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The Joint Corp. (JYNT) Q3 2025 Earnings Call Transcript

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Q3: 2025-11-06 Earnings Summary

Insights

EPS of \$0.13 **beats by \$0.13** | Revenue of \$13.38M (-55.69% Y/Y) **beats by \$20.69K**The Joint Corp. ([JYNT](#)) Q3 2025 Earnings Call November 6, 2025 5:00 PM EST

Company Participants

Sanjiv Razdan - CEO, President & Director

Scott Bowman - Chief Financial Officer

Conference Call Participants

Richard Land

Jeff Van Sinderen - B. Riley Securities, Inc., Research Division

George Kelly - ROTH Capital Partners, LLC, Research Division

Thomas McGovern

Presentation

Operator

Good day, and welcome to the Joint Corporation Third Quarter 2025 Financial Results Conference Call. [Operator Instructions] Please note this event is being recorded. I would now like to turn the conference over to Richard Land from Alliance Advisors. Please go ahead.

Richard Land

Thank you, operator, and good afternoon, everyone. This is Richard Land of Alliance Advisors Investor Relations. Joining us on the call today are President and CEO, Sanjiv Razdan; and CFO, Scott Bowman. Please note, we are using a slide presentation that can be found at ir.thejoint.com/events. This afternoon, the Joint Corp. issued a press release for the third quarter ended September 30, 2025. If you do not already have a copy of this press release, it could be found in the Investor Relations section of the company's website.

As provided on Slide 2, please be advised that today's discussion, including any financial and related guidance to be provided, consists of forward-looking statements as defined by securities laws. These statements are based on information currently available to us and involve risks and uncertainties that could cause actual future results, performance and business prospects and opportunities to differ materially from those expressed in or implied by these statements. Some important factors that could cause such differences are discussed in the Risk Factors section of the Joint Corp's filings with the Securities and Exchange Commission.

Forward-looking statements speak only as of the date the statements are made, and the company assumes no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws.

Management uses non-GAAP financial measures such as EBITDA, adjusted EBITDA and system-wide sales. A description of these non-GAAP financial measures is included in the press release issued this afternoon and reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures are included in the appendix to the presentation and press release, both of which are available in the Investors tab of our website.

Turning to Slide 3. With that, it's now my pleasure to turn the call over to Sanjiv Razdan. Please go ahead.

Sanjiv Razdan*CEO, President & Director*

Thank you, Richard, and I welcome everyone to the call. Today, I will review the third quarter results and recent events. For those new to the call, we provide affordable, accessible and approachable chiropractic care and help consumers relieve and manage their pain while supporting their ongoing wellness journey.

There is a significant need for this with Americans spending \$20 billion a year on back pain. To capture a leading share of this market opportunity, we have been strengthening our management team and executing on our strategies to reignite growth and improve profitability. Although the full financial benefit of these strategies will take time to come to fruition, the following initiatives will improve the financial position of our franchisees and stockholders.

To drive new patient acquisition, we have shifted our brand marketing campaign to focus on pain relief, which we are amplifying by moving a portion of our advertising spend from local to a national campaign. And we are strengthening our digital marketing campaigns with SEO and clinic microsite. To grow system-wide sales, we are conducting a 3-tiered pricing pilot for our wellness plan. To elevate our patient experience, we continue to upgrade our patient-facing technology. Recently, we launched the second release of our mobile app with a range of new features. To become a pure-play franchisor, we continue to pursue the refranchising of our corporate clinics. And to improve new clinic performance, we have implemented robust preopening protocols for new clinics to reduce time to breakeven and ensure a strong early sales volume.

Before I elaborate, for those of you who are new to The Joint, we are the largest franchisor of chiropractic care clinics. Our mission is to improve the quality of life through routine and affordable chiropractic care. And our big bold vision is to become America's most accessible health and wellness services company. I'll summarize our Q3 2025 financial results compared to Q3 2024, and our CFO, Scott Bowman, will provide greater detail in a moment.

