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PROGRESSING FROM 'DOING' TO 'MANAGING' A BUSINESS GROWING A CREATIVE DIGITAL MARKETING AGENCY

1973 Limited

CMC helped the directors of this digital marketing agency increase revenue by 55% in just two years. Through business planning and process reviews they continue to grow the company to maximise business value.

THE CHALLENGE:

- Grow the business and increase asset value
- Create time and space for the directors to manage the business
- Build confidence in directors' abilities to win bigger contracts
- Increase existing customers' spend in line with top client
- Expand the company's target market and product offering
- To be recognised as a quality email marketing solutions provider

THE SOLUTION:

- Implement business planning to identify the client base, markets and target turnover
- Introduce regular management meetings to monitor progress against plan
- Fine tune marketing messages including brand image and sales presentations
- Enhance the product platform to incorporate other solutions to appeal to a wider spectrum of customers
- Define the roles and responsibilities of the directors and hire new employees with the right skills

THE BENEFITS:

- Within 2 years the company have experienced a 55.2% revenue increase
- Won a three-year contract with their main customer, providing stability whilst focussing on new customers
- Expanded into the B2C market
- Changed the directors' reactive approach from being a 100% 'doing' company to free up 30% of time to focus purely on managing the business and sales and account development
- The team has grown with a recruitment plan in place for the future



“ CMC's advice, support and wealth of experience has helped us understand how to successfully build and grow our business. Together we have developed a clearly defined plan with realistic goals to help maximise our business value. ”

Chris Barnett, Director, 1973 Limited

CMC are a firm of business advisers who specialise in helping you, as a business owner-manager, to plan and prepare for every stage of your business's life cycle. To contact us, call 01491 829181 or email info@cmc-partners.co.uk



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1973 Ltd is an Oxfordshire based creative and technical digital marketing agency specialising in the design and implementation of global campaigns and communications. Working closely with client marketing teams, the company has built a quality reputation for bringing creativity and a wealth of experience to campaign execution. Using a variety of digital platforms, they have a particularly strong emphasis on email marketing solutions.

The majority of their work came through referrals, especially their main customer, and a result they had never really marketed the business. Little time was available for developing and managing the company, and more importantly gaining an understanding of the various elements involved in successfully running and growing a business. 1973 Ltd realised if they were to expand the business, external expertise was needed to help move them forward.



THE BACKGROUND

Entrepreneurs Chris Barnett and David Black, the founders of 1973 Ltd, originally started out as freelancers, offering website programming and development, multimedia solutions and e-commerce systems. They found this lifestyle limiting in terms of sharing ideas and expertise and relished the thought of working as a team, something they value highly. In 2004 they decided to join forces and formed the company – just in case you're wondering the company name originates from the year they were born, often a talking point for customers and suppliers!

In the beginning they mainly worked on projects utilising their skills. However they soon started attracting design work, which they outsourced to agencies. This made them realise they needed to offer their customers a more rounded solution, and in 2010 Laura Harrison joined for her creative influence and soon after became a Director.

Together, the three directors decided their long term goal was to grow the company, with a view to maximising value. However, with a limited sales pipeline and too much reliance on the directors 'doing', (reacting to projects as they arrived, rather than 'managing' the business), they didn't have the time or capacity to consider or implement the necessary changes. To help them move the business forward they decided it was time to take stock of the situation and sourced help from their local

CMC Partner, Rupert Beazley.

THE CHALLENGE

The main objective for 1973 Ltd was growth. "We saw the value in being mentored on how to build and grow a business," said Chris. To do this the team recognised the need to expand their target market and product offering to attract a wider audience, as well as retain and increase spend of existing customers. This in turn would require them to clearly define the company messages and have more confidence in their abilities to engage and win new clients.

Something the company values is delivering a quality customer experience. "We care about what we do and ensuring we provide a personal, quality service to all our customers" said Chris. To ensure this happens, the company needs to have the right people in the right roles with the right skills. In addition they realised that they needed to communicate and build awareness of their brand, products and specialisms to differentiate them from an already busy marketplace.

However, due to their success, their reactive approach and the demands of their existing clients, they did not have the time or resource to work through these ideas, or the knowhow to effectively manage and

run the company. "If we didn't involve CMC we would be muddling along" said Chris.

THE SOLUTION

Planning for growth

From the beginning of the partnership it was clear to Rupert that a key element 1973 Ltd needed to implement was business planning. To successfully increase turnover, expand their customer base and product portfolio, as well as build a quality team to support the business in its development. Taking time out to prepare and plan was not a 'nice-to-have' it was essential if they were going to succeed.

Working closely with Chris, David and Laura, Rupert introduced workshops to define a one to three year plan for the business, identifying their client base, markets, target turnover, staffing and resourcing. This enabled them to identify short, medium and long term goals, focusing their minds on key activities to drive the business forward.

