

Focus on Franchising

When Time Means Money, an App Can Help

WHEN BUSINESS GROWS FAST, TECHNOLOGY CAN KEEP YOU AHEAD OF THE GAME

By Julie Bennett

Ajay Arora, a Great Clips franchisee in Kansas City, Kan., has got a lot of satisfaction from operating and expanding his hair-salon business since 1993, but as it grew he began to experience problems on days when his salons were really busy. Then, he says, customers would crowd the units' lobbies or line up outside, stressing his stylists and sometimes discouraging other clients who also wanted a haircut that day.

That all changed in 2011, when Great Clips, which does not take appointments, rolled out an online check-in service that customers can access on their mobile phones and on the company's Web site. Online check-in, developed by Innovative Computer Software of Eden Prairie, Minn., allows customers of all 3,900+ Great Clips salons in the U.S. and Canada to see the estimated wait time at local Great Clips salons and add their names to the wait lists there, says Mari Fellrath, vice president of business intelligence for the Minneapolis-based franchiser.

"Now," says Mr. Arora, "instead of hanging around, our customers can be out running errands until their names reach the top of the waiting lists. I have 11 salons and close to 70% of the customers at my busiest Great Clips use online check-ins."

Mobile-phone apps are also slashing wait times at franchised restaurants. You can use them to order everything from a Cheesy

Gordita Crunch at Taco Bell to a Classic Salad at Panera and your food will be ready for pick-up when you arrive. You can pay for your pick-up orders of Italian sandwiches or jelly donuts using mobile apps from Subway and Dunkin' Donuts, and the Domino's app even lets you track that sausage-and-mushroom pizza all the way to your front door.

TIMESAIVING

Mobile apps improve customers' experiences, but technology is also saving time and money for franchisees themselves. When she started working at the new Retro Fitness franchise in Stroudsburg, Penn., last year, general manager Brittney Goldstein says she calculated and issued all payroll checks by hand. "I'd have to add up the hours worked by each of our 60 staff members," she says, "figure out what they owed in taxes and Social Security, then write out all those checks. It could take me days."

About six months ago, franchisee Kevin Brody, who operates the Retro Fitness franchise with a partner, turned the process over to business-outsourcing company

"FRANCHISEES SHOULD BE FOCUSED ON RUNNING THEIR BUSINESSES."

ADP, LLC in Roseland, N.J. "The payroll process is 1,000 times faster," says Ms. Goldstein. "ADP's RUN Payroll Services Software either deposits the money directly into our employees' bank accounts



Software solutions have transformed the marketing process for commercial and home-restoration services franchiser, Paul Davis, Inc.

or creates signed checks for me to distribute."

"Withholding taxes from employees and figuring out requirements for health insurance and workers' compensation places an incredible responsibility on the shoulders of a business owner," says Mr. Brody. "ADP isn't just our payroll company. Because they have taken over those tasks, I also think of them as our legal team."

Chris Rush, ADP's division vice president of strategy for the company's small business services division in Florham Park, N.J., says, "Franchisees should be focused on running their businesses. We can help them handle their human resources functions." In addition to filing franchisees' withholding taxes, ADP has solutions that will perform background checks on job applicants, provide and track eligibility forms for immigrant workers, or manage insurance

and retirement plans.

FranConnect, Inc., in Reston, Va., provides software to manage franchisees' connections with their franchisers and customers. "Many franchisees operate their businesses themselves," says John Ticer, FranConnect's senior vice president of product management and marketing. If they are busy fixing fences or supervising kitchen help, they are not thinking about marketing to new customers. Mr. Ticer says, "And if they do try to market on their own, their attempts may not be consistent with their brand and may detract from their brand's value."

"Before we signed on with FranConnect two years ago," says Emily Schafer, marketing technology manager for Paul Davis, Inc., a commercial and home-restoration services franchiser in Jacksonville, Fla., "it was a challenge to keep 300 franchisees

going in the same direction. Now FranConnect's marketing software solutions let us incorporate content into templates for print and email marketing pieces that franchisees can customize with their local office information."

Jeff Diem, who operates a Paul Davis Emergency Services franchise in Arvada, Colo., says, "The software sorts our customers into homeowners, insurance agents, realtors and property managers, so we can target emails to exactly the services they use."

Mr. Diem's director of business development, Ann Klein says, "We have a three-person office. But you'd never guess that from our marketing materials. They look very professional."

Julie Bennett is a freelance journalist and author specializing in franchising and employment matters.