".

"We've been here for four years,

banging, screaming and yelling that we're here and we're going to grow. We've worked really hard and COVID-19 has been an eye opener and a way to expose our brand further and wider."

## Poolwerx makes a splash with acquisition and multi-unit growth strategy

Acquiring independent stores has been a key plank of the Poolwerx growth strategy during 2020.

With the pool servicing franchise already utilising this strategy in its expansion in the United States of America, Poolwerx has in recent months acquired five independent stores to join the brand in Baulkham Hills in New South Wales, Kings Park and Hampstead Gardens in South Australia, with another two due to open on New Zealand's North Island.

A further six new retail locations are also set to open in the coming months across New South Wales, Western Australia and Queensland, all of which are existing franchise partners growing their pool servicing empire following a boom in



activity through the pandemic.

"It's a perfect match for independents who are looking at succession planning or thinking of retiring. In all of these acquisitions, we're helping long term industry veterans with their exit strategy, allowing them to hand over their business gracefully knowing their staff and clients will be looked after and their life's work will be honoured," said Poolwerx founder and CEO, John O'Brien.

"I'm also buoyed to see our existing franchise partners continue to grow their business and open new retail locations,

which speaks to the resilience of our business model, even in the midst of a recession.

"The home service industry has proven time and time again to be recession-resistant and this has become particularly evident during COVID-19. Our franchise partners have continued to evolve their businesses as the needs of their clients shift and change. From the introduction of contact-free services to click and collect services, they have shown an unwavering sense of resilience resulting in healthy bottom lines."

## Multi-unit gym franchisee opens eighth site during pandemic

The COVID pandemic and business restrictions have hit the fitness industry hard during 2020.

In this unprecedented operating environment, Snap Fitness multi-unit franchisee, Tudor Vasile, has not only overcome the challenges of keeping his clubs running but has also launched a brand-new club in Queensland.

The Karalee club in Brisbane is the eighth site Vasile has opened with the brand since 2013 but opening this year was a unique experience.

"Snap Fitness have supported me throughout the whole journey, from choosing the location, helping my marketing strategy, designing the floor plan and sourcing the right equipment," Vasile said.

"But opening a new club during the COVID-19 outbreak was still one big rollercoaster. My emotions were



constantly switching between excitement and fear."

The seasoned franchisee is well versed in the importance of creating quality facilities to deliver a positive workout environment for members and building a strong and passionate team to support people to achieve their fitness goals, but COVID meant there were additional considerations when opening in Karalee.

Providing a safe and clean, COVID-safe, environment has also been paramount.

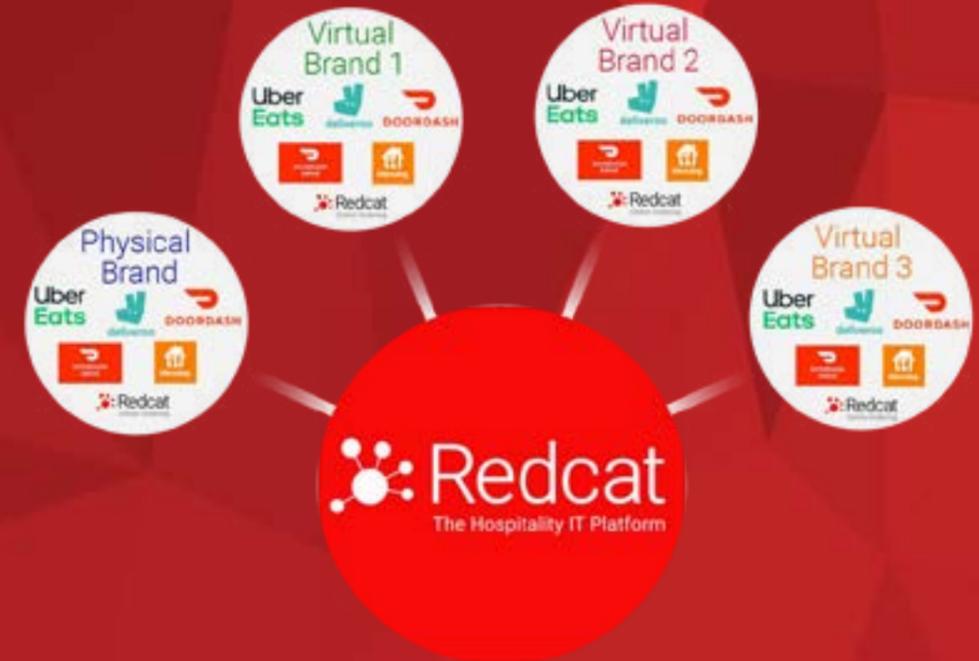
"At the end of the day, it's about trust

– our members' trust is everything to us and in turn it's our obligation to ensure their health and safety when they come in our doors," said Vasile.

"We're going into a market where everyone's telling you we're in a recession and business confidence isn't quite there, but what I'm noticing is people are now taking their health and fitness seriously," he said, noting plans for three more clubs in the pipeline.

"That information motivates me to move forward and gives me confidence to grow and open more clubs." ■

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As 2020, arguably one of the most challenging years in recent memory, comes to a close Subway® Australia and New Zealand Country Director Geoff Cockerill looks back at the changes the brand faced and the tools they employed to ensure franchisees had the best chance to succeed in such an uncertain year.

# Excellent foundations underpin success in 2020

Subway® Australia entered 2020 ready to hit the ground running, after a few years of continued change for the brand. However, when COVID-19 hit and the operating landscape for businesses across the country changed, Subway® was fortunate to be able to lean into the improvements we'd implemented over the past three years to ensure we were as prepared as possible to take on 2020.

Some of the changes across the business that prepared us for 2020 included the major brand refresh strategy of 2017, designed to transform every aspect of the customer experience including fresh-look restaurants, menus, technology and branding. Additionally, just last year, we introduced a long list of improvements – including a new expanded menu, the launch of a national loyalty program, online ordering capabilities, a mobile app and of course the national delivery agreements with industry-leading delivery partners.

The lessons learned and processes introduced throughout 2017-2019 became equally applicable during the COVID-19 economic crisis, creating a launch pad that ensured Subway® was able to respond and adapt quickly. All of this can largely

be credited with why Subway® was able to deliver such a strong recovery.

With same-restaurant-sales results returning to 2019 levels and some restaurants increasing their sales by up to 20 per cent year-on-year, Subway® is proud to share the key learnings and strategies we as a brand believe have underpinned our strong results.

Brand Promotion, Franchisor Support and Coaching are the pillars Subway® has focussed on in 2020 to ensure the brand remains relevant and importantly profitable for its franchisees.

## Pillar 1: Brand Promotion

Effective marketing is critical to telling a brand's story and building trust, and the importance of brand trust is magnified during times of economic uncertainty. For many companies the instinctive response to tough economies is to withdraw from advertising but we believed remaining visible and relevant to consumers throughout this time is more important than ever.

With consumers' existing knowledge of the brand, immediate impacts from our world-class brand campaign during

COVID-19 were seen, and we believe this is part of what enabled us to help shield franchisees from as much of the retail impacts as possible.

Consumers look to familiar brands to deliver reliable products and experiences and we reminded consumers they could continue to eat safely with us – and they could choose to have this any way they wanted, whether that was contactless delivery, contactless pick-up or visiting our restaurants.

This relevance is about understanding what consumers need from brands and responding to this. During a health crisis, people were more attuned than ever before to health and safety measures used for the preparation of their food. While Subway® is well-known for its healthier food options – with fresh vegetables and freshly-baked breads – during COVID-19 it was more important than ever for the brand to remind consumers that they could continue to trust Subway® to safely serve the food they loved.

The brand bravery Subway® showed throughout the full marketing mix this year has been effective in building, and building on, brand trust in the uncertainty of 2020.

## Pillar Two: Franchisor Support

The Subway® global brand transformation not only delivered new sales channels, but also informed new ways of working with franchisees. To ensure the brand transformation and launch of so many advancements was a success, the buy-in and adoption of franchisees and Sandwich Artists™ was absolutely essential – and as a franchise brand we had to establish better communication, more training and a new way of business coaching with our business development teams, to successfully execute in restaurants.

But, of course, where processes may work under normal economic conditions, they may not during an economic crisis. What becomes important is a brand's ability to adapt and refine these systems to account for immediate and lasting changes to business.

This year we quickly redesigned our support systems with business coaching, regular check-ins and communication from both the corporate team and the business development teams that has allowed restaurants to succeed where other cafes and restaurants may have struggled.

An often-underestimated benefit of a franchised business is the processes and support that the franchisee can tap into. We believe the importance of this support is amplified during economic uncertainty, when many small businesses struggle. Successful brand systems like

Subway® have long-established, proven business operations processes designed to help franchisees build their own successful businesses regardless of any prior experience.

Alongside the business operations support that our team provided to franchisees, we also waived or deferred ongoing franchising fees for the most severe periods of the first lockdown – and provided practical support to reduce other costs across the business.

We took the view that during these times it was not enough for franchisors to stand on the sidelines and temporarily reducing ongoing franchise fees was essential. Additionally, Subway® believed it was important to support franchisees to access other relief programmes, whether they were with lenders, government or landlords.

## Pillar Three: Coaching

Subway® recognised that during periods where restaurants weren't experiencing normal volumes of in-restaurant customers, it was an ideal time to refresh skills, in order to fine-tune operations and the guest experience.

During our menu changes over 2018 and 2019 – which represented the most significant menu revitalisation seen since opening in Australia – we bolstered our field training and coaching processes. More resources in training had allowed the brand to quickly execute new

products and processes in restaurants.

