

blend of BROTHERS

ESQUIRES COFFEE HOUSES MASTERMINDS PLAN A NEW NZ OUTLET EVERY FOUR TO SIX WEEKS

⇒ Wilbur and Orville Wright weren't the only brothers who could fly. Kiwi brothers Stuart and Lewis Deeks have shown they also know how to take off with the phenomenal growth of the Esquires Coffee Houses franchise – now being exported to the United Arab Emirates, Saudi Arabia, Fiji and China. Stuart and Lewis don't go out of their way to court publicity, much preferring the franchisees' successes to do the talking, but it's instructive to look at how the brothers and their hand-picked management team have taken the brand to the head of the ultra-competitive coffee house market in New Zealand and beyond.

Esquires Coffee Houses arrived in Auckland in 2001 at a time when launching a new brand against the established operators seemed like a crazy thing to do. But as a former international food and beverage marketing executive, Stuart Deeks knew a good idea when he saw one and when he decided to return to New Zealand he brought the local rights to the Canadian-based Esquire Coffee Houses franchise in his pocket. 'I had seen Esquires first in London and the more I found out about the company's business culture and ethics, the more I liked it,' Stuart recalls.

Going into partnership with brother Lewis, whose systems and software background made him the perfect foil for Stuart's marketing flair, the pair established three outlets all within 200 metres in Auckland's CBD to create an immediate impact. 18 months later, having adjusted the concept for local conditions, they appointed their first franchisee. Today there are 45 Esquires Coffee Houses around New Zealand, and the Esquires team – now including some very experienced executives – have

set the target of opening a new outlet every four to six weeks for the next year.

REWARDING EXCELLENCE: ESQUIRES FRANCHISEES COMPETE TO BE THE BEST



ESQUIRES COFFEE HOUSES' SOPHISTICATED IMAGE REFLECTS THE FRANCHISE'S COMMITMENT TO LEADING THE MARKET



GENUINE NEW ZEALAND SUCCESS STORY

The Esquires Coffee Houses brand was born in Canada but has increasingly become a New Zealand success story. Having proved what they could do in a small market, Stuart and Lewis were granted master franchise rights for the rest of the world, with the exception of Great Britain, Ireland and Canada where there were already operations in place.

'The Esquires team introduced so many innovations in New Zealand that the international side has really sprung from that,' Stuart



STUART DEEKS (CENTRE) CELEBRATING THE OPENING OF ESQUIRES' FIRST COFFEE HOUSE IN CHINA WITH MASTER FRANCHISEES ELLEN ZHANG AND CHAIRMAN XU

says. 'They have developed a variety of store types: 400 sqm cafés with big screen TV's and free wireless broadband; kiosks in malls; high-tech coffee carts and our smallest outlet, which is just 9sqm on Auckland's Queen Street. A varied menu caters for breakfast, lunch, dinner and every occasion inbetween and is prepared off-site to save expensive floor space, specialist equipment and staff. Food is a big part of the business and we have recently appointed a national supplier to ensure consistent quality and presentation across all outlets. That means that franchisees can concentrate on providing first class coffee. We serve only Fairtrade organic coffee and offer tea drinkers a choice with blends from Keri Keri Teas – all available in take-home packs.'

Although proud of the fact that Esquires Coffee Houses has twice been New Zealand's Food & Beverage *Franchise System of the Year*, Stuart says that the most rewarding achievement has been the continued business and customer growth. 'We grow market share by being innovative rather than jumping into the mêlée of price deals and such-like. While the past 12 months have been generally flat – or worse – on the retail scene, some of our franchisees have seen year-on-year sales growth of up to 20% in their stores.'

Part of that growth has come from Esquires' Fairshare loyalty card. Every café offers loyalty cards these days, but Esquires' is rather smarter (remember Lewis's software background?). The plastic pre-paid charge card earns loyal customers discounts and other benefits, and card-holders who wish to do so can direct a proportion of their discounts to the charity Cure Kids. Moreover, the loyalty card works as a tool to build customer profiles and a data base that franchisees can use to create individualised offers or targeted communications such as birthday greetings. 'Highly-sophisticated information gathering, analysis and sharing is integral to our business,' says Lewis. 'It can help a franchisee organise staffing and stocking, control costs effectively and enable our support team to identify areas where the bottom line can be improved.'

FINANCE AVAILABLE

Although excited about their off-shore expansion, Esquires remains firmly focussed on New Zealand. We have a highly professional support team and a commitment to matching the right people to the right site according to their financial and lifestyle goals as well as their personalities. Hospitality experience is unimportant; what matters is self-belief combined with a commitment to service and success. Investment levels can start from around \$300,000 and for the right candidates we can help organise finance.'

Is the target of 10-12 new stores this year really achievable? 'Definitely,' says Stuart. 'There is still plenty of opportunity for investment in the Esquires brand, there are plenty of good sites available and plenty of demand for our coffee. To be in on the next stage of the Esquires Coffee Houses success story, contact us now. We're still growing!' ■

ADVERTISER INFO



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