

8 shifts *shaping* the franchise marketing of *tomorrow*



02 Why connection is the **NEW CURRENCY**



What does
the future of
franchise
marketing
look like?



01 The new consumer **LANDSCAPE**



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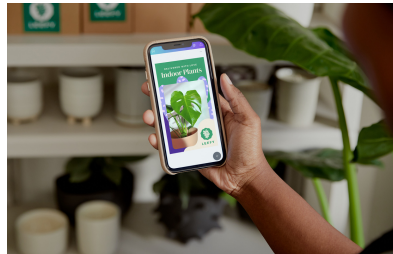
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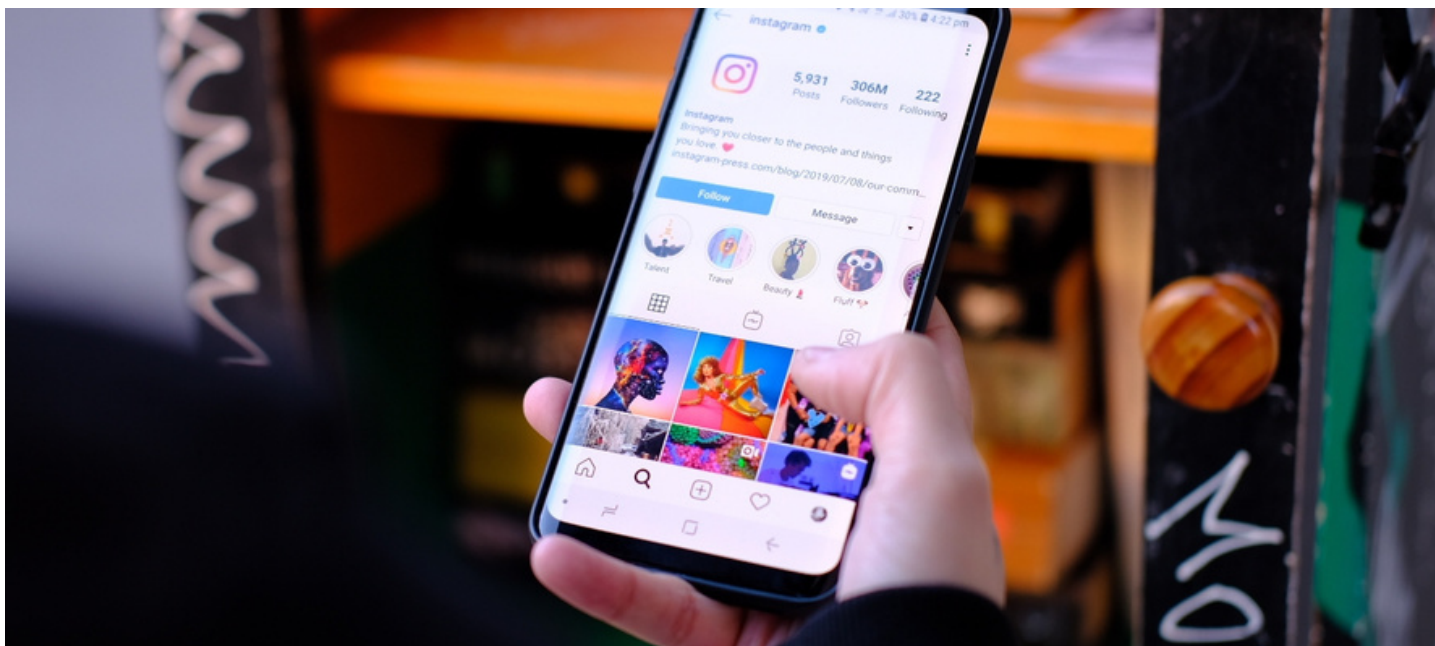
As celebrated business leader and author, Seth Godin, tells marketers — *“marketing is no longer about the stuff you make, but the stories you tell.”* And while today’s global franchise atmosphere can feel saturated, fast-paced, complex, and demanding, the possibility for brands to form authentic connections and build trust with their customers is greater than ever before.



Every long-lasting business has its gaze set on the future, and as we look to the franchise marketing of tomorrow, there are certain realities franchises must wade through in order to grow. But as we will soon learn, there is still plenty of potential for your franchise business to unlock.

Today's consumer is faced with a high volume of messages coming from many different voices and channels, and their evolving expectations and purchase behaviors are raising the bar for businesses across all industries. The art of telling stories is not just about force, but telling your brand story in a compelling way is the most important factor.

In years to come, it will be increasingly important to build a memorable brand that forms strong connections with its customers. But how do we get there? This is what we'll explore in this eBook.



Building lifelong connections with your customers is not about simply defining your franchise's brand philosophy, values, and core messages — though this is an important first step. It's also about communicating these pillars in every customer touchpoint and ensuring that these foundations resonate deeply with your franchisees, your target audience, and beyond.

From Anytime Fitness to Budget Blinds, and Century 21 to Marriott International, some of the world's most successful franchises have one thing in common; they've solved the magical equation of navigating industry shifts while continuing to tell their story with every customer interaction across many different borders, languages, and cultures.

Within this eBook, we're taking an exploration into eight macro shifts shaping the future of franchise marketing as we know it. Plus, we'll look at how global franchises have risen to the challenge, and we'll scope out proactive ways to evolve your marketing strategy for franchises both big and small.

Let's look into the eight shifts to expect when it comes to the future of franchise marketing.



01



**The new
consumer
landscape**

In order to understand the *franchise marketing landscape of tomorrow*, it's important to first look at today's shifting consumer identities and how they are interacting with the brands they love. As one generation enters adulthood and another transition to retirement, economic change is coming.

