

The Proven Audiology Partnership

Seven great reasons to
partner with Specsavers
Audiology in 2021

AUSTRALIA



Audiology

If there is one word that sums up Specsavers, better than any other, it is Partnership

Since 1984, when co-founders Doug and Dame Mary Perkins opened the first Specsavers stores in the UK, it has been the commitment to working in partnership that has delivered success to thousands of Specsavers partners across 10 countries.

Thirty-seven years on, the passion for partnership burns as brightly as ever across our audiology and optical settings. We believe at our core that our goals are best achieved by working together – as partners in a joint venture.

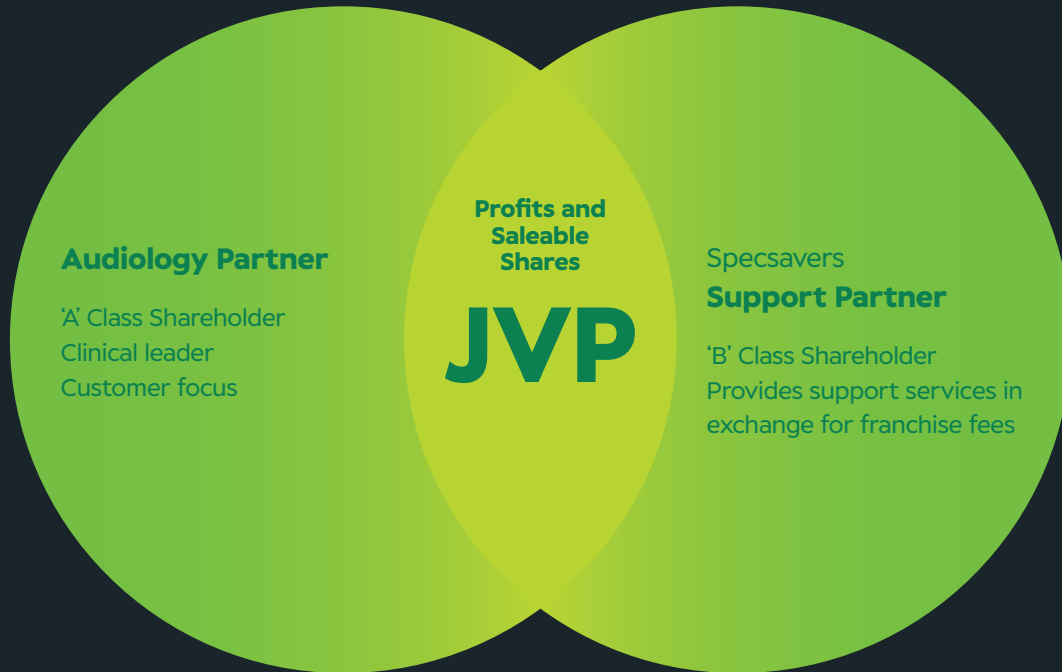
Specsavers Audiology Joint

Venture Partnership is a support-laden franchise that currently operates more than 170 Audiology locations across Australian and New Zealand, within Specsavers optical stores.

This short document offers key insights into the Specsavers Audiology partnership model, and how audiology professionals with ambition and a sense of adventure can start their own business in partnership with Specsavers Audiology.



Standard JVP Model



1

We're rolling out
opportunities across
Australia and New Zealand



Eyes and ears go together, it just makes sense. But many people think Specsavers is just an optometry business. In fact, audiology has been a part of Specsavers since 2004, long before we entered the Australian and New Zealand optometry markets in 2008.

It's always been our intention to bring audiology services to our customers, and in 2017, with over 300 optical stores across the country, almost \$1billion in annual sales, and more than six million Australians as customers, we decided that the timing was right, and we launched Specsavers Audiology.

With a recipe based on clinical excellence, open and transparent pricing, great products and eye-opening value, we have been making waves in the Australian audiology industry ever since, while also providing a fast route to business-ownership for like-minded audiology professionals.

