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Capture pole position with etyres

Quadrupling their business within a year has catapulted franchisees Alex and Oliver to the top of etyres’ growth tables. Stuart Anderson interviews

“We took over an etyres franchise that was steadily generating a modest annual turnover, and within a year we had quadrupled it,” says Oliver Hall who, with business partner Alex Karadia, became an etyres franchisee in September 2005. “It’s difficult for us to set targets because we keep completely smashing them! We’re already on year four figures, which is really encouraging for us.”

Established in 1992, etyres dominates the top spot in Google under the search term ‘tyres’, living up to its claim to be “the UK’s number one online tyre retailer”. Unlike traditional tyre retailers operating from costly tyre depots, etyres franchisees offer customers a convenient, low-cost service, fitting the tyres at home or at work. A low overhead business model avoids the high overheads of traditional tyre depots, allowing franchisees to pass on savings of up to 40 per cent, while established accounts give franchisees immediate access to a huge volume of fleet car business.

Oliver and Alex have invested in two franchise territories: Milton Keynes and Luton & Dunstable. “We came across the franchise opportunity when I asked Alex to look on the internet for tyre price comparisons,” Oliver recalls. “I’d found that if I phoned a garage they’d quote me one price, then when my girlfriend called 10 minutes later she’d be given a totally different price.

etyres’ approach is much more open and straightforward - it is the only national tyre retailer to publish an online tyre price comparison.”

Former professional Formula Renault driver Alex was already a franchisee running two retail outlets under a national brand in Dunstable, but was ready to look for his next venture. Oliver had a sales job in London, and was looking to go into business for himself. They sent off for an etyres information pack and met up with Managing Director Tony Bowman a few weeks later. “We were initially sceptical about taking on the big names in the tyre retail market, but Tony’s enthusiasm toward the business impressed us,” says Oliver. “My previous job had instilled in me the belief that you put your customer first, and build your business on your reputation, and this is how etyres operates.”

etyres provides full training and support from its Cambridge head office as part of its low-cost franchise package in order to prepare and assist franchisees in the launch and ongoing operation of their business. Having signed on as franchisees in early 2005, Alex and Oliver went through initial training prior to launching their business in September that year.

“We were very well prepared in terms of the technical aspect of running the business, having trained with one of the longer established units in Slough,” reveals Oliver. “Since our launch we’ve

SUMMARY

TYPE OF FRANCHISE:
E-COMMERCE/SALES & DISTRIBUTION

INDUSTRY SECTOR:
MOTOR TRADE

IDEAL FRANCHISEE PROFILE:
Practical, hard working individuals with good customer relation skills.

YEAR ESTABLISHED:
1992

FRANCHISING SINCE:
1996

NUMBER OF FRANCHISEES:
74

INVESTMENT REQUIREMENT:
£25,000 (start-up costs)

PRIORITY RECRUITMENT LOCATIONS:
Manchester, SE London, Southampton & Liverpool



been one of the fastest growing new franchises, and having two territories gave us quite a lot to chew on at the beginning. However etyres has been very helpful, and we had head office staff with us early on to show us how to pitch to garages and get orders. We won two commercial customers in our first week who have been on board ever since and become two of our biggest customers.

“As the commercial business built up we realised that it was an easy way of getting business, but not necessarily the provider of the best margins. In fact, selling to domestic customers produces higher revenue, so we are concentrating on getting more and more individual corporate clients and domestic customers. We win about 50 per cent of our business, with the other half coming through orders passed to us from the etyres website. It really is a big aspect of the business.”

With a third van currently being introduced to expand capacity, Alex and Oliver’s business is set for further growth as they pursue their goal of a

seven figure turnover. “We reckon there’s an unlimited amount of business in our areas,” says Oliver. “Millions of tyres are replaced every year and we’re only scratching the surface. As the job density increases our margins will improve and we are receiving strong recommendations. For instance, after a satisfied customer posted a favourable review on a Porsche owners’ website we provided tyres for five Porsche 911s in two weeks!”

etyres is seeking prospective franchisees in key areas to extend its service further and is eager to hear from practical, hard working individuals with a strong ability to meet and communicate with customers. “We’re looking for people with practical as well as good communication skills,” reflects Tony Bowman. “A very good living can be made from operating just one van, but far greater earnings can be made by franchisees who grow the business to a two or three van operation. This is an opportunity to join a well-established company that has captured pole position.”



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FURTHER INFORMATION:

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