Revenue from continuing operations increased 6%. Consolidated adjusted EBITDA increased 36%. This improvement reflects the impact of work done on rightsizing our costs, which has helped to offset a 1.5% decline in system-wide sales and negative comp sales of 2%. Since our last conference call in August, we have repurchased \$5 million of stock, and the Board recently authorized an additional \$12 million of our stock repurchase plan. At September 30, 2025, our unrestricted cash and cash equivalents remained strong at \$29.7 million.

Turning to Slide 5 to discuss refranchising. We have entered into an initial agreement to sell 45 corporate clinics in Southern California for \$4.5 million via an asset purchase agreement. We are continuing to negotiate certain terms, and we'll update if and when we align on final terms. While macroeconomic headwinds are resulting in a longer lead time due to lender-related dynamics, we are actively negotiating asset purchase agreements with potential buyers for our 33 remaining corporate clinics.

Let's review our marketing efforts. Turning to Slide 6. For Q3, similar to Q2, our patient attrition was on par with last year, and conversions were better. However, Q3 sales comps were less than expected. The main shortfall was due to lower new patient count, which we are addressing by initiating a national marketing refresh, SEO improvements and advanced pricing test. Our research identifies pain as the biggest trigger to seek chiropractic care. Our patient base proves this to be true with 80% of our new patients citing aches and pains as the reason for coming to The Joint.

In August, we launched our compelling new brand awareness campaign, Life, Unpaused. We have shifted marketing content from broad wellness-focused communications to a message centered on chiropractic care for pain relief. Our goal is to drive stronger new patient demand and lead generation. While brand awareness initiatives tend to take longer to produce results, they are inclined to attract patients who remain with us longer. We are moving a portion of our marketing efforts to target an earlier stage in the sales funnel, shifting from predominantly local spend to one that also leverages our national scale of 962 locations in 43 states and the District of Columbia, which is equivalent to approximately 57% of metro statistical areas in the U.S. This campaign will educate consumers much earlier on. And before we experience pain that The Joint offers an affordable solution to alleviate pain. The goal is to get individuals at the first sign of discomfort to think, I should visit The Joint, it's convenient, affordable and they can help.

As alluded to last quarter, we have been actively engaging our franchisees regarding our new strategy. I am pleased to report in October, the franchisees elected to reallocate \$500 or approximately 1% of their gross sales per clinic per month from local advertising to this new national marketing effort. This adjustment does not increase the total amount contributed by franchisees. It simply redirect existing funds to enhance our national brand awareness and patient activation.

We are also strengthening our digital strategy through accelerated SEO initiatives designed to improve search visibility, page authority and discovery, including within AI-driven search environment. These are all key drivers of organic traffic and leads to our website.

New microsites or localized clinic pages are demonstrating strong early performance. In September, a pilot rollout of 35 clinics averaged a 20% to 40% increase in organic search traffic within the first 2 weeks of launch. A phased refresh of all remaining clinic pages began earlier this week with completion expected before end of the year. In parallel, enhancements to local Google business profiles are increasing engagement. Together, these efforts are expanding our local search presence and improving conversion pathways from search to clinic. At the same time, updates to national website pages are enhancing visibility among early awareness audiences searching for topics such as back pain, neck pain and mobility or lifestyle improvement. These tactics are broadening reach, bringing new users to our website and positioning The Joint chiropractic as a credible trusted authority at the beginning of the consumer decision process. Collectively, these initiatives are designed to reach audiences wherever they search and support the full marketing funnel from awareness to lead generation to wellness plan purchase. These actions are intended to drive new patient count, which, in turn, will help improve cost.

Turning to Slide 7. We are happy to welcome our new Chief Marketing Officer, who will lead their implementation and further fortify our marketing. Debbie Gonzalez started at the beginning of October. She is experienced in transforming global brand strategies and strengthening marketing capabilities across multisite retail and health and wellness businesses. Debbie has served as Chief Marketing Officer in publicly traded, private and consulting companies, where she drove customer acquisition, brand development, performance marketing, digital initiatives and innovation. Also, during her tenure at the franchisor, Massage Envy, she led the development of the recurring revenue membership model.

