

Solving Stagnation and Creating Explosive Growth Through Culture Transformation



After 20 successful years, Zaxby's growth had flat-lined. Franchisees had become wealthy and complacent. Stores seemed maxed out at \$1.5M/yr. Had the brand reached its peak, or was there more to be realized?

Every brand needs a vision of what it is becoming next.

Early investors were happy. Why should they try for more?

You're either growing or dying. There is no such thing as in-between.

The Culture MRI® uncovered an opportunity to reconnect the brand with its roots. Zaxby's culture had always revolved around its founders, Zach and Tony. But as it grew, the company had lost its identity. Working closely with the executive team, we developed a new vision for the brand, then rolled out the plan's details.



Action Steps

The Culture MRI® data showed that the brand could double its average sales without straining supply chain or the business model. In addition, national expansion meant unlimited potential... but the franchisees would need a vision for it first.

> Going National

We revamped internal comms to cast new vision for the brand.

> The Boys Are Back

We leveraged the founders' voices to drive the new strategy and bring back its former swagger.

> Operational Details

The new vision was supported by vast organizational change.

The Culture MRI® laid out a 3-year plan to grow leaders, to manage change, and foster new engagement with existing franchisees.



"The Culture MRI® was instrumental in doubling our annual sales from \$750M to \$1.5B in less than 3 years."

**- Blake Bailey, CFO
Zaxby's Franchising**

ROI = 107 : 1

The Action Plan undertaken as a result of The Culture MRI® required company investments of approximately \$7M and was crucial to enabling a \$750M increase in annual revenues.

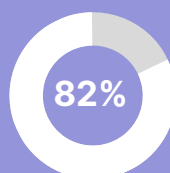
- > Franchisees signed deals to grow entire new regions.
- > The brand gained national attention for explosive growth.
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The Results

Within 90 days, a new energy drove the brand. The franchisee base was reawakened and embraced the plan to boost sales and expand.

2X

Annual Revenues grew from \$750M to \$1.5B in 3 years.



82% of the growth was driven by reengaging existing franchisees.