

From Employee to MBE Trailblazer:

One Franchisees Journey into Freight



CASE STUDY



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Every year in Australia, hundreds of franchises are bought and sold to hopeful entrepreneurs who are all looking for an opportunity to work and earn for themselves. When looking to buy a franchise there are the obvious steps involved; such as assessing your finances: “can I afford it”, assessing yourself: “am I motivated enough to run a business?” and assessing the franchise itself: “do our values and goals align?”.

But before signing on the dotted line, there is an incredible amount of work to be done, both on your behalf and the franchisors. For this case study, we interviewed Mail Boxes Etc (MBE) franchisee Duncan Vincent, who has owned his MBE store in Point Cook, Melbourne, for six years. Before investing in MBE, Mr Vincent was working as a business development manager for United Parcel Service (UPS), where he identified business potential in the freight and logistics industry.

Having worked closely with MBE whilst working for UPS, Mr Vincent says he was ultimately familiar with the business model and he had got to know many of the franchisees quite well, gaining insight into the challenges and rewards of the franchise. Mr Vincent explored other franchise options such as food retail, before deciding on MBE. In his own words “nothing compared to the MBE model as it was unique and different.”

Within the MBE business model Mr Vincent identified potential in the market for development, and under the guise of the MBE brand, he saw an opportunity to move the franchise away from predominantly print and related solutions, into the ever growing freight and logistics market. Offering customers tailored solutions for their business or personal mailing needs.

Whilst the organisation provides you with a business model, Mr Vincent says that there is only so much assistance a business can give you at the end of the day and like with any business in the start-up phase, you need to be highly inventive, fully energised, and constantly looking for different and diverse ways of doing things that will bring your business new opportunities.

“With my experience in freight, I was able to turn the MBE business model on its head by making freight and courier services my number one revenue stream,” says Mr Vincent.

One challenge Mr Vincent faced was bringing the MBE brand to Point Cook, a relatively new suburb, as there was very little brand awareness initially.

"We had to explain the nature of our business to customers and demonstrate how we could help them. When you are relying on this revenue for your business, it's a tough gig. I would say to franchisees, don't expect just because you are given a name and a business model that you are going to open the store and business will come flooding in. That's not how it works in any business. You have to go and find the business, create the opportunities and sales and drive traffic through the door."

The training and guidance provided by MBE, combined with the franchisees passion and hunger to succeed has been detrimental to the success of the Point Cook store. Though experienced in the freight industry, Mr Vincent says that his challenges were in marketing and business development, which head office was able to provide support for, as well as the initial opening of the store. The process, from first phone call, to buying into the franchise, was "straight forward."

"The training and organising for all of the logistics for store fit out and operations was organised by head office, but I was able to select my location."

And now? Mr Vincent still works long hours, but after six years of successful operation, he has a very different focus today.

"In the first two years running the business it was all about learning how to run the operation on a day to day basis. But now that we have a good footing I am able to afford to employ staff.

My focus now is more on the strategic nature of the business rather than the day to day. Now I am at a stage where I can truly function as a business owner, rather than as an employee of my own business."

If he had his time again, would he still choose to invest in MBE?

"Yes. My association with MBE goes back over 20 years. I was working with them as a supplier for many years. I have been able to make freight, shipping and courier services my number one revenue stream which has only entrenched in me what I already believed. That MBE does not necessarily need to be seen as a print service centre. It can be a very successful courier and shipping location."

"We are now the trail blazer for MBE's new business model as it moves from mostly print revenue based, to freight and logistics."

This is something he says has driven the success of his store and in turn has been a key learning for MBE too as they strengthen the overall MBE business model, taking its focus away from print solutions which is highly competitive, and into mail solutions.



"We are now the trail blazer for MBE's new business model..."

For more information on MBE's franchise model, existing locations and new site opportunities, please contact the Franchise Department franchising@mbe.com.au 0457 677 986

1800 556 245

Mail Boxes Etc. (Australia) Pty Ltd
Suite 25, Level 16, 327-329 Pitt Street Sydney NSW 2000



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