



Fleetman Consulting owner Scott McLeod's biggest challenge getting his niche consultancy established was getting word to potential clients about how he could help them

Wise words from the service sector

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Entrepreneurs tend to be an optimistic bunch of people pumped full of enthusiasm and a strong belief in their ability to make their new business succeed.

Business plan in hand, many also have stars in their eyes.

Talk to those who have survived the first few years and you will often hear that the early going was filled with trying times.

Business in Vancouver spoke with several business owners who operate service-based businesses – as opposed to those who sell tangible products – and have advice that new business owners might take to heart.

Though these services range from web design to forklift consulting to providing an opera experience, they have a common strategy: these entrepreneurs rely on both their own and their employees' talents more than on employees' ability to follow straightforward monotonous processes for manufacturing a product.

Insatiable consumer demand for smartphone applica-

Common challenges include choosing a niche, raising awareness among clients and how to develop staff

tions and websites helped fuel growth at Vancouver's Appnovation Technologies to the point where owner Arnold Leung plans to more than double his current office space soon.

Appnovation grew revenue 66% to \$1 million last year thanks to snagging work from multinational organizations as well as local companies.

Projects from organizations such as the World Wildlife Fund and Vancouver's Cargoh.com will help him generate what he anticipates will be about \$1.6 million this year.

Leung's biggest challenge in the early going was determining on what niche to focus.

"In the first year, when you start your business, your vision is really broad. You want to conquer a really big market even though there are limited resources," the 24-year-

old said. “The challenge is to identify that particular segment that you want to chase after.”

Leung focused Appnovation on offering few services – namely website and application development – and using few development platforms.

Initially, Appnovation worked solely with the open-source Drupal platform. It has since added the iPhone development platform Alfresco to create mobile applications.

He joined the Entrepreneur Organization and paid a discounted price when he was accepted to its Accelerator program. That initiative exposed him to insight from heads of companies in different sectors and stages of development.

One lesson Leung learned – while working on a large project that started to have some glitches – was to be honest and open with the client each step of the way.

Leung also echoed sentiments that über-successful technology entrepreneurs such as Plenty of Fish owner Markus Frind espouse: make your business scalable.

Frind wanted to ensure that his dating website could handle the 6.1 million unique visitors that it now attracts monthly.

For Leung, the initial step to ensure that Appnovation would be scalable was to develop training manuals for his staff. That way, knowledge in parting employees’ heads would not be lost to the company.

Sole-practitioner forklift consultant Scott

McLeod has yet to have staff concerns.

His biggest challenge is still getting his Fleetman Consulting Inc. known for its extremely specialized niche of advising customers on how to best

manage forklift fleets.

“When clients have a chance to speak to us directly to really understand what we do, it’s like a light bulb goes on in their head. We often hear, ‘What a great idea. Where were you when I bought my last forklift or when I had a dispute last month with the dealer?’” he said.

McLeod has worked in the forklift sector for decades and is not affiliated with any dealer.

He knows, for example, that a client who operates a propane-powered forklift will pay \$25,000 in fuel over five years. Converting to electricity-powered equipment will slash that cost, he said, revealing one of the tips that he charges a fee to provide.

He helped solve the challenge of getting known by making countless phone calls and site visits to manufacturers and others who use forklifts.

He also sent some direct mail to explain how he could help their business.

Richard Williams operates in another tight niche where his biggest initial challenge was to get exposure with no advertising budget.

That didn’t stop him from parlaying a dream into North America’s only amateur repertoire opera company.

“Our challenge was whether we could put a production of one of the standard operas together in such a small scale that it would do justice to the work and not just be embarrassing,” he said.

Williams scouted talent from his day job as a private singing teacher.

He then unleashed a strong sales drive to get desired singers to volunteer their time and effort and to get

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- Richard Williams, artistic director, Opera Pro Cantanti

customers to shell out between \$18 and \$25 per ticket.

When drawing an audience to the Wise Hall at Adanac Street and Victoria Drive proved difficult, Williams moved the shows to the Cambrian Hall on East 17th Avenue.

The rent was slightly less and people were attracted to the new neighbourhood. Williams started to break even by attracting an average of about 35 show-goers per performance, he said.

Facebook, word-of-mouth and email blasts to attendees have been pivotal in helping him draw big enough crowds to break even on the venture, he said. ■
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Landed learning

- Identify your best client
- Focus on a few strengths and then grow
- Be honest and open with clients
- Make your business scalable
- Create training manuals to ensure continuity
- Be prepared to pound the pavement, knock on doors and make cold calls
- Take advantage of social media to promote your service