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Unifying Franchisees Under a Single Brand with Multi-Center Support

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> **BY FRANCHISING YOUR SPA OR SALON, YOU CAN REDUCE YOUR INVOLVEMENT IN DAY-TO-DAY BUSINESS OPERATIONS, ESTABLISH A LARGE BRAND QUICKLY, AND ASSUME LESS LIABILITY FOR EACH INDIVIDUAL UNIT OF YOUR FRANCHISE.**

UNIFYING FRANCHISEES UNDER A SINGLE BRAND WITH MULTI-CENTER SUPPORT

Franchises have long been a staple in the spa and salon industry, and in various other consumer service industries as well. With its roots in the history of traveling salespeople, franchising has allowed entrepreneurs to open businesses with the backing of established brands, while allowing innovators to establish a foundation for themselves in the process.

The benefits of franchising your spa or salon business are clear. You can reduce your involvement in day-to-day business operations, establish a large brand quickly, and assume less liability for each individual unit of your franchise. You also get to be your own boss, which is always attractive if you've spent most of your career working for someone else.

That said, running a franchise spa or salon business is not without its challenges.

In the past, franchisors were forced to manage their franchisees through emails, phone calls, faxes, and even written letters. They've also been forced to work incredibly long hours just to keep their businesses running. This tends to cut into personal and family time and cause undue levels of stress.

But thanks to cloud computing technology, franchisors and franchisees can now use proprietary systems to manage multiple business units from a single location. More importantly, automation, analytics, and reporting tools can free up more time and lead to a much better work/life balance for everyone involved in the business.

Since the key to managing a host of franchisees is communication, it's essential that all your franchisees receive messages quickly so they can all act on the same information. This creates a unified front for your brand identity, standards for the services your customers expect, and more data-driven action in your franchisees' day-to-day operations.

Let's take a look at how an all-in-one, multi-center support system can address the common challenges of managing multiple franchisees in the spa and salon business.

Common Challenges Associated with Building a Franchise System

Most franchises operate in the foodservice industry. According to U.S. government data from 2012 (the most recent year franchise data has been collected), there were an estimated 6,326 beauty salon franchise establishments throughout the country. That might seem like a lot, but there were almost 20 times the number of limited-services restaurants, at an estimated 122,042 [1].

Nonetheless, there are common challenges associated with building, growing, and managing any franchise system, regardless of the industry. Most often, these challenges stem from the semi-independence of your franchisees and the difficulty of getting them to conform to certain brand standards.

Other challenges come from sources that affect the bottom line for you and your franchisees, like financing and time management. Here are some of the most common challenges you should be aware of as you build your spa or salon franchise system.

Enforcing Brand Consistency

One of the reasons other entrepreneurs are attracted to franchises is they get to build their businesses under the umbrella of an established brand. But it's difficult to shake the entrepreneurial spirit.

Your franchisees will likely have their own ideas of how to represent your brand to their own customers. This isn't necessarily an instinct you should quash. But if they don't have an outlet for expressing their ideas, they could take matters into their own hands and put those ideas into practice. This sometimes puts them in direct conflict with your brand.

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You must be able to ensure your brand is consistent in every location. This way, customers can expect a similar level of excellence at each one of your franchises, no matter the location, which keeps people coming back to your brand.

To address this challenge, your franchisees need an easy way to communicate their own ideas and access your established brand assets. This information must always be on-hand and accessible at the store level from a smartphone or tablet.

Building Trust

As mentioned before, communication is key if you want to successfully manage a group of franchisees. If you're still relying on chains of emails to coordinate each business unit, you're probably struggling to manage all your communications and keep tabs on the progress of all your initiatives.

Your franchisees need to be able to communicate with you through a single channel, where they know you'll answer consistently. And while nothing can truly replace the personal phone call, digital communications are key to relaying sensitive information and creating an audit trail for brand initiatives.

Managing Costs

It's easy to make assumptions about costs when you're in the position of the franchisor, especially when you aren't on the ground level of each franchise location, working alongside your franchisee's employees and serving their customers. What's more, some franchisees may require more capital investment than others.

Managing all your costs is a struggle if you can't get a bird's eye view of all your finances in a single location, or if you are using outdated tools to manage your books. You need to establish a fair and consistent fee structure that's documented and easy to understand. This is essential if you intend to bring new entrepreneurs into your franchise, and for setting expectations for your existing franchisees.

