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Business Intelligence for Growing Franchisors

Q1 | 2021



21 for '21

8th annual women's issue



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Menchie's mySmileage Loyalty Program Case Study

Since 2010, Menchie's partnered with POLN8, powered by Franchise Payments Network (FPN), to achieve multiple goals: enhance the brand experience for the guest, generate higher guest spending, and bring back guests who haven't visited recently. In collaboration with POLN8, Menchie's mySmileage has developed into an easy, fun, and smart loyalty program that has exceeded Menchie's goals and expectations which is why they still partner with us today.

Comprehensive Approach

mySmileage needed to gain robust data and create incentives to boost guest performance. More importantly, the guests' perceptions and experience was a primary focus throughout the development process to ensure that mySmileage was widely adopted and valued. Specific criteria for the launch of Menchie's mySmileage guest loyalty program included:

Build guest database for marketing	Increase average ticket & guest frequency	Integrate national email program into loyalty
Simple to use for team members & guests	Automated marketing based on activity	Fully integrated with point-of-sale systems
Track guest activity — visits & spending	Monitor sales results, measure program ROI	

Incremental Revenue

Loyalty members spend more than non-loyalty members.

mySmileage check average is +17% higher than non-members.

Looking at ticket lift on loyalty transactions, mySmileage has generated over \$84,000,000 incremental sales lifetime, system-wide. Additional revenue gains are realized from increased guest frequency — average visits per guest have increased by 50% over time.

Seasonality Balance

Loyalty program offsets seasonality decline.

Guest traffic has increased during the traditional off-season due to mySmileage members visits and spending activity. mySmileage drives incremental visits even in the slower months!

Missing Guest Campaign

On a daily basis, the loyalty platform sends an automated email to guests that have been missing 30-60-90 days, based on their last transaction. The platform loads a corresponding \$1/\$2/\$3 bounce back incentive onto the member's account, and expires it in 7 days. Redemption is handled through the POS, simple for guests and team members. **This campaign wins back guests in the 21% range, and most guests continue to visit after win back.**

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21 for '21

Written By **KERRY PIPES & EDDY GOLDBERG**

It's exciting to begin each new year highlighting the stories of some of the most successful female leaders in franchising, in their own words. We've finally turned the corner on 2020 and all it wrought, and are proud to present "21 for '21," women who represent diverse leadership roles at brands large and small and in different sectors.

Think of them as Female Fast Risers (FFRs) who have moved up the leadership chart in their respective disciplines. We selected women serving in marketing, development, technology, operations, and more, including some founders and CEOs. We think it's a great collection of high-powered women with a lot to say—especially to younger women looking to build a career in franchising.

We asked what first attracted these women to franchising. Some said they always wanted to be in franchising, while others said they had never even considered it. They described their first job in franchising, talked about their successes and the challenges and obstacles they had to overcome on their journey, and where they still want to go.

Their stories are filled with twists and turns as they describe their individual journeys and how they see their future. Finally, we asked them to provide advice to aspiring female franchise leaders looking to follow their footsteps into leadership roles of their own someday.

Elsewhere in this issue writer Helen Bond explores the role of technology in franchise consumer marketing: how it was changed

by Covid-19 in 2020, and where it's likely headed in 2021 as marketers continue to seek the most effective ways of reaching and engaging with consumers—despite the ongoing health and safety protocols that continue to accelerate changes to traditional marketing approaches, strategies, and tactics.

Her interviews with several brands reveal how they are using technology in new ways and the importance of going local as critical components of consumer marketing in 2021. Technology-fueled messaging strategies and a focus on hyper-local loyalty and retention campaigns are expected to dominate marketing in 2021, as brands with tight or shrinking budgets seek to optimize the experience and results at each location. But marketers, as ever, are finding innovative, creative solutions. As Bond notes, "After throwing content calendars by the wayside for much of 2020, franchise marketers are forging into the future with an uncertain forecast, but emboldened with agility."

The rest of the issue is filled with timely interviews, profiles, and contributions from some of the best minds in franchising. From lead generation and recruiting to consumer data trends and real estate, there's plenty to learn from in these pages as we all work to turn our fortunes around after a very difficult year.

Once again, we salute successful female franchise executives, their accomplishments, and where they see themselves next, and look forward to their next moves. Onward and upward! Excelsior!





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Glen Snyder, CDO
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21 FOR '21

Female fast risers share their journey (It's getting better all the time!)

Each year, beginning in 2014, we've dedicated our first issue of the year to Women in Franchising. We asked 21 female franchise leaders ("fast risers") a set of questions intended to show readers what they do, how they got there, and where they're headed—along with some personal and career advice and encouragement to women looking to make their own mark in franchising in the years ahead. Based on their responses, we created some fun stats from this year's group of female franchise leaders:

Age: From 23 to 56, with an average of 37

Title: Across the board: founder, CEO, president, COO, CMO, CIO, CDO, and various other roles in franchise development, marketing, training, technology, and real estate

Years in franchising: From 4 to 16, with an average of just under 10 years (which translates into more than 200 total years of franchise experience!)

Units: 9,153 total, from 6 units to more than 2,000, with an average of 436

Industry: We made sure to select women working in different industries, from service brands to food brands.

We hope our 21 for '21 selection will inspire women aspiring to grow in franchising, even during these highly challenging times. Women clearly have made strong inroads in many roles at franchise companies, a trend we wholeheartedly applaud and support. Our own advice to women seeking a career in franchising's upper echelons? Go for it!





COURTNEY ALLISON, 36

Vice President of Operations

Brand: **Sola Salon Studios**

Years in franchising: **10**

No. of units: **545**

What attracted you to franchising? I grew up in a family of entrepreneurs. My mom and dad owned and operated their own small business, so I grew up dusting retail shelves, managing inventory, and interacting with customers. I've always loved and appreciated the entrepreneurial spirit, and that is what attracted me to franchising. I love that franchising can provide people with a piece of the American Dream. Sola is a brand I immediately fell in love with because I get to support franchisees' dreams, and the franchisees get to support the entrepreneurial dreams of thousands of beauty professionals.

What was your first job in franchising? When I worked for American Blue Ribbon Holdings, we were primarily corporate-owned with a small percentage of franchised units, so that was my first experience supporting franchisees. After that, when I had the opportunity to go to Famous Brands International (Mrs. Fields & TCBY) and work more directly with franchisees, I jumped at the opportunity.

What do you attribute your success to? I had a couple of really great mentors early in my career who had very high standards of excellence and taught me so much about business and operations. I still hear their voices sometimes. And now I get to look for opportunities to be that person for some of my younger employees and co-workers.

What challenges and obstacles have you overcome in your career? The biggest obstacle for me is balancing being a mother of small children with the demands of work. I have three kids, 7, 4, and 4 (yes, twins!). There are times when I'm all-in on work, and there are times when I'm all-in on my kids. This year especially tested my ability to manage remote schooling, childcare, supporting franchisees through shutdowns and losses, and keeping my team focused and positive. I learned a lot of humility and know that the things I learned this past year professionally and personally will stay with me my entire career.

Describe your journey to your current position: My early career was spent working in retail operations and higher education. I loved teaching and made the transition to corporate training, where I first started interacting with corporate and franchise units. As I continued to gain experience, I found myself in multiple roles wearing different hats in training and operations. I came to Sola Salon Studios just over 5 years ago as director of training and support. Sola had just experienced a massive period of early growth and needed additional training and support systems for its franchisees. At that point, we had around 250 locations, and I've had the joy of supporting the brand's continued growth to nearly 550 locations. Though 2020 was an incredibly tumultuous year, I was promoted to vice president of operations in July and have spent the year building the operations team. It's been a privilege to grow with a company and brand I love.

What are your future career goals? I want to continue working in leadership roles with brands that are fiercely committed to supporting franchisees.

Advice to young female executives in franchising: Surround yourself with smart people! Look for mentors you can learn from, and strategically hire people who are smarter than you. ■



TIFFANY BETTS, 41

Brand Marketing Director

Brand: **Pizza Inn**

Years in franchising: **10**

No. of units: **150+**

What attracted you to franchising? The entrepreneurial spirit that was attached to franchising. Franchising grants individuals the ability to be their own boss while also having a support system. This was the most appealing element to me.

What was your first job in franchising? Field marketing coordinator at Papa Murphy's Pizza. This was an entirely new position the brand had created for the central region locations and was an immediate immersion into the franchise world. I had direct day-to-day contact with all store franchisees and worked to innovate and support their local marketing efforts by strategizing new ideas and helping implement current ones. This role solidified my passion for franchising and helped me realize how much I wanted this to be my long-term career path.

What do you attribute your success to?

The key to my success has always been the way I approach and tackle a brand when I first start a role. I learned this strategy from my first director at Papa Murphy's, David Schauer. The key to being successful in any role is learning the brand inside and out, developing relationships with your cross-functional teams, and knowing from day one that no question is off the table. I've been successful in my roles because I don't allow myself to ever think I know everything. I am inquisitive and always ready to learn something new.

What challenges and obstacles have you overcome in your career? Cultural environment is vital as you progress in your career. Sometimes there can be limited viewpoints as companies and departments can lack a diverse think tank, compared with where there's a melting pot of ideas and strategies based on different cultures, education, and overall life experiences. You realize that your voice and perspective matter and are important. The management and executive structures during your career can be male-dominated, and one of the obstacles for me is making sure to speak up, not hesitate to share and suggest a different perspective, and bring my ideas to the table. I challenge myself daily to show my passion and emotion for the brand mission, because passion is key to company growth.

Describe your journey to your current position: I started in the franchise world as a field marketing coordinator at Papa Murphy's Pizza. This role set the tone for my development plan because I knew I would end up in franchising long term. I spent 4 years at Papa Murphy's completely immersed in franchising and learning the ropes of local store marketing, franchise operations, and media strategy for specific regions. Because I am always seeking more opportunities to learn, I took a break from franchising to work at the University of Phoenix and explore the digital advertising world. Here I learned about strategic digital marketing and national brand marketing development. When I came back to franchising, I knew that wherever I worked I had to be able to champion the brand on a normal day, and that's why I started at La Madeleine as a field marketing manager. I then moved into a leadership role at Pizza Inn, and the past 4 years there have allowed me to grow in a multitude of ways. In 2019, I reached the executive level and was promoted to brand marketing director. Achieving this milestone in my career was a true honor because I knew my team valued me as a partner and major contributor to the brand. This past year I grew in my role and continued to support and lead the marketing efforts for more than 150 locations across the country.

What are your future career goals? My goals for 2021 are to focus heavily on what I can do for Pizza Inn's long-term success. This year has established a new normal in franchising, and my team needs to help adjust and stabilize our franchisees. My goals are centered around helping each franchisee restore their revenue and community base to as close to where it was before the pandemic.

Advice to young female executives in franchising: Ignore the noise. Be resilient. Know that you can plan as much as you want, but you have to be open to the reality that things will change, and that as a leader you must be up for the challenge to jump into action and be ready to adapt. Also, as a woman, remember to use your voice and bring your unique perspective to the table. Support other women and build on each other's successes. We can all learn from one another and create something special. ■



KAYLA BRAMLET, 23

*Director of Education and Training
(corporate), studio owner*

Brand: Frenchies Modern Nail Care

Years in franchising: 5

No. of units: 30

What attracted you to franchising? As cheesy as it may sound, Frenchies Modern Nail Care attracted me to franchising. I began working for the franchise when I was 17. I didn't know much about franchising—or what I wanted for a career at that point in my life. However, I had just received my license to be a nail technician and stumbled across Frenchies, which felt like a dream job as a nail technician joining the industry. This salon attracted me to franchising because they have a vision of revolutionizing the nail care industry, and what better way to do this than with a franchise? At the time, a clean and healthy nail salon dedicated to providing an amazing guest experience across the nation did not exist. I have a burning passion for this industry and was so excited about how this franchise is changing—and is going to change the industry.

What was your first job in franchising? Helping train nail technicians and concierge staff as Frenchies opened new studios.

What do you attribute your success to? In many ways, I attribute my success to passion. I have a passion to lead, guide, and develop young professionals in the beauty industry. This passion drives me every day and is what has helped me push through difficult times. The passion is what helps me get up every day and lead not only my team, but team members across the nation with Frenchies!

What challenges and obstacles have you overcome in your career? One of the biggest obstacles in my career so far has been my age. I began managing the original Frenchies Modern Nail Care at 19. Many did not take me seriously, assumed I didn't know what I was talking about, or discounted me as a manager altogether. For many years I felt the need to constantly prove myself as a young woman taking on a leadership role. To this day, my age continues to be an obstacle. As an owner of a Frenchies studio, we do a ton of community networking, where I continue to feel the need to prove myself because of my age. I get questions such as, "Do your mom and dad help you run the gig?" or "You're just a baby, you'll see." But the biggest obstacle is actually when people just ignore me altogether with the assumption that I am not qualified to be where I am. While this has been my biggest obstacle, I want to emphasize "so far." Covid-19 has already surpassed this obstacle as one of the toughest things I have had to overcome in my career, especially as a studio owner.

Describe your journey to your current position: I began working for Frenchies as a nail technician when I was 17. I have loved doing nails since I was a little girl and had always dreamed of owning a salon. My "plan" was to work for Frenchies as I went to college to help pay for school. Little did I know this is where my career would begin. The longer I worked for Frenchies, the more I became interested in the way the business was run. I started asking the founders for more projects and things I could do to learn more. After some time, I worked my way up to managing the location. During my role as manager, the Frenchies franchise had really started to grow, and I made sure to express my interest in training and developing professionals who join the Frenchies family. As the franchise grew, I transitioned from a studio manager to a training position. I worked hard to grow my training skills and knowledge of franchising to become director of education and training. And in November 2018, I became a studio owner in Lakeville, Minnesota!

What are your future career goals? I have a true passion for the beauty industry and, ultimately, this is where I want to be. I want to expand opportunities to grow individuals in this industry both personally and professionally. I picture owning a few more Frenchies locations for certain, but I don't know exactly what that path looks like yet. My main goal is to expand my access to individuals in this industry to, again, help develop them. Unfortunately, the beauty industry, nails specifically, is a fragmented industry where employees aren't treated fairly. I want to change this. Individuals in this industry choose a profession they *love*, care about, and enjoy doing. I believe we need to praise them for this and help them develop this passion and love into a career, instead of looking down on the industry professionals for "not attending college" or "not having a real career." This multibillion-dollar industry is a career, and a great one at that!

Advice to young female executives in franchising: When you are passionate about something, nothing can, or will, stop you. Franchising gives you the opportunity to make a huge change in an industry. Light up your passion, show your passion, and allow this passion to lead you. It will get you through obstacles, weeks that feel never-ending, and certainly that voice telling you "no." Allow your passion to lead you. ■



ARIANA CHERNIN, 36

Co-founder, Co-CEO

Brand: **The Barre Code**

Years in franchising: **10**

No. of units: **44 in 17 states**

What attracted you to franchising? As co-founder and co-CEO, I am passionate about the product. My business partner Jillian Lorenz and I started The Barre Code in a basement in downtown Chicago in 2010. Our unique fitness concept had a fanatic following right off the bat. When we started, we had a grander vision to have a positive impact on women worldwide, and that hasn't changed 10 years later. We had clients who were moving to places outside of Chicago and didn't want to leave because they loved our brand too much. We also had clients asking if The Barre Code could "come with them," which aligned with our vision to have an impact on women worldwide. That's when we knew franchising was the right next step for us. Franchising our concept allowed individuals to invest in themselves while also having a positive impact on those around them.

What was your first job in franchising?

I've done it all and we have bootstrapped our growth from the very beginning—everything from teaching classes to focusing on the marketing and branding of our business, while also helping with the growth and acquisition of clients and new franchisee development. The list goes on! Today, we manage things differently from when we started, and now I share more of a strategic role as co-CEO with Jillian. By knowing, living, and breathing so many facets of the business, I bring a unique perspective as a franchise executive and a franchisor, while also being an owner myself.

What do you attribute your success to?

I've always had a strong work ethic, but I have been able to find success only when I truly feel what I am doing is purposeful. Passion, of course, is important to me. That ebbs and flows no matter what in life, but if you feel there is a purpose to what you do every day, it fuels you to keep pushing. I truly believe that what I do makes a difference! I can speak with a level of depth and knowledge in my industry when I don't just repeat someone else's playbook. I can speak from real experience and have input from various field roles and can ultimately add substantial value.

What challenges and obstacles have you overcome in your career? So many that it can be easy to feel down! We all have bad days. When you're a leader or CEO, others turn to you when things don't go as planned, or to fix problems. Because of this constant, you can naturally be affected by negative energy, but it's important to look at these challenges as "Fins": failures that can turn into wins by learning from them. You set the example from the top down, and it's important to always remember that as you work with everyone in your ecosystem. Energy is contagious, so you need to always be aware of this as you react and lead.

Describe your journey to your current position:

It was not only the path I've described with many different roles and responsibilities, I also underwent a mental journey of self-confidence. As you grow in your career, there comes an expectation of more expertise. I'm still on a journey, but along the way I challenged myself to get out of my comfort zone—to read as much as I can to learn in my field, observe others, listen to podcasts, and reach out to as many people as I can who can mentor me to grow and level up my skills.

What are your future career goals?

I would like to continue to learn from other leaders and industry titans and not be stuck in "how we do things at The Barre Code." As our world changes, my goal is to continue to inspire others and create the best systems we can to better all of our franchisees. I'd also like to continue mentoring other women who are interested in investing in themselves and their mindsets and discover ways to help them grow to their potential and find their voice and value.

Advice to young female executives in franchising:

Don't fall victim to the "imposter syndrome," which is the feeling of self-doubt, insecurity, and incompetence, despite evidence that you *are* skilled and successful. You have what it takes! Find your voice, speak up, and don't second-guess yourself. It doesn't matter if you are "younger," "look different," or are the only female in the room! You're authentic, so continue to find the authority and confidence in your own voice. ■



CARISSA DE SANTIS, 39

Chief Information Officer

Brand: **Dickey's Barbecue Restaurants**

Years in franchising: **15, 1.5 at Dickey's**

No. of units: **500**

What attracted you to franchising? I grew up working in the restaurant industry and started on the operations side. My father worked for Darden and was part of the team that opened the first Olive Garden, so restaurants are in my blood. I really enjoy working with all of our talented owner operators and helping individuals achieve their dreams of owning their own business. My role is really focused on providing tools to harness the data to run an efficient and profitable business.

What was your first job in franchising? My first foray into franchising was during my time at TGI Fridays when I was opening and training new franchise locations. I actually spent the first half of my career in operations. It wasn't until I was offered the opportunity to retire from the field and move to IT that I made the switch. My experience in operations has given me a unique vantage point that has proven to be invaluable when building technology that's useful and beneficial in practice at our stores. I believe that, when maximized, technology can have a positive impact on both the guest experience and the operator's bottom line.

What do you attribute your success to? I'm typically not the loudest voice at the table, but I think my accomplishments demonstrate that if the work is good, it speaks for itself. The restaurant space is highly competitive and full of incredible talent. So it's important to remember that your output is what you're judged on, and if you focus on that everything else will fall into place. Our Technology Advisory Committee is a great check and balance for me. Our owner operators are in their restaurants every day wearing all hats at once, so their input during our tech tests has been extremely influential and a big part of our success.

What challenges and obstacles have you overcome in your career? In the restaurant industry, franchisees have traditionally been behind the curve in technology and the trends, so I've really had to lean heavily on my operations background to relate to the benefits of investing in the upcoming or unknown to advance our business and industry. Last year brought forth a lot of changes for everyone. In March it really became evident that the world was different and that we needed to react more quickly than we ever had before. In only 3 months, my team and I completely overhauled and

redesigned Dickey's e-commerce site to optimize functionality for mobile users. The upgraded site features enhanced speed and performance, an elevated user experience with fewer clicks, and an easier navigation to follow, all of which contributed to a 42% increase in Dickey's digital sales and a 122% increase in site traffic. The pace was fast and furious, but I'm incredibly proud of what we've accomplished.

Describe your journey to your current position: I received my degree in hospitality management from the University of Central Florida's Rosen School of Hospitality Management. I spent more than 20 years in the restaurant industry at TGI Fridays in both operations and technology and served in various leadership roles. In 2019, I met Laura Rea Dickey at a hospitality technology conference. She was being honored with a lifetime achievement award, and I was named a Rising Star on their 2019 Top Women in Restaurant Technology list. I was really inspired by Laura and excited for the opportunity to work on a rapidly growing brand led by a woman who believed in technology. In June 2019 I joined Dickey's as vice president of information technology and have had the opportunity to take ownership of Dickey's technology platforms and digital assets. Over the past year and a half, my track record of results has earned me the position of CIO.