This renewed focus on restaurant excellence that came from the brand transformation also allowed for a successful move from primarily in-restaurant ordering to a primarily remote-ordering business, with additional hygiene and safety measures during COVID-19 restrictions. Without the ability to pivot quickly, we risked losing customers permanently.

During COVID-19, in order to maximise franchisees' ability to service consumers, our team developed a new suite of restaurant excellence training modules to help owners increase delivery sales, reduce food wastage, prepare better products and deliver a better customer experience for customers. This knowledge, together with the support from Subway® field teams, has empowered franchisees to optimise their revenue from every sale.

## Conclusion:

Ultimately this year was challenging for all businesses but the ability to adapt quickly ensured success was still achievable in 2020 for Subway®. The brand was able to lean into the already effective processes that existed, driven largely by the sustained effort of the brand and franchisees to push for continual improvements across all facets of the business year on year; building on and strengthening a great foundation that has underpinned success in 2020. ■



2020 has been a chaotic year for all types of businesses – franchising included. After the initial shock period of the arrival of COVID-19 during February and March, many businesses settled down, decided how it would affect them and started making adjustments. JobKeeper kicked in and bought businesses some time to assess the situation and recalibrate operations. Across the total business spectrum, some businesses benefited and have gone from strength to strength, while others have crashed and burned.

# Planning and preparing for business in the years ahead



**By Peter Buckingham**  
Managing Director,  
Spectrum Analysis

## Strategic decisions for the post COVID-19 future

It is now time to look to the future and make plans accordingly, from whether you will survive and go on to thrive and prosper, or slowly wind down and “tap the mat”. If the outlook is positive, how can you benefit and what will that be in terms of your expansion plans?

As a demographer, I can use a combination of data and experience to try and shed some light on what I believe we will see in the future, and especially how that may manifest in what is the very broad industry of franchising. Whilst franchising is a method of doing business, it covers such a variety of business types that there will be winners and losers across the board.

## Post COVID-19 and the economy (my crystal ball)

There have been many futurists writing about how post COVID-19 Australia will look, and my summary is:

- We will have become far better at using computers for many different things, including communicating (Zoom, Skype etc).
- We will be far better at making our purchases online. This shift in purchasing behaviour will mean there is less need of retail space (shopping centres and shopping strips). This should have an effect in reducing retail rentals long term.
- We will want to continue to work from home, either full time or on certain days of the week. This should create an over-supply of office space and therefore

force rentals down in this market.

- Many people will want a lifestyle change, moving out of the larger metropolitan areas and into smaller communities – hopefully so they can still do similar work remotely. This will push up regional property prices, and may depress metropolitan prices, purely based on supply and demand.
- When combining the previous two points, peak period traffic may look quite different, with less traffic snarls over the two peak periods of the day. CBD parking may also change.
- The overall economy will be somewhat poorer, especially as governments worldwide will have run up trillions of dollars in debt. Australia expects to have around \$300 billion of additional spending to address, and this could lead to higher taxes and inflation.
- Immigration has ground to a halt in 2020 (previously around 200,000 persons per annum). This may slow Australia’s predicted growth for a couple of years; however I would expect federal immigration policy to increase and pick up this slack over the next five years.
- International students have been frozen out of the country, or some may feel lucky that they cannot leave. I see this as only temporary as once a vaccine is approved, I would expect the student numbers to return fairly quickly.
- Travel, both international and even domestic has basically stopped and tourism is severely hit. As interstate borders re-open, and Australians look to holiday locally, this will likely be a boon for our domestic tourism industry for the next few years.

## What should business leaders be thinking about?

We will not know for some time to come how different types of franchise businesses have been affected financially over the COVID period. Demand varies depending upon what you are offering, and how restrictions may affect you.

Many franchises are in the food and beverage business, and people must still eat and drink - they may just use different sources to achieve that.

In a recent FRANData conference, I was interested to hear how many food-related businesses were achieving record sales in most areas, however CBDs were badly affected, whilst the suburbs were more resilient. If you relied on your bricks and mortar restaurant for dine-in you were struggling, however if you had adapted to pick-up and delivery, you may be going quite well.

Businesses focusing on DIY home related items or services (i.e. tiling, paint supply or batteries) were also going strongly.

What this has told me is that if your business has gone reasonably well through the pandemic, now is probably a very good time to plan for how you can grow the business next year, and into the medium future.

In many cases, businesses have implemented new systems (maybe temporarily), however is it now the time to cement these into place? That may be addressing long-term working from home practices, needs to travel to meetings with clients and internal meetings, and thinking about what your head office / support office will look like in the future.

“What this has told me is that if your business has gone reasonably well through the pandemic, now is probably a very good time to plan for how you can grow the business next year, and into the medium future.”

History can repeat itself, as many older people may recall:

- The pilot’s strike in 1990, and how people quickly learned that business could be done by phone. Interstate travel stopped immediately, and business soon created new ways of operating.
- After most recessions, the quality and number of potential franchisees grows and we find people wanting their own business, with sufficient capital to invest.
- It is not all doom and gloom; we adapt to the circumstance.

My view is that we are seeing all these things again.

## What specific areas relating to franchising should we be addressing?

As business leaders, I feel we should address the following:

1. What will change in the ways our staff should operate?
2. Has our business benefited in terms of demand during COVID, and if so, how do we continue to enjoy those benefits?
3. Have our franchisees benefited, and can they continue to benefit?
4. If we have been hurt by the COVID experience, how can we make it positive and ensure the long-term survival of our business?
5. How is this going to run out in terms of future franchisees?
6. Do our long-term network expansion plans still suit the upcoming environment?

If you or your staff cannot confidently address these issues, I would be asking why? This is a time to be realistic, not just spinning the story you or the board would like to hear.

## Action

Businesses normally prepare a business plan and the reliable (and still very practical) thinking has been a SWOT analysis – Strengths, Weakness, Opportunity and Threats.

**Strengths** – reputation, facilities, recent results and many other areas you will know. How can we capitalise on these?

**Weaknesses** – lack of some of the above and possible issues that are exposed and have a very detrimental effect on your business, or franchising in general for some years to come.

**Opportunities** – this is where you need to act. Understand what is happening over the next 10-15 years as far as population is concerned and where future franchises will be coming from. Use this information in your long-term planning both for physical facilities and any territory planning requirements. What will our numbers look like and what does our franchise system need to handle that number of franchisees? And the soft side – staffing and administration. Many of the expansion decisions you may wish to initiate may be long-term, including long lead times if there is building or rebranding involved. These types of decisions need planning and to be backed up by demographics and analysis to properly expand your business across Australia, and possibly overseas.

**Threats** – what is changing around us and what impact will they have on our future business? How do we minimize or negate these issues?

## Conclusion

Think about the future outlook for your franchise system and base your future decisions on facts and data – not your wet finger in the air. ■

## About Peter Buckingham

Peter Buckingham is the Managing Director of Spectrum Analysis, a Melbourne-based consultancy in demographics, mapping and analysis. Spectrum works with many businesses both large and small and has all the GIS tools to undertake this work. Peter is both a CFE and a CMC (Certified Management Consultant). Peter can be contacted by email at peterb@spectrumanalysis.com.au or called on 03 98300077.



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We are continually being challenged as leaders in the everchanging world of business, but what does it mean to be a leader in 2020 and beyond?

## Leadership from the rock versus the whole

**By Sara Pantaleo**  
Founder, Affari SP

Leaders need to be mindful, present and self-aware. In anticipating the future, leaders need to shift from known experience to leading together with others and leveraging subtle differences and changes as needed.

Business has become increasingly complex and the days of the individual have shifted to the collective. From the "follow me, I know the way" type leader, "the rock", to leading from "the whole".

Knowing when to take the lead and when someone else in the team needs to take the lead means being flexible and able to empower those around us. Leaders need to be adaptable, sense the future and focus on the shared purpose of the whole collective.





“It’s not possible for one smart leader to have all the answers. You need to tap into the network and use the intelligence of the people in the team. That way, you can build awareness that you are all part of a whole system.”

Collective leadership means that we need to focus on being as well as doing. The balance of both doing and being means;

- Being in relationships and present with people
- Noticing the team dynamics and engaging
- Understanding that it’s not what you know but what you do

It’s not possible for one smart leader to have all the answers. You need to tap into the network and use the intelligence of the people in the team. That way, you can build awareness that you are all part of a whole system.

The leader is responsible for the team dynamic and needs to read and sense that dynamic.

It doesn’t mean that you don’t set direction and take people forward, but it does mean using the wisdom and intelligence of the whole. You need to have broad systems awareness and sense what is unfolding in the team in order to arrive at goals.

The future doesn’t always unfold in a straight line. It’s important to sense the collective and adjust as is necessary.

You need to use collective intelligence as well as emotional intelligence. Emotional intelligence is about self-awareness and collective intelligence is seeing how you behave as a whole team. When the collective team speaks as a whole, it’s different to individuals.

When you lead from the collective you can set a plan, however it needs to be fine-tuned as things evolve. COVID-19 has certainly taught us that this year with the exponential take up of video

meetings and adapting to new working environments from home. Has this made it more difficult for you as a leader to sense the collective intelligence?

Are you conscious and aware of your collective team?

- How it behaves
- The beat
- The wisdom
- The pulse

To be a leader who is able to sense the collective and dynamics you will need to be more self-aware and focus on being present, listening and not multi-tasking, distracted and thinking about yesterday or tomorrow. You need to intentionally and fully connect directly with individuals and your whole team.

In order to achieve true collective leadership, you need to focus on relationships as well as the ROI. Leading from the whole means not leaving anyone behind. It means that no one feels alone.

You need to use love, compassion, empathy and companionship to show that you value people. This requires a mindset in which you implement mechanisms to show you care and support people in what they are going through.

