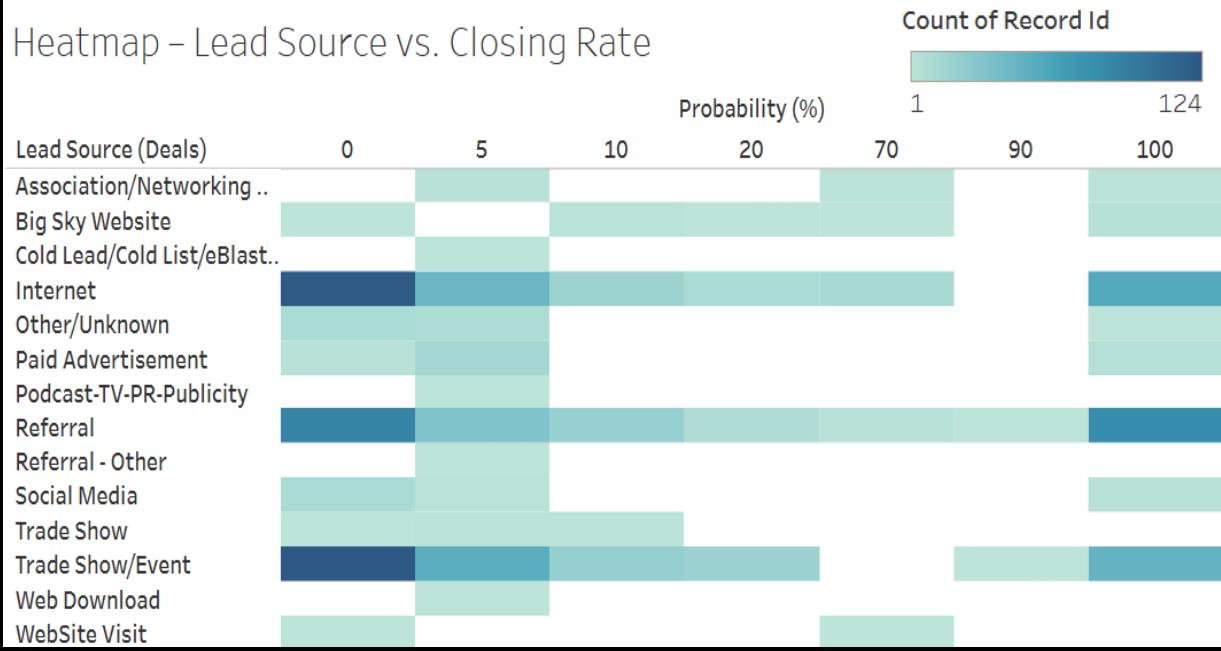


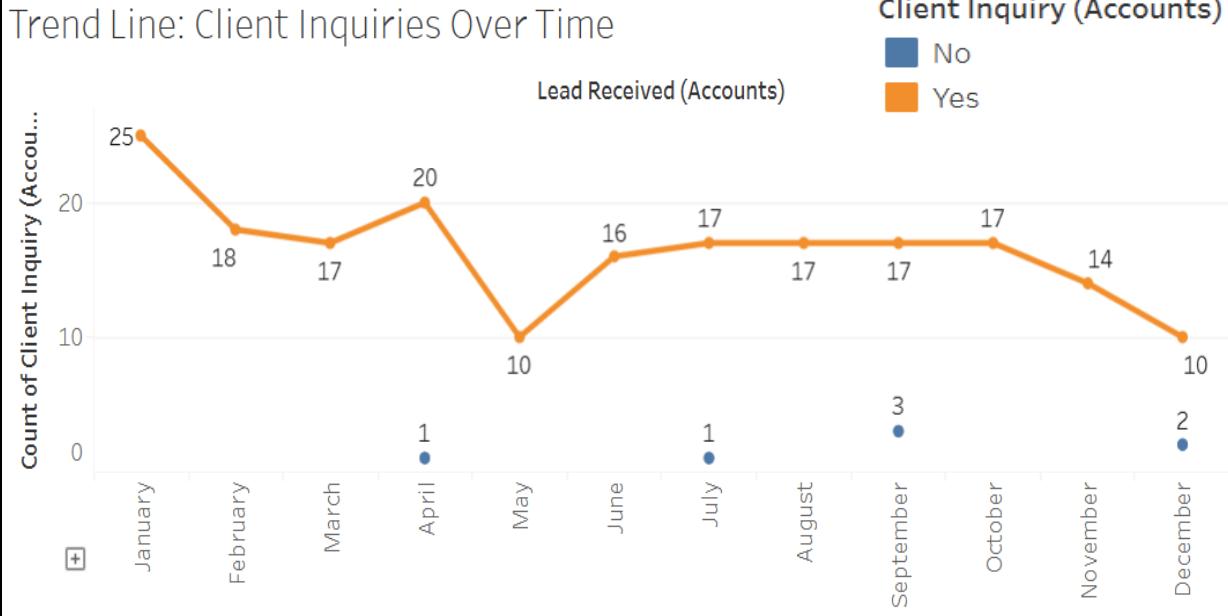
BLUE SKY FRANCHISE/OTHER FRANCHISES

- Blue Sky has used blogs since 2016 as well as having a steady YouTube and podcast presence online.
- Emphasis on these digital tools could impact future leads and deals.
- Digital presence can also affect regional and national sales.
- Other Franchises like Franchise Creator focus on faster timelines, lower costs, more locations regionally and nationally.
- Another franchise called Franchise Maker offers pay as you go programs, no hidden agendas, and like Blue Sky a three-step program to its clients.