What are your future career goals? I am excited about artificial intelligence. I believe that connection and automation—for example in kitchens or order processes or even scheduling—allow restaurant team members to redirect their time and efforts back to quality and culinary innovation. We've scratched the surface with this type of technology at Dickey's to improve our back-of-house processes. However, the advancements being made in AI are outpacing most everyone's expectations, so I'm looking forward to using my role to bring new technology and advancements to our company.

Advice to young female executives in franchising: Don't be afraid to try and just go for it. Every great initiative started with an idea. Test things out and if they fail, try again. We are living in a world where almost anything is possible. It is a very exciting time. ■



SOMIA FARID SILBER, 27

Vice President of eCommerce

Brand: Edible Brands

Years in franchising: All my life

No. of units: U.S. & Canada, 972;
international, 6; corporate, 6

What attracted you to franchising? I grew up in franchising. Some of my earliest memories are visiting franchisees across the country with my dad. What I love about franchising, especially for a brand our size, is how integrated our stores and franchisees are in their communities. Our nearly 1,000 locations are all locally owned and operated by small-business owners who care and understand their neighborhoods. They are bringing joy to people by way of fruit gifts and treats. It's so special to be able to have the small-business feel while being a national and international brand.

What was your first job in franchising? I started working in the Edible store when I was very young. I would go after school and with my dad on weekends. In the beginning, I spent most of my time in the back of house dipping strawberries and wrapping arrangements. By 13 or 14, I started taking orders over the phone. These early days were really important because they taught me so much about customer service. Most customers called to buy something that was going to be a gift, which made the ordering process so much more special because all I wanted to do was help them find something that was going to wow the recipient, no matter the occasion. I learned so many little tidbits, like "Always smile when you're talking on the phone because the customer can hear it in your voice." I also learned the idea of wowing every customer, which is still core to our business today.

What do you attribute your success to? First and foremost, I have an amazing support system. My husband, parents, and siblings are extremely supportive and encouraging. Second, I get to learn and absorb knowledge from my dad on all things Edible, entrepreneurship, and the ins and outs of running a business, which has really helped me excel in my career. Third, I would say that I am very goal-oriented. It's important to me that I have personal and professional goals going into every year to help me stay grounded, and also to help me understand at the end of every year how I have grown.

What challenges and obstacles have you overcome in your career? Two challenges and obstacles I think have had the most impact. First, I've had to learn when to let

things go and that I can't get everything done myself. Over the years, I've learned to build effective relationships with peers, as well as how to delegate responsibilities to team members. It took me time to learn how to do this effectively, but it has changed how I approach my work and day-to-day responsibilities tremendously. The second is more of a personal challenge. I have had to learn over the years that my age should not get in the way of how I work and present myself. I went through a period when I felt that I wasn't prepared or ready to excel and take on more because of my young age. Once I let this go and focused on my growth instead of what other people thought, or even my own thoughts on how I may not be able to do something, I've been able to excel and find myself happier with how I approach my work.

Describe your journey to your current position: In 2018, I started leading Netsolace, the IT arm of Edible. In this role I was leading project management and product development across all of Edible's IT applications, from the e-commerce platform to the POS system in our stores. In 2019, I transitioned into my current role. It was pretty seamless for me to go from managing the back-end systems to leading the team generating traffic and transactions on edible.com.

What are your future career goals? Edible is my family business. I've grown up with the brand, and it's been so incredible to see how it's evolved over the years. I am thankful to have had the opportunity to learn so much from my dad by watching him in action over the last few years. He's worked hard to build the company from the ground up, and I am excited to continue growing it to new heights. I look forward to leading Edible Brands one day.

Advice to young female executives in franchising: My biggest piece of advice would be to set personal and professional goals, but to make sure they are flexible. Having goals for the year and beyond is a great way to understand how you're progressing and reaching milestones. I love to look back at my goals from my first couple of years into my professional career and see how far I've come and how different it is from where I am today (in a good way). ■



RACHEL FRAZIER, 32

Marketing Director

Brand: **Stratus Building Solutions**

Years in franchising: **6**

No. of units: **2,195 unit franchisees, 57 master franchisees**

What attracted you to franchising? The relationships. I get to interact and work with people across the country and all over the world. My passion has always been travel, so it's interesting to get to know more about different areas and people. It's also been exciting to watch the company continue to expand, and to consider how many people the Stratus brand and our marketing efforts affect directly each day in a positive way.

What was your first job in franchising? Entry-level marketing coordinator and executive assistant at Stratus Building Solutions 6 years ago.

What do you attribute your success to? I tend to rely on honesty while also being assertive, and that's worked well for me. I find that if you tell people exactly what you want and expect, you are more likely to reach your marks because there isn't a gray area. It can be a tough balancing act in business and dealing with so many different personalities, but I work hard to make sure to build positive and respectful relationships with my co-workers, vendors, and franchisees—all while striving to reach goals set for the company as well as for myself.

What challenges and obstacles have you overcome in your career? The biggest challenge for me has been learning how to work with the different personalities that come with franchising. You really have to know how to satisfy a wide variety of needs, from

people who are just starting out to established franchisees, and from people with a lot of experience in your area or none at all. It's been a game of trial-and-error at times.

Describe your journey to your current position: I started out at a low-level position at Stratus in the early days of the new corporate ownership. We didn't have a marketing department and I saw that as an opportunity to grow. We were able to create this department, and I am so honored to get a chance to lead it and help Stratus increase its footprint quite significantly over the years. Today, I am the lead for the marketing department, responsible for design and implementation of the company's overall brand and marketing strategy, including but not limited to increasing lead generation, brand awareness, and market share in the franchising and business services space.

What are your future career goals? I have always had a drive to own my own business, even before seeing the benefits directly when I entered the franchising world. I would love to explore opportunities in consulting, and even teaching.

Advice to young female executives in franchising: Don't be afraid to not be liked. Respect is all you need. Women are often concerned with how they are perceived, but it can be hard to succeed in business and achieve your goals if you are constantly worried about what others think of you. Focus your attention on what's important and all of the rest will fall into place. ■



TARA GILAD, 46

President, Co-Founder

Brand: **Vitality Bowls**

Years in franchising: **6**

No. of units: **76 open; 146 total open and in development**

What attracted you to franchising? Our first few locations were well-received and we wanted to bring our healthy food to more communities. We felt everyone should have access to nutritious and delicious superfoods with a focus on allergy safety.

What was your first job in franchising? I worked at a Round Table Pizza in college.

What do you attribute your success to? Identifying a healthy menu that is also delicious, along with having talented and dedicated team members.

What challenges and obstacles have you overcome in your career? Being a female in a male-dominated industry as well as going through a pregnancy and raising two children while growing an expanding business. It was also challenging to find a work/life balance when we started. In the last couple of years, as we've grown and been able to bring on more team members, I've finally achieved this.

Describe your journey to your current position: I started creating recipes in my kitchen before we opened our first location in 2011. We opened our second location 5 months later, and our third a year later. We began franchising in 2014 and today have 146 locations either open or in development.

What are your future career goals? To maintain my current role as president and continue to expand the company and bring healthy foods to all communities. Since fewer than 10% of brands ever launch more than 100 open stores, it has been a personal goal for me to try to achieve this by 2022.

Advice to young female executives in franchising: Find something you are passionate about and give it all you have! Be willing to stay flexible, focused, and driven. ■



BRITTANY JOHNSON, 32

Chief Marketing/PR Officer

Brand: **Our Town America**

Years in franchising: **7.5**

No. of units: **62**

What attracted you to franchising? The Our Town America business model is what initially attracted me to franchising. The idea that local franchise owners across the nation work with business owners in their own communities to welcome new residents to the area while, in turn, helping the local economy thrive was appealing to me—and still is. So often, national brands are top of mind for consumers because of the many advertising avenues out there that require a big marketing budget, so I loved that this model gave small-business owners a chance to attract those new customers with a friendly neighborhood welcome.

What was your first job in franchising? An internship with Our Town America as the social media marketing coordinator. I've been lucky enough to stay with the company to this day and am now the chief marketing/PR officer.

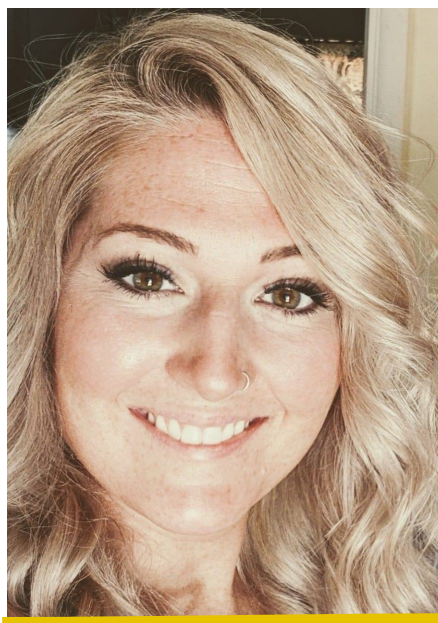
What do you attribute your success to? Doing marketing and PR for the nation's premier new mover direct mail marketing franchise requires you to be open to learning and applying new, current trends. While direct mail has been around for a very long time, this brand is always innovating and incorporating new technology and tools. So I'd say my success could be attributed in part to my ability to successfully convey and promote our innovation and new offerings.

What challenges and obstacles have you overcome in your career? Internet browser and social media platform algorithms are constantly changing, so it's a fun, ongoing challenge to keep up with that and ensure that our brand is staying ahead of the curve.

Describe your journey to your current position: I started as a part-time intern in the social media marketing coordinator role at Our Town America. Once my internship came to an end, I was asked to step into the role as a full-time employee. My position soon grew into one that encompasses not only social media, but also SEO, blogging, and marketing materials for our multiple direct mail offerings, as well as franchise development materials. I also work alongside our PR partner firm to launch and maximize coverage of local and national press opportunities.

What are your future career goals? My personal goal is to consistently excel and learn new industry trends. My short- and long-term goals for Our Town America's marketing/PR strategy involve expansion into all U.S. cities nationwide. It has become a passion of mine to inform all businesses of our marketing offerings as I see the incredible response to our unique programs firsthand: increased foot traffic, great ROI, and local economies getting stronger.

Advice to young female executives in franchising: Keep up with current trends, innovate, network, and work with a brand that resonates with you. ■



CLARE MOORE, 33

Head of Franchising

Brand: **Tide Cleaners**

Years in franchising: **8**

No. of units: **188**

What attracted you to franchising? I started in franchising at only 25 with Tide Cleaners. Franchising was a business model that I frankly knew very little about, and the challenge of learning something new was really exciting to me.

What was your first job in franchising? Administrative assistant at Tide Cleaners.

What do you attribute your success to? To hard work, dedication, and last but certainly not least, the amazing leaders and mentors I have been surrounded by throughout my career with Tide Cleaners. I have had the opportunity to work alongside individuals who always challenged me to think differently and to always strive for excellence. I have grown in ways I never thought imaginable because of this, personally and professionally, and it has taught me how to be a great leader for my team and my organization.

What challenges and obstacles have you overcome in your career? Tide Cleaners has been on quite the journey since I started with the organization 8 years ago. Using a franchise recruitment strategy that relied heavily on the strength of the Tide name (vs. store results), we have grown from one format option (plant store with a double drive-thru) and 14 stores into a network of more than 188 locations, 1,800 locker locations, delivery, campus services, multiple format options, and new innovations in chemistry and the way we care for clothes to become the second-largest dry cleaning franchise in the U.S. We're quickly approaching number-one and we're not done! I have overcome the adversity of constant change and helped to create something that I and our franchisees can be proud of. I've learned that change is hard and that to stay relevant change is constant.

Describe your journey to your current position: I've been in quite a few roles since I joined the organization. In 2013, I joined as an administrative assistant to the leadership team and quickly found my way into the franchising department, while still supporting the leadership team administratively. In 2014, I was promoted to franchising coordinator to take on more responsibilities within the franchising department, assisting with sales and compliance. I was promoted to franchising specialist in 2015; to franchising manager in 2016; to senior manager of franchising in 2017; and to director of franchising (head of franchising) in 2018. With my promotion to director in 2018, I also joined the leadership team. In December 2019, I decided that I wanted to become more involved in franchising and the IFA and went after my CFE. I applied for and was awarded the Irl Marshall Scholarship by the IFA, which paid my way through my certification, which I received in October 2020.

What are your future career goals? I would love to continue on my journey as a servant leader for this organization, provide for myself and my family, and maintain a healthy work/life balance.

Advice to young female executives in franchising: Franchising has historically been a male-dominated field, and I believe it is time for change. You and I can be part of that change, and we deserve a seat at the table. Join your local Women's Franchise Network, and if there isn't one, maybe you should start one! Speak up, be present, and be heard. ■

NOW IS YOUR TIME FOR GROWTH



Through challenging times, you've retooled to build smarter strategies to grow your business. We have too. At Franchise Update Media, we've reimagined our platforms to help you grow most effectively – by reaching your audience of franchisor decision makers everywhere they learn, share and collaborate.

That's why we created the 2021 Franchisor Growth Guide and can't wait to share it with you. This guide represents new and proven ideas to reach franchising leaders and grow your company faster.

YOUR GROWTH GUIDE INCLUDES:

- The latest metrics and proven results for getting your brand's message in front of decision makers at leading franchise brands
- Key trends and testimonials of success in reaching franchisors in creative new ways
- Ideas for leveraging our multi-channel Franchise Growth Platform™ to create a customized program including digital advertising, sponsored articles, customized email campaigns, conference exhibits and more

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Download your Franchisor Growth Guide today at www.franchising.com/franchisorgrowthguide, then reach out to sales@franchiseupdatemedia.com to build your winning 2021 growth plan!



TARA OSBORN, 46

Director of Marketing

Brand: **CMIT Solutions**

Years in franchising: **14**

No. of units: **240**

What attracted you to franchising? A couple of things. I was drawn to the ability to create a scalable business supported by systems that could be replicated. Also, the idea of helping others explore their dream of business ownership, while helping great brands gain exposure in new markets and to new people.

What was your first job in franchising? Co-founder of a sports retail franchise.

What do you attribute your success to? Persistence, a positive attitude, and a growth mindset. I stay passionate and focused on attaining the goals I set for myself. I believe anything is possible, but I know there is no shortcut to success.

What challenges and obstacles have you overcome in your career? At times, I've had to work twice as hard to demonstrate my value—not only because I am a woman, but because I'm also a fun-loving person. Sometimes it takes a minute for people to realize this gal means business!

Describe your journey to your current position: After my franchise business was acquired, I sought other franchise concepts where I felt I could apply my experience of developing a franchise from the ground up.

CMIT Solutions was a unique fit as there was an opportunity to create a robust marketing system to support franchisees with their local marketing and lead generation. I quickly jumped in, and within 5 months my team and I delivered a complete marketing system for franchisees to drive lead generation and brand awareness. We recently rolled out our second year of the marketing system with innovative improvements.

What are your future career goals? I want to continue growing and learning in the franchise space and beyond. Today, business is moving at the speed of light, and I enjoy staying on the cutting edge of marketing technology and consumer trends. I look forward to managing larger teams and large, audacious projects with great outcomes!

Advice to young female executives in franchising: Success is a journey, not a destination. Don't be afraid of a challenge. Take each obstacle as an opportunity to learn and grow into an even better version of yourself. Consistently make decisions that align with your values, and be willing to work harder than the people around you 90% of the time. ■



KELLY PARKER, 42

Director of Franchise Development and Real Estate

Brand: **Walk-On's Sports Bistreaux**

Years in franchising: **15, 5 at Walk-On's**

No. of units: **45**

What attracted you to franchising? I actually grew up in the franchising world. My father was a self-made franchisee with a QSR brand. I watched him grow throughout his career and teach, coach, and provide opportunities for others to share in his success. I never saw myself going into the business, but now I wouldn't change it for the world.

What was your first job in franchising? I worked in marketing for my father's QSR brand. It taught me so much and gave me the backbone I have today, separating family and professionalism, but also using that emotion and passion to drive my development today.

What do you attribute your success to? The people. Leaders and mentors I have met throughout my career, as well as the teams I have worked with. I am constantly learning and growing and surrounding myself with people I can learn from.

What challenges and obstacles have you overcome in your career? I have failed many times. I believe it's how you overcome failures that defines where you can go in the future. I have been on the franchisee side, and for several reasons it didn't work out. I think having humility and being able to learn from mistakes has been vital

in helping me grow into the position and person I am today.

Describe your journey to your current position: I was a franchisee before joining Walk-On's on the franchisor side. The experience I had on the franchisee side propelled me into the position I am in today. I came to Walk-On's with a marketing position, but as we grew the development side it became clear that's where I excelled. I am able to relate with our franchisees and potential franchisees because I have been in their shoes and have a true understanding of being a franchisee. This has gone a long way in my relationships with our franchisees!

What are your future career goals? I love seeing a potential franchisee become a franchisee, go through the development process, and get their restaurant open! It's amazing to watch their continued success because they believe in the brand and in their people. My career goal is to continue down the development path so I can celebrate the successes of our franchisees!

Advice to young female executives in franchising: Surround yourself and network with people in the industry. Don't be afraid of failure, learn from your mistakes, and constantly be open to developing yourself through people and education. ■



KRISTEN PECHACEK, 30

Chief Growth Officer

Brand: **MassageLuXe**

Years in franchising: **9**

No. of units: **69**

What attracted you to franchising? I have always been an entrepreneur at heart. The only thing better than owning your own business is helping others fulfill their dreams of entrepreneurship. To me, there is no greater joy than to provide a framework to someone that allows them to achieve their dreams. Regardless of what your franchise business is, your purpose to exist is so your franchisees can carry out your business purpose.

What was your first job in franchising? I worked on the marketing team for the Minnesota Vikings. Many people do not think of the NFL as a franchise at first glance, but it is! This role was my window into what life on the franchisor side would be like.

What do you attribute your success to? I live to work because I love what I do. Hard work and dedication are, of course, things you must have to be successful. Outside of those things, I have so many people to thank for their mentorship and friendship over the years. Without the relationships I have built in the franchise community I would not be where I am today. The great thing about franchising is that we are all in the same business of making our franchisees successful. Because of this we can learn from each other.

What challenges and obstacles have you overcome in your career? Like any business, franchising has peaks and valleys. You win and lose with your franchisees. The recent pandemic was not the optimal time for someone to start with a new organization, but the opportunity and trust within the leadership team and the MassageLuXe approach built my confidence to take the leap and not look back.

Describe your journey to your current position: I was introduced to franchising on the franchisee side with the NFL's Minnesota Vikings when I was 18. They were a client of mine after some success in a digital marketing consultation company I'd started at a young age. After a few years of working with them, I decided to take a full-time position with the company. I found the relationship between the franchisor and franchisee fascinating and made a move to the franchisor side with Self Esteem Brands a few years later. After 5 years there, I was introduced to MassageLuXe. I immediately fell in love with their approach to health and wellness and their corporate team's work ethic. They share my purpose in franchising. It is a perfect fit.

What are your future career goals? To make aspiring franchisees successful and to share my love and support for franchising in any way I can. My hope is that by continuing to help franchisees achieve success I will continue to be tasked with the responsibility of growing an organization.

Advice to young female executives in franchising: Wake up every day with an appreciation and understanding of what your franchisees have done. They invested into the work you are doing every day and are trusting you to build something they can flourish in. Take the time to get to know them and to build relationships with them. In doing so, you will start to approach your work and the decisions at hand differently. ■



CHELSEA PENZONE, 43

*Vice President of Brand
Management and Development*

Brands: **Strategic Franchising Systems (Caring Transitions, Fresh Coat Painters, The Growth Coach, Pet Wants, TruBlue Total House Care)**

Years in franchising: **9**

No. of units: **500+**

What attracted you to franchising? I was first intrigued by franchising while growing up in Columbus, Ohio, where brands like Wendy's, Stanley Steemer, and Donatos Pizza corporate headquarters were located. When I was growing up, my aunt and uncle owned several Donatos locations in Ohio, so I had some exposure to franchising through them. Eventually, I found myself working at Stanley Steemer, and that was where I really started to see the value of franchising.

What was your first job in franchising? Regional marketing manager at Stanley Steemer International. However, this role was focused primarily on corporate locations. I was eventually promoted to director of marketing and oversaw all national marketing functions for the entire organization, which included about 220 franchise locations and more than 60 corporate locations nationwide.

What do you attribute your success to? I have always been very focused on strategy and high-level planning. Although my specialty has always been marketing, I am very operationally driven and focused. I think this has helped me in franchising because I can easily relate to the challenges franchise owners face across all aspects of the business.

