

Report

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# Growing businesses in the desert:

## Case studies of Australian desert micro, small and medium enterprises

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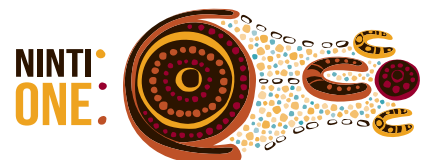
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2011



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The Desert Knowledge Cooperative Research Centre (2003–2010) was an unincorporated joint venture with 28 partners whose mission was to develop and disseminate an understanding of sustainable living in remote desert environments, deliver enduring regional economies and livelihoods based on Desert Knowledge, and create the networks to market this knowledge in other desert lands.

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## List of shortened forms

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ABN	Australian Business Number
CD	Compact disc
CDEP	Community Development Employment Program
CEO	Chief Executive Officer
DKCRC	Desert Knowledge Cooperative Research Centre
ICT	Information and communication technology
IHA	Indigenous Harvest Australia Co-operative Limited
WA	Western Australia
KRCI	Kullari Regional CDEP Inc.
MSME	Micro, small and medium enterprises
MYOB	Mind Your Own Business [accounting software]
NT	Northern Territory
SA	South Australia
TWT	Tjutjunaku Worka Tjuta
WestCAN	Far West Coast Aboriginal Network

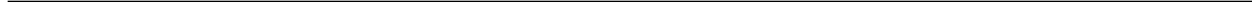
# Acknowledgements

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In 2009, the Desert Knowledge Cooperative Research Centre (DKCRC) invited small business owners and operators to share their stories about how they formed their businesses and their journey in becoming desert entrepreneurs. Several men and women responded to our call and subsequently, 12 businesses were chosen for the case studies.

We would like to thank these entrepreneurs who unselfishly shared their time, knowledge and stories with us in the name of research. These case studies highlight the different business models operating in desert areas, the struggles entrepreneurs face and the strategies they adopt to sustain and grow their businesses. These modern-day heroes contribute to the growth of desert regions in Australia in their own right.

Thank you for your stories, and thank you for your contributions to desert Australia.





# Executive summary

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Business enterprises, whether they are large or small, contribute to the growth of desert regions in Australia. This report presents case studies of micro, small and medium enterprises (MSMEs) in the desert. The case studies highlight the different business models that exist in desert areas, the barriers and constraints faced by entrepreneurs and the strategies they adopt to sustain and grow their businesses. The report also delves into what motivates people to start a business, and what drives them to continue on despite the many challenges they face.

Regardless of the business structure, MSMEs operating in the desert face common challenges. These challenges and barriers revolve around remoteness, distance from suppliers and markets, small local markets and high freight and transport costs, leading to high business transaction costs. However, the case studies showed that numerous businesses continue to sprout in the desert, many manage to grow, and many thrive – even during times of economic crisis such as in the recent global financial crisis.

So what makes these businesses grow despite the challenges they face?

The critical success factors that determine whether businesses survive and thrive in desert areas include:

- goals and attitude of the entrepreneur
- passion of the entrepreneur
- relevant education, knowledge and skills
- business skills
- family support
- understanding the market and market demand
- networks and networking
- start-up capital
- government support
- access to information and communication technology (ICT)
- management and leadership in the business
- business-friendly government policies

Doing business in the desert is not easy. However, the rewards can also be large for those who persevere and succeed. The key learnings from the study are:

- Remoteness, lack of essential services, high operating costs and lack of critical mass are day-to-day challenges desert business owners have to deal with. Yet there are many successful entrepreneurs.
- The personal qualities of an entrepreneur are vital to the success of a business. These qualities include the following desirable traits: has long-term commitment, is dedicated, hardworking, passionate about the business, has the required knowledge and skills, and is willing to go ‘the extra mile’.
- Having passion is a critical factor in starting and growing the business. Passion is also one of the main success factors that keep desert entrepreneurs going in the face of challenges and constraints, and helps them achieve their vision and goals.
- Family support is crucial for MSME entrepreneurs, particularly during the business start-up phase. So is community support, particularly in small desert communities.
- Access to resources (e.g. land) and capital are important prerequisites for establishing many – though not all – businesses.
- A commitment to continuous learning can help entrepreneurs expand their knowledge. Mentoring and/or coaching also help potential entrepreneurs make the big step and realise their goals in entrepreneurship.

- Support programs and mechanisms, such as fast, efficient and affordable ICT systems; mentoring; and other support systems are important.
- Business often hinges on demand; therefore, it is important to understand the market before plunging into a business idea.
- Because of the unique nature of doing business in remote desert areas, business ethics can particularly play a role in the survival of a business enterprise. Relationship building and relationship marketing are important.
- There was a strong voice regarding the preferred role of government. First, in providing start-up grants for promising entrepreneurs; second, in providing training; and third – and most importantly – the government has an important role in providing a conducive environment for the development and growth of businesses.
- The Community Development Employment Program's (CDEP) role seems to have been instrumental in supporting some Aboriginal businesses. CDEP benefits became a catalyst in encouraging Aboriginal people to set up their own businesses. Wages received from CDEP helped businesses cover the labour costs in the early stages of the business, reducing the financial burden for the start-up of Aboriginal businesses. Therefore, removing CDEP is likely to negatively affect those businesses unless alternative mechanisms are put in place.
- Physical location can limit business opportunities. Networking and business networks can alleviate this issue to some degree because they are an avenue to extend business contacts. Therefore it is important for business owners in desert areas to be able to form networks or create network opportunities for local businesses. It is also important for industry bodies to help remote businesses participate in business networking and other supporting mechanisms (such as procurement forums).
- By the same token, entrepreneurs are likely to benefit from membership in networks/associations. Aside from developing friendships with other members, networks can help with expanding markets, meeting other professionals and peers, and acting as a conduit for mutual support.
- Innovative business models and practices, such as contracting and franchising, can suit small and emerging desert businesses.
- Profit is not always the main motivating factor for Aboriginal entrepreneurs. Sometimes meeting social, cultural and environmental goals takes precedence over economic goals.

The desert is home to many resources. It has an abundance of plants, animals, land, wind, sunlight, culture and, most importantly, people who carry knowledge – traditional or otherwise. What is needed to fully harness these resources are entrepreneurial people who are able to see opportunities in the face of challenges, who are willing to try creative and innovative ideas to harness these rich resources, coupled with an enabling environment to make this happen and support businesses to deal with the challenges in growing the desert.

# Introduction

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Maria Fay Rola-Rubzen

## Background

There is no doubt that businesses play a critical role in the long-term sustainability of communities. They are a source of employment, income and services in a region. They provide people with their basic daily needs as well as luxuries. They are also a source of growth and innovation. Therefore, supporting the development of businesses is important, particularly in desert areas where economic opportunities may at times be limited, and where challenges often abound.

This research is part of a broader research project on desert businesses. Desert Biz™, also known as Core Project 3 or CP3, is one of the core projects of the Desert Knowledge Cooperative Research Centre (DKCRC). Over the last four years, Desert Biz™ has studied what is needed to support the development and growth of businesses in desert regions of Australia. Desert Biz™ aims to understand the constraints faced by businesses in desert areas and seek solutions to overcome them.

The Desert Biz™ research team set out to determine the issues, challenges and concerns of desert businesses. They approached the research with a three-pronged view – from the points of view of government and policymakers, from the practitioners working on the ground and from the business owners and operators.

As part of the project's approach, workshops were held with representatives from government offices at the federal and state level (Rola-Rubzen et al. 2011). Likewise, economic development officers and Shire representatives were interviewed to gain the perspective of the local government (Rola-Rubzen & Gabunada 2011). However, the most important perspective would be that of the business entrepreneurs – the men and women who live these experiences themselves. This component of the research is the focus of this report.

We interviewed business entrepreneurs living and working in the desert, and wrote in-depth case studies of their businesses. This report highlights the selected 12 case studies and narrates the entrepreneurs' stories, the history of their business, the motivators for starting the business and what drives the entrepreneurs to continue on despite the many challenges they face. The case studies also consider the business models, why they work and how to make them work. It looks at the barriers and examines how these enterprising men and women dealt with these challenges. Finally, the report explores the factors that are likely to lead to successful businesses and what is needed to support the development and growth of businesses, so that they will not only survive but thrive in desert regions in Australia.

## Approach

This research involves in-depth case studies of owner–operators of business enterprises located in desert areas. Initially, an open call was made to business owners and operators located in desert regions, inviting them to participate in the study. Around 25 business owner–operators indicated interest in participating. Of these, 12 were selected to be part of the study. The criteria for selection included the following:

1. The business is currently in operation (see Norris et al. 2010).<sup>1</sup>
2. The business is located in a desert region.
3. The business is either Aboriginal-owned, non-Aboriginal-owned, or a combination or partnership between both parties.
4. The business is a micro, small or medium enterprise (MSME).
5. The business is Australian-owned and is either a sole proprietorship, partnership or a company.

Interviews were arranged with the selected businesses. The interviews were conducted by researchers either face-to-face or on the phone, using a set of semi-structured, guiding questions. Because of the breadth of issues covered and the time it took to cover the topics, in some cases the interviews had to be done in two or more sessions.

Aspects the interview covered included:

- history of the business, how the business started and motivational catalysts involved
- ownership and business structure
- start-up, development and growth
- marketing, information and communication technology (ICT) and innovations
- performance of the business
- impacts of the business
- critical success factors
- key issues and challenges.

The transcripts of the interviews were then used to develop the case studies of the businesses. Each case study is a story on its own, showcasing the various enterprising business owners in the Australian desert region, highlighting their drive, tenacity and resilience in the face of difficulties. The case studies also show a rich variety of businesses, reflecting the rich opportunities for businesses in desert regions of Australia.

## Structure of the report

This report is comprised of 14 chapters. This introductory chapter is followed by the different case studies of businesses. The first seven case studies feature small business owners, some Aboriginal-owned business enterprises (Mayi Harvests and Aboriginal Heritage Consultants) and some non-Aboriginal-owned business enterprises (Mooi Emporium, DIY Tourguide, MDK Taxation & Accounting Services, Pike River Woolshed and Healthy Outlook).

The next three case studies highlight family businesses (Leonora Motor Inn, Pampul Healing & Therapy Wiru and Alice Springs Thrifty Car Rental). Two case studies of community-owned businesses (Scotdesco Espresso Café and Ceduna Aboriginal Arts & Cultural Centre) follow.

The final chapter is devoted to the summary and conclusions, which outline the lessons learned about what is needed to support MSMEs in desert areas.

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<sup>1</sup> This paper was written based on case studies of businesses that have shut down – there are also lessons to be learned from those businesses.

# Case 1: Mooi Emporium

Maria Fay Rola-Rubzen, Lucia Fung and Delgermaa Altangerel

*A bit of luxury in the outback*

## Background

Mooi Emporium is a retail business operating in Leonora, located 237 kilometres north of Kalgoorlie in Western Australia. The business was established in December 2008 by a young entrepreneur, Ian Zwartkruis, and his mother. Mooi Emporium's main business is retail clothing and giftwares, and Swedish massage services. Recently, the business has diversified to include coffee-and-tea catering.



## Business overview

Ian always wanted to develop his own fashion and clothing business. In 2008, a homewares and giftware shop in Leonora was put up for sale. He saw it as a good opportunity because, compared to Perth, remote areas have lower overheads and rents. He also believed that operating a business in such a challenging location would help him learn how to further develop his business.

Ian and his mother wanted to offer a diversified range of products, so before purchasing the business, they conducted detailed research into different suppliers and wholesalers for potential new products, and the affordability of the products. They met a new clothing business owner who agreed to supply clothing to them at wholesale prices. From a personal friend who was in the giftware and homeware business for 25 years, Ian obtained a list of reliable and affordable wholesalers in Perth. They later contacted these wholesalers and developed strong partnerships with them to obtain a stable supply of a diverse range of products at affordable prices.

Ian's mother contributed the required start-up capital for the business and is responsible for the financial management of the business. Ian is responsible for the day-to-day operation of the business because of his knowledge and experience in massage therapy, sales and public relations. His mother spends less time on operating the business because she has another job.

The locals in Leonora and tourists to the area are the major customers of Mooi Emporium. About 75 per cent of customers are locals; the rest are tourists. Because of the distance between Leonora and the main regional centre, Kalgoorlie, Mooi Emporium tries to provide a diverse range of products to their customers. They provide men's and ladies' clothing, footwear, giftware, jewellery, body-care products and more.

Ian undertook market research and noticed that the prices of the products sold in Leonora were higher than prices in other towns nearby. He therefore tries to offer products and services at a fair and affordable price to customers, by matching the prices of the products in Kalgoorlie. Local customers can therefore purchase giftware, fashion items and body care products in a shop close to home at a reasonable price.

Ian, as a trained massage therapist, decided to provide massage services in Mooi Emporium. Although the market research conducted in the past three years demonstrated mixed feedback on the sustainability of a massage therapy business, Ian believes there is potential to develop a regular client base. The major sources of customers are locals and fly-in fly-out mining workers. Mining workers seek his services because of the physically demanding nature of their work, and massage therapy helps alleviate the muscle pain many mining workers suffer.

The coffee shop was not part of Ian's original plan. The decision to serve coffee in the store was triggered by comments from locals and tourists about not having a coffee shop in the surrounding area. Ian thought about filling this gap and capturing this opportunity. When The Mooi Emporium started offering coffee, word began to spread. It is now quite popular among the locals, and occasionally people travelling from Laverton stop to buy a cup of coffee on their way to Kalgoorlie.

Currently they are serving coffee from a small espresso machine. However, they are planning to get Shire approval to set up coffee tables and chairs in the shop, and provide pastries and sandwiches.

### Competition and market environment

Mooi Emporium does not have serious competition because the local community is very supportive of small business development initiatives. The local business ethic in Leonora is to be respectful of each other's business and to avoid direct competition with each other. For example, the local supermarket manager tries not to sell similar products to those sold in Mooi Emporium.

Although a local hotel was also planning to serve coffee, its trading hours are different from Mooi Emporium and the service is only

available to its guests. It is important for Ian to be informed about other businesses operating in Leonora to ensure nothing Mooi Emporium does is directly interfering with other businesses' markets.

Apart from local business ethics which prevent direct competition from providing similar products and services, the nature of Mooi Emporium's business also makes it very unique. Unlike other businesses in Leonora, which generally provide necessities such as basic food and clothing to locals, Mooi Emporium offers giftware, decorative items, jewellery,

body-care products and massage therapy. These products and services are considered luxuries by the locals, and some are starting to be attracted to the idea of pampering themselves with a little luxury in the tough outback environment.

However, Ian believes that competition will begin to build in the near future. Mooi Emporium took a risk to test a new business model of offering

luxury products and services in Leonora, and it has proven to be a viable business direction. The locals are beginning to take interest in this business model. However, Ian hopes that gaining the first foothold in the market will give him a competitive advantage.

### Advertising and marketing strategies

The locals in Leonora are very loyal and supportive of local businesses, often because they believe that the business is going to stay and will contribute to the community in the long run. Exposure is therefore very important for Mooi Emporium. Word of mouth is critical to success when operating a business in a small town. Ian therefore pays extra attention to providing excellent service and developing good relationships with clients to develop a good reputation in Leonora.

***'Maintaining good relationships is critical when doing business in a remote community. No amount of marketing or advertising can replace good customer relations.'***

**Ian Zwartkruis,  
Mooi Emporium**

Apart from word of mouth, signs are also used to promote the products and services. Ian has created the signs himself to reduce cost. The signs are in high traffic areas such as the supermarket, post office, fuel station, tourist centre and the telecentre. They were also put in surrounding areas, showing directions to the store, and in front of the store showing trading hours, information about the massage therapy, and menus for its special teas and coffees.

Mooi Emporium also sponsored a weight loss competition organised by the Shire and the Recreational Centre in Leonora. Products and services were provided as prizes for the competition in exchange for advertising its business. In addition, discounted massage therapy was also provided to the contestants. Ian was hoping that by attracting these contestants to experience the professional massage service in Mooi Emporium for the first time, they could develop into regular clients in the future, particularly if they were happy with the service received.

ICTs such as the Internet and mobile phones, play a major role in the day-to-day operation of Mooi Emporium. Ian frequently communicates with his massage therapy clients through ICTs because many of them are located in Leinster and Laverton. He also makes use of ICTs to communicate with suppliers in different locations, or to search for suppliers who might be able to supply at more affordable prices. The store's website is being developed. Because of the importance of ICTs to Mooi Emporium's business, Ian approached a number of telecommunications companies to look for more affordable ways to incorporate ICTs in the business on a daily basis.

### Visions and goals for the business

Ian hopes to develop Mooi Emporium into a profitable and sustainable retail business that caters for the Leonora locals, nearby towns and tourist markets in two to five years. He also has a vision of using his business to support the local community. In the long run, he hopes Mooi Emporium will be successful enough to provide employment opportunities to Leonora locals in

the future. He also aspires to provide training for high school students in public relations and marketing.



Ian helps support local businesses by selling products made by local people. Mooi Emporium also benefits from this arrangement because it increases the variety of products for sale. These locally produced products are also very popular with tourists. For example, many tourists are very keen to find pieces of gold from [goldmining town] Leonora and they are willing to pay premium prices for unique souvenir products from Leonora.

Ian is also negotiating with locals to develop an online shopping website. The website would sell locally made and designed products to promote local businesses to markets outside Leonora.

Ian's short-term goal at the moment is to develop a regular client base. His long-term goals are to expand his business to Kalgoorlie or Perth in the future, and hire a full-time massage therapist or train a local to help run his business in Leonora.

### Business performance

Ian's mother provided the start-up capital to establish the business. Business performance is evaluated on a daily basis. Ian uses a daily accounting system to record the daily operation costs, the overhead costs and the daily sales

revenue. Another ledger-style system is also used to record the sales performance of the different products and services.

Similar to many start-up businesses, the operating costs of Mooi Emporium are very high. However, the business has been stabilising and revenues are beginning to cover operating costs. Ian is continuing to find ways to stimulate the business to boost sales.

Ian's goal is to make the business sustainable in the long term, rather than simply breaking even. He is working towards developing a regular client base for the massage therapy and café business. This would make the business stable and profitable enough to cover the costs of production, and expand the business enough in the near future to create employment opportunities in the community.

Mooi Emporium's business is recovering very well from the financial crisis. Although consumer spending was brought to a halt by the financial crisis, the locals soon became more optimistic about the outlook for Leonora's economy because of the fact that the local economy and job market remained strong and stable despite the recession. The government's stimulus package also encouraged tourists to continue to spend. Ian also hopes that the three-day Leonora Gold Gift festival organised by the Shire will attract more visitors to Leonora and stimulate local businesses.