Turning to Slide 8. We have unveiled dynamic revenue management initiative to drive sales and long-term profitability. In July, we introduced our new Kickstart plan. Our doctors prescribe tailored treatment plans to meet our patients' specific needs. Often, new patients need multiple adjustments a week during the early phase of their care to get out of acute pain. Kickstart offers an attractively priced pack of 4, 8 or 12 adjustments beyond the 4 included in the standard wellness plan. This offering is a real win-win as it helps patients get rapid relief affordably and generates more revenue for clinics. Already, approximately 25% of new patients are taking advantage of these packages.

Now we are expanding our core wellness plan pricing analysis to better understand patient sensitivity for revenue optimization. Our latest pilot launched early November test 3 different levels of price increase in 3 different diverse demographic areas. We will monitor performance metrics and analyze trends to help determine next steps for the rest of the system. Based on the results of these pilots, we will optimize our nationwide pricing structure and roll out adjustments across our system.

Turning to Slide 9. We are focused on elevating our patients' experience through improved technology. We believe this will foster referrals and extend the length of time they maintain their wellness plan. In July, we officially launched our patient-facing mobile app with basic in-clinic check-in functionality. We are excited that the adoption rate among our wellness plan holders has reached 18% of new patients at the end of quarter 3 with over 178,000 downloads. At the end of August, we released our second app version, enabling patients to look up their visit balance, plan type, cycle date, at-a-glance visit history, treatment plan and progress report; download records like receipts and visit notes and complete a patient experience survey. Upcoming features will enable credit card updates and gamification such as getting badges for adjustments, check-ins or watching a video of the stretches that help with your condition.

With that, I will turn the call to Scott.

Scott Bowman

Chief Financial Officer

Thanks, Sanjiv. Turning to Slide 11, let's discuss our operating metrics. In the third quarter, system-wide sales were down 1.5% to \$127 million. Comp sales were down 2%, and adjusted EBITDA for consolidated operations grew 36%.

Turning to Slide 12. Let's discuss our clinics and new clinic performance. We sold 8 franchise licenses in the third quarter compared to 7 sold in Q3 of last year. And at September 30, we had 149 franchise licenses in active development. In the third quarter, we opened 9 franchise clinics, including our first in the state of Delaware and closed 11. Of the 21 clinics opened in 2025, the breakeven point has significantly improved versus clinics opened in recent years, which was due to preopening protocols implemented by our operations team. We closed 3 company-owned or managed clinics, and we refranchised 1 clinic, bringing the year-to-date total to 40 refranchised clinics. At September 30, we had 884 franchised clinics or 92% of the portfolio.

We are also focused on improving new clinic performance through better training and marketing. For example, we are now requiring a minimum number of leads to be generated prior to opening to support strong opening sales momentum. This practice has helped improve our breakeven timing from around 2 years to under 1 year.

Turning to Slide 13. Let's discuss our financials. I'll review continuing operations for the third quarter compared to the same period last year. Revenue grew 6% to \$13.4 million, mainly due to the greater number of franchise clinics in operation. Cost of revenues was \$2.7 million, down 6% compared to the prior year, reflecting lower regional developer royalties due to the repurchase of the Northwest territory rights in the second quarter. Selling and marketing expenses were \$2.8 million, up 13% compared to the prior year, reflecting our digital marketing transformation efforts. Depreciation and amortization increased \$100,000, mainly due to software development for our new mobile app. G&A expenses decreased 3% to \$7.3 million as we continue to rightsize our cost structure. And income tax expense was \$10,000 for the quarter, reflecting an effective tax rate of 3%. Q3 consolidated net income was \$855,000. This compares to a net loss of \$3.2 million at the same period last year, which was mainly due to impairment expenses related to refranchising. Net income from continuing operations was \$290,000 or \$0.02 per diluted share compared to a loss of \$414,000 or \$0.03 per basic share in the same period last year. Adjusted EBITDA from consolidated operations improved 36% to \$3.3 million. And for continuing operations, adjusted EBITDA was \$1.4 million compared to \$262,000 in the same period last year.