Gen Z: The experience-first customer

Generation Z continues to make up a growing market share, bringing with them new spending power and a new set of consumer preferences. As Inc. has reported, Gen Z consumers already represented a remarkable \$140 billion in spending power at the start of the decade.¹ As a generation who have grown-up within an instant economy, they crave quick, easy, personal, and experiential services. Quick-serve restaurant franchises like Taco Bell and Subway are proving to speak to this desire and are well-positioned to deliver the “convenient, affordable, experiential, customizable” experiences Gen Z consumers want, QSR Magazine explains.²

\$140b

in spending power

¹ [Business Insider — Gen Zers have a spending power of over \\$140 billion](#)

² [QSR Magazine — How to win Gen Z in the restaurant business](#)



Millennials: Committed to shopping local

As the largest generation, millennials will continue to be a major economic force. In 2020, they represented \$1.4 trillion in spending power.³ However, compared to previous generations, these buyers are more committed to buying from small, locally-owned retailers and service providers.

According to a recent consumer survey, 72% of millennials plan to support these businesses more in the future.⁴ The top reason millennials shop local is to keep money within the surrounding community.⁵ And, as of 2020, U.S. franchises accounted for 773,600 local business ownership opportunities and around 8.4 million direct jobs, making them a perfect avenue for millennials who want to shop local.⁶

³ Bizwomen — Millennials projected to spend \$1.4 trillion as generation's influence grows

⁴ Salesforce — Data says consumers are eager to support small businesses, here's how to prepare

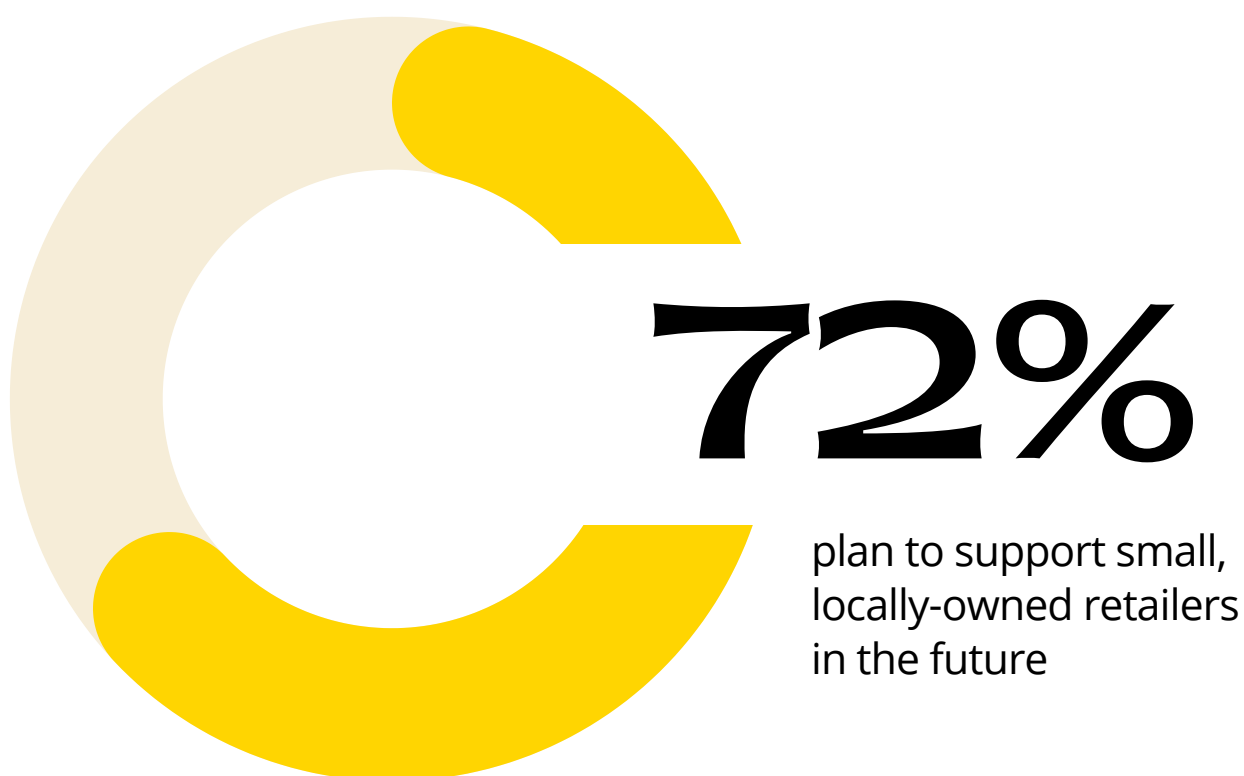
⁵ Mint — Buying local statistics for 2021: Survey finds 70% of Americans shop small

⁶ FRANData — Franchise business economic outlook 2020: Franchise growth continues



\$1.4t
trillion in spending power

Dara Busch, president of 5W's consumer practice, believes that the global pandemic has created a key shift in this desire, as millennials want to feel connected to their local environment and have more time to curate purchases online. *"There's a re-emergence of people wanting to shop local,"* Busch says. *"There's this really big push for people to shop locally to feel connected, whether it's to a product or a store or a store owner."*



773,600

Local franchise business ownership opportunities

8.4m

million direct jobs

Gen X: Craving sentimental connection

Increasingly, members of Generation X are taking over business leadership roles and experiencing their highest-earning years. Representing \$2.4 trillion in spending power, Gen X's above-average household income and active spending habits make this a small but influential population.⁷ Email campaigns, social media, and nostalgic marketing prove to be impactful ways of engaging with Generation X, who pride themselves on shopping with a values-first lens.

As Franchising.com explains, “(Generation X is) purchasing for themselves and their Gen Z kids, while influencing buying decisions for their aging parents.”⁸ When looking to attract members of this demographic, it's important to understand their significant spending power.

⁷ FONA International — [Consumer insight: Generation X](#)

⁸ Franchising.com — [About time for franchising to recognize 65 million Gen X consumers!](#)





Baby boomers: Entering a new phase of self-care

The aging baby-boomer generation is settling into a new phase of life that creates demand for new goods and services — from health and wellness to retirement activities. This generation also shops based on their personal values.