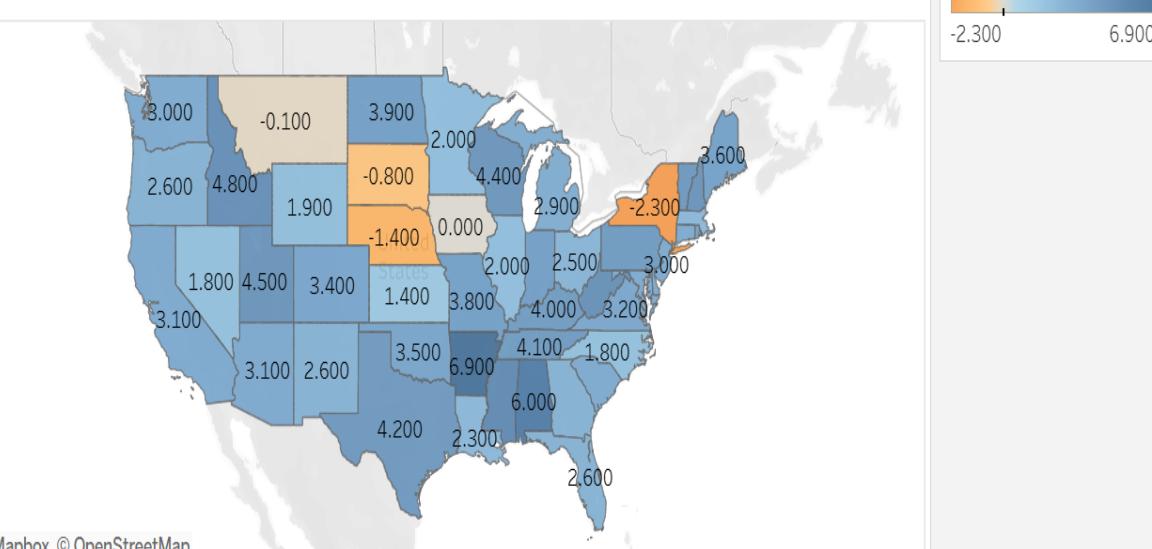
Heatmap – Lead Source vs. Closing Rate



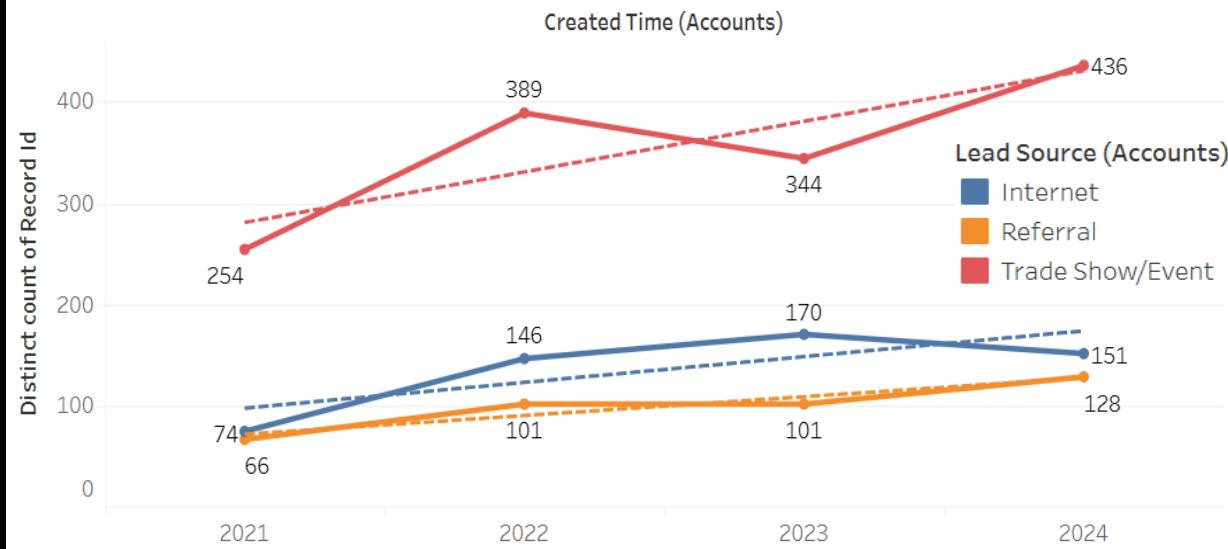
Trend Line: Client Inquiries Over Time



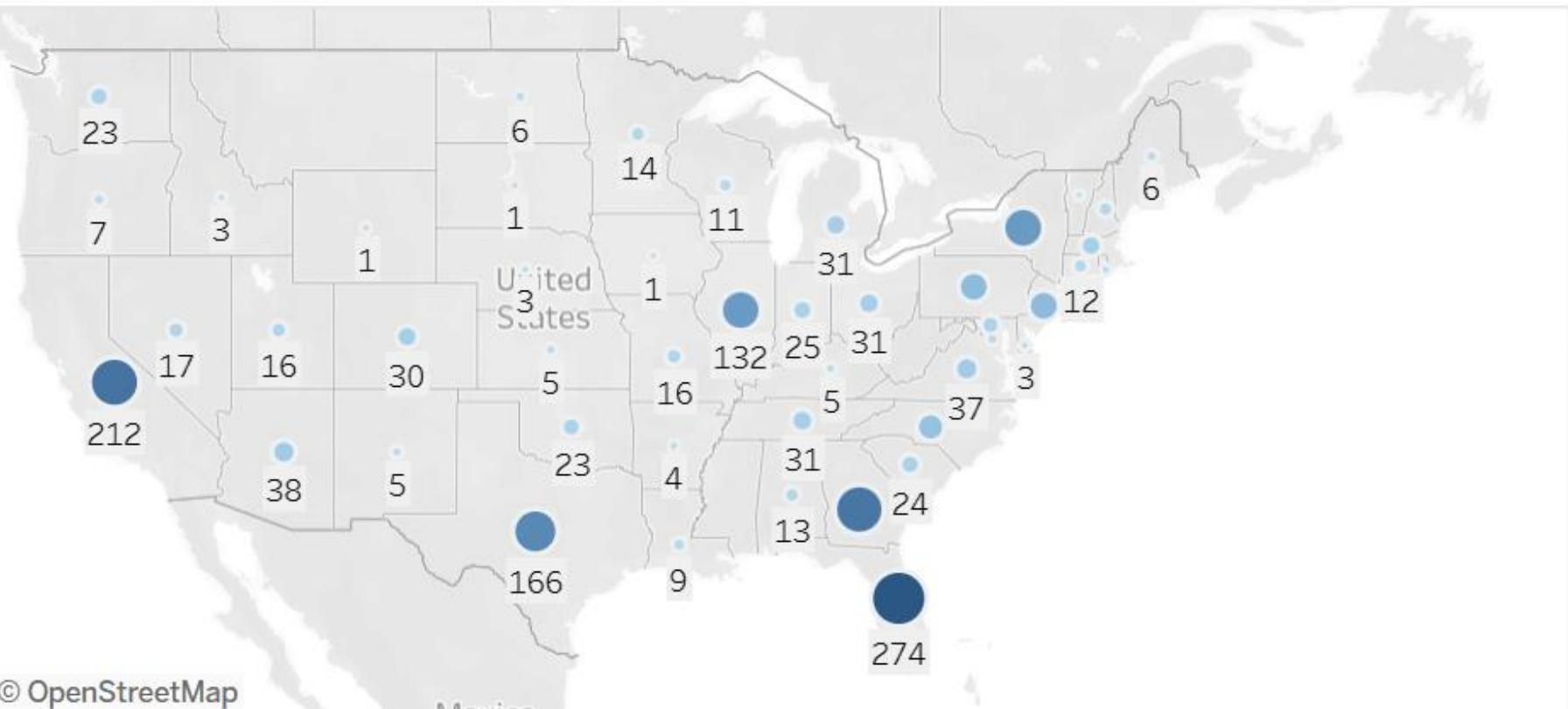
State GDP: Percent Change At Annual Rate, 2024:Q2 - 2024:Q3