What challenges and obstacles have you overcome in your career? I spent my first few years working exclusively in the home services industry where the brands were male-dominated. As a young woman, it was definitely a challenge to be accepted and taken seriously in that environment. Fortunately, I think it set me up for future success and prepared me for most of the challenges I have faced.

Describe your journey to your current position: Most recently, I started working for Strategic Franchising, which consists of five unique franchise brands (Caring Transitions, Fresh Coat Painters, The Growth Coach, Pet Wants, and TruBlue Total House Care). In this new role, I shifted from consumer marketing to lead generation and franchise development, which was a bit of a transition. However, I am really enjoying my new role and feel that

my consumer marketing background has given me a different perspective for franchise development. I am extremely lucky to have the opportunity to work with all five brand leaders and cross-functional teams to achieve our organizational goals and drive franchise development.

What are your future career goals? I would like to continue working in franchising for the foreseeable future. Although marketing is my passion, I am interested in exploring other aspects of franchising and would consider purchasing my own franchise one day.

Advice to young female executives in franchising: Choose organizations that align with your personality and that support your goals. Focus on people and on building relationships. There are great resources in the franchising community, so focus on connecting with like-minded individuals. There are always opportunities to learn and grow from the people around you—especially in franchising. ■



JESSICA RAY, 29

Director of Franchise Marketing

Brands: **Huddle House and Perkins**

Years in franchising: **4**

No. of units: **624 (both brands)**

What attracted you to franchising? There's so much about franchising that I find fascinating. The idea of taking a proven concept and giving franchisees an opportunity to create their own destiny is amazing in and of itself. Aside from my role at Huddle House I'm also a business owner of a small retail store, which allows me to understand firsthand how challenging it can be to build a brand from scratch. Franchising takes the guesswork out of starting your own business and brings you into a community of many like-minded individuals.

What was your first job in franchising?

Technically, my first job as a teenager was in franchising at a local Dairy Queen in my small hometown of Semmes, Alabama. But it was 2016 that I landed my first corporate role at a franchisor, healthcare brand American Family Care. Initially my role was designed to support local field marketing initiatives for company-owned locations, but with my digital marketing background I started working with franchisees and implemented several initiatives to save them time on launching marketing campaigns.

What do you attribute your success to?

This is going to sound crazy, but I truly attribute my success to my first corporate job out of college at the Yellow Pages. Yes, that's right, the *phone book* company. This was in 2013, right after Google AdWords launched call tracking capabilities, and when many companies were shifting their budgets from print to digital. Yellow Pages recruited a college-hire team and the 13 of us were schooled on digital marketing for 4 straight months, including becoming Google Ads certified, before we could even start selling. Everything I learned there, from the rigorous cold calling to overcoming my age barrier, has shaped me into the person I am today and how I approach my work in franchise development.

What challenges and obstacles have you overcome in your career? Any time you introduce new technology there's likely going to be some pushback. I've been thankful to work in environments that trust my recommendations and allow me to bring new ideas to the table. I have found that when you bring together all departments that will be affected by the changes, it makes for a much more seamless onboarding experience.

Describe your journey to your current position:

One thing about franchising is that it's a very small world. While I was at American Family Care, I discovered a new approach to franchise development marketing and the word got out. In 2019, I got a call from Huddle House to join their development team and focus on franchise marketing. It was a tough decision to make, but ultimately, I knew my passion was primarily in the development side of franchising, and this new opportunity allowed me to engage in that passion every day. A couple of months later Huddle House acquired Perkins, and now I lead the franchise development marketing efforts for both brands.

What are your future career goals? I've been in my role at Huddle House for only a little over a year. My goal is to continue to make strides to improve our franchise development marketing. I'm constantly researching and staying ahead of marketing trends and plan to continue working toward providing exceptional value to our organization while also improving the bottom line.

Advice to young female executives in franchising:

Trust yourself and your ideas. Don't be afraid to speak up when you know an idea will benefit the company. Keep yourself educated and you will always stay ahead of the competition. ■



DEBBIE ROBERTS, 56

Chief Operations Officer

Brand: **Panera Bread**

Years in franchising: **11**

No. of units: **2,118 (Sept. 2020)**

What attracted you to franchising? I liked the idea of identifying strong, performance-focused business leaders who could get up to speed quickly and continue to grow the business in a particular community. It was especially rewarding—even exciting—to watch their journey to success.

What was your first job in franchising? In the accounting department at McDonald's. However, I was first introduced to franchising when I took a role as general manager and was responsible for identifying and approving franchisees.

What do you attribute your success to? My ability to work well with franchisees in a collaborative manner by listening to their points of view, keeping my word, and being transparent. That collaboration has been grounded in a "system first" mindset that focuses on the combined success of all stakeholders.

What challenges and obstacles have you overcome in your career? My biggest career challenge was transcending the boxes that people placed me in. For example, I had an accounting degree, but in my opinion, having the degree didn't mean I had to be an accountant. Being an accountant gave me great professional training and provided me a way of thinking that has been foundational to my career, but I knew that wasn't what I wanted to do long term. Many people discouraged me from changing my career track. They said it was risky. I knew I needed to be in the line, responsible for a P&L, and I wasn't going to stop until I achieved that goal.

Describe your journey to your current position. I worked as a CPA for 8 years at McDonald's corporate before transitioning to marketing. From there I worked my way up to become a senior director. I eventually was invited to join the Accelerated Management Program and switched my career track to operations. In operations,

I both worked in and managed a restaurant, which included working my way up through all the field positions that support the restaurant and our franchisees. After that, I landed a role as vice president of operations responsible for company-owned restaurants. Then I was promoted to general manager, where I was responsible for the regional P&L and overseeing multiple departments including operations, franchising, accounting, marketing, business insights, and restaurant development. After 3 years, I was promoted to senior vice president of East Division Operations. Three years later, I was promoted to zone president. In September 2020 I took on the role as COO of Panera Bread.

What are your future career goals? My main focus for the foreseeable future is on being the best leader I can be for Panera to help us achieve our company mission and performance targets.

Advice to young female executives in franchising: My advice to others is to never let someone put you in a box. Be a student of the business, follow your passion, and most important, never give up. As you embark on your career journey, build relationships along the way with people who can coach, develop, mentor, and cheer you on. No one ever accomplished anything without help from others! ■



NIKKI-LYNN ROSBROUGH, 29

Director of Marketing

Brand: **Wayback Burgers**

Years in franchising: **5**

No. of units: **166**

What attracted you to franchising? I honestly didn't know much about franchising. I was just really excited about the opportunity at Wayback Burgers. I love having the opportunity to be creative and learn and grow with such an exciting brand. I can't believe it's been 5 years already, and I'm thrilled about what's to come.

What was your first job in franchising?

I started as a marketing coordinator at Wayback Burgers and was promoted to digital brand experience manager after one year. In June 2019, I was offered another promotion and earned the title of director of marketing. It's been wonderful to be promoted from within because I have a much better understanding of the challenges and issues all other marketing team members are experiencing. It helps me be a better leader because I've sat in multiple different seats as I've grown with the company.

What do you attribute your success to?

I simply do whatever it takes to get the job done, whether it's my responsibility or not. I am a big believer in having a can-do attitude and in showing up, being accountable, and working hard. With that combination in place, good things usually happen.

What challenges and obstacles have you overcome in your career?

I'm proud of what I've accomplished in my career and know I've earned my way into this position. However, there are times when it's been difficult to communicate effectively as a young woman surrounded by longer-tenured and/or more experienced executives, both internally at Wayback and externally with vendors and other contacts I've made. There are times when it's difficult to strike the right balance between being firm and being empathetic when communicating about results or big ideas I'm trying to share. That said, I am so thankful for the conversations I've had with many different mentors who have helped me work through some of those situations. Tough moments like those make me stronger and give me confidence each time I face a new challenge.

Describe your journey to your current position:

There wasn't a defined path to my current role. We have a lean corporate team, so there are few established roles or career paths; they're sort of created by each person based on their ambition and goals. Wayback has always given my colleagues and me the opportunity to create our own paths, and they encourage us to work toward our goals. I had to work hard, prove myself, and continue to do so every day. I believe in our brand and the people I work with and I am excited about the future.

What are your future career goals?

I like being part of the brand because we are constantly growing. I love the fact everything isn't established; it's really important for me to play an active role in shaping our vision and building for growth. Once I finish my MBA, I intend to work toward a vice president of marketing and then hopefully a CMO role with the Wayback family.

Advice to young female executives in franchising:

The first piece of advice I would offer to young women in franchising is to find your voice and not be afraid to use it. It's easy to feel intimidated by a room full of people with more experience, but if you have a great idea and have done your homework or have something of value to add to the conversation, go for it! Your ideas won't always make it to the finish line, but the more you speak up, the more confident you will become. The second piece of advice is to constantly seek out learning opportunities. Use your resources, speak with colleagues, peers, find a mentor, read books, take a class (or several). I have learned so much from my colleagues in franchising, and I am eternally grateful for their support. My main point is that if you find yourself getting comfortable, you're not growing. And in my professional opinion, growth is imperative to success in any role. ■



PATTI ROTHER, 35

Vice President of Franchise Development

Brand: **Scenthound**

Years in franchising: **10**

No. of units: **6**

What attracted you to franchising? I never chose franchising, it somewhat chose me. When I was right out of college, I worked at a franchised Panera Bread and got to meet the family that owned the stores in our area. I remember at the time thinking it was so awesome that they were running their own business with a great, established brand. What has kept me in franchising is the idea that when I speak with someone, I have the opportunity to really change their life in a meaningful way. If they become a franchisee, they are adding a passive income or replacing another income with something that is theirs and not someone else's. I love the idea that I can tell them a story about our brand and, if it resonates, could change their life for the better for years to come. Also, the entire franchise community is filled with such incredible people!

What was your first job in franchising? Technically, it was a cashier at Panera Bread in Exton, Pennsylvania, working for the Strang Corporation right out of college. I worked my way up very quickly and became a shift manager before transferring out to a Panera Bread in Colorado working for another franchisee, Breads of the World. My first "real job" working in franchising was when I was promoted to be manager of franchise sales and operations at Noodles & Company in 2013.

What do you attribute your success to? I really think that being kind has been by far what I would attribute my success to—treating people well, changing the way I sell to match my personality (instead of whatever is "standard" for sales), and really trying to disrupt what franchise sales and operations could look like. I am a very empathetic person and would consider my superpower to be reading people really well. I've always seen empathy as a strength and not a weakness. I also grew up

in operations, which is very different from many of my colleagues in sales. It allows me to really "talk shop" with prospects and meet them where they are in a way that feels natural and real.

What challenges and obstacles have you overcome in your career? Oh my, there have been many. At first, starting my career and always being the youngest in the room (and looking very young) was always a challenge. I struggled to be heard and really had to continually prove myself over and over to my peers and colleagues. I'm also married to a woman, a first-generation American Latina. When I first entered into the franchising world, it was a very white, male, cis-gendered community, and I thought I had to hide who I was to succeed. My family is from Argentina so we have fair skin and light eyes, which means I can easily pass for white. I also don't look stereotypically gay, so when someone would casually ask what my husband did I would answer honestly about what my wife did, but never correct them. The franchise world has changed and there is certainly more diversity, but I would say we still have a way to go. I'd love to see more people in our field—and, frankly, in business—being their whole selves at work and making it a bit easier for those who may follow in our footsteps to never make a choice to hide themselves thinking it will more easily lead to a promotion.

Describe your journey to your current position: It's been a bit of a winding road to where I am today. As I mentioned, I started in franchise operations and then transitioned to company operations when I worked at Noodles & Company. I went from being an assistant manager to general manager and ended up running our highest-grossing location at the time and really turned the store around. When I got promoted to manager of franchise sales and

operations, I really had no idea what I was doing on the sales side, but I had a great teacher. The operations side was certainly my strength. Flying around the country and helping our franchisees be more profitable was something I was naturally great at and really enjoyed.

When I left Noodles, I was director of franchise sales and operations and went to help a small startup, Garbanzo Mediterranean Fresh, get their franchising going. I ran their franchise development department until I met the incredible Patricia Perry who swept me over to Blink Fitness as director of franchise development there. After 2½ years at Blink, the pandemic hit and I was furloughed at the end of March 2020. After a few months, my wife carefully asked me one day what my plan was for work. I just had assumed I'd end up back at Blink and never thought to start looking for something else.

I put myself out there, and thanks to my incredible LinkedIn network, got to a point of reviewing multiple options. While being furloughed, a few things became abundantly clear to me. Spending time at home with my family had to remain a priority. The amount of travel I had been doing was not something I wanted to continue. Also, the people I worked with and for had to be kind and had to have a vision and a goal I could align with. When I first heard about Scenthound, I really wasn't sure about changing industries yet again. After I met the team, did some research, and flew to the headquarters to see it all in action, I knew I needed to join the team. I am so incredibly glad I did, because Scenthound is an incredible brand with an incredibly talented team about to seriously disrupt the entire pet industry.

What are your future career goals? I used to think running my own company was my future goal, but after this crazy past year I'm reevaluating everything. I really think I could be a CEO one day, but not sure what the path there looks like.

Advice to young female executives in franchising: First of all, be yourself. Always. Unapologetically. Who you are and what you bring to the table is by far your biggest asset. Second, always, always speak up and know that your thoughts and comments and criticism matter. Last, remember that empathy, kindness, and being a good person will always be your biggest strength in business and in life. ■



MANDY SHAW, 49

President, CEO

Brand: **Blaze Pizza**

Years in franchising: **16**

No. of units: **340**

What attracted you to franchising? I'm a firm believer in the American Dream, and the franchise model paves the pathway to entrepreneurship. The ability to invest in a proven business model has made owning your own business incredibly more accessible to millions of people, and the excitement of opportunity is a driving force behind my love of franchising. Additionally, while there are so many different types of franchise businesses, the restaurant space is truly remarkable in creating opportunities for anyone to turn their entrepreneurial dreams into a reality. In food service, you can work your way up from an entry-level position to management and beyond without requiring higher education, or outside training, simply through hard work and determination. The alignment between the franchise model and the restaurant segment is unlike that in any other industry, and I've always been drawn to it.

What was your first job in franchising? It was at Bloomin' Brands, one of the world's largest casual dining companies, whose brands include Outback Steakhouse, Carrabba's Italian Grill, and Bonefish Grill. Throughout my 13-year tenure with the company, I served as chief accounting officer, chief information officer, and chief financial officer of the international division.

What do you attribute your success to? To the following three fundamental factors. These three attributes have not only guided me throughout my career, they also are the foundation of every leadership and management team I've built.

1. **Low ego.** When I reflect on my career, the highlights have less to do with my individual achievements and more to do with the success of those around me who have thrived under my leadership and guidance. The best leaders are those who take responsibility for any failings, but celebrate any wins by recognizing each individual who contributed to that success. When it comes to being a great leader, humility can be as crucial as talent and skill.
2. **High intellectual curiosity.** The world likes to put us into a box, and that mentality is often mirrored within the workplace where individuals feel confined to stay within the lines of their respective roles. However, I have always approached each day with a child-like wonder and have actively pursued opportunities to expand my horizons professionally and learn more about

different areas of the enterprise, regardless of whether or not they were directly related to my work. This allowed me to develop a comprehensive set of skills and a thorough understanding of everything from real estate and operations to supply chain and technology. My curiosity and hunger for learning ultimately prepared me to step into the CEO role.

3. **A propensity for action.** Simply put, get stuff done. Anyone can say they're going to accomplish something, but if you take action to reinforce your words you'll earn a track record for success where people know they can count on you.

What challenges and obstacles have you overcome in your career? I am not the first woman who has been undermined in the workplace and left out of important decisions I deserved to be a part of and, unfortunately, I won't be the last. I've worked at companies where it was made apparent that no matter what I did, there was going to be a ceiling for my growth. I've also been in the position where I was pigeonholed into a certain role that limited the potential I knew I had. Whether or not my gender played a role in the obstacles I've faced is ultimately irrelevant; what matters is how I chose to respond. I've learned that people can and will have misconceptions about who I am and what I'm capable of doing, and that it's up to me to challenge those misconceptions and show what I'm made of. When my career path transitioned from accounting to technology, many were skeptical if someone with a financial background could make such a shift, so I set about convincing them otherwise. If a job description lists 10 requirements, women tend not to apply if they don't meet every single one; whereas men often will, even if they meet only 70%, leading to men continuing to get ahead. This phenomenon mirrors challenges I faced early in my career where my capabilities were doubted because on paper I didn't meet every expectation of a particular role. It was up to me to overcome this roadblock by convincing people to drop their preconceived notions about who they thought I was and see me for what I had been able to deliver and my proven track record of success.

Describe your journey to your current position: My journey has been propelled by my desire to pursue what excited me most. I began my career working as an auditor in the media, technology, and restaurant spaces, but my career really accelerated when I joined Bloomin' Brands in my early

30s. Throughout my time with the company, I served as chief accounting officer, chief information officer, and chief financial officer of the international division. During this time, I seized every opportunity to build something from the ground up, and developed a tremendously broad background by asking for opportunities to be involved in all aspects of the business. After spending 13 years with Bloomin' Brands, I decided to leverage that experience and join Blaze Pizza, recognizing that the brand's growth potential gave me an opportunity to make a tremendous impact. I joined the company 3 years ago as chief financial officer and was appointed to my current role of CEO in 2019.

What are your future career goals? I want to be an example of how to balance the human side of taking care of our teams with the success and high growth of a phenomenal lifestyle brand. I'm a firm believer that if you're going to do something, you should strive to do it well. We're positioned to take Blaze Pizza to new heights in 2021 and beyond, and I'm committed to leading the company through this period of growth with a focus on franchisee relationships and profitability. My goal as CEO is to continue pushing the brand forward without wavering from our core vision. There's a fine balance between driving innovation with customization while keeping a focus on the simplicity that has defined and differentiated Blaze from other concepts, but I know we can achieve it.

In the midst of the growth we anticipate for our brand, we continue to maintain strong partnerships with our franchisees. Our operators are not a commodity that we use to serve the company, but true partners whose success and interests are a top priority. We've built an unparalleled support system that is the core of our operations, and as CEO my goal is to continue ensuring that our franchisees know how invested we are in them.

As a woman in business, I am constantly asking myself how can I leverage my position to help other women succeed. We've come a long way in terms of general equality in the workplace, but there is absolutely more work to be done, and I want a legacy of my career to be that I was part of the solution. I hope to use my platform to promote ways to help other women, as well as people of color, advance more quickly and ultimately do anything I can to make a difference.

Advice to young female executives in franchising: First and foremost, you must

remember to advocate for yourself, because I can guarantee that it won't just happen organically. The world is set up to tell women no, or to be happy with the success they've already attained. Becoming a remarkable leader requires you to navigate out of the structure predetermined by antiquated social standards. Don't wait for a handbook on how to get what you want, it doesn't exist. Don't wait for the people around you to come up with the opportunity you're looking for. It likely won't happen. Open doors for yourself by leveraging your achievements to get what you're owed and carve out a career that is shaped by your own consistent pursuit of your goals.

Additionally, the more times I listen to women's personal stories, the more I understand the under-recognized spousal component of women in franchising and other businesses. The husband's name may be on the paperwork, but in so many cases the wife is the one running the day-to-day business. Whether you're a franchisee or an executive, if you know that your work is making a significant impact and driving a company's success, be your own advocate and make sure you're getting what you're owed, whether financially or simply through recognition of your contributions. Get a title, get a paycheck, and own your career path.

It's also important to know when it's time to leave. If you feel stuck, don't stay stuck. The uncertainty of what other opportunities may be out there for you can be paralyzing, understandably so. However, if you feel trapped in a role that is no longer serving you, use these moments of realization and channel them into action. Let your hunger for more fuel you to move on to a new, and likely better, chapter in your career.

About 2 years into my career, I suddenly became unafraid of getting fired, and I encourage every young woman looking to blaze her path to embrace the same mentality. In Corporate America, and life in general, things are going to happen to you that are unfair and simply out of your control. Approach everything with the perspective that layoffs could happen one day, but that what matters most is that you bring the best version of yourself to the table and focus on following a strong moral compass of what's right. It also goes back to the importance of humility and ego, particularly when you're young and in growth mode. Instead of focusing on how *you* can achieve your personal ambitions, focus your

decisions on how best to serve the enterprise—most importantly, the people within the enterprise—and then communicate that to the leaders you work for.

Last, I'd offer that you shouldn't say yes to everything, something too many women tend to do. Look at every task and project through a lens of what will actually help your career and filter out anything that isn't aligned with your goal—especially if someone asks you to spearhead the office Christmas party, grab coffee, or be the notetaker for a meeting and you have the suspicion that it's because you're a woman. Don't feel obligated to say yes. Small cues do lead to how you are perceived, so be an active participant and there are no limits for you! ■



LIZI WAHL, 34

*Director of Franchise Marketing,
Director of Operations*

Brand: **Young Rembrandts**

Years in franchising: **12**

No. of units: **71 territories**

What attracted you to franchising?