### Critical success factors

One of the main factors that helped Ian is the support of his family. By providing the initial capital required to set the business up, Ian was able to lease and establish a shop and buy stock. He also conducted his own market research to find out what clients want. Ian has a positive mental attitude and 'can-do' attitude. As he says, 'For me, failure is not an option'. Therefore, despite the many challenges, Ian constantly thinks of strategies to build his clientele, lower his costs, and even diversify his business by using his own skills (massage therapy) and identifying a niche (café). He also participates in and supports community events demonstrating his goodwill, at the same time building relationships with people in the community. The

local business ethics and practice of not directly competing with other businesses in the town also helps businesses coexist in Leonora and ensures that they are able to build the critical mass required for them to survive.

There are also external factors that help Mooi Emporium. For instance, the federal government's stimulus package has helped keep spending up during the global financial crisis. Similarly, local government strategies, such as holding festivals, draw tourists to the region and generate higher sales for small businesses, including Mooi Emporium.

### Challenges

A major challenge for most remote business is high freight costs. Mooi Emporium does not purchase supplies in large amounts because of the size of the business. Ian obtains his supplies from Perth personally without having to use expensive freight services. In fact, there are certain products such as gemstones which cannot be purchased from a catalogue and have to be purchased personally. He saves transport costs by purchasing the stock only when he has to go to Perth for other reasons, to reduce the number of trips he has to make. However, as Ian is the only person running the store, he has to close the store when he goes to Perth to restock.

There are high operating costs involved in running the business in a remote location. Despite the attempts to keep transport costs low, a mark-up is still necessary to cover the additional costs of operating in a remote area. Moreover, because of the higher prices in Leonora in the past, many customers have an incorrect perception that the products in Leonora are still more expensive. Many customers refrain from buying in Leonora, preferring to purchase their products in Kalgoorlie instead, because of the expectation of lower prices. Ian has to explain to some customers that while there is a small mark-up to cover costs, the prices in Mooi Emporium are quite comparable to those in Kalgoorlie. Another major challenge for Ian in operating Mooi Emporium as a newcomer is his relatively limited understanding of the local market demand in Leonora. Customer preferences continually change. He therefore



constantly asks for customers' opinions and feedback, to provide the products and services that best cater for their needs. He is continually trying new products and services, observing customer responses and developing a better understanding of customers' preferences. However, he cannot afford to buy all the products demanded by the customers.

Increasing the customer base is also a major challenge for Mooi Emporium. Because of its remote location, the tourist market is not as big as in other, larger towns, such as Kalgoorlie. Although Mooi Emporium is starting to build a local client base, the majority of the local population do not see the need to spend on 'luxuries', and rather spend their money on 'necessities'. Therefore, Ian is also hoping to develop an online business for Mooi Emporium to expand his market reach. However, the freight cost of distributing products from a remote location could be prohibitive. Unless he finds a cheap freight service, it might not be logistically feasible to have an online business set up in Leonora.

### Government's role in supporting small rural businesses

Ian suggested several ways the government could help desert or rural small businesses. For example, the government could provide training and advisory support to people who do not have much background in small business management to start up businesses in rural areas. The government could also provide grants to give financial assistance to people interested in developing small rural businesses with promising potential.

The government could also help by subsidising freight costs. The high freight costs for getting supplies to remote areas is a huge financial burden to small rural businesses. Subsidies from the government could therefore help small businesses achieve price competitiveness against big companies in their area.

### Key learnings

Ian is a young entrepreneur who has made his dream of starting a small business a reality. He identified a niche to supply fashion clothing,

giftwares and beauty products, as well as massage services, usually considered luxuries in remote regions. Part of his success is due to family support, particularly in funding the business start-up. Community support is also crucial. Without support of the local customers, it will be difficult to succeed in such a small economy. Therefore, gaining customer loyalty through excellent customer service and providing competitive pricing are important strategies for the business. This business case also reveals the unique nature of doing business in remote desert areas, where business ethics can play a role in the survival of a business enterprise. Because of the nature of the environment, particularly the small market, maintaining good relationships with other businesses and identifying an enterprise that does not directly compete with others can be an important factor for the success of a business business as well as the maintenance of cohesiveness within the community. This case also shows that because businesses in the desert operate in unique situations, mainstream business theories and practices – such as competitive market behaviour – may not always apply. Relationship building and relationship marketing are important. So are support programs and mechanisms such as fast, efficient and affordable ICT systems; mentoring; and other support systems.

### Acknowledgements

The authors would like to thank Ian Zwartkruis for sharing his time and for supporting this project.

### Business profile

Type of business: Retail

Number of years in business: 3 years

Location: Leonora, WA

### Contact details:

Mooi Emporium

Tower Street

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Ph: 0448 391 950

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## Case 2: Mayi Harvests

Maria Fay Rola-Rubzen, Lucia Fung, Fe Gabunada and Delgermaa Altangerel

Providing economic, social and cultural outcomes  
for families on traditional land

### Background

Mayi Harvests is an Aboriginal Australian native produce business based in the West Kimberley region of Western Australia. It is owned and managed by Pat Mamanyjun Torres.

Mayi, which stems from the Yawuru language group of the West Kimberley, means ‘plant foods derived from parts of plants, including seeds, fruits, nuts, breads and cakes’. The word has special meaning and connection to an ancestral Dreaming story that has Australia-wide significance.



There are three aspects to the business: wild harvesting of fruits, value-adding and processing of food and drink products, and educating other people about the business. The products involve several species of bush fruits. The main fruit is Kakadu plum or Kullari plum (*Terminalia ferdinandiana*), which is locally known as gabiny. This fruit has the highest natural concentration of vitamin C and essential antioxidants, and is the main ingredient in all of the food and drink products of the business.

The most important motive in pursuing the business is to promote native fruits as a healthy, nutritious alternative to processed foods. Many of the Aboriginal people in the area suffer from diabetes, heart disease, thyroid problems and other diseases that can be traced back to inadequate nutrition. Another motivation to pursue the business is the desire to get out of welfare dependence, and to provide employment, training and business skills to family and community members to improve their economic and social outcomes.

Mayi Harvests evolved as the family got actively involved in Indigenous Harvest Australia Co-operative Limited (IHA). It was registered in December 2006 through the initiative and support of the local Community Development Employment Program (CDEP) provider, Kullari Regional CDEP Inc. (KRCI), which is pronounced locally as ‘crikey’. IHA is a marketing cooperative for Kullari plum. It is an Aboriginal cooperative and directly owned by harvesters of Kullari plum. Pat is one of the directors in the cooperative, and her family supplies wild-harvested *gabiny* to IHA.

People in the area have been encouraged to create their own businesses to continue receiving CDEP benefits. Since the IHA cooperative was involved in selling dried, frozen Kullari plum, Pat thought about developing a small, gourmet, high-value line of food-and-drink products involving the various bush fruits that they harvest.

The business has a three-tonne market for the wild-harvested *gabiny*, which is the main source of the business. Other fruits include *guwarl* or snowball bush currant (*Flueggea virosa*), *gunariay* or cluster pea (*Ficus racemosa*), *ngaminajina* or sandpaper fig (*Ficus opposita*), *yarlmang ngurr* or pindan

quandong (*Terminalia cunninghamii*), red ilarrd or coastal bush apple (*Syzygium suborbiculare*), and white ilarrd (*Syzygium eucalyptoides*).

Mayi Harvests was registered in 2008. It operates under CDEP as a business activity. The business currently sells the following food and health drink products: chutney, jam, relish, cordial, freshly blended juice, chilli sauce and sweet sauce. It is also developing wine and beer. It also hopes to produce liqueur chocolates from native fruits, as well as a line of lollies and biscuits.

The existing products are high-value, gourmet products. They are intensely flavoured and not 'watered down' like some commercially available products – one can taste the real flavour of the fruits. It uses *gabiny* and other bush fruits that are natural sources of vitamins, minerals and antioxidants. The enterprise has been true to the flavour and the nutritional values of its products.

### Business overview

Mayi Harvests is an Aboriginal-owned enterprise that aims to sustainably and ethically showcase native foods in the Kimberley region of Western Australia. It hopes to improve the economic and employment outcomes of Aboriginal Australians. Moreover, it aims to provide social and cultural outcomes for families on traditional lands, build the capacity of individuals and communities, and make sure that Aboriginal Australians engage as managers and directors of family and cooperative native food businesses.

Pat developed the enterprise when she realised that the IHA cooperative only wanted dried, frozen *gabiny* and did not want to go into processing. She thought that this was a niche she could fill, because she has knowledge about food processing. Her business model is to link her small business to the bigger business of the cooperative. After supplying the required tonnage of wild-harvested *gabiny* fruits to the cooperative, she uses the extra fruit to produce food and health-drink products.

The enterprise differs from the standard retail business model because it is involved in all levels of the supply chain. The family owns an

orchard and wild harvests the fruits, so they are considered primary producers. They grow trees and do enrichment planting to create sustainable orchards for the future, also making them horticulturists, and they process the fruits, so they are also food processors/manufacturers.

The business is a single proprietorship. Pat employs her spouse as well as her children and their spouses. The family members are involved in harvesting, packing, weighing, processing, setting up market stalls, making posters, labelling products and marketing. They have an incentive to get involved because they are paid for their work as well as receiving a living wage from CDEP.

Pat is the key person in the business. However, she involves her children in the financial and marketing strategies. When money is needed for the business, the family members contribute. She runs the business with her earnings from outside jobs she does for two to three days a week. As a marketing strategy, she uses the local Northwest Expo for exposure. She also participates at local food and wine festivals, which generate sales.

She is now in the process of applying for a license to process liqueur chocolates, wines and beer. She has just developed a logo and is going through the process of branding and registering her trademark. She is also creating food and nutritional labels for her products.

### Marketing and value chain

Currently, the main customers of the enterprise include café restaurants, tourist outlets and fresh health food shops. Its potential customers include the tourist industry, hospitality industry



and special events (involving corporations and mining companies). About 40 per cent of its customers are local; the rest are tourists.

Mayi Harvests is the only business selling these products in the local area. Similar products are sold in other states, but they are not Aboriginal-owned. The main selling point of the business is its credential as a Kimberley product. These products are organic and have Aboriginal identity and story. Since the fruits used are wild-harvested, the products have high health and nutritional value. It is believed that the products are uniquely Aboriginal and are received well by the global community. The business has to comply with Australian standards for food and wine safety, licensing processes for wine and beer, and nutritional labelling.

The strength of the business is the Aboriginal identity of its products. This is exploited in marketing by promoting these unique Australian products as wild-harvested and organically grown traditional fruits that have high health value.

For its wine products, the business is working on a certificate of authenticity. This certificate will

be attached to the products with a seal of Aboriginal authenticity from the traditional owners of the land.

At the moment, the restaurant and tourist outlets for Mayi Harvests are within the town of Broome. But once the food standards and labelling are done, products will be sold nationwide and internationally.

Marketing is currently done through email and a website. So far, the business has not encountered problems in distribution because it has not processed products on a large enough scale. With regard to pricing and costing, the enterprise

has done some market research to ensure that their prices are comparable to similar kinds of products in the eastern states.



Pat believes that there is potential for growth in her business. The products are really unique and very Australian. Mayi Harvests is giving customers more than just the products. It is giving them an experience of Aboriginal culture. All the products are accompanied by a pamphlet

that talks about the story behind each product and Aboriginal culture.

ICTs are important in today's business environment. Therefore, Mayi Harvests makes use of ICTs extensively. It uses the computer, Internet, mobile phone, email, video-conferencing and business website to maximise communication with customers and get the products sold.

***'Have a vision, set goals and revisit those goals periodically to remain realistic. Be committed, dedicated and resilient. Where possible, attend workshops or training to learn further skills. Join networks that are related to the business. Most of all, realise when you need a break – get rest and protect yourself.'***

**Pat Mamanyjun Torres,  
Mayi Harvests**

### Business performance and impacts

The business is about two years old and is actively developing its targeted products. However, it is already meeting its goals in that it has increased the capacity and self-esteem of family members. Pat is satisfied that she is on the road to fulfilling her lifelong dream of developing something that is relevant, while maintaining cultural values, in a safe environment where she and other family members can learn how a business functions.

To date, Mayi Harvests has had positive impacts on Pat, her family and the community. Pat is passionate about the bush-tucker industry. For her, the business is life-saving when she considers the social issues confronting Aboriginal families and communities. The business also encourages cultural and language maintenance and makes use of natural resources. Bush foods have always been used by Aboriginal elders, so pursuing the business means ensuring culture continuity. It helps maintain spiritual health, health of the land, language and culture, and people. The business not only provides personal gratification, but allows the fulfilment of responsibilities to both family and community. Meanwhile, the business makes the family feel proud that they are Aboriginal people in Australia. It especially teaches the children that they can be proud of their Aboriginality and still do business.



Through the business, Pat is able to show the community that she is a hardworking Aboriginal woman fighting against stereotypes that exist in Australia. People see her as a woman who is trying to be successful and achieving her goals. They see her as a woman walking around happily, doing things despite the challenges. People see her as a role model in their Aboriginal community, which acts as an incentive for other people to achieve as well.

Mayi Harvests' vision is to have its products established in mainstream markets in the next 10 to 15 years. Pat sees herself as acting as a mentor, with all her children and grandchildren empowered to run the business.

Pat gives the following advice to anyone who wants to start a business: have a vision, set goals and revisit those goals periodically to remain realistic. Be committed, dedicated and resilient. Where possible, attend workshops or training to learn further skills. Join networks that are related to the business. Most of all, realise when you need a break – get rest and protect yourself.



### Critical success factors

At this stage, Pat considers Mayi Harvests as successful. She measures success not only in financial returns, but how much knowledge she has gained and how much experience and satisfaction in life she has achieved.

Several factors contribute to the business's success. One important factor is the support provided by the employment agency KRCI. With KRCI, Pat gets a small employment subsidy that in turn helps support the development of the business.

Another factor that makes the business successful is the support provided by the family members.

Last, but not the least, is Pat's drive and commitment to bring the business idea to reality, and her determination to make it successful. Pat's educational background and training helped her in her current business. She has a Bachelor of Arts and a Diploma of Education, and has partially completed a Masters in Education. She has run her own small consultancy business and been involved in the Arts and Literary industry for 30 years. She also has a Certificate in Business Management, and has attended specific industry training such as

for the accounting system MYOB, using a digital camera and Photoshop [computer software], horticultural courses, and others.

Pat holds several important positions. She is a director of the IHA cooperative, Milari Aboriginal Corporation and Djugun Aboriginal Corporation. She is also a member of the Food Industry Association and the Broome Chamber of Commerce. She is keen to join the Australia Native Food Industry Ltd. Membership in these associations and networks has benefited her business through increased access to more business information, people and markets.

### Challenges

Like most businesses, Mayi Harvests also has its share of challenges. The biggest challenge it faces is the lack of capital needed for its growth and development.

Other important challenges include remoteness of the current business location and access to bigger markets. The business is currently located on a dirt road about 150 kilometres north of Broome. There is no public access and no water, power, bus or other transport services. Moreover, there are no shops, no communication facilities or Internet connection in the area.

To overcome these challenges, Pat tries to pace herself and is realistic about her capacity to do things. She works outside the business to fund it, and gets other family members to contribute. She has put up a website to reach a wider market and has tapped the assistance of Indigenous Business Australia to fund a business mentor and consultant who could work alongside her as she grows her business.



### Key learnings

The keys to the development of Mayi Harvests have been: Pat's personal qualities as a committed, dedicated and hardworking person; her traditional knowledge; access to traditional land; the support and involvement of her family; and her formal business training. Pat's own knowledge about the traditional fruit and her passion to achieve positive socio-economic outcomes for her own community, and for Aboriginal communities in general, were strong drivers in the birth of Mayi Harvests.

CDEP's role seems to have also been instrumental in supporting Mayi Harvests. As with others in the area, CDEP benefits became a part-catalyst in encouraging Aboriginal people to set up their own businesses. The wages they receive from CDEP helped businesses cover labour costs during the early stages of the business, reducing the financial burden. Likewise, since the business idea was born through Pat's involvement in another Aboriginal business network, IHA, it appears that broader participation and networking in business and economic activities can indeed lead to innovative business ideas and new business opportunities.

### Acknowledgments

The authors would like to thank Pat Torres for sharing her time and for supporting this project. All photos (except for the first photo), came from Mayi Harvests' website (link below).

### Business profile

Type of business: Retail (bush food)

Number of years in business: 3 years

Location: Milari Community (via Broome), WA

### Contact details:

Mayi Harvests

Milari Community via Broome, WA

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Website: <http://mayiharvestsbroome.vpweb.com.au/default.html>

## Case 3: DIY Tourguide

Maria Fay Rola-Rubzen, Delgermaa Altangerel, Lucia Fung and Brian Rubzen

Travelling the outback road with Laurelle –  
DIY Audio Tourguide



### Background

DIY (do-it-yourself) Tourguide is an 'audio tour' business located in Alice Springs. It was established in May 2009 by Laurelle Halford, who sells audio commentary in CD and MP3 formats for the self-drive tourist market in Central Australia. Laurelle is currently the sole trader of the business, and is responsible for the management and administrative duties of the business.



DIY Tourguide is an innovative business, as demonstrated by its ability to identify an untapped market in tourism, and the ability to make use of the latest technology to develop business opportunities. DIY Tourguide won the 2009 Central Australian Tourism Award in the New Tourism Innovation category, in recognition of Laurelle's innovativeness and business insights.

### Establishment and product development

Laurelle Halford, originally from Melbourne, moved to Alice Springs in 2001. Armed with a Graduate Diploma in Tourism and Marketing, she worked as a tour guide on coaches in Central Australia for eight years. She soon realised that while there was an abundance of tour guide service on coaches, similar commentary services were not available for independent travellers; yet these travellers would also be interested in learning more about the places they visited. There was a market gap waiting to be filled!

Motivated by her passion for tourism and the opportunity to use her experiences and qualification to develop a brand new business direction in the industry, she created entertaining audio tours for self-drive travellers in Australia.

The audio tour commentaries took years to develop. She conducted in-depth research about each landmark along the routes, wrote the commentaries, recorded them on a computer, took them on test drives, then finalised them to be recorded in the studio.

The audio tours include information about each destination – their history, geology, animals, plants, and interviews with locals, such as cattle station owners. The recordings were also loosely timed so that they allow the drivers to stop and see the landmarks on the way.

Laurelle contributed the full amount needed for the start-up capital without taking out loans or government subsidies. Her target was to break even within 18 months to two years. She measures the performance of the business by its financial performance, sales volume, website hits and media coverage.

## Marketing and value chain

Currently DIY offers two audio tours – a 75-minute, one-CD commentary for the West Central Way (West MacDonnell Ranges), and a 150-minute two-CD commentary for Alice Springs and Uluru. Laurelle chose these two routes because of their popularity among travellers. Laurelle has met many travellers and listened to their opinions about wanting to learn more about the histories of the destinations they visited, and these two routes are in high demand with many Alice Springs visitors.

As a nascent small business, it is important for Laurelle to link with other tourism-related businesses. For instance, her CDs are sold at hotel receptions and car rental companies. The products are also available for sale on the company's website.