Top 3 Lead Source Accounts Created Per Year

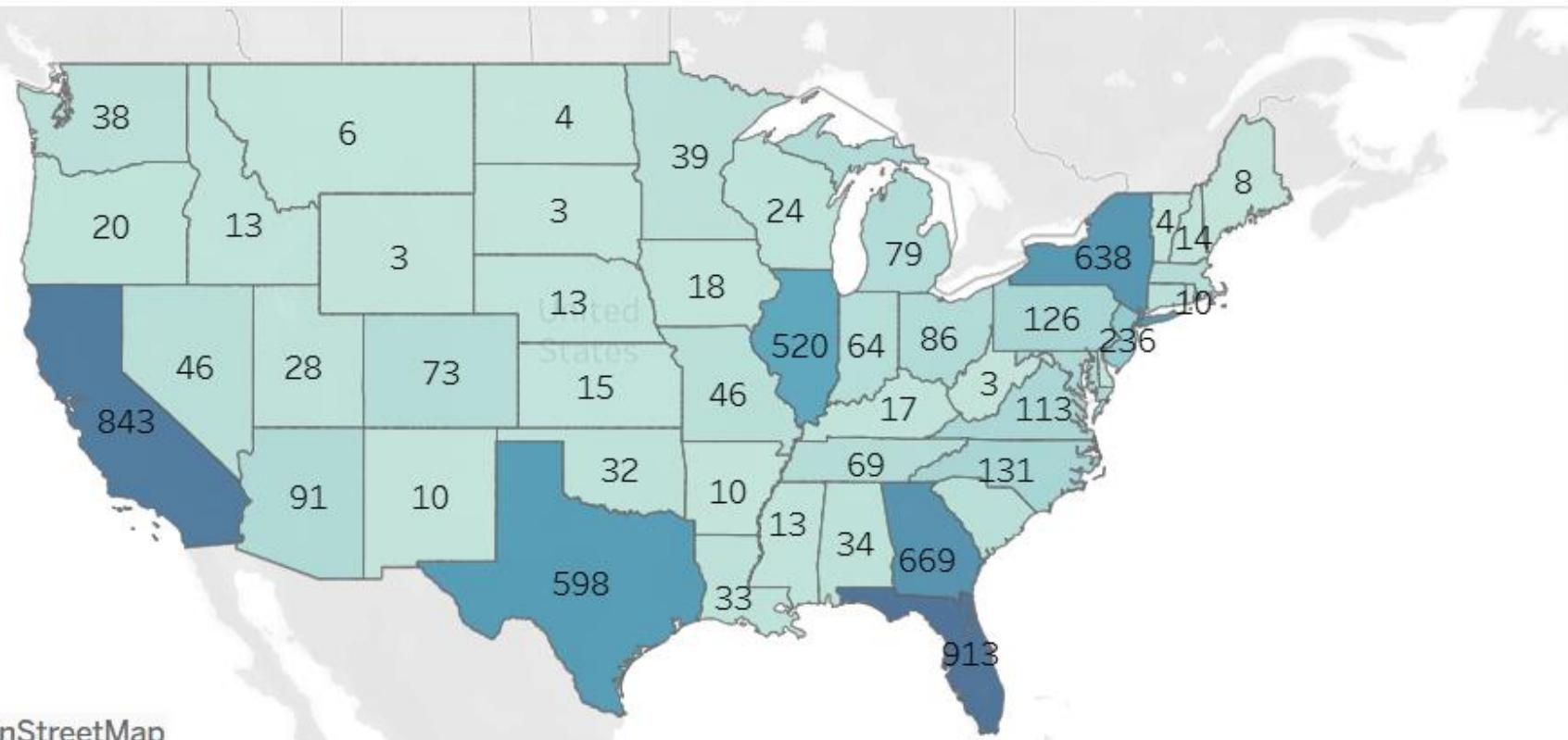


Geographic Spread Of Deals Dataset - US Map



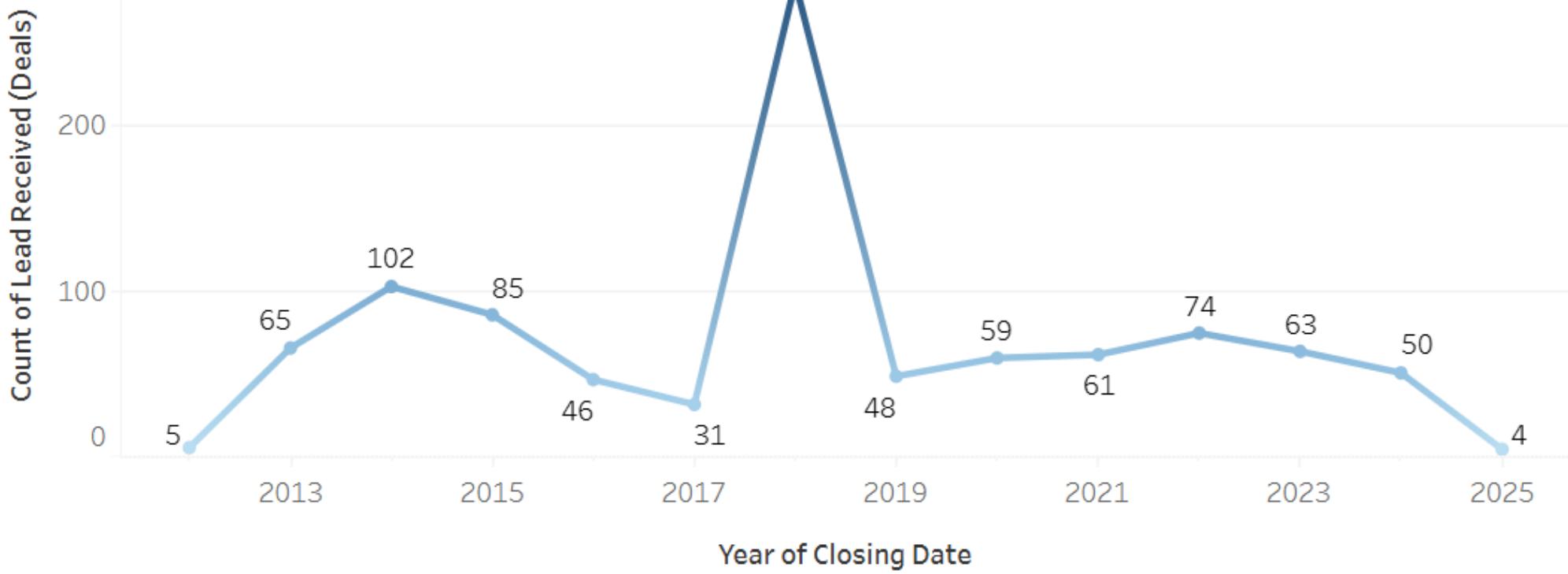
© 2025 Mapbox © OpenStreetMap

Geographic Spread Of Accounts Dataset - US Map



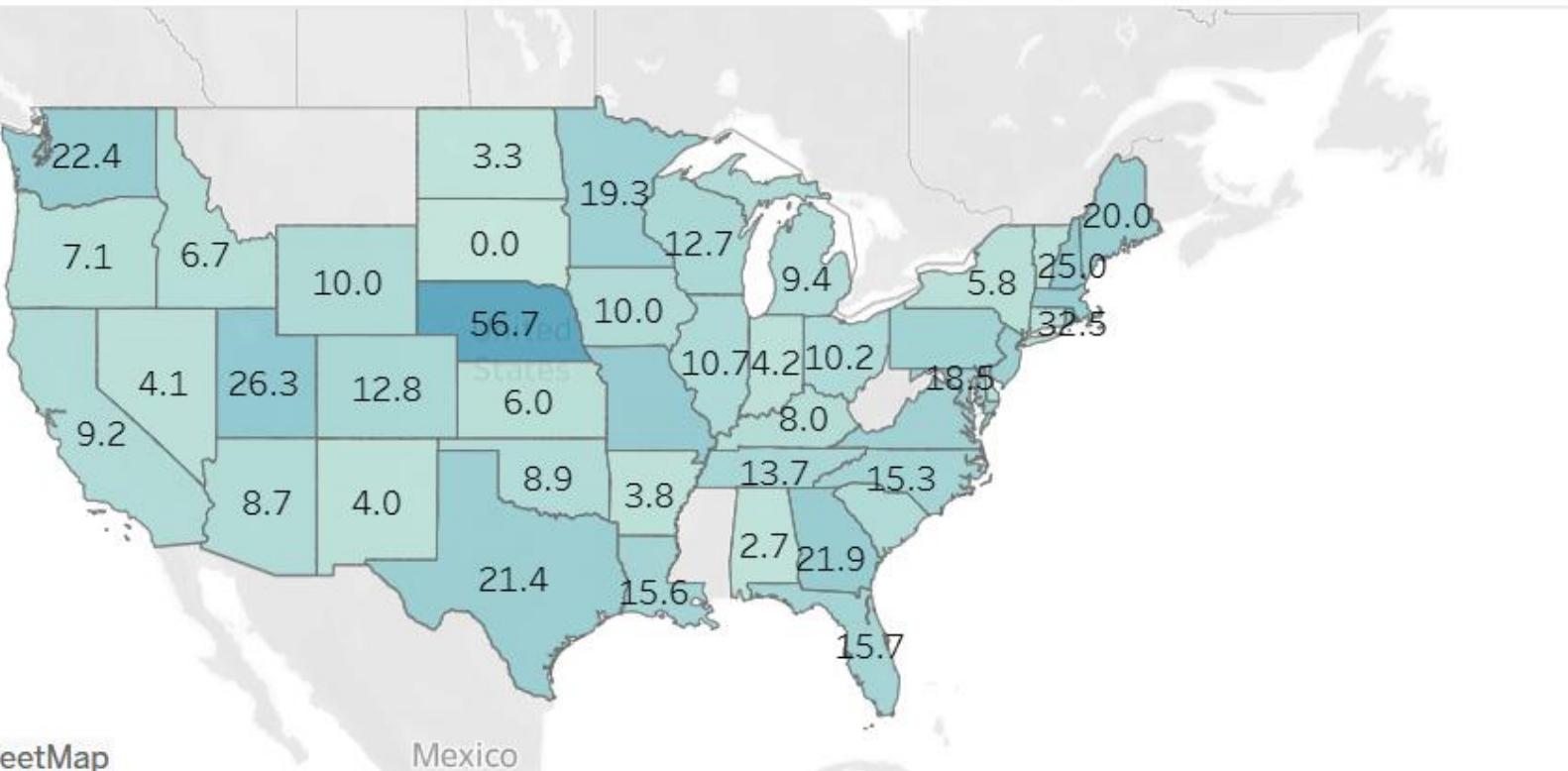
Comparison of Leads Received and Closing Dates Per Year

Count of Closing Date
4
289



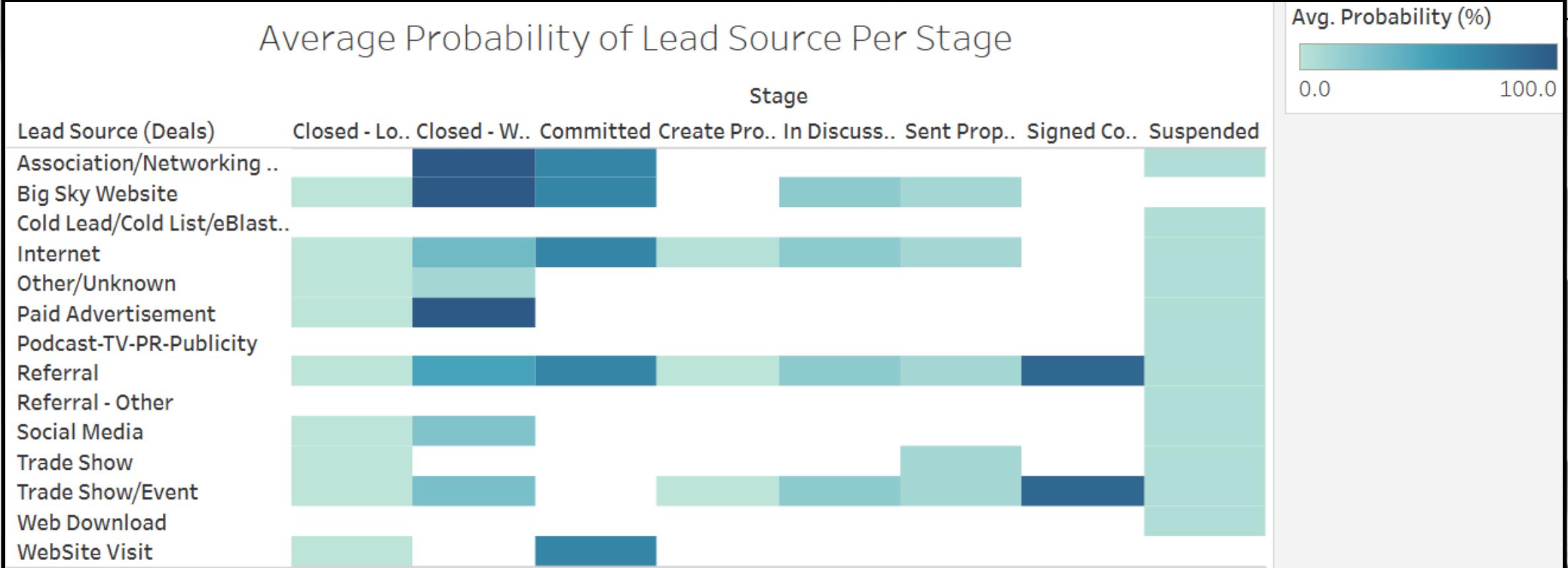
- What can we learn from 2018 in regard to leads being received followed by closing the deals?

Average Deal Probability Per State



- Higher probability rates in Nebraska, Utah, and Washington.
 - No regional clusters impacting deal rates.

Average Probability of Lead Source Per Stage



Heatmap – Lead Source vs. Closing Rate

Probability (%)

Count of Record Id

1 124

Lead Source (Deals)

0 5 10 20 70 90 100

Association/Networking ..



Big Sky Website



Cold Lead/Cold List/eBlast..



Internet



Other/Unknown



Paid Advertisement



Podcast-TV-PR-Publicity



Referral



Referral - Other



Social Media



Trade Show



Trade Show/Event



Web Download



WebSite Visit



Lead Source (Accounts)