Self-awareness supports leaders with better mental health outcomes and job-related wellbeing. It’s not about putting a fruit bowl at reception and having weekly yoga. It’s about being authentic and developing trusting relationships, improved decision making by incorporating the collective intelligence and leading with the heart as well as the head and gut.

You cannot be authentic if you do not

know who you are. Authentic leadership comes from your values and beliefs.

People trust and will naturally follow authentic leaders.

In summary collective leadership for “the whole” is;

- You are present and aware of self and of each other
- The collective team know themselves and each other at the core level. Each knows their unique talents and strengths

- You are aware of the team dynamics and able to co-create and co-lead
- You are in touch with what is unfolding and able to read the signals and lead for the emerging and changing future

The Leadership Coefficient cover this really well in their leadership course with the Three Principles of Collective Leadership and Silo Thinking and Systems Thinking.

They talk about living in a VUCA (Volatile, Uncertain, Complex, Ambiguous) world. This means it is no longer possible for one smart leader to have all the answers and the future is emerging moment by moment. Jane Weber clearly states in her article of May 2020 that leaders are so distracted that they mostly do not even notice the changes. Often disruptions still take many leaders by surprise. She asks, did the taxi industry see Uber coming and hotel industry AirBNB?

If you don’t pay attention to the changes emerging in your whole collective team and stick to leading in a straight line, you may not see what’s coming and survive. ■

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# Virtual brands in the dark

## How virtual brands and dark kitchens are benefitting franchise hospitality businesses.

By Lawrence Pelletier

Sales & Marketing Director, Redcat

Imagine running a franchise with 20 locations - COVID has driven online and delivery sales, but you still have excess capacities in your kitchens. There's a new food concept you have been wanting to get off the ground, and you see online and delivery as the perfect channel. How do you take advantage of this opportunity?

In the world of hospitality, virtual brands are flavour of the moment. But what is a virtual brand, and why the explosion in popularity? Should you be considering a virtual brand for your hospitality business and if so, what are the benefits for your franchise?

### What is a virtual brand?

A virtual brand is one that exists digitally, but with no physical presence. No physical restaurant, not even a bricks-and-mortar pickup outlet. A virtual brand offers food that is available via delivery only.

It might be run from the kitchen of an existing restaurant or outlet, or the food might be prepared in a 'dark kitchen' - that is, a stand-alone kitchen that is not attached to any form of shop-front.

Virtual brands provide an opportunity to expand your offering by harnessing the extra capacity in your kitchen. So, you decide to run four virtual brands from each kitchen, complementing your 20 physical sites with 80 virtual companion sites - 100 in total. Wow!

### The benefits of virtual brands

Virtual brands offer multiple, very real benefits that are likely to see their continued growth long after the world is allowed back into restaurants:

**1** Additional income stream - virtual brands allow you to run more than one brand from the same kitchen, potentially increasing your revenue with little or no cost for additional staff or equipment. Even without a pandemic, it can be hard to keep the

customers coming through the doors. A virtual brand can help you generate incremental orders when in-restaurant dining is down.

**2** Capitalising on a growing trend - the food delivery market is growing and having one or more virtual brands means being positioned to take advantage of this growing phenomenon. Franchises will be able to do this at scale, across multiple locations.

**3** Rapid, lower cost, lower risk set up - compared to a restaurant, or even a take-away outlet, a virtual brand has minimal set up costs. With no physical outlet to find and fit-out, delivery-only brands are the perfect way to rapidly try new concepts without the risk and cost of a restaurant. The successful virtual brand could be a launching pad of a new physical franchise brand.

**4** Maximise ROI for both franchisors and franchisees - if you have an existing restaurant, with premises, equipment and staff, a virtual brand can help to make the most of your investment. Inevitably there are times when your kitchen is not at capacity and a virtual brand can help maintain volume in the kitchen.

**5** Reduce food waste - making efficient use of ingredients has long been an issue for restaurants. Having a virtual brand, which uses the same ingredients for dishes on delivery-only menus can help to use excess ingredients and reduce waste.

**6** Test new ideas - if you have great ideas for new dishes, flavours and cuisines, launching them via a virtual brand gives you the opportunity to diversify, whilst still protecting your current brand's market position. As a franchisor, you can run these across limited locations to learn quickly, then adapt your established system to a new food concept, minimising the risk of establishing a new physical brand.

**7** Tailored to customer demand - if there is a gap in an area for a particular cuisine, you can tailor your brand offer to exactly what that market needs.

**8** Focus on the food - a successful restaurant needs so much more than just its menu - décor, atmosphere, location, wait staff, wine list. A virtual brand allows you to focus solely on what you do best - food and flavours.

### What are dark kitchens (aka 'ghost kitchens')?

A dark kitchen is one that exists to prepare meals for delivery only. No option to eat in, no customers coming to collect take-away. Just the cooking staff and the delivery drivers.

Dark kitchens, so called because there is nothing from the outside to show that it is a kitchen, are facilitated and sometimes even owned by third-party delivery services such as DoorDash, Menulog, Deliveroo and Uber Eats. Dark kitchens also weave in their own online ordering sites, offering pick-up and white

label delivery services such as DoorDash Drive or Uber Direct. Customers order online, the dark kitchen preps the food and hands it over to a delivery service, or perhaps a customer at a pick-up window.

### What are the benefits of a dark kitchen?

For restaurant operators, there are certainly benefits in the growing trend towards dark kitchens - here's the top six reasons they might want to consider this new approach to food prep:

**1** Low cost way to expand reach - if you want to expand into a new area, a dark kitchen is a lower cost, lower risk way of doing so. For dark kitchens, it's more important to be close to where people live than a city centre. So rather than buying or renting premises in (expensive) areas with plenty of footfall, you set up a 'no shopfront' premises in a residential or industrial area.

**2** Faster ROI - the lower setup costs of a dark kitchen enable you to return a profit more rapidly.

**3** Low barrier to entry - If you're a start-up, the rapid set up and lower costs of a dark kitchen make it easier for you to get into the market and give you a stronger chance to compete against established players.

**4** Lower overheads mean that you can spend more on things that make a big impact on sales and customer experience - like marketing and ingredients.

"...whilst dine-in is a much-appreciated treat, especially after lockdown, the likelihood is that the restaurant landscape will continue to accommodate both virtual brands and dark kitchens alongside more traditional dining options."

**5** Total focus - running a restaurant with the competing priorities of dine-in, take-away and delivery is challenging. With a dark kitchen, you can focus on doing one thing - delivered meals - and doing it really well. In a dark kitchen, with workflow optimised for delivery orders, preparation time can be cut by as much as 10 per cent and operators can focus on the customer's home dining experience, with, for example, specialised packaging to keep food hot and fresh.

**6** Market intelligence - when all your orders are placed online, you can capture information about your customers, which you can then use for targeted marketing. This is especially true for customers that reach you through your online ordering site or ordering food through Google. You can use their purchase preferences to send recommendations, offers, etc.

Whilst dark kitchens and virtual brands are relatively new in the Australian market, evidence from overseas would suggest that they will continue to grow. The pandemic has increased consumers' demand for good food, delivered to their home rapidly and efficiently. And whilst dine-in is a much-appreciated treat, especially after lockdown, the likelihood is that the restaurant landscape will continue to accommodate both virtual brands and dark kitchens alongside more traditional dining options. ■



Across the nation, Australians have experienced a year like no other, with the impacts of COVID-19 likely to be felt for years to come.

# Federal budget impacts on small business and workers

Article provided by  
**Rest**

## 2020-21 Federal Budget and its impact on the future of small business

With almost every industry disrupted by the coronavirus pandemic, the Federal Government's Budget announcement on 6 October revealed a range of measures designed to support Australian households and businesses and minimise further disruption to Australia's SME sector.

**- Instant asset write-off for businesses:** The Government is extending the instant asset write off to 30 June 2021, allowing eligible businesses with an annual aggregated turnover of less than \$500 million to claim a tax deduction on the full cost of buying an asset upfront, to the value of \$150,000 each.

**- Tax offsets:** To help boost business cash flows, eligible businesses with a turnover of up to \$5 billion can offset losses incurred up to 2021-22 against previous profits made in or after 2018-19. Eligible companies may elect to receive a tax refund when they lodge their FY21 and FY22 tax returns.

**- Incentives to hire and train new workers:** To support young Australian workers the Government announced incentives for businesses to hire young people. Employers who hire eligible young workers aged 16 to 29 years will receive a wage subsidy of \$200 a week, or \$100 a week if they hire an eligible young person aged 30 to 35.

A recent report by AlphaBeta Australia found that the SME industry makes up 99% of the economy, employing two in every three Australian workers; the impact that healthy small and medium enterprises (SME) can have towards a recovering Australian economy cannot be understated.

The Government's announcements indicate a shift in focus towards economic recovery and preserving the security of Australia's financial future. The federal budget support initiatives demonstrate that the growth of SME's can be a fundamental contributor to the growth of the Australian economy.

"Many Australians pay duplicate fees through the unintended creation of multiple super accounts. Over time, these fees can compound, significantly reducing members' ultimate retirement savings."

## 2020-21 Federal budget and its impact on the future of Australian workers

Along with business support measures, the Government proposed amendments to Australia's retirement saving system.

In a move to more deeply connect employees to their super, the newly announced 'Your Future, Your Super' initiative aims to prevent the creation of multiple accounts.

Proposed to start on 1 July 2021, the Government predicts the reforms have the potential to save Australian workers 17.9 billion dollars over the next decade.

Many Australians pay duplicate fees through the unintended creation of multiple super accounts. Over time, these fees can compound, significantly reducing members' ultimate retirement savings. Treasurer Josh Frydenberg stated, "Australians today are paying \$450 million a year in unnecessary fees as a result of six million unintended accounts".

