

Case study: First Choice Marquees

Company background

First Choice Marquees (FCM) has been providing the perfect setting for celebrations of all sorts since 1990. The business hires all manner of marquees and has seen considerable growth – a result of its excellent reputation for the quality of its marquees and additional services. The business has grown organically and by acquisition, and today, FCM is run from a main distribution centre in Thetford, supplying marquees to London and ten counties in the South East of England.

As well as individuals looking for a one-off hire for an event, FCM customers include councils, supermarkets and large corporates who may regard marquees more as temporary buildings and so take out longer-term contracts.

The owner of First Choice Marquees is Brian Keane, and he and his team have won numerous awards for business innovation and customer service. FCM prides itself on attention to detail: clean, modern equipment within time scale and budget.

The problem

Despite good customer satisfaction levels and healthy cash flow, the business was causing some concern at the low profits and lack of clear growth. The management team was aware of inefficiencies in business operations such as issues with warehouse layout, and an inefficient operations planning system which resulted in the use of high levels of temporary staff. As well as being a more expensive option, this was causing inconsistency in the quality of service.

Over-long days were endured as the operations teams battled to deliver good customer service, and then had to return to base to prepare for the next day's jobs. The FCM management team decided now was the time to act.

FCM asked IfM Education and Consultancy Services (IfM ECS) from the University of Cambridge how they could help.

The solution

IfM ECS ran their standard diagnostic tools over the company, and identified two themes for action. First they identified that the marketing strategy was in need of more focus. By effectively offering all things to all people, FCM were somewhat 'stuck in the middle', not able to deliver market-leading performance in product, price or service.

The second issue was the operational procedure, and poor scheduling in particular. IfM ECS was able to embed two Masters degree students into FCM free of charge for two weeks to create an effective scheduling system that was later adopted as standard.

“Injecting the latest production thinking allowed our students to design the optimum scheduling system for FCM in a fairly short time” said Dr Nikky Athanassopolou, Industrial Fellow at IfM ECS. “We also recommended changes to marketing approach to segment the diverse customer base, allowing a more targeted approach.”

Benefits

As a result of the marketing strategy work, FCM has established some long term contracts with major retailers that provide more consistent business levels and income throughout the year.

The improved scheduling system delivered higher levels of efficiency and lower costs: expected savings amounted to around 7% of revenues, using the same number of permanent and temporary staff, and working hours were reduced by 10%. Additionally, the new system eliminated many of the quality issues which had been experienced, team morale was improved through better visibility of the forward programme and there was less general chaos. A Yard Manager was appointed to work with the crews and to take a special interest in matters of quality. As a result of the increased business, two more employees have now been taken on.

After nine months of working with IfM ECS, business revenues at FCM had increased by 130% and the company was well set for healthier profits in the future.

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