The personal services franchise industry — covering brands like The Joint Chiropractic and Anytime Fitness — is ranked as the No. 1 sector in terms of growth, according to a report by FRANData.⁹

No matter what demographic you're targeting, these insights can inspire you to speak to your audience in new and engaging ways. By keeping your finger on the pulse of generational shifts, you can evolve alongside these shifting demographics and fine-tune your brand messages along the way.

⁹ [FRANData — Franchise business economic outlook 2020: Franchise growth continues](#)



02

**Connection
is the new
currency**

As Gen X and millennials grow to become more of an economic force, marketing experts are seeing a significant increase in the influence of values-based consumption habits.

A study by 5W Public Relations reveals that 83% of consumers aged 18-34 say it's important the companies they buy from are aligned with their values.¹⁰ So how do buyers know whether a brand shares the same core values? They'll evaluate products and business practices, of course. But before they walk that far into the customer journey, marketing and branding content will serve as a first-impression reflection of a company's values.

This shift shows that building and communicating your brand values is one of the most important factors allowing for customers to feel a connection to the franchises they shop from. As Sprout Social puts it, "connection is the new currency. When customers feel connected, more than half will spend more, and three-quarters will stick with that brand over a competitor."¹¹



¹⁰ 5W Public Relations — [5WPR 2020 consumer culture report](#)

¹¹ Sprout Social — [#BrandsGetReal: What consumers want from brands in a divided society](#)



Connection is the new currency.
When customers feel connected,
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SPROUT SOCIAL

Let's look at a few examples of *values-based* franchise marketing in action:

Diversity, equity, and inclusion

Conversations around representation are more prominent than ever before. Not only is celebrating diversity an essential progression towards a more inclusive world, it's also a core factor shaping consumer behavior. A 2019 survey conducted by The Female Quotient in partnership with Google found that 64% said they took an action towards a brand after seeing an advertisement that they considered to be diverse or inclusive.ⁱ Consumers looking for businesses that put diversity, equity and inclusion first will expect to see brands showcase diversity, gender-inclusive language, and imagery that avoid stereotypes as a minimum.

One example of this is the franchise chain Papa John's. The pizza brand has used a rainbow-colored Pride logo to express support for the LGBTQI community alongside setting new values for the whole company and building an employee resource group for their LGBTQI community.¹²

While it may seem like a simple logo change, this shift invites community members to learn more about inclusivity, and the franchise's ongoing efforts around inclusion, and also provides a clear message about the values Papa John's believes in.

ⁱ. [Think with Google — Inclusive ads are affecting consumer behavior, according to new research](#)

¹² [QSR Magazine — Papa John's puts inclusion at forefront of company culture](#)



Sustainability

As we see all generations shifting towards more sustainable consumer habits, environmental concerns are leading franchises to be more transparent about their supply chains and overall carbon footprint.

Addressing the climate emergency head-on, the Ecomaid's franchise has centered its brand on using green, EPA-certified cleaning products that put customers at ease.¹³ Between one-quarter and one-third of Americans prefer eco-friendly cleaning products, giving Ecomaid's an edge with customers who want to keep their homes free of toxins and harsh chemicals.¹⁴

¹³ Franchise Direct — Ecomaid's

¹⁴ Statista — Eco-friendly cleaning products: Consumer purchasing share by state



Responses to current events

The recent global pandemic has shown us that businesses both big and small have the power and ability to not only react to current events, but are also uniquely placed to have a monumental impact toward their community.

From Starbucks to Nike, we saw brands help promote COVID-safe messaging, and create initiatives to further support their customers. A small gesture like Krispy Kreme offering a dozen free doughnuts on Mondays to anyone who works in the medical sector, is a simple and effective way to bring glazed-filled joy to those on the frontline, even for a brief moment.

This illustrates the power and importance of brand-aligned, values-based messaging for franchise businesses as well as their audiences.



It's more important than ever for franchisors to *empower teams to effectively communicate* core brand values, right down to the specific visuals and messages coming from every franchise location.

Features like Canva's Brand Kit and Brand Control give franchisees and head offices the tools to create professional graphics that not only look great but also convey the brand's core values at a glance. Colors, logos, fonts, and locked elements ensure your team is telling the right story, every time.



03



**Slipping
consumer trust**

Despite the fact that consumers crave value alignment, they may not always believe what they see at first glance.

As Sprout Social tells us, trust is the number one factor that helps consumers feel connected to a brand.¹⁵ However, Edelman warns of a “failing trust ecosystem” in 2021.¹⁶ A trend in widespread misinformation and a lack of transparency from corporate and public leadership have caused consumers to lose trust like never before.

In spite of this, it’s important to note that consumers are actually looking at businesses as the most trustworthy sources. With society “declaring information bankruptcy” on governments and media outlets, businesses are now more trusted in two-thirds of the countries Edelman surveyed.¹⁷

For businesses, trust is not entirely a lost cause. In fact, there’s plenty of opportunities — especially for franchises.

