

Fully Prepared Franchising Pros Expect a Big Rebound From 2020's Shock

By Geert De Lombaerde | June 19, 2021



Brittany Driscoll had to hit the pause button last year on her push to grow her Squeeze massage parlor concept around the country. But that didn't mean she sat around and waited for the market to come back.

Driscoll, the former marketing chief at Drybar, relocated to Nashville from Los Angeles to take the lead on growing Squeeze

beyond its one California location. When the pandemic put those plans on hold, she and her team — which includes other Drybar alumni, including that company's founders, Michael Landau and Alli Webb — dove back into the numbers, models and protocols to get everything just right for the economy's return.

"We found some savings and I now feel even more bullish about the opportunity to scale," says Driscoll. "People are paying more attention today to taking care of themselves. We want to be fully prepared for franchisees."

Looking to bring an app-based experience to clients and a streamlined real estate process to franchisees, the Squeeze team is aiming to bring on board 30 franchisees by the end of next year and grow a national network of more than 300 stores in the next three to five years. Driscoll says she has stayed in touch with some prospective franchisees throughout the pandemic but says conversations are heating up these days with a nice mix of experienced operators and people who have left corporate America — willingly and not — looking for their next careers.

"If history is any guide, franchising is going to boom for that reason," Driscoll says.

The franchising industry's main trade group agrees with Driscoll's view of the market: In its annual economic outlook published in February, the International Franchise Association predicted that franchise businesses will add more than

760,000 jobs in 2021, recouping 81 percent of the positions it lost during the COVID shock of 2020. The franchising sector's GDP, it predicted, will grow by 7 percent this year to more than \$477 billion.

Dan Aronoff, regional market president and franchise consultant at FranNet, is seeing the optimism to justify those forecasts — in part because he says Nashville will “go gangbusters” coming out of the 2020 downturn and people will want to be part of that growth. And because franchises straddle the line between true entrepreneurship and corporate life — and because the processes such as those Driscoll and her team have refined allow businesses to set up more quickly — they are more likely to be part of the rebound's momentum.

“It lets you mitigate risk and you can get to a place where you're humming because the franchisor has figured out all the kinks,” Aronoff says.

The pandemic was much better for some franchise concepts than for others. Not surprisingly, mobile businesses such as in-home senior care and those focused on home improvement work were hot. Conversely, concepts in the lodging, fitness and restaurant spaces suffered mightily. That's changing now, too, says Aronoff.

“How I position it is, if you're still concerned about COVID but still interested in bricks and mortar, now is the time to research, sign an agreement and find your real estate,” he says.