

HEADCOUNT CONSTRAINT IN AN EVENT ORGANIZING COMPANY: CASE
ANALYSIS OF PARTEEBOO

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LIST OF ABBREVIATIONS

B2B	Business to business
FB	Facebook
HR	Human resource
IT	Information technology
MICE	Meeting, Incentive, Conference, Event
MOA	Memorandum of understanding
SME	Small and medium industry
SSM	Suruhanjaya Syarikat Malaysia

ABSTRAK

Tujuan kajian ini adalah untuk meninjau isu kekangan jumlah pekerja di sebuah syarikat perkhidmatan kecil dan sederhana (PKS) ParteeBoo yang telah terpaksa menolak pesanan dari pelanggan. ParteeBoo adalah sebuah pembekal perkhidmatan yang unik iaitu mereka bentuk parti yang bertema berdasarkan permintaan pelanggan dan khususnya kepada parti kanak-kanak. Ia ditubuhkan pada bulan Februari 2012 oleh dua rakan kongsi. Pengambilan dan penggajian pekerja mengikut musim, iaitu pada musim yang permintaannya tinggi, telah mencetuskan kebimbangan kepada rakan kongsi perniagaan kerana ia akan memberi kesan negatif ke atas keuntungan syarikat oleh kerana kurang jualan pada musim di mana tiada atau kurang permintaan.

Temubual telah dijalankan dengan tiga rakan perniagaan ParteeBoo, dua pelatih yang menjalani latihan industri di ParteeBoo dan dua pelanggan ParteeBoo untuk memahami isu yang dihadapi oleh ParteeBoo. Temubual juga dijalankan dengan ahli industri yang berpengalaman dari industri perkhidmatan yang membuat perancangan acara dan pelancongan untuk mempelajari amalan-amalan mereka. Analisis menggunakan Porter's Five Forces, Fishbone, SWOT dan TOWS telah dilaksanakan untuk meneliti masalah yang dihadapi. Hasil kajian mendapati beberapa faktor seperti tren perniagaan yang bermusim, pekerja yang ada, pihak pengurusan yang sibuk dan pesanan pada saat akhir adalah penyebab kekangan jumlah pekerja.

Di antara cadangan untuk mengurangkan kekangan pekerja adalah untuk menyama ratakan permintaan dengan meningkatkan promosi parti lain semasa tempoh tiada atau kurang permintaan parti kanak-kanak, lebih memberikan tumpuan kepada

perniagaan hakiki, mengambil pekerja yang mempunyai kemahiran yang menandingi kemahiran yang diperlukan, pengambilan pekerja secara kontrak dan mengenakan harga yang lebih tinggi untuk pesanan pada saat akhir atau tidak mengambil pesanan jika kapasiti tidak mencukupi.

ABSTRACT

The purpose of this study was to explore the headcount constraint issue in SME event organizing and designing company ParteeBoo that caused them to turn down customer orders. ParteeBoo is a unique service provider that designs themed parties, especially children parties. It was established in February 2012 by two business partners. Hiring headcount based on peak season alone caused a dilemma to the business partners because of the impact on profit margin caused by lesser sales during non-peak season.

Interviews were conducted with three ParteeBoo business partners, two interns and two customers to understand the issue faced by ParteeBoo. Interview was also conducted with a member from the industry who is an expert in other service industry that does event management and tourism to understand their practices. Analysis using Porter's Five Forces, Fish Bone Diagram, SWOT and TOWS was undertaken to examine the problem faced. Findings from the study found a few contributing factors such as seasonal business trend, headcount availability, over loaded management and last minute orders were causing the headcount constraint.

Based on the analysis, some of the recommendations proposed to overcome the headcount constraint issue were to smooth the demands by increasing promotion of other parties during the non-seasonal period, being more focused on core business, recruiting new recruits that match the skills needed and hiring of recruits on a contract basis and to charge more for last minute orders or to decline if there are no capacity available.

EXECUTIVE SUMMARY

ParteeBoo is a new genre of business in the creative economy that specializes in creating creative themed designs for parties and events. It has been operating for the past two years. The business that was started up by two partners has grown into three partners and one fulltime staff. They became well established with a wide customer base and word of mouth within a time span of two years. As business continued to grow, it came to a point where ParteeBoo started turning down orders when headcount became a limitation to take in more orders during peak season.

In order to resolve the problem of turning down customers due to headcount constraint, in-depth study was carried out on ParteeBoo business partners, interns, customers and competitor through interview sessions, direct observations. For further information other industry players within the service industry such as event planner and tour guide association president were interviewed.

Analysis tools such as Porter's Five Forces was used to gauge the overall industry environment, indicated this is an industry with good potential for business growth thus should be taken advantage of. Fish-bone analysis enabled identification of root causes and it revealed that seasonal business trends were due to customer behavior, limitation of headcount availability was due to difficulty in finding part-timers and intern hired did not address the constraint area of job, last minute orders interrupted earlier orders and required additional headcount within short notice but the additional cost incurred was not charged to customers and lastly over loaded management was due to performing manual documentation and non-value added tasks leaving limited time for strategic management of business.

SWOT analysis was used to determine internal environment and TOWS the external environment surrounding the ParteeBoo using which strategies are formed to overcome the headcount constraint.

Recommendations to overcome customer behavior that is causing seasonal business trend include smoothing demand, creating a need for celebrations with party, introduction of party bundles, upselling and cross selling and focusing on corporate sales which can bring more profit to each individual sale.

Attention to management aspects and management strategy formulation and periodic meeting for pulse check on meeting business goal is recommended in order to be able to plan for the growth of the business while foreseeing potential threat facing the business.