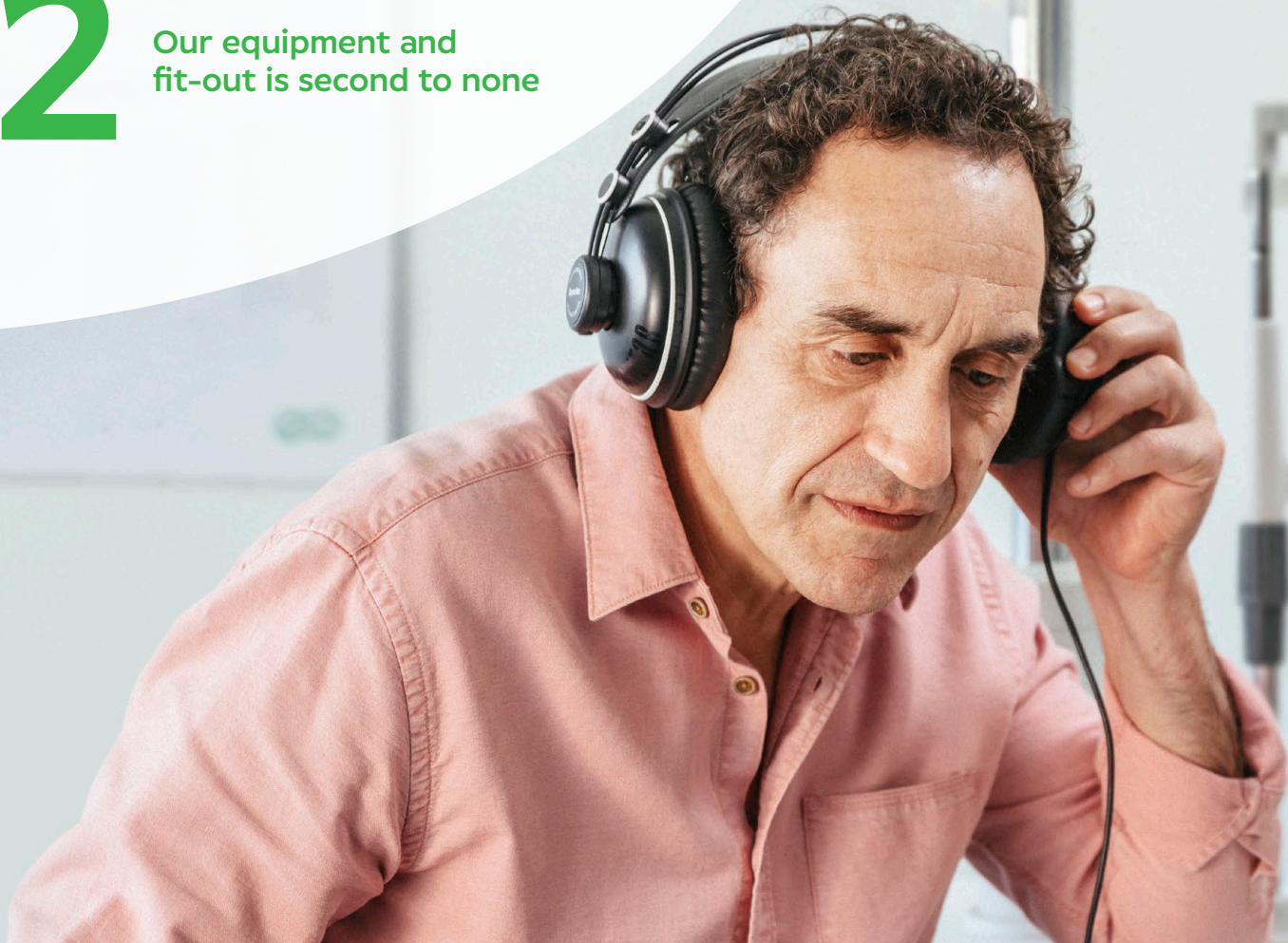
In just over three years, we've opened 170 Specsavers Audiology locations, with over 100 audiology professionals joining us in partnership.

Now in 2021 – in true Specsavers fashion – we are stepping up our audiology program with a host of new stores opening, and partnerships available across Australia and New Zealand.

To find out more about our rollout and locations, visit our website:
www.audiology-anz.com.au

2

Our equipment and
fit-out is second to none





When our audiology partners start in their business, they walk into a sound treated room equipped with a booth and everything that they need at their fingertips to deliver exceptional quality hearing care to their customers.

Customer experience is at the heart of our room design and every little detail has been considered. Sound treating the rooms is a key element to ensure that customers have a professional audiology experience from the moment that they enter.

What does this mean? Our design is all about making our partner's life easier. Wires are discreetly hidden and equipment such as the video otoscope and tympanometer are placed accessibly next to the monitor, both connecting directly to the PC. The audiometer and compact REM equipment are discreetly placed out of sight but easily accessible, as is the dedicated kit of consumables.

