

Coming out of the Covid crisis a stronger franchise

Any business comes with an element of risk, but with a proven system and support, the chances of success become higher, and this has been one of the main selling points of franchising. However, despite having demonstrated practices in place and immediate support from franchisors, the advent of Covid-19 sent shockwaves that left no industry unscathed, including those in the franchise chain.



Credit: fauxels via Pexels

“As most entrepreneurs know, where there is a crisis, there are opportunities, and the franchise industry is implementing the hard lessons gained from the pandemic to chart a prosperous future,” says Marcel Strauss, group chief operating officer of The Franchise Co, which offers investment opportunities in food brands including Blacksteer, ChesaNyama, Mike’s Kitchen and Zebros.

While the pandemic has also hit franchises, most businesses fared relatively well and Strauss attributes this to the network of expertise that franchisees can tap into. He says that another advantage of being part of a franchise group is having access to a wider business view and how others have tackled problems and found solutions.



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“Beyond the acceleration of digital migration, whether through an app or simply having a stronger online presence, businesses have also had to adapt their offerings. Rather than just provide a service, companies are partaking in value-driven offerings. The brands that will survive the next upset offer more than just products or services, and rather sell convenience, compassion and experiences, particularly the feel-good type,” says Strauss.

Examples of this were mostly seen when food brands and restaurants gave back to impoverished communities during the pandemic. Rather than sitting on excess inventory or moving it at a cost, many companies donated their surplus stock to those in need, providing dignity to their customers.

But the rise of altruism in companies is not the only change the pandemic stimulated.

Embracing and adapting to change

“Covid-19 also forced businesses, including those in the franchising arena, to re-strategise and amend how they operate and interact with their consumers and even competition. Rather than shy away from competition, business owners need to embrace it,” continues Strauss.

He says the business environment, in general, is a competitive ecosystem by design, and competition is important because it enables the identification of specific and unique traits that customers find appealing in brands. Without this unique appeal, businesses would struggle to differentiate themselves from everyone else in the market.

Organisations need to evolve to meet the demands of the market. This means keeping up with trends in the industry, staying abreast of cutting-edge innovations by researching widely, and remaining agile to change. Businesses also need to recognise what amongst their business offerings is adaptable, scalable and most efficient to execute.



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“Franchising as a business model is one of the safest forms of business to invest in and while it also suffered its fair share of losses under Covid-19, its collective strength and innovation have seen it claw its way back with greater speed than most industries.

“Any businessperson would have missed a golden opportunity if they did not reassess their business models after experiencing the turmoil brought on by the pandemic. But rather than focus on the disorder, organisations must move quickly to apply the lessons learnt from Covid-19 to give their businesses a fighting chance should the next disruption arrive,” concludes Strauss.

The Franchise Co. offers investment opportunities in the following food brands: Blacksteer, Yummy Fish & Chips, ChesaNyama, Mike’s Kitchen, Nyamalicious, Yami Rib & Burger, Yami Pizza, and Zebros.

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