

Ten Lifestyle Group EIS Case Study

What is it?

According to CEO and co-founder Alex Cheatle, Ten is the original 'lifestyle management' service. "Concierge services as we know them today did not really exist in 1998 and, while we knew exactly what we wanted to do, we didn't know what to call it. We ended up calling our services 'lifestyle management', which has become a term everyone understands today."

Founded in 1998, Ten provides lifestyle and travel concierge style services to a global client base, directly to individual members and via corporate partners such as financial institutions, premium brands and luxury retailers, underpinned by its propriety technology-enabled platform. Cheatle says Ten's goal is to become not only the world's most trusted concierge service, but the world's most trusted service business, bar none.

Ten's members receive a wide-ranging and diverse set of benefits, from being able to secure last-minute tables at the best restaurants in town and getting tickets to the hottest shows, sports and cultural events, through to having their diaries and itineraries organised for them when they travel, plus much more besides.

From the very beginning, says Cheatle, technology has been central to Ten's proposition. "In 1998, I could see that companies were increasingly beginning to use technology to better exploit their customer bases. I wanted to use technology to better advocate for our customers, to offer a personalised service on a large scale."

Ten's initial investment in technology led to the development of Ten MAID, its bespoke Client Relationship Management system, which was designed to enable Ten lifestyle managers to provide their services in the most effective way. Among other things, Ten MAID helps to ensure levels of customer service are maintained across the membership through the sharing of individual lifestyle managers' knowledge, relationships and contacts in a systematic way.

Technology is now also a huge part of the member experience, through a self-serve concierge platform that allows users to take a more direct approach to accessing Ten's services, while also enabling them to seamlessly liaise with Ten lifestyle managers.

What role has EIS played in the foundation of Ten and how important has it been?

"It's absolutely fair to say that we probably would not have a business today without EIS," says Cheatle. "When we set up we had very big ambitions, but we were an asset-free business, so it was always going to be hard for us to raise money through debt. We heard about EIS through our very first shareholder. We looked into and found out we were eligible and that really helped us when we were seeking investor backing."

Cheatle says he and co-founder Andrew Long approached Ten members about investing in the business after setting up an EIS vehicle.

"The tax advantages of investing through EIS were very important in terms of attracting investors. We were definitely a higher risk investment at that time – a new business in a sector which we had in some ways created ourselves – so the tax reliefs helped offset some of the risk. Fortunately for our investors, we have also proved to be a high return business and those that invested in 2003, have seen a return of more than 15 times their initial investment."

The company has had two rounds of EIS funding of around £1m each, in 2000 and 2001, and has been on a high growth trajectory ever since.

Cheatle says the EIS funding allowed Ten to create the first iteration of Ten MAID and explore how to best develop Ten's services so they meet the standards of high quality and a personalisation for which the business is today well-known.

Facts & Figures

- From an initial 25 employees in its early days, today Ten Group has 20 offices and more than 700 employees worldwide.
- More than 40 corporate partners
- Net revenue growth of 25-30% a year
- In November 2017, Ten floated on the AIM market. Institutional investors include Old Mutual Asset Managers, Soros Fund Management, Herald Investment Trust, Jupiter Asset Management, and Baillie Gifford .