

Martin Bessell and John Hawkins of Midland Autolease Contracts were determined not to fall victim to the recession, as so many of their auto-leasing competitors already had. With help from a partnership between South Cambridgeshire District Council and Business Link, they turned the downturn into an opportunity.

When the going gets tough in the fleet leasing sector, the tough drive through innovative marketing and merger plans

Over 18 months, when the economic downturn was at its worst, the UK auto-leasing market saw the number of major lease-funder players fall from nine to three. The resulting impact on the vehicle-lease broking sector was devastating, with fifty to sixty going out of business every month. But Midland Autolease Contracts founders Martin Bessell and John Hawkins could see the sharp sector contraction would provide fantastic opportunities when the economy started to grow again. In response, with help from Business Link and South Cambridgeshire District Council, the duo developed and implemented a new marketing and business strategy that involved a merger and marketing campaign.

“We’ve both worked in the auto-lease sector for more years than we’d care to admit,” jokes Martin. “So it was no surprise to see so many firms failing when the big lease companies started pulling out of the UK market. We’d carved out a niche supplying small to medium sized firms with fleets of up to 150 vehicles, but knew we needed a new strategy to take us to the next level.”



John Hawkins (left) and Martin Bessell

According to Martin, being small means being able to focus on customer needs, particularly those of the owner-managers of SMEs that have ‘fleets’ of just one or more. However, he admits that the lack of volume meant Midland Autolease could not access the best prices or achieve economies of scale, which was resulting in increasingly tighter margins as the recession started to bite.

Driving changes – in strategy and image

“John and I sat down to create a plan for how we wanted to take our business forward,” continues Martin. “We knew this would mean some form of closer and more formal relationship with a larger lease company. We also knew we needed to upgrade our marketing, so that we looked a more attractive proposition for a potential partner and, quite simply, as a tool to improve our sales. All this needed to be done at the same time as cutting overheads – quite a challenge!”

As luck would have it, at just the time when John and Martin were working on a new strategy for their business, Martin met Business Link Adviser Sarah Hillman at a networking breakfast. Sarah explains how this proved to be a turning point for Midland Autolease Contracts.



“Martin and John are hugely experienced in the auto-leasing brokerage sector, and knew exactly what they needed to do,” says Sarah. “I was able to help by providing a sounding board, general advice and signposting to other sources of help, as well as a framework that facilitated Martin and John in finding the solutions they already knew they needed to take best advantage of the economic recovery.”

The South Cambridgeshire District Council voucher enabled us to cost effectively upgrade our marketing to attract the partner and additional customers needed

Martin Bessell,
Midland Autolease Contracts

Measures swiftly introduced included cost-cutting exercises, such as an office move, and Sarah helped diagnose why the firm’s website and direct marketing were not generating leads that turned into customers.

Voucher turns the tide

“We knew we needed a facelift and to address why our website was not performing as well as it should,” says Martin. “Because the nature of our business is that the list of vehicle models available changes on an ongoing basis, we were spending a fortune every month on fresh printed flyers, and binning half the previous month’s stock. At that time, we did not have the spare cash to invest in the software and training we needed. But Sarah identified a voucher from our local authority that could contribute towards the costs, and we jumped at the chance.”



A wholly owned subsidiary of Bowater Price plc

He continues: “Sarah helped us with the paperwork to apply for the voucher from South Cambridgeshire District Council, which was all incredibly straightforward, and we received £1,000 towards the costs of a suite of design software and the training

for me on how to use it.” And the results have been superb, helping bring on board a new partner. Sarah explains: “As part of their strategy to partner with a major player, Martin and John had already identified a potential candidate, and the upgrade of marketing materials helped give their company a much more professional image that their partners would value.”

Marketing and mergers

Martin was able to transform Midland Autolease Contracts’ look and feel, creating new logos, upgrading the website, setting up templates for flyers and brochures that he and John could print on demand, and even creating marketing email templates to direct mail past prospects and clients.

“The partnering actually ended up with us merging into a much larger auto-lease broker, Bowater Price Plc, to become a wholly owned subsidiary” explains Martin. “We’ve retained the brand and personal focus on fleets below 150 vehicles, yet we can access the pricing and economies of scale negotiated by our new owner. We’ve also gained the qualifications to sell specialist insurance to customers, increasing our range of services. A perfect partnership!”

Sales have soared since the merger and the creation of the new marketing materials and website. “We’re getting two serious calls a day now, and in the month since the new website went live and we did our first emailed marketing shot, we achieved more sales than in the previous three months combined,” says Martin. “It’s unlikely we could have achieved this without the voucher from South Cambridgeshire District Council and the support we’ve received from Business Link.”



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NOTES TO EDITORS

About Business Link

Business Link is a government initiative to promote enterprise. In the East of England, it is funded by the East of England Development Agency (EEDA), to support businesses and entrepreneurs in Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk. Business Link's services include:

- One-to-one support from an experienced business adviser (free for established businesses)
- Workshops and briefings on a range of relevant business subjects
- Effective telephone and online support through Business Link's Information and Intelligence Service (BLIIS).

Logos and photographs

High-resolution versions of the Business Link logo and images to accompany this story are available from the Business Link Press Office, details of which follow.

Business Link Press Office

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Additional information:	
Client / company name	Midland Autolease Contracts, wholly owned subsidiary of Bowater Price Plc
Trading vehicle	Limited company
Size	2 directors
Sector	Automotive, financial services
Location	Melbourn, Cambridgeshire
Web address	www.midlandautoleasecontracts.co.uk

Business Link services the client has accessed / benefited from (✓)	
Information & Intelligence Service (BLIIS)	
Business advice – 1:1 / Online Adviser (OLA)	✓
Attendance at workshops / other events	
Brokerage using Supplier Brokerage Service (SBS)	
Brokerage to partner / other service	
Grant / voucher / project funding	✓ South Cambridgeshire District Council voucher
Other Business Link services	

Any additional performance data (GVA, turnover, profitability, etc)