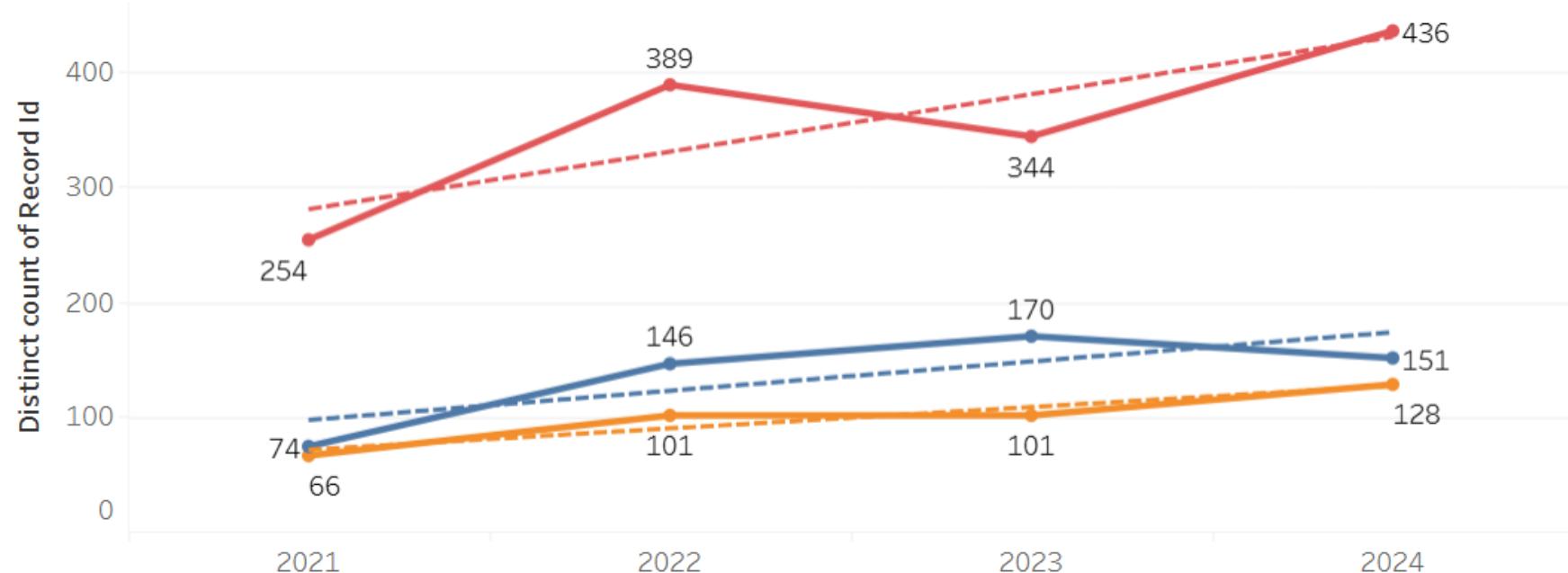
Internet

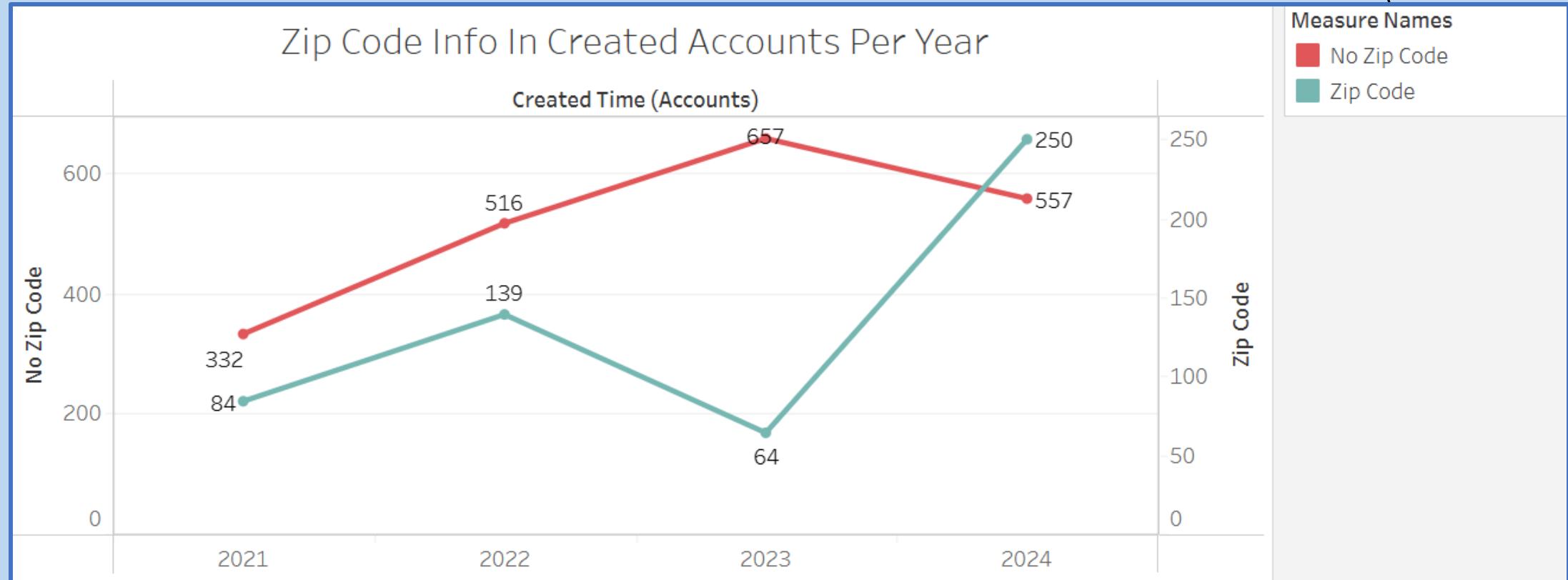
Referral

Trade Show/Event

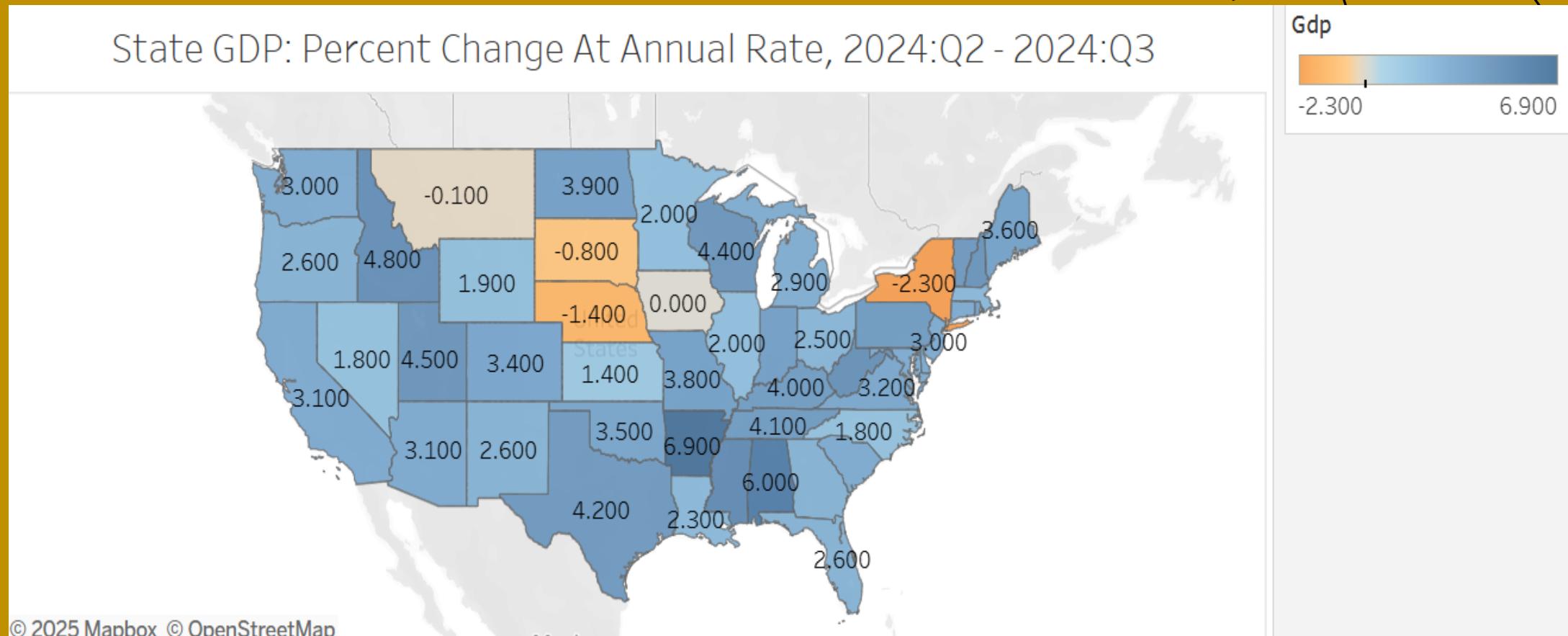
Top 3 Lead Source Accounts Created Per Year

Created Time (Accounts)





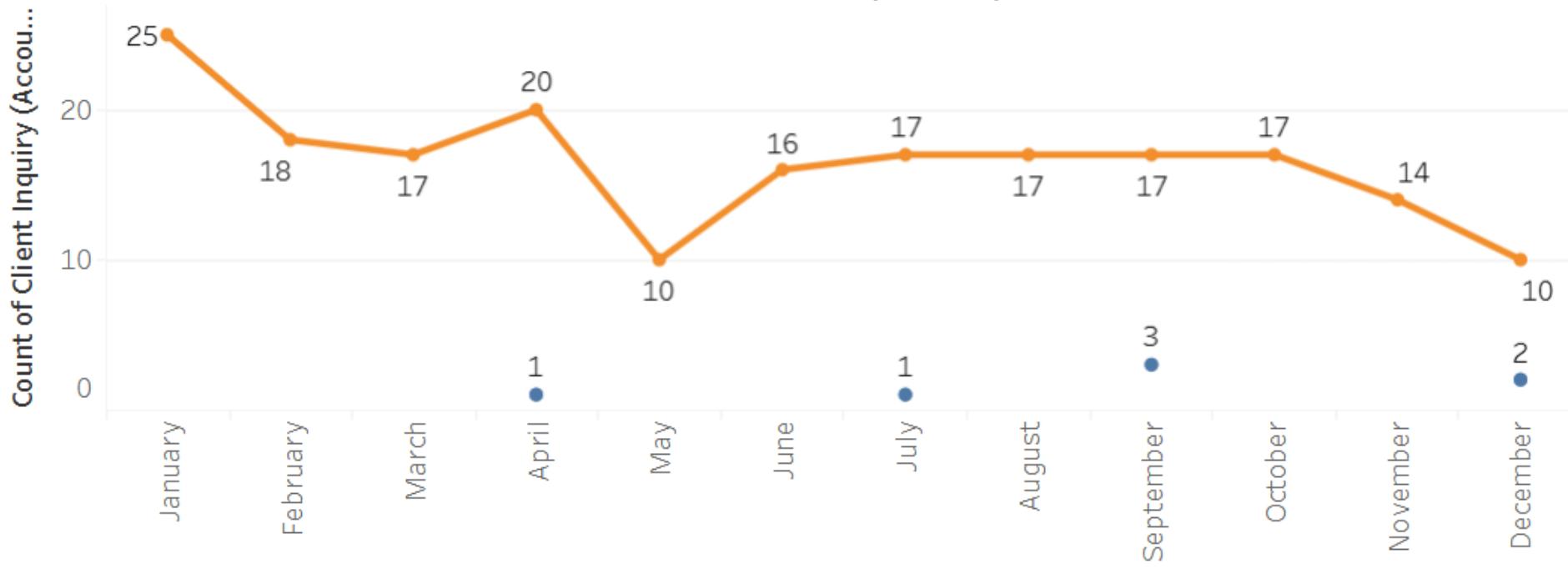
- Improvements in obtaining zip code information from 2023 to 2024.
- Important for account follow-ups as well as parts of the country to consider in terms of sales?