Turning to Slide 14. Let's discuss our year-to-date financials for the 9 months ended September 30, 2025, compared to the prior year period. Revenue grew 6% to \$39.7 million. Consolidated net income increased \$7.7 million to \$1.9 million. Net loss from continuing operations improved \$1.3 million to \$1.2 million. Adjusted EBITDA from consolidated operations expanded \$1.3 million to \$9.4 million, while adjusted EBITDA from continuing operations improved \$1.2 million to \$1.5 million compared to \$300,000 in the prior year period.

On to Slide 15, I'll review our liquidity and stock repurchase plan. At the end of the third quarter, unrestricted cash was \$29.7 million compared to \$25.1 million at the end of last year. We maintained our line of credit with JPMorgan Chase for \$20 million and had 0 funds drawn during the quarter. In addition, we extended the maturity of the facility an additional 6 months to August 2027. During the third quarter, we repurchased 228,000 shares for \$2.3 million, averaging approximately \$10 per share. Since quarter end, we bought back an additional 312,000 shares for approximately \$2.7 million. Most recently, the Board authorized an additional \$12 million for repurchases, continuing to emphasize our confidence in the long-term growth strategy.

On to Slide 16, we are revising our full year 2025 guidance as follows: We expect system-wide sales to range from \$530 million to \$534 million, which compares to prior guidance of \$530 million to \$550 million. We expect comp sales to be in the range of negative 1% to flat, which compares to prior guidance of an increase in the low single-digit range. We are maintaining guidance for consolidated adjusted EBITDA to be in the range of \$10.8 million to \$11.8 million, and we are maintaining our new clinic openings guidance to be in the range of 30 to 35.

Reflecting our refranchising efforts and realignment of our corporate cost structure, we have made significant progress reducing our operating costs. As a result, we expect 2026 continuing operations to be more profitable than 2025. When we report Q4 2025 results, we will provide annual 2026 guidance as well as the key attributes of our go-forward 100% franchise model.

And with that, I'll turn the call back over to Sanjiv.

Sanjiv Razdan

CEO, President & Director

Thanks, Scott. Turning to Slide 18. I am proud to report that The Joint continues to receive accolades. We were recognized on the Annual Franchise Times Top 400 for the sixth year in the top 200 listing of brands. In 2025, we jumped 11 spots, landing at position 139. We are part of 2 of the fastest-growing industry sectors for 2025, health and medical and personal services.

In summary, we are on track to becoming a pure-play franchisor. Combined with our diligent cost-saving initiatives, we are confident this will lead to improved operating leverage going into 2026 and beyond. And our stock repurchase plan extension demonstrates our strong conviction in the progress we're making toward our long-term goals of growing system-wide sales, comp sales, net new clinic openings and adjusted EBITDA.

With that, operator, I am ready to begin Q&A.

Question-and-Answer Session

Operator

[Operator Instructions] The first question comes from Jeff Van Sinderen from B. Riley FBR.

Jeff Van Sinderen

B. Riley Securities, Inc., Research Division

Just wanted to follow up on getting to the pure franchise. At this point, I realized I think you said you're in 40-some-odd units, you're in some sort of stage, it sounds like due diligence. And then I think you have another 30-some-odd to go after that. What time frame do you think seems feasible to complete all of the refranchising at this point of the corporate clinics?

