



DeCosti Seafoods - The Business

De Costi Seafoods is one of Australia’s leading names in seafood. De Costi Seafoods operate both retail and wholesale seafood operations, sourcing quality seafood from throughout Australia and New Zealand. These operations are strongly supported by the purpose built De Costi fish processing facilities and their comprehensive distribution network.

De Costi Seafoods is a family owned and operated business and this is reflected in the company culture.

The key focus of the De Costi business is to offer a wide range of high quality seafood products, presented by friendly and knowledgeable staff.



Preparation is the key

Comprehensive development of the franchise system, prior to launch, allowed De Costi to focus on expansion and rollout of the network rather than continuing to develop the franchise system piecemeal

The Challenge

De Costi Seafoods desired further growth. Management decided this growth could be achieved via expansion in the retail market with a concept modelled on a store retailing a mixture of fresh and cooked seafood.

The challenges this plan held for the De Costi Management team included:

- Only one concept store had been established – in CBD Sydney
- The existing store was under-performing
- The market was already catered for by independent operators
- Company management resources were stretched operating the existing De Costi business

The Solution

Recognising the restraints of existing time and expertise resources, the management team enlisted the assistance of DC Strategy (DCS).

Different scenarios were tested to confirm the fresh / cooked retail concept. Preliminary analysis then identified the need to improve current operations prior to any further expansion.

The focus of the team shifted from expansion to improvement - as management of the existing store was improved and a comprehensive operations manual was developed.

At the same time, a franchise strategy was developed and documented including a business plan, franchise program, franchisee recruitment methodology and the required legal documentation. This formed the foundation for a rapid launch and expansion of the franchise network once operational issues had been addressed.



The Outcomes

De Costi is rapidly expanding the franchise network and is on target to realising the business objectives of initially developing the Sydney market and progressively expanding into Brisbane and Melbourne.

- When De Costi first launched the franchise concept there was an unprecedented level of interest
- De Costi granted 3 franchises in the first 3 months of franchising – well on track for the targeted 10 franchises granted in the first 12 months
- The company continues to have a mix of both franchised and company owned stores providing cash flow, profit and head office experience at the “coal face”
- Development of the franchise network has provided De Costi Seafoods with an additional avenue for growth which is adding significant value to the parent company

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