¹⁵ Sprout Social — [#BrandsGetReal: What consumers want from brands in a divided society](#)

¹⁶ Edelman — [Learn more about the 2021 Edelman trust barometer](#)

¹⁷ Edelman — [2021 Edelman trust barometer](#)



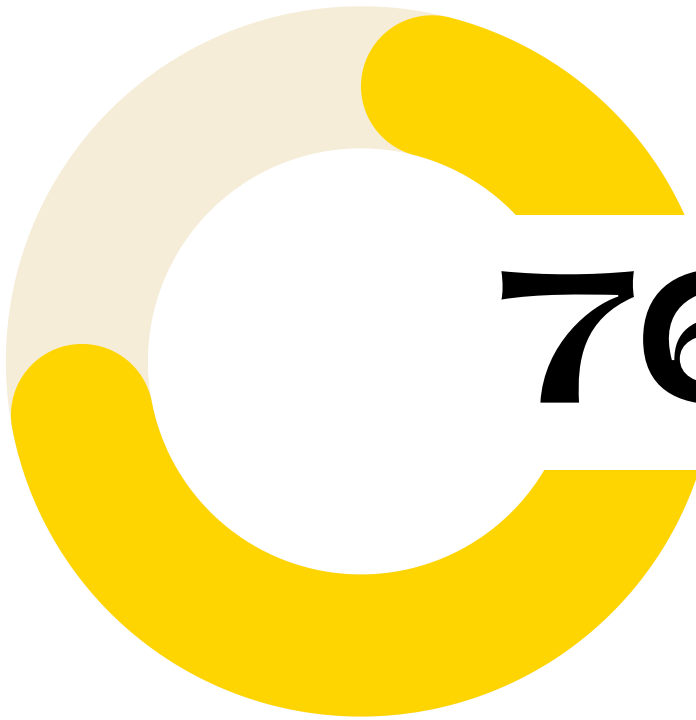
Consumers want to trust locally-owned businesses that give back

Similar to the insights found with millennial buyers who shop local, the International Franchise Association (IFA) reports that 76% of Americans have “a favorable view of neighborhood family-owned franchise businesses.” Moreover, 71% agree that “locally owned businesses are more likely to work to support their local community.”

Moving forward, franchise marketers will¹⁸ need to craft messages that help strengthen this trust and implement these values within every part of their business. The silver lining is that most consumers want to trust local franchises.

18 IFA — Franchising is: The power of brands





76%

have a favorable view of neighborhood family-owned franchise businesses.



71%

agree that “locally owned businesses are more likely to work to support their local community.”

Marketing by the community, for the community

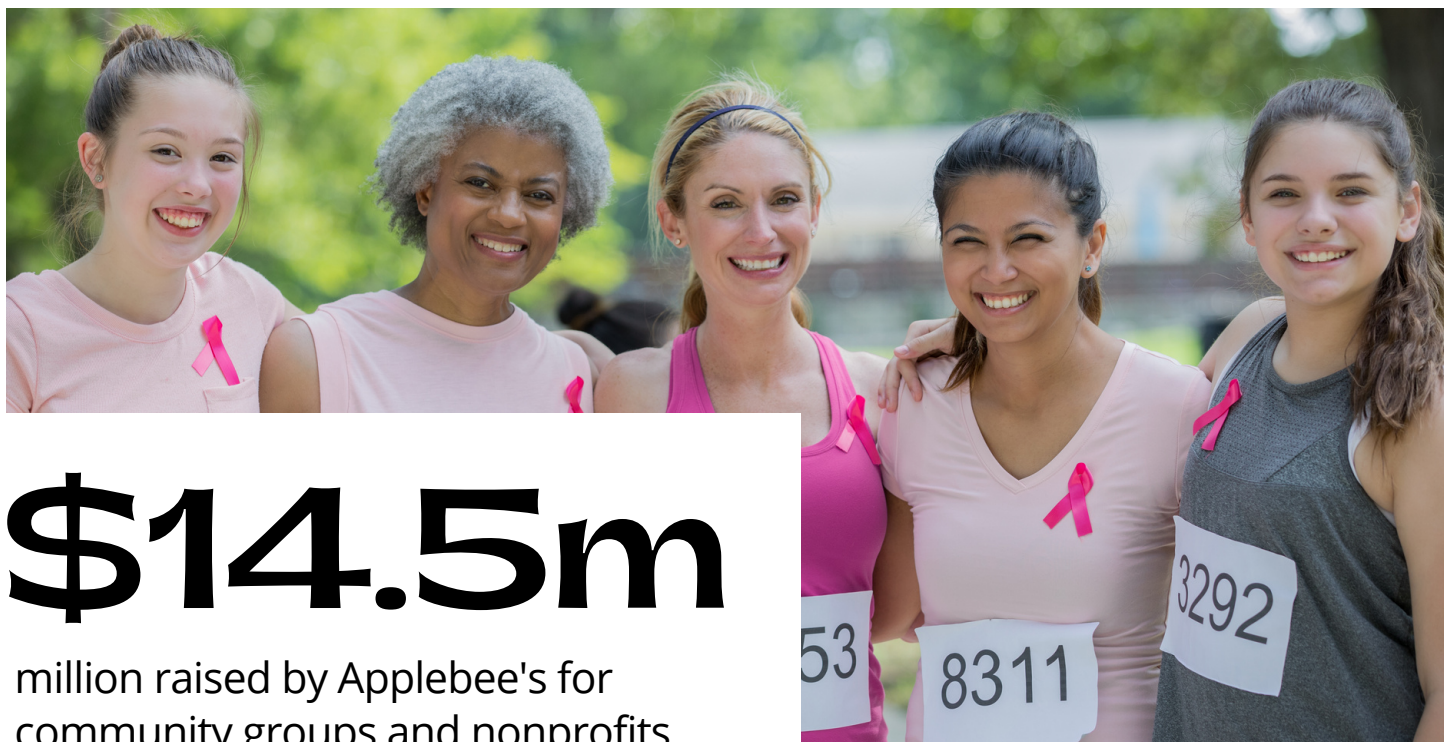
Local franchisees can create marketing messages that put community members front and center, while leveraging their national or global brand influence to support important causes.

For example, hosting local fundraising events can show your neighbors you're serious about giving back. Since 2010, Applebee's has raised more than \$14.5 million for community groups and nonprofits, earning them the 2019 Spirit of Franchising Award.¹⁹

Finding opportunities to celebrate local customers and initiatives — like video testimonials and personal success stories — can also result in marketing messages that feel all the more authentic.