We aim to take the pressure off our partners by carefully designing every aspect of the audiology environment, financing the test room fit out, technology and equipment, and managing the end-to-end process as well as the payback of loans.

This places the focus on customer-service from the outset and ensures our partners don't have to go to the bank seeking finance.

3

We're putting hearing care on the map



At Specsavers, we feel that the 7–10 years it can take for someone to seek out hearing care is too long. That's why we are actively raising hearing awareness and normalising conversations around hearing health through our existing optical customer base and beyond.

All our audiology businesses are located within a Specsavers optical store. This means we can introduce audiology to a new audience, many of whom would never have encountered audiology before, and start them on the journey to recognise the value of their hearing.

In the stores that offer both optometry and audiology services, every customer over the age of 40 has a hearing screener as part of the pre-testing before their optometry appointment.

If we find a customer potentially has a significant hearing loss, they are referred to our audiology partner for a free 15-minute hearing check. Our partner will discuss their preliminary results and guide them on the appropriate next steps.

More than one million Australians have had their hearing screened to date and started their journey to better hearing awareness and health with Specsavers.

4

Potential customers walk through our doors every day

Specsavers



HEARING AIDS
AVAILABLE FROM
\$1,495
— PER PAIR —

High tech,
not high price





Specsavers is well known for its high-profile optical marketing campaigns, which run across TV, radio, online, press, point of sale and beyond. With an annual optical marketing fund of more than \$65 million, our optical marketing brings millions of Australians into our stores every day.

In addition to this, we have a dedicated audiology marketing team that support our partners by delivering audiology marketing campaigns that make noise and raise awareness.

Plus, each of our audiology businesses receives an initial \$20,000 in local area marketing support to kick-start promotions in the local community.

This means our partners don't need to worry about finding customers for their business – many will be on their doorstep – and they can get on with delivering great customer service.

5

We provide ongoing support to all our partners everyday





Becoming an audiology partner with Specsavers is simple. We take care of all the back-office work, while you focus on what you love – helping your customers.

Our collective support team of over 400 talented people support our partners with an array of services, from recruitment, local area marketing and store design, retail consulting, training and development, back office accounting – the list goes on.

We manage each business's accounts payable and quarterly BAS; produce easy to read monthly P&L accounts and end of year financial statements which detail how each individual business is tracking; we manage the payment of all taxes and paydown of any business loans; and we also make a regular distribution of profits to all partners – while making sure there is a sensible buffer of cash left in the business to cover next month's expenditure.

6

All Specsavers
Audiology partners
have a guaranteed
salary package



Our audiology partners are business owners, however, unlike other business owners, they earn a market-rate salary and superannuation package for the lifetime of their partnership agreement – guaranteed by Specsavers Audiology.

For our audiologist partners, this salary is \$100,000 plus super, while audiometrist partners earn \$90,000 plus super.

But this salary package is just one component of the value of their partnership. Specsavers partners also own profit-earning shares in their business, rewarding them for their hard work and efforts as business owners.

So, the potential value of a Specsavers Audiology joint venture partnership is divided between:

- a. annual salary + super package (paid fortnightly)
- b. annual profit (paid quarterly once the business is making profits)
- c. the future value of the shares in the business (paid when the partner retires from the business)

7

The support built into a
Specsavers partnership



As the Support Partner in the JVP model, we provide a wide range of support services, in exchange for a service fee, that are designed to do the heavy lifting when it comes to driving each business and the partnership as a whole – forward.

The breakdown of support service fees:

- Management Fee: 8% of gross monthly revenue
- IT & Software Support Fee: 1.5% of gross monthly revenue
- Accounting Fee: 1.5% of gross monthly revenue
- Training Fee: 1% of gross monthly revenue

In addition, each business contributes 7% of sales revenue to the Specsavers Audiology marketing fund.

Finally, all audiology businesses pay a 15% host store fee each month.

Each audiology business is hosted within one or more Specsavers optical stores, piggybacking on the optical store-owners' shop-fit, rent, team and general infrastructure, not to mention its hard-won customer database.



To find out all the detail on a Specsavers Audiology partnership contact **Julia Hewagama** on **0409 015 519** or **anz.audiologyrecruitment@specsavers.com**

Visit **audiology-anz.com.au** for more information