The headcount constraint does need to be addressed by hiring headcount however a contract staff instead of a permanent staff is recommended allowing agility in workforce. Hiring of intern should also focus on specific area of job constraint which is currently at designing. Building part-timers headcount pool at several locations within the state and in other states will overcome difficulty of finding part-timers and additional payment to travel outside the state when needed.

Lastly time consuming manual tasks should be eliminated with installation of software and apps for improved efficiency and customer education on the effect of GST must be undertaken to ease their customer's worries and fears.

1.0 INTRODUCTION

Ms Dayna of ParteeBoo received a call from a potential customer, Mrs Lim who wanted to throw a special birthday celebration for her seven year old daughter who is a big fan of princess and fairy tales. It was her daughter's first year in school and performed extremely well in her studies and as a reward wanted a princess birthday party. Between being a mom to two school going children and a one year old baby and juggling a day job, Mrs Lim didn't have the bandwidth to fulfill her daughter's request until one of her colleague recommended her to ParteeBoo - The Party Designers.

The colleague had attended a children's party set-up and organized by ParteeBoo and was very impressed with the services rendered by the company. Hearing the positive commends and recommendation Mrs Lim contacted Ms Dayna of ParteeBoo one month ahead of her daughter's birthday which falls on the 3rd quarter of the year. She planned to celebrate on a weekend as that is the only time her entire family members are available. Ms Dayna's joy of hearing the positive word of mouth about her company and their work as well as Mrs Lim's interest to engage ParteeBoo came to a halt when Ms Dayna checked her schedule only to find that ParteeBoo is fully booked on every weekend for the next one month!

She had to turn down Mrs Lim politely as her company didn't have the bandwidth to set-up more than four parties in a day. Among the reason is ParteeBoo has limited staffs thus everyone in the company including Ms Dayna will be at the event to decorate and organize the parties. As Ms Dayna was drawing the shutters of her shop

at the end of the day she was still thinking of the sales that she had to turn down that morning and in fact it was not the first one she had turned down that week.

Ms Dayna was torn between accepting Mrs Lim's request which clashes with another customer, Mr and Mrs Raj's first born one year old party. Mrs Lim has three children which means there is an opportunity to hash more sales from her whereas Mr and Mrs Raj are newly married couple with only one child at the moment. By rejecting Mrs Lim, she not only lost a sale but may have offended her and drove her into the arms of competitor. Cancelling on Mr and Mrs Raj would be unethical and create a bad reputation of her company.

If only she had enough staff, she thought to herself. She would be able to take in more orders and increase her sales to achieve sales target and achieving her expansion goals within the year. However since the party bookings tends to be seasonal with a quiet first half of the year and busy second half of the year, having too many staff will affect the profit margin during the non-peak seasons. Is there an alternative to business seasonality?

Furthermore as is the norm in Small and Medium industries (SMEs), having good and reliable worker is a luxury. No wonder so many entrepreneurs and business owners prefer hiring foreign workers; they don't usually take leave after a few months, are hard-working, don't demand for a high pay or other benefits.

It is always a case of the chicken and the egg situation because to bring in more sales she has to invest in more staffs but on the hindsight she needs more monetary

resources to hire more staff. Certainly Ms Dayna or her partners didn't foresee they will be facing a situation of having not enough bandwidth to support the increasing sale. "Is there more to this issue than what meets the eye? Could there be other underlying issues?" said Ms Dayna with a determination to find out further about this matter.

This lead to four research questions for this project paper:

1. What is the root cause of headcount constraint?
2. What is the sustainability of the business?
3. What are the strengths, weakness, opportunities and threat of ParteeBoo?
4. How can the head count constraint problem be overcome?

2.0 INDUSTRY BACKGROUND

ParteeBoo is part of a new category of small and medium enterprise (SME) company which specializes in creating designs for parties serving a specific market niche. It creates customized theme parties based on customer requests. The specialized concept is a spin off party planning companies targeting one specific task out of many tasks involved in event planning starting from conducting research, creating event design, finding a venue, arranging for food and beverage, decoration, entertainment, sending invitations, coordinating the event and hire personnel to be on duty during event. Companies like ParteeBoo come in to the picture where designing and decorating tasks are concerned.

Designer party is very much part of the new economy known as creative economy. Creative economy implies to transforming personal ideas into services or products to generate income. Creative economy first came about in the UK in 1998 as part of the government effort to establish a central activity for its new Department of Culture, Media and Sports (DCMS) and is defined as ‘those industries that are based on individual creativity, skill and talent with the potential to create wealth and jobs through developing intellectual property. It includes thirteen sectors comprising advertising, architecture, art and antique market, crafts, design, designer fashion, film, interactive leisure software, music, performing arts, publishing, software, and television and radio [sagepublication.com]. At the heart of the creative economy are the cultural and creative industries that lie at the crossroads of arts, culture, business and technology [creativecities.britishcouncil.com]. This concept has since been adopted worldwide and although is not well known in Malaysia it has long been adopted by Bandung, Indonesia. The success story of factory outlets and other

entrepreneurial activities in Bandung were shaped by the creative economy concept which was embraced by their university graduates in the early 2000s.

In a survey by World Intellectual Property Organisation (WIPO), in collaboration with the Intellectual Property Cooperation of Malaysia (MyIPO) in 2007 to define and map out the creative industries, and their economic contribution revealed that the creative industries recorded an annual growth rate of 11.1 per cent, surpassing the national growth rate of 6.6 per cent. Employment expansion in the creative industries registered a growth of 10.7 per cent: more than three times the national employment growth of 3.3 per cent. Furthermore, creative industries contributed 5.8 per cent of the Gross Domestic Product (GDP), accounted for 1.0 per cent of national exports, and 7.5 per cent of nationwide employment [Borneo Post Online, 2010].

