



## Franchises change tack

● Franchisors are getting smarter in their recruitment strategies, investing in online and word-of-mouth strategies rather than traditional methods of advertising. However, almost 80 per cent are still lagging behind when it comes to the recruitment of female franchisees.

The industry spent about \$40 million on programs to attract new franchisees last year, but this is likely to fall as franchisors focus on more cost-effective recruitment strategies, the head of intelligence for franchise consultancy 10 Thousand Feet, Ian Krawitz, above, says.

Almost 60 per cent of new franchisees were attracted by online or word-of-mouth strategies, he says. "Companies are using industry-specific online directories, video content and general online ad work. Smart companies are also investing more in their websites."

Franchises still lag behind other companies when it comes to recognising the benefits of social networking. Krawitz estimates that only 2 per cent use social networking sites. And 78 per cent do not have recruitment strategies targeted at women, despite the fact that 30 per cent of potential franchisees are female.

Companies that have adopted strategies to target women have reaped the rewards. Kwik Copy female franchisees have grown from 10 per cent to 30 per cent, Krawitz says.

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