She believes that this product has a good market potential due to the fact that there is no similar product in Australia, except for very short 5–10 minute audio commentaries. The full commentaries developed by DIY Tourguide allow tourists to travel at their own time and pace, and learn about the history and knowledge of the destinations.

The main target customers of DIY Tourguide are Australian and international retired independent travellers, travellers from 30–40 years old, and backpackers (particularly travellers from Germany and Italy, which are major market segments for NT tourism).

Laurelle uses a range of advertising media including merchandise, participation in exhibitions and travel shows, ads in travel magazines and travel features. Word of mouth is also an important means to promote the products. The Internet is also an important promotional medium. A website was developed to promote and sell DIY's products, as well as to obtain feedback from customers. A Youtube channel was created, which publishes teasers

of the audio tours. Facebook and Twitter are also used. These social networking websites are particularly important for the backpacker market for sharing ideas, experiences and in making recommendations to their friends online.

Laurelle is also a member of Tourism Central Australia which helps promote her products to a wider audience. She is also planning to become a member of the Alice Springs Chamber of Commerce to establish stronger networks in the industry, which could be valuable for the future development of the business.

## Challenges

Despite the large market potential, the remoteness of the location poses a number of major challenges to the business of DIY Tourguide. For example, Laurelle can foresee potential logistics difficulties in distribution

when the business expands. Currently around 70 per cent of the points of sale are around Alice Springs, and Laurelle needs to travel up and down the highway to deliver the products. She may have to contract out the distribution system

if the business expands to other states in the future.

A challenge faced by the tourism industry in general is how the global financial crisis will affect the industry. Likewise, increasing fuel prices may affect tourism, including self-drive tourism, and therefore DIY Tourguide's market.

Another challenge identified by Laurelle is the lack of training opportunities, as well as the services needed for her type of business in the area. Some of the training and professional development services she needs are not easily accessible in Alice Springs because of the difficulty of bringing trainers to remote locations. Likewise, supplies and services are not easily accessible in Alice Springs. For example, the recording studio service is

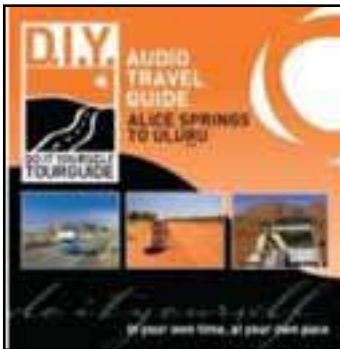
***'I am gaining satisfaction achieving financial freedom by doing something I am truly passionate about.'***

Laurelle Halford, DIY Tourguide



unavailable in Alice Springs. She often has to fly to Melbourne for the required services and supplies.

One of Laurelle's major concerns for the future is if a government agency provides a similar service for free. Laurelle believes that governments should not compete with small businesses; rather, that the government should provide more subsidised training for small businesses in Alice Springs. A number of training programs have been held in other locations (such as Darwin) but they are lacking in Alice Springs. She also suggested the use of ICTs to deliver training online if relocating trainers to remote areas is a major difficulty. Because of the limited access to external networks, the government should also assist remote businesses with access to external markets, and develop networks for further business expansion outside rural areas.



### Key success factors

Laurelle considers her business very successful because she has filled in a gap in the market with the use of modern technology. She believes that the key success factors of her business are the passion she has for the region and for the industry, her training (which is highly relevant to her business) and her social support network.

She has gained the satisfaction of achieving financial freedom by doing something she is passionate about. She has also gained personal fulfilment by developing knowledge and business-related experience from the business, such as a better understanding of the region while developing the commentaries. Similarly, her marketing and financial management skills have developed through operating the business.

She has prepared very well for the business by equipping herself with the necessary knowledge relevant to her enterprise. Her Graduate Diploma in Tourism and Marketing has proven to be very useful in developing appropriate marketing strategies. She also attended several training courses in financial management, website development and in the accounting program MYOB.

Laurelle also considers the social support and encouragement from her family and friends as very important in helping her overcome difficulties when she was developing DIY Tourguide. She had a business and life coach for six months who gave her very useful advice on business management. She also maintains her involvement with the tourism industry for the networking and support opportunities it provides.

### Goals and visions

Laurelle is hoping to develop this business into her full-time job, making DIY Tourguide products available in all states of Australia with the use of the latest technologies. She has long-term plans to develop other outback routes both within and outside Central Australia in the future. However, because of the amount of work required to develop the commentaries, she will need to hire skilled people with good knowledge of the areas to conduct research and write the commentaries for these new routes.

A more cost-effective distribution system is also needed if DIY Tourguide expands in the future. Laurelle believes that one way to reduce distribution costs is by increasing online sales. She is planning to further develop her online strategy to increase DIY Tourguide's exposure on the Internet and reach a wider range of potential customers.

When she pilot-tested her products with tourists, she found out that these tourists did stop at certain locations because of the commentaries. She therefore believes that her products will increase tourism to the landmarks covered in the commentaries. And because the commentaries have interviews with Aboriginal people, Laurelle

hopes that the products will help increase awareness of Aboriginal culture and the region in general.

### Key learnings

Laurelle is an example of the many young and brave entrepreneurs in desert Australia. Like many of the successful business entrepreneurs, Laurelle was able to identify a gap in the market and has followed through with her idea by filling that niche. Using her passion and knowledge of the industry, she developed a unique innovative business. She has also used the Internet creatively to widen her market reach. Using social networking sites has allowed her to reach a significant segment of her targeted market.

Because she operates from Alice Springs, she is in a more central economic area compared to other smaller desert towns. Yet she still experiences logistics and freight issues just like many other desert businesses, which makes her operating costs high. Nevertheless, because of the nature of the tourism industry, her market is not limited to local customers – she can potentially tap larger national and international markets. This is where governments can help: supporting remote businesses to access external markets will help them overcome the tyranny of distance.

Laurelle had a business and life coach who acted as a mentor. She stressed that her coach has given very useful advice on business management, which shows that mentors and support systems are one of the key success factors for young entrepreneurs in the desert.

As with other entrepreneurs, Laurelle's passion is a critical factor in starting and growing the business. As Laurelle says, 'I am gaining

satisfaction achieving financial freedom by doing something I am truly passionate about'. Passion is one of the main success factors that will keep desert entrepreneurs going in the face of challenges and constraints, and will help them achieve their vision and goals.

### Acknowledgments

The authors would like to thank Laurelle Halford for sharing her time and for supporting this project. All photos came from DIY Tourguide website (link below).

### Business profile

Type of business: Tourism service  
Number of years in business: 2.5 years  
Location: Alice Springs, NT

### Contact details:

DIY Tourguide  
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## Case 4: Aboriginal Heritage Consultants

Maria Fay Rola-Rubzen, Delgermaa Altangerel, Fe Gabunada and Kado Muir

Looking after country, looking after culture, looking after people

### Background

Aboriginal Heritage Consultants is an Aboriginal-owned and operated business specialising in consulting with Aboriginal people on heritage, environmental and cultural values in the context of land use or development. The business is located in Leonora, Western Australia, and was established in April 2007. Previously, the owner / managing director, Kado Muir, was running another business, Marnta Media, which engaged in cultural awareness. The cultural-awareness business was doing well when a significant demand for Aboriginal heritage consulting services started in the Goldfields region in Western Australia. This was because of the mineral resources boom and government projects. Given his background in anthropology and traditional knowledge as an Aboriginal person, Kado decided to set up a new company to do heritage consulting. Aboriginal Heritage Consultants was born.



Kado had two motives in pursuing the business. One was to get involved and have a say in the management of Aboriginal heritage at the top level as a professional adviser for industry and government. The other motive was to make sure that resources allocated for Aboriginal heritage were indeed spent on Aboriginal heritage requirements.

Having both the traditional knowledge and professional experience required for the job, Kado was in a good position to go into business. Being an anthropologist, he has worked on Aboriginal heritage for over 20 years. Moreover, he was inspired by the success of other anthropologists engaged in the same business.

Aboriginal Heritage Consultants provides services to mining companies and other resource developers that need access to land. Since land has Aboriginal heritage value, these companies and resource

developers have a legal obligation and requirements to comply with, such as mitigating the negative impact of the development and consulting with traditional Aboriginal landowners. The consulting firm serves as a bridge between the developers and Aboriginal people. It helps developers to consult with Aboriginal people about how to develop or construct their projects in a way that best protects the Aboriginal heritage from potential damage.



## Business overview

Aboriginal Heritage Consultants is solely owned and managed by Kado Muir, an Aboriginal man. His vision is for the business to be a leading Aboriginal Heritage Consultants company not only in Western Australia, but also in the country, and eventually globally. The business was set up by Kado himself, but he employs a bookkeeper. The business also employs part-time workers to deliver services. So far, the business has employed about 50 Aboriginal people for about 20 to 30 days each.

Aboriginal Heritage Consultant's services include Aboriginal heritage studies, cultural awareness training, native title negotiations and traditional knowledge-based environmental services. It has contracts with mining companies who require land access and therefore have to comply with government requirements. The firm coordinates with the community's Ngalia Heritage Research Council and the Native Title Group to employ workers. In the past, Kado worked for other anthropologists or consultancy firms; he now hires members of his own community to do heritage surveys and other tasks. This arrangement allows him to capture more of the money that the companies are spending and ensure that the benefits are passed on to members of his Aboriginal community (through employment in the projects contracted by the business).

## Marketing and value chain

The clients of Aboriginal Heritage Consultants are mining companies and other resource developers. Currently, these customers are locally based in the Goldfields region. The business either provides direct services to mining companies and resource developers or subcontracts other people to deliver the services.

By getting contracts with mining companies, the Aboriginal Heritage Consultants creates employment and provides income for members of the community.

The business has a number of competitors in the Northern Goldfields region. What makes it different from other consulting firms is its practice of incorporating community members as heritage professionals. Kado has a long-term commitment to develop the consulting skills of Aboriginal people so that they can be recognised as heritage professionals.

***'A positive feature of the business is that it allows the community to preserve their heritage and culture, and derive economic benefits from them at the same time.'***

**Kado Muir,  
Aboriginal Heritage Consultants**

The main selling point of the business is its reputation. Kado develops and delivers services that fit the customers' demands and systems. He does this by talking to new clients about their requirements and then tailors the package of services to fit with their specific requirements. Advertising of the business is done by personal contacts and word of mouth. The services get strong positive feedback from the participants, hence the word-of-mouth advertisement. The business also advertises on the Internet. According to Kado, there is potential for growth for Aboriginal Heritage Consultants because of the resources boom, not only in Western Australia but in other parts of the country. Aboriginal Heritage Consultants uses innovative tools like geographic information system (GIS), global positioning system (GPS), radio and other technologies such as computers, PayPal, the Internet, Skype, mobile phones, voice over IP (VOIP), emails and its website for various aspects of the business operation. For Kado, ICTs are central to the business. Being a sole operator, he considers ICTs as another person performing tasks for the business. Using ICTs is more about having a virtual office. As Kado explains: 'Consider the functions of a mobile phone, for example. A mobile phone can serve

as a virtual office. This is because, among other things, the mobile phone can be used for email and banking services as well as sending and receiving fax messages'. Moreover, as most of the work is done in remote areas, these ICTs are essential.

### Business performance and impacts

Aboriginal Heritage Consultants is a profitable business. The critical measure used by Kado in assessing the performance of the business is client satisfaction. Past customers and clients have given strong positive feedback about the services delivered. This favourable feedback serves as an advertisement for the business. Kado also sees the firm's ability to service existing clients and attract new ones as an important parameter in assessing its performance.



The business provides benefits not only to Kado and his family, but also to the wider community. In terms of personal benefits, the business gives Kado flexibility and freedom to engage in social and cultural activities which are important in his life and in his role in his community. Kado feels that engaging in Aboriginal Heritage Consultants is more satisfying compared to being in a full-time 'nine to five' job.

In terms of benefits to his family, the benefits are enormous. The business provides training, education and business awareness, especially to the children, that in turn can help them become business operators in their own right. Passing on intergenerational knowledge is an important goal and benefit of the business.

The community has also benefited from the time that Kado has provided to build the community members' capacity. Moreover, the business has given them access to resources and infrastructure (e.g. use of vehicle). The business also helps to keep a 'bigger picture' perspective on Native Title and Aboriginal heritage – a positive feature because it allows the community to preserve their heritage and culture, and derive economic benefits from them at the same time.

The business is able to provide employment for Aboriginal people. It serves as a good model of an Aboriginal person creating paid employment for other Aboriginal people. In fact, this model has motivated and inspired others in the community. Aboriginal Heritage Consultants aspires to extend its impact beyond the immediate community by extending its market reach to international contacts and networks.

### Critical success factors

Aboriginal Heritage Consultants defines its business success in terms of meeting the goals it created. Factors that contribute to its success are market forces, and maintenance and growth of its client base. Being at the right place at the right time for clients, the business could help with their needs, and the clients in turn could meet their obligation to the Aboriginal community under the Aboriginal Heritage Act. The business contributes in making this process easier for the clients.

Despite the absence of government support and other initiatives, the business is successful. Kado's goals, skills and personal motivation has contributed to the creation and growth of the business. Aboriginal Heritage Consultants is based on Kado's professional qualification as an anthropologist and his traditional knowledge.

Another contributing factor is Kado's willingness and commitment to continuous learning. Although an anthropologist by profession, Kado acknowledges that he has no formal training in setting up a business, or in running a business. So he actively engages in self-education and uses his networks and partnerships. Kado is a member of several organisations, including the Australian Archaeology Association, Australian

Anthropological Society and Australian Institute of Aboriginal and Torres Strait Islanders. Through these networks, he receives newsletters and other communication, and attends conferences and meetings for professional development. These networks help to market his business and build the company's credibility.

### Challenges

One of the main challenges that the business faces is attracting and managing human resources. Growth of the business requires a base of skilled employees as well as the ability to motivate these employees. Developing the skills of staff requires a lot of training and can be time consuming.

Another challenge for Aboriginal Heritage Consultants is a lack of formal, long-term contracts with clients. Formal contracts are useful to guarantee more work with clients, a factor that will contribute to the long-term sustainability of the business.



### The future

Kado is motivated by the business model of renowned businessman and author Robert Kiyosaki. Kado intends to grow his business. From a self-employed business operator, he wants to become an ultimate investor, with employees in his business, to grow his capital investment and turnover tenfold within five years. He wishes that government could help people invest in desert regions by changing the investment framework and bringing in tax incentives, as well as creating tax-free zones for Aboriginal people.

The areas that need to be improved to further develop and grow his business are human resources and information technology.

### Key learnings

At the start, Kado sought advice from some institutions that he believed were organisations that would facilitate business development, but he did not get the support he expected. Despite this, he persevered in pursuing his business. He engaged the services of paid business mentors. He also sought the assistance of some friends who willingly shared their business experiences. For Kado, it is good to have business mentors, especially those with successful businesses, who serve as inspiration or role models. He is fortunate to have these people available within Kalgoorlie.

He believes that government has a role in developing businesses like Aboriginal Heritage Consultants. However, because of his previous experiences, he is more inclined to look for support from personal business mentors instead.

Kado's passion for making a difference in his community and helping Aboriginal people get a share in the benefits from resources derived from their traditional land are his strongest motivators for starting and growing his business. His traditional knowledge, academic training, skills, practical knowledge and passion no doubt place him in good stead to make the business a success.

### Acknowledgments

The authors would like to thank Kado Muir for sharing his time and for supporting this project.

### Business profile

Type of business: Consulting services (environmental and cultural services)

Number of years in business: 4 years

Location: Leonora, Western Australia

### Contact details:

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# Case 5: MDK Taxation & Accounting Services

Roger Burritt and Amanda Carter

Taxation and accounting services in the desert

## Background

MDK Taxation & Accounting Services provides a range of services to clients in remote areas in South Australia. The organisation's offices are in Ceduna. Services include advice about income tax, capital gains tax, goods and services tax and other tax matters. In addition, the consultancy advises small businesses, investors and wage-earners. It also conducts some audit work and provides specialist advice to Aboriginal organisations. Completing tax returns, budget planning and audit services are typical examples of remote accounting services. These services represent the skills and expertise of the business owner.



The organisation is owned by its founder, Michael D. Knowles, and was established in 1998. Michael always wanted to run his own business. He identified a need for another, full-time, locally based accounting practice in Ceduna and acted to fill the gap. Having survived for over 10 years, he regards the business as a success.

## Business overview

Michael's goal was to gain independence by establishing and running his own business. The main triggers were that he had the necessary desire and confidence to 'have a go', and he perceived a market opportunity. His aims were to make a good living and help clients become more profitable at the same time.

Initial development of the business was established by word of mouth in the local community. With a moderate start-up capital, Michael found a suitable small office space. He also acquired accounting and taxation software to establish the business. A bank provided half of the capital and Michael provided the other half. This investment was returned within the first year of operation. The business did not require any other investments.

What makes MDK Taxation & Accounting Services different from competitors is a highly competitive pricing structure for services, with no 'frills' or gimmicks, and a guiding principle that you need to communicate with clients at a level that they understand. Michael aims to continue to expand the business over time and to offer more employment for local people.

MDK Taxation & Accounting Services operates as a sole proprietorship. Although Michael is non-Aboriginal, he offers specialist services to Aboriginal businesses in the area. The business is Michael's sole source of income. It also provides weekly income for three full-time employees who each work an average of 38 hours a week. Michael's wife is one of the employees. She works as a receptionist, secretary and office manager. Another employee is an accountant with five years' experience who provides mainstream services for clients. A junior bookkeeper completes the team.

## Marketing and value chain

The main markets for MDK Taxation & Accounting Services are salary and wage earners, and businesses. Eighty-five per cent of the customers are Ceduna residents and the remainder come from the surrounding areas. There is ample opportunity for growth.

The size of the community restricts the number of accounting practices that can operate in Ceduna. There are two other accounting practices in the vicinity. MDK Taxation & Accounting Services competes by giving value for money to its clients, and advice that can be easily understood and applied. Competitive pricing is important to the survival of the business and therefore prices of competitors are constantly monitored.

No formal promotion or advertising is needed because clients learn about the business from other clients by word of mouth. In Michael's own words: 'If you do the right thing by your clients, they tend to tell other people'. Therefore the business strives to provide excellent service to its clientele.

ICTs play an important role in the business. Establishing the business required purchasing computer equipment and relevant software packages. But more than the day-to-day use of ICTs in preparing tax accounts, the business also relies on access to the Internet, for example, to lodge tax returns online and to communicate through email.

Similar ICT services are required by accounting practices wherever they operate. Therefore, ICTs are seen as very important to the business. However, Michael asserts that no special requirements are needed in remote regions, except similar services to those available elsewhere in Australia.

## Business performance and impacts

Based on the annual turnover, Michael feels that the business is performing very well. Monetary targets for the business activities are regularly monitored and indicate that the goals of the business are being achieved on a regular basis. Furthermore, ongoing expansion of the business over each of the 10 years of operations continues to meet Michael's needs to maintain financial independence.