Franchising is a beautiful thing because it allows people to be entrepreneurial without enormous risk. It provides an attractive business opportunity for people to become their own boss. For me, I love supporting people as they build a business where their success becomes directly linked to their hard work!

What was your first job in franchising?

I started working as a part-time teacher at a corporate-owned Young Rembrandts territory. It was a fun job, and the hours offered me flexibility while I explored other interests and careers.

What do you attribute your success to?

Teamwork. Working in a bubble can get you only so far, and in my career I have been blessed with great mentors, leaders, and strong team members. Each has provided perspective and helped me think outside the box, supported different initiatives, given advice and, when needed, provided tough love.

What challenges and obstacles have you overcome in your career?

Before Covid-19, I put the obstacles in my own path. I wouldn't speak up because I felt that I was too young. Looking back, I believe that I acted shy because I am female and felt that I had to be shy—but that is something I have (mostly) outgrown. Over time, I've realized that my personality is not naturally shy. But I was afraid. When I recognized that these obstacles were self-induced, it was easier to overcome them and to bring my skills, personality, and knowledge to the forefront. Most recently, Covid-19 has been a challenge; businesses and consumers are changing. It has been an interesting learning curve both professionally and personally as we pivot, grow, and shift.

Describe your journey to your current position:

After I graduated from Purdue University, I worked part-time at a few different places as I decided what I wanted to "be" now that I was a grown-up. I was working part-time for the Chicago Bears, which was a fun experience because I got to meet and talk with hundreds of different people every week *and* I love football. Additionally, I worked part-time as a Young Rembrandts art instructor at a corporate-owned location during the week, and each class was so rewarding. I started doing more with the Young Rembrandts home office, helping to launch the brand's social media presence, and it grew from there. When the home office sold their corporate units, I chose to stay with the home office and start working "on" the business instead of "in" the business.

What are your future career goals?

I have two kids, and I am not going anywhere. The franchise business is incredible and Young Rembrandts continues to grow. I'm looking forward to being a part of that, especially now, as businesses challenged by Covid-19 shift and change. As our team adapted and adjusted, we now have a whole new product line that my team and I get to help develop and fine-tune.

Advice to young female executives in franchising:

Lift each other up! Find a person or a group of people and be supportive. But don't be afraid to ask for support, too. Even during a pandemic, I connect with other women in franchising, whether it's to ask for help, to do a favor, or just to have a conversation. It's nice to have an ally who knows what it's like to be in franchising. ■



DAWN WEISS, 48

Chief Marketing Officer

Brand: **CycleBar**

Years in franchising: **16**

No. of units: **200+ open, 400+ sold**

What attracted you to franchising? Before franchising, I worked in tech and corporate environments building fast-track startups, all disruptive in nature. My husband told me about a job one of his customers was hiring for in franchising. I knew nothing about the space, but when I learned more about it I realized it was an opportunity for me to grow not just one business, but many small businesses that functioned like startups. Turns out the first opportunity was in the massage industry, which at first didn't appeal to me, but during the process I realized it was disruptive and a spark was ignited.

What was your first job in franchising?

I was on the founding team of Massage Envy, hired to build the marketing infrastructure for the brand in my role as brand continuity director. When I began, I was employee number 11. In my tenure over 6 years, we grew Massage Envy from 33 locations open and 83 sold, to more than 750 open and 850 sold.

What do you attribute your success to?

Partnership. Many attribute my success to building large, notable brands, but what I have actually done best is build hundreds of small businesses around a common purpose. I have done that by identifying things that work in one location or region and adjusting them to be replicated in all locations to scale—like one suit pattern with many different fabrics depending on the region, the season, and the buyer. I believe a good franchise leader understands how to navigate three key principles of franchising.

1. You are using the franchisees' money. You must learn how to earn their buy-in *and* make it easy for them to implement and execute your plan for the brand at the local level. They aren't always right and neither are you, but you require each other to execute properly.

2. Franchise locations are labs, and franchisees are front-line workers. It is easier to be successful when you have so many labs locally all across the globe, to test, adjust, and scale your plans in real time. Feedback from franchise owners coupled with key performance metrics provide a holistic view of results.

3. You must plan for unknowns. No matter how experienced you are or how robust your plans and processes, locations in a franchise will experience things you didn't plan for. Industries, weather, buying habits, and marketing channels always change. The only constant is change.

What challenges and obstacles have you overcome in your career?

Most of the brands I've helped build began with limited budgets and resources, which made me better at being resourceful. Being one of the younger members of the C-suite in startup environments, I have had to be chief cook and bottle washer. Once the brands grew to be successful, we prepped them for sale, and though I reached an elevated position over that time and gained resources, the next job was always another new brand, which makes it feel a bit like a game of Chutes and Ladders: all the way up, then all the way down at the beginning again. Climb, repeat, climb, repeat. It has taught me humility in a way most people don't understand.

I was in my early 30s when we built Massage Envy, and 39 when we built The Joint. While the brands were in their infancy, I was building a family. In many ways it isn't just the usual executive/mom struggle, but raising my own family while being responsible for the livelihood of so many other families that kept me up at night. And, like many women, I have learned that I can be a great mother and a great executive and a great spouse, but very seldom, if ever, do all those things occur on the same day!

Describe your journey to your current position:

A large portion of my career has been in wellness and fitness franchising. Even while I was in the beauty industry with Amazing Lash Studio, the demographic was largely a similar audience, so this is a space I feel at home in. Fitness has helped me change my life personally and professionally over the past 6 years, so when I received a call from the recruiter about an opportunity in the Xponential Fitness family of brands, even though it was during a global pandemic, I knew it was the right move. CycleBar was doing everything they could to keep their locations open, and though everyone seemed to go out and buy a Peloton, I knew a large number of people who wished they were working out with others. Community can't be fabricated, and studio fitness provides a level of motivation and connection that we crave as humans. At that moment, when the recruiter called, group fitness was one of the things I missed and needed most. I knew it was the right move because CycleBar was looking to use the time to grow, not give up. For me, the mental and physical benefits of fitness outweighed the risk, and taking a job in fitness during this unprecedented time allowed me to put to the test what I had learned in my career in disruptive environments: that sometimes the best plans are the ones you put in place over the ones you had previously planned to execute.

What are your future career goals? To continue growing franchise brands to be recognized category leaders. Over the past 5 years I have had a more operations-focused perspective, and I will work to grow my knowledge into other areas of the franchise C-suite.

Advice to young female executives in franchising:

I do know how it feels to be the only woman at the board table, or the gender minority in the C-suite, but that doesn't define me. What defines me is that I made it there. I would tell any young female executive in franchising not to look for a glass ceiling to shatter. Focus not on external forces or perceived obstacles, but on your ability to overcome them. There is strength in connecting with women who have been in your shoes, but more importantly, in becoming a woman who empowers others. Don't seek out only other women to mentor and help, but men too; strong female executives have the ability to redefine expectations, and that starts with helping build equality across gender lines. ■



Relationships Rule

Tropical Smoothie Cafe targets 1,500 units by 2025

Written By **KERRY PIPES**

You might think of Charles Watson as a Tropical Smoothie Cafe Renaissance man. Hired in 2010 to serve as vice president of franchise development, he went on to serve as the brand's chief development officer, interim CEO, and in 2018 was named CEO. He's one of the most tenured employees at the company and played a key role in launching the brand's development and franchise sales team a decade ago. Today, his role as CEO finds him responsible for the brand's strategic vision and overall performance.

Under his leadership the fast-casual cafe concept has grown to more than 900 locations in more than 40 states. Also known as TSC, the company not only weathered the pandemic in 2020, it turned in a record-breaking year in terms of franchise sales, signing 250 new agreements; 70% of them to existing franchisees; opened 98 new cafes; and has a full pipeline going into 2021. TSC also hit a major milestone by opening its 900th location in November.

Coming up through the TSC system, Watson says he was fortunate to have built

strong relationships with both the franchisees and corporate team. That's important, he says, because one of the brand's core values is: Relationships Rule. "I consistently work to incorporate that into my leadership style. The best conversations and, ultimately, decisions are driven by trusting and personal relationships. We are all in this together and our success is built on our relationships."

As a first-time CEO, Watson says he's had to learn to view the business from a thinking versus a doing perspective. "It was not possible for me to get involved in every project, so I had to learn to let go and delegate," he says. "We are a better company when I let leaders lead and when we make decisions as an aligned group."

What's next for Watson as he guides TSC in 2021? "Our goal as a brand is to reach 1,500 cafes in the next 5 years with franchisees who average \$1 million in sales," he says. With the collaboration of the TSC corporate team and the franchisees, whom he calls the heart of the brand, Watson thinks it can be sooner than that.

"Those franchisees help my team and me identify the right path forward for the brand and then we execute, or chop wood as I call it, day in and day out. If you do that long enough, success is inevitable."

LEADERSHIP

What is your role as CEO? I was named permanent CEO of Tropical Smoothie Cafe in December 2018 after being interim CEO for 6 months, but I had been with TSC for more than a decade at the time. As one of the most tenured employees, I helped launch the brand's development and franchise sales team more than 10 years ago. Now, as CEO, I'm responsible for the brand's strategic vision and overall franchise performance.

How has Covid-19 affected the way you have led your brand? My approach and that of my team was to attack the pandemic with an opportunistic mindset. There's the old idea that you can view a crisis as "Opportunity is now here" or as "Opportunity is nowhere." We chose the former. Our actions during the worst of



CHARLES WATSON, 43

CEO

Company: **Tropical Smoothie Cafe**

No. of units: **915**

Age: **43**

Years in franchising: **22**

Years in current position: **2**

the pandemic were 100% a team effort and our franchisees were relentless in driving their businesses and serving their communities. The partnership with our franchisees went to a new level, one that will continue to serve the brand in the future. We were able to work together and be nimble, making major short-term decisions in 24 to 48 hours to drive week-over-week performance. These efforts embodied our core value of Relationships Rule. We leaned on that value heavily during the worst of Covid-19. Before becoming CEO, I served on our development team for a decade, so I am very fortunate to have created strong relationships with many of our franchisees along the way. Our franchisees are, quite simply, the heart of our brand, and the need for constant and deep communication with them was a key component of our getting through together. Our franchisees took everything we threw at them—new operational procedures, our smoothie giveaway to healthcare workers, our new focus on

digital transactions (plus a huge increase in webinars and emails from me!)—in stride, which only reinforced my passion for this brand and the people behind it.

Describe your leadership style. At a high level, the roles I focus on in my position are brand strategy/direction and people—call it Chief Strategy Officer and Chief People Officer—for both TSC employees and franchisees. As I mentioned, Relationships Rule is a core value for our brand that I consistently work to incorporate into my leadership style. The best conversations and, ultimately, decisions are driven by trusting and personal relationships. To me, this allows us to know one another not just as colleagues or business associates, but as people. Once that foundation is built, amazing things can happen. I am available to all franchisees at any time. They have my email and cell phone number. We are all in this together and our success is built on our relationships.

What has inspired your leadership style?

Like many others, I'm a big proponent of Patrick Lencioni's *5 Dysfunctions of a Team*. And like him, I firmly believe that trust is the most important element of a successful brand, so much so that it's the foundation of our culture. We use TRUST as an acronym: Transparent, Responsible, Unique, Service-oriented, Tenacious. Each of these words represents what we, as individuals, should bring to our brand every day. TRUST is at the core of what we do. I am also a history buff and look to George Washington, Ulysses S. Grant, and Winston Churchill for inspiration, especially given the myriad challenges they came through to lead under incredible duress.

What is your biggest leadership challenge?

As a first-time CEO, learning to view the business from a thinking versus a doing mentality was a challenge. The success of our brand is about the talent and drive of our executives and support center team. It was not possible for me to get involved in every project, so I had to learn to let go and delegate. Again, it's trust in the team and giving them the autonomy they need to lead our brand. We are a better company when I let leaders lead, and when we make decisions as an aligned group.

How do you transmit your culture from your office to front-line employees?

At TSC, all but one of our cafes are franchisee-owned, so the success of the brand is 99.9% driven by the franchisees. With one corporate-owned location, we have to rely on our relationships with our franchisees

and our communication channels to get a great sense of unit-level issues. To do that efficiently and effectively we have set up a system of committees across the business led by a franchisee council. I am eternally grateful for this franchisee involvement and commitment to the brand. It gives me the feedback I need daily to make decisions in the best interests of the brand in its entirety. Driving our culture to the crew members and franchisees is done through co-op meetings, system webinars, our convention, and frequent communications, just to name a few.

How can a CEO help their CMO develop and grow?

Let them run... until you need to pull them back. Brand marketing, with its inherent need to understand both the brand's customers as well as trends in food, is an incredibly wonderful challenge. It cannot be met without taking some chances, spending some dollars, and trying new and improved tactics to show an ROI. In short, be agile, be aggressive, try new things, and then measure the results. My role is to foster that mentality and work with my CMO to see what's working and what isn't... and maybe set a guardrail or two.

Where is the best place to prepare for leadership: an MBA school or OTJ?

As someone with an MBA, I would say OTJ! While I thoroughly enjoyed my experience getting an MBA, what I know now is that what I really got was a basic, broad framework for understanding the different disciplines in business. While helpful, we all tend to work in one field that requires deep knowledge, and I think that is best learned on the job.

Are tough decisions best taken by one person? How do you make tough decisions?

As CEO, I hold myself accountable for tough decisions and their results—good or bad. However, I believe it's imperative to have a great team behind you working toward a common goal. I'm fortunate to have an incredibly talented team of executives and support center members I trust completely to provide the knowledge and insight needed to make those tough decisions. I will only ever be as good as the team around me, and so I hire people a lot smarter than me!

Do you want to be liked or respected?

I think everyone would like to be both. But again, we go back to my belief that Relationships Rule. People are at the heart of what we do every day, and I think all long-lasting, successful relationships with others are built on both trust and respect. Those are the catalysts for having

a meaningful impact on the lives of those around us, whether between franchisor and franchisees or among our crew members and guests. Given my focus on relationships and my belief that we are all just people, I fall on the side of being liked, which I know is not the usual answer. I believe if you are liked, you can get more out of your team because there is that foundation of trust. For me, I always worked harder and better for the people I liked because I didn't want to disappoint them. It's like a parent saying, "I am disappointed in you" having so much more impact than being angry.

Advice to CEO wannabes: I have two big takeaways from what I've learned over the years. First, there's no substitute for hard work. Second, you have to be a sponge and be open to learning all the time. There is always someone who knows more than you and does something better than you. Seek out that person out and pick their brain. People are happy to give of themselves to help if approached in a humble manner.

PERSONAL

What time do you like to be at your desk? I have been taking my son to school while we've worked from home during the pandemic, so I get back home at about 8:15. Then I am right to my desk in my home office (my guest bedroom!).

Exercise in the morning? Wine with lunch? I prefer exercise in the afternoon/evenings after work. I played football in college so my excuse when I (frequently) miss a workout by staying at the office or on the computer too long is that I worked out enough back then. I know, not a very good excuse. And I don't drink. I had my fill in my twenties!

Last two books read: *The Challenge Culture* by Nigel Travis, and *The Splendid and the Vile* by Erik Larson.

What technology do you take on the road? I always have my iPad for reading, my laptop for work, and my Bose SoundSport earbuds for calls and occasional music.

How do you relax/balance life and work? I

play golf to remind me I am better at work. I also have a 5- and 7-year-old, so I mostly just chase them around and drop them off at various sporting events and birthday parties.

Favorite vacation destination: I love to visit the beaches in the panhandle of Florida, where Tropical Smoothie Cafe started!

Favorite occasions to send employees notes: When an employee pops into my mind for any reason, I like to send a check-in "How ya doing?" email. If something has happened in their lives, good, bad, or indifferent, I like to write a note and leave it on their desk. Covid has hurt me here!

We want to meet our guests where they are, and right now that is through digital sales. Post-pandemic, the use of innovative technology to reach guests will be integral to our strategy. I also anticipate much more community outreach from our franchisees. During our first smoothie giveaway in April, franchisees saw firsthand just how much of an impact a small act of service could have and jumped at the opportunity to donate to front-line workers and spread a little sunshine.

Favorite company product/service: Zappos, convenience; Orvis, lifestyle; Range Rover, style (no, I don't drive one!).

MANAGEMENT

Describe your management style: The success of our brand is about the talent and drive of our executives and support center team. As CEO, I know that it's not possible for me to be part of every decision or initiative. That's why I surround myself with a team I trust and can confidently delegate tasks to. With a strong level of trust, flexibility, and ongoing communication, our leaders are empowered to lead.

What does your management team look like? I've always believed it's important to put people in the positions that help bring

out their unique strengths and natural talents. Whether that is franchise development, marketing, operations, and so on, the people who make up our leadership are in their positions because they know it best, and I trust them. Each is an expert in their respective category, and with our strong level of internal collaboration I'm proud to provide them with the resources they need to successfully take this brand to the next level.

How does your management team help you lead? One of the biggest reasons for this brand's success is the people I have around me day in and day out. The entire corporate team is just as committed to bettering our brand and seeing our franchisees and their cafes thrive as I am—now more than ever! Their honesty, passion, and dedication to our brand inspires me daily.

Favorite management gurus: Do you read management books?

I've read so many helpful books along the way, but I have to go back to Patrick Lencioni's *Five Dysfunctions of a Team* as the most influential because it includes the principles I use the most. As I've mentioned, building trust among your team is the driver to the rest of your brand's success and has to be a part of your strategy if you want to continuously grow.

What makes you say,

"Yes, now that's why I do what I do!"? Simple: when someone asks me what I do and I say I work for Tropical Smoothie Cafe and they respond, "I love that place!" That to me is the simplest way to see that all our work is fully coming together to delight our guests. It means we are in fact fulfilling our mission of Inspiring Better.

OPERATIONS

What trends are you seeing with consumer spending habits in your stores? It's no secret that consumer spending habits have shifted immensely across the fast-casual space as a result of the pandemic. We find ourselves in a unique position as consumers strive for new ways to eat healthier without sacrificing flavor, because that's

exactly what we offer at our cafes. We're dedicated to consistently introducing new menu items and promotions for our guests, and their loyalty has only increased in recent months. With our made-to-order smoothies, flatbreads, wraps, sandwiches, and more, our guests have plenty of options that keep them coming back. We are seeing increased party sizes, which equates to increased check averages, and increased use of our digital channels.

How is the economy driving consumer behavior in your system? The shift away from dine-in business across the restaurant industry was something no brand had experienced before the pandemic. Fortunately as a fast-casual concept, our business model incorporated operational procedures for carry-out business before the pandemic. And while the dine-in part of our business was initially affected, we were able to quickly mobilize a more convenience-based model to meet the new needs of our guests and sustain business for our franchisees. In the beginning of 2020, pre-pandemic, our digital sales were at 24%. Once we implemented curbside, third-party delivery, and our own TSC Branded Delivery, our digital sales quickly increased. At many cafes now, digital sales make up 35% of their total sales, and our best performing cafes are seeing 65% in digital sales.

What are you expecting from your market in the next 12 months? Guests will continue to expect convenience, and consumer habits have been changed. Digital and contactless options will continue to be in demand, even as things start to open up and we return to "normal." For the first half of 2021, I believe we'll see more of the same as we are now, but into the summer I hope we will start to see the industry climb back. Our goal is to continue focusing on our visibility and accessibility in the marketplace to stay top of mind for consumers and prospects as we execute in serving our guests and increasing our footprint.

Are your franchisees bullish or bearish about growth and adding units? Our franchisees are the heart of our brand. Their passion and dedication have only become stronger during these times, and we couldn't be prouder. The growth we experienced last year was a reflection of our support to our franchisees and to their all-in attitude to do whatever it takes to be successful, despite the hard hit our industry took. This resulted in another record-breaking year from a franchise sales perspective. We signed 250 new agreements, 70% of

them to existing franchisees. Additionally, we opened 98 new cafes and have a very healthy pipeline going into 2021. Most notably, we celebrated our 900th cafe opening in November and expect our 1,000th this fall. These milestones speak to a brand driven by the growth of our incredible franchisees. Their dedication and passion for the brand continue to move us forward.

Are commodity/supplies costs any cause for concern in your system? It's certainly something we continuously watch. Last year was "choppy," but we have been able to manage our basket of goods so that franchisees have not seen an aggregate increase in supply costs. We have to work very hard to do that, and it happens because we have a very dedicated supply chain team that understands that what they do directly affects our franchisees' profitability. We also have great vendors who work closely with us to support our growth.

