

PROGRESS REPORT

COAST & COUNTRY COTTAGES

THE LACK of broadband in remote parts of Pembrokeshire is hampering the growth of Coast and Country Cottages, a holiday-letting business, writes Philip Smith.

When the Enterprise Network visited last year, owners Rachel Thomas and Liz Davies were looking to increase their turnover, expand across the whole of Wales and raise the number of properties in their portfolio from 260 to 500. The company was growing, but not as fast as Thomas and Davies wanted.

The challenges

Since its formation 15 years ago letting a handful of homes, Coast and Country Cottages has grown into a management company for holiday-cottage owners with properties in Pembrokeshire and neighbouring counties.

Thomas and Davies planned to launch a new website called Lastminute-wales.com, to raise the profile of holidays in Wales in general and their business in particular.

What the experts said

"Thomas and Davies need to poach from other agencies or tempt owners who currently do their own marketing," said Marilyn Martin from PKF. "They can start by taking advertorial in magazines that single owners advertise in."

Jayne O'Brien from British Airways agreed. "Coast and Country Cottages seems to have an awareness issue," she said. "Neither of its two sets of customers — holidaymakers and cottage owners — think of the company as a first port of call."

Ron Kalifa of WorldPay said: "Increasing visitors to the websites is likely to result in real business and they should focus on driving up awareness of the sites to achieve this."

Karl Heffernan of Allied Irish Bank (GB) suggested Thomas and Davies should look to raising funds to finance rapid growth.

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PRESS COVERAGE

The Sunday Times

Weekly – 1,400,873

17 April 05

Action taken

The owners have no plans to raise finance to fund rapid expansion.

Thomas said growth would come from raising the profile of the business. It is advertising more and is stepping up its public relations.

The main website continues to account for 60% of bookings and this is rising in line with the overall increase in turnover, which has topped £2.5m, compared with £2.2m the year before.

A £20,000 investment in Lastminute-wales.com has led to more development of that website and it is now self-financing. Coast and Country Cottages also spent £40,000 on upgrading its IT systems.

Conclusion

Bookings got off to a slow start, yet the firm is experiencing its usual gradual organic growth. The biggest bar to growth was still the lack of broadband in its area, said Thomas.

□ Coast and Country Cottages was a regional winner in last year's DTI/Interforum e-commerce awards, supported by the Enterprise Network. To enter this year's awards, sponsored by BT, visit www.ecommerce-awards.co.uk