## Critical success factors

The business is seen as successful because the owner is making a 'good living'. As well, the expanding business clientele each year is evidence that the needs of clients for

valued accounting services are being met. Finally, there is a well-developed history of certainty of employment for MDK's employees.

The relationship developed by MDK with its clients, by being truthful and honest and talking with people at their own level, is critical to the success of the business over time.

***'Recognising a market opportunity to provide a required service and filling that perceived demand is likely to lead to success and independence.'***

**Michael Knowles, MDK  
Taxation & Accounting  
Services**

Michael has a university degree which he says is instrumental to recognition as a professional accountant and critical to his success in providing accounting services.

Monetary independence is a critical driver – it was one motivation to establish the business, and is important for Michael's economic independence in the long run.

The use of networks has been of considerable assistance with the business, especially in the context of being able to access and use a wider range of professional experience and legal interpretations (e.g. in relation to tax law).

Michael's aim is to continue to develop and grow the business into the future.



## Challenges

Three key challenges faced by the business are the remote location, competition from alternative accounting practices and the need for employee training. Of these, training of employees is seen by Michael as the greatest challenge faced by accounting services businesses in desert and remote areas. Employee training programs tend to be offered in metropolitan areas and are costly to access.

A related challenge is the lack of staff, whether qualified or not, in remote areas.

## Key learnings

MDK Taxation & Accounting Services is bringing an essential business support service to a remote region. The main catalyst to establish the business was the market need for a service provider in which the business owner had appropriate skills and qualifications. The business hinged on an increasing demand for accounting services. Having the qualifications required for the business, Michael had the confidence to build the business. The financial returns of the business allowed him to grow the business and achieve the financial independence he desired.



The key critical success factors are the business owner's professional background and desire to own a business, the market demand and the clients' satisfaction with his services. ICTs also help Michael overcome remoteness to some extent; for example, lodging tax returns online, allowing him to efficiently run the business.

Michael sees no role for government in supporting the development of his business. Indeed, he feels that 'there is too much reliance

on government involvement, especially in private practice'. Michael feels that recognising a market opportunity to provide a required service, and for an organisation to fill that perceived demand, is sufficient to lead to success and independence from government and other funding. He sees the growth of his business as resting in his organisation's hands, by providing good advice which will lead to a growth in the number of clients.

## Acknowledgments

The authors would like to thank Michael Knowles for sharing his time and for supporting this project.

## Business profile

Type of business: Accounting services

Number of years in business: 13 years

Location: Ceduna, SA

## Contact details:

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## Case 6: Pike River Woolshed (Sun Farm)

Roger Burritt and Amanda Carter

### Harvesting the power of the sun – a win-win situation

#### Background

Pike River Woolshed is an accommodation business opened in 2006 and operated by Andrew and Bronny Caire in a remote area near Renmark in South Australia. The business is located in an area which receives 300 or more days of sunshine every year. Andrew and Bronny work as teachers



three days a week, and operate the Woolshed as self-contained accommodation for tourists. A site is being developed with three luxury villas and a function and business centre. Of special interest is its success in a remote desert area, and its installation of Australia's first privately owned sun farm – that is, a private installation of enough solar panels to create livelihood opportunities – in December 2008.

The sun farm was built over three weeks in October 2008 to demonstrate the owners' passion for sustainable environmental excellence, and to offset electricity costs of the business – a classic win-win situation for the environment and for the business.

#### Business overview

Based on the desire to use a sustainable business model and illustrate environmental excellence for tourism purposes, Andrew and Bronny's aim in their Woolshed and sun farm partnership is to provide solar electricity for the business as well as to feed surplus power back into the grid.

The partnership is non-Aboriginal and involves two close family members who receive about 15 per cent of their income from the business. No other people are employed by this micro-business, which manages its own financial structure, business planning and development.

The sun farm took 12 months to plan and install. It uses steel framing and 495 thin-film solar panels along with six 6000 watt inverters to generate over 55 000 kWh [kilowatt hours] of power annually. Surplus power is fed into the electricity grid.

Solar Shop Australia were contracted to supply and install the equipment. They were strongly supportive of the development of this fully functional example to other farmers and investors, to demonstrate that solar energy is a financially viable investment. Solar Shop Australia is a wholly owned Australian renewable energy company that designs and installs 'grid connect' and remote power systems and is Australia's top provider of Grid Connect Solar systems. Panels are guaranteed for 25 years and require little expenditure on maintenance. Solar Shop Australia use premium brands from leading manufacturers in Japan, Germany and Australia to optimise performance and longevity of the equipment. The company's technology provided the best yield and the company was the only one prepared to make the installation; there is little competition in the area.

The sun farm works as follows: solar panels convert sunlight into DC electricity and an inverter then converts this into 240 volt AC electricity. This electricity provides for local power needs. Any excess electricity is fed into the main electricity grid and is bought by the power provider. Technically, the sun farm could keep working for 100 years. In economic terms, the feed-in tariff credits received by the owners are guaranteed by the South Australian government.

### Marketing and value chain

The sun farm product – solar generated electricity – does not require marketing because there is a 20-year guarantee from the South Australian government to buy solar energy from feed-in providers to the grid. The government buyer is a single entity that buys from a large number of sellers. This buyer has determined the price of 44 cents per kWh for up to 20 years. It is unclear from the Electricity (Feed-In Scheme-Solar Systems) Amendment Act 2008 whether feed-in tariffs will increase with natural increases in the commercial rate – which at present is at half of the renewable rate – but this would not affect the viability of the project.

The tourist accommodation component of the Pike River Woolshed is marketed through reporting in the local media as well as through the supplier of equipment, Solar Shop Australia; the sun farm has become a marketing tool for the other business activities, particularly the self-contained accommodation, which stresses the scenic tranquility of the Riverland area.

Encouragement from state governments for businesses to develop renewable power supplies provides opportunities for growth in desert Australia using the sun farm notion, provided that a connection to the grid is available. Indeed, where farmers have experienced drought

conditions, or are experiencing restricted water entitlements for irrigation, or are selling their water entitlements to purchase solar panels, the sun farm offers an alternative way to generate farm income. The land can easily be converted to sun farming from other conventional forms of farming, provided that the land has the right aspect for the sun.



The sun farm uses ICTs to collect data, so computer and access to the Internet are essential. Data collected includes daily and monthly production, individual inverter breakdown of production, economic position, greenhouse-gas savings and water savings.

***‘The desert may be harsh and businesses may face many obstacles, but there are opportunities for new businesses and innovative solutions for entrepreneurial people.’***

### Business performance and impacts

The Pike River Woolshed sun farm has been performing well with a considerable turnover and low operating costs. While it is too early to assess its annual performance, so far the operation is meeting its

goals. To run an efficient sun farm, owners need to maintain a clean site for the panels to avoid unnecessary deposits on the solar panels, and tilt the panels four times a year to optimise exposure to the sun.

The cost to establish the sun farm is considerable, but payback is expected within 10 to 12 years. The post-payback income will then be available to contribute towards the Pike River Woolshed development.

Of the required capital, around 20 per cent was contributed by the owners. The rest came from bank loans and government grants, including a \$7500 South Australian Solar Credit rebate and a \$50 000 government tourism grant. Payback of the owners' money is expected after four years.

The benefit of the sun farm venture is that it is supported by a state government policy to be carbon neutral by 2020. Renewable energy production is one of the tools that enable achieving the goal of neutrality. The accommodation business can also become carbon neutral through the sun farm. In addition, customers of energy providers can buy renewable energy to reduce their carbon footprint.



### Critical success factors

The sun farm is already seen as a success for two reasons. First, clean power is being generated and fed into the power grid to help others substitute green power for dirty, fossil fuel-based electricity generation. Second, the quantity of power generated has been at a higher level than expected, at 108 per cent of the original planned power generation. This contrasts with most business start-ups, which operate at less than 100% for some initial period.

To date, the success of the sun farm is linked with three factors. One critical factor is that the cost of repayments is less than the money generated by the sun farm's power (after selling back to the grid). A second factor leading to success is the simple processes involved: low maintenance, a smooth-running system and process for generating green power, and ease of receiving funds from the feed-in retailer. Finally,

the lack of uncertainty associated with the sun farm process leads to stable production and low risk.



The simple process and low labour intensity means that no formal training was required to run the sun farm, and no external investment (other than the bank loan) was required. As well, the capital costs to the owners were reduced as a result of the South Australian tourism grant and South Australian Solar Credit rebate.

The sun farm business venture has led the owners to look towards networking about their activities so that others can benefit from their experience. To this end, Andrew and Bronny plan to establish the first Sun Farmers Association in Australia.

### Challenges

According to Andrew and Bronny, the challenges that face developers of sun farms include:

- The planning approval process: they stress the need to complete due diligence on all aspects of the business structure: financial, organisational and time management.
- Retailer restrictions and payment responsibility: a key challenge is to list your own responsibilities and the responsibilities of others, if the venture is to succeed.
- Government legislation: unified government planning at the national, regional and state planning levels is needed to encourage implementation of sun farms. A national rate for feed-in tariffs would be more equitable.
- The retailer payment structure and responsibility need to be assured: at present, retailers in South Australia offer different rates of pay for solar power generated
- Proximity to the grid: in principle, if electricity is supplied to the premises then 'feed-in' to the grid is possible and the venture can succeed, though with State based legislation the net benefits are likely to differ from jurisdiction to jurisdiction

## The future

Andrew and Bronny's vision is to see wider adoption and increase in the number of solar sites in South Australia and nationally. Developing a Sun Farmers Association is one way to help sun farms develop and grow. The association will be able to efficiently



disseminate knowledge about the benefits, costs and expected net income associated with sun farms to potential new business owners.

A key issue is how to keep solar panels clean from dust in an arid, desert environment.

The length of payback time may also dissuade some farmers from investing, but financial analysis confirms the viability of the investment as a long-run venture.

## Key learnings

The key messages from the sun farm project are that it is possible to provide a business with its own power, to develop surplus power at a profit, and to develop a focal point for a tourism site which stimulates the interest of guests as well as reinforcing their awareness of green power. An important personal reward is being seen as a local leader in solar farm development.

This case study shows how adversity from drought and water restrictions can be turned into an advantage. Extra income was generated from solar power – an unusual way of diversifying farming activity.

Government support through targeted tourism development programs has helped with the success of the sun farm development. As an emerging industry, solar power generation requires government support and encouragement to allow this uptake of new technology. While the location of the business was critical for the production of solar power, the low maintenance cost, the guaranteed market (i.e. 20 years' guaranteed purchase from the South Australian government) and government support proved to be strong incentives. Most importantly, the owners had an open mind and willingness to try innovative solutions for their energy needs. This shows that, although the desert may be harsh and businesses may face many obstacles, there are opportunities for new and innovative business solutions if entrepreneurs are open to ideas and the right incentives are available. In fact, having trod the path of business development in remote South Australia through innovative solutions, Andrew and Bronny Caire see the future of their business as being very sunny!

## Acknowledgments

The authors would like to thank Andrew and Bronny Caire for sharing their time and for supporting this project. All photos came from the Pike River Woolshed website (link below).

## Business profile

Type of business: Accommodation  
 Number of years in business: 5 years  
 Location: Lyrup, South Australia

## Contact details:

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## Case 7: Healthy Outlook

Maria Fay Rola-Rubzen, Fe Gabunada and Brian Rubzen

Maintaining work and life balance –  
the key to business success



### Background

Healthy Outlook is a training and consultancy business that gives leadership, career, business and life coaching. It is currently located in Alice Springs, Northern Territory. Healthy Outlook was established in 1998 and is co-owned and managed by Sue Gregory.

Healthy Outlook provides services that help to ignite the ability of individuals and work teams to reach their full potential and to create a healthy outlook on life. Sue and her team conduct personalised coaching for individuals and teams, tailored workshops, strategic planning, stress management and self-help CDs and other audiovisual products.

The business was developed when the company Sue was previously working for was bought out by an American company. That company decided not to buy the Tasmanian section of the business. Since Sue had existing clients and the company was happy for her to retain those clients, she created Healthy Outlook. The business was then later relocated to Alice Springs.

Aside from delivering its programs through coaching and workshops, the business currently has the following products: CDs, DVDs and e-books. These products were developed in response to people's demand.

### Business overview

Healthy Outlook aims to improve people's personal and professional growth and make a difference in their lives to improve workplaces and communities. The enterprise is very holistic. It brings together knowledge from small businesses, the corporate world, and how to heal and change deep attitudes and beliefs.

Healthy Outlook is a partnership between Sue and her husband, although Sue is more active in the business, working full-time to run the business. The couple's partnership works well. Sue's husband takes charge of financial management while Sue does the administration and marketing. Sue also conducts the coaching and facilitation services. She subcontracts some coaching experts to carry out the programs of Healthy Outlook.

The business started with existing clients, so did not require much capital. Costs are low because they do not have full-time employees. Rather, Healthy Outlook partners with other professionals, subcontracting them for varying periods depending on the job requirement. Sue gets all of her income from her full-time role in the business. The business is profitable and does not need other people to invest and assist it to grow. In fact, Sue is very happy with the current position of the business.

Marketing and promotion of Healthy Outlook are done through email, conferences, advertising in the local paper, word of mouth and through Healthy Outlook's business website.

## Marketing and value chain

The clients of Healthy Outlook are individuals and teams from various organisations and agencies. Clients include leaders and human resource staff, not only from the Northern Territory, but Australia-wide. Currently, clients from the Northern Territory account for about 30 per cent of Healthy Outlook's customers. The services Healthy Outlook provides vary depending on the client. Services are in the form of individual coaching or group workshops.

The business has competitors within the Northern Territory and in other parts of the country, but its main selling point is the value of its products and services, as well as how the services are delivered. The business offers a broad spectrum of holistic coaching and training products and services, using real-life examples and varied ways of thinking as training tools. This aspect of the business is emphasised in its description on the website, on its fliers and through quality relationships with customers.

Marketing strategies include branding, using a logo and

Healthy Outlook's business website. Sue believes that Healthy Outlook has the potential for growth because more people are recognising the importance of work-life balance, and the demand for coaching from small business owners and the corporate world is increasing.

Just like other businesses, Healthy Outlook benefits from using ICTs, such as the computer, Internet, Skype, mobile phone, email, PayPal and a business website. ICTs are used for advertising, promotion, recordkeeping and communication, which are all essential for the operation of the business.

## Business performance and impacts

Healthy Outlook is performing very well and is considered a profitable business. Business performance is monitored through client

evaluations, which reveal that customers are satisfied, and lead to repeat work through word of mouth referrals. Sue also receives invitations for international speaking engagements.

The enterprise is meeting its goals; thus Sue considers it to be successful.

For Sue, Healthy Outlook provides life and work satisfaction and happiness. She is living her life's purpose through the business and having good fun at the same time. The business has an impact on Sue's time at home with her family though, as it requires a lot of travel and long working hours. However, she makes an effort to maintain a work-life balance as much as possible, in line with the company's beliefs.

The business's impact on the community is considered very positive. Clients feel that they are now leading or managing work-life

balance better. They make decisions that they may not have made before. In fact, one client has been inducted into the Manufacturing Hall of Fame and has attributed part of the company's success to the work of Healthy Outlook; David Stannard,

site manager of Basell Australia's Geelong Polypropylene Plant has this comment on Sue's business website: 'Sue Gregory's coaching and strategy skills helped us achieve a whole new level of high performance in safety and business performance. The result has been induction to the Victorian Manufacturing Hall of Fame, 2008'.

## Critical success factors

Success in this business is determined by the level of happiness of the customers and the owners. According to Sue, coaching is a satisfying job. Sue enjoys her job and is fortunate to be able to link her passion with this kind of work. Sue finds variety in the business.

***'Be very sure that you want to do it, be committed both to the business and to your family, and most of all, do your market research and be strategic.'***

**Sue Gregory, Healthy Outlook**

The business also offers the opportunity to travel, meet new people, develop new ideas and achieve lifelong learning.

The important factors that contribute to the success of the business are her ability to practise what she preaches: work–life balance; the support from family and friends; and the ability to choose ideal customers.

Sue possesses the appropriate professional training that has helped her in the business. She is an accredited occupational therapist, psychotherapist and qualified therapeutic touch healer. She is also a practitioner of Neuro-linguistic programming. She has more than 30 years of experience in her field and is the Vice President of the Therapeutic Touch Association of Australasia.

Her membership in networks and associations is beneficial to the business. Aside from developing friendships with other members, she also receives support from word-of-mouth referral. In return, Sue is able to help others with business ideas and contribute to the members in the associations.

## Challenges

As the director and owner–manager of Healthy Outlook, Sue had to learn how to run a business, network and find new clientele. As the business is located in very remote Australia, networking opportunities can sometimes be limited, unlike in larger cities and regional centres.

To overcome these challenges, Sue studies, reads about and attends courses about business management. She also uses every opportunity to network and make key contacts in organisations, companies and government agencies.

Sue intends to continue growing Healthy Outlook into the future. She hopes to have more flexible working arrangements and expand her client base to Aboriginal people and Aboriginal organisations.

## Key learnings

Several factors have helped establish and grow the business. These include Sue’s inner vision, her ability to take risks in tough times and the desire to follow her own heart. For Sue, being

the owner–manager of the business means she can dictate its direction. The nature of the business suits Sue’s lifestyle.

The practice of using subcontractors seems to be a good business model for MSMEs such as Healthy Outlook because it keeps business costs down and allows the business to use external expertise on demand. At the same time, Sue’s business partners are free to take on other opportunities.

## Acknowledgments

The authors would like to thank Sue Gregory for sharing her time and for supporting this project. Logos came from Healthy Outlook website (link below).

## Business profile

Type of business: Consulting services  
(coaching, leadership, health and wellbeing)

Number of years in business: 3 years

Location: Alice Springs, Northern Territory

## Contact details:

Healthy Outlook

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## Case 8: Leonora Motor Inn

Maria Fay Rola-Rubzen, Delgermaa Altangerel and Fe Gabunada

### *A home away from home in the desert*

#### Background

Leonora Motor Inn is a motel business located in Leonora, Western Australia. It provides accommodation for tourists, business representatives and travellers for overnight or longer stays. It is owned and managed by husband and wife team, Kempy and Shorty Kemp.



The couple started their motel business in 2001, first leasing it from the previous owners. In April 2008 they bought the motel. Getting into the tourism industry and owning an accommodation service had always been in Shorty's mind, having had previous work experience in the industry. With the support of her entrepreneurial husband, Kempy, the couple are working hard to diversify their accommodation business to include a coffee shop, restaurant, spa and bar. 'We are also planning a laundry service. These are all so that our customers will feel comfortable, whenever and whatever time they come,' Shorty said. As the couple puts it: 'Our aim is to make Leonora Motor Inn a place where people can have a really nice, relaxing stay in the desert'.