How are political/global issues affecting the market and your brand? TSC is a family and we are here to foster a supportive and inclusive community among all our franchisees, crew members, guests, and communities. Our vision is to Inspire Better, and we can't do that if we don't work together to create a future free of inequality and injustice of any kind in our communities. Earlier this year, we made that stance abundantly clear with our system and then followed that with a message to our guests. Internally, we've revisited our diversity, equity, and inclusion strategy, and we shared that path forward with our system earlier this month.

BOTTOM LINE

What are your long-term goals for the company? Despite the challenges we faced in 2020, we have seen record-breaking results and positive feedback for our response to the pandemic, and I believe we will come out stronger than we've ever been. Our goal is to reach 1,500 cafes in the next 5 years with franchisees who average \$1 million in sales. I believe we can get there sooner, though. Our vision is to Inspire Better, and our mission is to become the most beloved restaurant brand by sharing the fun and craveability of the tropics. An altruistic, yet straightforward, humble, and hardworking culture like ours is something that attracts passionate franchisees. Those franchisees help my team and me identify the right path forward for the brand and then we execute, or chop wood as I call it, day in and day out. If you do that long enough, success is inevitable.

How has the economy changed your goals for your company? We want to meet our guests where they are, and right now that is through digital sales. Post-pandemic, the use of innovative technology to reach guests will be integral to our strategy. I also anticipate much more community outreach from our franchisees. During our first smoothie giveaway in April, franchisees saw firsthand just how much of an impact a small act of service could have and jumped at the opportunity to donate to front-line workers and spread a little sunshine. In 2020, we donated more than 250,000 smoothies to healthcare workers and first responders to bring them a little sunshine. We also donated \$125,000 to the American Nurses Foundation and Covid-19 Response Fund. These actions by TSC and our franchisees will further establish us in the communities where we operate and drive our business.

Where can capital be found these days? We are fortunate to have relationships with several third-party lenders that remain confident in our brand and our franchisees.

Growth meter: How do you measure success? By the unit-level economics and profitability of our franchisees, as well as by the satisfaction of our guests and their awareness of Tropical Smoothie Cafe.

What has been your greatest success? Putting more than 500 entrepreneurs into a business that is allowing them to reach their personal and professional goals. Being a small part of the American Dream is an incredible honor.

Any regrets? Yes, I should have started an online business selling books about 25 years ago! But seriously, none right now. My successes and failures have made me who I am, which I hope is enough to keep me in this position, which every day brings me joy.

What can we expect from your company in the next 12 to 18 months? Growth and innovation. As I've mentioned, we signed 250 franchise agreements in 2020, 70% with existing franchisees. Even during the pandemic, we were able to open 98 cafes last year. And despite Covid-19, our comp sales are at more than 7% year-to-date. Expect more from us in 2021 and beyond, just with bigger numbers. We'll also continue to offer new menu items and limited time offers, and our menu innovation team is hard at work crafting new products we know our guests will love and that will bring them back to our cafes again and again. ■

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Creating a home for beauty professionals

Written By **KERRY PIPES**

Ken McAllister is president and CEO of Suite Management Franchising (SMF), where he oversees two franchise brands: My Salon Suite and Salon Plaza. Although the company operates within the health and beauty space, “We are not a standard salon, but a salon suite where beauty professionals operate in individual suites where they are empowered to be their own boss,” he says.

With almost 200 locations in the U.S. and Canada, SMF franchisees operate private suites that feature amenities and services ranging from nail technicians to massage therapists, spa professionals, eyelash professionals, and skin treatment experts, among other health and beauty specialties. Despite the pandemic, the brand opened 20 new stores in 2020, and McAllister says store performance increased by 10%.

With two decades of executive-level leadership expertise, McAllister says his management style is open 24/7. “I work for my team because they are the people who make us great. I always make myself available to them.”

He assembles that team by hiring the

right people, trusting them to do the right thing, and empowering them to make important decisions. “It’s my job to help everyone succeed and guide them from my knowledge and experiences,” he says. “At the end of every conversation, I ask everyone the same question, ‘What else can I do to help you?’ Successful management, he says, is a function of communication and collaboration.

In the next 5 years the company is looking to continue its expansion in the U.S. and Canada. “We have experienced massive growth over the past 3 years,” says McAllister. “We are approaching 200 locations and will hit that number in early 2021. Our projections show that we will have around 500 locations by 2025.”

LEADERSHIP

What is your role as CEO? I work for *everybody*. It’s my job to help everyone succeed by educating and assisting them on their specific task, guiding them from my knowledge and experiences. At the end of every conversation, I ask everyone the same question, “What else can I do to help you?”

How has Covid-19 affected the way you

have led your brand? We have been fortunate to be a virtual company since 2013, so we were prepared for the pandemic. Our very first hire was our unbelievable COO Stacy Eley. She had two very young children and couldn’t make the move to our headquarters in New Orleans. At that point, we made the decision to go entirely virtual. At the beginning, I remember a number of other CEOs and executives asking, “How do you run the company with everyone being virtual?” It is simple, really: hire the right people, trust them to do their job, and empower them to make important decisions. Beyond that, have a plan, process, and an accountability structure in place so everyone is on the same page. We have biweekly staff calls to review the playbook, discuss metrics and goals, and to keep everyone on track and communicating. The key to effective virtual working is ensuring that no one is operating in a silo.

Covid, specifically, is a storm. Like everyone, we had no idea what was going to happen next, especially early, and we were committed to weathering the storm. We embraced a “bear down and grind” mentality that has made us stronger as a collective



KEN MCALLISTER

President, CEO

Company: **Suite Management Franchising**

No. of units: **194 total (158 My Salon Suite, 36 Salon Plaza)**

Years in franchising: **8**

Years in current position: **10**

whole. We are extremely proud of the fact we didn't furlough or fire anyone. In fact, our staff grew in 2020. We planned and executed a ton of calls and webinars to prepare owners to come out stronger on the back end of the government-mandated closings. Over a period of 5 months, more than 150 My Salon Suite locations were temporarily closed, and we helped each one reopen safely. While the Covid pandemic paused our growth for a couple of months, we were still able to achieve our goals and open 50 new stores in 2020.

Describe your leadership style. Leadership starts with surrounding yourself with talented individuals. Find the right people and put them in the right seats. We help everyone define a clear vision of their goals/objectives and then we let them perform their job. Everyone is completely aware of the company "scoreboard" and what they need to do to thrive at our company.

What is your biggest leadership challenge? There are two types of challenges:

larger ones that affect the entire system, and smaller ones that affect specific situations, owners, or markets. Our stores did not qualify for PPP funds because our model has no employees and we are not on the SBA Registry. So we took a different direction, educating our franchisees and helping them take advantage of what was available, such as the EIDL program. It was an all-hands-on-deck effort to help franchisees access the money and resources they needed to weather the Covid storm and set themselves up for success on reopening. We also helped the nearly 1,000 members (professionals) in the SMF family by educating and training them on the EIDL program, which gave them access to the money and support they desperately needed. We were prepared for this situation because we took similar action in 2014 after the SBA pulled funding for salon suite businesses. When it comes to hyper-local challenges, we always try to tailor our approach to each individual and their situation. We crowdsource knowledge we've gained from other experiences that we use to help each franchisee figure out an effective path forward.

How do you transmit your culture from your office to front-line employees? It all comes back to what I shared earlier: hire the right people, trust them to do the right thing, and empower them to make important decisions.

How can a CEO help their CMO develop and grow? It's my job as the CEO to ask our CMO (and everyone else in our franchise family), "What can we do to help you?" The right people will take full advantage of that and develop and grow exceptionally well regardless of their title or position.

Where is the best place to prepare for leadership: an MBA school or OTJ? Both are extremely valuable. It depends on the individual. Ongoing education is imperative regardless of where it's accessed. One thing I will add, though, is that all leaders need to be available and present. Be in the room where it happens for as many conversations as possible.

Are tough decisions best taken by one person? How do you make tough decisions? Tough decisions are handled best when the right experts are involved. I'm thankful that I have such a strong team and franchise network who can help me handle any issue that may arise. If I have the right people present, I am confident we can identify any and all underlying currents and concerns and eliminate any "he said, she said" spin. If you can do that, you are typically able

to manage any situation. Communicate and collaborate. So my advice would be put everyone in the same room (or on the same Google call) to get to the root of the problem quickly and develop an effective path forward.

Do you want to be liked or respected? As you mature in your life, I think everyone realizes they want to work with people they like, and I'm no different. As CEO, you must establish a good working environment and develop strong relationships with all staff members for your culture to work. When there is an issue or conflict, there must be a level of mutual respect and earned credibility to work toward an effective resolution. So I think you need to be liked to be respected. I also believe a sense of humor matters to build and maintain relationships. Love what you do.

Advice to CEO wannabes: I think this goes back to the same basic principle: put each person in a position to succeed. You can't just put them in the right seat, you need to be available to help them all day, every day. Simple message: "It is not what you say, it is what you do every day." When it comes to company values, practice what you preach.

PERSONAL

What time do you like to be at your desk? I'm always available, a mentality that helps me have the right attitude each day. My team has access to my calendar and schedule and can use that to set up meetings. Most days I don't know what's coming until I open my calendar; about 80% to 90% of my day is allocated to speaking with staff, franchisees, and partners who book time.

Do you socialize with your team after work/outside the office? Like many Baby Boomers, I tend to work too damn much! But I love getting out, traveling, and entertaining with the entire network. I'm a big sports fan and believe going to games and other events with personal and professional connections is a great way to build relationships. It also helps address any negative issues as they can be addressed in a much more positive and effective way.

Last two books read: *Traction* and *Be Nice (Or Else!)*. Most publications and books I read provide insights on accountability, leadership, and people/personalities.

How do you relax/balance life and work? I remember my wife telling me about 15 years ago that I didn't have enough friends and didn't take enough time for myself. Now it's the opposite! Joking aside, I really

do enjoy getting out with my friends to play poker and go to big sporting events—and I can't wait to get back to doing that more.

Favorite vacation destinations: My wife Alanna and our children love to travel and we make it a point to see our kids, Marissa and Christian, as much as we can. My kids have the travel bug, too, and I think that's awesome. We typically do three types of trips as a family: cruises, beaches, and mountains. Life is about exposing yourself to new people and new experiences. Fantastic memories help you learn!

MANAGEMENT

Describe your management style: Open 24/7. I always make myself available to help my team. I work for them because they are the people who make us great. I'm not a micromanager. I work hard with our management team to hire people with the right skill sets who fit our culture. If you do that well, you don't have to micromanage.

How does your management team help you lead? Our management team is phenomenal. They have embraced our culture to hire the right people, trust them to do the right thing, and empower them to make important decisions. We also have weekly calls on Fridays with the entire franchise system, and biweekly calls with our staff/department to ensure we're constantly communicating and collaborating.

Favorite management gurus: Do you read management books? *Let's Get Real or Not Play, Traction*, and *Be Nice (Or Else!)* are just a few of my favorite books. I'm a big Warren Buffett fan and love his stuff. As a franchisor, it's imperative to be actively involved with the IFA. It's not enough just to be a member, you have to attend events and build real relationships throughout the franchising community. Books give you a foundation, but you have to surround yourself with the right individuals to learn from and improve your model and system. It's really helpful to be around other people who have gone down the same path before.

What makes you say, "Yes, now that's why I do what I do!"? Helping others succeed—every time I see anyone in our franchise family (staff member, franchisee, members, franchise partners, etc.) succeeding.

OPERATIONS

What trends are you seeing with consumer spending habits in your stores? We are in the health and beauty industry, but not a true or standard "salon." Customers feel safer and more comfortable in a suite environment in a one-on-one situation.

Many large salon brands took a major setback last year as the salon suite businesses became more and more appealing to stylists and consumers amid the pandemic.

What are you expecting from your market in the next 12 months? Online ordering has changed the marketplace as well. In 2020, My Salon Suite launched an online platform to provide products to members and customers through our website. We had created and embraced e-commerce well ahead of the pandemic and we're excited about what's to come on that front in 2021 and beyond.

Are your franchisees bullish or bearish about growth and adding units? Bullish, no question. We have experienced massive growth over the past 3 years. We are approaching 200 locations and will hit that number early this year. Our projections show that we will have around 500 locations by 2025. Our model has proven to be sustainable and pandemic-resistant as we were one of the brick-and-mortar brands to expand and grow in 2020. Our stores are doing great across the entire system, our reviews are unbelievable, and franchisee validation and franchise candidate interest are surging.

There are three important variables that allow us to project unprecedented growth in 2021: 1) our real estate-focused beauty model is very desirable, especially with the number of recent retail closures occurring; 2) construction costs are down; and 3) our store performance is off the charts (up 10% in 2020). We were able to achieve these numbers even with 60- to 90-day government-mandated closures in Q2 and Q3.

With all of these factors in mind, investors believe My Salon Suite is a safe bet with high upside and sustainability because of what we've done in previous years, not just in 2020. We are very proud of the fact that we've never had a store closure in the system over the past decade. Moreover, many owners are coming from referrals within the system, and many current owners are upgrading and opening new stores. Our new e-commerce website will elevate our entire system for years to come.

How are political/global issues affecting the market and your brand? While the definition of "essential" remains nebulous, our members absolutely provide essential services to their customers. People need access to haircuts and beauty products in a super-safe, super-clean environment. Beyond that, customers want to be able to order the supplies they need online, and

we are making that available with e-commerce and online ordering options. Covid has forced everyone to innovate and evolve, and our franchise family remains ahead of the curve. We are ready to move quickly and adapt any time a political or global issue affects our franchisees, beauty professionals, or their customers.

BOTTOM LINE

What are your long-term goals for the company, and how has the economy changed them? Neither Covid nor the economy has changed our goals. Looking ahead, I think it's all about thanks and appreciation. I encourage all leaders to show their people love and appreciation because they deserve it. When situations become hard, you really learn more about people and their character. When you surround yourself with the right people on *all* levels, it creates positive outcomes. I'm extremely proud of our success, and our commitment has been rewarded by what our franchise network says about our company. SMF received one of the highest "community" ratings by Franchise Business Review and our validation systemwide continues to be off the charts. It takes a village to "raise" new owners, to set them up for success, and I know we do that extremely well.

What can we expect from your company in the next 12 to 18 months? We will exceed 250 stores by the end of 2021 and plan to exceed 300 by 2023. By 2025, our goal is to exceed 500 locations and continue to be the nation's leading salon suite franchise.

What has been your greatest success? After more than 25 years in upper and senior management, I'm proud of what I've achieved. Every step along the path is the foundation for the future. However, there are so many opportunities and so much left to do. I am still relatively new to the franchising world, but I do completely understand how to empower people and grow companies. My greatest successes are when others grow and thrive. I love that I'm able to help people change their lives on multiple fronts through franchising.

Any regrets? My only regret is not starting earlier in life. My advice to the next generation is "Don't wait. Start now, think big, and go for it." It's not "I want to run a company," it's figuring out your passion and self-awareness and getting started as soon as you can. The first step is always the hardest! ■

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“WELCOME TO MOE’S!”

The quest for the world’s best burrito

Written By **ALEX WILLIAMS**

“Welcome to Moe’s!” is heard each time a guest walks into one of the nearly 700 Moe’s Southwest Grill restaurants across the country. It’s a greeting that has become part of pop culture and has been synonymous with the Moe’s brand for the past 20 years. Three words that embody who we are, what we do, and how we treat our guests.

Now well-known, that famous greeting started in 2000 when the first Moe’s restaurant was founded on Peachtree Street in Atlanta. The restaurant still proudly stands with a billboard out front that reads “The First Moe’s on Earth.” Here is where shouting “Welcome to Moe’s!” proudly began.



WE CELEBRATE INDIVIDUALITY

Individuality is a core value and something we take very seriously. Every single employee—from the crew member arriving early in the morning to slice fresh tomatoes, onions, and jalapeños, to the chief brand officer at the corporate office—is required to do one thing during the job interview process: Give their best “Welcome to Moe’s!” just as they would in the restaurant when a guest walks in. It shows an individual’s unique personality and demonstrates qualities like courage, confidence, and playfulness. *Have fun, roll the best burritos, and share our “Welcome to Moe’s!” love.* That’s our mission and what we wake up each morning to set out to accomplish.



WE MAKE THE BEST BURRITO

At Moe’s, burritos are a food group. We sell more than 30 million each year. The Homewrecker, our signature burrito, is described as “It’s big. It’s craveable.” We set out on a journey to serve the best burritos in the business focusing on quality and taste. This journey included extensive research that identified the most important ingredients to make the best burrito according to our guests (tortilla, protein, cheese, rice, beans, in that order). As a result, we launched a more delicious tortilla, a new cooking procedure for our rice, and major enhancements to our proteins. We serve all-natural white meat chicken with no artificial color, flavors, or preservatives, tri-tip sirloin steak, and 100% pure beef seasoned with diced onions and spices.



WE SUPPORT OUR COMMUNITIES

The restaurant industry was affected tremendously by Covid-19 in 2020. Supporting our teams and the communities they live and work in is a priority for us and last year was no exception. We immediately added more cleaning and sanitation tools and processes to our daily operations and changed the functionality of any high-touch areas in our restaurants with a single-touch solution. For example, instead of continuing with our self-serve salsa bar, we pre-portioned our salsa into small containers with lids for guests to easily pick up. We launched social distancing tools and shipped personal protective equipment including masks, gloves, sanitizer, etc., to the stores. We showed up for our employees and guests by delivering thousands of burritos to essential workers and health-care employees. We launched new products with our fans’ new dining habits front and center. These included three Moe’s Meal Kits (taco, nacho, and fajita) to enjoy at home and Moe’s Market (essential groceries like proteins, rice, beans, and more that were offered in bulk).



WE SERVE WITH SPEED

For the past 20 years, we’ve challenged the status quo to exceed our guests’ expectations for a restaurant experience. And amid the pandemic, we evolved the Moe’s brand dramatically through technology, operational efficiencies, and design. We launched technology enhancements including an updated mobile app, and new point-of-sale and back office systems to provide best-in-class reporting with approachable and simplified menu boards.

Service with speed is our operations motto—providing personalized and authentic service always comes first, and increasing speed to provide our guests with convenience is what sets us apart. This year, several restaurants installed a second production line dedicated to off-premise business with the same goal in mind: service with speed. Finally, several restaurants updated their design with a fresh look, including new paint and graphics showing off Moe’s irreverent personality.

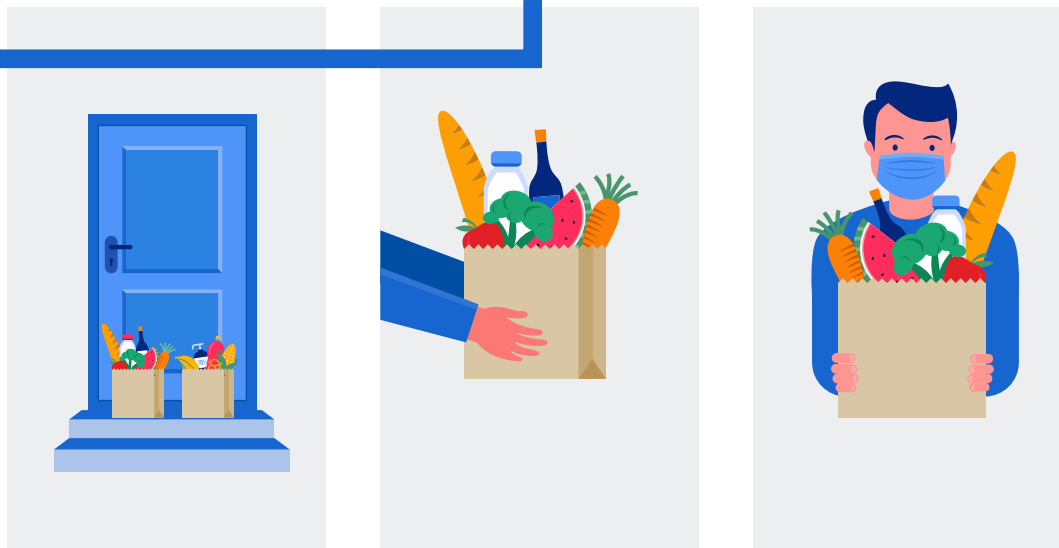
It all started with those three words: “Welcome to Moe’s!” 20 years ago. And today, these words still let each guest know that you’re always welcome, we are here to serve you food you can feel good about eating, and we want you to enjoy the time you choose to spend with us. Each of these things, although simple, is critically important in becoming someone’s choice with countless restaurant concepts to select from, or ambitiously, becoming someone’s absolute favorite burrito joint. ■

Alex Williams is chief brand officer at Moe’s Southwest Grill.