Alongside this plan, monthly management meetings and annual reviews were introduced to enable the directors to monitor progress and identify areas for change. This allowed them to quickly adapt and flex their approach in line with the overall business goals.



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THE SOLUTION CONTINUED

To support business operations, Rupert introduced the directors to key aspects of running a business including sales, revenues, margins, cash flow and finance, building a client base and sales pipeline, shareholder agreements, HR and general admin. "Thanks to Rupert, we now appreciate the need and understand the importance of doing the administrative tasks" said David.

Winning Contracts and Clients

The company were heavily reliant on a few clients based in the USA, with 70% of their work coming through these sources. As a result these clients required a lot of time, restricting marketing activity and lead generation. In addition, the email platform they used, Eloqua, was perceived as a large corporate solution, therefore disengaging medium size companies from potentially working with them. Together this limited 1973 Ltd's sale pipeline.

To overcome the perception of the business only providing an email solution for large companies and to broaden the market appeal, the team decided to enhance their email platform offering to incorporate other solutions. 1973 Ltd are now in the process of becoming Marketo certified and appeal to a smaller companies plus a wider spectrum of customers including the B2C market. This removed the emphasis from the email platform, to their focussing on the logical solution – one of their key objectives.

Company Brand and Message

Guiding them through the process of planning and preparing for presentations, Rupert encouraged them to set aside time to fine tune their messages – something

that previously had been pushed aside. Using this approach built confidence in their abilities and ensured that they managed the perception of the company. "Building our brand through presentations has allowed us to communicate their message far more clearly and confidently to existing and new clients" said Laura.

Defining Roles and Skills

The reactive nature of the industry and available resources have been a major inhibitor for generating growth within the business. Through Rupert's guidance, a solution was found; to gradually define the roles of each of the directors and decide who was responsible for which element; e.g. development, design, operations, financial control and account management.

"Rupert's doesn't dictate, he asks questions and guides us towards our own conclusions" said Laura.

You cannot just rely on the skills of three people, you must have confidence in the structure, processes, pipeline and reputation of the business as a whole.

THE OUTCOME

Since Rupert started working with 1973 Ltd, they have experienced a 55.2% revenue increase in two years. "If we had had this sort of guidance and support at the beginning, we would be even further forward then we are now" said Chris "CMC's advice is not a cost, it is an investment". Although they are not looking to sell the company, their aim is to turn 1973 Ltd into a thriving business

that will attract the highest possible value should they decide to exit.

By adding and opening up their product portfolio they are now in a position to attract a wider market and offer a more comprehensive solution. They have a

clearly defined email campaign product offering for both large and medium size companies that attracts regular shorter projects, assisting with cash flow and boosting profitability.

Through clearly portraying their key messages and

managing the perception of the business, they have gained a three-year contract with their main customer. This provides stability for the company whilst they focus on building revenue with their other existing customers and proactively marketing themselves to attract new clients.

By implementing a plan, having regular meetings and clearly defined roles they have changed their approach from being a 100% 'doing' company to free up 30% of their time to focus purely on running the business – HR, sales and marketing, accounts and more.

Finally, they have now employed more people and are in the process of recruiting another, and in the last six months they have also broken into the B2C market. As David says, "We now have a clear vision of where we are and where we want to go".

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Chris Barnett, Director, 1973 Limited

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David Black, Director, 1973 Limited

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ABOUT 1973 LIMITED

1973 Ltd is a creative and technical digital marketing agency specialising in the design and implementation of global campaigns and communications. From design and marcoms, email solutions and automation, to website development, 1973's wealth of experience provides tailored campaign solutions to deliver individual client needs.

It is 1973's unique ability of getting to the heart of campaign messages, tailoring them to fit with target markets, as well as their breadth of experience and level of certification that has built their quality reputation within the industry.

For any enquiries please call Chris Barnett, David Black or Laura Harrison on 01491 613 732 or info@1973online.co.uk.

www.1973online.co.uk

ABOUT CMC PARTNERS

CMC is a multi-partner firm of business advisers who specialise in helping you, as a business owner-manager, to plan and prepare for every stage of your business's life cycle.

We operate in the South of England, West Midlands and South Wales. We have over 25 years' experience in helping thousands of businesses of all sizes, providing support for clients involved in the complex relationships and transactions of business changes including growth plans and exit strategies.

We work with you on a long term approach, building and maximising the value of your company. Dedicated to business owners, we know just how important your business is to you and how hard it can be to extract yourself from the day-to-day management.

For enquiries please call Rupert Beazley on 01491 829181 / 07880 221818 or email Rupert.beazley@cmc-partners.co.uk

www.cmc-partners.co.uk

If this story sounds like the kind of help from which you would benefit, please call us on 01491 289181 or email info@cmc-partners.co.uk to arrange an exploratory first meeting – *without obligation and free of charge.*