- Stronger regions in the southeast, especially in Alabama, Arkansas, and Tennessee.
 - Parts of the Mid-West and New York show negative returns for the quarter.
 - How can these recent numbers affect an approach toward franchising deals in the future?

Trend Line: Client Inquiries Over Time

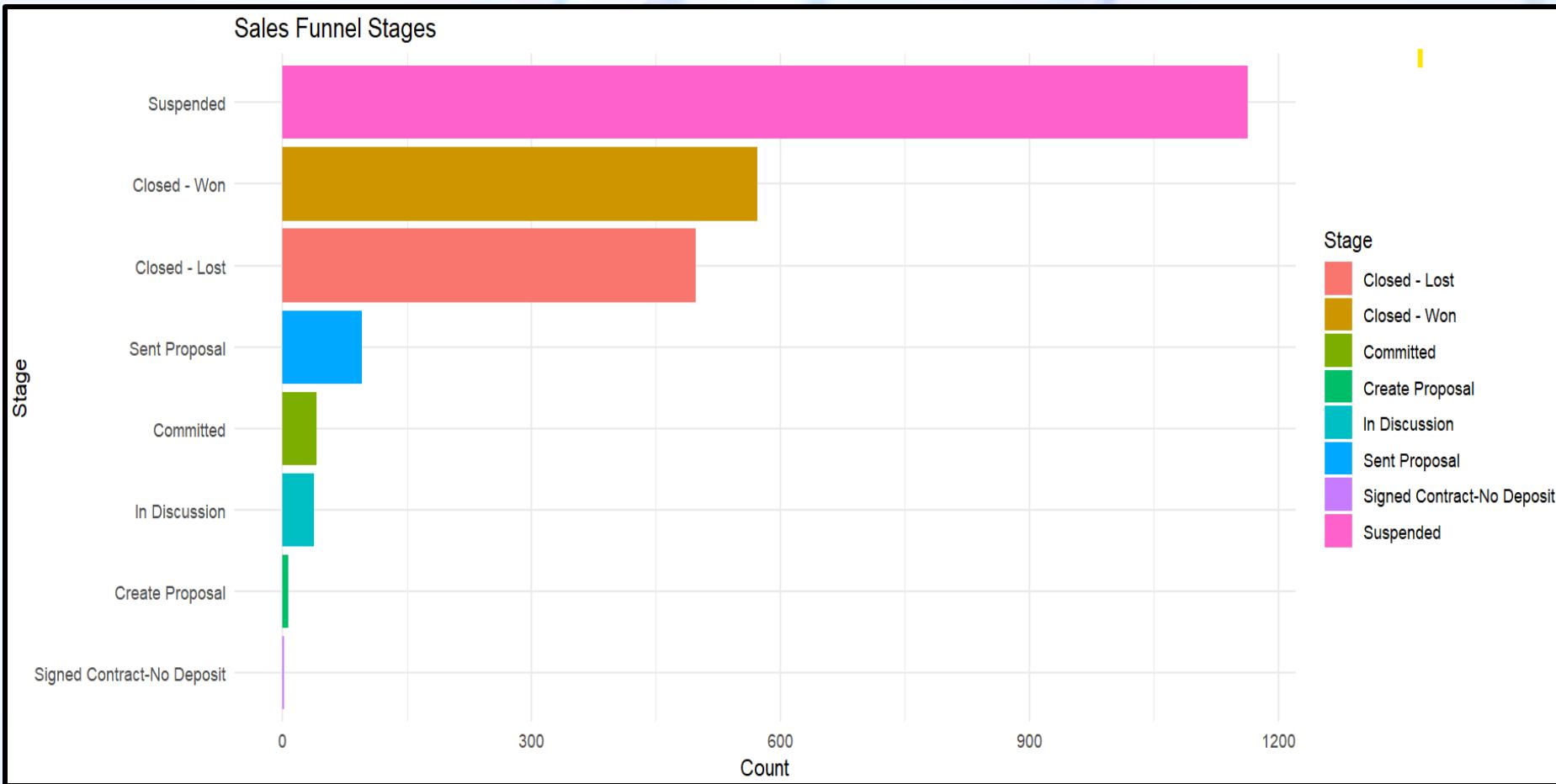
Lead Received (Accounts)



Client Inquiry (Accounts)

