

# Childcare Industry Insights: Bright Horizons 2022

By: [Nathan Kelly](#)

For our relationships in the early childhood education industry, we put together a summary of the latest Bright Horizons quarterly earnings report. We always recommend our clients listen to public company quarterly earnings conference calls, which can be found [at this link](#) for Bright Horizons. Public companies are required to disclose their performance, outlook, and growth strategy on these calls, and private owners can listen in to gain knowledge and insight for managing their own businesses. We took away several key points for early education providers:

## 1) Keep on touring—2023 looks promising

- “We expect our centers to grow roughly 15% to 20% for 2023”
- “2023 average price increases are 6%-7% on average”
- “Encouragingly, the progress we have made over the course of the last year in classroom staffing has allowed our center directors to conduct significantly more in-person tours over the last 6 months”

## 2) The road to recovery has been bumpy

- “Our recovery hasn’t been and won’t be linear, but we continue to make solid progress in recovering from the effects of the pandemic”
- “In 2022, we saw our turnover rates, which peaked in 2021, return to pre-pandemic levels alongside an uptick in formerly employed teachers returning”
- “The last 3 years have been some of the most challenging our sector has ever faced, beginning with the temporary closure of most of our centers in 2020, followed by the unprecedented disruption of staffing, to the unpredictable and recurring coronavirus variants that contributed to an uneven recovery in late 2021 and into 2022.”

## 3) Staffing is still difficult, but improving

- “Overall, for 2023, the average wage will increase by 7-10%”
- “We expect there will be some further labor fallout as benefit programs roll off.”
- “We know once someone stays with us the first 100 days, they are going to stay with us much longer.”

## 4) Drop-in care may be the next big thing

- “In 2022, we expanded [Drop-in care] to more than 15 new communities. We introduced pet care as an additional Back-Up use case. And we have academic tutoring.”
- “We couldn’t be more excited about the opportunity to grow Back-Up Care by double-digits over the next several years.”

## 5) Enrollment was up 6% year-over-year for 2022

- “US enrollment increased 6%, with growth of 10% in the infant and toddler age groups and low single-digit growth in our preschool programs.”

- “Centers in the largest metro areas like Atlanta, the Bay Area, New York City and Seattle, showed strong year-over-year enrollment gains.”
- “We ended up on average 60%-65% full for the year, with our best centers at 70%-80% full”

If you or someone you know has questions about transitioning company ownership, in part or in whole, please [contact Nathan Kelly](#), Director of Founders’ Consumer Practice.