



Inspiring Growth  
Stories from  
ScaleHQ Advisors



We are proud of all the businesses we have helped to grow sustainability using our proven methodology however we'd especially like to highlight a few that really stand out.

Due to confidentiality clauses we cannot disclose their name but rest assured they are very much real (bit like the dentist who couldn't show you his face).

So we have taken some creative licence on their names to protect their identity but still share these great wins.

# FROM \$3M TO \$50M IN 4 YEARS

## SUMMARY



### Business

Subsidiary of publicly listed company



### Growth

15.7x revenue growth to \$50 million



### Timeline

4 years

## THE RESULTS

The education portfolio was doing \$50 million+ in revenue after 4 years, from a mere \$3 million at inception.



**\$50M+**

revenue after 4 years

## THE CHALLENGE

This publicly listed company wanted to build a sizable education portfolio. They had bought several small businesses with a total combined revenue of \$3 million. The challenge was to develop the right organic and acquisitive growth strategy with the right team, to build a formidable group. The publicly listed owner also wanted to expand across ASEAN markets

## THE SOLUTION

Our ScaleHQ Advisor identified untapped opportunities in technology training where significant demand was present from people who wanted to upskill, and for corporate training both in Australia and ASEAN markets. By studying the market it was clear that many competitors had failed in scaling, particularly those who'd become dependent on international students flow and/or public and state government funding as their only sources of revenue.

By applying the ScaleUps Roadmap process, a strategy and execution plan was developed and a big hairy audacious goal was set: to become the largest pure-play fee-for-service adult education group in the Asia Pacific region.

## THE BIG BETS

1

Buy undervalued businesses with B2B and B2C fee-for-service adult courses, with a heavy skew towards technology at a reasonable price. Turn them around and set the foundations for growth.

2

Develop a tailored strategy and execution plan for each entity.

3

Hire and build the right team to execute the turn-around and growth plan.

# INCREASED REVENUE BY \$43 MILLION IN 4 YEARS

## SUMMARY



### Business

Private company



### Growth

54% revenue growth from \$80 mil to \$123 mil



### Timeline

4 years

## THE RESULTS

Sales productivity doubled. Cost of acquisition came down by over 50%, allowing headroom to reinvest in growth. New revenue streams were incubated through the delivery partners.

Ultimately, enrolments grew from 5,000 a year to 12,000 which drove revenue up by 54% to \$123 million.



**54%**

growth over 4 years

## THE CHALLENGE



This privately held company in the education industry was already doing well, doing \$80 million in annual revenue. The products were already bringing in a tidy profit, but the company wanted to grow organically and rapidly within the next few years.

## THE SOLUTION



After extensive analysis, our ScaleHQ Advisor determined 3 big bets with associated initiatives that would provide the requisite accelerate growth.

## THE BIG BETS



1

Build a sophisticated product development capability to ensure the right courses would be built at the right speed and quality to support enrolment targets.

2

Upgrade digital marketing leadership, team and system capabilities to reduce costs-per-lead whilst optimising sales productivity in parallel via workflow automation and training

3

Develop a new distribution channel to leverage existing IP, allowing partners to re-package courses and sell into new demographics and geographies.

# FROM ZERO TO 5MIL IN 3 YEARS

## SUMMARY



### Business

Startup



### Growth

0 to \$5 million in revenue



### Timeline

3 years

## THE RESULTS

The startup launched its first cybersecurity course within just 4 months. 3 years later the business achieved \$5 million in revenue from an expanded range of technology courses such as software development, data analytics and more.



**\$5M**

revenue after 3 years

## THE CHALLENGE

A large business in the education industry wanted to build a business from scratch to capitalise on the demand for cybersecurity training. The biggest obstacle to building a vocational education startup is the long time and high cost to develop courses and assemble reputable trainers and educators to deliver it. Course completion rates tend to be low in online courses and the business needed to ensure this did not happen.

## THE SOLUTION

By applying the ScaleUps methodology, our ScaleHQ Advisor determined a number of big bets that would lead to success in the startup.

## THE BIG BETS

1

Develop a partnership model to license high-quality curriculum from a number of third parties to speed up how quickly courses could be built and launched.

2

Create a cohort delivery model called "start together, finish whenever" where students would start their course in a cohort but finish when they wanted. This helped to optimise completion rates as the cohort motivated participants to progress but the end date flexibility suited their different hours available to complete their studies each week.

3

Use variable-cost contractors to manage cohorts, help students to trouble-shoot issues and provide motivation and support throughout the course.

# FROM LOSS MAKING TO GROWTH AND SOLID EBITDA IN 2.5 YEARS

## SUMMARY



### Business

Private company



### Growth

350K quarterly losses to \$6 mil revenue & 20% EBITDA



### Timeline

2.5 years

## THE RESULTS

The business broke even within 4 months and hit \$6 million in revenue after 2 years with a healthy 20% EBITDA margin. One year later it made \$10 million in revenue.



**\$10M**

revenue after 3 years

## THE CHALLENGE

A privately held but soon-to-be publicly listed company had just completed the acquisition of a small education business.

After digging deeper, our ScaleHQ Advisor discovered the business' numbers were worse than initially expected. It was generating \$1 million in revenue but was on track to lose \$350,000 per quarter. The cash was going to run out in less than 6 months time if the business couldn't be turned around.

## THE SOLUTION

A rallying of the team to unite around the problem was rapidly executed, the team stepped up and engaged.

An underperforming campus that was bleeding money was closed and students were consolidated into an alternative campus to free up cash flow.

Core to the issue was that the business didn't have a clear ideal customer profile or deep understanding of their drivers and how the courses really helped them. After a quick but deep customer research exercise, a clear value proposition was developed which included:

- a brand promise\* to school leavers to get 97% of them into jobs within 12 weeks after graduation (if they also completed a career preparation unit)
- a brand promise\* to guarantee that 100% of students who wanted a university outcome instead, would be accepted into either their first or second choice of university after completing the course.

Finally, an effective and efficient lead generation and conversion process was rapidly established to promote the new brand promises and to meet the required enrolment targets.

*\*Both of these brand promises were achieved*