Party planner is not to be confused with event or convention planners who operate in large scales for corporate or company events, take years to plan for an event and get sponsorship from big companies although the terms are interchangeably used to describe both. Among the events organized by event planners include the Olympics or world-tour concerts. On the other hand party planners and party designers cater to almost any social gathering mostly intimate affairs. The current trend in Malaysia is children's birthday party celebration especially for a child's first year and other milestone celebrations like eightieth birthday party, Chinese full moon party, graduation party, baby showers, product launch and so on.

One can start a party designing business from home with minimum investment for personal computers, printers, software licensing and a few part-timers. Apart from

the monetary investment one has to have creativity paired with a passion for party designing with abilities like organizational ability, attention to detail, decision making ability, good listening and communication skills, a liking for people and a heart of steel to overcome everything and anything that could possibly go wrong during a party [www.entrepreneur.com].

The party industry is a thriving industry partly due to societal shift of millennial society. With the consumer spending in Malaysia reaching an all-time high in 2014 [www.tradingeconomics.com, 2014] and a carpe diem mentality, people have no qualms to hire party designers to create a memorable celebration for their loved ones particularly children or elder relatives. Furthermore they neither have the time or the expertise to do it themselves.

It is no surprise then that many creative people, want to be a part of this business. Although in countries like US, this business is at a mature stage [party&eventplanners in US:market research, IBISWorld, Sept 2013], it is relatively at infant stage in Malaysia looking at the number of years most companies have been operating party planning for two to three years. A call to Penang Institute and Invest Penang indicates that this new category of business is not under their radar screen hence consolidated, statistical information on party planning industry in Malaysia is limited and to some extent inaccurate. Most of these companies advertise through social media like Facebook, Instagram and websites on the internet. A total of ten party planning and designing (themed) companies were found online whereby eight were from Kuala Lumpur (KL) and Klang while two were from Penang serving the middle income to high income range customers based on their pricing of RM1000 for

minimum package. Apart from the registered companies there are also unregistered individual who do party planning with simple décor on a part-time basis targeting the lower range of income group. There are also party suppliers who also organize parties on the side like One Image Balloon in Penang. Hence it can be concluded that while competition exists it is not intense and opportunity is present.

Educational institutions are supporting the growth of creative industry with more offerings of creativity related courses. Lim Kok Wing University has creative technology courses such as “Doctors of Philosophy” in the creative industries [limkokwing.net] and in Penang the Equator College offers various courses such as graphics design and multimedia design [equator-academy.edu.].

Technological advancement of social media such as Facebook, Instagram has created new possibilities in business by exposing business community to a wider global market where it can penetrate new markets without actually having a brick and mortar shop. A worldwide audience brings to light a concern about copyright issue. Certain companies don't mind if their concepts and ideas are being used without copyright approval, while others disapprove sale of their merchandise or income generation through the use of their product. Disneyland for instance is less sensitive to the usage of its animation character by third-part but Sanrio the creator of Hello Kitty is on the other hand sensitive to usage of Hello Kitty by a third party. Inability to patent one's work poses a challenge to creative businesses due to copy cats who claim someone else's work as their own. The originator loses out on credit to his work and workmanship, losing publicity leading to loss of sales.

The challenge of seasonality in party planning was comparable to another seasonal based service industry which is tourism industry. Ms Chin of the Penang Tour Guide Association who is an open book herself on the matters of tourism says that seasonality can be overcome with creativity. In tourism repackaging of services has made the difference. Also market segments must be identified and studied. Their needs should be addressed. Selling tour packages ahead of time will help to smooth demand and ensure continuity in business. Customer service is of utmost important and will be a determining factor for repeat business from customer. She advocates it is important to have at 70% of regular customers and another 30% of new customers. Lastly the goods and services tax implementation in April 2015 [gst.customs.gov.my] has a great impact on SME based party planning and designing industry just as all other SME industries in Malaysia. GST or Goods and Services tax or Value Added Tax is a consumption based tax charged on all taxable supply of goods. The implementation has given rise to fear to the general public on the pricing of goods especially essential goods and how it will affect their finances and subsequently their spending power. Their reaction to situation is 'wait and watch' what happens while at the same time being cautious with spending. Spending will be focused on necessities rather than leisure therefore leisure related businesses such as party planners and designers are bracing for lower sales with the approaching of GST.

3.0 COMPANY BACKGROUND

3.1 The start-up

ParteeBoo Sdn Bhd was formed on 1st Feb 2012 as a partnership company (Sdn Bhd) and is the creative brainchild of Ms Dayna and Ms Jenna who were passionate to design gorgeous parties for people who can afford and appreciate them. They were later joined by another partner, Ms Perla. ParteeBoo can proudly say that they are the first party designers not only in the state of Penang but also in Malaysia. They had their humble beginning in organizing customized children's themed birthday parties which soon caught the eyes of the grown-ups. Today they specialize in designing unique, customized theme parties that caters to all types of events from large scale weddings, annual dinners to intimate small family gatherings like birthday parties, Chinese full moon parties to baby showers and even bachelor or bachelorette night parties. Some examples of ParteeBoo party designs are show in figure 3.1.

