



## GNP World Class Service – Case Study

### Angus Macrae Interiors Ltd.

*9 employees, £1.5m turnover based in Nottingham*

**Quote from Angus Macrae,  
Managing Director Angus Macrae  
interiors Ltd, May 2007.**

*We are experts in design and manufacture of quality contract furniture for hotels, pubs, restaurants and night club chains. Following an internal reorganisation in 2004 we needed assistance to refocus the business and we were pleased to be offered assistance through the GNP world-class programmes where expert advice and guidance was available at a price which we could afford through MCCR & Associates.*



*We have been able to review our costs and margins and identify opportunities to generate efficiency improvements in our manufacturing processes. We have also revisited our marketing strategy, identified new target markets and the most appropriate route to market and then worked on improving our market image and voice. The results have been excellent; sales have grown and we are looking forward with confidence to our best year ever.*

*We would recommend the world class programmes of GNP delivered by MCCR to any manufacturing or service company seeking to improve their business.*

### Company profile

Angus Macrae Interiors Ltd (AMI) is a major player in the contract furniture market and is the specified major supplier to the biggest nightclub operator in the UK. The company has been trading for 20 years but in the last four have had a change of ownership and a change in product. Contract furnishings have replaced the previous bric-a-brac interior product range and Angus Macrae has assumed sole ownership of the business.

AMI manufacture traditional, contemporary and bespoke interior furniture. Its products appeal to clients whose strategy is brand led and where creating the difference is important. Angus Macrae are



experts in their field and their flexible approach and eye for detail means that their customers become used to a hassle free design solution that exceeds expectations without the traditional compromise on durability and quality. Angus Macrae also position themselves as furniture consultants where clients employ their expertise to select furniture which meet their design criteria. They offer a flexible and friendly service and are keen to be recognised as being easy to do business with.

### **Making it happen**

Angus Macrae first made contact with Simon Lamb of MCCR & Associates in August 2005 seeking support to identify opportunities for improvement in both manufacturing and marketing.



The project started with a thorough review of the business which focused on understanding AMI's competitive advantage, the company's role in its supply chains and how they might use the supply chain to improve their competitive position; we also studied margin by product particularly between in-house manufactured products and bought in factored products.

Considerable effort was put in to analysing margins to determine opportunities for lean manufacturing and waste elimination. Opportunities emerged for performance improvement through the introduction of lean techniques particularly working on the seven wastes. Although the manufacturing facility is simple there were opportunities for improving the value added content of the activity and a number of recommendations were made and considered or implemented.

We also studied costing systems to ensure that they provided management with a true reflection of margin and discussed how lean techniques could be used to improve efficiencies. This process was essentially a mentoring type process where the business was given a rigorous health check.

Out of this process emerged that fact that manufacturing was mostly under control; although there were opportunities for improving margin management's key concern was marketing and the need to develop a new sales and marketing strategy to support the continued growth of the business and reduce the dependency on one major client.

A marketing strategy was discussed and developed. This process required the analysis if AMI's ideal client and where we might find such organisations and how we might market to them. In order to do this we needed to:

- Develop client questionnaires



- Contacted clients on a regular time scale
- Add new potential clients to the data base on a frequent basis
- Prospect clients according to their activity and fit
- Measure the effectiveness of the marketing activity
- Include details of quotes and customer enquires and activity in the database and follow them up on a timely basis.

The various sectors in which AMI work were analysed and appropriate product offerings determined for each sector. Pricing strategy was reviewed. Databases of appropriate target clients were developed and included in the marketing activity.

Development of new software for managing the customer activity was aligned with the company's existing IT systems and processes to ensure that marketing activity and its effectiveness can be determined and is visible to the business for management purposes.

Marketing activities were managed and coordinated to improve contacts with customers via telephone, web site, email and advertising to increase the presence of AMI in their target market. Staff were mentored and skills exchanged to embed the process enabling AMI to manage it themselves at the end of the project.

### **Key achievements**

Sales have grown; AMI is just completing its most successful year ever and is poised for another record year next year.

Jobs have been safeguarded.

New skills learned and the company has more confidence in its understanding of the marketing activity required to support its growth.

New customers developed. Although they are still some away from eliminating the dominant influence of one client, it is now no longer a dream.

They are much busier

The number of new opportunities to quote has risen considerably which has created new capacity problems in the sales department.

