YOUR MOST TRUSTED FRANCHISE RESOURCE

Franchise Canaca

Complete our reader's survey for a

FREE \$10 gift certificate

to franchises like Pizza Pizza and more! See page 115

YOUR GUIDE TO FRANCHISING

Step-by-step to the franchise investment process

a CUTIING EDGE branc

Pizza Pizza delivers innovative marketing and training

HOME-GROWNED LOCALLYOWNED

100% CANADIAN Franchise Systems pizzo pizzo

September | October 2009 www.cfa.ca 54.99

Association TM

74470 94981 7

Dienlay in business



Speedy service, convenience and consistency are the hallmarks of QSR

By Trina Melatti

espite a flurry of ever-growing food franchising options, quick service restaurants (QSRs) with their simplicity and emphasis on the most basic principles of success, are still the most prominent foodservice franchising options.

Competing for customers' attention alongside fast casual and full service restaurant options, QSRs do well when they maximize qualities that make them unique within the foodservice industry.

"QSRs – the successful ones – are those that predominantly provide speed of service, convenience and consistency in execution," says Pat Parker, President of Parker & Associates, one of Canada's leading franchise development firms.

Speed and convenience are among the most common reasons a customer chooses a QSR. Panago Pizza knows the importance of marrying Canadians' love of pizza and providing it in a way that fits into their busy lifestyles.

"Ultimately, what makes pizza and the Panago concept fit so well within the QSR industry is that the pizza category has largely been built on its ability to be extremely convenient and accessible," says Alex Green, Vice President of Marketing for Panago Pizza, a pizza franchise that originated just outside of Vancouver and is now seeing success with expansion plans in Ontario.

In light of consumer trends, Green says Panago offers a 'best of both worlds' approach. "We take different aspects that make casual dining successful, like quality of food, innovative recipes and great service and package them up in a very convenient way, that speaks well to today's time-strapped consumers," says Green.

In today's QSRs, speed and convenience don't have to come at the expense of good quality food. Panago uses a recipe-based pizza selection model created by a full-time executive chef who introduces new recipes every 13 weeks.

"If you look at the history of delivery and takeout pizza, it was largely an order-by-topping, 'commoditized', price-driven industry," says Green. "We've stepped away from that model with a very conscious and strategic decision to offer our customers a more recipe and quality-driven experience."

Green says Panago targets customers looking for a bit more from their pizza eating experience – customers who care more about the quality of the food they're consuming, but still want it to be fast.

"The great thing about pizza is that we can take a wide variety of toppings and come up with an almost infinite number of ways to put them together. This combined with our ability to offer our consumers over 30 recipes to choose from, including a simple favourite like pepperoni to a more gourmet selection, is what keeps our customers returning."

The foodservice landscape in QSRs is changing, and another big shift is toward health and nutrition.

"There is no bigger megatrend in foodservice today for QSRs than health," says Parker. "Historically, burgers, fries, chicken and pizza were the drivers of this business segment, and while they will always remain popular choices in

QSR, consumers are increasingly looking for healthier options."

Salad Creations is a new franchise to Canada with one franchise location in downtown Toronto. The concept originated in the U.S., but Brenda Bot, Master Developer for Canada saw a market for this unique foodservice choice north of the border.

"We don't have anything like it, and I had been looking for healthier options," says Bot. "What we offer at Salad Creations is a focus on quality and fresh meals within the timelines and price points of a quick service restaurant."

Customers are mostly women between the ages of 25 to 55, but Bot wanted to open that up to include the under 25 demographic as well.

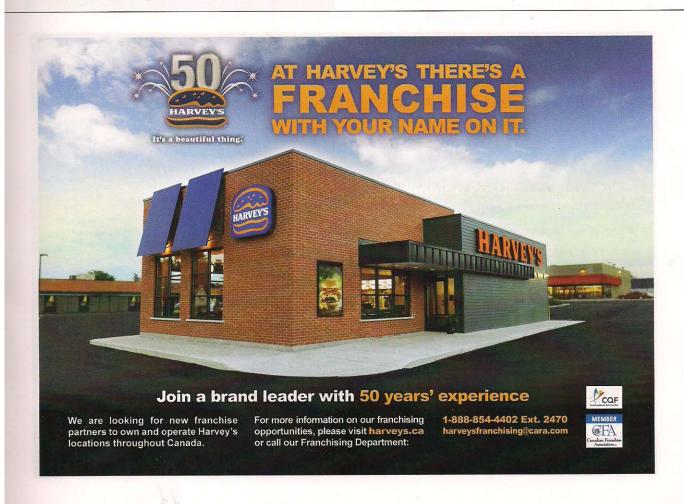
"I wanted to bring this food choice within a budget that this group could afford so that they could come in and have a healthy alternative in a fast food environment," says Bot.