- No
- Yes

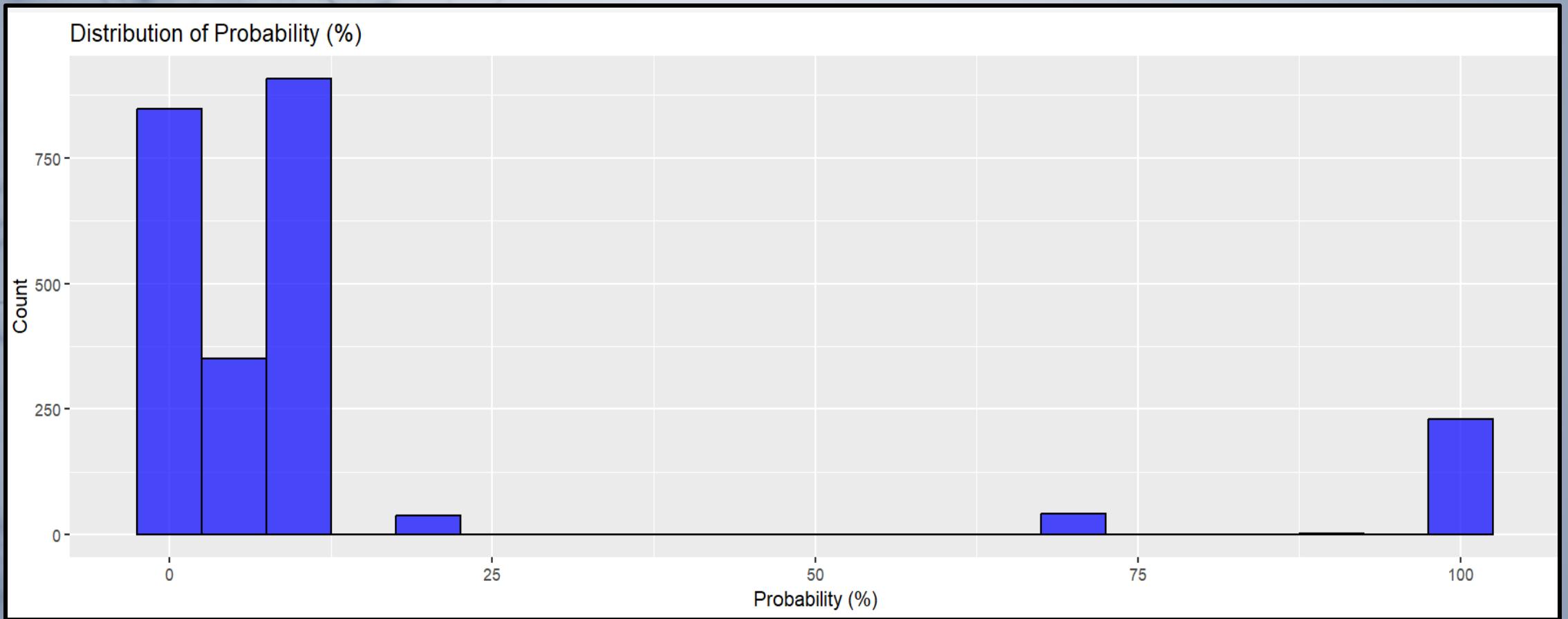
SALES FUNNEL STAGES

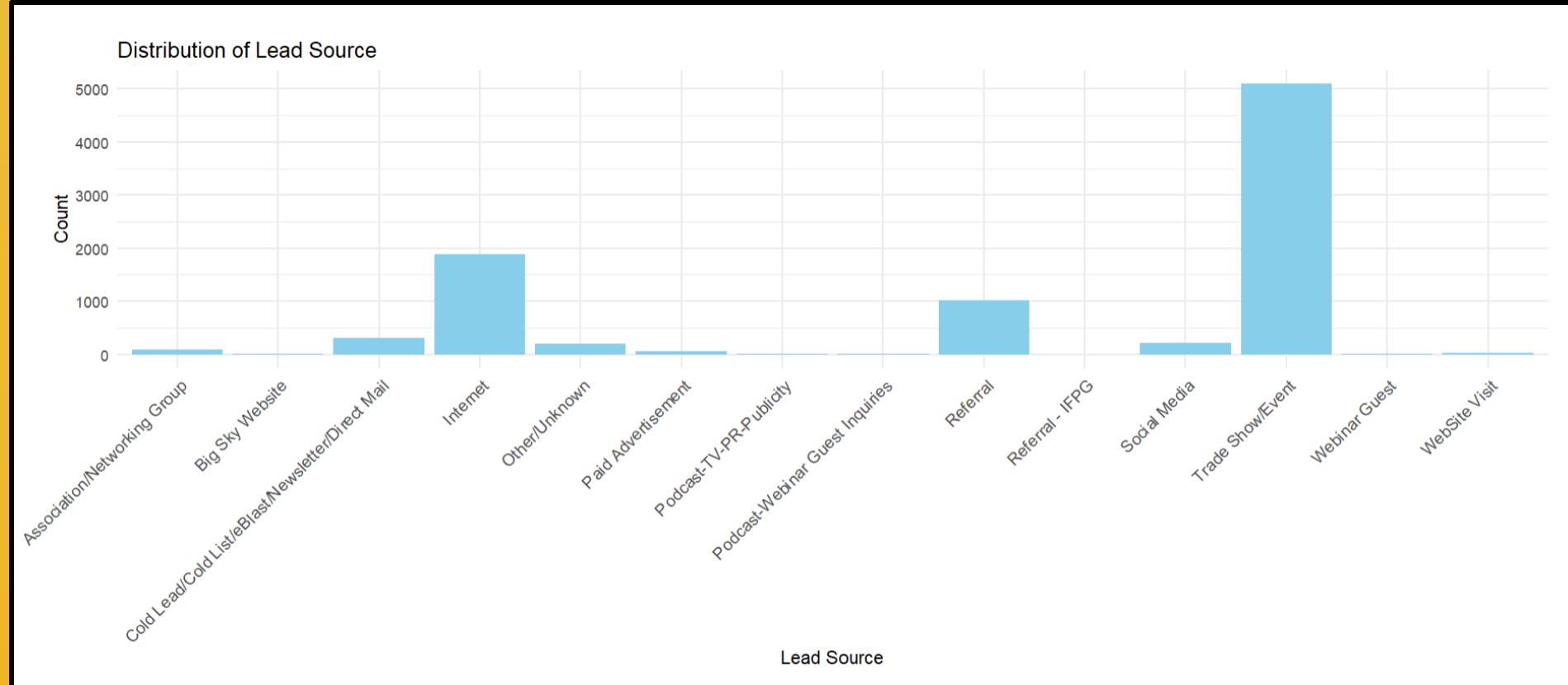


SALES FUNNEL STAGES (CONT.)

- Average sales cycle duration: 79.84 Days
- Top Lead Sources by average sales cycle:
 - Referral: 56 clients, 28.7 average sales cycle duration
 - Internet: 48 clients, 49.8 average sales cycle duration
 - Trade Show/Event: 38 clients, 45.8 average sales cycle duration
- Question to consider from graph: How can Big Sky prevent deals and proposals from being suspended?
- Average time between proposal sent and closing date is 53.85 days. Does time impact suspension rates?

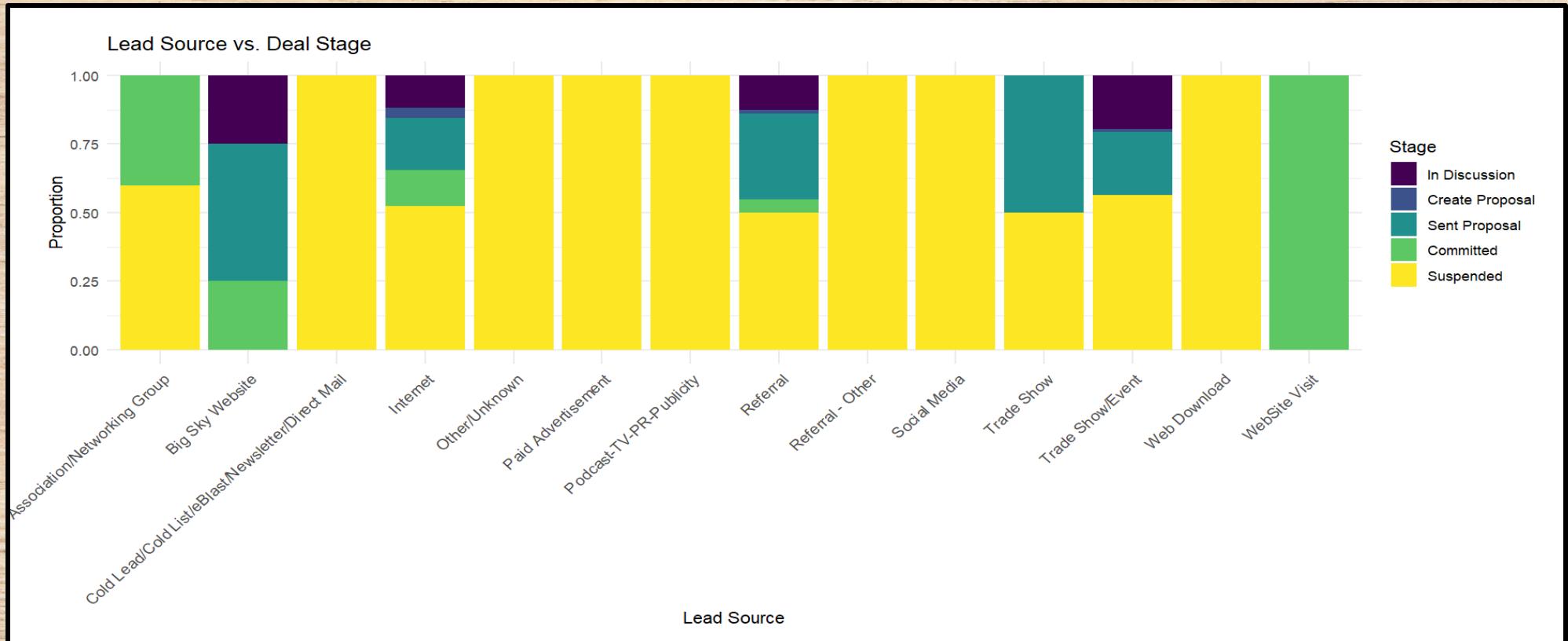
DISTRIBUTION OF DEAL PROBABILITY PERCENTAGES





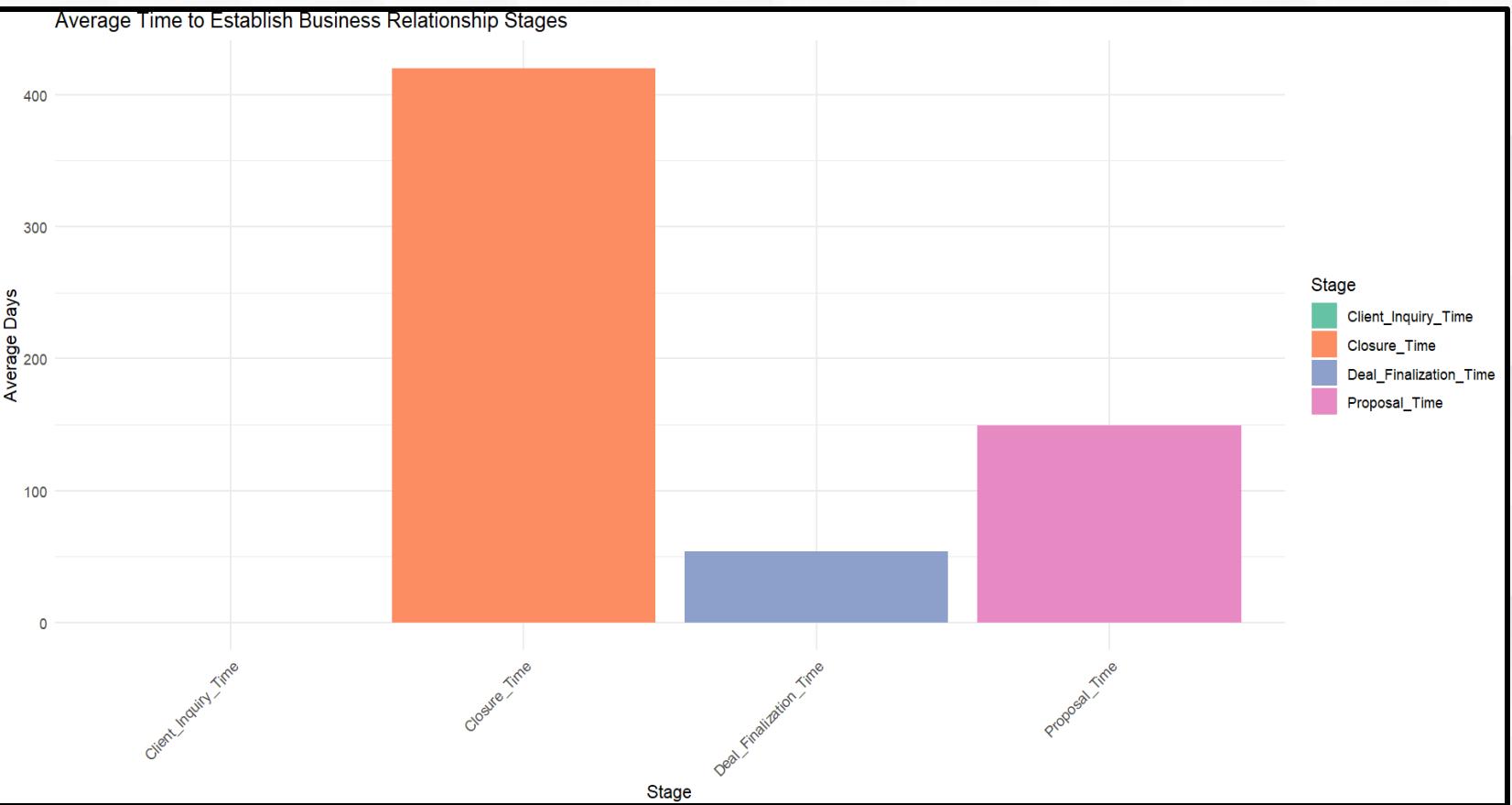
- Most common lead sources are trade show/event, internet, and referrals.
- Paid advertisements have the highest suspension probability rates.

LEAD SOURCE VERSUS DEAL STAGES



- No suspensions when going through the Big Sky website!
- Several lead sources have 100 percent suspension rates.

