

Technology Propels Early Education Franchise Forward

Child care has come a long way from the days of glorified babysitting to taking the first five years of life as an opportunity to teach children during the most important, impressionable and formative stage of their lives. Due to this change in philosophy and additional focus on early childhood education – especially from the White House – the child care industry as a whole is experiencing more growth than reported in previous years. As a result, industry competition is steep with preschool franchisors seeking the interest of prospective franchisees and parents.

How do you differentiate from the competition?

The answer has always been the same – keep evolving. The most value-added way to do that is through technology and reinvesting in company systems.

Outpacing the competition and propelling the early education industry forward with its advanced technology and business growth principles is The Learning Experience® (TLE®), the nation’s fastest growing early learning academy. A true “innovator” as defined by Geoffrey Moore’s theory on the technology adoption lifecycle, TLE® has developed and implemented technology never-before-seen at the preschool level throughout the company’s infrastructure, business apps and educational tools. Along with technology, the company’s leadership has demonstrated that to evolve, to invest, to grow a business, an entrepreneurial spirit is essential.

Consider Maslow’s hierarchy of needs. Although a psychological theory used for explaining human motivation, let’s apply it to business and entrepreneurs for the purpose of illustration. The hierarchy, represented as a pyramid with the more basic needs at the bottom, places every type of need into one of five categories in the order of basic to complex:

- physiological (product/service offering, talent, physical space, basic needs to keep the organization in operation)
- safety (effective leadership, positive corporate culture, the overall health of the company)
- love/belonging (brand awareness, employee and customer loyalty)
- esteem (recognition, industry leader)
- self-actualization (company evaluation, evolution, creativity, innovation)

While many companies thrive and have the ability to reach the level of esteem, it takes an entrepreneurial leader to take the business to the highest level of actualization where creativity and innovation are engrained into the company culture.

Curriculum and Enrichment

TLE® has created a complete holistic approach to early learning responsible for teaching critical lessons to children before the age of six. In addition to ABCs and 123s taught through TLE's proprietary L.E.A.P.® (Learning Experience Academic Program) curriculum, which has 90 percent of graduating preschoolers reading at a Kindergarten or greater level, TLE® has implemented the use of a 77-inch interactive, Wi-Fi connected, touch-screen whiteboard (priced at \$7,000) allowing for greater connectivity, interacting, and engagement with the curriculum.

Beyond the core foundational lessons, the L.E.A.P.® curriculum also includes manners & etiquette, Spanish and Mandarin language, and philanthropy – the first program of its kind at the preschool level. L.E.A.P. coupled with TLE®'s unique enrichment programs such as music, math, science, dance, baby yoga, performing arts and physical fitness attract new franchisees, ensure existing investors remain, and secure the interest of families seeking quality early education for their children.

Franchise Tools

Not many industries are similar to preschool in that it requires such a level of malleability to embrace change while catering to an audience that is growing and learning at a rapid pace. TLE® knew the key to success was to invest heavily into building and introducing proprietary technology and indigenous models for franchisees, students and parents all centers, implementing the following programs:

- BoeFly – in mid-2013, TLE® partnered with BoeFly, the premier online portal connecting franchisees with lenders, to ease the financial burden of its franchisees. Using BoeFly's exclusive "SmartForm" technology, borrowers build a complete decision-ready loan request online.
- First of its kind Business Intelligence (BI) tools – TLE® is the first childcare company to leverage the power of BI tools. It designed and implemented a custom tablet and smart phone center management app that gives each Center Direction insight into its performance, marketing statistics, historical benchmarks, and many other key metrics.

Corporate Centers – Leading by Example

In addition to leading by example in the industry, TLE® leads by example internally as the first franchisor to focus on company-owned and controlled units. Today, the company owns 30 percent of TLE® centers, while the other 70 percent are franchised, enabling corporate centers to be used as test facilities ("control centers") to try new technology before they are implemented system-wide in the franchised centers. This way, corporate takes the risk and franchisees are not forced to feel the burden of demands that don't work.

Ensuring Growth

Anyone can get great results in the best of times, but to really prove a model's success it needs to be able to stand the stress during the worst of times. TLE®'s recession-resistant business model allowed the company to reach system-wide

revenue at a 42% CAGR rate and have the cash available to invest in technologies that pushed the pedal to further accelerate growth. Despite adversities of economic and credit market tightness, TLE® has opened more than 130 units nationally at a rate of two plus centers per month, grown 450% since 2008, and ranked for three years in a row in *Entrepreneur* magazine's Franchise 500 and two years as one of the "Hottest Franchises," and has been recognized for two consecutive years by *Inc.* magazine as the one of the fastest growing privately held companies in the United States. In less than 8 years, TLE® reached the mark of being one of top ten childcare companies in the USA as ranked by license capacity.

Leadership

It's one thing to know what to invest in and it's another to know what it takes to invest in order to stand out; but knowing when to invest takes strategy. The short answer is it's always the right time to invest in technologies that will move the business to the next level. However, the trick to making the right investment decisions is to keep an eye out for opportunities to take advantage of, even when they are not obvious, even if you have to create the opportunities yourself.