

# Case Study

## 7 Eleven.

*7-Eleven is the largest operator and franchisor of convenience stores in the world, currently selling 500 million litres of petrol, \$500 million of merchandise and serving almost 80 million customers worldwide.*

### The Business

7 Eleven in Australia has experienced significant growth since its first store in 1977.

In 28 years 7-Eleven is now looking to open its 400th store. The 7-Eleven brand and business model offer a valuable trademark that is recognised worldwide, a tried and tested system and a globally accepted franchise concept.

### The Challenge

In Australia, 7-Eleven has become a very successful franchise system offering the right franchisee a business system and a ready-to-operate store that understands the needs of the customer.

Like many mature franchise systems, 7-Eleven needed to take stock of its success in Australia, by ensuring that its systems and procedures reflect industry best practices.

The basis for success in any franchise system so often comes down to the quality of the franchisees, a factor that is particularly relevant to 7- Eleven.

With a view to the future and continued success of the franchise system, 7 Eleven decided that an audit of the franchisee recruitment process was required.

### The Solution

DC Strategy experience in the franchising sector put the company in an ideal position to assist 7- Eleven in this process.

DC Strategy implemented a mystery- shopping program with DC Strategy team members posing as potential franchisees.

Each member went through the 7-Eleven recruitment process, documenting the team member's experience at each stage. This allowed the DC Strategy team members to get a real insight into the process from a practical perspective.

The DC Strategy team highlighted both areas of strength and areas of the process that needed development. Each team member participated in the process until the point of final offer.

### The Outcomes

DC Strategy's work allowed 7-Eleven to critically assess one of its most important processes and ensured that the quality of new franchisees is maintained, further consolidating 7-Eleven in its current market leader position. The main outcomes for 7-Eleven were:

- A chance to independently and objectively assess its current franchise recruitment process
- 7-Eleven can now fine tune its recruitment process in order to maintain its position as a market leader and recruit the best franchisees
- Benchmark 7-Eleven's current position against industry best practice
- Identify areas for current development and establish strategies to enhance the franchise recruitment process

### Where are they now?

More than 700 stores are located in neighbourhoods across Victoria, New South Wales, ACT, Queensland and Western Australia.

- 7-Eleven Australia's estimated annual revenue is currently \$452.9M per year.
- As of January 2020, there were over 70,200 7-Eleven convenience stores in operation around the world. 20,988 of these stores were located in Japan, making it the country with the most 7-Eleven stores globally.