#### Business overview

Leonora Motor Inn is a family business where Shorty and Kempy work full-time. They also employ one part-time and two full-time employees. Like many family-owned businesses, the company does not have a complicated organisational structure. Shorty and Kempy perform both management and administrative functions. They develop the marketing and financial strategies with the support of their accountant, who is based in another town. One of the full-time employees helps with administration.

Before her involvement with Leonora Motor Inn, Shorty was managing two other accommodation establishments in Leonora when the opportunity to lease Leonora Motor Inn came up. Shorty also owned a coffee shop in Bunbury which she gave up to pursue this business. Meanwhile, Kempy has an earthmoving business, which he has put on hold because of his involvement with the Leonora Motor Inn. Shorty and Kempy leased the Leonora Motor Inn for seven years.

As soon as Shorty and Kempy bought the Leonora Motor Inn, they started investing heavily in the business by providing new linen, flat-screen TVs, new beds, other fixtures and repainting the premises. 'We get a lot of repeat guests. If people are not happy they won't come back. But we get so many repeat [visitors], people just come back. People are seeing that we are not just for profiting; instead, we are improving the business. I think they like it. When profit comes in, we just don't pocket it. We

put it in the business,' says the couple. They are determined to make their customers happy. They invested a large amount of capital in the business, about 88 per cent of which came from a bank loan. The couple expects to get that amount back after five years.

### Marketing and value chain

The customers of Leonora Motor Inn are usually business representatives, professionals and tourists from places outside of Leonora. There are competitors in the area, including hotels and a caravan park. However, Leonora Motor Inn aims to be different to its competitors by providing the best service possible to its customers. In addition, because it is a motel, a lot of people (especially backpackers and caravaners) prefer to stay in Leonora Motor Inn rather than in hotels and mining camps.

The main selling point of the business is its good service.

The rooms are nice and clean, and the business is growing. The favourable feedback about the motel and its services spreads through word of mouth. In 2009, Leonora Motor Inn was advertised on the Golden Outback website and in the Yellow Pages. Promoting the business is done through word of mouth, advertising and merchandising. As a marketing strategy, Shorty and Kempy offer to pick up and drop off guests at the airport. This is especially attractive because there is no taxi service in Leonora. The motel also offers a promotional price for the rooms – for example, during the Aboriginal band competition, it gives 50 per cent discount to the non-profit organisations involved. Apart from the discounted price, customers are also enthusiastic about the friendly service that the management offers.

The business applies various pricing and costing strategies to attract customers. For example, customers in groups (say, in a coached tour) are given discounts. Similarly, senior citizens are given discounted prices. For Shorty, the business is not always about money but more importantly about customer satisfaction.

Leonora Motor Inn uses ICTs in its business operations. For Shorty and Kempy, ICTs are vital to running the business. The range of ICTs used by the business includes the Internet, mobile phones and PayPal. The business is currently developing its website.

***'Be prepared to work hard, do your homework first and be committed. Unlike other businesses, the hospitality business involves seven days a week work. People need to know what they are getting into.'***

**Kempy & Shorty Kemp,  
Leonora Motor Inn**

### Business performance and impacts

Leonora Motor Inn is a profitable business. When the couple initially took over the business, it was not doing particularly well. However, the couple worked hard to improve service and develop a good reputation. Now, the business is doing

really well and is expanding its clientele.

Shorty and Kempy monitor the business performance of Leonora Motor Inn by the customer feedback and their weekly financial performance. These dynamic entrepreneurs are always seeking ways of improving and growing the business.

The business has had impacts not only on the family but also on the community. As a family-run business, managing Leonora Motor Inn demands a big commitment, which means the couple has limited family time. Fortunately, they have a very strong relationship, and managing the business provides them with the opportunity to work and spend time together, a bonus they have always dreamed of. The positive aspects of running Leonora Motor Inn include the financial benefits, the satisfaction of running their own business, being in control,

and showing their kids how to run and operate a business establishment. The couple try to teach their kids good work ethics and independence.

The community benefits from the business as well, through the employment opportunities it offers. Apart from employing local staff, it also supports local food businesses by issuing food vouchers to its guests. The Leonora Motor Inn guests use these vouchers to get their meals from these establishments. The Motor Inn also supports other local businesses by shopping and getting supplies locally. In addition, the business supports local organisations and clubs by offering sponsorship of locally organised events. These events are very important for the survival of small desert communities.



### Critical success factors

The main success factors in the business are the passion the couple shares for their business and their commitment to grow the business. The business has not received any subsidy or support from the government, yet it is successful. Their understanding of what the customers want from their previous experience in the industry has no doubt contributed to their success.

Shorty and Kempy define success in terms of customer satisfaction. In this regard, they believe their business is successful, as evidenced by the many people who come back and stay with them. They have numerous repeat customers, perhaps because people see that they are not just in the business for the sake of making money; rather, they put a significant part of their profits back into improving the business and providing even better customer service.

The mining industry in the area also helps to grow the business because many of the motel's patrons are either working, servicing or visiting the mine sites in Leonora and nearby areas. Membership of the Golden Outback, a tourism body, helps the business by advertising the motel and recommending it to potential customers.

### Challenges

There are several challenges that the business faces. One challenge is finding reliable staff and keeping them. Another challenge is getting quality trade services on time. Trade services in the area are limited, so they need to adjust to the availability of tradespeople.

Freight is another issue that confronts the business. Being located in a remote area, getting materials for building maintenance as well as bringing in goods, such as beds and other fixtures, is very expensive. The distance of Leonora from major food centres means food and other consumer goods are more expensive because of the freight and transport costs. This increases the operating costs of the business. There is also a limited variety of food within Leonora, compared to regional centres such as Kalgoorlie.

### The future

Despite the global financial crisis, the future of the business is expected to be bright because of the mining activities in the area. The couple expects their business to continue to grow. Shorty envisions Leonora Motor Inn to be the best, and most casual and comfortable place, not only in Leonora but also in the Goldfields region.

With this in mind, Shorty and Kempy want to further improve the quality of Leonora Motor Inn's accommodations. They want to get a liquor licence, upgrade the rooms and do other improvements. These developments require time and money, and the cooperation of the local government for business permit approvals.

The couple emphasised that the Shire and local government's support is essential for the success of businesses in the desert. Supporting local

businesses will help grow the economy because local businesses tend to support each other as well as support community activities.

For people considering starting a business, Shorty and Kempy suggest: 'Be prepared to work hard, do your homework first and be committed. Unlike other businesses, the hospitality business involves seven days a week work. People need to know what they are getting into'.

### Key learnings

The most prominent learning from this case study is that the owners are very entrepreneurial. They previously owned several businesses, and were happy to try a new business enterprise when the opportunity arose. This shows that there are business opportunities in the desert for entrepreneurial people. However, to run a business in a remote desert environment where the market is limited, business owners have to go 'the extra mile' to increase and keep their client numbers.

The constraints of remoteness, lack of essential services, high operating costs are day-to-day challenges these business owners have to deal with. Shorty and Kempy's passion for the business is clearly an important ingredient in dealing with these challenges and in the success of their business.



For this entrepreneurial couple, customer satisfaction is paramount. Accordingly, they constantly strive to provide consistent good service. They believe that if they achieve their vision, profit will come later. It is not surprising,

then, that the primary factor that contributes to the success of the business is their approach of providing the best service possible.

Aside from internal factors, the general economy, local government and other local businesses play important roles. For instance, if the economy is not favourable and causes mining companies to cease their operation, local businesses will be affected because the number of customers is likely to decrease. On the other hand, when the economy is strong, more clients will come. In the same manner, when local government supports local businesses, then businesses in the area will thrive. Providing a supportive and enabling environment is therefore critical for businesses to develop and grow. This is where local governments can best help businesses and, ultimately, the local economy.

### Acknowledgments

The authors would like to thank Kempy and Shorty Kemp for sharing their time and for supporting this project.

### Business profile

Type of business: Accommodation  
Number of years in business: 10 years  
Location: Leonora, WA

### Contact details:

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## Case 9: Pampul Healing & Therapy Wiru

Joan Gibbs with Patricia and Zane Gunter

### A healing touch from the desert

#### Background

The family business, Pampul Healing & Therapy Wiru, is based on the use of a traditional bush medicine plant and traditional knowledge of hands-on healing (pampul wiru). The family sells bush medicine products for the skin, and Patricia gives massage therapy and workshops in traditional healing.



Patricia Gunter is a traditional Anangu Pitjantjatjara *wandjeri* (healer) who inherited the knowledge of healing and medicine from her grandparents at Oak Valley and Yalata, in western South Australia. She started a family business enterprise in 2003 to produce bush medicine at their farm near Ceduna, South Australia, together with her family; husband Zane, a registered nurse; their five children; and various brothers, aunts and cousins. The motivational catalyst to establish the business was Patricia becoming a grandmother for the first time and realising her knowledge of healing was useful for her family. Then, as her healing became more well-known, keen local interest in her healing technique developed. The business developed further as a result of continuous demand from grandchildren, extended family, sports injuries, and aches and pains of the elderly. Within 6–8 months, the business expanded and a brochure was produced for advertising. Soon non-Aboriginal people were also asking for Patricia's healing massage and the bush medicine, especially when they heard about it from Zane, who is a clinical nurse at the hospital.

The products include a wide range of medicines, based on the bush medicine plant, the traditional Anangu medicine most well-known and used widely by Aboriginal people in northwest South Australia. Patricia knows where to collect it, and has the permission of the elders. The range of products and services means the Gunter family has a diverse range of business options including:

- bush medicine massage oils and extracts
- foundation creams
- soaps and bath salts
- hands-on healing sessions
- counselling
- workshops for healing through art and culture, for children, schools and other groups or organisations.

#### Business overview

The long-term vision for Pampul Wiru is to include clientele from Australia-wide and international markets, and to offer a broad array of goods and services. In the short term, the family hopes to keep up with the local demand and find new markets in other parts of Australia. The goals are to link bush medicine with the many ways of healing – such as health services and counselling – and to be role models for Aboriginal and non-Aboriginal family businesses.

The process for developing the enterprise was very quick: within one year, mostly by word of mouth. The only limitation has been keeping up with the demand. In the first year, brochures and business cards were placed at various shops in Ceduna, and now Patricia spends 20 to 30 hours a week treating people at her home, the hospital or at clients' houses. It is mostly local people who know about her healing and ring up for appointments. Family and extended family members help by going into the bush to collect the plants, knowing the land and the plants. The medicine is prepared at home and put into bottles with home-made labels. Special events, such as the Oysterfest, and several conferences with DKCRC, have been used to sell bush medicine and give massage therapy. Workshops in Adelaide have been tried several times, at Aboriginal centres, with booked clients, mostly non-Aboriginal.

The business structure is a straightforward family business. Patricia is the principal operator, supported by her husband, Zane, their three daughters (Kellie, 13; Serena, 18 and Alanna, 21) and two sons (Jamie, 27 and Alan, 20). They live on their small farm nine kilometres east of Ceduna, and Zane has built a shed and gardens for expanding the bush medicine business. The children are also key contributors to community projects and sports, and all have busy social lives. Other relatives can be called on for help and support, such as Troy (Zane's brother), who works on a remote station and has a keen interest in business and patenting. Patricia's family live in several Aboriginal communities at Yalata, Oak Valley and Koonibba, where the bush medicine plants grow. Various relatives help with collecting plant material.

Management and administration are opportunistic and as needed. Servicing clients and making bush medicine must fit into the daily life of the family, with school, caring for two

adopted small children, and various 'outside' jobs. Zane looks after the email and Internet correspondence, but this is not a big part of the business. Patricia takes appointments through her mobile phone and she has a number of regular customers in Ceduna and at the hospital. No other management or administration is necessary.

### Marketing and value chain specifics

Most of the market is local (90 per cent) because daily family life requires Patricia to work from home. Through Zane's work at the Ceduna Hospital, Patricia is contracted by community services to massage patients and the elderly with her bush oils. Sports groups and individuals request treatment after sporting events. Tourists request appointments after seeing the brochures at the tourist information centre. Professionals such as pilots and train drivers use Pampul therapy regularly. Aboriginal women's groups use Patricia's massage services, mainly at Weena Mooga Women's centre in Ceduna. The other 10 per cent of the market is through

her stall with posters at conferences and special events, such as Oysterfest and Tunarama.

Many Aboriginal women make and sell bush medicine products. However, Patricia is unique in combining the bush medicine with her healing abilities and her strong personality. The numerous selling points for her business are:

- the natural alternative medicine works to relieve pain and inflammation
- the marketing brochures with colourful pictures
- the reputation that Patricia has gained in Ceduna
- Zane's connections to the health industry
- the popularity of their vibrant children in the community and at school
- the national/international exposure through DKCRC.

***'Being in the desert is an advantage, since the bush medicine plant is desert-loving.'***

**Patricia Gunter, Pampul Healing & Therapy Wiru**

The themes exploited in marketing are seen on the label and posters: the traditional name promoting culture and tradition, Patricia's status as a traditional healer, the desert plants and the seacoast. Promotion is mainly by word of mouth, brochures and business cards. The brochure displays the types of massage, with prices, and the cost of the bush medicine, along with a photo of Patricia. Promotion at conferences takes place at designated stalls, with colourful posters and table displays of bush medicine, desert stones and scented candles. Distribution through the postal service is possible, but has not been a large part of the business.



The best value in the business is that overheads are very low and there are no debts or loans to be paid back. Income covers the costs and surpluses are reinvested in advertising and buying bottles, ingredients and solvents. Salaries from other paid jobs (such as Patricia's work in court as interpreter, and hospital work) pay for other expenses like petrol, computer and setting up workshops.

Growth is possible, if they decide to enter the international market in future. There is interest from a major multinational company for taking the bush medicine and marketing it with the family. Also, a pharmacologist from a chemical company is interested in working with the family. These negotiations are confidential within the family. Developing a plant nursery to grow the bush medicine plant to increase production is the next step in making the plant material more sustainable and to reduce travel costs in obtaining the plant.

The innovations that helped the business were the connections between Aboriginal and non-Aboriginal society, and using elements of both cultures. The advantage of being in the desert is having access to the plant resource and having the approval of the traditional people to collect it on their lands. The plant grows mostly in the western part of South Australia, although other species occur in Western Australia and Northern Territory. Patricia has the permission of her elders to use the recipe she was given to make the bush medicine extract. This recipe is kept secret. This is the only way to protect the intellectual property of her family and the Aboriginal people who used the bush medicine plant for thousands of years. Numerous corporate interests and individuals are now trying to patent the use of the bush medicine plant, but it is widely used by Aboriginal women in western South Australia, and many preparations are sold there or via online.

#### Business performance and impacts

The business is operating at a capacity that suits the family's ability to cope. Since there are no overheads, the business could continue as is. Many goals of the family are being met, which are based on helping others and reaching out to meet the needs of family and friends, which in turn nurtures the family. Business income barely meets the expenses, but feedback from individuals and groups keeps the business in high demand.

The impacts and benefits of the business have been enormous for individuals, the family and the community. The Aboriginal community has been promoted through Patricia's work, and the value and application of bush medicine increases the profile of Aboriginal people. The business has given purpose and commitment to family members. The local popularity of Patricia and her family has been a factor in the popularity of the business, so these factors cannot be separated. Patricia's confidence has grown immensely through the exposure she has had to national and international conferences, thanks to her relationship with the DKCRC. Financial dependence is not a big issue, but it is good for the family to know that the business would provide an income if necessary. The benefit

is 'healing through Jesus and touching lives' and the money meets only basic needs of the family. Business performance is monitored in a superficial way.

### Critical success factors

Client satisfaction, feedback and continuing demand for therapy tell Patricia that the business is successful, to a degree. The profit is minimal, but there is keen interest in expanding, not only from the Gunter family but also from pharmaceutical companies, Aboriginal organisations and other individuals who want to develop the bush medicine to make greater profits. At the moment, most of the plants are collected from the bush. Wild harvest is a growing issue, and depletion of the source plants in the bush is a great concern. Creating orchards and plant farms might be essential for a sustainable bush medicine business, to protect the resource on the lands. The Gunter family is now taking steps to grow shrubs on their five-acre farm, and others could develop businesses supplying seedlings.

Success has come to the business primarily because of the family's job success, status in the community and popularity. The success factors are numerous:

- cultural background, knowing the plants, the land and the healing technique
- family relations and connection to country where the plants grow
- Zane's position in the public health system, as Head Clinical Nurse
- regular income from jobs at the hospital and court translating
- low or no overheads, working from home
- no debts to pay back, only direct expenses
- children are healthy and successful in school and sports
- family participation in community projects and fundraising.

Training and workshops have definitely helped in business success:

- Patricia had cultural training from her elders while she was growing up
- TAFE Aged Care and Disability (Certificates 1 and 2)
- Community Services (Certificate 4)

- public speaking experience with DKCRC and women's groups
- business planning workshops run through the Far West Coast Aboriginal Network (WestCAN) project (e.g. writing a business plan, business development of bush products)
- Zane has nursing qualifications and is a registered nurse; he has language skills in Pitjantjatjara and is also a religious minister and preaches part-time in Aboriginal communities on weekends.



Funding and projects have provided necessary first steps to build up confidence and to recognise and value traditional ownership. DKCRC provided the project under CP3, which created the WestCAN Aboriginal network. At the beginning, people shared business ideas and enthusiasm in meetings and workshops, to gain confidence. Through the project officer, three workshops in business planning for Aboriginal people were organised and funded by various agencies.

The success of Pampul Wiru Healing is partly because of the encouragement, interest and enthusiasm coming from family and friends (30 per cent), but the persistence and energy to do the work and organisation comes from the dedication of Patricia and Zane (60 per cent). The WestCAN network and DKCRC (10 per cent) have provided business opportunities,



encouragement and involvement in a broad range of activities and conferences. They facilitated workshops to develop skills for sustainable businesses.

## Challenges

The three most important challenges, and suggestions on how they could be overcome are:

- Plant materials are limited and cost time and petrol to find and harvest. The solution to this is to propagate and plant Patricia and Zane's five-acre farm with bush medicine shrubs or buy more property to expand.
- Markets are unsteady and intermittent, with low demand at times and extremely high demand at other times. By searching out and knowing the markets, Patricia and Zane can supply the demand as the need arises.
- Capital investment, equipment and expertise are limiting, as the family needs help to understand permits, insurance and regulations. They would like expert advice from accountants and lawyers for business management and manufacturing other products.

Being in the desert is an advantage, since the bush medicine plant is desert-loving. Patricia's intellectual property is from the desert people, Anangu Pitjantjatjara, and the power of healing is from the cultural connection to country. The main issues of operating in the desert and the solutions are:

- Water supply: Larger tanks (15 000 gallon) are needed to capture and store more rain, also recycling with a biolytic system or greywater re-use system.
- Seasonal factors: The growing season is short and opportunistic, so plants grow too slowly in the bush. Sustainable supply would come from irrigation and dripper systems on concentrated farms to produce more leaves in a smaller area.
- Access to traditional collecting areas may be restricted: Extended family in Yalata or Oak Valley could be hired to collect at opportune times.
- Isolation from markets means it is difficult to know what is going on: Computer Internet access and training for eBay sales would help ease the isolation issue.