Sanjiv Razdan

CEO, President & Director

Jeff, at this stage, like we mentioned on our prepared remarks, we have got an initial asset purchase agreement for 45 clinics in Southern California. We are still negotiating some details around that. And then we've got 33 other clinics which remain that we are also negotiating asset purchase agreements for. I think as a result of the overall macro climate, we found that the lender dynamic was impacted and it impacted our timing as it related to buyers securing lending, added some additional complexity, but we feel confident that we're making progress. And whilst exact timing may be hard to predict, I think we're pretty confident that we'll be able to get this done.

Jeff Van Sinderen

B. Riley Securities, Inc., Research Division

Okay. And then just turning to the steps you're taking to turn around the same-store sales or comps. You mentioned the pricing plan pilot, I think it was. Can you speak more about that? I'm just curious about what you're doing there.

Sanjiv Razdan

CEO, President & Director

Yes, absolutely. So as you know, we took pricing, any meaningful pricing on our wellness plans going back in March of 2022. So it's been a minute since we've taken pricing. Inflation has gone up since then as a result, eroding some degree of clinic margin. So we've got to figure out the right balance of making sure we're affordable and accessible whilst also taking a fair price increase in line with market. To make sure we understand that thoroughly, given the market dynamic, we have taken 3 different price increase levels, 3 different tiers that reflect 3 different levels of aggressiveness of price increase, if you will. We have -- those tests went -- or pilot markets went live in November itself. And I think over the next few weeks, we expect to learn what is the optimum level of price increase that the market and our patients can bear at the moment and learning from that, the plan is to then scale that out enterprise-wide.

Jeff Van Sinderen

B. Riley Securities, Inc., Research Division

Okay. I guess I'm a little bit -- I'm not sure what the word is, but it seems to me that if your comps are running slightly negative that you might -- that -- I mean, it almost seems counterintuitive to be raising price into the comps running negative. So I'm just wondering how you think about that, how you think about sort of the -- I know you gave a new set of guidance for the year for comps and so forth. But how are you thinking about pricing versus driving comps?

Sanjiv Razdan*CEO, President & Director*

I think it is one of the many levels that we are contemplating. If I was to share with you or recap the levels that we've got that we talked about, I think one is to shift the external messaging to pain, which seems to be the most relevant trigger to bring patients in at the moment. To amplify that message and our new brand campaign, we have worked with our franchisee and agreed that they will shift \$500 per clinic per month from local investment in marketing to a national spend that allows us to advertise more effectively and invest behind more high-impact media nationally. So we've just started doing that. I think that will make a significant impact. We are also investing some of that money to accelerate some of the very critical work that needs to happen around addressing change in consumer search behaviors due to AI, which I just enumerated.

And then in the context of some of these other things that we're talking about, including patient and present technology, one of the levers, as you might expect, is also pricing. We think there's some room there just to determine what the right level of pricing is instead of doing that without due diligence. That is exactly why we've got 3 different price increase tiers that we're testing to make sure that we're not getting ahead of our skis and the consumer is ready to bear that price increase. So it is one of many other things that I think will help us get into positive comp.

Operator

The next question comes from George Kelly from ROTH Capital.

George Kelly*ROTH Capital Partners, LLC, Research Division*

A couple of questions for you. First, on -- I guess, looking for a little more detail. You mentioned in your prepared remarks about certain initiatives aimed to improving the breakeven point. Can you walk through what those look like?

Sanjiv Razdan*CEO, President & Director*

Absolutely, George. I think what we were referring to here is the new clinics, right, achieving that we open, reaching a breakeven point rapidly. And then, of course, from there on, we expect them to get to mature sales level also faster than they have historically done. We have opened 25 clinics thus far. And what we found is that we've used a more robust protocol learning from best practices around our own system on what needs to happen in order to ensure that these clinics open right from day 1 at a higher sales volume and then ramp up faster. So to give you an example, one of the things that we found that makes a very significant impact is to make sure that even before the clinic opens, our franchisees and our operators have achieved a few hundred, and there's a specific number that we target, potential leads. And so the moment we actually open the clinic, we already have a very significant amount of leads, very specific leads that we can then follow through and convert into patients very early in the opening phase of that clinic. That mechanically is done through tools like local tabling where basically our operators who sit within the community set up these tables and collect leads, educating our consumers. So it's really very local community level blocking and tackling that we are codifying, sharing as best practice and enforcing that our clinics open, following those protocols. As we have followed those protocols, we are seeing -- very encouraged by the results we're seeing of the cohort of clinics opening in 2025. So that is what we were referring to earlier in terms of reaching breakeven sales pretty quickly.