Investing in Internal Infrastructure

Finally, growing your franchise is wholly dependent upon your ability to link your franchisees' systems and grow your internal infrastructure. If you don't have a

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consistent way to measure results and communicate with each business unit, it will be difficult to make the necessary projections to expand your business.

Investing in comprehensive systems and skilled people is essential in this area. But with so many solutions on the market, it can be a real challenge to choose the right one. This process is made even more complicated when you and your franchisees aren't using a unified system, or if you are using disparate systems that don't communicate with each other properly.

The Benefits of an All-in-one System

Implementing an all-in-one, cloud-based system that both you and your franchisees can access from anywhere is essential if you intend to unify your entire franchise under your brand. It's also an important step for providing each franchisee with the support they need to thrive and stay on target.

An all-in-one system has several benefits, which have an impact both at the store level and at the franchise level. For your franchisees, they can enjoy benefits like:

- Automated customer feedback
- Simplified booking and billing
- Mobile employee access solutions
- Custom waitlist technology
- Global and store-level analytics and reporting
- Access control and security
- Brand-approved marketing assets
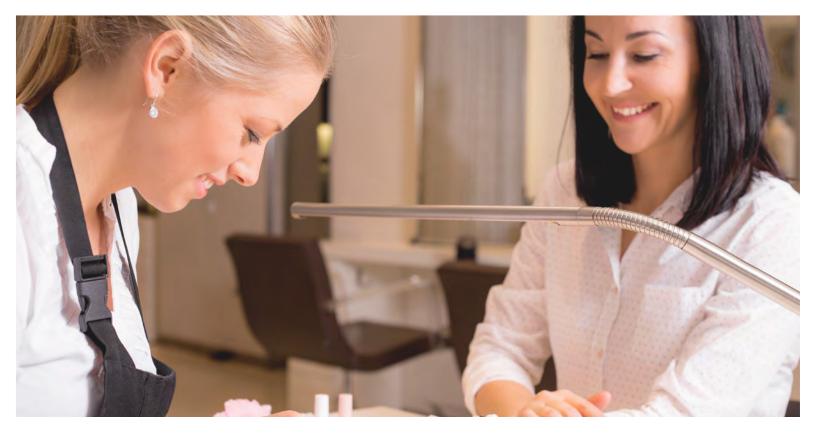- Next generation point of sale systems

As a franchisor, an all-in-one system provides a 360-degree view of both your customers and your entire business. When all this data is pulled into a single location and verified, you can communicate goals to your franchisees more effectively and mark their progress against brand standards.

Most importantly, an all-in-one system enables you to streamline communication with your franchisees and operate your franchise in a holistic way.

Measure and Benchmark Every Unit of Your Franchise

In a salon or spa franchise system, every business unit should look, operate, and perform like other units in the franchise. This isn't to say that there won't be some slight differences based on region and customer identity. But when considering your brand identity and your bottom line, each branch should be able to sustain itself and represent your franchise faithfully.

It can be challenging to maintain the uniformity and performance standards of your franchise when you don't have a solution for measuring the progress of each unit in real time. An all-in-one system pulls data from all your business units and displays it in actionable formats, like reports, dashboards, and data visualizations. You shouldn't need an MBA to understand your data or to measure the progress of your franchisees.

Manage Multiple Franchise Locations

When you're managing multiple franchise locations, you need a single system to determine which locations are succeeding, which locations are failing, and how you can reconcile each franchise to meet your business objectives.

For example, an all-in-one system can provide you with data on each individual franchise location. You can use data from multiple locations to see how well each of your franchisees are selling add-on products or maximizing your marketing promotions. Once you have this information, you can perform an analysis to determine what market forces are driving this trend. Does your brand appeal more to the demographics in the successful location? What if the unsuccessful location isn't utilizing the marketing resources you've given them?

An all-in-one system can also help you manage vendors for your franchisees. It's important that your franchisees only use vendors that are approved by your brand. Using unapproved vendors can introduce unnecessary risk into your business and lead to contrasting customer experiences at each of your franchise locations.

Compare Franchise Locations to Identify Opportunities for Growth

From a benchmarking perspective, access to your franchise's global data pool is just what you need to generate comparative information. This enables you to measure the progress of one franchise against another, which is essential for identifying areas of improvement and building action plans.

From the perspective of your franchisees, access to this information can drive competition and encourage them to learn from the best practices of other franchise locations. Using access controls, you can provide your franchisees with only the data they need – to understand where they fit into your franchise ecosystem and what they must do to make improvements.