Being at the seacoast is also an advantage because 'healing comes from the sea', Patricia says. Having the desert reaching to the coastline is a tremendous asset because of the tourist attractions and the pleasant, enriching environment. The only thing needed is more tourists to come to the area to appreciate the beauty and resources of the desert and the Southern Ocean.

## The future

The vision for the future is to expand the business so that the wider community believes in Pampul Wiru Healing. The next step is to plan for a Healing Centre in Ceduna, with a partner who can help set up the location. Activities in the new centre will include:

- workshops and school activities
- counselling and family therapy
- massage appointments
- government services
- shopfront for a wide range of products
- advice for other businesses.

To further develop and improve the business the following areas are needed:

- expert advice on markets and whether expanding is cost-effective and low risk
- create a sustainable supply of plants in time to meet the rising demand, considering the time required to develop new plantations, providing water supply and research on oil quality and quantity with seasons
- set up an Internet and eBay business, with training in bookkeeping.

## Key learnings

The most important learning is that the rewards are more in the happiness and enthusiasm felt by the family rather than in high profits. The business can sustain itself in the present market, but the family cannot rely on the business for their main income. Moving to another business level requires a shift in commitment. There are a number of steps that would be taken together, if the business is to change to provide greater profit. Their thinking is as follows:

- Growing a home source of medicine plants requires greater investment.
- Expanding to a greater range of products will require research and development.

- Extending to overseas markets will require contacts, strategies and website business presence.
- Pricing is presently simple, and the low prices keep the product economical and affordable to customers, but expanding may make the business become less cost-effective because of higher overhead and other related costs.
- Working for CDEP wages two days a week was unsatisfactory; not getting paid for each client was unacceptable; so independence is better.
- These are valuable ideas that will help decide whether the greater risks are worth the potential gains. The reliability of bigger markets is untested, but the risks do not seem great at the moment.

Thinking processes that would facilitate the development of the enterprise are:

- feelings that the products heal effectively and encourage healing families
- promotion of Aboriginal culture and traditional healing
- positive attitudes of expanding into the unknown of international business
- encouragement from positive people to take further risks
- client satisfaction and positive feedback indicates an increasing demand
- keen interest from pharmaceutical industry is encouraging
- funding to grow the plant resources on the farm
- funding to expand the water resource for growing plants on drippers.

Processes that could hinder development of the business include:

- negative feedback from clients that the healing was not effective
- local racism that hurts the family and Aboriginal causes
- fear of the unknown factors in expanding into the international scene
- laws that prevent the selling of medicines in Australia or overseas
- rising costs of materials and transport
- lack of protection from exploitation by big industrial interests, loss of patents or intellectual property
- plant resources could be over-exploited and plantations do not grow well.

The role of government is to provide expert advice at three levels:

- federal legislation advice about licensing traditional medicines and exporting them overseas
- state legislation should provide controls on wild harvest
- local government could provide business advice, through the Eyre Regional Development Board.

The family does not want interference or ownership by government – they are also cautious about including any outsiders in their business plans. They receive their advice from accountants, lawyers and professionals, which they keep confidential. On the other hand, they see the government's role to provide grants to fund plantations and water resources, to relieve pressure on native vegetation. The grants would overcome the barrier of supply of good plant materials and the concerns about depleting the bush resources.

### **Acknowledgments**

The authors would like to thank Patricia and Zane Gunter for sharing their time and for their support for this project.

### **Business profile**

Type of business: traditional/bush medicine

Number of years in business: 8 years

Location: Ceduna, South Australia

### **Contact details:**

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## Case 10: Thrifty Car Rental Alice Springs

Maria Fay Rola-Rubzen, Brian Rubzen and Lucia Fung

### Over four decades on desert roads

#### Background

Thrifty Car Rental Alice Springs is a proprietary limited company and a franchisee of the multinational Dollar Thrifty Automotive Group. It is one of the eight Thrifty franchisees in the Northern Territory owned by a family.

The business of Thrifty Northern Territory

(Thrifty NT) originated from a family-owned car rental business in Darwin, established in 1964, before it was franchised to Thrifty. Its establishment was fully financed by self-generated capital by the family, without any loans or government subsidies. It has grown from a small family-owned car rental company to a business with offices in Alice Springs, Darwin, Ayers Rock, Tenant Creek, Catherine, Jaberoo, Broome and Kununurra.

Thrifty Alice Springs is a highly successful business. Its excellent knowledge of the industry and the customers, and its flexibility to quickly respond and adapt to rapid changes in the market, are amongst the critical success factors for the business.

#### Business overview

The management structure of Thrifty Alice Springs (and other branches under Thrifty NT) is independent of Thrifty International. About 20 staff are employed in Thrifty Alice Springs, including about 15 permanent staff and about six casual staff. Seasonal employees are also employed from time to time. The company is managed by the Central Australia manager, Steve Shearer, along with its administrative department. Steve Shearer is a long-term resident in Alice Springs, having lived in the area for the past 24 years. He was in the tourism industry before joining Thrifty NT five years ago. The family that owns the business also participates in its management through the Board of Directors. The branch in Alice Springs develops its own independent pricing strategies. For example, it has its own seasonal- and area-specific prices; differentiated pricing strategies are also developed for different customer groups.

#### Marketing and value chain

Thrifty Alice Springs' business is mainly targeted towards tourists, the mining industry and other commercial customers. Its products have been chosen to cater to the specific needs of these target market segments. For example, bush-ready commercial vehicles are available for hire because many mining companies and other businesses in the area have to go to the bush very often.



## Thrifty Car Rental Alice Springs: Over four decades on desert roads

Apart from car rental, Thrifty Alice Springs also sells add-on products often demanded by businesses operating in remote areas, such as cargo barriers, second spare tyres, roof access, recovery kits and refrigerators. They therefore develop this market niche because these products are in high demand, but are not available from other car rental companies in the region.

Thrifty Alice Springs is promoted both nationally and locally. National marketing is performed through Thrifty Australia.

Thrifty NT also performs its own local marketing through marketing and sales

staff based in Darwin. Print media is Thrifty NT's major advertising medium to its targeted customers. For example, advertisements are featured on tourism brochures for tourists. Adverts are also posted in mining magazines for commercial customers in the mining industry. The Internet, email and the company website are also important promotional media. Radio and television commercials are also used, but very infrequently.



***'Apart from providing superior customer service, it is also very important to have a good understanding of the characteristics of each product, the needs of each market segment, the business environment in the industry and the economic environment in general, to determine the best sales and marketing strategies.'***

**Steve Shearer, Thrifty Car Rental Alice Springs**

Apart from promotional purposes, ICTs are also very important in the daily operation of the business. For example, the Internet,

emails and VoIP are more frequently used than phones for communication with suppliers and customers. An online reservation system is also available on the company website and payments can be made through PayPal. Virtually no reservation can be made without using ICTs.

Alice Springs has a large market and has huge growth potential for rental vehicle businesses, because it is such an iconic town, which makes it

a popular location for visitors. Having its own airport also makes Alice Springs an important business hub in the Northern Territory.

However, these opportunities also make the car rental business very competitive. Currently there are four other major car rental companies in Alice Springs.

Despite the highly competitive market condition, Thrifty Alice Springs enjoys a number of advantages over its competitors. For example, it has a number of products not available in other car rental companies in the area, such as mine site-ready vehicles, bush-ready vehicles and other regional-specific add-on products. Many customers in Alice Springs also prefer Thrifty because it is locally owned, unlike other corporate-owned car rental companies in the area. Its experienced staff also helps differentiate Thrifty from other car rental companies in Alice Springs. Because of these competitive advantages, Thrifty Alice Springs has maintained its long-term profitability without government or external support.

## Challenges

Thrifty Alice Springs faces a number of challenges because of its remote location. Logistics is one of the most important issues. For example, the manager for Central Australia is responsible for the branches in Alice Springs, Tennant Creek and Uluru. These branches are several hundred kilometres away and the staff usually have only two days to relocate the vehicles from one branch to another. This can pose a problem, particularly during peak tourist seasons.

The costs of running a business in remote areas are also higher. For example, freight costs are higher because of the distances. The cost of Internet access, which is crucial to the daily operation of the business, is also higher in remote areas. The Central Australia manager, Steve Shearer, suggested that the government could help ease the burden of remote businesses by fixing the roads and developing infrastructure in the surrounding areas to alleviate these logistical problems. ICT infrastructure could also be developed and improved to improve efficiency and reduce costs of services.



Being located in a remote area also makes attracting and retaining long-term staff difficult. Alice Springs has a high population turnover. The business suffers from high staff turnover. The loss of experienced staff, and additional recruitment and training costs for new staff is a challenge for the company. Staff development is therefore given special attention, to attract and retain long-term employees. Thrifty Alice Springs trains its employees in-house, bringing in training officers from Darwin. Mentoring programs are also implemented so that mentors can deliver their valuable knowledge and share their experiences in the industry with the newer staff. ICT training is also very important because of the crucial role ICTs play in the business.

## Critical success factors

Knowledge and experience of the industry is considered as one of the key success factors of Thrifty Alice Springs (and all branches in NT). Many customers prefer Thrifty service over their competitors' because of the knowledge and experience of Thrifty staff. Staff training and development is therefore given high priority at Thrifty Alice Springs to provide the best service and expert advice to the customers.

According to Steve Shearer, apart from providing superior customer service, it is also very important to have a good understanding of the characteristics of each product, the needs of each market segment, the business environment in the industry and the economic environment in general to determine the best sales and marketing strategies.

Flexibility of the business is also another key success factor. It is very important for the survival of the business to be able to react to changes in market trends, take advantage of any business opportunities, and handle potential threats in the market, especially if the economic climate is not favourable. Thrifty Alice Springs managers therefore constantly evaluate the business environment and look for feedback to quickly identify and react to changes in customer preferences and market trends. Thrifty Alice Springs is also involved with a number of industry associations, such as the local Chamber

## Thrifty Car Rental Alice Springs: Over four decades on desert roads

of Commerce and Tourism association to get feedback and the latest information on the industry.

It is also very important to keep up with, and capitalise on, the latest technology to find new business opportunities. For example, the online booking system has been very successful and the majority of the bookings are now made through the Internet.

Thrifty Alice Springs has been highly profitable and has contributed to the local community by creating employment and business opportunities in the area, and by sponsoring local activities in Alice Springs. In the future, it is planning to further develop business by finding more capital and expanding its customer base. Third party external evaluation of the business operation will also be useful in the future.



### Key learnings

This case study shows a franchise business model. On one hand, the business benefits from the widely recognised and popular brand name, and the business systems of Thrifty, including online booking systems, national marketing and staff training. On the other hand, it also benefits from local patronage by virtue of it being a locally owned business – a win-win situation.

This business is a long-established business, operating under an international brand name, but run from the regional centre of Alice Springs. These factors give the company a number of advantages. However, it faces similar constraints faced by other businesses in the desert – staffing, logistics, remoteness and higher costs. The

key critical success factors are knowledge and experience of the industry, being in the business for over four decades, their reputation for providing excellent customer service and their flexibility. In particular, their ability to react to changes in market trends, to take advantage of emerging business opportunities and to handle potential threats in the market, is very important for the survival of the business. Their adoption and use of ICTs to improve processes are also exemplary, allowing them to increase efficiency, reduce costs and improve their customer reach.

### Acknowledgments

The authors would like to thank Steve Shearer for sharing his time and for supporting this project. All photos were taken by Libby Kartzoff.

### Business profile

Type of business: Transport (car rental)

Number of years in business: 47 years

Location: Alice Springs, Northern Territory

### Contact details:

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## Case 11: Scotdesco Espresso Café

Joan Gibbs with Maureen McKenzie, Lerline Crisco and Glenette Miller

### The best coffee in the west

#### Background

This Aboriginal enterprise is a roadside tourist café located on remote, traditional homelands in desert Australia. The community of around 75 members is situated on the Eyre Highway 300 kilometres east of the South Australian–



West Australian border, and 100 kilometres west of Ceduna, South Australia. The Eyre Highway is the main east–west route on the south coast and has a constant stream of tourists and transport vehicles. The café is the first in a series of Scotdesco Aboriginal Community enterprises designed to capture the trade of tourists and travellers from the highway. These enterprises are envisioned to support each other, with one business arm, for example, supplying the requirements of the other business arm. These enterprises include Tjilkaba Gardens, for fresh produce for the café; Scotdesco Tourist Park; Minnie’s Outback Tours, for local history; and other MSMEs. The Scotdesco example of enterprise is based on the strength of the homeland concept, with ten related families functioning as a community unit, sharing work and supporting each other.

The Scotdesco Espresso Café is a community enterprise offering excellent coffee, food, and other services to tourists, visiting government employees and mining personnel. The café opened in 2010 for coffee seven days a week and has been operating since 2007 as a private community café two days a week, catering only for its community. The espresso machine arrived in September 2008, and the first public appearance as the Scotdesco Espresso Café was at the Ceduna Oysterfest in 2008, where the tent advertised ‘the best coffee in the West’. The staff were trained and dressed in matching embroidered uniforms, and their great presentation made a positive impression on the local public. The Café was a popular venue at the Oysterfest, and made a profit.

The motivational catalyst to start the enterprise was the community’s need for healthy food for healthy lifestyles and for feeding the elderly. This decision was not driven by a single person, but rather was a collective, community motive and decision to start the café at the Scotdesco homeland. The Scotdesco TAFE provided training, and wrote applications for grants to set up the kitchen and the café area.



Several key people have been instrumental in organising and rostering cooks and waiters. Various researchers from the University of South Australia and DKCRC provided encouragement, resources and capacity-building workshops.

The motive for pursuing and continuing the business was community support, and demand for good quality meals and ‘the best coffee in the West’.

The main sales come from purchases by Scotdesco customers, which ensures the business meets its costs and continues to operate. The products of the café are:

- excellent espresso coffee
- healthy dinners and lunches
- breakfast and lunch on request
- pleasant gardens and outdoor tables under shade, in view of the ‘Big Wombat’
- trained, gracious hosts and staff.

The reasons for providing these products were to gain a reputation for the best quality food and coffee in the region, and to attract travellers from the Eyre Highway and nearby settlements. The needs and lifestyle of the community are harmonious with the café business and the remote location, so this is a winning combination for an MSME.

### Business overview

The vision and goals of the Scotdesco café business are to continue training and employing people in the community, creating local professionals in the tourism industry and for cultural training and awareness. The health and wellbeing of the community depends on a healthy lifestyle (through good food) and developing professional goals. Ultimately, the community hopes to expand the enterprises to include a tourist park and accommodation. All the smaller enterprises will function together under the ABN (Australian Business Number) of the Scotdesco Aboriginal Community to provide a range of services to tourists, government

agents, schools and travellers. They will collectively offer a caravan park, café, cultural tours, vegetable gardens, bush medicine, cultural awareness training and bush horticulture.

The café enterprise first started in 2003, cooking for school groups by contract; afterwards, the community supported the continuation of two

evening meals per week, by covering the costs of the food and making a small profit. In 2007, the café catered jointly with Minnie’s Outback Tours for a DKCRC bush picnic of roast wombat, kangaroo tails, damper and salads. The picnic

***‘Practicing self-determination means using your own ideas and being enthusiastic about your own interests.’***

**Scotdesco Community**

was a wonderful example of the community’s ability to coordinate the bush business as a commercial activity, charging \$60 per guest for the picnic and tours onto Aboriginal country. School groups are normally charged \$500 for a day trip. Until 2009, the enterprise catered internally for community members who booked in for meal nights and paid by signing for credit in a ledger. The attractive café outdoor setting was developed through CDEP as a landscaping activity. The next step will be to set up signs to bring in tourists from the highway, but the entrance will need some roadworks for safe entry of caravans and buses.

The Business Plan and Feasibility Study was completed in November 2008 by Armstrong Muller Consulting Pty Ltd.

The business structure is based on the Scotdesco Aboriginal community structure, and the business is owned and managed by 75 Aboriginal people, with Reva Miller as chairperson and Robert Larking as the community manager. Three people are full-time workers, and 22 people work part-time with CDEP funding for 12 hours a week. Above that, top-up salaries of 12 hours a week come from the community accounts, and not from the café itself. Payments for meals are recorded in a book for each person as a debit against their salary on the community accounts.



The community manager, who was trained in bookkeeping through McCann & Clark Accountants over a period of four years, is the financial manager. The community is very closely knit – everyone knows everything – with high levels of trust. Meetings are called to make any big decisions. Prices are set by consensus to cover the costs of purchasing and transporting the food supplies. Prices are also related to people’s ability to pay. The café runs mainly as a non-profit service for community members, the main customers. The first profit was made at the 2008 Oysterfest, which was also the first public debut of the Scotdesco Espresso Café.

The kitchen and equipment were provided by grants from Indigenous Community Coordination, so there are no debts, loans or investors to pay back. Government subsidies for salaries through CDEP protect the community from investors or outside control.

### Marketing and value chain

The main customers are local community members (98 per cent), and a small, irregular market of government employees, researchers and school groups. Potential future customers will be travellers from the Eyre Highway and the mining company that is building up activities nearby. These future customers would shift the customer base, possibly by more than 50 per cent, to non-Aboriginal people from outside the community.



There are no competing businesses offering a comparable service. Although the Nundroo Roadhouse and Penong Hotel have both purchased espresso machines, the Scotdesco team serves quality coffee and have gone through hospitality training. The main selling

point of the business is ‘the best coffee in the West’, which is advertised on the signs on the highway and on the Scotdesco website. Advertisements will be placed in the Sentinel, the local newspaper. The competing roadhouses sell fast food, while the café sells hot meals which are home-made quality, by trained cooks, although this aspect has not yet been advertised as a selling point. The best advertising is word of mouth from local school groups, who have experienced the quality of food and tours. Three signs are being made, one of which will be on the community minibus; the other two will be on the Eyre Highway.

An advertising feature is the ‘Big Wombat’ in the café gardens, an attraction for passing tourists. This unique feature could also be promotion for the novelty of wombat meat and wild foods.

The source of food is both local and remote. The nearest supermarket is 100 kilometres to the east, at Ceduna Foodland. Food orders are made at Ceduna, and orders are sent by mail service or through freight transport, which pushes up the cost of food. This was the motivation to develop the Tjilkaba Gardens, a Scotdesco community project producing fresh tomatoes, capsicum, silverbeet, peaches, figs, chickens and eggs, with the potential to produce native bush foods and other horticultural resources. This creates a local value chain, to provide jobs for community members and healthy food for the elders, as well as the potential to sell fresh vegetables to the public.

The innovations that make this business unique in the remote desert are:

- selling meals with bush tucker: wombat, lizard, kangaroo and wattle seed
- selling local artwork in the café that tells stories of the desert and sea experiences
- peaceful, noise-free bush camping with wildlife and cultural stories
- conference venue and facilities, with accommodation for 30+ visitors.