LOCAL FIRST!

Finding marketing success
amid disruption

Written By **HELEN BOND**



Consumer marketing during the pandemic's disruption has been shaped by how deftly brands and their franchisees have been able to meet customers' changing needs—when finding them, much less engaging them, can be downright tricky these days. Battle-tested and battle-weary, messaging pros spent most of 2020 learning to shift their messaging with carefully crafted positioning and creative solutions they hoped would resonate on both the local and individual levels.

If it's possible to put a marketing-like positive spin on the pandemic, Covid-19 has shown franchise systems the value of lightning-fast decision-making and execution. For many franchisors, the life of the brand and its franchisees depended on it. The pandemic compressed the usual timetable franchisors had planned to test, evaluate, and roll out new initiatives, from safety protocols to new goods and services to how to deliver them.

"We didn't have that kind of luxury during this time," says Mary Mills, vice president of marketing for College Hunks Hauling Junk & Moving. "We were making changes fast and furious, in a way that still allowed for communication and buy-in yet got us where we needed to be a lot faster."

The Tampa-based moving and junk removal company wasted no time adapting its essential business model in the early days of the pandemic, offering contactless front door and curbside junk removal. To promote the new program and convey customer and employee safety measures in a reassuring way, the brand leaned heavily on public relations and digital messaging.

The usual on-the-ground awareness tactics franchisees had relied on for years (branded trucks, door hangers, yard signs) were temporarily shelved while the brand tripped down on social media and explored new avenues for awareness, such as the online neighborhood hub Nextdoor. Still, the pandemic put a serious crimp in its traditional marketing practices.

"A lot of brands are consultative or relationship-based in nature. You have to build those relationships, and some of that became harder during Covid," says Mills. "Leaving junk at the curb was a great way to keep business going, but the downside was we couldn't go in and talk with them, smile and shake their hand, and find out what other things we could do for them. All of a sudden, our consultative and relationship-focused business was more focused on convenience and safety, yet you want to preserve who you originally were. It's a tight balance."

TECHNOLOGY, LOYALTY, AND RETENTION

Technology-fueled messaging strategies and a focus on hyper-local loyalty and retention campaigns are expected to dominate marketing in 2021, as brands with tight or shrinking budgets seek to optimize the experience and results at each location. The effort to keep loyal customers loyal will drive a 40% lift in the marketing messages consumers receive this year, especially through direct channels like email and mobile messaging, according to Forrester Consulting.

“There is no play in the playbook for third down in a global pandemic,” says Doug Zarkin, vice president and chief marketing officer at Pearle Vision. “Marketers and brands have really had to take stock of what makes them unique and special, and how to protect and reinforce that as far forward as you can so those who have committed to your brand stay committed to your brand.”

A back-to-basics approach has allowed Pearle Vision to come through the pandemic thriving so far, he says. Doing so required the eyecare franchise to take two steps backward to take “three very big steps forward,” says Zarkin. Declared an essential business, the company looked to its roots as a trusted brand built on serving local community needs.

“There was a real recognition that consumers make emotional decisions before they make rational choices,” Zarkin says. “There needed to be a strong degree of empathy and recognition of the tensions that exist when someone leaves their home. We had to evolve our messaging in that regard, and also put out proof points that we had taken steps to ensure that the exam room and the retail floor provided a safe and enhanced safety experience.”

Almost all locations remained open throughout the pandemic. Resources were redirected toward enhanced safety procedures for its owners, employees, and patients, with initiatives deployed to send a message of caring. Along with a new contact lens e-commerce service for patients, the company launched a system-wide incentive for routine eye exams that would cover a patient’s out-of-pocket costs or co-pay as a credit against an eyewear purchase. National media buys were geo-targeted and locally focused to reinforce community connections.

CONSUMER TRUST AND EXPECTATIONS

Tech-savvy consumers have high expectations for their brands. Thanks to the power of local search and social sites, they want fast, accurate decision-making information tailored for their nearby location. Covid-19 has accelerated those expectations—and the challenges franchises face to scale their communication across locations that continue to operate under a myriad of restrictions and local and state health and safety guidelines.

Trust and transparency are crucial to success, says CJ Ramirez, senior vice president of marketing for Dog Haus, the Pasadena-based gourmet hot dog, sausage, and burger chain.

As dining rooms closed nationwide last March, the brand’s founders fast-tracked the launch of The Absolute Brands, a restaurant group composed of Dog Haus and three delivery-only brands (Bad Mutha Clucka, Plant B, and Bad-Ass Breakfast Burritos) at its virtual kitchens and restaurants. In the coming months, the company will introduce four more virtual concepts, capitalizing on the exploding use of third-party delivery.

With Dog Haus locations spread across the country, Ramirez quickly saw the need for a local-first marketing strategy. Reputation management and store-level marketing on Instagram and Facebook, previously centrally managed, were placed in the hands of franchisees. Owners were encouraged to expand their teams to respond to the needs of customers during the pandemic. The brand quickly responded with safe initiatives to drive sales, including curbside pickup, an adapted grocery store model that sold a variety of essential foods at its restaurants, and the debut of The Absolute Brands. These combined efforts drove a massive spike in delivery sales.

The debut of the virtual brands, along with social media advertising aimed at increasing awareness of the brand’s pickup and delivery options, were key to reversing the situation for Dog Haus.

RIDING THE LOCALIZATION EXPRESS

There is a tremendous opportunity in local digital marketing that most franchise brands have yet to realize, says Monica Ho, chief marketing officer of SOCi, a reputation and social media management platform for multi-location brands. Covid-related disruptions in operations highlight the critical need for franchise brands to operate and market with a local mindset. And today’s shifting landscape requires brands to make their presence known at each location—because if you don’t, someone else will.

Consumers count on local search, review, social, and other third-party sites to make decisions on where to shop or dine, purchase products and services, or even buy a restaurant. Managing these messages and customer experiences requires brands to actively monitor their online reputation and presence to drive awareness, engagement, and sales at each location.

Deploying local strategies across an entire system is complex. Multi-location marketers, constrained by insufficient resources, disjointed toolsets, and a lack of location-specific insights, have tended to default to a national focus, according to “The Localized Marketing Imperative: Why Multi-Location Marketers Must Harness Their Localized Presence To Compete in a New Marketplace,” a study by Forrester Consulting commissioned by SOCi.

But times are changing, says the report, which notes that most multi-location leaders have made improving marketing effectiveness at the local store level a high priority for 2021. Harnessing brand power through local consumer touchpoints begins with technology.

“Multi-location marketers looking to achieve localized marketing success won’t find it by continuing to piece together partial solutions. There are too many disparate workflows and a lack of unified data and insights,” says Ho.

The good news is that emerging technologies have lowered some barriers for scaling and implementing local strategies across distant franchise locations. Using a single, centralized platform that allows a franchisor and all its locations to create and post content through social media or local search, or for tracking and responding to local reviews, reduces the need for large marketing teams, especially when marketing budgets are under pressure, says Ho.

The study, which surveyed 154 decision-makers from multi-location businesses, found that centralized oversight and clearly defined responsibilities are key to localized marketing success, stating: “Solutions like these, when coupled with clear governance processes that tap into the strengths of corporate and local teams, can help marketers attain companywide consistency and a more personal, local touch.”

After a brief downturn, sales exceeded pre-pandemic same store levels by more than 13% for the past 6 months.

“That was the big discovery, that everyone is capable of fighting the fight,” says Ramirez. “What I want to do moving forward is to give more control to the franchisees. I want them to do more because I know they want to do more. I want them to do more because I trust them, and they want to do more because they recognize it’s good for their business.”

Whether it’s through people-to-people interactions or through the localization of digital tools, for Dog Haus it’s all about lifetime customer value. “Business today, from my perspective, must include technology, but not as an artificial voice. It must be a real human touch,” says Ramirez. “You can use technology to do it, as long as you monitor the tone as part of the process.”

FOCUS ON LOCAL

The ever-changing business environment has reinforced the need to amplify communication—with both customers and franchisees—but in meaningful ways.

Frenchies Modern Nail Care was founded in 2014 to flip the highly fragmented nail care industry on its head as a clean-and-green brand focused on an exceptional guest experience. Throughout the pandemic, the brand has harnessed the power of technology as a differentiator to keep it front and center for both consumers and franchise prospects. Frenchies, which boasts an extensive web presence, step-by-step marketing programs, and studio tracking metrics, encourages studio owners to seek meaningful ways to make personal connections, says Stacy Stout, vice president of marketing. Beauty care has always been a place for the community to gather, she says.

“This was a reminder for us that we are a very human-to-human business,” she says. “We advocate for our studio owners to think of ways to remind people, ‘You are a small business owner, you’re part of a large franchise national brand that helps you from an operational standpoint, which only benefits and supports their local community.’ These are small, local businesses, every one of them.”

KEEP ON LISTENING

Mining data to spot trends allows franchisors to avoid making consumer behavior-related changes in a vacuum. Ultimately, consumers will dictate what marketing moves brands make. The right message delivered to the right person at the right time remains at the heart of marketing. Resilient brands will be ready to anticipate change and act on it.

“As great as I think we did navigating through this, if we don’t continue to watch, listen, and see what our customers are telling us, then we have pivoted somewhere that may no longer be relevant 6 months from now,” says Mills at College Hunks. “You have to meet consumers where they are, where they want to be, and how they want to communicate with you. If consumer behavior is changing, we are going to change right with them so we meet their needs, however they need us to.” ■

IN THIS ARTICLE



Mary Mills



CJ Ramirez



Doug Zarkin

PURPOSE-DRIVEN

“The Covid-19 pandemic has been the biggest reset for brands in a century. Almost overnight, companies have had to change how they create content, market services, distribute products, and take care of newly remote teams. Yet purpose-driven companies are likely already better positioned to ride out this time of extraordinary change—they know why they exist and who they’re built to serve, regardless of what they sell today.” (Deloitte)

Nearly a year of operating under the cloud of Covid-19 has pushed franchise consumer marketers to shift much of their face-to-face, in-store, commuter radio, and other out-of-home marketing online. Forced to shake up their usual strategies and tactics, marketers have found ways to be even more creative than usual as they seek ways to genuinely engage with and serve their customer base.

“One of my favorite expressions about marketing is that it is not about perfection, it’s about progress,” says Pearle Vision’s CMO Doug Zarkin. “We are constantly looking at our ability to connect with consumers.” Technology-enabled experiences, such as Pearle’s ABSee online tool for parents to screen their child’s vision at home, have caught on—by necessity.

Examples of creative initiatives and community programs introduced by brands during Covid abound across the U.S., tech-enabled or not. College Hunks, for example, launched a program during the pandemic to provide free moves for survivors of domestic violence and has expanded it systemwide.

A survey conducted by Deloitte (“Built to flourish: How purpose-driven companies navigate a Covid-19 world”) found that “when companies’ crisis responses are driven by a holistic purpose, they garner more attention and consumer interest.” In the survey of almost 2,500 global consumers, 79% recalled certain brands responding to Covid-19 by helping their customers, workforces, and communities.

Purpose matters. According to Deloitte, “Organizations that know why they exist and who they are built to serve may be uniquely positioned to navigate unprecedented change.”

CHIEF BRAND ADVOCATE

Jodie Conrad serves both
Fazoli's and its customers

Written By **KERRY PIPES**



Jodie Conrad may not have the advertising resources of some larger brands, but she's learned how to adapt and still produce results that matter.

As CMO for Fazoli's, a fast-casual Italian food brand, Conrad is responsible for all marketing and culinary functions including advertising, digital and social media, field marketing, consumer insights, off-premise business development, public relations, and new product development and testing. Sounds like a tall order but she has the experience and dedication to take it all on.

Conrad, who signed on as senior brand director in 2016, has been a quick study at Fazoli's. One year later, she progressed to vice president of marketing, and in 2019 was named CMO. Before Fazoli's, she honed her skills in the marketing departments at Wendy's, Donatos Pizza, and Coca-Cola.

Covid-19 forced the marketing team and support office to work remotely, making it more difficult to stay connected and collaborate. The pandemic also altered the brand's marketing message. "In terms of messaging, a major impact was to refocus our communications to promote Family Meal and off-premise sales," she says.

Following the initial drop in sales and traffic brought on by the early days of the pandemic, Fazoli's shifted hard to off-premise business, relying more on drive-thru, online, and third-party ordering. That kind of adjustment goes to the very core of what Conrad sees as a critical part of her position. "Stay connected to what our guests want," she says—and find ways to deliver.

As the self-described chief advocate of the brand to the consumer, Conrad says she also must be the chief advocate of the consumer to the brand. "It's everything about the consumer's experience with your brand, so you have to be connected with and influence what's going on across the entire organization."

Describe your role as CMO. I think of it as being the chief advocate of the brand to the consumer as well as being the chief advocate of the consumer to the brand. We need to stay connected to what our guests want out of their restaurant experiences, deliver on them, and then communicate with them in a compelling and relevant way why Fazoli's is a great choice for them and their family.

What's the most challenging part of being a CMO today? Staying top of mind in such a fragmented market is always a challenge. We do not have the advertising resources of larger brands, but we work very hard to stay connected with our guests using tools like our CRM system, where the advantage of size and spending is less pronounced.

How has Covid-19 affected the way you have led your brand's marketing efforts? The major way was probably like many others: pretty much overnight, the marketing team and support office were working remotely. It is certainly more challenging to stay connected and to collaborate this way, but we have several regular calls and Google Meets to make sure everyone stays informed. In terms of messaging, a major impact was to refocus our communications to promote Family Meal and off-premise sales, and to share the cleaning and sanitation measures we were taking because of their relevance to the guests' needs during Covid-19.

What are the 3 most important keys to being an effective CMO leader today? First and foremost, don't work in a silo. Marketing is not just advertising, it's everything about the consumer's experience with your brand, so you have to be connected with and influence what's going on across the entire organization. Second, you have to assemble and develop a great team where everyone knows their role. Diversity of perspectives and strengths within the team really helps

to conceive, develop, and execute great initiatives. Last, stay curious and keep learning. Consumers are fascinating and always changing.

How do you prepare a marketing plan and execute the strategies?

We try to lay out our product marketing calendar about a year in advance. It may sound counterintuitive, but being prepared that far out actually allows us to be a bit more nimble and flexible when conditions change. For example, after Covid-19 hit, we moved up the launch of a "5 Under \$5" value program (5 entree choices priced at \$4.99 each) that we had tested earlier. Once you have the initiatives validated, for us it's about aligning all our communications efforts to reach our consumers in a meaningful and influential way.

How do you measure marketing results and effectiveness?

Probably like most restaurant brands, we're primarily measuring sales and guest traffic. Guest traffic is really the barometer of brand health, so we've been focused on initiatives that can broaden our reach and increase frequency of guest visits.

Discuss your core consumer marketing strategies and objectives.

Our initiatives are focused on 1) delivering great-tasting food, 2) providing superior value, and 3) making it easy for our guests to get our food when, where, and how they want it. When we do these three things well we build guest traffic.

How do you go about creating a customer-centric marketing and brand philosophy? I believe that a key part of the marketing role is being the consumer's advocate to the brand. In every organization I've worked, it can be easy to revert to an internal focus on what

is easier or cheaper—not that ease of execution and financial performance aren't important—but you always must bring the guest's perspective to any changes you're making to your product, service, or pricing. They are the ultimate judge and don't know or really care what's easier or cheaper for us. And if we don't make their lives better or easier, they will find someone else who will.

Describe your marketing team and the role each plays. Our team

basically consists of three different parts: brand, field, and culinary. The brand team owns the consumer communications and insights. Field owns media planning and execution, both for the company and franchise markets. And culinary owns the product, both for new product development for the marketing calendar, and for continuous improvement to our core product line. I am fortunate to have a fantastic team that makes me look good. They are dedicated to providing a great experience to our guests and to helping company and franchise operators both be successful.

When it comes to helping the brand connect with franchise prospects, why is it so important for the marketing department to have a personal touch? For us, 75% of our restaurants

are franchised. It's impossible for us to be successful if they're not successful, so we need to form relationships early to help them develop opening plans and the right ongoing marketing initiatives. Our plans differ drastically across markets based on what mediums are accessible/affordable and what works in different areas. We don't have the scale for a national marketing program, so we need to understand each market individually to maximize the impact we can get for our dollars.

How does this help your franchise sales and development efforts?

Prospective owners know us from the beginning of their journey and know that we're part of their team. We're here to help them be successful.

What methods or tools do you rely on to do this? Overall, it's still pretty old school, in that we're focused on building a relationship between the franchisee and our media agency (Right Place Media)

before the first restaurant even opens. We have regularly scheduled calls with each owner before, during, and after grand opening.

Do today's prospects expect more from the franchise marketing department? What, and how do you provide it? We have a relatively broad spectrum of franchise owners, from one-store owner/operators who live in the community to very large franchisee groups who own many restaurants across several DMAs. Regardless of how many restaurants franchisees own, they still expect us to be knowledgeable, responsive, and provide tools to help them win in the marketplace.

How is today's consumer and marketing data helping you fine-tune your marketing initiatives? A recent example is dealing with life in the era of Covid-19. In the past, you never really wanted to talk about your cleaning and sanitation procedures because they were just table stakes in this business. You didn't even really want guests to see you cleaning, you just wanted them to see the finished product. Now, it's very different. Consumer feedback is clear that they want you to tell them exactly what you're doing to keep them (and our own people) safe, and to see you actually doing the cleaning and sanitation.

Describe the evolving role of social media in your brand's marketing efforts. It's been important for a while now, of course. How we've evolved it is to bring a more human voice, a more human touch, to our social media posts and interactions. It's really true in all forms of consumer communications, but especially important in social media, that you're talking *with* consumers and not *at* them.

How do you work with other internal departments and does technology help? OMG, it's the difference between success and failure. We have regular leadership team meetings to make sure we're aligned and communicating at the executive level. We also have regular project team meetings with operations, training, supply chain, finance, and IT to make sure everyone is informed about what's going on and what's needed from them. Technology is where the need for collaboration and communication is more pronounced than it's ever been in my experience. In some places I've worked,

I barely knew the IT people. Now we're on speed dial with each other. It's just such a critical piece of the consumer experience.

How do you manage costs and budgets for the marketing department? We lay out a budget at the beginning of each fiscal year. It gets reallocated dozens of times before the end of that year, of course. As a relatively small brand, we're always trying to find efficiencies and ways to get what we need for a better price. And we need to be able to adjust quickly to address business conditions—good or bad.

Do you see vendors as business partners? Why/why not? The short answer is, some of them. It doesn't take long into a relationship to discover who is willing and able to help us build our business versus those just looking for us to fit into their business

model. Living through crises like Covid-19 illustrated this very dramatically.

How have marketing strategies/tools changed over the past decade? How have you adapted? The most striking difference here is in the area of digital and technology. It has become perhaps the most important component of convenience. Since marketing encompasses the entirety of the consumer journey and experience, making it friction-free is more important than ever. So a good part of our marketing initiatives are now focused on making sure we are easy to do business with—much different than just open your doors and let people come to you.

How is your marketing/branding strategy developed, and how does it flow through the system? Each year,

we align on the organization's strategic imperatives and then develop our marketing calendar and initiatives to support them. We align at the executive and project team level, and also with franchisees to carry those out. There are regular calls and webinars with the company and franchise operators to share the vision with them and to get feedback on what's working and what needs to be improved.

What advice would you offer to aspiring CMO executives? Know your stuff. Work hard. Make sure everyone's roles are clearly defined. Support and develop your team. Own mistakes and share credit for successes. Keep learning. And have fun. ■

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Q What consumer trends data are you seeing right now, and which are you using in your marketing?



LARISA WALEGA

Vice President, Marketing
Ziebart International

One consumer trend that is always at the top of our list is the age of vehicles on the road. This is a strong indicator of aftermarket performance. This trend shows consumers holding on to their vehicles longer, so service, maintenance, and repair are in great demand and strong growth is expected.

Our appearance and protection services are an excellent match for consumers' need to hold on to their vehicles longer. Educating consumers through our marketing efforts on the opportunity to include appearance protection as a part of their everyday vehicle maintenance helps us to fulfill a variety of needs:

1. We are extending the life of that vehicle to ensure a safe and comfortable ride.
2. We are maintaining the appearance of the vehicle to help our consumers show the pride they have in vehicle ownership.
3. We are helping that consumer increase the resale value of that vehicle when they are ready to trade it in and purchase a new one.

To understand where our customers' needs are, we review our personas a few times a year or we invite them back to the table for a "cup of coffee." This figurative exercise lets us step out of our day-to-day and make sure we are correctly aligning our messaging to the most current needs of our customers. We take into consideration things like cultural shifts, industry changes, as well as factors such as how our personas have evolved and where they aspire to be since the last time we had a cup of coffee with them.

