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The Briefing

New survey reveals Australia's top 10 franchisors

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James Thomson

Melbourne-based franchisor Souvlakihut has been named Australia top franchisor in a new survey of franchisees.

Market research company 10 Thousand Feet surveyed 900 franchisees across more than 50 franchise systems in Australia to determine which franchisor has the most satisfied franchisees.

Ian Krawitz, head of intelligence at 10 Thousand Feet, says the recent tension between franchisees and franchisors – most recently highlighted during the federal parliamentary inquiry into the franchising code – highlight the need for franchisors to work on franchisee satisfaction.

"The last thing you want to be doing is dropping good quality franchisees at the moment in today's economic conditions," Krawitz says.

The rankings were based on seven criteria:

1. **Renewal:** Intention of franchisees to renew their agreement beyond the current term.
2. **Recommendation:** Willingness to recommend a franchise to friends and colleagues.
3. **Rewards:** Level of financial and social rewards franchisees feel they receive.
4. **Lifestyle:** Whether franchisees are satisfied with the lifestyle their franchise affords them.
5. **Passion:** How passionate franchisees are about the brand, product or service they offer.
6. **Support:** Examining levels of support offered by the franchisor.
7. **Opportunities:** Whether franchisees feel there are opportunities to expand their business within the system.

The renewal and recommendation criteria are perhaps the most important measures, given Krawitz's estimate that 27% of new franchisees come from word-of-mouth. "Given the average acquisition cost of a new franchisee is \$16,000, word-of-mouth is a very cost effective way of getting franchisees on board."

He also hopes the list will give potential franchisees a place to get recommendations about franchise systems from the people who know them best. "The beauty of this is that it's ranked according to the franchisees, the people who were work with them every day."

10 Thousand Feet have created a website with results of its franchise survey. While only 50 of the 600 franchisors invited to take part in the survey actually took part, Krawitz expects interest to rise after the publication of the list and says five more franchisors have already agreed to take part.

The list of top franchisors will be updated each quarter.

Here are the top 10:

1. **Souvlakihut**

Founded by Bill and John Fotiadis, Souvlakihut launched in the Melbourne suburb of Hillside in 2004. It has 16 franchises.

2. **Quest Serviced Apartments**

Quest is one of Australasia's largest and most successful serviced apartment group and has been operating for nearly 20 years. It has 120 franchises.

3. **Frontline Recruitment**

Frontline Recruitment Group was founded in 1995. It has 30 franchises.

4. **Ecowash Mobile**

In just four year, waterless carwash group Ecowash Mobile has grown into an international franchise operation servicing Australia, the Middle East, Europe and the US. It has more than 100 franchises.

5. **Beaumont Tiles**

Beaumont Tiles is one of Australia's leading tile groups. It has more than 80 stores across the country.

6. **Xpresso Delight**

Xpresso Delight sets out to transplant the cafe experience directly into the workplace with no upfront costs or fees for users. It has 92 franchisees providing over 4.5 million cups of coffee per year.

7. **Mortgage Choice**

Mortgage Choice was established in 1992 and is now listed on the Australia Stock Exchange. It has more than 400 franchises.

8. **ANZ Mortgage Solutions**

Launched in 2004, ANZ Mortgage Solutions (called ANZ Mobile Lending) is ANZ's mobile home loan franchise operation and was the first franchised mobile home lender for the big four Australian banks. It has 136 franchises.

9. **Mrs Fields Gourmet Cookies**

Mrs Fields commenced operations in Australia in the 1980s. In December 1994, Cookies Australia acquired the Australian master franchise rights, making it a 100% Australian-owned company based in Sydney. It has 17 franchises.

10. **Worldwide Online Printing**

Worldwide is a \$65 million group of 90 franchised print communication centres.


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