

Summary

Fuqua MBA students made strategic recommendations for the future of Highland Pure Water & Ice, an ice and water kiosk subsidiary of Highland Ventures.

“The Fuqua team took an incredibly professional approach to an interesting business problem. Their communication and organization made the process very smooth and informative.”

Ben Hoogland MBA '21, Vice President, Highland Ventures

Project Snapshot

Focus: Strategic Analysis

Industry: Retail

HQ: Brentwood, TN, USA

Program Year: 2022-2023

Challenge

Highland Ventures is a national venture management organization that owns over 700 commercial properties, over 115 Marco's Pizza locations, and dozens of water and ice kiosks across the US. When the operating subsidiary that maintained the kiosks went out of business, kiosk upkeep became difficult to sustain. Highland Ventures approached the Fuqua Client Consulting Practicum for strategic insights into the future trajectory of their ice and water subsidiary.

Approach

The FCCP project team conducted market research and industry analysis, which provided their client with a richer understanding of the overall water and ice industry's growth rates, trends, and challenges. Then, the team surveyed Highland Pure Water & Ice customers and analyzed results. Finally, students provided a financial and strategic analysis, valuing the company using discounted cash flow analysis.

Recommendation

Students determined that making operational improvements would make Highland Pure Water & Ice more profitable. They recommended geographic areas to reduce or increase the number of kiosks, with consideration of performance trends, distance between kiosks, and weather impacts on kiosk uptime. After conducting a risk-benefit analysis of different payment methods, the team found that 80% of transactions were paid with one payment method. The team recommended testing different payment methods at 1-2 pilot locations.

About FCCP

The Fuqua Client Consulting Practicum is a for-credit experiential learning course at Duke University's Fuqua School of Business. In FCCP, students apply their business skills and relevant work experience to an active project engagement with an external client. Interested in engaging our students? Learn more at www.fccp.fuqua.duke.edu.