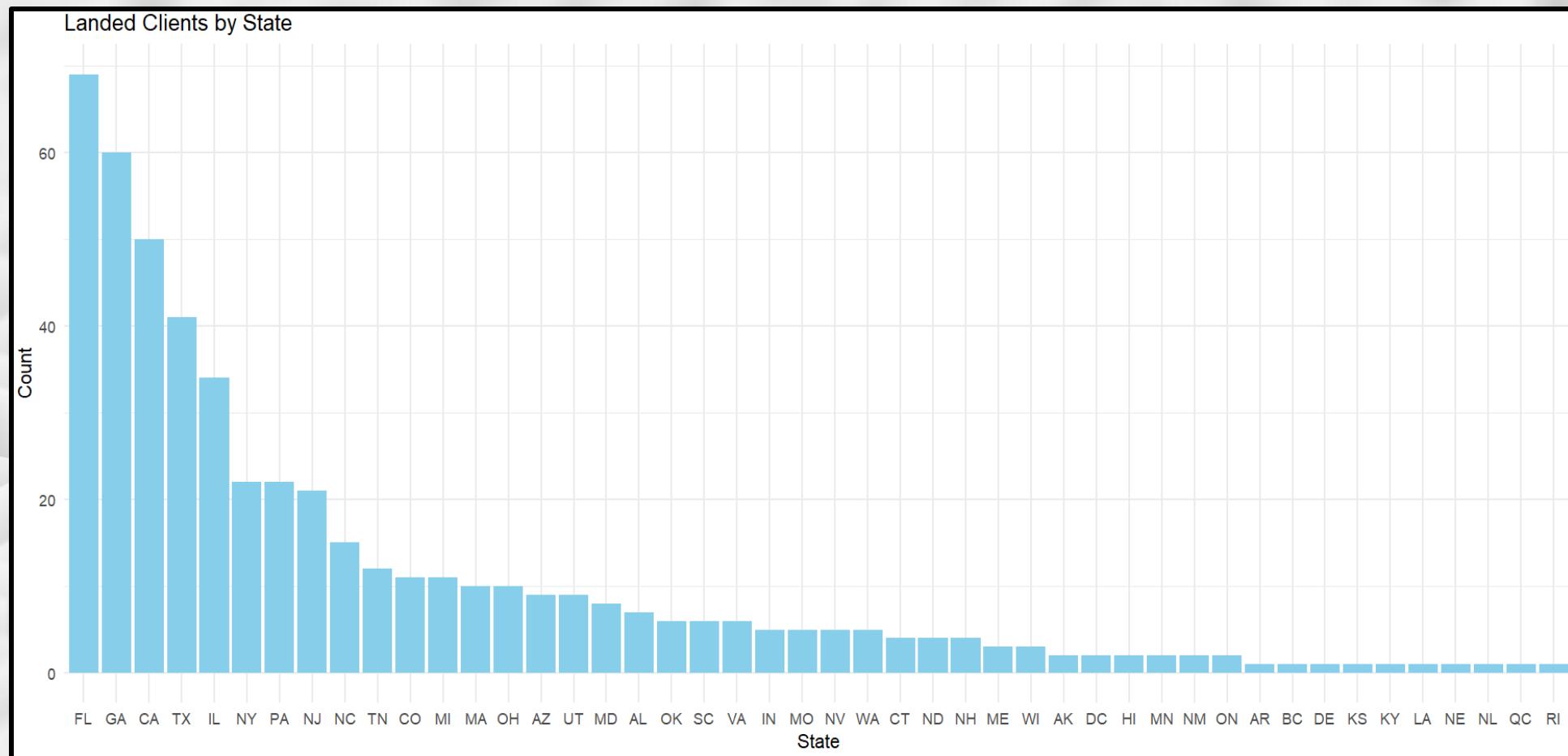
HOW LONG DOES IT TAKE TO ESTABLISH RELATIONSHIPS?



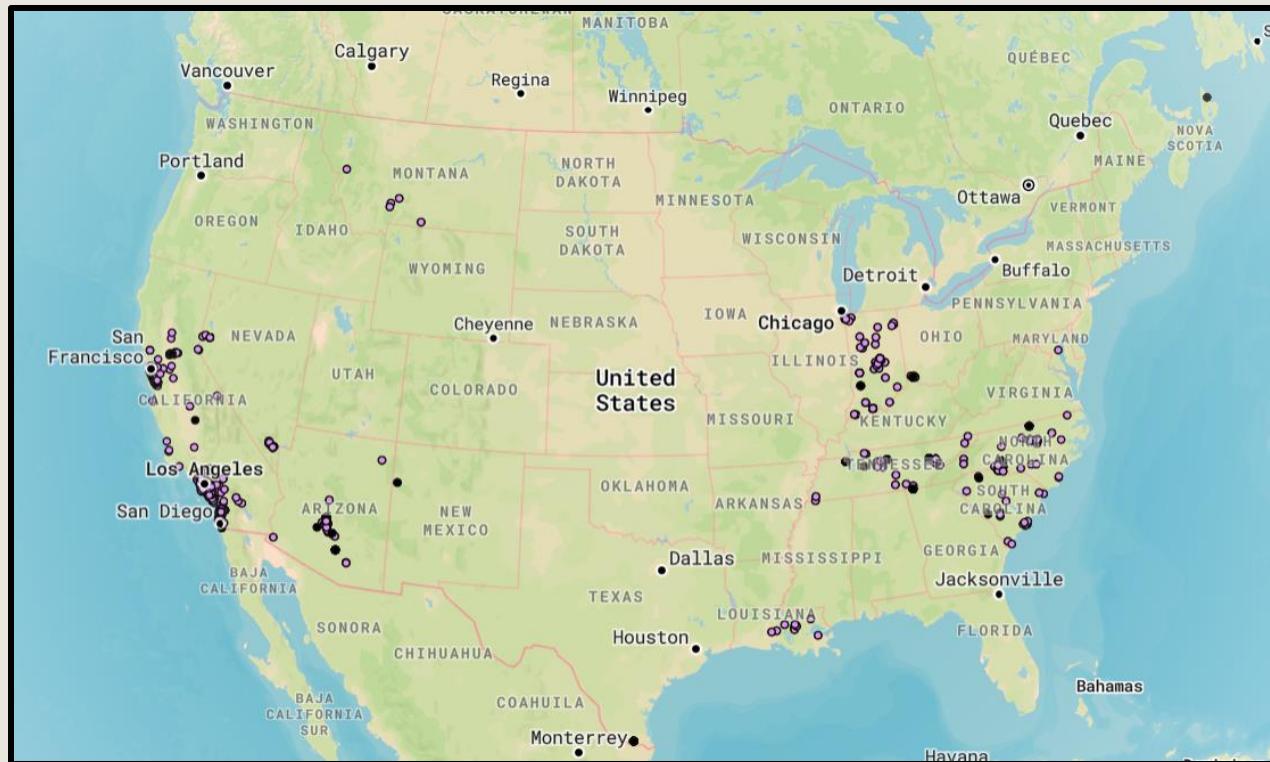
DISTRIBUTION OF DEAL PROBABILITY PERCENTAGES (CONT.)

- Average response time from lead received to closing date is 420 days.
- Average time from the lead being received to the proposal sent date is 150 days.
- Average time from the proposal sent date to the closing date is 52 days.
- Question: Is there other steps in the deal process that make up for the other days not included in the averages between the three main stages?

MOST CLIENTS PER STATE FROM DEALS DATASET



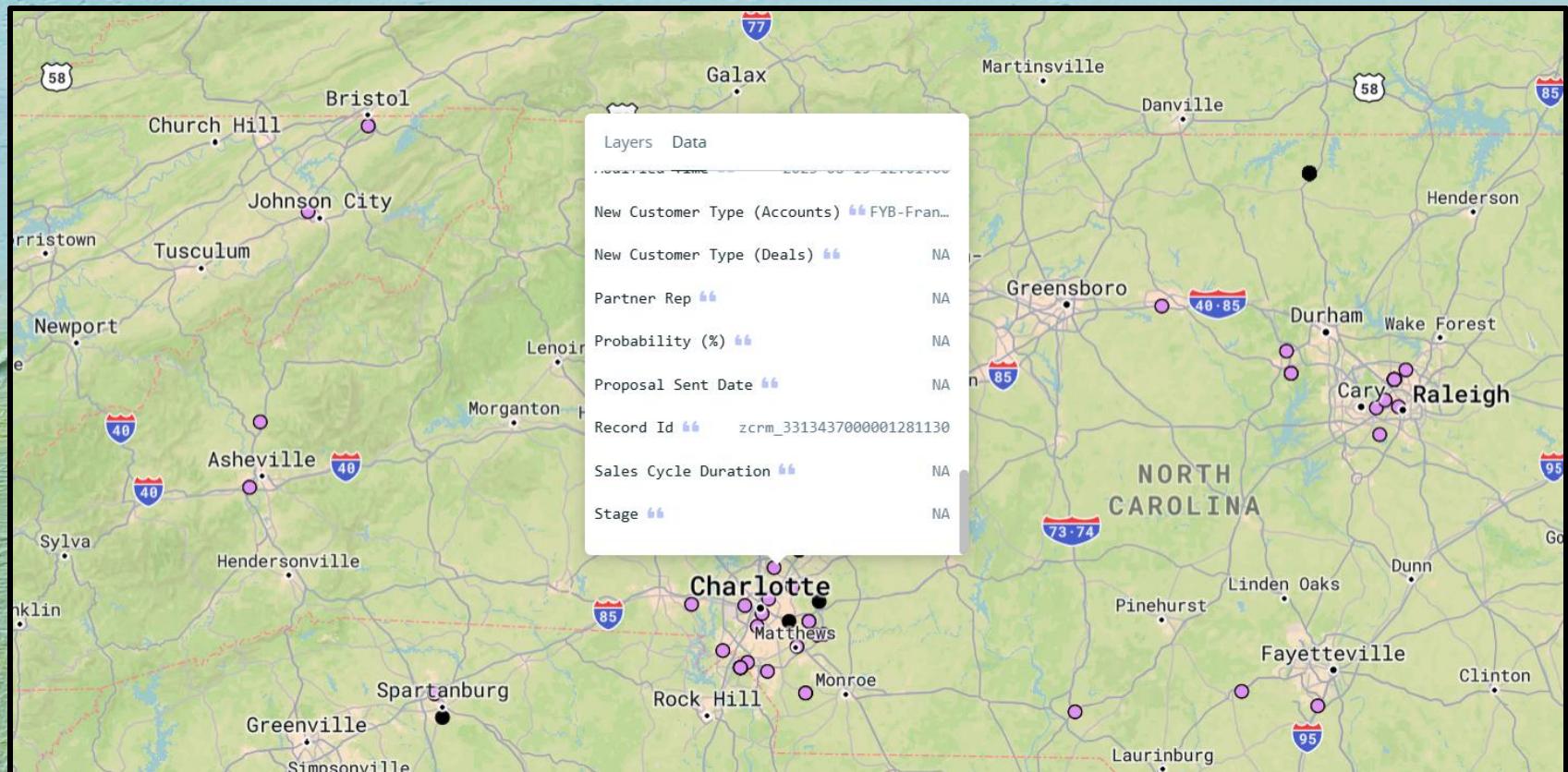
NEW CUSTOMER TYPES IN ACCOUNTS BY STATE USING MAPBOX PROGRAM