The delicate state of consumer trust can inspire you to think more thoughtfully and locally than ever. While keeping your efforts on-brand, you can find new ways to ensure your brand's voice reaches local communities in meaningful ways.

19 Franchising Gives Back — 2019 award winners



\$14.5m

million raised by Applebee's for
community groups and nonprofits

04



**Building a
collaborative
approach**

Another shift we're seeing is a collaborative approach to marketing, sales, and customer experience (CX). In fact, Gartner predicts a centralized, standardized approach to these three essential functions.

According to a 2020 report, "By 2023, 25% of organizations will amalgamate marketing, sales, and CX into a single function."²⁰

Why? For some businesses, it's a way to keep up with faster demands and improve operational efficiency in the wake of the COVID-19 pandemic.²¹ For others, it's an innovative way to streamline overlapping campaigns, initiatives, and content creation while consolidating tech, tools, and workflows.

By embracing increased collaboration, you can provide the optimal customer experience throughout every part of their journey, no matter which department owns it. When you make collaborative, creative tech available to a wider range of stakeholders, your franchise becomes far more nimble.

²⁰ Gartner — [Gartner marketing predictions for 2021 and beyond: Marketing hits reset](#)

²¹ Franchise Blast — [How COVID-19 shot franchising three years into the future](#)



Elevating the customer experience

As sales, marketing, and CX join forces, there's another important lesson to observe. The most successful brands won't just be selling products and services. Instead, they'll be selling a desirable customer experience from start to finish.

Faced with a highly saturated market, customers and potential franchisees aren't just looking for what they *need*. That's easy enough to find.

Instead, customers are hunting for a brand that delivers what they *want*.

For instance, a customer could go anywhere for a massage. But they'd choose to visit a Spavia Day Spa franchise when they want to relax, renew and recenter in a luxuriously tranquil atmosphere at a more affordable price point.²² Candle-lit rooms, luxurious robes and a minimal aesthetic means that experience-oriented brands like Spavia can orient sales and marketing efforts around a desirable CX instead of just its products and services.

Franchise marketing of the future will be all about putting customer experience at the heart of sales and marketing. When your audience latches onto your brand's "why," you'll likely see success across all three disciplines.



²² [Spavia Day Spa — Our spalosophy](#).

05



Marketing to every channel

Building a digital presence is not a new idea. However, carefully understanding each customer touchpoint — both online and offline — and how you can curate these experiences to be consistent, unique and on-brand is where the true power of the omnichannel experience lives.

Increasingly, consumers are engaging with brands across all digital and physical channels. As CX Today reports, consumers engage with brands across up to six channels on average — a spike from just two channels in the early 2000s. Ensuring quality and consistency²³ across all these channels, at a fast pace proves to be the continuing challenge for businesses — particularly franchises.

23 CX Today — Delivering an excellent omnichannel experience



From digital to physical, and back again

Depending on the type of franchise business you operate, your customers might take a digital-first approach. For instance, if you're a hotel franchise like Hilton, your guests may find targeted advertisements via social media, and continue to your website to start a reservation through your website. Alternatively, for fast-food franchises like KFC, the journey often begins with an in-person interaction when the customer buys a meal while on a road trip with friends, or as a mid-week snack during their lunch break.

However, with a good experience, your customers will progress to another digital platform or physical location. "As a franchisor or franchisee that operates [in] multiple ... locations, you're likely receiving more mentions than any other industry concerned with customer care, and fielding complaints that you probably have no connection to," Sprout Social explains. "But if you can turn those negative comments into positive social interactions, you'll increase your organization's overall revenue."²⁴

