

**Pinnacle Programme – Session 3**

# Scaling SME businesses – How to prepare, manage and optimise growth in your business



**Brody Sweeney**, founder of Camile Thai Kitchen Group, a growing chain of online delivery restaurants in Ireland and the UK, was guest speaker at the third session of Crowe Horwath's Pinnacle Programme. With over 30 years' experience as an entrepreneur and business owner, he shared his invaluable insights into his approach to scaling SME businesses and the lessons he has learnt along the way.

Camile Thai, a healthy takeaway and home delivery business, was set up by Brody Sweeney in 2011. Over the past six years they have grown to 18 restaurants with locations in Dublin, Belfast, Limerick and London. With ambitions plans to scale the business to over 100 locations in the next five years, Camile Thai is on course to become a dominant brand in the food industry.

After experiencing great highs and lows in his career, Brody is now very firmly back on track and is excited about what the future holds. "I'm over thirty years in business and it's probably the most exciting time in my business career because I can see the possibilities that we have for this." In a light-hearted but insightful session he shared some of his learnings about starting and scaling SME businesses.

## Spotting an opportunity

Back in 2009, things were far from perfect for Brody Sweeney. He was burnt out from having gone into examinership with O'Brien's Sandwich Bar and wasn't looking forward to starting a new company. However, a new venture became a necessity as he was out of work, broke and faced losing his house.

He had his eye on the takeaway industry for a number of years and quickly spotted a gap in the market. The top two takeaway foods in Britain and Ireland are fish and chips and Chinese and Brody noticed that there are no proper brands established within either of these sectors.

"I'm putting my thinking cap on as a marketer and thinking why don't I do a modern version of a Chinese takeaway?"

So, after selling his car and raising money from a family member, "Yum Chow" was born in 2010 in a premises in Dolphin's Barn.

## Having a bias for action

Brody attributes making and acting rapidly upon decisions as a key part of his success with Camile. "You have to do something – no action is not an option. By acting you open up opportunities that gives you further impetus and drives you forward."

Even if it turns out that you haven't taken the exact right course of action, the bias for action means that one decision leads to a chain of events. When scaling your business, the bias for action doesn't guarantee success, but it does mean you're choosing action over inaction.

## Don't fear a pivot in business

"What I've noticed is that people who are clever in business change their plan when it isn't working and they will keep changing it until they figure out a way of making the business work."

Brody quickly realised that Yum Chow was not going to be the modern version of a Chinese takeaway that he'd envisaged. "Four weeks into it I knew it wasn't going to work." Customers were not willing to pay a premium for Chinese takeaway and they didn't differentiate his brand from the other main street Chinese takeaways. He soon faced into another possible business failure.

But a lifeline came in the form of a home delivery Thai food operator who wanted Brody to join him to help scale his business. So Brody switched from Chinese takeaway to high-end Thai food delivery in the space of eight weeks "and the business took off." However, six months after pooling their skills together and creating a successful business, they decided to part ways and Brody rebranded the business to what we now know as Camile.

For such a meticulous business planner Brody could never have envisaged that in the space of a year he would have set up a business, changed the name above the door three times, entered and exited a partnership and finished up in what he felt was a good place with a successful venture.

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## Know your customer and know your business

Brody found himself in the right place at the right time to take advantage of the boom in the home delivery food market – a side effect of people being addicted to screens at home. "Our typical customer is a young urban professional couple who will typically consume media across multiple screens at the same time, at the end of a work day while sitting on their couch. They are reluctant to cook or go out for food."

Brody's light-bulb moment to scaling the business was to realise that "We are not really in the food business" – he sees serving good quality food has to be a given – "we are in the technology and logistics business and that business is all about speed of delivery." He used the logistics approach of a well-known pizza delivery brand as a blueprint for Camile Thai's approach.

"They did a research that showed the quicker you deliver the greater the propensity for customers to reorder." So Brody now grows the business in locations where the catchment is no further than seven minutes' drive and that orders can be fulfilled and with the customer in less than 30 minutes. "87% of our orders we can deliver in less than 30 minutes and that rises to 97% of orders within 45 minutes, which is much better than our competition can do."

