

You've made the switch, now convince your outlets to do the same

Like most franchises, Carpet Choice's head office proactively helps its stores with technology decisions. They suggest specific software packages and encourage stores to connect to particular Internet plans. While it didn't take much for head office to be sold on the concept of broadband, it was slightly more difficult to win some stores' acceptance.

"Monthly broadband fees are a little more expensive than dial-up and some of our sites needed to be convinced to pay that little bit extra each month. But once they realised they could save considerably on dial-up call charges, eliminate the cost of a dedicated phone line and improve

efficiency, they soon realised the benefits far outweighed the extra cost" says Andrew Macready-Bryan, Carpet Choice's IT Manager.

To entice members to migrate from dial-up, Carpet Choice head office subsidises broadband set-up and hardware fees for all members. Once connected, stores only need to pay their monthly fee and excess data charges, if applicable.

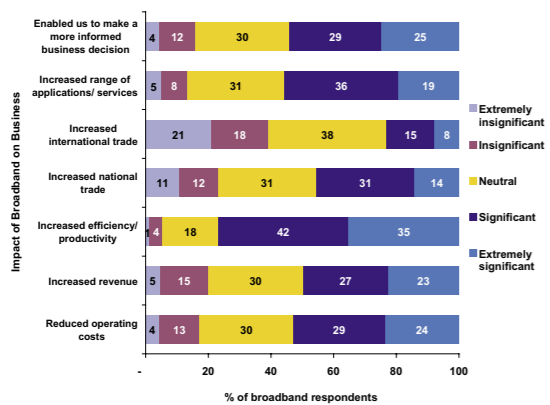
Fear is another factor to consider when rolling out broadband. Your franchisees may be apprehensive about adopting new technology.

Some members may not be computer literate or have experience using the Internet. In these instances, franchisors will need to give franchisees personal attention.

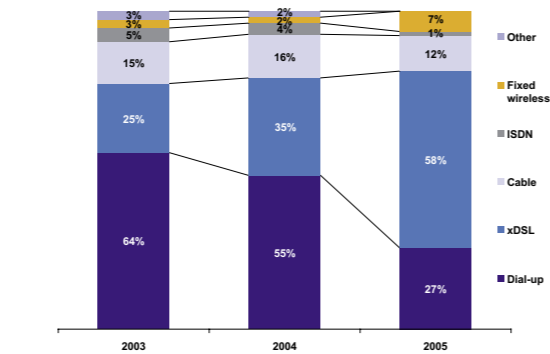
To overcome these hurdles, some franchisors purchase computers for each location and provide on-site training. Education booklets or feature articles in member newsletters outlining the benefits of broadband Internet can also help with buy-in. Informing franchisees of other sites' broadband success stories is also a great way to encourage uptake.

> Pacific Internet specialise in working with franchise groups. To speak with a franchise expert, please call 13 36 39 or email business.sales@pacific.net.au.

Impact of broadband Internet access on small businesses and their functions



Small business access technology (year on year comparison)



<Source: Pacific Internet Broadband Barometer survey, October 2005.

> Your Pacific Internet contact is:

> Contact Pacific Internet

Phone: **13 36 39**

Email: business.sales@pacific.net.au

Web: www.pacific.net.au



Franchises get a boost with broadband

Pacific Internet explains how to roll out broadband for your group.

Franchising is one of the hottest areas of business growth in Australia, with around 5000 new franchise businesses opening each year, Australians are taking on opportunities that include everything from retailing and fast food to mowing lawns and washing dogs. According to the Franchise Council of Australia there are 850 different franchise business models currently operating, through which around \$80 billion in revenue passes each year.

Pacific Internet is working with growing numbers of franchises looking for business-grade communications solutions to streamline operations and be positioned on a platform so business tools can be shared over the Internet.

With a 10% market share of Australia's major national franchise groups, Pacific Internet has learnt that franchises have very different requirements to their more traditional company-owned counterparts. Franchise operators require solid networking with their franchisees to ensure that activities such as marketing campaigns, training and IT support don't get fragmented. Franchise branches are run by owner/operators, who want to link in with head-office, but don't necessarily want to have their information made visible to another franchisee in the next suburb. This results in franchises often requiring a high degree of privacy on networks.

Broadband, helping your group grow

Pacific Internet has invested significant time in understanding how franchises operate – an investment that's been greatly appreciated by our new clients. In May 2006, Pacific Internet was awarded a contract by Gloria Jean's Coffees to connect its 357 Australian coffee houses to head office.

The National Operations Manager for Gloria Jean's Coffees Australia, Neil Gill, says having a common network platform and single point of contact in account management and technical support is a major advantage for the company.

"Pacific Internet's attention to detail, flexibility and strong levels of network expertise in our market segment gave them a competitive edge. Gloria Jean's Coffees has strong growth plans and we are impressed with Pacific Internet's Asia Pacific footprint, which will assist our entry into new markets."



