

## RESULTS OF THE 2021 FRANCHISING NEW ZEALAND SURVEY JUST RELEASED

SGL was a key sponsor of the survey conducted by Massey University on behalf of the Franchise Association of New Zealand. The results of the survey provide valuable insights on the size, impact, structure, strategies, challenges and opportunities of franchising companies in New Zealand.

On 7 December 2021 the results of the Survey were released and some of the highlights are as follows:

- There are 590 business format franchisors in New Zealand
- There is an estimated total of 32,300 units operating in business format franchises
- More than 156,820 are employed directly in business format franchises
- Sales turnover for business format franchises was estimated at \$36.8 billion
- Sales turnover for the entire franchising sector was estimated at \$58.5 billion
- 70% of franchise brands originated in New Zealand
- Online sales grew tremendously with now almost 80% of brands engaging in online sales
- More than 20% of franchisors have entered international markets
- 90% of franchise brands return profits back into the community
- Almost two-thirds of franchisors identified environmental sustainability and ethical supply chain examples, with the principal examples being enforced recycling of materials, waste minimisation programmes and hybrid car use
- Only 18.5% of franchisors were involved in a substantial dispute (with one or more franchisees) in the past 12 months
- COVID-19 brought considerable disruptions to trading, greater stress and mental health considerations, adjusted hours of operation, supply chain interruptions, significant sales reductions and many other issues

The data in the Survey provides a reliable source of information about the New Zealand franchise sector. Massey University was pleased to collaborate in this important research with the FANZ, the peak body of franchise representation, and SGL was proud to be a key sponsor.

Stewart Germann/Khushbu Sundarji  
December 2021

# SGL

**STEWART GERMANN LAW OFFICE**  
Lawyers, Notary Public

### Principal

Stewart Lloyd Germann  
B.Com, LL.B, FCIS, CFinStD, CFE, Notary Public

### Senior Associate

Khushbu Sundarji  
BA, LL.B

Ground Floor, Princes Court  
2 Princes Street, PO Box 1542  
Auckland, New Zealand

Telephone 09 308 9925  
Facsimile 09 308 9922  
Email [stewart@germann.co.nz](mailto:stewart@germann.co.nz)  
Web [www.germann.co.nz](http://www.germann.co.nz)

