

# 11 trends impacting the franchise business landscape in 2021

By [Sasha-Lee de Bod](#)

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We all discovered in 2020 that we cannot predict the future. We have learnt how we can position ourselves and our businesses better for what may lie ahead. The pandemic intensified or accelerated some of the 2020 trends we predicted.



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Every business needs to prepare for 2021 and beyond by actioning, implementing and improving on trends to gear the business for success.

Let's focus on fast-forwarding these 11 trends in your business to ensure you transition your business and shape your future.

## 1. Survival mechanisms – pay attention, become agile and adapt to be sustainable

Businesses need to understand the current environment and how it is changing to adapt or evolve accordingly. The past year indicated how quickly things can change and that a business needs to respond and change instantaneously.

## 2. The world as we know it is getting smaller by the minute

Conferences, meetings, events and gatherings were forced to downsize, and businesses needed to find innovative ways to reach their target market. Computer-generated interactive experiences have been adopted by some businesses. This trend is also driven by personal needs.

## 3. Wave of new entrepreneurs creates a pool of potential franchisees

Some individuals have been forced to seek alternative employment solutions. Some feel insecure in their current position or have changed their priorities in life. This has led to an increase of new entrepreneurs in the market or people seeking to buy employment opportunities.

Franchising offers an opportunity for those wanting to invest in their future or build a successful and viable business. It

offers a proven model and ongoing support.

## 4. Talent and employee investment is making a comeback

Businesses need to invest in recruiting and retaining employees that make a valuable contribution to the company. This generally includes personal and talent development of each individual e.g., skills, growth opportunities, mentoring, promoting from within the company.

Employees are the key to the success of any business, therefore it is important to focus on their wellness and happiness. This in turn results in meaningful employee contributions.



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## 5. Embrace your community

Businesses are realising the power of the local community. During the pandemic, customer behaviour tilted towards supporting local small business. Localising your supply chain may add to the sustainability of your business.

## 6. Future of remote working came ahead of schedule and is here to stay

Remote working has rapidly influenced customer-facing aspects and the working structure of most businesses. Initially, remote working was a temporary solution to continue with business operations. Many businesses have adopted a more permanent remote working strategy beyond the pandemic. We foresee that travelling for business purposes will remain on the decline due to remote working.

## 7. Financial focus has shifted from growth to profitability for the foreseeable future

The previous year instilled a conservative business approach for 2021. Businesses prioritise profitability above growth during these uncertain times. They are focusing on offerings, products and/or services that generate the most revenue and are selective about new partnerships, synergies, and projects.

## 8. Seeking alternative capital sources

Traditional funding solutions may not be accessible to businesses or individuals. This can be due to their performance, risk profile and not being able to meet the required criteria for approval. Sources of capital may include investors, grants, venture capital, crowdfunding, etc.

## 9. Business divisions should no longer operate in silos

Various divisions within a business should work together to ensure alignment, collaboration and ultimately growth for the entire business.

## 10. Rise in on-demand, online digitisation and omnichannels

Customers want products and services on-demand, almost instantly. Businesses had to evolve and accelerate online digitisation to meet demand for things like convenience; seamless digital experience; mobile ordering; contactless delivery or in-store pick-up; e-commerce platforms; online booking or scheduling systems; contactless payment options; the Internet of Things (IoT) to seamlessly connect devices; user experience in terms of site navigation, site speed, security and

accessibility across various devices; and the progression and implementation of 5G connectivity combined with artificial intelligence (AI) and IoT.

Customer confidence will return. However not all customers are comfortable returning to stores yet, and businesses need to accommodate their needs by creating an omnichannel experience and support structure.

## **11. Influencers are a great social asset**

Influencers are people with a large following on social media that can promote your offering and bring attention to your brand, without excessive marketing spend. Businesses should adopt marketing strategies to reach their customers through these platforms. Businesses that embrace influencers have regarded them as an asset and are experiencing a return on investment.

### **ABOUT THE AUTHOR**

Sasha-Lee de Bod, franchise consultant, Franchising Plus.

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