

Helping Franchisees Navigate the Current Economic Climate

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Speakers



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Webinar Sponsor



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Agenda

- Current State Of The Market/Consumer
- Jeff's Experience In Past Market Cycles
- Ideas For Franchisors
- Tips For Coaching Franchisees
- Best Practices At The Local Level
- Q & A





Where We Are Today



Federal Reserve Raising Rates





- 10%

S&P 500

- 18%



- 30%



Small Business Optimism Index 10 consecutive months below the 49-year average Source





Consumer Sentiment & Nationwide Layoffs

SUTVEYS OF CONSUMERS UNIVERSITY OF MICHIGAN

	Dec	Nov	Dec	M-M	Y-Y
	2022	2022	2021	Change	Change
Index of Consumer Sentiment	59.1	56.8	70.6	+4.0%	-16.3%
Current Economic Conditions	60.2	58.8	74.2	+2.4%	-18.9%
Index of Consumer Expectations	58.4	55.6	68.3	+5.0%	-14.5%

Slowing Business Growth + Rising Labor Costs = Layoffs

Notables

Meta – 11,000 Employees

Amazon – 10,000 Employees

Peloton- 4,600 Employees

Twitter- 3,700 Employees

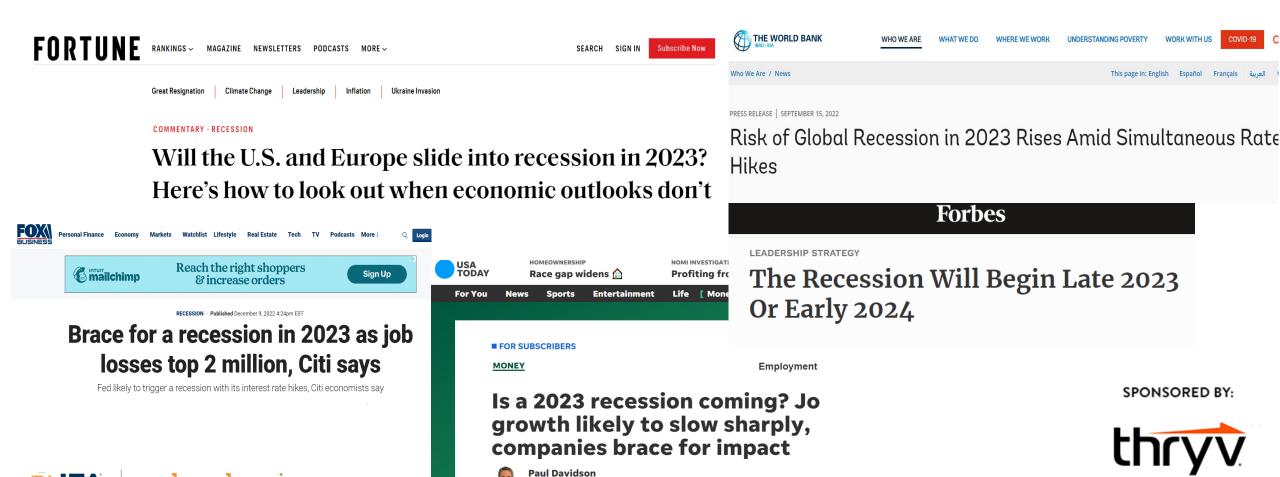
Salesforce – 2,500 Employees

Coinbase – 1,000 Employees





Recession in 2023?



USA TODAY

So How Does This Impact Franchising?



Jeff DudanChairman & CEO, Homefront Brands





- How do these macro economic items impact franchising?
- You've been through different market cycles from have you learned from your experience? (2008)
- How are you personally looking at 2023?









Jeff Dudan grew Advanta Clean, from a single location to 240 units before selling the business

- Lessons learned from previous market cycles
 - Sizing the problem
 - Communication
 - Strategy







Size the Problem / It's no until you know

- Know your customer
- Know your numbers
- Assess your downside / risk
- Assess any upside opportunity
- Assume you're wrong and go deep to be sure







Communication / Leadership

- Be bold
- Be accessible
- Focus on near term
- Tighten up without getting uptight
- Increase frequency and collaboration
- Test your theories what is the evidence?







Strategy

- See opportunities
 - Identify latent capacity
 - Absorb switching cost
 - Gain market share
 - Thin the herd
- Look to invest
 - Internal development
 - Bench projects
 - M&A





Advice Experience From Jeff



Jeff DudanChairman & CEO, Homefront Brands



- How Are You Preparing Homefront Brands For 2023?
- What Advice Would You Give Other Franchisors When Coaching Their Franchisees?





Winning At The Location Level



Matt Gourgeot Head of Franchising, Thryv

Wednesdaywise WEBINARS

If You Can Do NOT Pull Back On Your Marketing Spend Focus On Your Existing
Customer Base

Cross Selling
Email/Text Campaigns
Loyalty/Rewards Program



Winning At The Location Level



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wednesdaywise
WEBINARS

Take Your
Online Reviews Seriously

Focus On Recency

Be Easy To Pay

Offer Additional Ways For Clients To Pay

- ✓ Installment Plans
- √ Consumer Financing



Questions?





Thank you for attending!