Figure 3.1: Party Designs by ParteeBoo

Frozen children's Birthday Party



Winter wonderland children's Birthday Party



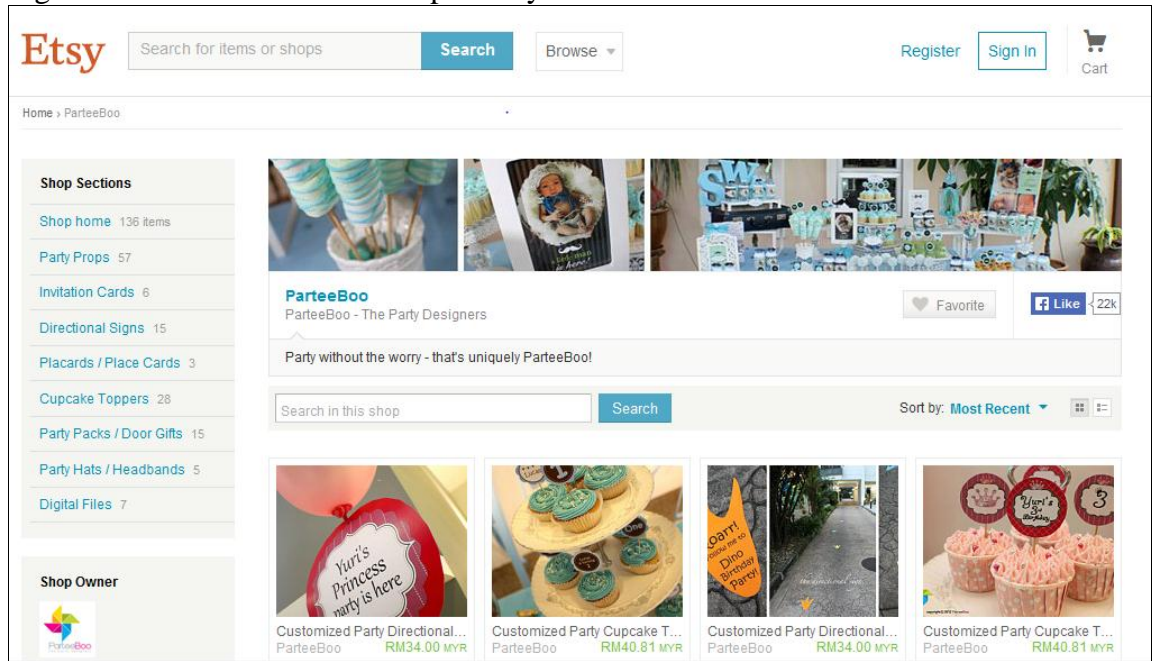
Black and gold theme for a fashion show event



Source: ParteeBoo Facebook, Oct 2014

Apart from designing parties, the creative duo also launched an online retail business which sells all their handmade party decorations for local and international market and boasts of having clients from USA, Australia, Aruba and the Middle East. The online business is available at [ETSY.com](https://www.etsy.com) an online company that markets handcraft items and is shown in Figure 3.2.

Figure 3.2: ParteeBoo online shop at Etsy.com



Source: Etsy.com, Oct 2014

Ms Dayna and Ms Jenna first began operating their business from home and eventually managed to move their business to a shop in October 2013. The shop stands at 116A, Hutton Lane, Penang, Malaysia as shown in figure 2. Operating from a shop lead to hiring of staff, availability of a conducive place to meet and generate business ideas and an attractive venue to meet customer. Apart from an online retail business they also set-up a brick and mortar retail shop at the premise to sell party peripherals ranging from party costumes to party decorations like balloons, party hats and candles to name a few.

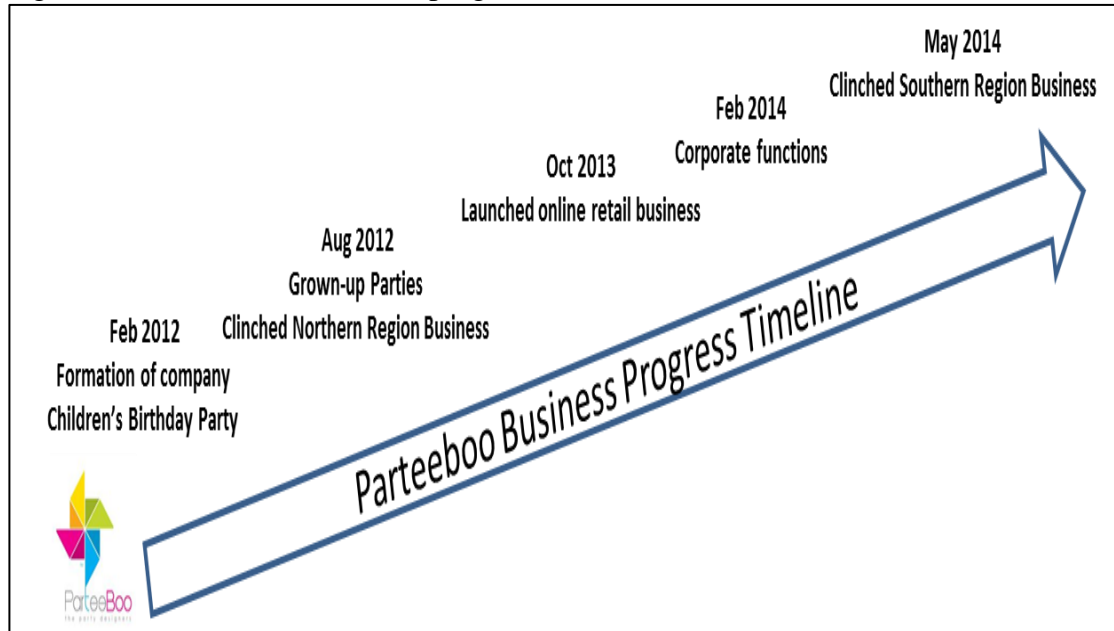
Figure 3.3: ParteeBoo shop at Hutton Lane, Penang and party peripherals sold in the shop



Source: ParteeBoo Website, Oct 2014

ParteeBoo has grown by leaps and bounds since it began its operations in February 2012 as shown in figure 3.4. From designing children's birthday parties, they progressed to grown-up parties by August 2012 and started extending their services outside of Penang to the northern region of Malaysia. One year later in October 2013 they launched online and brick and mortar retail shop. With Ms Perla on board as business partner they further expanded their scope to cover corporate functions in February 2014 and extended their services to southern states of Malaysia starting with Kuala Lumpur.