## Work on the business, not in the business

Although Brody recommends engaging with customers to get a feel for the business, he would rarely, if ever, work in the operational side of the business.

"My job is to work strategically on the business to build up shareholder value and if I have to work in the operational side it is not the place where I can add value. I will visit branches each week and find ways we can improve things but I don't work in the branches. My job is to look forward – it is not in the now."

People are hired to deal with the operational issues so that Brody can focus on core activities like strategic expansion.

## Finding and nurturing the right people

Brody spends a lot of time finding and nurturing talent for the business – he believes most problems in business can be related to not having the right person in the right place at the right time, so he spends a lot of time finding people that are a suitable fit and share the company's ethos and culture.

"SME businesses need to change their mindset and compete for staff in the same way they compete for customers. They need to be proactive about creating the environment which will attract the kind of people you want to work in the business." To do that he finds himself having to change perceptions of his business – "We are not a take away restaurant, we are an international technology company."

"You need to invest in your staff and provide them with opportunities to build a meaningful career with you." Almost all of Camile's staff are immigrants and thus face issues that are different to Irish staff. It is important to recognise that, to offer support and help to them in areas like, visas, housing and building their language skills. Give them the right support and training and they will repay you. "We have a driver who has grown with us to become a franchise owner."

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## Clear scaling process

A standardised operational process is imperative to successfully optimising your brand's growth – something that Brody clearly learned from his days scaling O'Briens. The branding, service and quality must be consistent across all branches.

"This year we've moved from being a small to medium-sized business and the transition is difficult. We bootstrapped this business to get it started with very little money, now it's kind of catching up on us and we're having to professionalise and put systems into the business."

Brody has built a core management team of six across the key areas of HR, operations, marketing, finance, product and someone who manages the franchise side to the business. Their focus is on building a market-leading position in the two core markets of Dublin and London and franchising in supporting geographical markets.

## Building a brand

When looking to scale a business, a defined brand is one of the first things you need to have established. Camile Thai's key differentiator is that they are the healthy takeaway option. They use fresh ingredients, list their calories, and were the first mainstream restaurant to have a vegan section on the menu.

Over the course of the last ten years, takeaways have moved from an "occasional indulgent treat" to a regular part of a young urban professional's diet, where they are having it three times a week. Brody recognises that people want to make healthy decisions and do not want to wait. By providing healthier options and a quicker delivery than competitors, customers are more likely to reorder from Camile.

They work with online influencers like Roz Purcell, Finn Ni Fhaolain and Susan Jane White to promote Camile.

On Saturday mornings, novice and amateur cooks can take classes with Camile to learn how to prepare and cook healthy Thai dishes.

It is this approach and the strength of their brand that allows Camile Thai to charge a 40-50% premium over other Thai takeaways.

## Know your goal

It is important to know what your main purpose for scaling the business is. Whether it's more locations, increased revenue, becoming a brand leader or selling the business – don't lose sight of your goal.

It is imperative that SME owners understand and recognise where the value in scaling is and are not distracted with other vanity projects that can quickly make a successful business confused. Most businesses will at some point be either sold or passed down to a family member so it is important to create a structure that maximises value in the business and makes it most attractive for a potential purchaser or for the next generation.

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## About Us

Established in 1941, Crowe Horwath is a leading accountancy and business advisory firm in Ireland. Throughout our 75-year history, we have developed an unrivalled understanding of the Irish business environment and built a national reputation in auditing, tax and business consultancy.

We work with a variety of clients across commercial and public sectors. Our services include Audit & Assurance, Tax, Corporate Insolvency & Recovery, Corporate Finance, Consultancy, and Outsourcing.

We are also independent members of the eighth-largest accountancy network in the world, with colleagues in over 750 offices across 130 countries. Through this global reach we are able to offer clients a seamless service when trading internationally.

Our success is the result of our exceptional client service. Together with our clients, we work to optimise the present and maximise the future, tirelessly exploring all possibilities until we find the right solution. We help clients make smarter decisions today that create lasting value for tomorrow.

**Smart decisions. Lasting value.**

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