Having this conversation allows us to dig deeply into our core customers' needs and ensures that we are aligning our services appropriately to fulfill them. It can also give us ideas for our product development team. I find these regular conversations allow us the greatest opportunity to ensure we are having the right conversations with our customers, and at the right time, which ensures that we are building meaningful, long-lasting relationships. ■

“Last year showed us that the “influence” influencers have is growing tremendously, making it an effective way to build awareness and credibility from a third-party source.



JANE MCPHERSON

Senior Vice President of Marketing
Capriotti's Sandwich Shop

This year has brought on consumer behavior shifts that have had a major impact on the restaurant business. While consumers cut back on spending, we recognized many would still be looking to break up the monotony of being stuck at home, working long hours to keep essential businesses running, or just didn't want to give up the foods they love. To thrive during this period, we took the approach of doubling down on marketing around our shops to make sure anyone making a restaurant purchase would have Capriotti's top of mind.

Pre-pandemic, we had been seeing consumers shift from cable TV subscriptions to consuming media over the Internet through connected devices. During the pandemic, media consumption skyrocketed as consumers binged on their favorite shows and tried to stay up to date on Covid-related news through their connected devices. This created an opportunity to reach consumers at scale in the geographic areas around our shops.

Content watched over the Internet and through connected devices features digital advertising. What may look and sound like traditional advertising is actually OTT (over the top) video advertising with all of the targeting benefits of digital advertising. As a franchise, we learned quickly that OTT video advertising is an effective way to reach our core customers in the specific trade areas around our shops. What used to be considered a fringe tactic just a few years ago, has become a complete game-changer for consumer marketing—especially for franchisors.

Why? Traditional TV ad buys require a significant budget to reach an entire market, which is incredibly effective in markets where Capriotti's has critical mass, such as Las Vegas and Delaware. But like us, most

franchises have many markets without critical mass. Digital advertising can be tailored to reach an audience in a specific radius, which we've found to be an effective and affordable way to drive traffic to shops. Since the start of the year, we've increased our OTT spend by at least 50%, at first splitting this cost with our franchise partners. Today, a good number of our franchisees continue to buy OTT ads on their own because they've been so effective.

Early on, we worked to create OTT video advertising to let consumers know we were open, following new safety standards, and available for contactless delivery and curbside pickup. Throughout the pandemic, OTT video advertising provided an amazing platform that allowed us to keep Capriotti's top of mind with consumers, prompting them to place online orders or pick up a sub.

On top of ads, influencer marketing became another focus as a result of consumers' increased social media consumption. Last year showed us that the “influence” influencers have is growing tremendously, making it an effective way to build awareness and credibility from a third-party source. In 2020, we leveraged influencer partnerships for new product rollouts. We also deployed influencers to tell the story of our products as we opened shops in new markets, helping the new shops thrive despite the challenges of the pandemic.

Collectively, our marketing, advertising, and PR efforts have been heavily influenced by our consumers' needs, and we pride ourselves in how we've been able to listen, adapt, shift, and thrive. The results tell it all: we closed out our last two quarters with double-digit same-store sales increases. ■

Disrupt Yourself!

Make 2021 your greatest year yet

Written By
JOHN DIJULIUS

Before I share how to make 2021 your greatest year ever, let me first ask two questions:

1. What do Uber, Airbnb, Warby Parker, Venmo, and Square all have in common? All of these revolutionary companies started between 2007 and 2009 during the Great Recession.
2. Why do so many companies and industries get disrupted by outsiders? Because they believed that what worked in the past will work today, and that what is working today will work tomorrow. Instead of innovating, they remain in denial and become too protective of their old business model.

The opposite of revolutionize is to be stubborn, and being stubborn can be tragic to a business. When Blockbuster was in its heyday, their CEO suggested to the Blockbuster board that they should explore a subscription model similar to what a little startup company no one had heard of, called Netflix, was doing at the time. The board killed the idea because 12% of Blockbuster revenue came from late fees. How did that work out for Blockbuster?

WEAPONIZE ADVERSITY

Crisis creates opportunity. Adversity is a horrible thing to waste. I actually prefer a recession to a booming economy. It isn't that any of my businesses do better in a recession, it is that my competition does worse. Right now, and unlike any other time, your business has an incredible opportunity to lap your competitors. To totally crush them, gain more market share, and have the pick of top talent.

To survive beyond this pandemic, you can't wait for the disrupter who is coming fast. You can't be in denial of change, defending the way it was, the old guard. You must be the one willing to blow it up, no matter how painful that is.

To revolutionize, you must first re-imagine, re-think, re-create, and transition from defense to offense. When you play defense, you play small, go into prevent mode, focusing only on cost-cutting and what can be eliminated. Playing defense stifles creativity. Defense sucks the life out of your leaders and causes a doom-and-gloom outlook. Playing offense inspires your team to imagine building an amazing future they can be a part of creating: new solutions, innovative products and services, and new revenue streams. This becomes their passion and obsession.



EXERCISE TIME!

Here is a powerful exercise to quickly recover revenue and accelerate future growth. We use it to help our clients (and our own company) focus on reinventing the future while still generating the necessary sales to get through the pandemic. It consists of 3 columns. Add as many rows as you need. This exercise requires a great deal of time with leaders from every part of your organization.

A—Do Now Sell Now

B—STOP DOING

C—Do Now Sell Later

Column A—Do Now Sell Now. This may seem obvious. However, when thoroughly examining all your current inventory of products and services, you can get really creative. For instance, when you package or bundle high-margin offerings with low-margin ones, increasing the overall value and attractiveness to the customer, you can increase sales.

Column B—STOP DOING. This is critical to your survival and usually a blessing most businesses wish they would have done much sooner. You can't chase every opportunity. You need to say "No" to everything that is out of your sweet spot (i.e., easy to do and profitable). Easy to do means it has been (or can be) systematized and requires very little tweaking—a rinse-and-repeat model. This may mean eliminating products and services that aren't easy to do and profitable. This may mean losing (some call it firing) a percentage of your customers who aren't easy to work with, high maintenance, or simply not profitable.

As Seth Godin said during his presentation at 2020's Customer Service Revolution, "Firing an unprofitable group of customers (with kindness and care) allows you to focus on your most profitable customers. You need to focus on customers with high lifetime value." You can't scale your operations or, in some cases, survive these trying times by being all things to all people.

Column C—Do Now Sell Later. This is where the magic happens. It is where the excitement starts, by figuring out how to totally disrupt yourself and the rest of your industry. What should you be developing now that will allow you to grow 10 times faster, revolutionize your business model, and leave everyone else in your industry behind?

DON'T HAVE A KODAK MOMENT

The first place to start is with the one question: What do you want your business to look like 10 years from now? Once you figure that out in specific, vivid detail, you then figure out how to make it happen in the next 6 to 12 months as if your personal life (or whatever you hold most dear) depended on it.

To revolutionize, you must first re-imagine, re-think, and re-create. Don't be stubborn and defensive of your existing model. Don't be Blockbuster, don't be BlackBerry, and don't have a Kodak moment.

Instead, let's go make some history—stories people will talk about for decades, that will be written about in the history books, re-defining the way things are done. ■

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Content Is Still King

How to succeed at content marketing in 2021

Written By
LIANE CARUSO

In 1996, Bill Gates wrote an essay titled “Content Is King.” It began: “Content is where I expect much of the real money will be made on the Internet, just as it was in broadcasting.” The phrase already existed, but Gates popularized it just as business was beginning to catch on to the Internet. Twenty-five years later, this holds true more than ever and often is expanded to “Content is king and distribution is queen.”

For marketers today, integrating a strong content marketing strategy is a necessity. Many companies don’t understand exactly what this means, how it works... and if it actually does work.

At its core, content marketing is a strategy built on delivering relevant content with the goal of connecting with current customers and attracting new ones. A successful content marketing strategy builds and nurtures a relationship, establishes trust and value, and creates long-term, paying customers. The inclination is to promote your goods and services, but content marketing is a long game that requires patience and testing, consistency and creativity, and most important, a plan. Let’s break it down.

Establish a content calendar. When integrating content into your marketing strategy, it’s vital to have a consistent plan to create and deliver relevant content to your audience and/or to those you want to attract. This takes effort, attention, and a committed schedule. Whether you create monthly or daily themes, be sure to plan ahead. Decide the concept or title of the article, the message of the video, and the corresponding social posts well in advance. This will allow you to slice and dice your content for multiple purposes. For example, shoot a behind-the-scenes video, write an article featuring the video, post it on your blog and YouTube, share a snippet of the video on your social channels, and/or create

a graphic with a quote from the video to share on your social channels later. One article or video can be repurposed in many ways, but only if carefully planned out!

Develop great content. Content can be created in a multitude of ways including articles, blogs, videos, podcasts, social media posts, graphics, downloadable content, press releases, email newsletters, and how-to guides. Video continues to be very powerful and should be a part of any content strategy. Not all video must be professionally produced, but consider your brand standards when creating them. At larger brands, every video may have a copywriter, designer, social writer, and videographer behind it. If you can’t afford a full production team, just be sure to have a quality copywriter and designer who truly understand your brand, your core message, brand voice, and how to engage with your audience.

Remember, content must be geared to your customers and what they want or need. It isn’t always about selling. Your goal is to develop and nurture a relationship. So be resourceful, entertaining, and informative—and meet people where they are. Here are some ideas:

- Write articles about the company, processes, products, or services. Use testimonials and quotes from key team members, partners, or customers.
- Contribute articles to reliable media outlets or third-party websites. Engaging with a PR agency that knows your brand and goals will help deliver that third-party media attention.
- Videos are an excellent way to make a brand come to life. Videos don’t have to be long. In fact, shorter is better! Be sure to include the most compelling information at the beginning. Subtitles are also important for people who scroll through their social media with the sound off.
- What about a podcast? Now just might be the time to start! Podcasts help build authority and allow you to be a thought leader in your area or industry. Podcasts involve planning and technology, so be sure to have all the moving parts in place before starting.
- Not quite ready to launch your own podcast? Be a guest on other podcasts! Research programs and hosts relevant to your message and brand. If you find a good fit, you’ll have the recording to share on social media and on your website, and you can highlight the recording in your email newsletter. The podcaster



should also promote you on their channels to amplify your online reach.

- Social media is probably the most powerful way to get your content in front of the right audiences. Each platform serves content in a different way, with a different purpose, and with a unique audience. Understanding how each platform works—and its target demographics—will help you craft your message best. How you post on LinkedIn may be different than how you share that same message on Instagram or Facebook. It’s important to understand the differences.

Track what’s working and continuously improve. Content marketing is a massive effort. If it’s not working, it’s a huge waste of time and resources. Pay attention to the data and insights on your website and social media channels. They all have built-in platforms to help you understand what’s working and what’s not. Most important, continue to improve what you’re doing and how you’re doing it. Stay ahead of trends as best you can. If something is not working, stop and try something new.

The Internet is constantly evolving, but one thing that hasn’t changed is that people are constantly looking for great content. Content is still King! The opportunity is there to connect and engage, build and nurture, and, ultimately, drive sales and ROI. ■

Liane Caruso is a franchise marketing professional specializing in digital marketing, social media, sales and marketing alignment, and strategy. She launched helloCMO, a franchise marketing consultancy dedicated to fractional CMO or outsourced CMO engagements for franchise brands and suppliers. Find her on LinkedIn or contact her at 312-526-3996 or liane@lianecaruso.com.

Digital Out-of-Home

A re-emerging medium for franchise brands

Written By
STEVE SCHILDWACHTER

Digital out-of-home is what you might call a “re-emerging medium.” You can’t call it an “emerging medium” because it’s signage, the oldest form of advertising there is.

“Re-emerging,” however, is appropriate because digital out-of-home has caught up to modern ad standards. And it will be a critical way to connect with re-emerging consumers getting out and about in 2021 after the quarantine of 2020.

What *is* digital out-of-home? Often abbreviated as DOOH, it includes digital billboards of all sizes, as well as specialized placements like office building elevators, gas station pumps, taxis, and doctors’ offices. Industry estimates are that about one-third of all out-of-home inventory is digital.

Although digitization means replacing ink and paper with lights and pixels, it also permits wider delivery of video advertising. To that point, the industry group Digital Place-Based Advertising Association (DPAA) touts the slogan “Video Everywhere.”

The DPAA’s president, Barry Frey, would admit that digital out-of-home faced headwinds during a year when people weren’t out-of-home as much, but saw some bright spots. “Digital out-of-home worked well for advertisers who used it in 2020,” Frey said. “Due to increased digital capabilities and DOOH programmatic, the medium now allows marketers to change messages, locations, venues, and targets instantly according to fast-changing conditions.” He also reports that 2020 was a year when vendors, agencies, and tech companies collaborated on improving digital and programmatic infrastructure. The DPAA has led these initiatives.

The main improvements were leveraging technology to make the medium easier to use. Digital out-of-home, like digital online ad space, is increasingly bought

and sold programmatically, allowing for the same ability to plan and buy at scale. The difference is that programmatic online connects brands and consumers on a one-to-one basis, while programmatic digital out-of-home connects “one-to-many,” in Frey’s words.

That leads to one of the biggest questions on any marketer’s mind: How is digital out-of-home measurable? Two large players point to mobile phone location data. Dan Levi, CMO at Clear Channel Outdoor, explains that “mobile location data allows us to measure audiences, but also consumer behavior, anonymously and in the aggregate.”

Ian Dallimore, vice president of digital growth at Lamar Advertising, one of the largest outdoor advertising companies, adds, “Mobile data gives us the ability to capture anonymous device IDs, see where people are moving through the marketplace, and know if they end up at your store or a competitor’s.”

What that means for a franchise brand: Instead of placing billboards within a certain radius around your business, you can place digital messages on routes frequented by consumers who shop your category or your competition.

RE/MAX, the real estate franchisor, used mobile location data to identify house hunters and place messages along their journeys. “Normally, they would put up messaging around weekends, when open houses are held, but with this kind of data we found house hunters where they were, increasing attendance at open houses,” said Dallimore.

In the same way mobile location data powers measurability, programmatic technology adds versatility, such as triggering messages when the temperature rises to a certain number. “On a hot day,” says Raising Cane’s CEO Todd Graves, “we put up lemonade at certain times of day and my lemonade sales go up. The [out-of-home] industry is getting better on the digital side.”

That suggests creative possibilities. Dean Ferenac, managing partner at Match MediaWorks, observes: “Many DOOH screens are larger than life in size, while other placements may offer multiple screens in close proximity to one other. Creative teams should understand how to make the most of these highly visible, non-skippable video opportunities—and push to go beyond repurposing existing video or banner ads.”



By the same token, one thing to keep in mind is digital out-of-home’s complexity. Historically, there have been inconsistent formats and production standards, varying by vendor. Two things are changing. One is that most sellers have allowed agencies and tech partners to list their inventories collectively in common platforms so buyers can choose the locations that work best for their business, regardless of who’s selling.

“With programmatic technology, a brand marketer has the ability to plan according to their campaign parameters across the screen inventory of many media owners,” says Jonathan Gudai, CEO of the digital out-of-home planning and buying platform Adomni. “That was very difficult to do in the past, because the software did not exist to plan and buy the entire market from one place. But in the last two or three years, digital out-of-home media owners and technology leaders have come together to make their inventory available in an easy and centralized way.”

The other is that buyers can plan digital out-of-home alongside other digital media. “Digitization introduces DOOH to the digital marketer, and is additive to digital advertising online, mobile, and in social,” explained Jim Wilson, CEO of Talon, an agency specializing in out-of-home. “OOH gets to be part of the omnichannel campaign.”

Wilson adds that most ad agencies have recognized these advantages. “Regional and local agencies are incredibly innovative, easily working across platforms.” ■

Steve Schildwacher, an advisor to franchisors and franchisees, previously was CMO at BrightStar Care and represented franchise brands while at Leo Burnett and FCB Global.

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Q Which marketing tools are you finding most effective right now for lead generation and recruiting?



FRANK MILNER

President
Tutor Doctor

As was the norm in 2020, a swift transition to virtual helped tremendously when it came to connecting with prospective franchisees and consumers. As an education franchise known to specialize in in-home tutoring, the top questions we've received are about how we've pivoted to safely interact and serve our clients during the pandemic and shelter-in-place restrictions. As a result, we've structured our virtual discovery days to offer real-time updates on what innovative strategies we've been workshopping, and give prospective franchisees the opportunity to interact and ask questions to our home office, education, and training and field support teams. Just like our approach to customizable tutoring, our virtual discovery day is unique to the individuals who take part in it. We've also seen more prospective franchisees using the chatbot tool on our website, and last year four deals showed initial interest through the chatbot.

Similarly, but through the consumer lens, we've been able to connect with new clients through the live chat feature on our website.

In 2020 alone we saw lead conversion rates triple on our U.S. website and we are rolling out this service in the U.K. In an effort to continue innovating to meet the ever-evolving needs of the consumer, we created an Innovation Squad—a group of on-the-ground innovators who reacted to events as they happened and devised solutions. Two of those have been our Global Tutor Share Program, which allows franchisees to share tutors from across the globe for online tutoring efforts and is actively being built into our CRM for future franchisee benefits; and our Pivot to Profit program, which trains franchisees to build community relationships online and further grow their businesses. While these programs are built to help the consumer and respond to further demand for services, they are also effective marketing efforts we can mention to potential franchisees interested in learning how we've adapted during the pandemic and how we will fare as the world returns to normalcy in 2021. ■

“As an education franchise known to specialize in in-home tutoring, the top questions we’ve received are about how we’ve pivoted to safely interact and serve our clients during the pandemic and shelter-in-place restrictions.



DENNIS MULGANNON

Director of Franchising
WaveMax Laundry

The ebb and flow of franchise lead methodology and sourcing is fairly cyclical in terms of the “flavor of the year.” After developing franchise concepts over the past 25 years and having considerable success in the last 15 with the launch of seven different national brands, I’ve seen multiple ways companies generate leads. The most popular tactics used to build a robust and consistent pipeline include advertising, social media marketing, public relations, and leveraging franchise consultant or broker networks.

Most recently I’ve been working with WaveMax Laundry, the first laundromat to be successfully franchised in the U.S. The concept is unique in that it’s not positioned as a traditional franchise opportunity that looks to replace current income for a new franchise owner who has left a job or career, but rather as an investor model that provides semi-passive income. Because of the uniqueness of the concept and our ideal franchise prospect, we’ve had to approach our lead generation in a more strategic way.

We want our franchise partners to “keep their day job” and look at WaveMax as an investment, as part of their financial

portfolio along with the stock market, real estate holdings, and more. Knowing this, we’ve shifted our focus to attract medical professionals, CPAs, wealth managers, and high W-2 income wage earners with the help of franchise consultant and broker networks, alongside strategic public relations.

Traditional franchisee recruitment methods do not necessarily target these high net worth prospects, and the franchise broker networks do this for us consistently. The method is more expensive from a cost-per-sale standpoint, but we are focused on fast growth and a very specific prospective franchisee. Our public relations team leverages our network of franchisees who exemplify our ideal prospect and secures opportunities for them in national and trade media to attract like-minded individuals to our franchise model. Through these types of placements, along with others that position the leadership team, this strategic approach to PR also helps boost our brand’s SEO.

With more than 105 WaveMax Laundromats sold in a very short time, we will be exploring other traditional methods of franchisee recruitment in the near future to help maintain our growth. ■

Just Getting Started?

Sound advice for emerging franchisors

Written By
ANDREW SEID

Every new franchisor should look to take advantage of the goodwill, familiarity, and trust their brand has established over the course of its operations. This means tapping the existing customer base, friends and family members, and the professional networks of key members of the franchisor. Franchisees who have a previous relationship with a brand often will have great passion for that brand and a deeper understanding and appreciation of its culture, and can be more willing to take a chance on a new or emerging brand they know.

Since new franchisors will be doing a lot of OTJ learning, the first few franchisees are likely to see some of the behind-the-scenes struggles that will, hopefully, be ironed out as the franchisor gains more experience. An existing relationship between the first group of franchisees and an emerging franchisor is helpful where trust, open communication, and a benefit of the doubt will be needed.

This does not, however, mean you should award a franchise based solely on that relationship. It still is important to create a profile of what a franchisee should bring to the table to be effective in your brand, run your operations, and uphold your brand standards and culture. Although the familiarity and trust of existing relationships will provide new franchisors some leeway as they shape, test, and evolve their franchisee profile, allowing a franchisee into your system who is unqualified or not a fit, simply because of an existing relationship, is a quick path to some early franchise headaches.