Figure 3.4: Timeline of business progress of ParteeBoo



3.2 Vision and Mission of ParteeBoo

Vision

Be a One-stop center for people to have parties'

Mission

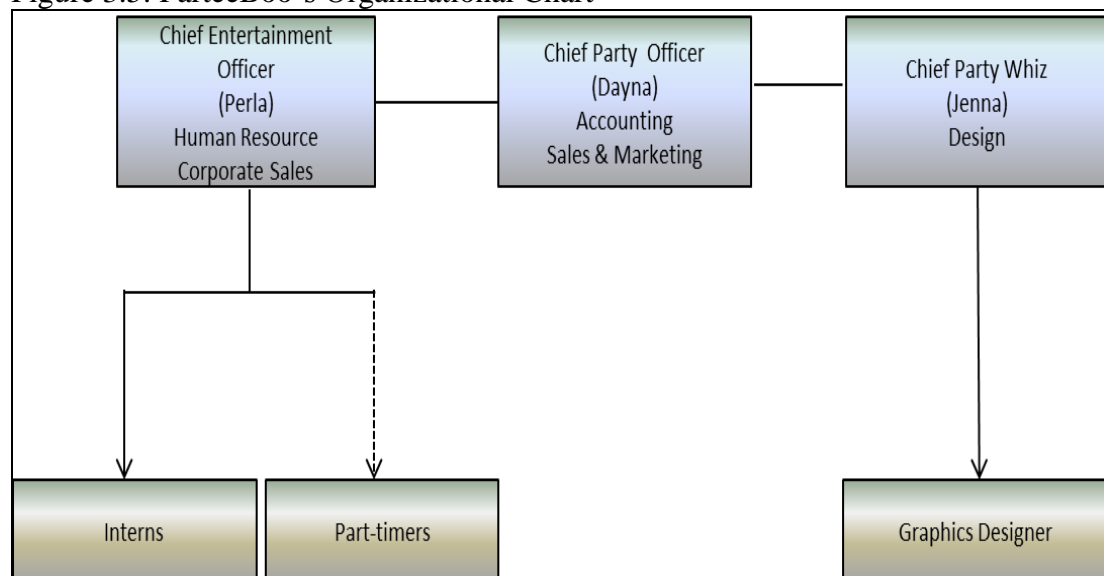
1. Every party will be original and unique, we won't repeat designs unless you want to
2. It's our job to inspire you; we'll suggest fun Partee themes and design ideas to you
3. Partee design ideas will be classy, tasteful and reflect your choices or personality
4. It shouldn't take fancy cash to throw a fancy party, so we won't burn a big hole in your pocket

The vision of the founders of this company is to be the center of people to get party supplies, party ideas, or simply converge and have a hearty party. Their goal is to

revolutionize party ideas, be up to date on matters concerning party scene and deliver best service to customers and in the process increase sales and grow the business. To achieve this vision they commit to churn original unique party designs, fun party themes that are classy at affordable price Ultimately ParteeBoo wants to create a one-stop venue consisting of party shops, design studios, party halls for people to have party. They take pleasure in putting a smile on other's face.

3.3 Organizational Chart

Figure 3.5: ParteeBoo's Organizational Chart



Source: ParteeBoo Management, Oct 2014

ParteeBoo is run by three partners with equal shares namely Ms Perla, Ms Dayna and Ms Jenna and as shown in the organizational chart in Figure 3.5. All three of them run the company together and have assigned different roles to each other. In line with the nature of their business Ms Perla is called Chief Entertainment Officer and is in charge of human resource and corporate sales. She has interns reporting to her even though the interns may actually be performing tasks related to design or marketing to

ease up documentation chores for the other two partners. And for the same reason part-timers also report to chief entertainment officer. Ms Perla brings with her managerial and corporate networking apart from an eye for details as a former manager from an MNC company.