Franchises get a boost with broadband

Looking to the future

The bakery franchise group Bakers Delight first began working with Pacific Internet in 2004, starting with the selection of a business-grade broadband Internet service. They wanted to confidently offer a service to franchisees that would provide reliable connections into head office. Using a private network managed by Pacific Internet, Bakers Delight were able to allow multiple sites to securely share centrally located files and applications. Some franchisees also added their own private networks to link the multiple sites they owned. Pacific Internet further customised the private network service with a managed firewall, giving users secure access to the Internet.

Bakers Delight's Information Service Manager, Peter Carrodus, says that by selecting Pacific Internet, his company could offer a relatively simple network that

didn't require a great effort to maintain security at each site.

"We could have a safe private environment, together with a centrally managed firewall that allows secure access to the Internet. The main goal was to make the environment simpler to install and manage on an ongoing basis, while also being more secure. And really we want to get to the point where we have broadband communication into all of our bakeries, because once we have that platform we can start delivering a lot more applications over it."

Mr Carrodus says he was impressed by Pacific Internet's understanding of the franchise business model, including the need



for a private network that could keep various franchisees isolated from one another.

"They were flexible and created network offerings to suit us. So rather than have a fixed product off-the-shelf that we had to try and fit into, they were willing to tailor the offering for what our business requirements were."

A private network to connect your group

Pacific Internet provides HWT with everything from phone lines and billing to DSL data connections and related equipment. Pacific Internet hosts many important servers, including the company's mail server.

According to HWT's Manager of Technology Solutions, Matthew Harris, his company was able to negotiate a better deal for franchisees by using the buying power of the group.

Mr Harris says that using Pacific Internet means his company is able to offer franchisees a much higher level of technical support, a dedicated Account Manager and a network that is more reliable and stable than had been experienced previously. Having one supplier for both voice and data will make life easier should HWT elect to take on new technologies such as voice-over-IP telephony.

"The travel industry was a very early adopter of the Internet and almost every tool we use now is Internet based. We use online reservation systems and all our sites need to access centralised systems over their broadband link. Telework is also very

important - many of our franchisees either occasionally or regularly access their work systems remotely from home or a customers premises.

"A travel agent is a very busy person who often multi-tasks, so a reliable high-speed connection is important, and so are reliable computers. Because we work so closely with Pacific Internet, that's the result that we get. This means we can provide a better experience and quality of service to the travel agent's customers."

Mr Harris says the arrangement is more a business partnership than a supplier-client relationship.

"Pacific Internet is actually geared up to deal with our business model of being a franchisor with franchisees who own their own business. This is much better than companies who can't provide a standardised professional response or differentiate our franchisees as a business customer," Harris says. "They get involved in our strategies and our plans and our forward thinking - we work very closely with them."



Getting the best deal

When it comes to rolling out broadband, one of the benefits of being part of a franchise is group bargaining power, so use this strength to negotiate a good price and a tailored solution. But be careful when assessing an ISP; a rock bottom price doesn't necessarily mean your group is getting the best solution.

Seven tips when shopping for a broadband provider

1 Approach two or three quality, business grade ISPs for quotes.

By doing this, you'll assess their flexibility and get a feel for their levels of service.

2 Consider the ISP's reputation, customer support levels and network quality.

Many franchise stores will become dependant on their broadband connection and the last thing they need is to lose sales if their Internet connection goes down. Make sure the ISP offers 24x7 technical support and look for a deal that includes a back-up connection in the event of an outage.

If you do need to use your redundancy connection, make sure the dial-in number, for all sites, is charged at local call rates. Leading national ISPs should provide a national dial-in number beginning with '019' so you're charged for a local call from anywhere in Australia.

3 Ask about project management.

If you're rolling out a large network of five or more sites, it's important your ISP provides a project manager to keep track of all the connections being deployed. It generally takes two weeks for a business connection to be sold and then provisioned.

4 Make sure the ISP provides business grade technical support.

Even for franchisees working from home, ensure they're recognised as part of a large business group and get preferential treatment.

Also check that technical support phone numbers begin with '1300'. This will ensure all calls for support are local calls regardless of their location within Australia.

5 Ask for a broadband plan with high levels of included data to control monthly costs.

If members' broadband connections are subsidised by head office, you could request an aggregated data option. This allows sites to share data from a common pool, providing the ability to balance usage levels.

6 Ensure the contract length, which is typically 12 months, allows you to change connection speeds and levels of included data.

In most cases head office will deploy a large, extremely fast pipe to act as a gateway to other franchise sites. A typical head office broadband DSL connection will provide speeds of 1500kbps downstream and 256kbps upstream. Head office will also require a large amount of included data, say 22GB, in their plan.

An adequate connection for a franchise site would offer speeds of 512kbps downstream and 128kbps upstream, with 7GB of included data.

When any site goes over the levels of included data, the ISP will charge an excess data usage fee. You should check the plan terms to avoid any nasty surprises!

7 Stretch your group buying power further.

Ask for an employee discount plan so that all staff can experience the benefits of affordable, high speed broadband at home.