- Black points show accounts with no new customer types and purple points contain a new customer type.
- Map shows clusters of the accounts in California and Arizona, Indiana, and the Carolina's in the southeast.
- Bigger markets with new customer types presence include San Francisco, Los Angeles, and Charlotte.

NEW CUSTOMER TYPES IN ACCOUNTS BY STATE USING MAPBOX PROGRAM (CONT.)

- Program features include dataset information on each point on map that is selected.
- Tool for franchises to find potential markets and client trends from utilizing past data.



FRANCHISING OVERVIEW

Sector	2023 Establishments	2024 Forecasted Growth	2023 Output (\$ Billion)	2024 Forecasted Growth
Business Services	102, 540	1.8 %	\$103.6	3.8 %
Commercial & Residential Services	79, 249	2.0 %	\$57.2	4.6%
Lodging	35, 850	0.9 %	\$93.0	4.5 %
Personal Services	120, 882	3.0 %	\$42.3	7.3 %
QSR's	195, 507	2.2 %	\$287.6	4.7 %
Real Estate	69, 083	0.7 %	\$63.0	2.8 %
Retail Food Products & Services	168, 446	2.1 %	\$133.6	3.1 %

Source: *FRANdata, 2024 Franchising Economic Outlook*

- 2.2 % Overall Growth in franchising industry despite concerns over inflation and supply chain disruptions.
- 2024 Forecasted Growth shows overall increases in total establishments (1.9 %) and total franchise output (4.1 %).
- Key sectors in 2024 predictions that have been impacted by consumer behaviors include personal services, quick service restaurants, and commercial & residential services. (Barraan, J, 2024).

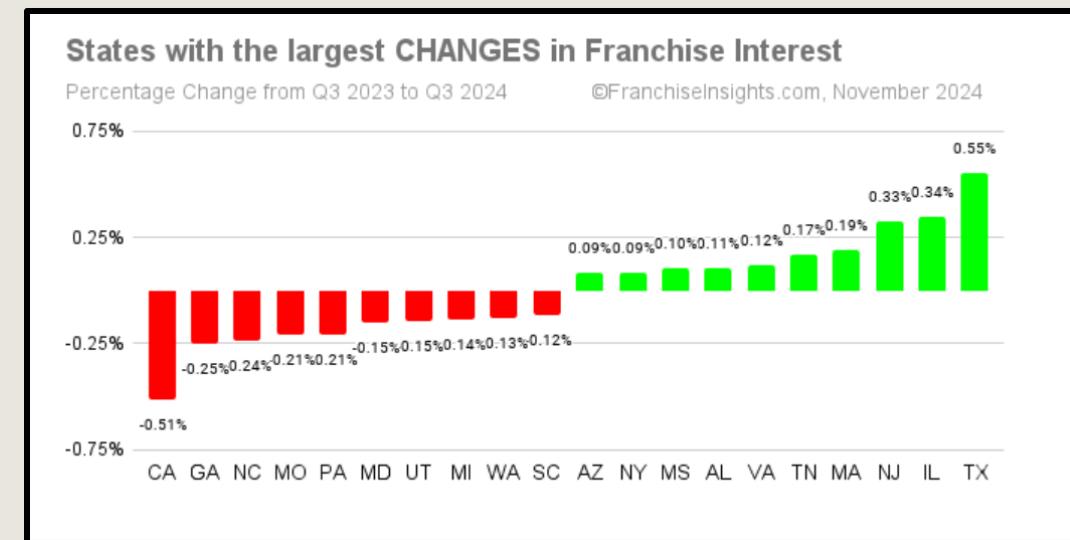
GLOBAL FRANCHISE MARKET: 2023-2027

- Increases in year-to-year growth rates and compound annual growth rate (CAGR) over the next few years.
- Main driver of the franchising sector is an increase in construction activities.
- Enhancements in in-store retailing has become popular in franchising markets.
- Challenges include brand quality, operational costs, and employee turnover rates. (Technavio, 2023).

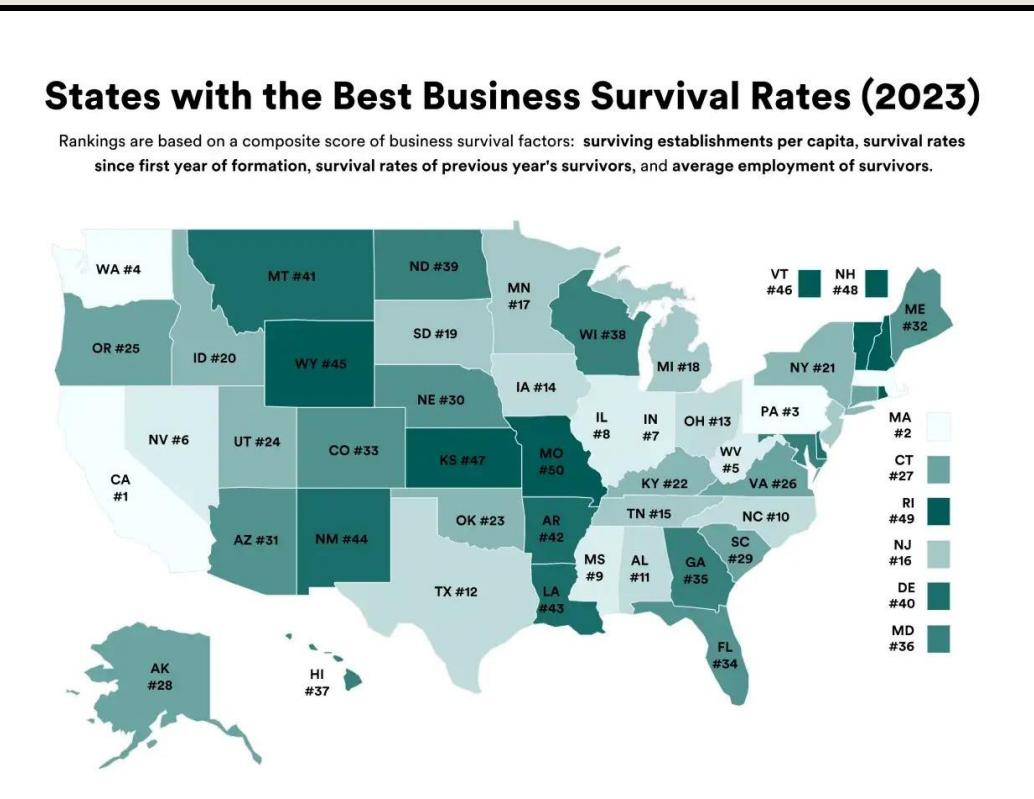


FRANCHISE INTEREST SHARE SHIFTS FROM Q3 TO Q4: 2024

- Highest rate changes among the states are Texas, Illinois, and New Jersey while California has the biggest loss.
- Metrics based off franchisee searches which is usually where they reside.
- Weather events like Hurricane Helene and regional wildfires could have potentially impacted certain states performance in Georgia, North Carolina, and California. (Franchise Insights, 2024).



TOP FAILURE RATES OF SMALL BUSINESSES BY INDUSTRY



Industry	1-Year Survival Rate	5-Year Survival Rate	10-Year Survival Rate
All businesses (Total private sector)	79.60%	50.60%	34.70%
Agriculture, forestry, fishing, and hunting	87.50%	66.20%	50.50%
Utilities	80.70%	56.60%	45.70%
Manufacturing	82.60%	57.70%	43.60%
Real estate and rental and leasing	83.90%	58.70%	42.20%

Reference: Bawden-Davis,
Trademark Engine (2023).

Reference: Commerce
Institute (2024).

NEXT STEPS/RECOMMENDATIONS

- Look at how the most effective lead sources can impact client inquiries.
- Evaluate how different regions and states can affect long-term growth.
- Opportunity to improve internal processes.
- Implementation of Data Governance.
- The rise of new leads.



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- Technavio (2023, Oct. 12th). *Franchising Market size to increase by USD 1,634.71 billion during 2022-2027, Increasing construction activities to drive the growth – Technavio*. Technavio. <https://www.prnewswire.com/news-releases/franchise-market-size-to-increase-by-usd-1-634-71-billion-during-2022-2027--increasing-construction-activities-to-drive-the-growth---technavio-301953871.html>
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