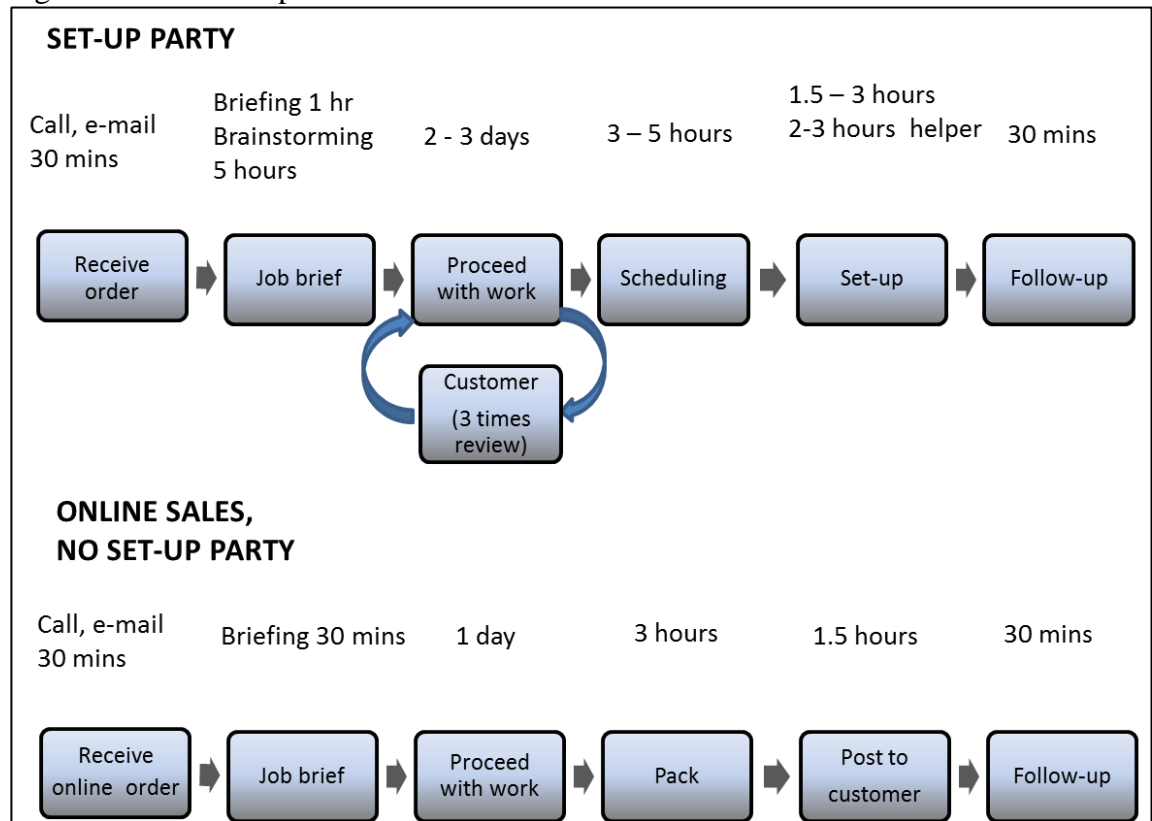
Ms Dayna is Chief Party Officer and manages accounting and sales and marketing. She is usually busy meeting prospective customers and planning marketing strategies as well as balancing the finances of the company. Ms Jenna is Chief Party Whiz is the creative brain of all their designs thus manages the design department with the assistance of one full time staff who is a graphics designer. Both Ms Dayna and Ms Jenna have 10 years' experience in advertising, marketing and event planning.

The company hosts internship programs as such have had 3 interns working with them. As one intern left, through word of mouth more interns applied to work with ParteeBoo. As and when needed ParteeBoo also hires part-timers though rather difficult to find. Interns and part-timers save a lot of cost but at the same time long training hours are needed to train up as the designing and decorating requires skill to accomplish a quality finish. Furthermore the interns have a short stint at ParteeBoo based on their training period.

In terms of marketing ParteeBoo relies on word of mouth and social media such as Facebook, Instagram and Websites such as Etsy.com where they actually sell their crafts internationally. They also have participated in Fairs such as Mom and Babies and Dell International Women's Day. The fairs serve as a good exposure for ParteeBoo and they confirmed that they received even more bookings after the fairs.

3.4 Business process

Figure 3.6: Business process of ParteeBoo



Source: ParteeBoo Management, Oct 2014

Figure 3.6 depicts business process of ParteeBoo. When Ms Perla or Ms Dayna receive a confirmed sale requesting for party designing and set-up per one of the packages advertised, typically they would call for a job brief with all staff for 1 hour where feasibility of customer requests and unique idea brainstorming is conducted for about 5 hours. This is followed by further fine tuning of the idea by the Ms Jenna and her assistant designers after which they will proceed with production work including designing and surveying for items with vendor. In between, if the customer makes a requests, the final design is shown to them and a total of three times of changes is allowed. In the meantime scheduling will be drawn up for completion of work, number of helpers needed, and job assignment. On the day of the party, all decorations and props are transported to party venue and part-timers who were

scheduled to be helpers. 2 person is in-charge to set- up and dismantle the décor as it involves structures to hold the décor apart from the table and surrounding area décor. After the event, follow up call is made by Ms Dayna to customer for feedback on the overall event.

If an online order comes in, a job brief is still conducted but for shorter period of 1 hours followed by the work to get it done. Since the design selected by customer is from existing design that are available online, Ms Jenna and her team will re-produce the design within a day and pack it neatly upon completion for postal delivery. Ms Dayna once again follows up on customers for confirmation of receiving their package and feedback.

3.5 Services and Packages

ParteeBoo offers several services such as party designing and set-up, online as well as retail party decors. The main business is party design however they tie in vendors to provide fringes services like food and beverage and party entertainment as part of their package. So all in all they do the designing, setting up and dismantling of customized theme parties includes venue decoration, backdrops, cake or dessert table, party packs, party hats/headbands/masks, invitations, photo booths, balloons, floral arrangements. Some customer request only decorations so ParteeBoo doesn't have to do the set-up. Examples of decoration by ParteeBoo is shown in figure 3.7.

ParteeBoo engages reliable, trustworthy vendors for other complementary service like party entertainment which comes with clowns, face painting, sand art, game stalls, bouncy castles, emcees by engaging in fixed vendors who are reliable.

Professional photographer's service is available if needed by customer and is another vendor that is deployed by ParteeBoo.

For food and beverages ParteeBoo caters from home based vendors who are able to deliver tasty snacks or meals with reasonable pricing. All party packs has party goodies such as cakes, cupcakes, cake pops, cookie pops, customized chocolate bars, customized mineral water bottles, and other party desserts that bring a kid out of even an adult. ParteeBoo even makes arrangement for rental of canopies, tables and chairs (ParteeBoo FB).

Figure 3.7: Examples of decoration by ParteeBoo; Customized welcoming sign, hanging good wish card, party hats, chocolates, cupcakes and party pack.