The new changes will see employee's nominated fund "stapled" to them as they move through their working life.

The Australian government estimate with these measures, a typical young Australian entering the workforce in their 20s could be around \$87,000 better off at retirement.

As an employer you will be required, by 1 July 2021, to obtain information on your employees' existing super fund from the Australian Taxation Office.

This will allow you to select an employee's nominated fund and pay their superannuation contributions directly into their account.

If an employee does not have an existing super account, they can choose to nominate a fund. If an employee does not make a decision regarding a fund, you can pay the employees superannuation payments into your default fund.

While you might not think it now, retirement is one of the biggest

stages in our lives, but making ends meet in retirement is something most Australians may not consider until they are close to leaving the workforce.

Another way in which Australians maximise their retirement savings is by consolidating their super accounts. The accumulated impact of paying two (or more) sets of fees and potentially insurance premiums can have a big impact on your ultimate nest egg.

For young Australians, specifically those under 30 or earning less than \$40,000 per year, the combined effect of increasing super to 12% by 2025 and consolidating accounts could mean an additional \$60,000 in retirement.

The difference is stark and highlights the value consolidation alone can have on maximising members' money, while equally demonstrating the advantages of stapling the super system.

Australia's retirement saving system has been widely regarded as one of the best retirement policies in the world. However, a major shift in Australia's population demographic, which sees people living longer, as well as the economic environment in which we operate being drastically different, means we are at a pivotal time to create new policy settings that will help super funds realign their investment strategies to focus on more onshore investing back into the Australian community, aid in contributing to a sustainable future while helping to provide all Australians with the ability to reach a comfortable standard of living in retirement. ■

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# Employee underpayments Why they happen

Article provided by  
**ER Strategies**



Due to huge media attention over the past couple of years, you will be aware of the variety of large-scale employers underpaying their staff. Woolworths, Coles, Bunnings, respected universities, IBM, even the National Library of Australia and ABC, have all been in breach and faced the consequences. So why do these underpayment issues occur in what would typically be considered principled, compliant organisations?

## Common causes of underpayments

ER Strategies has conducted about 1300-1500 payroll audits over last four years across different industries and businesses. In sectors including fast food, restaurants, financial services, and pharmacies, the most common issues to arise were:

- Incorrect base rates or choice of pay classifications;
- Not paying allowances, or the appropriate penalty loading for the day of the week or time of day;
- Not performing right-to-work checks;
- Not observing award or agreement minimum shift provisions;
- No written part-time employee 'change of hours' agreements, meaning additional hours worked needed to be paid at overtime rates.

We find most employers that underpay their staff, do so unknowingly. They might equally be overpaying some people too, but that can be irrelevant in terms of audits by the Fair Work Ombudsman, or in the case of trial by media.

## Award complexity a contributing factor

The complexity of the Australian system of industrial awards will undoubtedly be a contributing factor in many underpayment issues, where they do arise. In a recent submission to the Senate Economics reference Committee Inquiry into underpayments, the Attorney-General's Department stated that, "where there's confusion, or lack of clarity, that has the potential to lead to - I don't want to use the word 'cause' - an inadvertent underpayment.

"We're not suggesting that any entitlements at this point need to be cut.

"What we are looking at, what we've raised, is the information fed to us from many employer groups that they have members who find the awards system complex."

## Woolworths underpaid its store managers

In Woolworths' case, employees were underpaid by as much as \$300 million, with total costs coming in closer to the \$500 million mark when consultancy fees to calculate the underpayments are included, as well as accrued interest and unpaid taxes and superannuation.

Woolworths' underpayments involved their store managers on salaries and it was only when a new enterprise agreement that also covered store management was being implemented, that it became obvious store management employees had been previously been underpaid against the applicable Retail Award conditions.

## System issues

The issue we find when these situations arise, is quite often a systems problem. People in power in organisations assume that by using highly reputable Time and Attendance (T&A) systems, which also interpret and apply the applicable award provisions, they are guaranteed to pay their employees correctly.

However, this is a dangerous mistake for businesses to make and has cost many organisations many millions, as we have seen in recent years.

Part of the problem lies with the fact that T&A systems, and the payroll systems they interact with, have to meet strict weekly or fortnightly deadlines to get people paid, whereas awards often have provisions which operate over a two or even a four week period. So, T&A system rules that are written to apply award flexibilities over a pay period longer than a week, often trip up and underpay staff.

The system rules may handle 90 per cent of required situations, but it is the 10 per cent that they cannot, which may then require a manual process to be implemented or some other solution applied. Our experience is payroll staff attempt to faithfully carry out what they are instructed to do, but under the pressure of making the weekly or fortnightly payroll payments, they probably won't have the time to go looking for or to solve other problems that might exist.

When you have a large payroll, a little bit here and there for one employee in a week can end up in a mammoth figure for the organisation over a period of years.

## Specific award issues

Here are some specific examples of underpayments caused by system issues that we have found from our in our payroll auditing work for various clients:

### Overtime Provisions

As indicated, award overtime provisions mean that once a certain number of hours have been worked in a four week period, then all additional hours need to be paid at overtime rates, but this isn't picked up by the pay rules, which just look at the week or fortnight being paid.

## Public Holidays

Another issue is whether you need to pay an employee for a 'public holiday not worked' for those employees working different shifts on different days each week. If an employee is working on a recurring roster where they probably would have worked on a day had it not been a public holiday, they are entitled to payment for the holiday even though they didn't work it.

However, for the T&A system, no hours were entered for the employee on the day, and therefore no payment was made.

## Part-Time Workers

Another increasingly common issue is award or enterprise agreement flexibility is created around part-time work, where part-time employees can choose to accept to work additional hours (but still less than an average of 38 hours over their roster cycle) at ordinary time rates, if it falls within their nominated availability.

The problem arises where the award requires that the additional hours be accepted in writing, but the time and attendance system has no way of recording that agreement. This can result in the hours becoming overtime hours in the absence of evidence of the written agreement.

## Extending Employee Hours

Employees working outside standard hours can be entitled to extra loadings on their pay, especially if they are usually paid a flat hourly rate or a fixed salary by their employer for payroll simplicity purposes. There is nothing inherently wrong with paying a flat rate or a salary - as long as the employee never gets paid less than what they should have been paid had their correct award base rate and penalties and loadings been applied.

However, issues arise when the employee works a different mix of hours to the basis on which their loaded rate was calculated. This can occur for a number of reasons, whether it be increased demand and longer opening hours, special circumstances such as a stocktake, employees filling in for other shifts they wouldn't usually work, or working extra hours on public holidays or weekends or just more hours than they are being paid for.

That is where Woolworths struck trouble with their store managers on salaries.

## Other Causes

There is a myriad of similar situations which can arise, and which result in underpayments and this is just one part of the many Employment Compliance challenges faced by employers, franchisors and their franchisees.

## ER Strategies' suggested solutions

ER Strategies' General Manager, David Price, says that whilst conducting payroll audits is one way to identify underpayment issues, unfortunately that will generally tend to be well after the fact.

"The result of not knowing and a potential liability growing until getting caught out, whether by the FWO performing an audit, a Union becoming involved or the employer identifying the issue itself and seeking to make it right, is not the ideal situation," Price says.

Price says another option particularly suitable for franchise networks, is the use of business analytics to identify issues and target the audit process. "Business analytics connecting different systems, including payroll and POS data, to centralised dashboards, is particularly useful to help a franchisor identify a franchisee who might be underpaying and allows you to focus limited audit resources to those areas."

"However, dashboarding your data won't pick-up a situation where a whole brand is applying the same incorrect logic of award interpretation."

He says the future is running a parallel, independent payroll in the background, that is limited to checking the T&A or payroll systems limitations. Price noted ER Strategies has recently partnered with Resurg to make this checking a cost-effective reality, which is available now.

"That way, clients can identify payment issues which can often be corrected in the next pay cycle, allowing employers to correct underpayments and even offset inadvertent overpayments when they occur." ■

## FCA Employment Compliance Helpline

ER Strategies is The Franchise Council of Australia's chosen employment compliance partner. Financial members of the FCA can access telephone advice from ER Strategies at no additional cost, by calling 1300 108 486.

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As the Back In Motion team returned from our inspirational annual franchise conference in Bali in February, we also returned to growing reports and concerns that COVID-19 would likely make a significant impact on the wellbeing of Australians and New Zealanders and their economies as a whole. It quickly became clear this would be a once in a lifetime event for us all. Indeed, like most other businesses, COVID-19 would present Back In Motion with one of the most significant challenges in its 20 year history.

## Responding to COVID-19 as One Team

By Justin Groenewaldt

Leader, People & Franchise Systems,  
Back In Motion

### Stronger together

As we reflect back, it was our 2019 theme of Unity which served as a prequel, casting a solid foundation to act as one team to enable us to face the storm together. In his closing address at our franchise conference in 2019, Group Director Jason Smith reminded us of the importance of being a unified group, referencing the saying that:

“Many strands make a strong cord, and many cords, make an unbreakable rope!”

This eerily accurate and somewhat prophetic message laid the foundation for a unified team. In the face of the storm, we were resolute in our objective - not a single franchise is to be lost.

Surviving a blizzard makes you a survivor. Helping others survive the blizzard makes you a hero.

We had a team of heroes, each looking after the other. It was our unity across the franchise group that served as the unbreakable safety rope ensuring we were able to face the challenge as one team. This was largely made possible by leveraging the strengths of our franchise business model, which meant that although we were many, we were also one. Our franchisees (whom we refer to as our practice directors) put their trust in the network support office (NSO) and stood ready to help each other.





