

## CASE STUDY

# Crafting the right strategy for a business with ambitions to grow

## Creating a suitably ambitious strategy

As one of the leading suppliers to the rural community, Countrywide Farmers plc, have ambitions to grow. However, their retail strategy was somewhat constrained and not maximising their full potential. We were called in to bring a fresh perspective – to review and where necessary rewrite the strategy in order to set out a path and plan with greater potential. It was essentially about helping Countrywide identify and craft a bigger ambition while at the same time creating confidence around that ambition. So the focus was on working with them to identify what was the right thing to do with the retail business going forward.

**“Berkeley are the first consultancy firm I have worked with who clearly understood what is involved in creating a strategic plan and most importantly ensured my team had ownership of the plan every step of the way. The pace, structure and work style make it an easy decision to recommend them to other potential clients”**

**John Hardman , CEO, Countrywide**

## A big strategic challenge

When Countrywide's retail leadership team presented their strategy to the board, the feedback was that there was scope to go further, particularly in terms of the extent and pace of growth. The desire was for a more ambitious strategy – but one that, critically, would not only set the bar higher but also be achievable.

They realised that the right outside expertise could make all the difference to the success of this strategic transition. Which is where we came in.

## Adding value together

Why Berkeley? We were recommended to the CEO by the Chairman, who has known our firm for a long time. Our ability to add real value around strategy and our highly collaborative, practical approach appealed. Countrywide were keen to ensure the new strategy had ownership of the people in the business, and involving people closely every step of the way was key to this.

## Keeping it simple

We took their existing strategy, sat down with their retail leadership team and went through it on a one-to-one basis and as a group to work out where things were working and where they weren't. To help us, we used a typically no-nonsense methodology – a strategy triangle: Who, Why, How. Who you are trying to sell to (your target market); why they buy from you (your value proposition); and how you deliver (your operating model).

## Moving forward

The methodology fitted in well with the spirit of the project. The CEO wanted the process to quickly focus on what mattered to them rather than repeat some of the work already completed. A more traditional approach involving a larger team of external consultants would have taken a lot longer and cost far more. The

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*“Working with the Countrywide team was both rewarding and challenging in equal measures. The complexities presented by the business having both B2C and B2B operations made the work particularly interesting. What was great was that the key stakeholders were engaged in the strategy review from the very first day and at no point did we lack access to the leadership team when we needed their input. As a result, it feels like the outputs are very much owned by the business and there is a real desire to drive forward change and exploit the opportunities that the strategy identified.”*

**Mark Fearn**  
Partner



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emphasis here was on getting on and moving forward – on looking where to go next rather than on looking back. The bias was to action.

### Working closely

In line with our methodology, our overall approach fitted in well with Countrywide. As with all our projects, this one was highly collaborative. We worked closely with the client management team, focusing on tackling real issues and problems and identifying practical insights and ways forward. And always with one eye on distilling down to a clear compelling presentation of the revised strategy to the board.

### Re-segmenting their customers

We ran a series of workshops on the Who, Why and How. For the Who, we identified that their customer segments were outdated, with the vast majority of sales being made to only one, so a clear requirement was to develop a robust new segmentation of their actual and target customers. This would enable Countrywide to define their product offering more precisely and design stores that met the needs of their diverse customers.

### Creating two distinct value propositions

For the Why, we looked at their B2B and B2C customers – two very different groups characterised by a bulk-buy, value focussed, business customer and a more brand conscious, higher spending, retail customer. The feeling was that having both in the same environment didn't really work. So part of the outcome of this part of the strategy was a separation of the two businesses - creating distinct estates of B2C stores B2B regional trade centres. The revised segmentation also allowed for a re-examination of the products that were being sold to tailor them to the actual customer groups.

### Accelerating growth

Countrywide also wanted to understand options for growth. Their infrastructure is able to cope with at least 100 stores with minimal intervention. With a current estate of 53 stores, this left more than enough room for growth. They had identified a large number potential locations, but their previous strategy said they'd grow at a modest two or three a year. We worked with Countrywide to identify an achievable but suitably ambitious growth rate, exploring four scenarios which ranged from reducing the estate to only the most profitable stores, up to a very aggressive growth rate. We worked closely with Countrywide to determine the right path. The scenario selected enabled them to make the most of their assets and appropriately manage the risks associated with growth. We were able to set this out for them in a clear and robust way, informed by a better understanding of their Who and Why.

When considering the How, we evaluated all the relevant areas of their business: store estate, digital, marketing, supply chain, technology and people.

### Growing online and national presence

The focus here was on multi-channel. Countrywide were already investing in a substantial ERP refresh which included implementing a truly multi-channel retail offer. We worked with them to identify how best to exploit that fully, by growing their online presence to become more of a national retailer and integrating the in-store ERP roll-out into the growth plan.

### Centralising marketing

We also looked at how to use marketing as more of a strategic driver, creating customer centricity. This tied in with the work on segmentation, providing a centralised understanding of customers around robust segments and enabling a more Countrywide view of the product sets and pricing strategy.

### Increasing commercial focus

Countrywide had already recognised a need to increase the commercial focus of their people, developing their skills and capabilities and changing the way they would be rewarded to increase the emphasis on selling. We incorporated this into the new operating model, with a change of structure to the store teams, including a commercial manager for each store.

### Gaining board approval

Three months on from the start of our involvement, we presented the new strategy to the board. They approved it – backing the recommendations and the investment required to implement them. A month's mobilisation work followed, as we worked through the different activities to enable the retail leadership team to deliver the strategy.

### Making a difference where it really matters

We're proud to have been involved in helping Countrywide change strategic direction and put their foot down on the pedal of retail. Working closely with them, in just a few weeks we were able to craft a way to accelerate the growth of an important part of their business with confidence. It was a classic piece of work for us – helping to change things for the better where it really matters.