

Green Thumb

The motivation to set up your own business can come from deep inside and wait a long time to find the best opportunity. The process is not linear or necessarily sequential – and many might say luck is involved. Stephen Waring's entrepreneurial instinct kicked in at the age of 14 when he started framing old prints and selling them at local fetes around his home town in North Wales in his spare time. Stephen's father was the sales director for a loft insulation firm and by the age of 16 he was helping canvas potential customers by knocking on doors. He was good at selling, and so when he left school at 17 he set up his own loft insulation firm – it came naturally. He was so successful he even persuaded his older brother to come and help him. So when his brother married an American girl in 1985, Stephen went to the USA for he wedding. There he met her uncle who owned a lawn treatment-company. He also found out that 24% of homes in the USA hired someone to treat their lawns in some way.



Despite sceptical parents, Stephen researched the idea. First he set out to find competitors by looking through the Yellow Pages telephone directories, but he could not find anybody offering the same service in the UK. The question was whether nobody else had thought about this idea or whether there was no demand for this sort of service. Stephen could not believe that a service that sold to millions of people in the USA would not sell in the UK so he decided to persevere. Next he set out to find the best mix of fertilizer ingredients for the UK. He experimented on his parents' lawn, turning it orange and black in the process. Having perfected a suitable mix, Stephen next spent £64 on printing 1000 leaflets and hand delivered them around housing estates near his home. Then he went around doing what he did best – knocking on doors and selling. In this way he secured 70 customers.

In this way Green Thumb was born. Stephen quickly developed a routine of visiting customers four or five times a year to treat their lawns, like in the USA. The treatment worked and word-of-mouth brought in more customers, so Stephen brought in his younger brother to help him. By 1995, Green Thumb had several thousand regular customers and that was when the next stage in the business's development came about. A customer asked him to sell him a Green Thumb franchise. By 1996 Stephen was selling franchises around the UK. By 2005 there were some 113 franchises servicing over seven million customers, each spending about £26 on lawn treatment. Franchisees had sales of £25 million a year, giving the company royalties of £5 million. Green Thumb is growing at 5% per year.

'When people ask me if I ever imagined that my business would be as successful as it has turned out to be, I have to say yes. And we are still embryonic in our growth....The challenge was developing an industry from scratch as opposed to jumping on the bandwagon of somebody else who was already doing it....It helps to have a strong belief in your abilities and not to feel insecure.'

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Case questions:

1. In what ways did Stephen minimise his start-up and growth costs?
2. How much of Stephen's success was down to luck?
3. Would Stephen have succeeded in any business?