Aboriginal culture is a theme throughout every aspect of the business, and the knowledge of the Scotdesco people will be used in several aspects

of business. The cultural theme will be used as a model and encouragement for other Aboriginal businesses.

### Business performance and impacts

The business performance has not yet been formally measured, as profit has not been the main motivation for creating the enterprise. The business aimed to break even or to reinvest any profits back into building up the café, the landscape and the business infrastructure.

The business goals could be evaluated in the future. The measure of success would be achieving independence from CDEP wages. That goal has not yet been achieved, but the business is in its early stages and the community felt it has good prospects of achieving this goal.



The impacts of the café on the community are demonstrated through numerous benefits:

- happiness in continuing the homeland lifestyle (e.g. hunting wild meat)
- confidence of identity when sharing culture with visitors, lifting everyone together with pride of culture
- satisfaction of having constructive and meaningful projects in the community that uses everyone's talents and includes everyone helping out
- fulfilment by providing employment for personal direction and pursuit of interests and beliefs
- the convenience of having produce from the gardens in the community
- health of families by getting good food, and kids helping out by growing food and learning good eating habits

- improving the prospects for the community economy, with flow-on effects of diversity of activities and creating new job opportunities
- contributing to overall mental health and wellbeing by serving visitors and teaching language and stories about country
- no benefits to the environment have been noted, but there are strict rules about using the bush resources without overkill of wildlife resources for recovery.

### Critical success factors

The key critical factors that contribute to the success of the café business are:

- the community cooperation for the number of people who can share the work when needed
- the cultural social order that provides advice and rules for harmony and communication
- leadership by the Scotdesco elders and the community manager, Robert Larking
- confidence that travellers on the Eyre Highway will provide a constant market
- the desert, which they consider as the best asset, their home ground, with familiar plants and animals.

The WestCAN network initiated these inspiring ideas and helped source the grants for water and seedlings for the gardens in the early stages. The reliable supply of clean water is a critical factor for survival of the gardens that provide food. The original grant for drilling a reliable bore was from the Department of Agriculture, Fisheries and Forestry, and the current water catchment and dam were funded by SA Water.

Training courses, such as those listed below, have helped key individuals get professional jobs, a knowledge base and the confidence to succeed in business:

- Hospitality: Certificate 1, 2 (TAFE, SA)
- Cookery: Diplomas 1, 2, 3 (Curtin University, Esperance)
- Tourism: Certificate 1, 2 (TAFE, SA)
- Arid Land Horticulture: Certificate 2 (TAFE, SA)
- Business: Certificate 2 (TAFE, Whyalla, by correspondence)
- Aboriginal Studies: Diploma (University of SA)
- Training and Assessment: Diploma (TAFE, SA).

Future courses that people need are First Aid, Advanced Tourism, and Leadership.

Work experience and practise applying the training are as important as the training. 'Outside' jobs cooking at Oak Valley, for Red Cross FOODcents mentors program, and other places, has given experience and confidence to manage and keep the café business going.

In conclusion, the key success factors are the passion of the Scotdesco community members to succeed and the strong leadership of the community elders. The strength of the community is in the skills and training of its members, which provide many of the essential requirements to develop a community business – for example, carpentry, accounting, public relations, literacy and numeracy, horticulture, business management and planning. The greatest advantages of the Scotdesco Community are the adaptability of the members' skills to help in the businesses and the integration between the businesses. The Tjilkaba gardens provide value-added food resources for the café meals, the cultural tours attract customers for the café, and the café displays art for sale by the resident artists. In this way, the businesses are interdependent and interactive, providing a mutual and stable network of functioning enterprises.

## Challenges

The key challenges to advance the business are related to the uncertainty of commitment of the workforce, the costs of vehicles and the backing by the community committee.

Operating in the desert is not seen as a problem, since the Community knows the country and has survived there for many generations, overcoming any challenges associated with the desert. The main issues posed by the desert location are finding sufficient water supply, the long distances and the cost of petrol. Planning ahead for these costs and challenges allows the community to live a culturally appropriate lifestyle.

## The future

The business enterprise looks to have a future as an active, successful café within the proposed tourist park and campground. The Scotdesco Espresso Café will link in with the other community enterprises that also depend on the food services of the café. The Scotdesco Aboriginal Community wants to be an example and mentor for other Aboriginal enterprises in remote areas.

Strategies to grow and improve the business include:

- working with mining companies to find other employment and, in turn, provide services to the mining companies to widen the business (a separate business enterprise is running cultural training workshops for miners)
- fixing up the road entrance for safety and vehicle parking
- confidence-building workshops and learning about other successful Aboriginal MSMEs
- capacity building by gaining experts or expertise in accounting, planning and service delivery
- courses in business management, for staff management and rosters
- remembering that good planning is essential for success.

Through participatory processes and involvement with the WestCAN and its activities (including workshops, training and capacity building), the community have identified their strengths and then developed various businesses. Community members support each other in the businesses through patronage and help with running the businesses. The people are passionate to succeed. The advice from the community to other Aboriginal groups considering starting a business is:

- Follow your own ideas with determination, and you will succeed.
- We put in many volunteer hours, so we feel ownership of the business, and others want to take over because it is successful; but that is a compliment, not a threat.
- We know how to keep going, even if we feel ill, to keep up the service.
- We will be proud to monitor our success over the next five years, as we feel we have a successful future.

## Key learnings

Practicing self-determination means using your own ideas and being enthusiastic about your own interests. The café business will be successful if individuals are determined to keep going to work. The Scotdesco Community has a lot of assets and advantages which means that all other problems can be solved.

According to the community, they overcame the following difficulties:

- Isolation: The Eyre Highway is the link to outside supplies and petrol costs are high, but these are overcome by factoring isolation and distance into the price of the goods and services.
- Vehicles and repairs: An all-terrain vehicle has been requested for the community.
- Workforce: Help from other communities (Koonibba, Oak Valley, Yalata, Ceduna) was given when needed.
- Water source: Help is offered from SA Water.
- Starting a new business: No experience and no mentors. Help is offered from Indigenous Business Australia.

According to the community, the role of government should be to provide grants to start businesses and for training, but not to undermine the confidence of the Aboriginal people by speaking for or at them.

From the case study, it is clear that the community has a well-thought out strategic plan for their business development. The coffee shop is one of a series of businesses which will be interactive and will support each other. So far the café operates within the community



The authors (left to right): Glenette Miller, Lerline Crisci, Maureen McKenzie, Joan Gibbs

and is breaking even. However, establishing the shop is a proactive business decision from the community for anticipated future markets (mining industry and tourists). In that regard, their success will depend to a large extent on the success of the tourism arm of the planned series of businesses, and to some extent, the success of the mining operation.

Apart from the determination and planning of the community, critical success factors include government support in the start-up phase (by providing kitchen and equipment), CDEP (by partially funding the labour force), support from external partners (e.g. DKCRC) and strong leadership within the community. Finally, it is clear that the community is arming itself with the required training and skills that are also critical to success.

Establishing a sustainable business in very remote desert areas is a challenging task and a long process, but the community is optimistic and has plans and strategies in place. The business confidence of the community is partially because of Indigenous Community Coordination and CDEP's support. Because the business is in an early stage, it may require further support from those organisations and other parties.

## Acknowledgments

The authors would like to thank the Scotdesco community for sharing their time and for their support of this project.

## Business profile

Type of business: Café and restaurant

Numbers of years in business: 3 years

Location: Scotdesco Homeland, SA

## Contact details:

Scotdesco Espresso Café

24 km West of Penong, SA, 94 km West of Ceduna, SA

Bookabie Postal

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Fax: 08 8625 6232

Website: <http://www.scotdesco.com>

## Case 12 : Ceduna Aboriginal Arts & Culture Centre

Joan Gibbs and Pam Diment

### *Desert meets coast at the Ceduna Aboriginal Arts & Culture Centre*

#### Background

The Ceduna Aboriginal Arts & Cultural Centre is a retail art gallery, gathering place and educational resource for the local Aboriginal community and visitors.

The main functions of the Centre are to:

- provide employment for Aboriginal and non-Aboriginal people
- develop skills for small enterprises, such as art gallery, bush tours, cultural workshops, picture framing, pottery and visual arts (painting)
- cultivate teaching and learning to build social and cultural capital
- revive local languages and provide language training
- revive and maintain the local cultures and connections to country
- communicate to tourists and residents about the talents and culture of the local Aboriginal people to promote reconciliation at many levels.



The motivational catalyst behind the idea was the need for a creative outlet that was culturally appropriate for Aboriginal people. Other funded programs in the area failed because they were based mainly on income and lacked an Aboriginal cultural focus. The Centre started as a gallery and workshop area to develop the visual arts and to display traditional Aboriginal art. Eleanor Coleman originally set up the gallery with the help of Tjutjunaku Worka Tjuta (TWT) and CDEP workers. The business has continued and developed into the thriving place it is today through the cooperation of all involved and the strong leadership of the key managers.

#### Business overview

The Centre first opened its doors in 2001, after one year's work preparing the building and landscaping through CDEP funding. Allie Paerata, the CEO of TWT (the Aboriginal employment centre in Ceduna), originally applied for grants in 2000. CDEP advisors saw that artists throughout the Pitjantjatjara lands had made a good income from painting, and felt there was an opportunity to develop an art and cultural focus for Ceduna while providing employment for Aboriginal people.

Key people, both non-Aboriginal and Aboriginal were instrumental in starting the programs and keeping momentum up. The motivational catalyst for initiating the Centre and the business was the idea that a self-sustaining business would provide jobs for local Aboriginal and non-Aboriginal people, and that government funding would be available to support such an initiative. Grants were available through National Arts and Crafts Industry Support, Indigenous Culture Support, CDEP and others.

Coordinator Eleanor Coleman set up the gallery and was supplied with CDEP workers from the TWT CDEP agency. The workers would set up the centre, and paint as a source of income. The funding and volunteers sustain a large number of activities at the Centre to this day. The Language Centre was

opened in 2006, with help from linguists at Adelaide University. Its aim is to preserve and revive endangered languages, such as Wirangu, Kokatha and Mirning.

The main business enterprise is a retail gallery, which is separate from, but dependent on, the cultural teaching and learning centre.

The gallery's goal is to break even or make a profit, and to establish the value and reputation of the artists. The overall goals of the Centre are to:

- value the talents and efforts of artists by displaying and selling art
- provide a place to develop local social and cultural capital
- make a profit or break even from selling artwork
- build the reputation of the art gallery through art networks
- develop the skills of artists
- hold workshops for other enterprises
- create business opportunities for individuals
- provide cultural teaching and learning, especially for language revival and cultural tourism.

The products and services for sale at the Centre include paintings, mosaics, picture-framing, giftware, souvenirs, music CDs, books, language workshops and cultural tours. Other sales include items on consignment: bush medicine, wooden artefacts, souvenir items and mosaic wall hangings. The training provided at the Centre gives an outlet for and ownership of the many talents of the Aboriginal people. A great intangible benefit of the Centre is the retention of the cultural identity of these coastal and desert peoples, who have a strong connection to their landscape, significant sites, rock holes and culture through songs, dances and stories. Economic independence gives people the self-esteem and time to maintain their culture and cultural identity. The Centre also provides a place to transfer knowledge between generations

and between cultures, although the knowledge transfer is in a different format to the tradition of ceremonial practices in the bush.

The main entrance to the Centre has a gallery for displaying and selling paintings, carvings and other art forms to tourists and local

residents. Other rooms in the Centre are for painting, skills development, and language and cultural teaching and learning. Community participants use the centre both full-time and part-time, with some support from CDEP and the 'work for the dole' program

**'Be passionate about art and the success of the Centre – the source of drive, energy and health.'**

**Aboriginal artist,  
Ceduna Aboriginal Arts and  
Culture Centre**

which pays Aboriginal people for two days of work a week. People receiving CDEP are not allowed to use the centre to paint for private income. With the change of government, the CDEP program is now under the Department of Families, Housing, Community Services and Indigenous Affairs.

The business structure is a complex and unique arrangement between the Aboriginal Lands Trust, the property owner, and the lessee (TWT). The nominal rent is the indicator of this relationship – that the Centre is a cooperative for cultural sharing and not for profit. Commercial outcomes should not dominate over the purpose of mutual benefits.

The Centre is an unincorporated body run by the TWT management board and the coordinator.



The coordinator secures and manages the government grants with help from TWT, and runs and manages the daily business of the Centre. The funds are auspiced by TWT, which banks the funds, pays salaries and does the Centre's bookkeeping (for a fee). Federal funding is from the National Arts and Crafts Industry Support and Indigenous Culture Support programs, which cover cultural learning. They provide operational funds and the coordinator's salary.

The other major source of funding is artwork sales in the gallery, which has a fixed mark-up to support the Centre and the artist. The amount that goes to the Centre covers art materials and documentation for the art work. This documentation includes a spot on the website, authenticity certificates, exhibition costs, framing and freight, and entry fees for major art competitions. The net profits from the retail gallery are used for cultural and language projects and upkeep of the gallery. The gallery is the largest business at the Centre. The Arts Centre also employs a person to frame pictures for the artists and the public. The Centre also offers cultural tours of the art and the language centre.

The Centre survives because it is a shared space. The artists who keep returning and producing good work help define the nature of the enterprise. Intellectual property of the artwork is retained by the artists in two ways: authenticity certificates from the artist on each painting and a searchable database of artists at the Centre. Tour operators and the framing business use the Centre services as an office, base for business and source of marketing at no cost.

Financial management is guided by a business plan and commercial business structure set up by a consultant. The three paid employees – the coordinator, the administrator and the language coordinator – do the marketing, artwork pricing, customer service, planning and innovation. The monthly budget is determined by the coordinator, and any spending above \$1000 requires permission of the management board. Artists are paid to paint two days a week as a salary paid from CDEP funds through TWT. Three of the artists work far beyond the two

paid days a week, to earn more. Volunteers also provide important input behind the scenes, and unspoken support from the Aboriginal community is an important factor in the business' success. Artists are paid fortnightly for any of their artwork that was sold.

### Marketing and value chain

Most of the customers of the retail gallery are tourists and backpackers who visit Ceduna by car or bus. Overseas visitors are mostly German, Swiss and French, and may be lone travellers or family groups. The other significant market is government employees and agencies. Local non-Aboriginal and Aboriginal people make up only 10 per cent of sales.

There is no competition for the local tourist trade, but the international markets are big and very competitive. The Central Desert area has art centres which operate in international markets, with regular and known outlets overseas for high-priced sales and exhibitions. Two well-known agents are Ku Arts and Desert, which have many members of Aboriginal communities to supply them with desert-style paintings. In contrast, the Centre works with the local tourist market, and so has the following advantages over other remote desert art centres:

- pricing is low and very competitive, to benefit from tourist trade
- better diversity of themes (seascapes and multiple cultural groups)
- training, empowerment and Aboriginal ownership at the Centre
- the not-for-profit purpose of cultural revival and preservation.

Other products are for sale on consignment, such as bush medicine and mosaic wall hangings. The turnover of these other items is quite limited compared to turnover in specialty shops, but the Centre provides this local outlet for a number of traditional Aboriginal people living in remote places like Oak Valley and Yalata.

The Centre is different from private enterprises because of its priority for cultural, social and community issues. These issues must be balanced against typical commercial

requirements to improve profit margins, meet performance indicators and achieve economic growth through retail turnover.

The art at Ceduna is characterised by the unique locality and landforms where the desert meets the coast. Art training workshops have also introduced a new signature style of 'impasto', or 3-D painting with sand and clay. Impasto art based on this unusual and culture-rich landscape is currently the best selling art. The location of the Centre on the main eastwest road route effectively funnels tourists past the Centre. Signs on the building bring in travellers from the highway entering Ceduna from the west.

A great advantage for the Centre is coupling the business enterprise with cultural revival and survival. The language centre workshops attract talented people who want to reconnect with their land and culture, and provide a rich source of topics and material for painting. Other businesses intersect with gallery sales, especially the framing business. The social capital created at the Centre is a great motivator for positive relations and healing of regional and historical barriers. Networking between generations and the businesses creates a learning and sharing experience that translates to more successful business for everyone.

For advertising and promotion, the Centre has only one brochure, with tourist information and contact numbers on it. This attractive brochure was sponsored by the Ceduna Community Hotel, which is also advertised on the location map. The Centre has small advertisements in SA Tourism booklets and the Eyre Peninsula tourism and road book. The brochure is distributed at: the local museum and travel centre, petrol stations at Eucla, Nullarbor and Ceduna, the SA Tourism Centre in Adelaide, Tandanya in Adelaide, Kuju Arts at Port Lincoln and the visitor centre at the Head of Bight Whale Sanctuary. Most of the sales have been attributed to the brochure and the great support that the Centre gets from the tourist information centre in Ceduna. The Centre has also been featured on radio and TV's Discovery Channel, but these were not advertisements. Informal support comes from the mayor of Ceduna at public presentations highlighting the local attractions

and businesses. The regional marketing strategy for the Eyre Peninsula region provides funding for advertising Aboriginal arts and crafts through the Eyre Peninsula committee.

There are no logistical problems shipping goods because Ceduna is on the main highway. Each day, buses and planes commute to and from Adelaide, around 800 kilometres away.



Australia Post is the easiest and cheapest way to deliver art purchased from the Centre. Road freight takes longer and costs more, but it is safe, secure and delivers large items directly to clients' homes. Road freight is through trucking companies (e.g. National Freight) or the Stateliner bus.

Staff are trained in value-adding, professionalism, confidence and hope through business and marketing workshops. Consultants conducted these training workshops. A South Australian government project, Statewide Indigenous Community Arts Development, sent experts to advise on how to price Aboriginal artwork and how to participate in exhibitions, marketing and art competitions. The business guidance and opinions of outside experts helped to confirm and validate the Centre's approach and quality of art.

Future growth of the enterprise is highly likely because the annual turnover has grown quickly since 2004. It could expand by as much again in



the next five years. The teaching and learning centre will probably develop its capacity in the following important areas: language preservation, culture, artefact making, social order and traditional law.

The innovative factor that helped the business operate in this remote, desert region was having a key Aboriginal person who can talk to tourists and give good customer service. The administrator/bookkeeper at the Centre fills that role in addition to her administrative work, and is a valuable asset for the Centre. Customer care and reconciliation principles are important to boost sales and promote the social function of the Centre. Non-Aboriginal volunteers are urged to support the project. Although they do not contribute art, they can receive cultural training as part of the reconciliation activities at the Centre. Aboriginal cultural training is an area for future business for the Centre.

### Business performance and impacts

Business turnover has increased seven-fold since 2004. Operational costs of the Centre are still high, and it relies on income from grants. In spite of the low-profit status, the business is perceived as working well because all participants are happy and most of the business goals are being achieved. The artists feel their input is valued, and social and cultural capital is being created through the opportunities presented at the Centre.