## Strategic planning

It was immediately evident that our business as usual activities and priority projects would need to be revised to ensure that all members of the NSO were mobilised in alignment with our new priority of responding to this fast approaching challenge. Initial concerns centred around the wellbeing of our staff and clients and our business continuity in light of the inevitable restrictions on our ability to treat our clients.

A task force was formed with our focus on:

- Developing a strategic crisis response plan and recovery plan;
- Regular and clear communication through practice directors Q&A teleconferences; and
- The NSO's business performance coaches working with each franchisee to plan their business continuity in alignment with our crisis plan

### A crisis management plan

Realising that our response to the pandemic would need to be well orchestrated, clearly considered and proportionate, we set about developing a response plan to manage the crisis. This plan was launched on 23 March. It consisted of three strategic imperatives that served as focus areas and four levels of escalation. The strategic imperatives were Protect, Prepare and Recover. The four levels of escalation meant that we were able to implement response initiatives in a way that ensured our response was escalated in a proportionate manner. A range of predictive indicators would provide guidance as to when our response was to be escalated to the next level. This meant that we understood what we needed to do and when we needed to do it. Some features of this plan included:

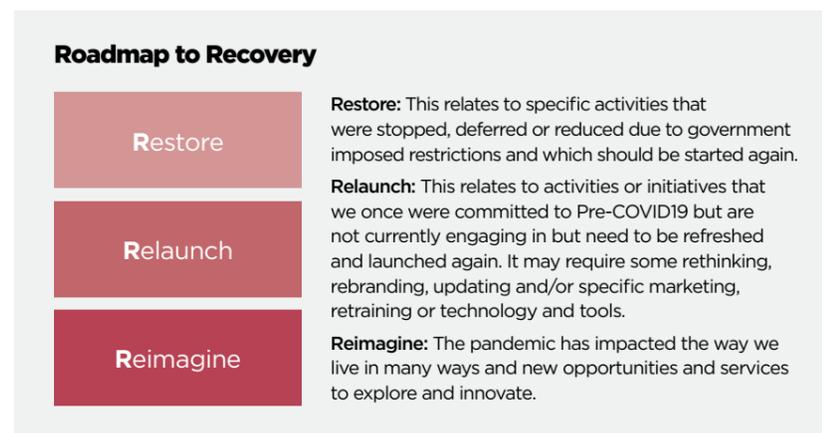
- Conducting practice risk assessments
- Adjusting staff resourcing through variation agreements

- Sensitive communication to staff and clients
- Commissioning new reports for real time information to support evidence-based decision making
- Implementing telehealth
- Liaising with suppliers to ensure certainty of practice supplies
- Increasing hygiene and infection control initiatives
- Deferring capital expenditure and release of cash resources within the group via NSO relief concessions
- Industry advocacy for physiotherapy as an essential service

### Roadmap to Recovery

In our crisis management plan, we foreshadowed the need to develop a recovery plan to be implemented at the appropriate time. The Roadmap to Recovery, which we launched on 6 May, currently serves as that recovery plan and is intended to provide the pathway out of the crisis created by the pandemic. In true Back In Motion spirit, we were determined not to waste a good crisis which meant that our roadmap to recovery was never intended to simply take us back to where we were, but to position our practices to thrive in our new normal.

- The main features of the plan include:
- 3 Strategic pillars being **Restore**, **Relaunch** and **Reimagine**
  - 4 Focus Areas which include Patients, People, Practice and Programs
  - 3 Levels of De-escalation with predictive indicators



The Roadmap anticipated that the de-escalation of restrictions by national governments (Australia and New Zealand) as well as Australian state and territories would likely move at various speeds. The de-escalation levels were therefore designed to be able to be applied on a jurisdiction specific basis and not a group wide basis. Practices would therefore be able to use the plan as a blueprint for their own recovery planning by selecting the initiatives appropriate for their circumstances.

Some of the key initiatives under this plan include:

- Develop a COVID-safe policy and training
- Conducting an employee pulse check survey
- Retraining of team members through online professional development courses
- Gradually increase staff hours
- Implementing a JobKeeper payroll
- Develop a national TV and digital advertising campaign

### Checking in on each other

It was clear that the COVID-19 restrictions on society and business as well as ongoing concerns about the health impacts on ourselves and loved ones would no doubt have an impact on our practice directors, workforce and NSO mental health. It would be remiss not to stop and check in on each other and ensure that we are providing sufficient support to everyone who is a part of the Back In Motion family. This is the main reason for undertaking a Pulse Check survey as part of our recovery planning. Although the overall participation rate was lower than we hoped at 62 per cent, the feedback did provide valuable information. Some of the key datapoints gleaned from the survey are as follows:

#### Highlights:

- 90 per cent of practice directors feel that they're in a strong position to recover well from the impacts of COVID-19

- 93 per cent of practice directors have confidence in NSO leadership and feel that they've been kept well informed about changes related to COVID-19
- 92 per cent of workforce team members feel that their practice director has kept them well informed about changes relating to COVID-19, 88 per cent feel genuinely cared about by their practice director and 89 per cent have confidence in their practice director's leadership
- 94 per cent of NSO staff feel genuinely cared about.



### Areas of focus

- 17 per cent of practice directors disagreed that they have been able to maintain their mental health by planning and engaging in activities that support their wellbeing during COVID-19
- 13 per cent of workforce team members disagreed that they have been able to maintain their mental health by planning and engaging in activities that support their wellbeing during COVID-19
- 28 per cent of the NSO did not feel that they've been able to maintain their mental health by engaging in activities to support their wellbeing during COVID-19

- Communication and access to NSO are two key areas to focus on as we continue along our Roadmap to Recovery.

### Looking after our industry

One of our core values as a group is to be significant. The crisis offered us the opportunity to support our industry. Apart from advocacy work in conjunction with the Australian Physiotherapy Association, two industry-based webinars were hosted by Group Director Jason Smith and Justin Groenewaldt. The primary objective was to share our

plans and associated resources with the industry in the hope that other independent physiotherapy practices were able to benefit from these.

This ultimately resulted in a database of over 1000 practitioners registering their details and several enquiries from independent practice owners about our group.

### In conclusion

At the time of writing, Victoria is just emerging from its second wave restrictions. Unfortunately, a small number of staff and their families have been directly impacted by this second wave through contracting the virus and almost everyone has been affected economically.

We are however incredibly grateful for the leadership and business support provided by the Australian and New Zealand federal governments. We count ourselves blessed in many ways as we continue to see our business recover.

Although the COVID-19 season has not yet passed, to date we have met our goal of ensuring every practice survives. As the NSO, practice directors and practice workforce stood united against a common challenge, the COVID-19 pandemic, to protect our health, businesses and jobs we have learnt how remarkably agile we are as an organisation and indeed that we are stronger together! ■



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Micro learning, virtual reality and gamification have all formed part of Muffin Break's innovative approach to delivering franchisee and staff training and development in 2020.

It's an adaptation that recently saw Muffin Break named the fifth most innovative company by the Australian Financial Review and one that also paid off within the network.

"We are proud to be recognised for our continued innovative approach to business, in adjusting to a changing climate and adapting our systems to further support our franchise partners and the wider Muffin Break team," said Natalie Brennan, General Manager of Muffin Break.

With COVID-19 restrictions limiting the ability to conduct traditional face-to-face training, the brand redefined its training program to cater for online learning for franchisees in their own homes, in their own states and time zones.

The decision to deliver information through micro learning and on demand training has placed information at the fingertips of franchisees and staff. The fact the training taking minutes to complete allows for staff, particularly casual employees, to quickly and easily undertake on-the-job learning.

While many companies discourage phone use at work, Muffin Break has encouraged productive personal phone use to scan QR codes that drives franchisees and employees to on-demand learning videos based on their needs at any moment and includes topics such as how to execute correct cleaning practices or bake the newest product offering.

The interactive training also assists with new instore promotions, with recipients taken on a virtual journey of

# Muffin Break leverages virtual technology for training & development

how their stores should look with each new promotion.

The videos are quick and informative, and all include subtitles including Mandarin Chinese translations to assist with the high percentage of ESL franchisees in the system.

Training content was developed in the knowledge staff had a high engagement with digital learning and that support staff and franchisees needed to be actively engaged with the training.

In utilising technologies such as virtual reality, Muffin Break ensured the implementation process capture two audiences - those that could watch the content via their own virtual reality goggles or those accessing it on a desktop computer.

According to Muffin Break, this interactive experience has led to a refreshed mindset towards training from the support team and franchisees and staff instore.

The virtual training, such as coffee

training workshops, has reached a larger audience within the network than traditional training methods, as well as being used when onboarding new franchisees.

So far, Muffin Break has seen approximately 2000 people engage with the innovative AI training tools to include all franchisees and their staff in every store. At a head office level, all members of the field team who support these franchisees to build their sales also need to engage in this training, including the operations and marketing teams.

There was an immediate improvement in compliance with the very first promotions supported with virtual reality - 89 per cent compliance in national promotion (of children's meal packs), based on mystery shopper program reports. Since this initial campaign, promotions that have been supported with virtual reality training continue to see over a 60 per cent increase in compliance and participation.

While COVID may have been the catalyst for implementing these technologies, they are here to stay, with the brand committed to looking for new ways to learn and deliver engaging content, even when face-to-face training resumes. ■



MYOB FCA  
EXCELLENCE IN  
FRANCHISING  
AWARDS 2020

AWARDS ANNUAL



## MESSAGE FROM THE PRINCIPAL SPONSOR



I joined MYOB three months ago as the Chief Sales and Support Officer. I'm extremely passionate about customers and ensuring our teams are equipped to offer you the best support possible. That means making sure they have as much time as possible to be in front of you, listening to you, learning about you, your business, and your goals.

