



Plug the revenue leak—

How to connect and grow your restaurant franchisees



There's revenue leak in franchise restaurants...

Total franchise output in the United States, such as personal services, restaurants, retail, and commercial and residential services, amounts to nearly

\$900 billion...

...that's almost 3% of the country's gross domestic product (GDP).¹

There are more than **33,800** franchise restaurants in the US alone.²



Combined, the 200 largest restaurant franchises take more than

\$53 billion

in annual revenue...

...with the top five each exceeding \$1 billion in annual sales.³

These numbers may seem impressive...

...but were it not for revenue leakage, they could be so much better.



...and disconnected processes are turning it into a flood.

Revenue leakage refers to income you've earned that, for unintended reasons, **isn't captured on your bottom line.**

It's estimated that businesses lose 1 to 5% EBITA each year due to revenue leakage.⁴

For franchises, limited real-time integration between franchisor and franchisee systems is a common cause.

And here's why:

- Poor visibility into franchisee performance, contracts, and obligations
- Inconsistent sales data used to calculate franchise royalty fees
- Costly, manual tracking and reporting that delay billing and receivables



So, let's put a plug in it.

In response, many franchise chains—including some of the largest in the US—have accelerated their journey to a **modern accounting hub** that:

- Connects teams and centralizes operational visibility
- Streamlines complex, end-to-end financial processes
- Automates routine sales reporting and fee collection
- Improves reporting, planning, and offers trend analysis to facilitate real time decisions

This hub also unites the entire organization around a **single source of truth** for accurate, real-time insights into franchisee sales and performance.

Introducing Cognizant® Franchise Collaboration Hub

Based on **Oracle Fusion Cloud ERP** and **Oracle Cloud Infrastructure**, the Cognizant® Franchise Collaboration Hub simplifies even the most complex franchisee and franchisor operations.

And with its **user-friendly web portal**, even non-technical users can:

- Capture and report franchisee sales data and performance
- Systematically calculate contractual fees for accurate billing
- Generate accounts receivable (AR) invoices and enable fast franchisee payments

Plus, its **intelligent data mining framework** gives you the insights you need to **predict sales fluctuations** and **acceptable variances.**



Thousands of restaurants served...

A global multi-brand restaurant with more than

10,000+ restaurants and **1,000+** franchisees across more than **25+** countries

chose Cognizant® Franchise Collaboration Hub to...

- standardize key financial processes
- enhance planning and forecasting
- and accelerate mergers and acquisitions.

...and you can be next.

Streamline, automate, and scale your global franchise operations with a leading integration partner for cloud modernization.

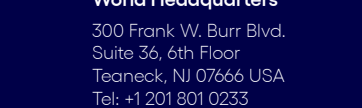
And with the Cognizant Cloud Accelerator asset suite, we can fast-track your Oracle Fusion Cloud ERP and Oracle Cloud Infrastructure transformation with zero downtime and up to **35% automation of manual effort.**

Get in touch to learn more.

¹ <https://www.franchise.org/sites/default/files/2021-02/2020%20Franchising%20Economic%20Report.pdf>
² <https://www.statista.com/statistics/216729/franchise-4-are-the-most-common-restaurant-franchise-sectabillagments>
³ <https://www.franchisetimes.com/top/2023/20FT%20Restaurant%202003WEB.pdf>
⁴ https://www.ev.com/en_us/consulting/revenue-leakage-how-do-you-identify-revenue-leakages-in-your-co

About Cognizant:

Cognizant (Nasdaq:100, CTSI) engineers modern businesses. We help our clients modernize technology, reimagine processes and transform experiences so they can stay ahead in our fast-changing world. Together, we're improving everyday life. See how at www.cognizant.com or @cognizant.



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