The impacts of the business on Aboriginal people are at three levels: on the individual, the family and the community. Individual attitudes have changed: there is pride in the Centre and eagerness to paint. The artists and staff talk freely to visitors and school groups, promoting their work with pride and spirit. Families have been supported by the extra income and subsequent improvement from being able to get bank loans. The tangible benefit for families connected to the Centre is the increase in income, which improves their food, clothing, school supplies and social networking. The greater Aboriginal community also receives benefits through support from Indigenous Community Coordination, praise from the local council, and positive feedback from tourists

and clients. The Centre does not seem to have affected local Aboriginal health, but Health Services maintain that continuing the connection to land and culture will teach young people when to eat bush foods and how to keep in touch with traditional obligations. Ultimately, these connections to tradition through art will improve Aboriginal health and increase people's care for land and culture.

### Critical success factors

The business has been successful because of many factors working together:

- the excellent quality and uniqueness of the traditional Aboriginal artwork in the coastal desert landform
- the original vision and the federal funding
- continuing support for paid work
- the coordinators with a vision
- the volunteer hours and excellent customer care donated enthusiastically to the Centre
- the artistic ability of the major artists
- the interest and approval from Aboriginal communities
- the key location, the attractive artwork outside the building, the clean and pleasant interior
- the willingness of clients to spend money at the Centre.

If any of these factors were to decline, the business may suffer. Online sales have been negligible, perhaps because the website does not function well and there is no person with good computer marketing skills.

A number of training workshops were important to overcome barriers and facilitate business growth. In the early days of the Centre, the director arranged business and marketing training for staff to learn about value adding, professionalism and confidence. Workshops were offered by Statewide Indigenous Community Arts Development, a South Australian government project to educate people about how to set prices on artwork, balance price against production costs and enter the world of marketing and exhibition.

External funding and projects also contributed to the Centre's success. Initial funding was received from CDEP in 2000 to create local opportunities for incomes from art, as had been

done by Aboriginal artists in the Pitjantjatjara Lands of Central Australia. CDEP was very active in Ceduna, and the CEO of TWT Allie Paerata applied for grants and provided a 'work for the dole' project fixing and landscaping the building. Eleanor Coleman then set up the gallery and brought in artists to paint for the CDEP Program, from its opening in 2001 until 2004. Other sources of external funding are:

- the National Arts and Crafts Industry Support program
- the Indigenous Culture Support program
- CDEP's 'work for the dole' program
- Eyre Regional Development Board and its regional marketing strategy
- SA Country Arts
- Ceduna tourist information centre (which also provides free advertisement by word of mouth to tourists, and provides networking and exposure to opportunities).

Finally, networks also play a role. The Centre is not a member of Ku Arts, but it networks closely with Tandanya, Red Poles, Glenelg Gallery and Marshall Arts. Aboriginal Art Online is a member of the Ku Arts and Red Poles galleries, which reach other markets and networks not readily accessible in Ceduna. The website has produced very few sales for the Centre in the last five years, but with some effort this could be improved. The website is shared with Yalata, Oak Valley, TWT and some of the homelands. It is felt that the Centre needs a separate website.

### Key learnings

The key learnings are as follows:

- Perceptions are that maintaining a pleasant and welcoming Centre, and talking to customers improves sales and increases the client base.
- Developing skills in painting increases the reputation of artists and the Centre through art networks and galleries.
- Keeping the cultural links to land and stories gives the unique character to the artwork.
- The social networking and families coming to the Centre gives emotional support to keep the artists going and helps transfer knowledge between generations.
- TWT helps with subsidies, but could be more involved with applying for grants because they claim ownership over the Centre.

- The role of government funding and support has been vital for the start-up and continued operations of the Centre and for cultural learning and sharing. In the future, government could support developing Aboriginal-owned new businesses that are culturally appropriate and attached to the Centre.

Future business development would require detailed business plans, market research, quality control, professionalism, determination, and 'people skills' for customer service.



### Challenges

The biggest challenges that the Centre has to overcome are:

- attitudes associated with social dysfunction – family conflicts, feelings of hopelessness and dispossession, racism, poor health, no access to traditional lands and culture
- improving interpersonal skills with potential clients
- poor access to markets because of remoteness from cities, and lack of a suitable website
- the belief that art is a paid job and is limited to what is paid for by CDEP wages
- limited natural resources – such as a declining number of trees for wood, decimation of bush medicine plants – and declining health and wellbeing of artists
- cultural barriers to business, such as not sharing profits, separation of men and women in the work space, and historical family feuds
- racist attitudes when different cultures interact.

Strategies suggested to overcome these challenges are:

- Ownership of the process and the business must be by Aboriginal people. Non-Aboriginal ownership and control can be a barrier to trust and to learning business the Aboriginal way.
- Human resources (artists) should be managed with honesty and professionalism, teaching them good examples of interpersonal skills. Clients are gained and kept by better interpersonal skills.
- Give clients a way to look at artwork online by providing the Centre people with marketing and Internet training.
- Re-establish the Aboriginal system for valuing social and cultural capital, and emphasise the ethical and equitable way to share the money.

Some factors that could help the business keep going include improving the marketing, diversifying the types of clients to match the types of artwork (to maximise income without losing the rapid turnover) and improving the quality and diversity of products.

The main issues in the desert are understanding clients who come from another place and remoteness from markets. These are best dealt with by paying close attention to customer service and using the Internet. Personal issues of health and wellbeing for local artists include challenges of: distance to travel; money for petrol; managing their time and organisation; and the isolation, extreme heat and cold, flies, dust and drought.

### The future

The vision for the future is a ten-fold increase in turnover in the next five years. This increase will require new ideas for marketing and online website development. A person to design and maintain the website is urgently needed. By increasing the quality and quantity of paintings, the reputation of the Centre will be maintained and the business will grow. The artists can only produce more and better paintings by paying more attention to culture, learning, human resources and money. The Centre could benefit from an outdoor meeting place, a bush tucker garden, a camping area, and fire pit for gathering

and carving wood. New workshops with the artists could include an intensive school or exchange program with other galleries.

The advice of the Centre manager to others starting a business is to be passionate about art and the success of the Centre – the source of drive, energy and health.

### Acknowledgments

The authors would like to thank Pam Diment for sharing her time and for supporting this project.

### Business profile

Type of business: Arts and culture  
Number of years in business: 10 years  
Location: Ceduna, South Australia

### Contact details:

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# Summary and conclusion

Maria Fay Rola-Rubzen

## Background

There is no doubt that businesses play a critical role in the long-term sustainability of communities. They are a source of employment, income and services in a region. They provide people with daily needs – including food, clothing and other necessities – as well as luxuries. They are also a source of growth and innovation. Supporting the development of businesses is important, particularly in desert areas, where economic opportunities may at times be limited and where challenges often abound.

Business enterprises, whether they are large or small, contribute to the growth of desert regions in Australia. This report presented case studies of desert MSMEs. The case studies highlighted the different business models that exist in desert areas, the barriers and constraints faced by entrepreneurs, and the strategies they adopt to sustain and grow their business. The report also delved into what motivates people to start a business and drives them to continue on, despite the many challenges they face.

The case studies demonstrated the range of business models that exist in desert areas. Several MSMEs are sole proprietorships, run by enterprising individuals who have come up with business ideas or identified a niche that they believed they could fill. There are also several business partnerships, often between family members, such as husband and wife or parent and a son or daughter. These businesses have simple organisational structures where the business is managed and run by the entrepreneur or a partner or by both. There are also larger companies with more formal structures, run by professional managers. Each of the models has pros and cons, but the type of structure largely depends on the scale of the business. However, regardless of the business structure, MSMEs operating in the desert face common challenges. These challenges and barriers revolve around remoteness, distance, small local markets, and high freight and transport costs (leading to higher business transaction costs). The case studies, though, demonstrate that many businesses continue to sprout in the desert, many manage to grow, and many thrive – even during times of economic crisis, such as in the recent global financial crisis.

So what makes these businesses grow despite the challenges they face?

## Critical success factors

Below are the critical success factors that help businesses to survive and thrive in desert areas.

**Goals and attitudes of the entrepreneur:** All participants had a strong desire to be in business in the industry of their choice. They are generally positive and have a ‘can do’ attitude. To a certain extent, they are risk-takers because business is fraught with risks and they are aware of this. Yet they are willing to take risks to pursue their dreams and goals. In fact, as one entrepreneur puts it, ‘For me, failure is not an option’. The entrepreneurs’ drive and commitment to bring their business idea into reality and their determination to make it successful is therefore critical.

**Passion:** All of the entrepreneurs interviewed expressed and demonstrated a passion for their business, industry, community or a combination of those things. This is critical. When things get tough, entrepreneurs without passion are likely to give up. Entrepreneurs are often full of fervour and enthusiasm, and they need this in abundance when working in the desert because of the challenges that desert businesses face on a daily basis.

**Education, knowledge and skills:** Many service-oriented businesses (such as accounting service, coaching and consultancy) require area-specific knowledge and skills. In such cases, the business owner/manager requires specific educational background and training. In fact, all of the service-based entrepreneurs in the study identified their education and background as a critical factor in the conception of the business idea. Having the knowledge base gives the entrepreneur confidence and equips them to provide the service and therefore succeed in the business.

Knowledge can also give the business a competitive advantage. For instance, the knowledge and experience of Thrifty Alice Springs by being in the business for over four decades, their reputation for providing excellent customer service and their flexibility have given them a competitive advantage over other players in the industry. Similarly, for some types of Aboriginal businesses, traditional knowledge is critical. For example, in the case of Aboriginal Heritage Consultants, traditional knowledge is a requirement for the business to effectively deliver services to the clients. The same is true for Mayi Harvests, Pampul Healing & Therapy Wiru and Scotdesco Espresso Café. The cultural background, knowledge of bush plants and the land are critical to the success of these businesses.

**Business skills:** Although some of the entrepreneurs started their enterprise with very few business skills, they recognise that having business skills will be necessary to operate and expand the business. Therefore, entrepreneurs need to equip themselves with basic business management, financial and marketing skills through training or self-education.

**Family support:** A recurring theme in the case studies is the importance of family support. It is one of the main factors identified by the entrepreneurs that helped them start and expand their businesses. Support can come in the form of capital to start the business, advice, or simply moral support.

**Market demand:** Without a demand for the product or the service, there can be no business. In one case, an entrepreneur considers her business as successful because she has filled in a gap in the market. Therefore, understanding the market is important. The entrepreneurs' grasp of their markets and their readiness to understand and research those markets ensures that the business meets consumers' needs. Finding out what clients want is extremely important so business can give them what they are looking for. Consumer preferences constantly change, and an intelligent entrepreneur should anticipate and know what these demands are so that they can respond accordingly.

**Customer focus:** Customer focus is related to market demand. Because local markets are small, they need to get people back through the door. Therefore, entrepreneurs need to understand their customers and provide what they want. Strategies to attract new customers and encouraging repeat business include offering a variety of incentives, such as discounts and customer loyalty points; branding; strategic store layout (for retail shops); and most of all, providing the best service and experience to customers.

**Networks:** Because of the small local demand in desert areas – particularly in remote areas – networks and networking can and do help overcome the issue of lack of critical mass. Many of the successful entrepreneurs use networks to expand their markets, their knowledge, the company's credibility, and even their friendships and access to collegial support.

**ICTs:** Using ICTs appears to be a critical factor for desert businesses because it allows them to overcome the tyranny of distance and remoteness. ICTs allow businesses to communicate, research markets, reach markets, access government services (including lodging taxes and application forms), access and apply for grants, and perform banking and financial services. Therefore, providing efficient and affordable ICT infrastructure in remote areas is critical.

**Management and leadership:** In the case of community business models, leadership is important. Someone has to drive the business, organise and coordinate the workforce, and encourage community cooperation for people to share the work when required. Good management is also important to ensure the business runs smoothly. Therefore, programs geared towards creating and developing businesses need to incorporate leadership and management training.

Another factor that would improve the chances of success for young enterprises or help grow established MSMEs is guidance and advice from experienced mentors. Mentors could guide nascent entrepreneurs in the day-to-day running of the business and in leadership and strategic decision making.

**Start-up grants:** Start-up capital is a problem for many potential entrepreneurs. Grants were identified as a need, and those who accessed grants said they were a critical success factor for their businesses. In particular, some Aboriginal entrepreneurs have indicated that start-up capital is what they need to progress their business ideas. Because some of them are unable to access conventional loans for various reasons including economic, social and cultural, grants can play a catalytic role in starting a business.

**Government support:** In the case of Aboriginal entrepreneurs, it appears that CDEP has encouraged people to engage in business enterprises. CDEP provided start-up Aboriginal businesses with a small employment subsidy by paying employee wages. This in turn helped support the creation and development of their business. Similarly, the role of government funding was identified as vital for the start-up and continued operations of the Ceduna Aboriginal Arts & Culture Centre. Government support for cultural learning and sharing was also vital.

**Government policies:** Government policies can also help businesses; for example, the federal government's stimulus package helped keep spending up during the global financial crisis. Likewise, local government strategies, such as holding festivals, draw visitors to the region and generate sales for local small businesses.

## Key learnings

Doing business in the desert is not easy. However the monetary and non-monetary rewards can be large for those who persevere and succeed. The key learnings from the study are:

- The usual constraints of remoteness, lack of essential services, high operating costs and lack of critical mass are day-to-day challenges desert business owners have to deal with. Yet many have found ways to overcome or deal with these issues, and successfully operate their businesses.
- The personal qualities of an entrepreneur are vital to the success of a business. These qualities include some or all of the following: committed, dedicated, hardworking, passionate, having the required knowledge and skills, and willing to go 'the extra mile'.
- Having passion is a critical factor in starting and expanding a business. As one budding entrepreneur said: 'I am gaining satisfaction achieving financial freedom by doing something I am truly passionate about'. Passion is one of the main success factors that keeps desert entrepreneurs going in the face of challenges and constraints, and drives them to achieve their vision and goals.
- Family support is crucial for small business entrepreneurs, particularly during start-up. So is community support, especially in small desert communities. Because of small local markets, community support can make or break a business. Without the support of local customers it is difficult to succeed in small economies, so winning customer loyalty through excellent customer service and competitive and fair pricing is important.
- Some businesses require access to resources (e.g. land) or significant capital for start-up. Others, such as a consulting business, require minimal capital but a strong knowledge or skill base.
- Entrepreneurs can expand their knowledge by committing to continuous learning. Mentoring and/or coaching can also help potential entrepreneurs make the big step and realise their goals. Mentors

can serve as inspiration or role models, especially if they have their own successful businesses. As some case studies showed, both Aboriginal and non-Aboriginal entrepreneurs recognise the usefulness of mentors for advice. This is evidence that mentors and support systems are one of the key success factors for desert businesses, particularly for the growing number of passionate but less experienced young entrepreneurs.

- Support programs, mechanisms and infrastructure – such as fast, efficient and affordable ICT systems or mentoring – are important. ICTs are very important because of the crucial role for ICTs in business, and particularly for businesses operating in remote desert areas. ICTs have particular potential to overcome many barriers related to distance and remoteness. They allow entrepreneurs to research and reach new markets, and access information, goods and services.
- Business hinges on demand, so it is important to understand the market before plunging into a business idea. Entrepreneurs need to be mindful of changes in the market, and respond quickly to these changes to maintain current customers and attract new ones.
- Because of the unique nature of doing business in remote desert areas, business ethics can play a role in the survival of a business enterprise. Maintaining good relationships with other businesses and not directly competing with others can be an important factor for the success of a business with a small local market. As the case of Mooi Emporium in Leonora demonstrated, businesses in the desert can operate in unique situations where mainstream business theories and practices – such as competitive market behaviour – may not always apply. Building alliances and marketing relationships are important.
- There was a strong voice regarding the preferred role of government. First, in providing start-up grants for promising entrepreneurs; second, in providing training; and third – and most importantly – in providing a conducive environment for the development and growth of businesses.
- Governments at all levels play important roles in supporting businesses. Business-friendly policies can encourage people to create new and innovative industries, practices and techniques to combat emerging global challenges. For example, government could:
  - process licenses and applications quickly
  - fast-track consultation appointments
  - create business support units
  - help with export markets
  - support new industries
  - give tax incentives
  - provide research grants to find new solutions to emerging challenges.

Government support can help catalyse and nurture business ideas through strategic, targeted development programs. This is most important for emerging industries and entrepreneurs. When local governments provide supportive policies and programs, then local businesses will thrive. This is critical – it is how governments can best help businesses and, ultimately, the economy.

- CDEP's role was instrumental in supporting some Aboriginal businesses. CDEP benefits were a catalyst in encouraging Aboriginal people to set up their own businesses. Wages received from CDEP helped businesses cover the labour costs in the early stages of the business and reduced entrepreneurs' financial burden. Removing CDEP is likely to affect those businesses unless other sources are found.
- Physical location can limit business opportunities. Networks can help alleviate this issue by extending business contacts. Therefore it is critical for businesses in desert areas to form networks and help other local businesses. It is also important for industry bodies to give or facilitate networking opportunities such as conferences and business or industry forums.
- By the same token, entrepreneurs are likely to benefit from membership in networks and associations. Aside from developing friendships with other members, networks can help with expanding markets,

meeting other professionals and peers, and acting as a conduit for mutual support. Networking can lead to innovative business ideas and new business opportunities.

- Innovative business models and practices can suit desert MSMEs. For example, the practice of partnering with external service providers on a contractual on-call basis appears to be good for some businesses – it keeps costs down and allows the business to access external expertise on demand. At the same time, those business partners are still free to take on other opportunities.
- Similarly, franchising business models have some advantages. The business benefits from the widely recognised and popular brand name, and the business systems of the mother company (e.g. Thrifty), including online booking systems, national marketing and staff training. It also benefits from local patronage by virtue of it being a locally owned business – a win-win situation. As well, it has some autonomy over business decisions.
- Profit is not always the main motivating factor for Aboriginal entrepreneurs. Sometimes, there is more reward in satisfaction, happiness and enthusiasm rather than in financial gain. Sometimes, meeting social, cultural and environmental goals takes precedence over economic goals. Although this aspect is not exclusive to Aboriginal entrepreneurs, it came up strongly in all Aboriginal-owned businesses in the case studies.
- There are numerous business opportunities in the desert for entrepreneurial people. However, to run a business in a remote desert environment where the market is limited, business owners often have to go ‘the extra mile’ to keep, increase and expand their client base.
- Adversity from drought and water restrictions can be turned into an advantage by harnessing a natural desert resource such as sunlight. For example, from harnessing solar power, additional income was achieved by two entrepreneurs through an adaptive and innovative technology.

In conclusion, we would like to highlight a point that many people living in the desert already know. The desert is home to many resources. It has an abundance of plants, animals, land, wind, sunlight, culture and, most importantly, people who carry knowledge – traditional or otherwise. To develop and nurture successful business enterprises and grow the desert, the desert needs entrepreneurial people who are able to see opportunities in the face of challenges and who are willing to try creative and innovative ideas to harness these rich resources, coupled with an enabling environment that will make this happen and help businesses deal with the challenges of growing the desert.

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