

## Running a Profitable Backyard Farrier Business by Esco Buff, PhD, APF, CF

Attending to what is known as backyard horses or pleasure horse owners in a smaller geographical area, is the main stay for many farriers, whether an established farrier or for a farrier beginning their business. There are many rewards, challenges and limitations when conducting business with backyard horse owners. Making a profit in this type of business will require you to employ unique strategies and tactics in order to make the money you want. Due to the challenges and limitations of this type of business, there are a few things that will help you make a better profit.

First, stay lean by economizing at every level of your business operations. Understand that many of your fellow farrier competitors and therapeutic farriers may be able to outspend you, but if you maintain a level of fiscal responsibility, you will be better able to make more money by keeping more of it. Be cautious with your spending. Separate wants and desires from needs.

Second, take advantage of technology to promote your talents and business. Invest in technology that will drive customers to your farrier service while giving them confidence in your abilities. Start a free information web page as well as advertise your business on Facebook and other social medial sites. Utilize on-line shopping stores such as Jeff Denson's Farriers United, to help provide items for your customers without having to carry the inventory.

Third, improve your standards, code of conduct and skill level. This will make you more efficient and desired by more horse owners. This can be a challenge for many backyard farriers due to working longer hours to make more money. Make time to study and practice. Work on being more efficient in everything you do.

Fourth, educate your customers as an educated consumer is a powerful ally. Describe things in terms people understand. This builds your credibility and their trust in you. Trust is key in operating a successful business let alone a backyard farrier business. Sharing your knowledge with your customers may be the reason many customers continue to stay in your service.

Fifth, understand what your customers really want from you is a fundamental tenet of sales and your farrier business. Becoming a better sales person will help grow your business which will make you more money. Listen to your customers concerns and try to find solutions if they are within your abilities and standards. Many backyard horse owners do not want glitter and gold. They rather have a farrier who does a quality job and treats their horse as if their horse was worth millions.

Sixth, developing business relationships is a positive thing that helps clients trust you more and allows them to be able to feel more comfortable asking you questions and bringing their concerns to you. Friendships do develop but unfortunately for many farriers those relationships can be a negative when it comes to price increases or getting payment on past-due bills. It can be difficult, but you need to keep your friendships separate from your business decision making.

Seventh, educate your customers on the cost of doing business as a farrier. It's not just the pair of shoes and nails for \$15.00. It is the insurances, education fees, auto expenses, tool expenses, etc. that is in that price you're charging. For most businesses, 60-70% of each dollar you earn goes towards taxes and business expenses leaving you with only 30-40% profit or income. Customers who understand a little more about what things cost you are more likely to understand price increases. You do not need to get into specifics but share with them perhaps for every dollar you make, seventy cents goes into expenses. They may develop a better appreciation for what you do and expect prices increases easier.

Eighth, one of the most self-defeating small business techniques to perform is to cut your prices to gain customers. Many farriers do this. In any business, there will always be people who are "bargain-hunting" or looking for the cheapest farrier. You can win these customers if you're cheaper than other farriers in your area however, these customers will most likely never be loyal to you. The first farrier that undercuts your price will usually get them. The real message you send to existing customers is that you value your own service less now, as well as you can really get by with less now. You will find it most difficult to raise your prices again with these customers. By competing on performance instead of price, you shift your customers focus to your strengths and quality of service. During economic down times I have seen farriers cut their prices so low in order to bring in a few dollars. These farriers are actually losing money by doing so. To help plan for economic struggles, you should be saving money to fall back on. You can't save money if you're not making enough.

Ninth, do not be afraid to charge your customers. In order to make more money you will have to decide to attend to more horses, work longer hours, work more days and/or raise your prices. You will only be able to do so many horses in so many hours of a week. Remember you are entitled to have a personal life. Raise your prices if you need to. Do it yearly to get you and your customers in the habit. Stop devaluing your farrier practice by charging less because you are working on backyard horses. Yes, you may not be able to charge an exuberant amount of money, but this by no means does not mean you can't raise your prices. The cost of living or COLA goes up yearly by 2-4%. If you charge the same price this year as you did last year, then you're already experiencing a 2-4% loss.

Tenth, charge a service or barn call fee. The time you spend driving to the next barn either becomes your cost or you pass it onto the horse owner. Trying to incorporate this fee into your regular prices does not work well and is harder to track. You can start off by charging a small barn call fee of \$5.00 to \$10.00. This will greatly help offset your time and the amount of money you are spending on auto expenses including fuel, maintenance, insurance, etc.

When it comes to running a successful farrier business, it does not matter if you're a specialist farrier working on big dollar horses or a general practitioner working on backyard horses. The same principles apply to all. There are many reasons why farriers do not make enough money or fail at their business. The main reason is many farriers have little or no understanding of business. To be successful in business you need to change your attitude about yourself and towards your business. You will need to stop being so protective of your customers' pocketbooks and start meeting your own family's economic needs.