Source: ParteeBoo Facebook, Oct 2014

For birthday parties they charge based on packages. Based on figure 3.8, ParteeBoo children's birthday package starts at RM1,599 to RM2,799 and contains basic party decoration worth RM1,099. For corporate events, a quotation will be issued based on customer's needs and the magnitude of the event.

Figure 3.8: ParteeBoo package

Partee Packages!	
PARTEE DECORATION <ol style="list-style-type: none"> 1 Setting up & dismantling + 2 hours of service during the partee (RM50 for every additional 30 mins of service) 2 Backdrop (personalised wordings, pictures & other props on printed material) 3 Venue décor (balloons, flags & other misc. items suited to the theme) 4 Direction Signs x 2 5 Partee Packs x 15 (handmade & suited to the theme) 6 Cake/Dessert Table <ul style="list-style-type: none"> ✂ decoration of 2 tables & rental of table cloth ✂ rental of cake stand, cupcake tier, glasswares, candy jars and other décor items suited to the theme ✂ buttercream frosted cupcakes x 24 ✂ chocolates/sweets/jelly/marshmallows/lollipops/etc suited to the theme (7-8 choices) ✂ cupcake toppers x 24 ✂ menu place cards x 9 	rm1,099
PARTEE PACKAGE A <ol style="list-style-type: none"> 1 Partee Decoration 2 Partee Scratch Art x 2 hours (50 scratch art cards) 3 Partee Game Stall x 1 (2 hours, incl. prizes) 4 Complimentary 5 additional Partee Packs + additional 30 mins service during the party 	rm1,599 (save rm80!)
PARTEE PACKAGE B <ol style="list-style-type: none"> 1 Partee Decoration 2 Face Painting x 2 hours 3 Sand Art Stall x 2 hours (50 sand art cards) 4 Complimentary 5 additional Partee Packs + additional 30 mins service during the party 	rm1,769 (save rm90!)
PARTEE PACKAGE C <ol style="list-style-type: none"> 1 Partee Decoration 2 Partee Games Clown x 2 hours (balloon sculptures & games) 3 DIY Key Chains x 2 hours (50 DIY key chains & crew to guide) 4 Partee Scratch Art x 1 (50 pcs of scratch art cards) 5 Complimentary 5 additional Partee Packs + additional 30 mins service during the party + 1 additional dessert 	rm1,989 (save rm159!)
PARTEE PACKAGE D <ol style="list-style-type: none"> 1 Partee Decoration 2 Partee Games Clown x 2 hours (balloon sculptures & games) 3 Face Painting x 2 hours 4 Cookie Decorating (25 butter cookies, icing sugar & sprinkles) 5 Photo Booth/Corner (incl. décor & props suited to the theme) 6 Complimentary 10 additional Partee Packs + additional 30 mins service during the party + 1 additional dessert + 10 invitation cards/1 e-invitation 	rm2,269 (save rm185!)
PARTEE PACKAGE E <ol style="list-style-type: none"> 1 Partee Decoration 2 3-in-1 Clown x 2.5 hours (balloon sculptures, games & magic) 3 Face Painting x 2 hours 4 Sand Art Stall x 2 hours (50 sand art cards) 5 Partee Scratch Art x 1 (2 hours, incl. prizes) 6 Professional Photographer x 2 hours (edited photos compiled in a DVD) 7 Photo Booth/Corner (incl. décor & props suited to the theme) 8 Complimentary 10 additional Partee Packs + additional 30 mins service during the party + 1 additional dessert + 10 invitation cards/1 e-invitation 	rm2,799 (save rm235!)

Source: ParteeBoo Management, Oct 2014

3.6 Recognition and Testimonials

Now, after just over a year, designer parties have become all the rage in Penang with ParteeBoo receiving regular requests from all over the island, the Northern Region,

Kuala Lumpur and even Singapore. They have been featured on international party website such as karaspartyideas.com, catchmyparty.com and prettymyparty.com to name a few. Party ideas from all around the world would be submitted to these websites but only 1 idea will be selected and featured in a day. To date every single submission from ParteeBoo has been featured in these party websites.

The following are glowing praises from satisfied customers who posted on ParteeBoo's website.

Samantha Yeoh said:

“Breathtaking creative designs that impress you for all kinds of events and definitely worth every single penny spent! Do not miss to engage your family and friends with Parteeboo for a memorable moment that imprints into your memory forever! You will not regret it! (ParteeBoo Facebook)

Evy Evie attests:

“Wonderful experience, thanks for making it so special for my twin boys. Everyone loved the theme. Would categorize them to be expert and highly recommended!!” (ParteeBoo Facebook)

Last but not least a very happy Natasya Saufi & Effendi Azmi Hashim had this to say:

“Our ‘back to boarding school’ theme arranged by parteeboo was a fantastic party! Everyone thought the decor was lovely! Parteeboo did a fantastic job! Very professional and passionate organisers. At a very affordable rate too... The best in Penang! If you are planning a party in Penang definitely take parteeboo you won't

regret it! All the people recommended and arranged by Parteeboo (music guy, photographer and children entertainer were good too!).” (ParteeBoo Facebook)

3.7 Benchmark, Competitor, Challenges

ParteeBoo often is sought after and benched marked by other party designers from US and UK. And so who does ParteeBoo benchmark? For inspiration and improvement of their services, ParteeBoo benchmarks new ideas and concepts from Tomkatstudio.com, a reputable US based party designers and another closer to home, Fairyfloss.com which is based in Jakarta.

In Penang from where ParteeBoo operates, has a competitor called Birthday Mansion. Birthday Mansion started off as birthday party planner and later progressed to designer parties and has on several occasions, copied ParteeBoo’s ideas. Down south in Kuala Lumpur there are several party planners who also do themed parties but they didn’t start off their business as party designers unlike ParteeBoo. Among a few found on the web are Fabulous Party Planner, Red Dazzle Party Planner and Pretty Party Planner.