At the beginning of 2020, no one would have been able to predict the year that was ahead for us.

As I reflect on the year that's been, so much has changed. The world has digitised faster than we could have imagined because we've had to, both in our personal and work lives.

The digitisation of small business is here and now, and we are living it very day.

As Microsoft CEO Satya Nadella said only two months into the shutdown across most countries – "We have seen two years of digital transformation in two months." Just let that sink in for a minute.

There are a range of new normals in the workplace that we have had to embrace – some companies moving completely to work from home arrangements, whilst research conducted by MYOB shows that -50% of SME's expect to continue remote working even after the pandemic is over. That same research has found that:

- o Accepting cash transactions has reduced exponentially in 2020 as consumers opt for contactless and online payments rather than accepting cash

- o Business travel has greatly reduced, with more businesses selling to and supporting their clients through online video call platforms such as Microsoft Teams and ZOOM.

- o New nesting behaviours and the experience of convenience are now transforming how customers buy from businesses. If your business doesn't have an online sales and fulfillment structure in place – you have almost removed yourself from the market immediately.

But Australians are tough and resilient in the face of a challenge, and as a country we have united and responded well to the impacts that COVID-19 has set upon the small business market by adopting new online technologies and process automation to adapt quickly and efficiently.

The Australian franchise sector is particularly resilient, having faced numerous challenges over the last few years and continues to grow and thrive

despite every curve ball thrown its way.

I am proud to say my family, friends and colleagues make it a mission to support local franchise businesses and small business as whole – because at the heart of franchising are entrepreneurs looking to make a difference or realise their dreams, or parents investing in the next chapter of their lives to provide opportunities for themselves and their families. The spirit and entrepreneurialism of franchising represents all of Australia, and every type of Australian.

So, what an exciting time to be in franchising during this period of rapid digitisation, and I'm proud to say that here at MYOB our support of the Franchise Council of Australia and the franchise sector has never been greater.

At MYOB our purpose is simple – to help Australian and New Zealand businesses start, survive and succeed...and we are heavily focused on the survival of many businesses in the immediate future. It's why we continue to invest >\$100M per annum into product research and development, to deliver the technologies of tomorrow that will change your business today.

I wish all our friends in the franchising sector a happy and prosperous Christmas and holiday trading period ahead, and an exciting and fresh year for all of us in 2021.

MYOB is extremely proud to remain the principal sponsor of the Excellence in Franchising Awards for what is now our 7th year. We congratulate all the finalists who are in the running for this year's awards and look forward to celebrating the successes of this year's winners. You've absolutely earned the accolades.

### **Daniel West**

Chief Sales and Support Officer - MYOB

## MESSAGE FROM THE CEO



2020 has been a year of unprecedented challenges for businesses, and franchising has been no exception.

The pandemic, associated business and border restrictions, and a tough economic climate have demanded resilience and support, effort and innovation.

As we've all navigated uncharted waters this year, the strength of the franchising business model has been proven time and again. The ability to quickly adapt and pivot business offerings has been critical – and franchisors have resourced franchisees to do so over the past months. Support has been delivered in myriad other ways also – through information on fast-changing regulations, assistance with landlord negotiations, maintaining mental health and wellbeing through all the uncertainty and so much more.

In the most difficult of circumstances, 2020 has also seen franchisees and franchisors alike finding new opportunities and creating success in this changed operating environment.

The MYOB FCA Excellence in Franchising Awards showcases just some of the franchisors, franchisees and individuals who continue to make outstanding contributions to the franchise sector in the most extraordinary of circumstances.

The achievements of all award winners and finalists in what has been an extremely difficult year for small business owners is truly remarkable.

The FCA congratulates winners and finalists on their outstanding performances, resilience in the face of adversity, and continued contributions to their franchise systems and communities.

The support of MYOB as the principal sponsor for these Awards is highly valued. MYOB have a

strong commitment to delivering the businesses solutions and technology to support franchised businesses to meet their legislative and compliance challenges and obligations and shares a common goal with the FCA of supporting the ongoing success of the franchise sector.

We extend a big thank you to the awards judges for volunteering their time, experience and expertise to the awards program. It is only with this valuable and selfless contribution that it is possible to celebrate the talented individuals and brands that are excelling in our franchise community.

The 2020 MYOB FCA Excellence in Franchising Awards winners and finalists are to be commended for their achievements. The FCA looks forward celebrating franchising success over 2021 and beyond.

**Mary Aldred,**  
CEO, Franchise Council of Australia

## AUSTRALIAN ESTABLISHED FRANCHISOR OF THE YEAR

This award is for excellence in franchising practice by an established franchise system that has been franchising its brand for more than five years.

**Areas assessed include:** planning; franchisor leadership; support and satisfaction; financial franchisor performance; financial performance of franchisees; and citizenship.

### NATIONAL WINNER

#### The Cheesecake Shop

The Cheesecake Shop is in its 27th year of franchising with 228 cake bakeries across Australia, New Zealand and the United Kingdom. The franchisor team, backed by a new shareholder in 2017, has recommitted to a program of rejuvenation and innovation.

More than three consecutive years of improved franchisee profitability has been driven by the franchisor's commitment to this goal, assisted by transparent, timely financial data from centralised bookkeeping and payroll systems and innovation with products, marketing, I.T. and online training.

Franchisee satisfaction is now at an all-time high, based on a 2020 satisfaction survey conducted by the Franchise Relationships Institute.



### NATIONAL FINALISTS

#### Banjo's Corporation

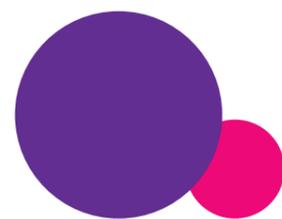
From a single store in Launceston in 1984, Banjo's Bakery Café is now a successful franchise with 44 stores across Australia (including Tasmania, Victoria, New South Wales, Queensland and South Australia) and still growing.

#### Just Cuts

Just Cuts makes small business ownership easy for Franchise Owners, who enjoy a system that's been refined over 30 years of successful business in franchising. With 220 locations in Australia and New Zealand and counting, Just Cuts is proud to be the largest hairdressing company in the Southern Hemisphere.

#### Rapid Tune

Rapid Tune is an innovative and rapidly growing franchise within the automotive aftermarket repair sector. Today the brand has 27 locations, 24 franchises and three company stores.



# Rapid Tune™ Automotive Services

## WE'LL KEEP YOU MOVING

"Rapid Tune is committed to leading the Automotive Service Industry by way of our investment towards innovation, technology, visionary partners and relationships."

*Mark Rippon*  
Mark Rippon  
CEO & Founder  
Rapid Tune Pty Ltd

Finalist – Australian Established Franchisor of the Year 2019 & 2020 MYOB FCA Excellence in Franchising Awards

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## AUSTRALIAN EMERGING FRANCHISOR OF THE YEAR

This award is for excellence in franchising practise by an emerging franchise system that has been franchising its brand for between two and five years.

**Areas assessed include:** planning; franchisor leadership; support and satisfaction; financial performance of franchisor business; financial performance of franchisees; and citizenship.

### NATIONAL WINNER



#### SILK Laser Franchising

SILK Laser Clinics was founded in 2009 and has grown from a single store in Adelaide to more than 50 Stores across Australia. SILK offers a range of Laser, Skin, Body and Cosmetic Treatments with a focus on delivering the highest possible standard in customer service - setting out to make clients feel great!

SILK now have 20 franchisees in their growing network having opened their first franchise in December 2016.



### NATIONAL FINALISTS



#### Fitstop Australia

Founded in 2017 by ex-athlete Peter Hull, Fitstop is one of Australia's leading innovative and fastest growing functional fitness franchises.



#### Home Caring Franchise

An Australian owned and operated business with plenty of heart, Home Caring provides professional and reliable at-home care and support services to people with a disability and those aged over 65.



#### MoneyQuest Australia

MoneyQuest was founded with one clear goal: to make property ownership easy and rewarding for everyday Australians. The growing team of brokers has helped thousands of families and investors build their financial future.

## INTERNATIONAL FRANCHISOR OF THE YEAR

This award is for excellence in franchising practice in Australia by a brand first established in another country.

**Areas assessed include:** planning; franchisor leadership; support and satisfaction; financial franchisor performance; financial performance of franchisees; and citizenship.

### NATIONAL WINNER



#### XTEND Barre

XTEND Barre was founded in the US in 2011 combining the disciplines of dance and Pilates to create a results-driven full body workout with a clear purpose; to support mental and physical wellbeing through the power of music and movement.

After experiencing global growth, XTEND Barre became part of Collective Wellness Group in 2017, and now has 24 studios in Australia.

In the period to 1 March 2020, total franchisor revenue grew by +48%, and franchisees experienced membership growth of +13%. The results are experienced by members too, with an impressive 99% stating they would recommend XTEND to a friend.



### NATIONAL FINALIST



#### InXpress

InXpress is a global franchise system providing B2B express logistics solutions to small and medium sized enterprises in 14 countries around the world and through a growing network of more than 400 franchisees.

# CELEBRATE HERE, THERE AND EVERYWHERE

A big congratulations to our ANZ Mobile Lending finalists for your success at the 2020 FCA Regional Excellence in Franchising Awards. Here's to you, and the whole team, for your amazing work this year.



If you'd like to find out more about franchising with ANZ, search ANZ Mobile Lending.



mobilelending.anz.com

ANZ Mobile Lending representatives operate as ANZ Mortgage Solutions, independently operated franchises of Australia and New Zealand Banking Group Limited (ANZ) ABN 11 005 357 522. All applications for credit are subject to ANZ's normal credit approval criteria. Australian Credit Licence Number 234527. ANZ's colour blue is a trademark of ANZ.



