

ICON BUSINESS SOLUTIONS INDUSTRY CASE STUDY CLEANING COMPANY

Summary:

Helping the business owner plan and manage growth

The Client / Sector:

Commercial and Domestic Cleaning

Business in Profile:

The business owner was working totally 'in' the business with no time to devote to growth. The owner was an 'employee', working long hours and earning a decent income but not enough to meet personal and financial goals. The margins for most of the customer base were very low, and the business relied on domestic outdoor work which was affected by the weather.

The Challenges:

- To free up the owner's time to focus on business growth.
- The owner acknowledged his need to learn about good business techniques in the areas of marketing, selling and people management / delegation.
- Ultimately, to reduce the amount of time spent in the business by systemising procedures
- Overcome owner's caution at increasing prices for long term customers.

Strategies:

- The first activity was to identify profitable and unprofitable customer groups and then implement a price increase to generate immediate revenue gain.
- This resulted in the loss of one or two previously unprofitable customers (thus improving profitability of business as a whole) and permitted recruitment of additional cleaner to take over owner's day to day duties.
- A bonus system was introduced to motivate staff to offer simple up-selling and cross-selling services (free window clean for referred business and carpet protection offered with carpet clean).
- One employee was given responsibility for the carpet cleaning side of business on a semi-franchised basis.

The Outcome:

- With the free time available we have worked with the owner to identify higher margin areas of his business as target areas for growth. This proved to be commercial cleaning services and owner is now building a client database to market prospects in a large nearby town.
- At same time the owner is applying newly learned marketing and promotional techniques to attract new business as well as increasing sales to existing clientele and as a result the business has grown 20% in terms of sales revenue year on year.