Recently a Kuwait party planner had copied ParteeBoo’s “Frozen” party design for one of their customer’s party and claimed it as theirs. The matter came to light when one ParteeBoo fan triggered ParteeBoo through Facebook. After which ParteeBoo sent a personal message to the party to remove the posting. In the service industry service ideas cannot be patented unlike in manufacturing industry where it is possible to do so. Hence copying and even claiming to be the pioneer of ideas is rampant.

4.0 CASE ISSUE

Apart from interviews conducted with a total of 7 people comprising all partners of ParteeBoo, interns and customers, direct observations were also carried out at ParteeBoo premise for the purpose of this paper. Relevant documents such as sales documents, interns' hiring documents, company invoices were reviewed. The case issue revolves around the fact that ParteeBoo started turning down customer orders during peak party season due to headcount constraint at ParteeBoo.

4.1 Seasonal business trend

Ever since ParteeBoo started operating since two years ago, they noticed a seasonal trend of peak and non-peak season in their business sales pattern. Number of sales during the first half of the year is lower than the second half of the year. The trend shows that business starts slowing down after Christmas and until after Chinese New Year until the second quarter of the year. After the second quarter of the year there is an increase in the number of sales as people start settling into the year and are gearing into celebration mood with the anticipation of festivals such as Hari Raya, National Day, Deepavali, Oktoberfest, Halloween and annual dinners towards end of the year.

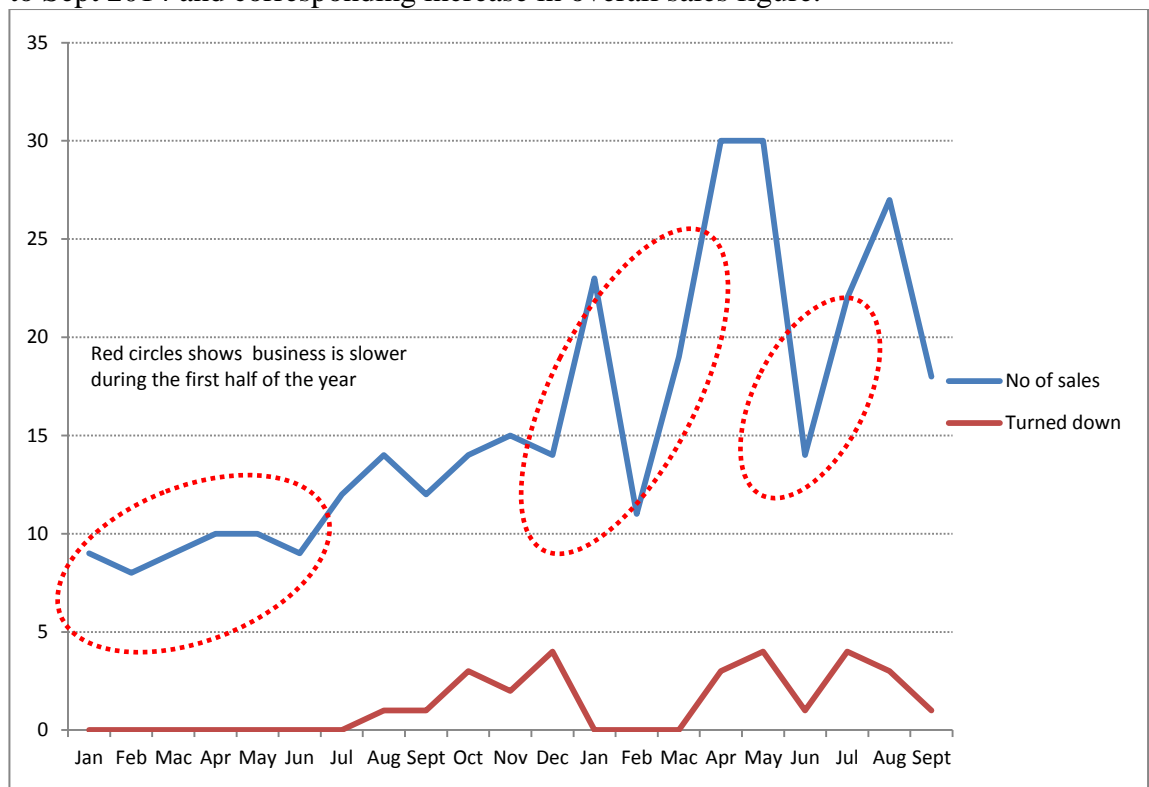
As ParteeBoo business progressed, the number of sales also increased to a point where ParteeBoo had to start turning down some orders because they were unable to cope. This usually occurred during the second half of the year when they are busy handling many parties. The parties were mostly skewed towards weekends as such they were unable to cope because they don't have enough headcount to assist in designing, preparing the props and organizing the parties.

The dilemma faced is if additional headcount is hired during peak season it will affect the profit margin during non- peak season due to lesser sales. At the same time the lack of headcount has caused customers' orders to be turned down. Figure 4.1 shows number of sales vs number of orders turned down from Jan 2013 to Sept 2014 and corresponding increase in overall sales figure.

Ms Renee, one of ParteeBoo customer when asked what are some areas that ParteeBoo could improve on had this to say:

“It was inconvenient for me when ParteeBoo had to turn up at 7am at my event venue to start decorating for my luncheon party at 11am as they had limited headcount and had other parties to set-up later that day.”

Figure 4.1: Shows number of sales vs number of orders turned down from Jan 2013 to Sept 2014 and corresponding increase in overall sales figure.



Source: ParteeBoo Management, Oct 2014