## MULTI-UNIT FRANCHISEE OF THE YEAR

This award recognises excellence in business management and franchise citizenship for franchisees with a majority shareholding in multiple franchise units.

**Areas assessed include:** business planning and performance; business systems and human resources; franchise citizenship; leadership; openness to learning and change; and community and environmental contribution.

### NATIONAL WINNER

Regional winner QLD/NT

#### Chris McIntyre | ANZ Mobile Lending

Gold Coast Central, Gold Coast North, Loganholme and Ascot

Chris McIntyre was one of the first ANZ Mobile Lending franchisees. He purchased the Gold Coast Central and Gold Coast North franchises in 2004. He has since expanded to the Loganholme franchise in 2007 and the Ascot franchise in 2018. The four franchises now have over \$1 billion in Funds under Management. Chris has been recognised as the network's Franchisee of the Year and received a High Achievers Award in 2018. Outside of work, Chris is passionate about sport, family and travelling. He is also involved in many community initiatives and fundraisers, with a particular focus on youth development in the region.



### NATIONAL FINALISTS

Regional winner NSW/ACT

#### Peter Kerr | ANZ Mobile Lending

CBD and North Sydney

Peter Kerr has been the owner of the ANZ Mobile Lending Sydney CBD franchise since 2004. In 2018 he expanded and purchased the ANZ Mobile Lending North Sydney franchise.

Regional winner VIC/TAS

#### Sarah and Tony Walter | The Cheesecake Shop

Albury and Wodonga

Sarah and Tony are such great franchisees that they own a store in NSW and Victoria. The catch is that they are only 10km apart in Albury and Wodonga.

Regional winner WA

#### Soon Aun Khoo, Wei Ming Chin, Jian How Lee | Chatime Group

Carousel, Waterford and Willetton

Soon, Jian, Ming and co first acquired Carousel Chatime in 2017 and less than two years later, acquired Waterford and Willetton Chatime in 2019, thus becoming a multi-unit franchisee in 2019.



## SINGLE UNIT FRANCHISEE OF THE YEAR - TWO OR MORE STAFF

This award recognises excellence in business management and franchise citizenship for franchisee owner-operators (including partners) with two or more staff (full-time equivalent).

**Areas assessed include:** business planning and performance; systems management; franchise citizenship; openness to learning and change; and community contribution.

### NATIONAL WINNER

Regional winner SA

#### Andrew Toogood | Bakers Delight

Mount Gambier - Commercial Street

Andrew Toogood started at Bakers Delight in 2002, when he was just 14 years old, as an apprentice baker. Nine years later, he took the plunge and purchased his own bakery. For the past nine years, Andrew has been running a successful business in Bakers Delight Mount Gambier where he has enjoyed watching his staff and community grow.



*Bakers Delight*

### NATIONAL FINALISTS

Regional winner NSW/ACT

#### Justin Leaney & Jeremy Whitelaw | RAMS

Blue Mountains

Justin and Jeremy are Franchise Principals for RAMS Hawkesbury/Blue Mountains. They have come from diverse career paths, one as a builder and small business owner and the other as an IT executive also with a small business background.

Regional winner QLD/NT

#### John Smith & Ann Millman | Aramex Australia

Sunshine Coast

Ann and John purchased the Sunshine Coast franchise in 2016. Before this, Ann and John both worked in corporate roles within the resources sector - Ann as a senior HR manager, and John in retail, sales and franchising.

Regional winner VIC/TAS

#### David Sulava & Janet Mu | ANZ Mobile Lending

Flemington

Janet and David have been the joint owners of ANZ Mobile Lending Flemington since 2014. Janet has been in the banking industry for more than 15 years, while David previously worked as an ANZ Business Manager on the North East coast of NSW.

Regional winner WA

#### Rodney Gullan | Signarama

Midland

Rodney Gullan is WA born and bred. With a degree in International Business Management, Rodney has owned several businesses and is currently the owner of Signarama Midland.



## SINGLE UNIT FRANCHISEE OF THE YEAR - LESS THAN TWO STAFF

This award recognises excellence in business management and franchise citizenship for franchisee owner-operators (including partners) with up to one staff member (full-time equivalent).

**Areas assessed include:** business planning and performance; systems management; franchise citizenship; openness to learning and change; and community and environmental contribution.

### NATIONAL WINNER

Regional winner WA

#### Sallie Williams | ANZ Mobile Lending

Wanneroo

Sallie Williams has been the owner of the ANZ Mobile Lending Wanneroo since 2016. Prior to joining the ANZ Mobile Lending franchise network, Sallie worked at an ANZ branch for 9 years. She joined ANZ Mobile Lending as a lender for the Joondalup franchisee in 2014 before purchasing her own franchise in 2016. Sallie enjoys helping clients buy their dream home.



### NATIONAL FINALIST

Regional winner VIC/TAS

#### An Nguyen | Solar Run Australia

Taylors Hill

An showed interest in entrepreneurship at an early age, borrowing \$1000 from his mum to purchase stock to start his first business at the end of Year 12. Since then he has been involved in many different industries and has developed strong sales and marketing skills through such past business experiences.



MYOB FCA 2020 EXCELLENCE IN FRANCHISING AWARDS  
AUSTRALIAN EMERGING FRANCHISOR OF THE YEAR  
FINALIST

**FITSTOP.**

# IGNITE YOUR PASSION AND PLAY A BIGGER GAME

## JOIN AUSTRALIA'S PROVEN, FAST GROWTH FITNESS FRANCHISE

Fitstop is a low entry franchise model enabling owner operators and semi-passive investors the dream of owning their own successful, sustainable fitness business. Built on high performance and strong returns, business owners are afforded the opportunity to scale a multi-site portfolio at rapid pace with Fitstop's strong processes, systems and support.

### BUSINESS OWNER TRAINING & SUPPORT

Fitstop's hands-on training and support ascertains strong business development through iterative strategic meetings and face-to-face operational support.

Get access to internal and external leasing, development, finance, HR and marketing specialists and ensure strong performance through every facet of your business.

### ADVANCED SYSTEMS, TECHNOLOGY & PROCESSES

Fitstop's continual investment in advanced systems, technology and streamlined processes provides a calculated approach for performance-driven business owners.

Supported by an intensive induction and marketing launch plan, many Fitstop locations open cash flow positive, creating a strong position for growth.

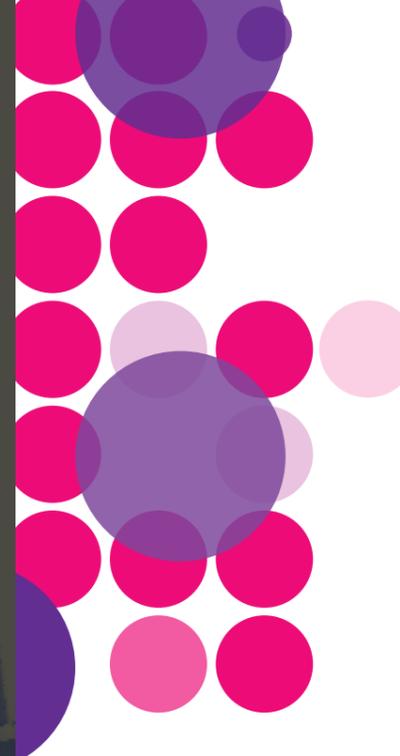
### INSPIRE A COMMUNITY OF HEALTHIER, HAPPIER HUMANS

Fitstop locations are renowned for building a truly invaluable community inside the gym, whilst synonymously giving back to their local communities outside of the gym.

Fitstop delivers a fitness experience that attracts those striving to unleash their limitless potential through progressive, functional group training.

**DOWNLOAD OUR INFO PACK TODAY**

[fitstop.com/franchise](https://fitstop.com/franchise)



## FRANCHISE WOMAN OF THE YEAR

This award is for excellence in personal and professional achievements by a woman in the franchising sector.

**Areas assessed include:** outstanding business achievements; leadership; positive influence on other women; contribution to franchising; contribution to community; and professional development.

### NATIONAL WINNER

Regional winner NSW/ACT

#### Wendy Donaldson | Narellan Pools

Wendy is a results-oriented leader with excellent communication, influencing and execution skills. She is experienced in all aspects of management and operations, working in both new and established franchise and retail systems. Wendy has a proven record of leading successful teams to deliver data driven solutions across varied industries from start up to maturity while maintaining relationships with key stakeholders, internal and external partners. She is focused on maintaining excellent culture, nurturing team development and succession planning.



### NATIONAL FINALISTS

Regional winner QLD/NT

#### Allison French | Quest Apartment Hotels, Ipswich

Allison started her journey with Quest in 2018 with her husband Adam when they purchased Quest Ipswich. Juggling work and family, the mother of three has accomplished many milestones during her time at Quest, including establishing the Local Heroes program and winning the 2019 Regional Franchise of the Year for Queensland and Northern Territory.

Regional winner VIC/TAS

#### Kirsten Stone | 7-Eleven Australia

Kirsten has spent almost 15 years with 7-Eleven, commencing as a district manager and evolving into a Retail Business Manager (RBM). More recently she took on a new role within the retail operations team as retail operations coach.

Regional Winner WA

#### Becky Hughes | Baby Sensory Australia and New Zealand

Becky Hughes is the Director and Founder of Baby Sensory Australia and NZ. Becky discovered Baby Sensory after attending classes with her first child. Moving to Australia in 2009, Becky wanted to make a positive contribution to Australia and NZ families by sharing her Baby Sensory experience, while offering rewarding, family friendly business opportunities to other women.



## FIELD MANAGER OF THE YEAR

This award is for excellence in delivery of franchisee support.