²⁴ Sprout Social — The complete guide to franchise marketing

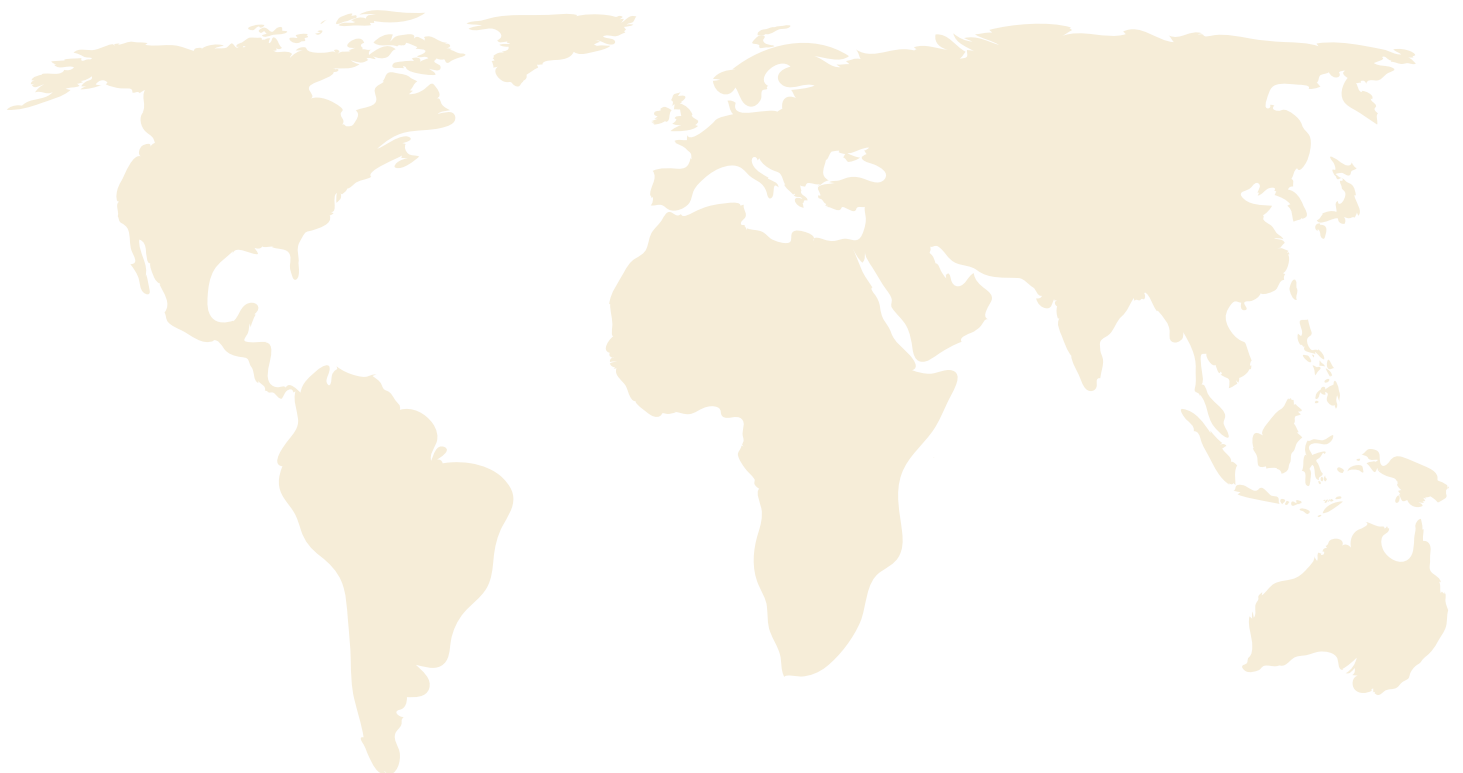


Creating a consistent brand experience

Omnichannel customers expect a streamlined brand experience wherever they go. Therefore, your messaging and branding should be consistent at every turn. Domino's pizza customers get that consistent, omnichannel experience. The franchise keeps up with a user-friendly app and website, millions of social media followers, and 17,200 branded retail locations across 90 countries.²⁵ But, no matter where a consumer engages, they'll encounter the same brand experience; iconic blue-and-white pizza boxes, a cheerful and playful tone of voice, and of course, glistening pizza slices that have become iconic in their own right.

²⁵ Domino's — Domino's 101: Fun facts

17,200  branded retail locations across 90 countries



Leading with flexible marketing strategies

Knowing that channel-centric marketing strategies and technologies won't be enough for tomorrow, savvy business leaders are preparing right now. As Gartner predicts, "By 2025, consumers' omnichannel behavior will drive 60% of B2C brands toward a functional, rather than channel-based organizational structure."²⁶

Franchises are pivoting to an omnichannel approach that, above all, supports an immersive, consistent brand experience and a positive customer journey. As Gartner notes, the focus should be on "reorient(ing) teams and objectives around a customer-first, channel-agnostic strategy."²⁷

²⁶ Gartner — [Gartner marketing predictions for 2021 and beyond: Marketing hits reset](#)

²⁷ Gartner — [Gartner marketing predictions for 2021 and beyond: Marketing hits reset](#)

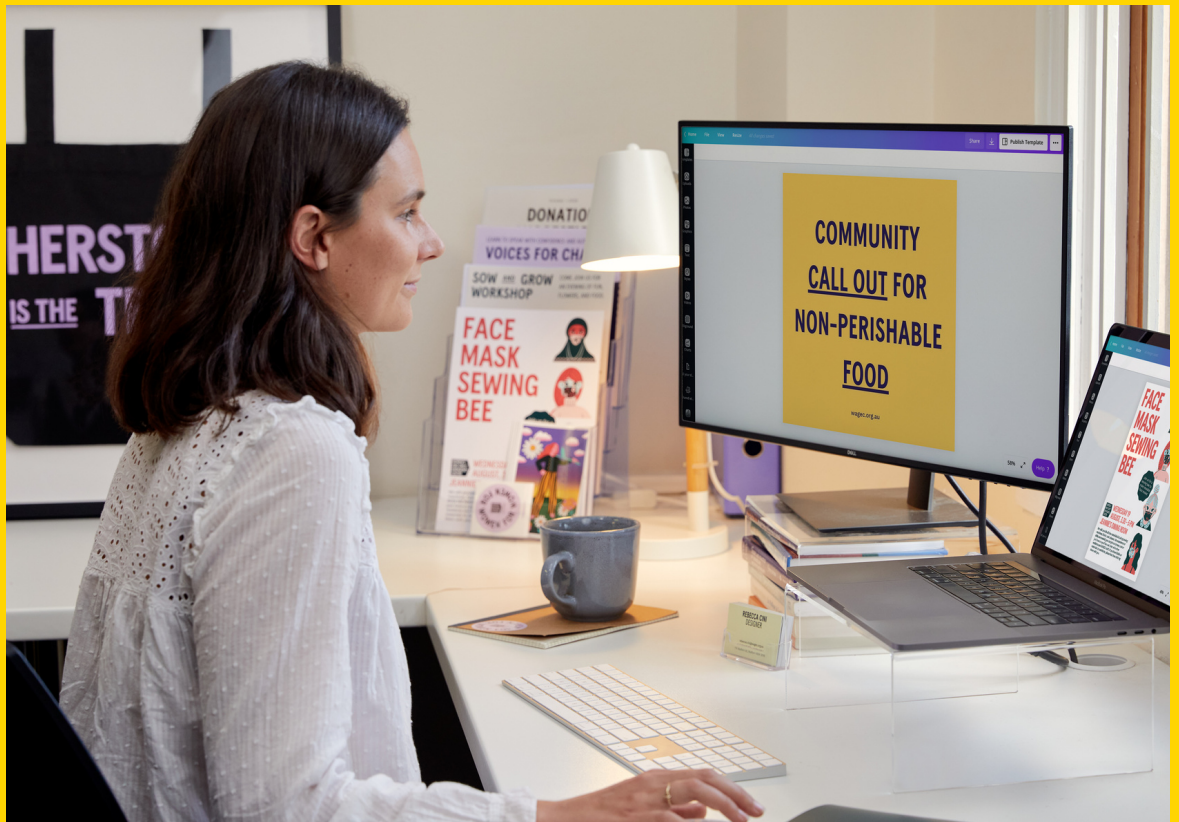


At Canva, we've created a *host of features* that make omnichannel marketing easy.