> Salad Creations offers its customers a healthy and fresh QSR alternative, where they can create their own salads from more than 40 choices of toppings. They also offer healthier side options like soups, wraps and even frozen probiotic yogurt.

"People want to make healthier choices today, and this is where I feel the growth is going to be in this particular brand."

Customers observe food preparation. Nothing is pre-made, customers can control their meal proportion size, and allergy and dietary restrictions can be accommodated.

Bot also stresses the importance of a franchise that not only enables a healthy lifestyle but also one that promotes a healthy environment.



More and more, consumer

trends are driving and directing

QSR franchise operations

"We are waste reduction-conscious," says Bot. "Eating at Salad Creations is good for you and better for your environment."

Metal cutlery, china bowls, bio-degradeable food waste and recyclable takeaway containers help customers feel a bit less guilty about enjoying lunch out.

"It's important to look at a brand that is environmentally conscious because of all of these things that we have to be compliant with as QSRs," says Bot. "Brands need to be looking at that in terms of their evolution moving forward."

More and more, consumer trends are driving and directing QSR franchise operations. Keeping pace with these trends means a QSR has to be innovative. Parker says innovation is almost as important as health concerns, but in their efforts to be creative, a QSR cannot lose sight of their brand foundation.

"There are a few companies whose solution is to expand their menus far beyond their needs and that doesn't work especially in QSRs," says Parker. "QSR does not mean being all things to all people."

Rather, a successful QSR will focus on reinventing the things it already does well.

Wendy's is a more traditional franchise operation made famous by specializing in high quality, old-fashioned hamburgers.

Wendy's continues to offer the same line of products that made them famous, but they have also introduced more choices to give customers the ability to tailor their meals to suit their varying appetites, exercise level and health goals.

"To keep customers coming back, Wendy's offers a wide range of choices that appeal to our customer's ever-changing needs," says Lisa Deletroz, Wendy's Regional Marketing Director. "Wendy's offers our health-conscious customers a number of alternatives and our combos offer customers the



Pizzaville (416) 736•36•36

FRANCHISES AVAILABLE

- · Complete turnkey, training, ongoing support
- · Award winning radio advertising
- · Voted favourite franchise business
- · Over 60 franchises

Ontario favourite for over 30 years



Call (905) 850-0070 ext. 217

Pizzaville.ca



option to substitute French fries for a side salad, Caesar side salad, baked potato, chili or even yogurt."

Wendy's offers choices, which sets them apart from a regular 'fast food' experience and their website boasts that they are "unrivaled in their passion for giving people what they want and uncompromising in giving people what they deserve."

Speed and convenience are among the most common reasons a customer chooses a QSR

Deletroz says that Wendy's also brings new products to the menu. These products are developed to meet the desires of the customers, but also fit within their existing brand foundation.

"We're always excited by the challenge of keeping pace with consumers' changing tastes and preferences," says Deletroz. "Innovation is an important part of our business and takes the form of both introducing new products and, just as important, are advancements or extensions to our core products."

Attempts to innovate fail when a QSR loses sight of what has made it popular in the first place.

"That's not innovation," says Parker. "Innovation means really focused activity based on your unique customer demographics and making sure that you get more market share out of it."

QSRs have come a long way in their efforts to remain competitive in a fast-changing foodservice landscape, and as a result they have become the core of foodservice in North

Parker says the strong popularity of QSRs comes from their ability to deliver a real broad spectrum of foodservice options to the consumer - extensively more

options than you would find in the other areas. And, the successful

QSRs continually reinvent the ways in which they provide those choices to appeal to healthier lifestyles all the while maintaining the ever important speed and convenience of service people expect from the QSR format. *