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Empower Your Franchisees with Localized Insights

At the brick-and-mortar level, your franchisees need their own insights to drive efficiencies and to take advantage of opportunities at their locations. With the right system, they can access dashboards and reports that inform them of their store's productivity and sales trends. They can even use predictive analytics to make projections about future opportunities based on local events and other factors.

These insights make managing employees and serving customers much easier. Franchisees can use their analytics tools to reschedule employees based on busy and slow days of the week or times of the year. This helps them save on costs and ensure they are using their assets to the best advantage.

While these may seem like small benefits from the perspective of the franchisor, they add up when all your franchisees are taking advantage of them. Cost savings at the store level can eventually lead to the growth of that franchise location, which in turn leads to additional growth for your brand.

Eliminate Logistics and Manual Tasks

An all-in-one salon franchise system isn't just a solution for data analytics purposes. It has real-world applications as well, most notably in terms of automation. Specifically, an all-in-one salon franchise system is designed to eliminate manual tasks to make the lives of everyone involved in your business easier, from your guests to each individual employee and upward.

Manage Inventory More Efficiently

Individual franchise locations have often struggled with managing their inventories and staying ahead of logistical issues. This usually occurs when franchisees are relying on different vendors – a common problem among international franchises and those that cover different regions in a single country.

While you can't alter global and regional supply chains yourself, you can deploy a unified system for managing inventory logistics. With the right system, you can centralize your vendor and product lists to make procurement and inventory much easier – and much more consistent – at the franchise level.

Using a mobile app and scanner, your franchisees can even conduct inventory audits easily with their own devices, then upload the data to your central database. This keeps all your franchise inventory information in one location that is accessible by you and your franchisees.
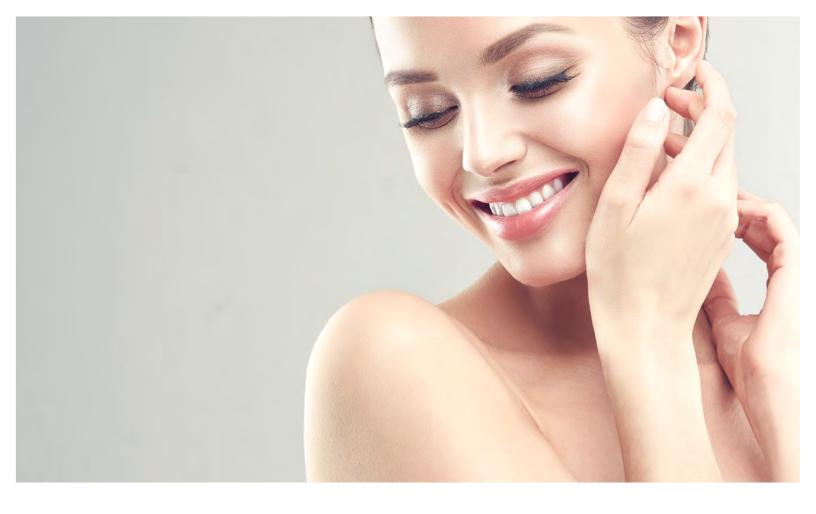
Automate Ordering and Reordering

You can deploy other efficiencies as well. Automatically generated purchase orders make restocking essential products effortless and easy to track. Your franchisees can even receive text or email alerts when certain items are low in stock or out of stock.

By bringing all these capabilities into a single location, you can collect inventory data to create a clear picture of how each franchisee is using and selling their stock. This information lets you identify trends and opportunities among your franchises and communicate that information to them as needed.

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When marketing your franchise, consistency is key. This consistency must encompass everything from your franchise logo to other design elements, like color, messaging, targeting, and ad spend.

Provide Franchisees with Universal Templates

Whether they need to manage their finances, check inventory, or launch a local marketing initiative, franchisees thrive when they have a common set of tools to work with. Part of implementing a franchise system is providing your franchisees with these tools.

With the right system, you can give your franchisees access to templates that make running their business easy. They'll never have to start from scratch. They can even forward those templates to their frontline employees as needed.

Launch a Cohesive Marketing Strategy

When it comes to marketing your franchise, there's nothing more important than consistency. This consistency must encompass everything from your franchise logo to other design elements, like color, messaging, targeting, and ad spend. After all, your brand is your most important business asset – it's what informs customers that they can expect the same standards from one of your franchisees as they can from your other salon or spa locations.

Here's how your system should help you with your marketing initiatives.