George Kelly

ROTH Capital Partners, LLC, Research Division

Okay. And then I guess I've got a couple more. On comp growth, can you explain at all or give us the trends that you saw during the quarter? And what have you seen post quarter? It seems like your updated guide reflects a step down from 3Q in 4Q. So is that the case?

Scott Bowman

Chief Financial Officer

Yes. Let me give a couple of comments there. So as we looked at current trends, as we ended the quarter, our comps were slightly softer than the average of the quarter. So that was one thing that we considered. But we also looked at last year. So in the third quarter last year, our comps were up about 4%. In the fourth quarter, they're up about 6%. So we have much tougher compares in the fourth quarter than we did in the third quarter. So that's the other component. So a little softer at the end of the quarter and then just tougher compares up against last year.

George Kelly*ROTH Capital Partners, LLC, Research Division*

Okay. And just one last one for me. There was a comment about SG&A expense reductions next year that are planned. And I think you said that you expect to grow income from continuing operations versus 2025. Can you remind me what of your adjusted EBITDA guide is from continuing ops? And can you be more specific? It's been a long time. This plan has been underway for quite a while. I know there was a management change, but can you be more specific about what level of SG&A reductions you're targeting?

Scott Bowman*Chief Financial Officer*

Yes. What I can tell you is we have taken a very close look at our G&A structure now versus what it should be post refranchising. And so we've already started to make some adjustments there. And a good point of reference is in our earnings presentation on Slide 13, where it shows you kind of the breakdown of why our adjusted EBITDA was better for continued operations compared to last year. So what's happening there is as we refranchise these units, they come into the GAAP revenue stream with additional royalties and fees. And so that's why revenue -- GAAP revenue was up 6% in the quarter. But if you look at G&A costs, they were actually down 2% against that revenue increase. And so you can kind of see some of the rightsizing starting to happen. There's more to come, and we have the areas targeted that will give us the most reduction. So we're starting to see some benefits come through, which is very encouraging.

Also, I'd point out that cost of revenues was actually down 6% as well against revenue up 6%. So that certainly helps. And that's mainly because we bought back those territory -- regional developer territory rights in the Q2 time frame that we mentioned on our last call. And so that's paying some benefits, right? So we no longer have to pay those RD royalties. And so our cost of revenues is less against higher revenue.

So kind of to answer to your question, so the next steps that we're looking at is continuing to refranchise clinics. As we do that, we'll see some pretty big reductions in big categories like salaries and wages, employee benefits, insurance. If you think about workers' comp insurance, big reduction with fewer employees and then other things like legal fees and travel and some other expenses. And so as we've kind of done a little bit deeper dive in analyzing line items, we have very good plans on how they should be reduced and when as we continue to refranchise these units.

So early days, we're seeing some really good signs, but the bulk of it is yet to come. And so as we continue this transition process, things are fairly fluid, but we kind of have our sights target on where the opportunity areas are. And on our next call in Q4, we'll be able to lay that out in a good amount of detail in terms of what the outlook looks like in a more kind of fully franchised model.

Operator

The next question comes from Jeremy Hamblin from Craig-Hallum.

Unknown Analyst

This is Will on for Jeremy. First, I wanted to go back to the pricing. I guess my question is, are you taking a blanket approach to raising price? Or is it -- are you taking price on certain packages and plans maybe to drive customers to different categories?