**Areas assessed include:** you, your role and responsibilities; business acumen; making a difference; influencing and negotiation; training, coaching and facilitating; and business development and marketing.

### NATIONAL WINNER

Regional winner QLD/NT

#### Phil Colburn | Poolwerx

With more than 30 years' experience in franchising, Phil Colburn provides strategic advice, coaching and support to Poolwerx franchise partners, helping them thrive and better connect to Poolwerx Support Centre and suppliers.

Phil's role is to act as a business coach and build relationships to help franchise partners identify and solve challenges. His success within Poolwerx has seen him elected as representative on the Poolwerx Advisory Council and named Poolwerx BDM of the Year for the past two years.

Phil is also a mentor to junior members of his team and last year became responsible for the National Technical Training Program.



## EXCELLENCE IN MARKETING

This award is for excellence in strategy and execution of a marketing program within a franchise system.

**Areas assessed include:** opportunity; plan; communication and execution; and results and feedback.

### NATIONAL WINNER

#### Poolwerx

At the height of the drought, Poolwerx noticed increased engagement around all things pool blankets to prevent water evaporation. Our marketing team was quick to create a two-month campaign that leveraged smart technology and know-how to generate leads directly to Franchise Partners' inboxes.

Informed by data, the campaign tapped into the zeitgeist while providing a real solution, which saw it really resonate with our client base and the broader community.

Poolwerx' pool blanket campaign generated outstanding results for Franchise Partners and the broader business with many learnings since becoming best practice.



### NATIONAL FINALISTS

Regional winner NSW/ACT

#### Daniel Halaska | 7-Eleven Australia

Daniel is one of four NSW regional managers for 7-Eleven, with a region that includes 92 franchised stores covering Sydney, Canberra and regional areas. He is a highly experienced regional manager, having been in the role for nine years. Daniel brings to the role his experience as both a store manager and a franchisee before becoming a field based manager supporting franchisees to succeed.

Regional winner VIC/TAS

#### Shane Rose | ANZ Mobile Lending

Shane Rose has been an ANZ Mobile Lending Regional Manager in VIC since 2014. His role involves field management in the Melbourne, Bayside and South East regions, currently covering 21 franchisees. Shane is passionate about enhancing the field manager role and ensuring consistency within the ANZ Mobile Lending franchise network as well as helping franchisees grow their businesses and achieve their potential. Shane has 18-plus years' experience in the financial services and banking industry.

Regional winner WA

#### Andrew Ierace | ANZ Mobile Lending

Andrew Ierace has been an ANZ Mobile Lending Regional Manager in WA since 2017. His role involves field management in WA, currently covering 18 franchisees. Andrew enjoys partnering with franchisees to help them achieve their goals. Prior to joining ANZ Mobile Lending, Andrew worked with ANZ for over 30 years in a variety of roles and most recently was a District Manager for 17 years.



### NATIONAL FINALISTS

#### Aramex Australia

Aramex Australia, formerly Fastway Couriers, is a transport and logistics network of over 800 independently owned and operated franchisee businesses. A global leader in transport and logistics, Aramex operates in over 60 countries with a strong focus on innovation and technology.

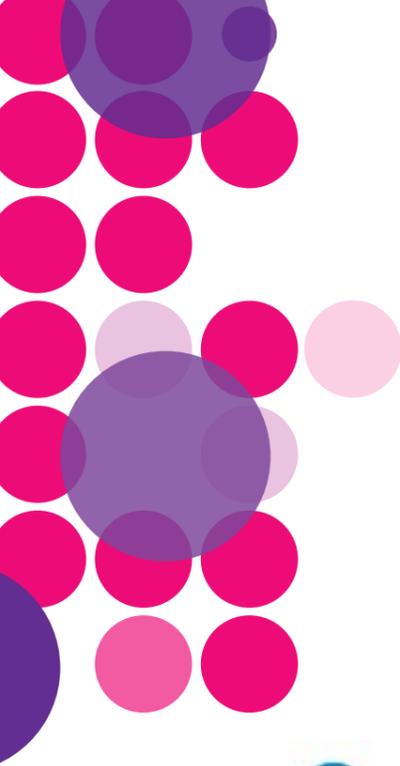
#### RAMS Marketing & Digital team

At RAMS, we're Greater Together. With a national network of over 50 home loan centres, our dedicated team of home loan specialists are a true source of strength for property buyers, guiding them, step-by-step, through the home buying journey - from the beginning until settlement and beyond.

#### Toddler Kindy GymbaROO

GymbaROO has been providing quality neuro-developmental programs for babies and children from birth to five years for over thirty years. A franchised operation, GymbaROO centres can be found throughout Australia and overseas.





## FRANCHISE INNOVATION

This award recognises an individual or group within a system responsible for creating a successful business innovation.

**Areas assessed include:** idea; plan; communications and execution; and results and feedback.

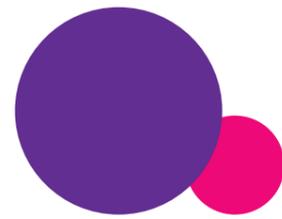
### NATIONAL WINNER

#### RAMS Product, Construction Lending Proposition

At RAMS, we're Greater Together. With a national network of over 50 home loan centres, our dedicated team of home loan specialists are a true source of strength for property buyers, guiding them, step-by-step, through the home buying journey - from the beginning until settlement and beyond.

Our customers are at the heart of all we do.

Since 1995, we've helped over 150,000 Australians realise the great Australian dream of home ownership by providing competitive, simple yet flexible home loans.



## SUPPLIER OF THE YEAR

This award recognises supplier excellence in contributing to the franchising sector and helping clients within the sector to achieve their goals.

**Areas assessed include:** commitment to the franchising sector; staying in touch with the market; client relationships; and social responsibility.

### NATIONAL WINNER

#### FC Business Solutions

FC Business Solutions ('FC') is a fully integrated consultancy firm, based in Melbourne, specialising in providing key services and significant strategic, innovative and operational direction and leadership, to franchise systems (for both franchisors and franchisees - irrespective of their size). FC has played major roles for both established systems and those in their infancy, whether it be local investment or foreign expansion into Australia.



# Walk like a RAM and join a winning team.

*"If you want to be part of an organisation where people want to help you succeed, you should join RAMS."*

Julie Lawrence,  
RAMS Franchise Principal, Redlands QLD



RAMS is proud to have been named finalist in four categories at the Regional and National 2020 MYOB FCA Excellence in Franchising Awards, and to have taken out the title for Single Unit Franchisee of the Year Two or More Staff NSW/ACT.

### WINNER

#### Single Unit Franchisee of the Year Two or More Staff - NSW/ACT

Justin Leaney & Jeremy Whitelaw  
Franchise Principals, RAMS Hawkesbury/Blue Mountains

### FINALISTS

#### Franchise Woman of the Year - QLD

Julie Lawrence, Franchise Principal, RAMS Redlands

#### Single Unit Franchisee of the Year Two or More Staff - National

Justin Leaney & Jeremy Whitelaw  
Franchise Principals, RAMS Hawkesbury/Blue Mountains  
\* Winner announced on 8 December

#### Excellence in Marketing

RAMS Marketing & Digital team  
\* Winner announced on 8 December

#### Franchise Innovation

RAMS Product, Construction Lending Proposition  
\* Winner announced on 8 December

### Want to join an award-winning team?

RAMS is looking for people who are passionate about helping more Australians fulfill the dream of home ownership.

Right now there are opportunities in most states for suitable candidates to become a RAMS Franchisee.

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## FRANCHISEE COMMUNITY RESPONSIBILITY AND CONTRIBUTION

This award is for excellence in community service by a franchisee. This may be awarded to an individual franchisee, or business partnership where applicable.

**Areas assessed include:** community involvement and contribution.

### NATIONAL WINNER

Regional winner NSW/ACT

#### **Geoff and Jo Harrington | Bakers Delight**

Southern Highlands

Born and raised in the Southern Highlands, Jo and her husband Geoff have owned the Bowral and Mittagong Bakers Delight bakeries since 1999 and 2002 respectively. Their connection to the local community flows deeply across multiple generations and is evidenced by their work with the local hospital through to their tireless fundraising efforts for Breast Cancer Network Australia. Jo and Geoff employ many locals across their two bakeries and are passionate about sharing their love of bread making and ensuring their staff are continually progressing in their careers so they too can make a contribution to their communities.



*Bakers Delight*

### NATIONAL FINALISTS

Regional winner VIC/TAS

#### **Wijitha Perera | 7-Eleven Australia**

Swanston St

Joining the 7-Eleven network in 1992, Wijitha has owned a number of stores and have been a multi-site franchisee. He is currently the franchisee of a city 7-Eleven in Swanston Street which has been heavily impacted by COVID-19. In usual circumstances by store is incredibly busy, and a team of approximately 18 people serve CBD commuters, tradies, and visitors.

Regional winner WA

#### **Soon Aun Khoo, Christine Teng and Co. | Chatime Group**

Carousel

The team has always believed in sustainability and giving back to the community as business owners, deploying the belief of Triple Bottom Line and reinvesting profits made from the business back to the community and environment. The team have been involved with high schools, local communities, local clubs within Curtin University and centre management. In addition, the team are also actively involved in volunteering outside of working hours such as Swan Valley Clean up.



*Chatime*

MYOB WOULD LIKE TO  
**CONGRATULATE** ALL THE  
MYOB FCA EXCELLENCE IN  
FRANCHISING AWARDS WINNERS  
AND FINALISTS FOR **2020**



**myob**

# AUSSIE OATS FOR COFFEE NOTES



Our Oat Milk is made with Australian oats from our friends at Blue Lake Milling in the Riverina. It's dairy's doppelganger, delivering a creamy, coffee-forward cup. It surprises and delights!

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