

Family business excels in Bedfordview



CUSTOMER CARE AND WORLD CUP EXCITEMENT FUEL SALES

Engen Van Buuren is situated in the upmarket suburb Bedfordview on the East Rand.

This family-owned business situated in Bedfordview on the East Rand has won several dealer awards and has transformed itself over the years to cater for the catchment area it operates in. *Wholesale Business* spoke to one of the owners to get some insight into how this forecourt store keeps on pumping profits.

This busy forecourt in Van Buuren Road originally traded as a Zenex garage and the Harduth family decided to buy it as part of a long-term investment plan, believing it had massive potential. The previously run-down site quickly showed a vast improvement and it was named Zenex Dealer of the year twice. In 2005 it was rebranded Engen and a Quick Shop was also introduced. Meanwhile, the Bedfordview suburb was undergoing massive changes as well. Farms and big plots in the area were bought by developers and townhouse

By ANELLE HAMILTON

While some forecourt operators have definitely felt the pinch over the last few months as a result of their customers' shrinking budgets, Engen Van Buuren has managed to achieve double-digit growth figures.

complexes sprung up overnight. The area quickly became very densely populated as a number of businesses and office complexes also opened their doors.

"We had to move with the times and adapt to our new clientele and consequently revamped our site to reflect the high income area we operate in," says dealer Niren

Harduth. "We also opened a Woolworths store at our site which immediately proved to be a hit with our customers as it is a premium brand they are familiar with." He adds that their high earning customers have very high expectations of his business and that management and staff work very hard to fulfill them. "It was important for my family to understand and engage with our customer base and make them feel welcome when they visit the site," he says. As a result, the store immediately stopped selling items such as half loaves and loose cigarettes as they attracted the wrong target market. "We geared our business for the correct clientele and I am pleased to say that we have captured this market."

The opening of the Woolworths store has been a real success story for the site. Although another Woolworths store is situated only a block away in the Bedford Village Walk Shopping Centre, he says that there is no competition between them. "We cater for very different markets. People go across the road for trolley shopping, while

they pop in at our store to top up or buy emergency supplies. The ranges we stock are also different, although the prices are the same as in a large Woolworths store. Our customers also like the fact that they can use their Woolworths card to purchase items," he says.

The opening of the Woolworths shop has lifted sales substantially and the store has seen growth of 42% year on year.

The food-to-go market has also boomed and their customers like the high quality of the food on offer. The Corner Bakery's rotisserie chicken and pies are one of the store's top sellers.

"Our good quality pies have turned us into a destination store and we bake them fresh every eight hours. We fill our pie warmer at 5am every morning and by 7am they are sold out! We sell more than 4 000 pies a month," Harduth says.

Hands on

Harduth states that the site has not felt the recession in their pockets and the business is growing at 12%, while their volumes are up 17%.



The Corner Bakery's pies are one of the store's top sellers with sales of more than 4 000 a month.

Drumming up support for the upcoming World Cup. This group of friendly attendants handed out SA flags to customers on the forecourt.





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He attributes their success to being a family-owned business. The Harduth family also owns a number of other businesses and he believes that the same rule applies to all of them. "The key to success is ownership management and one of the managers is on site every day. One of our managers, Ulandi Wiese, has been with us for nine years. None of us are afraid to get our hands dirty. We lead by example and when the site gets busy (which happens often!) we are behind the tills, or we help to spray cars in the carwash, or restock shelves. We can take over from any member of the staff and we feel it is important to know how to do everything."

He believes it is vital that dealers understand the mechanics of their business. "You are steering the ship and you should understand every single aspect of your operation whether it is learning to bake pies or restarting pumps on the forecourt," he says.

The site employs 60 staff members and the team is very stable. They earn slightly more than the industry average but the

owners have a zero tolerance approach with staff members who do not pitch for work, or do not pull their weight. However, if they show that they have potential they move up the ranks quickly. A good example is site captain, Lazarus Maake, who is in charge of forecourt maintenance and the carwash. He wears a suit to work every day which gives him more confidence and demands respect from his co-workers. He knows most of the customers on a first name basis and they affectionately call him 'Shorty'. He started as a casual employee 11 years ago and worked himself up the ranks. The staff at the site earns good money from tips and some of them earned over R1 000 from happy customers over the Christmas period.

Booming business

Sundays are exceptionally busy when motorists stop at the store to fill their cars up for the work week ahead and stock up on bread, milk and cold meats to fill lunchboxes. "We have outgrown our site as our catchment area is large. People drive

from Primrose to fill up at our forecourt because of our good service and low prices in our store. The site has also become a popular meeting point as customers bring their cars in for a wash and they sit and catch up," he adds. The carwash washes more than 2 000 vehicles a month and the average fill on the forecourt is 30 litres.

In 2007 when the area was very badly hit by power outages the site was one of the first to invest in a generator. Nowadays when the power goes off in the area residents immediately flock to the site to buy food or fill up.

More than 55 000 customers visit the shop every month and the excitement around the World Cup has also been good for business. A special World Cup stand in the store has been very popular and more than 450 units have been sold to date.

"We can see that our customers are getting excited and our attendants are handing out South African flags on the forecourt," he says.

"We anticipate a bumper year ahead."