

ACHIEVING YOUR AMBITION

**Interview with
MARK PONSFORD
MANAGING DIRECTOR
KROWMARK**

ONLINE REVIEWS CAN be scary, due to their sheer unpredictability, so some businesses perhaps tend to put their corporate heads in the sand and just hope nothing adverse appears about them online.

Mark Ponsford, managing director of workwear supplier Krowmark, takes a completely different approach. He actively encourages on-line comment. All of the company's invoices include a link to independent review website Trustpilot, to prompt all of their customers to submit reviews.

Which, on a dramatic scale, is the equivalent of putting into practice the maxim 'only as good as your last job'. But Ponsford believes that if a company wants to move forward, it has to bold enough to really engage with the customer.

Krowmark have achieved an average rating of 9.6 out of 10, which, he says, is critical to helping with the aim to continue growing by 10-15% per year in turnover, to improve profitability, and to position the business for a possible sale.

"Of course we don't know what's going to come up on the site," Ponsford explains. "Someone could be upset because we didn't do something we didn't even know we were supposed to do, like send something in navy blue instead of royal

blue. But our focus on reviews means we make it as easy as possible to get problems resolved. My team knows: if a customer has one problem, don't give them another. Their job is to be a builder, a landscape gardener or whatever, they don't have time." Ponsford personally replies to (and addresses) any poor review.

The business was started twelve years ago, and originally he planned to have sold it by now but the impact of the financial crash meant it didn't reach his target turnover.

The business grew out of a joint venture originally called Trade Service Direct but the name was changed as a result of a focus on overseas sales. Ponsford wanted something that sounded less English and the resulting Krowmark is an anagram of 'work' and his first name. Interestingly, the change in name resulted in less brand awareness. "I didn't handle the change of name very well and that was the only year we didn't grow," he admits. "If I had to change anything, it would be that. When we changed our name, competitors were suggesting we had gone bust. I not going to blame them, but actually, if you lie in business it will be back to bite you."

He had by then already decided not to compete on price. "We will beat prices if we can but if you 'do cheap', you go

in ever-decreasing circles as you have to keep cutting corners," he says. "It's better to focus on delivery times for example. If you promise fourteen days and deliver in fifteen, then the customer isn't going to be satisfied whatever the price. Promise fifteen and deliver in fourteen, you get every accolade going."

The business model is to have a lot of small customers. Ponsford explains: "They say turnover is vanity and profit sanity, and we have walked away from some big potential customers because they are simply price led and we would have been working for nothing. Instead we have 20,000 customers, all of which are small businesses like dog groomers and plumbers, placing average orders worth less than £300. I like the fact that none accounts for more than half a per cent of turnover. And about 60% of revenue is paid upfront - we use factoring for the rest - which is good for cash flow."

Ponsford describes himself as a "computer nut," so it's no surprise the company's marketing armoury utilises the latest IT and digital communication. It's all quite advanced stuff compared to what other companies of Krowmark's size are doing. "One of the things I have learned is that you don't have to conform," muses Ponsford. "If someone says something has to be done in a particular way, I'm like

'why, isn't there an easier or better way'? I remember, when I was a consultant, having an argument with a guy about car servicing. I made a suggestion about improving his valeting process and he said it would just create extra work so why cause trouble."

There are fifty-five staff working a variety of shifts between five in the morning and eight at night, including weekends. This makes the company particularly attractive to students, who like the flexibility of working around their university hours.

One of Ponsford's challenges is maintaining a strong sales team, and the company pays the living wage even to new starters. But he's pragmatic about churn. "Change begets change, doesn't it? I've got replacements for anyone who leaves, but until they sit in their seats doing the job we won't know."

Not that he been leaving anything to chance. Krowmark are turning an office into a classroom to formalise sales training and ensure new recruits get up to speed as quickly as possible. Another way to get people motivated is the worker's forum. "I want staff to talk to me and I'm hoping the forum will help sort out any of those silly disputes which can arise on the shop floor."

About two-thirds of the shop floor workers are Polish. "I'm totally pro-immigration," Ponsford says. "We haven't had to pay for their education, but they come over here, do the work we need them to do, and pay our taxes."

Despite originally planning to have sold the business, of which he owns 90%, by now, Ponsford says he would "go nuts" if he had nothing to do. Actually, he wouldn't mind returning to his former role as a consultant. "The business of business excites me," he explains. "It's the dynamics of growth that fascinates me, it doesn't matter what the business is selling. Business is just common sense. But common sense isn't that common."

In the meantime, he is taking gradual steps back to be less hands on. "As a business owner there is no-one telling you what to do," he muses. "Five years ago I was trying to do everything but I realised that if I'm pulling all the strings, no-one else has a chance to grow. So I have tried to engineer things so I don't need to be in the business as much. It means that sometimes I arrive and have no idea what I'm going to do that day."



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