Exporting digital assets is as simple as a few clicks, and you can print and deliver to your door. Don't want to waste time resizing? Canva's Magic Resize tool allows for one-click resizing from one document type to another.



06



The push toward personalization

Across digital and physical channels alike, consumers crave increasing levels of personalization when they interact with a brand — a desire we’ve learned is an important factor for Gen Z.

As McKinsey & Company predicted in 2019, “Personalization will be the prime driver of marketing success” by 2024. At the time, however, only 15% of chief marketing officers believed their businesses were on track to take advantage of personalization marketing.²⁸

This suggests that there are still significant opportunities for innovative franchise leaders to get an edge on the competition and provide consumers with tailored messages and resources. Understanding how your customers want to connect with you and establishing the key messages that resonate with each demographic is incredibly important in the push towards personalization.

²⁸ McKinsey & Company — The future of personalization — and how to get ready for it



Embracing tech-driven personalization

According to McKinsey & Company, key shifts driving personalization marketing include the digitization of physical spaces and the use of machine learning technology to match content delivery with consumers' moods. Additionally, marketing services company Marketo forecasts that marketers will eventually know what customers want before they even realize they want it.²⁹

Orangetheory Fitness offers an exciting example of personalization marketing in action. During fitness classes, personalized soundtracks play songs at the same beat-per-minute pace of each participant's heart rate, with personalized videos to match. This resulted in "a record high 97% attendance rate" and higher engagement.³⁰

²⁹ Marketo — [How is personalization changing the face of marketing?](#)

³⁰ idomoo — [See how Orangetheory Fitness, Publicis Sapient and Idomoo delivered a 1-2 punch to wow customers](#)



07



Franchising from anywhere

As part of the global and national embrace of remote workforces, it's become clear that many businesses, including certain types of franchises, can thrive under a more flexible work-from-home model.



As America's Best Franchises suggests, this includes everything from educational franchises like Tutor Doctor to real estate businesses like HouseMaster Home Inspections.³¹ Franchisees can start up and operate coaching companies, online businesses, and wellness-oriented franchises from home, too.

Moreover, a range of activities — from marketing and customer support to industry events like the 2021 IFA convention — are also going virtual.

Within remote-first franchise businesses, workers can stay productive and take advantage of the additional flexibility. Supporting franchises in efficient collaboration and communication to maintain productivity is the main challenge.

³¹ America's Best Franchises — Home based franchises

Empowering remote teams with cloud-based collaboration

If “franchising from home” has become central to how you do business, look for ways to set up your remote teams for success. By doing so, you can also attract new franchisees seeking a turnkey franchise opportunity, complete with everything they’ll need to run a successful remote business.

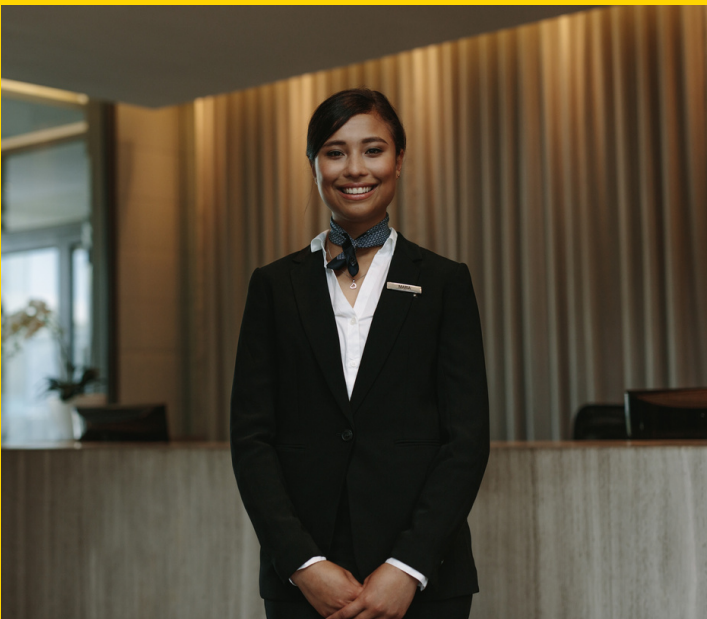
If legacy systems and lengthy approval processes are slowing down your teams, consider meeting their evolving content and communication needs with franchise-wide workflows. For instance, consider introducing cloud-based technology that franchisees and marketers can use from any device, anywhere.

Leveraging team-oriented solutions is another easy way to bring geographically scattered teams together. There are plenty of innovative software-as-a-service options available to help you evolve and execute all aspects of your marketing, from design and file sharing resources to project management tools, communication apps, and beyond.

Look out for opportunities to integrate these with existing workflows to support faster and more efficient teamwork, empower remote franchise teams with ready-to-go brand resources, and create virtual space for real-time collaboration.



08



Attracting new hires and franchisees

A powerful and inspiring brand is not only useful for attracting customers. It's just as important when you're attempting to engage potential franchisees and top-tier talent.

Attracting new talent

As the employment landscape settles from upheaval due to the COVID-19 pandemic, hiring managers and human resources teams should continue to leverage recruitment marketing tactics. As the Society for Human Resource Management (SHRM) explains, recruitment marketing has become a “core HR discipline” in recent years.³²

³² SHRM — Recruitment marketing: From trendy to necessary.