Automate Marketing Tasks

With an all-in-one system, you can automate certain marketing tasks to eliminate human error and other risks. You can also help your franchisees cut their marketing costs by giving them access to a uniform set of tools.

89%

89% of franchisee owners say online marketing support is a key factor in selecting a franchise network.

For example, if you're launching a discount code promotion, you can use an all-in-one system to share your promotion codes through email, and connect them with your system's online booking system, which stretches across every one of your franchise locations. Using their coupon code, guests can book an appointment at any one of your franchises without worrying that specific locations won't accept the promotion.

An all-in-one system even integrates with your franchise's customer relationship management (CRM) system. It eliminates the manual steps associated with exporting and importing customer lists, sharing customer data with specific franchise locations, and segmenting customers based on factors like visit date, lead status, and history.

Maintain Brand Consistency

Most importantly, an all-in-one system creates a single location for your franchisees to access brand collateral and marketing information. You can synchronize all your marketing efforts across your franchise, so there are never inconsistencies based on location – even internationally.

This type of marketing support isn't just essential for maintaining brand consistency. Potential franchisees look for it when they're considering business opportunities. According to one survey of 437 franchises, 89% of franchisee owners say online marketing support is a key factor in selecting a franchise network [2].

Marketing campaigns that span your entire franchise network don't have to be one-size-fits-all, either. Every location where your franchise operates is bound to be different, and the same messaging won't work for all your clientele.

With an all-in-one franchise marketing system, you can optimize your salon or spa marketing campaigns by location and target audience. This allows you to maintain brand consistency while also deploying the content that's most likely to compel each of your unique customers to do business with their local franchise.

Manage and Safeguard Customer Data

When you're generating customer data from numerous sources, it's important to keep it secure and accessible only to those who need it. If each of your franchisees is using their own system to store customer data, it's impossible for you to enforce data security standards and set access controls based on role, location and business unit.

With an all-in-one system, you can store customer data in a safe, centralized location. More importantly, you'll have the ability to limit access to that data only to those who absolutely need it. This enables you to leverage customer data for larger marketing initiatives while allowing your franchisees to gain insights from the customer data that is most pertinent to them.

Build a Set of Standards

Part of operating a franchise is creating a set of standards which your customers can expect from every franchise location. For example, if one of your locations uses an online check-in tool to queue up walk-in guests on a wait list, they'll expect the same level of service from other locations. Inconsistencies in your services can lead to confusion, poor reviews on third-party review sites, and even lost business.

IMPLEMENTING A MULTI-CENTER SUPPORT SYSTEM TO SERVE YOUR FRANCHISE NETWORK IS THE MOST SUSTAINABLE WAY TO EMPOWER YOUR FRANCHISEES WHILE MAINTAINING YOUR BRAND IDENTITY.

Using an all-in-one system, you can provide a uniform set of capabilities across your entire franchise.

An all-in-one system provides certain capabilities at the store level that can impact the bottom line at each individual franchise location, and your business as a whole. You can empower each of your franchisees with powerful mobile tools that make appointment booking, customer billing, and staff management as easy as tapping a few buttons on a tablet.

Your franchisee's employees can even gain real-time visibility into their daily schedules, their services, and the tips they've earned. This creates a uniform set of standards for services across every one of your franchise locations. It also generates clear expectations for both your employees and your customers.

Ensure Your Franchisees Use Their Tools

It can be difficult to convince franchisees to change their operations if they are used to doing business a certain way, even if it's clear that new tools can dramatically improve their results. Adopting new systems becomes even more challenging if the system in question isn't intuitive. Most of your franchisees won't have the time or expertise to learn a complex spa or salon management system, much less teach it to their employees.

To solve this problem, your all-in-one system must take advantage of the technical understanding inherent in every one of your franchisees and their employees. Using your system must be as simple as completing a task on a smartphone app or using a standard website. If you can implement a system that doesn't require a learning curve, adoption becomes quick and easy, and you can start seeing the benefits immediately.

Deploy a Single Source of Truth for Your Franchise

Keeping your franchisees in line with your goals is always a challenge, but it's made even more challenging when your business units are all working with different tools and standards. Implementing a multi-center support system to serve your franchise network is the most sustainable way to empower your franchisees while maintaining your brand identity.

Altogether, the right system should help manage the operations of your business, drive growth within each franchise location, improve the customer experience, and keep your franchisees focused on their goals.

At the end of the day, you want your franchisees to focus less on business tasks and more on doing what they love: serving their customers.

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