

INDUSTRY ■ IDEAS-INNOVATION BusinessOwner

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Are you being served?

Claire Heaney

NEARLY six out of 10 tourism operators say they struggle to find and keep good staff.

Echoing concern about labour shortages, the respondents to a new survey said more needed to be done to promote careers in their industry so they were attractive to workers.

Those surveyed in the November Victorian Tourism Industry Council survey said career paths needed to be established and qualifications needed to be recognised.

While 37 per cent of those surveyed

said enhancing tourism as a career path was the answer, a quarter of those surveyed said targeted education to upskill staff was needed.

Looking beyond staffing, many of the operators, who are small and medium businesses, said businesses had improved in the quarter ending in November.

VTIC chairman Jeremy Johnson said most operators were expecting good business over the Christmas-new year period.

When asked how they expected their businesses would fare over the next 12 months more than half said they expected their business to perform "much stronger" or "somewhat stronger".

Mr Johnson said many respondents reported a growth in sales.

"Growth in sales levels remained strong, with a net balance of 31 per cent reporting increases," he said.

He said average selling prices continued to rise and profitability recovered, despite continued wage growth.

Tourism operators struggling to retain best staff

"Growth in business investment is expected to ease considerably, with the majority of respondents expecting investment levels to remain stable."

In brief the survey found:

THE majority of respondents affected by the skills and labour shortage believed it would be a medium term issue.

HOWEVER, 14 per cent said it would continue to impact on their business over the next two to three years while a further 13 per cent said it

would affect their businesses over the next five or more years.

Victoria Tourism Industry Council, which is affiliated with the Victorian Employers Chamber of Commerce and Industry, is described as the peak policy council for tourism in the state. It is made up of representatives from many key industry associations and operators. According to VTIC, it provides a united voice for the industry which is largely made up of small and medium operators.

Idle assets working online

Paul Gilder

PROUD Collingwood fan Steve Sammartino knows all about being near the top of a ladder.

But as the founder of Rentoid, an online renting service, he's just as likely to rent that ladder out to a Carlton pal so they can enjoy the experience.

Mr Sammartino, 34, is passionate about the environment, but just as driven about a household's idle assets, such as the humble ladder, which while laying in the garage for 363 days a year could be the perfect rental product if only the owner had the forum to promote it.

That's where Rentoid comes in. The virtual "warehouse" allows users to join free and list as many of their household items as they want, setting daily, weekly or monthly rates for their rent.

As an asset-sharing model, Rentoid bypasses the need for the item

'... WE LIKE THE BUSINESS TO HAVE A BIT OF A PERSONALITY RATHER THAN JUST A CORPORATE FACE.'

to be bought by the person who rents it and takes a small cut of the owner's fee only once an item has been rented out.

Users can protect their goods with a bond, and the site is aiming to offer an insurance service to attract more high-end products.

"Take the example of the ladder, each time it is rented rather than purchased, that's the aluminium of the ladder saved, packaging saved, distribution saved. That entire value chain is a win for the environment because of the reduction in consumption. I mean, how many ladders does the world really need?" Mr Sammartino said.

With a background in marketing, the Yarraville man said he had grown tired of working for companies that focused solely on consumption and maximising profits. He yearned for a concept that could make money but reduce the burden on an environment coping with the effects of climate change.

"I'm a surfer and a bit of a 'greenie' at heart so I wanted to create a concept that provided environmental and commercial solutions. What Rentoid does is create a mini-

economy; it recognises that our needs are often temporary needs."

Outsourcing the areas he had little expertise in, Mr Sammartino relied on his marketing skills to promote the site which now has members in the US, Britain, China, India and Singapore and has a strong presence in the "blogosphere", where people posting comments have helped mould the site.

"It's really about handing it over to the users — the mechanics are similar to eBay, where the user decides when an item is available and how it will get to the person wanting to rent it," he said.

He has promoted Rentoid on YouTube and is in the process of launching a Facebook application. "It's called Where Did My Money Go?" and offers an asset valuation tool — our research has found that the average household has \$5000 in idle assets," he said.

And it seems the site is attracting some of Melbourne's more inventive spruikers. Tiffany Jewellery, jumping castles, doughnut fryers, a Harley-Davidson motorcycle, leather jackets, Rubix cube and even a dog feature among the more quirky items listed.

"It's a cocker spaniel, I think, the

owner has said he is too busy to walk his dog but is happy to let others do it. We're OK with that — we like the business to have a bit of a personality rather than just a corporate face."

Also up for rent — no doubt with tongue firmly in cheek — are a team of AFL umpires, with the promise of plenty of dubious free kicks and a 17-point win thrown in.

But at a price of \$10,000 a day, footy fans might want to save up for a fixture that carries serious bragging rights. Maggies v Blues happens?

Net link: www.rentoid.com



All stitched up: demand quality.

Quality that suits to a tee

Ask an expert

Anthony Bell

I HAVE started a tee-shirt company, but it's very difficult to find a supplier who can make the quality tee-shirts I need. It seems everyone out there has tee-shirts of amazing quality — with great labels already attached. So I buy tee-shirts then I send them to a place to have the labels removed and mine put on, then over to the printers for the printing. It's difficult and expensive. How do I find a company that makes things to my standard?

FROM what I read into your situation, you are buying tee-shirts already made before you get them printed, so you are dependent on existing products to make your choice.

This naturally means they have not been customised to your specifications, limiting your product's differentiation in the market.

Have you investigated commissioning a manufacturer to produce your own tee-shirts, rather than relying on buying ready-made ones?

This will give you more input into the manufacturing process and, importantly, the end quality.

A downside is that you may have to make a minimum order that is bigger than orders you are currently placing.

Consider this, remembering that if you are dealing direct with the manufacturer your per unit cost should be lower, although your overall outlay will initially be larger.

I also recommend you speak direct to some fabric wholesalers about what quality manufacturers they or their customers deal with, and also identify any fabrics they hold that meet your requirements.

Anthony Bell is chief executive of accountancy firm Bell Partners.



Higher and hire: Steve Sammartino has launched an online renting service. Picture: NICOLE GARMSTON