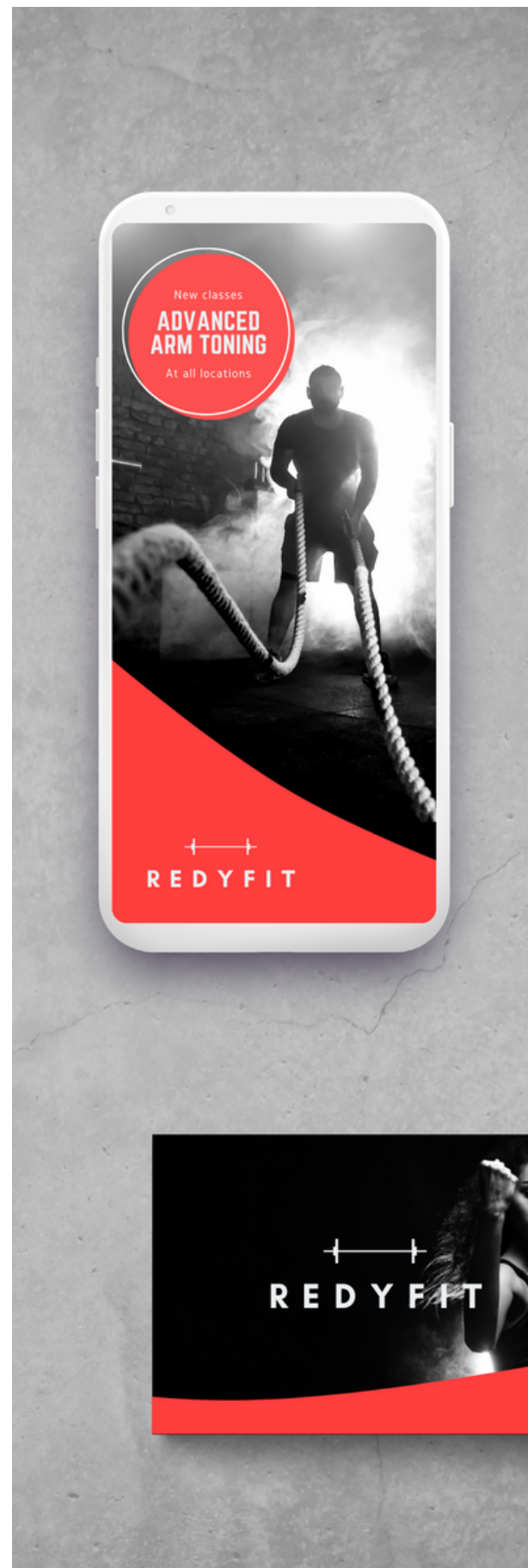


Desirable candidates may not jump at the first job offer they get. Instead, they'll want to find an employer that exhibits the same values they do. Even less experienced Gen Z job applicants will search for the perfect fit before signing on. If this trend toward values-based decision-making is starting to sound familiar, keep in mind that job candidates are consumers themselves — especially in a tight labor market.

Prospective applicants will gather information about your employer brand from a variety of sources. According to the Center for Generational Kinetics (CGK), Gen Z candidates are more likely to use social media channels like YouTube, Instagram, and Facebook than job-focused platforms such as LinkedIn and Glassdoor. Employee advocacy across these social channels can help make a positive impression.

From social media sites to job boards and career fairs, establishing an appealing employer brand that resonates with job seekers of all ages and experience levels will be essential.

³³ CGK — The state of Gen Z 2018



Attracting new franchisees

This same brand-driven approach also applies when courting prospective franchisees. The focus should be on selling the overarching brand philosophy, not the nitty-gritty details of the opportunity itself.

From there, it's essential to nurture these relationships and use additional touchpoints to forge deeper connections. As the Canadian Franchise Association (CFA) recommends, you'll need to make your resources visually engaging and mobile-friendly.³⁴

Whether your potential franchisee wants to fast-track the relationship or explore it slowly, user-friendly design tools can produce compelling collateral that supports every step of the journey.

34 CFA — How to attract the right franchisees





Key takeaways

Let's recap the most significant shifts *driving change* for franchise marketers:

1. **Shifting consumer demographics:** The major consumer groups are growing up, meaning you'll need scalable solutions that can help you evolve your brand alongside your audience.
2. **Values-based consumption habits:** Your franchise's visuals and messages will need to communicate its core brand values to reach consumers who care.
3. **Stumbling consumer trust:** In a moment when consumer trust is scarce, it will be important to produce content that helps your franchise earn and strengthen that trust.
4. **Merging of marketing, sales, and customer experience:** Businesses are uniting these three functions to deconstruct siloed approaches and foster greater agility and alignment.
5. **Growing importance of omnichannel:** It will be essential to produce consistent and versatile content that supports the omnichannel experiences consumers crave.
6. **The push toward personalization:** The preference for personalized content will place a burden on franchises that aren't prepared with the right tools and technologies.
7. **Franchising from home:** Adopting scalable, cloud-based workflows can bring greater success to remote teams and attract new franchisees.
8. **Marketing to new hires and franchisees:** Bolstering your brand as an employer through recruitment marketing tactics will help you attract and retain top talent and potential franchisees who are seeking the right fit.

So what does all of this mean for the future of franchise marketing? Firstly, it means that franchisees — and their boots-on-the-ground sales and marketing teams — need to create and share more content to stay competitive.

However, piecemeal marketing won't help a franchise brand keep up with the increasingly globalized, omnichannel economy. Engaging and inspiring consumers starts with creating content that clearly represents your brand identity and values. This is something that can only be achieved through brand control, team collaboration and consistency.

These shifts also reflect to us that having a clear, compelling brand vision written on paper won't be enough. Franchises will need centralized communication, creative tools, and streamlined workflows that empower even the least brand and design-inclined team members to create visuals that help drive— rather than hinder — your growing franchise brand.

After all, as Forbes contributor Fiona Simpson wisley explains, “Your franchisees ARE your brand,” and commissioning them to bring your brand vision to life is the only way forward within the franchise marketing ecosystem of tomorrow.





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