Relationships with friends and family can become complicated very quickly when they change into professional relationships. Franchisees who have a longstanding relationship with a brand often see themselves as different than a “normal” franchisee and may expect special treatment or allowances.

The initial group of franchisees in many systems often have a different experience from the franchisees who follow. They were the first to take a chance with the brand and may have entered the system before significant changes were made. However, a franchisor must always treat franchisees the same. Simply having a previous relationship with a franchisor should not in itself put a franchisee on any special plane.

1) LEARN TO USE PR

Public relations can be crucial to the success of emerging franchisors. Founders have some of the most compelling stories to tell, which can be particularly effective in franchise sales. When choosing to join a franchise network, franchisees often make an emotional decision. A key part of that decision may be the powerful story of the franchisor’s path to building the brand, of a founder or team of founders who came together to overcome the odds and succeed where others had failed. These personal stories can help inspire an initial group of franchisees to take a chance on your brand, even without the proven track record of your more established competitors.

PR has a double value: it not only helps raise consumer awareness of your brand’s existing corporate locations, it also builds brand equity that will aid your franchise sales. As a franchisor, you’re now marketing to both audiences. PR can be an effective way to reach them both at the same time featuring different types of messaging for each.

2) WEAR MANY HATS

The management team of an emerging franchisor usually is limited to the founder and a very small team who helped build the business from the ground up. For about half of our emerging clients, that management team can be as few as two people. This can be a virtue for a franchisor needing to keep spending down. There will be a time to add members to take on specific roles (franchise sales, field support, training, etc.), but in the beginning those roles can, and should, be held by as few people as is practicable.

In the early days, it will be cheaper and more effective to elevate someone from your existing operations and teach them franchise development or field support than it is to bring in someone with experience at other brands. No one knows your brand, culture, and operations better than those who live it every day, especially the founders and initial team who undoubtedly are the most qualified to fill those roles at the outset. Also, by offering opportunities to



move up within your company, you will be better able to incentivize your best employees to further buy in to your brand and become a part of its future expansion.

As prospective franchisees have become more sophisticated, they seek practical information that only someone who has worked in the brand can answer. War stories and a clear understanding of how the brand works seasonally and in different situations build the confidence that prospects require.

3) TRACK YOUR DATA

Know where your franchise marketing dollars are going and track what methods are most effective. Make sure to include a way to track where your leads come from and where along the franchise sales process you might be losing them. By tracking your sales you will begin to understand where those sales come from so you can get the best value for your marketing dollars.

Finally, consider the growing number of suppliers that provide technology to track your franchise sales process. They are a worthwhile expense at the outset of your franchise journey. Investing in efficiency is the best way to make your franchise marketing dollars go further. ■

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Sticky Situation

Which changes from the pandemic will stick?

Written By
DARRELL JOHNSON



As I noted in my previous article, predictions of how the pandemic will change business permanently are inconsistent and often not particularly helpful. Yet we know that some of the changes forced upon all of us will have a long-lasting impact on how consumers will behave. That will change how business is conducted, and therefore how the franchise business model will be executed.

I discussed some trends that were under way before the crisis and how their adoption has been accelerated because of the crisis. As an example, many companies are now saying they may allow employees to work 2 to 3 days a week remotely after the crisis. How much less commuting, how many fewer lunches out or catered, how much less retail shopping—all because WFH was forced upon us and now is an expected way of operating? This will create a different mix of business winners and losers based on how brands adapt to the sticky part of forced change, something no evolutionary forces could anticipate.

Here, in part two, I discuss some of the changes caused by the crisis and how they are likely to alter the franchise business model. Culture and habits are hard to change—unless, of course, we are forced to. Such is the case with a pandemic. I'll use a food and a non-food retail example. According to a recent Technomic study, the biggest pain point for diners is waiting for the server to present the check, leave, return, take the credit card, leave again, and come back again. Along comes Covid *et voila!*, we accept a new way of paying for dinner, and can even arrange payment before dinner.

Technology substitution for people and the function of physical locations in service businesses will have post-crisis stickiness. This implies additional technology investment, different credit card processing

security, and retail employee job functions. And that's just one aspect of forced consumer behavior changes.

EFFECTS ON RETAIL

Let's turn to non-food retail changes (which may be even more fundamental) using yoga studios as the example. With yoga studios closed as non-essential businesses, many yoga instructors took their students online to survive. Will there be a desire to return to studios? Certainly, that desire is going to be changed as yoga practitioners find the convenience of online instruction at least partially offsetting the appeal of studio classes.

Any retail business that relies to a large extent on the relationship between the individual service provider and the customer is a candidate for permanent change because of the pandemic. When businesses were forced to change, they embraced new ways of doing things. We saw that in hair care after the Great Recession with the rise of franchised studios drawing stylists away from traditional brands.

Will we see the rise of similar models across other retail sectors? Certainly retail location selection and footprint design are going to experience a lot of change. While some of these changes were already under way in an evolutionary time frame, they have now been compacted into an 18-month period of forced change.

EFFECTS ON DEVELOPMENT

How franchisors correctly anticipate and adjust to this changed behavior is the all-important issue here. With most management teams focused on the immediate impacts of the pandemic on their systems, the long-term consequences have yet to be understood. How will that affect development, marketing, technology, field support, compliance, and the other functions franchisors are responsible for?

Almost every function a franchisor performs is likely to see long-lasting changes because of the changes in behavior Covid has forced. Let's look at two examples: 1) development at the beginning of the functional cycle, and 2) compliance at the other end of the cycle.

Most CDOs put a premium on face-to-face meetings with candidates. Many of our judgments about people are made through nonverbal observations. Discovery days have been a central part of the process. During the crisis, prospects and CDOs both were forced into alternative ways to make investment decisions. In-person discovery days became a casualty, and Zoom calls had to suffice.

The questions on the other side of the crisis are: Do prospects actually prefer the altered process? Did CDO prospect decision-making lead to suboptimal outcomes? Before we get the all-clear sign for renewed travel, you may want to evaluate how effective these forced new practices were. They certainly were more cost- and time-effective.

Compliance for many franchisors was forced to change because of travel risks. Some was solved by technology—taking a phone camera tour of the premises, for instance. Once again, the question is: How much of the insertion of technology for physical interaction will continue because of the necessity of today's needs? The answer from our research work for franchisor clients seems to be “far more” than most franchisors are currently considering as they stay focused on immediate challenges and opportunities. ■

Darrell Johnson is CEO of FRANData, an independent research company supplying information and analysis for the franchising sector since 1989. He can be reached at 703-740-4700 or djohnson@frandata.com.

Spread Out!

3 development ideas to capitalize on post-Covid

Written By
QUASIM RIAZ

As we reflect on 2020, restaurant owners who showed their true mettle and survived the pandemic by adapting are now looking into the future to see which challenges will remain and which opportunities can be capitalized on. Many of us are asking ourselves what we learned this past year that can give our businesses a competitive advantage in 2021 and beyond. At Dog Haus, we are looking closely at our development and real estate strategies. Here are three ideas we've found worth serious consideration regarding real estate and development in a post-Covid world.

Be creative during lease negotiations. Before Covid-19, the coveted 2,000-square-foot site for a fast-casual restaurant was incredibly sparse and expensive. This is changing. According to a National Restaurant Association report, the pandemic has caused the closure of more than 100,000 restaurants, 10,000 of them closed over the past few months alone. With so many empty spaces, there are more opportunities than just an increased supply. We have seen some landlords respond by lowering rents. Others in high-demand areas may not be reducing the asking rent just yet, but they are open to creative lease negotiations.

To take advantage of this market shift, it's imperative to be aggressive in these negotiations. Ask to include forced closure provisions: a 100% rent abatement during a full closure and a 50% rent reduction during forced dining room closures. Another creative safety net is to have a provision that reduces rent to 10% of gross sales in the case of any closure. While landlords may not agree to all of these provisions, they provide a good starting point for negotiations, because at the end of the day landlords still have a mortgage to pay and need their spaces filled.

Additionally, it's time to fight for dedicated parking spots for delivery drivers. Seek real estate that accommodates curbside pickup, takeout, and delivery. Look at spaces with ample parking or easy access for drivers and guests to quickly get in and out. Right now, we are looking into prototypes that feature a traditional drive-thru with a dedicated lane for third-party and mobile order pickup to make the process frictionless. It's critical to have that potential edge going forward.

Take advantage of second-generation sites. When searching for your next location, keep an eye out for second-generation restaurants. Many of them already will have key components of a restaurant in an ideal location. Components such as hoods, walk-in coolers, and restrooms, could save thousands of dollars on your next buildout. This past year, many tenants have walked away from their restaurants completely, leaving the landlord not only incomeless with no tenant, but also with a fully equipped and furnished restaurant. We've seen some landlords willing to offer zero key money deals (free FFE), larger tenant improvement budgets, greater flexibility on rent delays, or even periods of free rent—all to get a new tenant in right away. A second-generation space also is quicker to get up and running, which is often all the incentive a landlord needs to get a deal done.

Get into the virtual kitchen game. With the tremendous growth of third-party delivery throughout the pandemic, the virtual kitchen model will continue to thrive. This model allows restaurants to maximize delivery coverage while keeping investment and operational costs low. The pandemic caused consumer behavior to change and the use of third-party delivery apps to rise. A cost-effective strategy of penetrating a new market is to open a virtual kitchen.

Consider exploring partnerships with the growing number of virtual kitchen companies, such as Kitchen United or CloudKitchens, that have a successful infrastructure in place. Additionally, negotiate with the facilities and third-party delivery apps to ensure there will be enough profit after percentages are distributed to all involved parties.

One of the most important things we learned in 2020 is that we must remain flexible and pivot quickly. Many of the innovations we used to stay afloat are now a part of our long-term blueprint for success. When it comes to real estate and development, there's no better time than now to build the models that ensure your business thrives in a post-Covid world. ■

Quasim Riaz is a partner with Dog Haus, which opened its first location in Pasadena in 2010. In 2019, the company partnered with Kitchen United to expand its footprint across the U.S.



In Perfect Alignment

Match your brand offering to each prospect's vision

Written By
EVAN HACKEL

Would you like to sell more franchises? Of course you would! But do you know what is keeping possible owners from buying your franchise?

The problem is that your desire to make the sale is too strong. You want to make the deal happen, you want to get a commission, you want to bring that new buyer on board fast. Those motivations are natural, only human. The problem is they are working in opposition to the factors that will make the sale actually happen.

What do I mean by that? And what are those factors? What I mean is that people buy franchises when the vision they have for their lives is in alignment with the vision you cultivate for them about your franchise. Let me repeat: *When the client's vision matches your offering, then you have alignment and a probable purchase.*

The key here is to help the prospective buyer create a colorful, passionate personal vision that aligns with what you have to offer. Let's explore how you can make that happen.

WHY ALIGNMENT RARELY HAPPENS

Too often, we begin a sales conversation with a 5- or 10-minute exchange in which we barely skim the surface about what a prospect is hoping to achieve by buying our franchise. Those conversations typically go like this:

We ask, "Why do you want to own a franchise?" and the prospect replies, "I want to be my own boss." Or "I want to be in business for myself."

We ask, "What kind of franchise are you thinking about?" and the prospect replies, "I want to own a gym. I have always been into fitness."

We then move quickly into describing our offer. Now here's a little secret. At this moment, the prospect's interest is beginning to fade. Just when you want them to be most excited about learning about your franchise, their interest is sagging.

THE BETTER WAY

Instead of spending only 5 or 10 minutes skimming the surface, spend 30 or even 45 minutes helping the prospect develop a compelling, colorful vision of a personal future that will become real after buying your franchise.

This happens when you ask questions that help you understand the "whys" that lie beneath your prospects' motivations to own a franchise, your franchise. What do they really want, and why do they want it? If you ask questions like the ones I am about to suggest—and then *really* listen and engage in a genuine conversation—you will make that colorful vision come to life in your prospect's mind.

Why do you want to do this?

What past experiences brought you to us?

What forces in your life are influencing your thinking and your possible decision to become an owner?

Where do you plan to be in 5 years? 10?

What personal goals are you hoping to achieve?

THE VISION THING

When you spend more time up front understanding a prospect's dreams, vision, and motivations, you will find many clues that can help you build alignment and make the sale.

If their vision is to make a lot of money, for example, they will be looking for an opportunity where they could open multiple locations in the future. So stress that.

If their vision is to make a difference in the world and they have a passion around something, then you can present your offering so it supports that vision.

If their vision is to provide a financial and business legacy for their family, you can tell stories of current franchise owners who have done exactly that.

The more you ignite their vision and get them excited, the more ready they will be to make a decision, the more efficiently you will get through the details, and the sooner your sale will take place. Now your prospects won't be losing interest. They will want to make a transaction as quickly as possible and get started.

SO LET'S MAKE THOSE SALES!

Invest more time up front to understand your prospect's vision. Get them to see their future in Technicolor and have your franchise star in that vision. You will sell more franchises and, perhaps more important, you will have happier owners who are fully invested in your franchise's future, because it has become their future too. ■

Evan Hackel, a 35-year franchising veteran, is CEO of Tortal Training, a leading training development company, and principal and founder of Ingage Consulting. He is a speaker, author of *Ingaging Leadership*, and host of "Training Unleashed," a podcast covering training for business. Contact him at evanspeaksfranchising.com, follow him at @ehackel, or call 781-820-7609.



Virtual New Year

2021 international development goes online

Written By
WILLIAM EDWARDS

2020 has been a challenging year for the entire global franchise community, as Covid-19 has changed how we seek new international licensees. International travel to countries stopped in May. To meet new licensee candidates, we resorted to videoconferences. Due diligence on candidates became remote. Discovery days to have candidates meet the franchisor team either did not happen or were done virtually.

One of the biggest challenges has been overcoming cultural differences between countries. While some Western countries already were open to a first meeting by phone or video, most cultures require you to meet face-to-face and build a personal relationship before any business can be considered. Much to my surprise in 2020, we were able to do first candidate meetings virtually in Colombia, India, Japan, Panama, and Peru. We also were able to do licensee candidate discussions, and even negotiations, virtually for Australia, Cambodia, Italy, Korea, Spain, and the UAE.

In fact, this change has been beneficial because it allows us to eliminate unqualified candidates up front and then meet with only the best ones when international travel finally returns. We continue to believe it is necessary to eventually visit a country before awarding a license. I asked some highly experienced international development executives to comment on the future in their countries and regions.

Ray Titus, Founder and CEO, United Franchise Group

"2020 represented some of the toughest challenges to ever hit businesses, especially internationally. It was hard, but we managed to move forward and sell some master licenses. Since everyone was dealing with the same issues, we understood that, but what most were missing were the positives, and we pounded the positives! This

is the best time we have ever seen to buy a business. From finding locations to negotiating with landlords, from finding good employees to less competition, we changed the narrative. When vaccinations were first mentioned or cases going down, all leads got the update. What helped sell even more was that some of our franchisees actually were doing better in 2020. We set up calls, talked about how we pivoted the business, and the franchisees helped explain how it worked. Today our brands are all up over pre-Covid numbers, and we are looking at 2021 being our best year ever."

Iain Martin, The Franchising Centre, United Kingdom

"In the U.K. and Europe, 2020 has been a challenging year. Master franchises have been awarded, but in very specific sectors. One of our traditional growth areas has been successful food and beverage MUMBOs (multi-unit, multi-brand operators) taking on additional brands. But most have been focused on adaptation and survival and have deferred investment decisions. The one exception is for brands with a strong delivery/takeaway component. There is money available for investment, and once the landscape becomes more clear I am confident that successful brands will be introduced into new markets once more—likely in sectors that can thrive with or without a pandemic!"

James Liu, FranChina and EGS, Beijing

"The epidemic in 2020 significantly slowed investment in physical store business in China. Education is the most affected sector, where online classes will continue growing to replace offline, in-person teaching when relevant technology is available and in place. Franchising will be more popular in lower-tier cities; in high-tier cities brands prefer to build and run company-owned units. Every business must adapt itself to the online model, which means the majority of customers will be coming through an online channel. New technology will definitely change the usual way of doing business. Franchising will not be an exception."

Martin Hancock, COO, World Franchise Associates

"2020 was certainly a trying year for international business, but it has not been all doom and gloom. Understand that not all businesses have suffered as a result of the pandemic. In fact, some have increased revenue, and others understand there is

pent-up demand for their products or services that will be realized once Covid vaccines are widespread and restrictions lifted. The international deals we saw close in 2020 happened because both franchisor and franchisee were able to look through the current situation and understand the opportunities that exist on the other side. These include a changed real estate market, an increased pool of available workforce talent, and a predicted post-pandemic economic upturn. We also saw a strong uptick in inquiries from potential international franchisees in Q3 and Q4. Our outlook remains optimistic. We believe franchised brands in all sectors will see increased demand for international development in 2021."

BOTTOM LINE

It has been a very interesting year in franchising and business in general to say the least! Covid-19's impact has been felt worldwide, certainly here in Asia. Like many consulting businesses, we relied on frequent travel throughout Asia as a core part of our services (e.g., organizing franchise business-matching events and discovery days in major cities across the region). We had to adjust quickly and embraced the fact that digital sales and marketing would be key to our success in 2020.

We predict 2021 will be a year when franchise development will be strong in many countries, with most candidate identification, due diligence, and communication done by virtual sessions.

William Edwards is CEO of Edwards Global Services (EGS) and a global advisor to CEOs. From initial global market research and country prioritization to developing new international markets and providing operational support around the world, EGS offers a complete international operations and development solution for franchisors based on experience, knowledge, a team on the ground in more than 40 countries, and trademarked processes based on decades of problem-solving. Contact him at bedwards@edwardsglobal.com or +1-949-224-3896. Read his latest biweekly global business newsletter at www.geowizard.biz.

Driving by Data

Manage with metrics for recruitment success

Written By
ART COLEY

"I think I'm doing everything right. Why am I not selling more franchises?"

After working in franchise management as a CDO or CEO for more than two decades with nearly a dozen brands, I have seen a lot when it comes to recruitment. Two truths keep surfacing on my journey:

1. A great business model is not enough to grow your brand.
2. Using *your* metrics and data, you will find your system and recruitment rhythm... and start closing more deals!

Question: Are you using your data to drive planning and decision-making for franchise recruitment, or are you just looking at numbers and hoping for the best? If your answer is anything like the latter or "I'm not sure," you have a problem.

In a study by FranchiseGrade.com using data from FDDs, they found some interesting facts about U.S. franchise brands:

- More than 70% of all brands have fewer than 100 units

- 80% of brands that started between 6 and 10 years ago have not reached 100 units
- More than 50% of all brands are *not* royalty self-sufficient...they need more units
- 45% of all brands have fewer than 25 locations

You can read the whole study if you like, but you probably get the point. Whether you are winning or struggling with closing more deals and opening more units, I guarantee you there is opportunity to improve recruitment results with your existing team and current investment by turning to your metrics and data.

SUCCESS IS DATA-DRIVEN

I will say it again: a great business model is not enough. Yes, a great business model is required for long-term success, but it does not guarantee franchise growth. Why? Because without a data-driven recruitment process, candidates do not sign agreements, your pipeline dries up, and disparity spreads throughout the company.

The franchise brand cemetery is full of "great brands" that could not figure out how to recruit new franchisees and get enough units open.

Through consistent and accurate data collection, observation, and analysis you will be empowered to identify your recruitment "secret sauce." It is there. Trust me on this. It is what happens when you manage by data and facts, not opinions and emotions. This approach will allow you to establish a repeatable system that gives predictable results. Your brand will build a successful franchise development program or improve the one you have.

Act now! Gather up your data from the last quarter, 6 months, and year. Review the overall numbers, ratios, and step conversion metrics for each period. Focus more on what happened with the leads and candidates who came in, versus starting with lead generation sources. Assume that if someone reached out to you, they were generally interested in your brand. What do the numbers say happened after an individual raised their hand and said, "I'm interested."?

Your game plan for training, coaching, and managing recruitment will start to be crystal clear. Not only will you increase signings for more units, you will also see:

- Consistency and predictability in recruitment. "Boringly brilliant" predictability means you are no longer in the dark about what is working and what is not.
- Better candidates in the pipeline. You will discover your "ideal" candidate, eliminating excessive lead generation cost.
- Less recruitment staff turnover. Your development team will experience less turnover, onboard new team members faster, and enjoy successful recruiting.

Let's go to work! ■

Art Coley leads CGI Franchise. CGIF has been helping franchise companies implement and execute repeatable and sustainable recruitment systems for more than two decades through the Recruitment Operating System. Based in Temple, Texas, CGIF works with brands worldwide. Contact him at 281-658-9409 or acoley@cgiffranchise.com.



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