Sanjiv Razdan

CEO, President & Director

Yes, I can answer that for you, Will. Almost 80% to 85% of our revenue comes to a recurring revenue model, right? So our patients are on membership plans that are recurring in nature. So that is where the bulk of the opportunity is. That -- those wellness plans are where we are testing 3 different levels of price increase, right? And they range anywhere between \$2 to \$10 to try and understand what is going to be the patient sensitivity to those price increases, and we're also testing them across a variety of different geographies. We've got approximately 200 clinics in those 3 pilot group. So it's a pretty comprehensive, well-thoughtful test, 3 different price increase levels, lots of different geographies and demographics. We will learn from that on what the most appropriate level of price increases given the current climate, and then we can scale that out nationally. So that is where we are looking at this pricing pilot. Will, does that clarify your question?

Unknown Analyst

Yes, that's helpful. And then just one more for me, going back to the units in Southern California. I guess, are you able to kind of categorize just general performance of those 45 units? I mean, are they kind of average, better, kind of weaker performing units? I'm just trying to get a sense of valuation.

Scott Bowman

Chief Financial Officer

Yes, I can start there. I think in general, those clinics in Southern California are good performing clinics overall as a group. And so as we look to refranchise those, it's critically important that we find good operators. And so that is one of the things that we're really focused on, and we want to make sure that we take the time to get good operators in those clinics because good locations. And in the past, a lot of those clinics have performed quite well, but there's still opportunities there. So it's a good position for a strong operator to step in and continue the good practices that they have, but also enhance what they do to make it even stronger.

Operator

The next question comes from Tom McGovern from Maxim Group.

Thomas McGovern

So this past quarter, you guys sold, I believe you said 8 franchise licenses compared to 7 a year ago. Just trying to get an understanding of where the demand is coming from. Can you give us any insight on whether or not these licenses are being sold to maybe existing franchisees or if they're all new interest, new franchisees?

Sanjiv Razdan

CEO, President & Director

It's a mix, Tom, both existing franchisees as well as new franchisees.

Thomas McGovern

Understood. The other question I had was on the app. So it looks like you guys have some pretty strong initial data points there. It says in the slide, 178,000 downloads and 18% of new patients are signing up for that. Do you guys have any metrics that you can provide for us now in terms of utilization or engagement through the app? Have you guys seen already an increase in those that have the app scheduling appointments? Or is it just too early to tell?

Sanjiv Razdan

CEO, President & Director

Tom, it's too early to tell. But the feedback from those patients that we're seeing because we're also, as I indicated, starting to measure patient experience through the app, we're seeing extremely high metrics coming back. So what we're encouraged with, whilst it's early signs that the overall experience that they're having is very strong, and clearly, as we've seen, a strong patient experience typically will lead to longevity, and that's really what we're going after here, making sure that there is lifetime value because there's less friction in the experience, but too early to be able to share data points that are demonstrating those metrics already.

Thomas McGovern

Got you. Appreciate that insight. And final thing for me. So just wanted to kind of piggyback on the pricing question. I see in your slide as well that you guys plan to take pricing in 1Q '26. Is that a steadfast plan? Or is there any reason you might take pricing earlier than that if you have the right insights in the fourth quarter or anything that could possibly push that into the second quarter or later in 2026?

Sanjiv Razdan

CEO, President & Director

I think at this point, considering that the pricing test just went -- those pilot markets just went live earlier in November, I think the most likely scenario is that we will read them, see the impact and most likely, given the time frames involved that we should be able to activate against them for our system in quarter 1. Now should something emerge from that test that gives us pause and reflection and needs us to pivot and test them more, then of course, we will consider that. But at the moment, given that we have got 3 different options in test, we believe that one of them is more than likely going to be the right option for us to then scale out nationwide sometime in the first quarter.

Operator

This concludes our question-and-answer session. I would like to turn the conference back over to Sanjiv Razdan for closing remarks.

Sanjiv Razdan

CEO, President & Director

Thank you for joining us. Have a really good day. And know that at The Joint, we always have your back. So I appreciate everyone. Thank you.

Operator

The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.

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