



Strategic Location and Family-Friendly Atmosphere Brew Results

Freshly crafted beer may be the star item on Yellow Dog Brewing's product menu, but the Port Moody, B.C., microbrewery serves up much more than tasty ales.

With a prime spot right across from the city's biggest park and a backyard that includes a patio and picnic area, Yellow Dog Brewing offers customers a great view to enjoy with their beverages.

"Right now we're the only brewery in the Vancouver area that has a picnic area licence so people can come in, relax at one of our sitting areas and enjoy a glass of beer in a unique atmosphere," says Melinda Coghill, who founded Yellow Dog Brewing with her husband, Mike. "People are flocking in because they want to sit and relax with a glass of craft beer and watch the train go by."

Since it opened in the summer, Yellow Dog Brewing has been selling out of its ales week after week. Ms. Coghill says Yellow Dog brews close to 3,000 litres of beer weekly, and the company is usually down to its last keg before the next batch is ready.

It's a nice problem to have for such a young business. Ms. Coghill attributes Yellow Dog's success largely to its talented brewmaster, Liam Murphy, and the brewery's family-friendly atmosphere.

"We're definitely not the kind of place where you wouldn't dare to bring your child," says Ms. Coghill, who often brings her two-year-old son to the brewery. "We're a family-run brewery that's relaxed and fun and welcoming, so people feel that they can come in here with their family."

Another major factor behind Yellow Dog's popularity: location, location, location. Port Moody is part of the Metro Vancouver Tri-Cities, a geographic grouping that also includes the suburban cities of Coquitlam and Port Coquitlam, and the villages of Anmore and Belcarra.

Ms. Coghill says she and her husband knew from research that craft brewing was a hot industry, but one that was increasingly getting crowded in the downtown core of Vancouver. The Tri-Cities, however, had no craft breweries serving its population of roughly 250,000 residents.

"So we were going to be the first, which we thought would give us an advantage," says Ms. Coghill. "We also knew that a lot of people were moving to the Tri-Cities suburbs – there are many young families who want something cool to do without having to drive downtown."

Barry Sharp, CEO of AMA Management Ltd., a business consulting firm based in Burnaby, B.C., says location is critical for any business that depends on face-to-face contact.



Customers from near and far enjoy the ales (expertly crafted by brew-master Liam Murphy, left) at Yellow Dog Brewing, owned by Melinda and Mike Coghill.



Finding the right location starts with defining your ideal customer, and then determining where they live or work, says Mr. Sharp.

But a deeper understanding of your target consumers' lifestyle and buying behaviour is key, he adds. Do your customers tend to buy your product during working hours or outside of those times? How do they spend their leisure time? Are they indoor people or outdoor enthusiasts? Are they likely to prefer parks or shopping malls? High streets or big box stores?

"If your product is an impulse buy, your customers probably need to be walking by your storefront," says Mr. Sharp. "Most people have more time when they're on their way home, so try to locate on the homebound commuters' right side."

There are a number of other factors to consider, such as whether or not to locate away from competitors. The answer to this may seem obvious, says Mr. Sharp, but certain businesses do better when they're clustered with other similar companies because this makes it easier for customers to do comparison shopping.

"Being close to your competitor can also help you benefit from their advertising," he adds.

Yellow Dog Brewing's prime location was a random find, says Ms. Coghill. She was walking out of the park with her child and dog – a yellow labrador that inspired the brewery's brand – when she saw a "for lease" sign on a building across the street.

As its beers get more buzz, Yellow Dog Brewing is starting to see customers from outside the Tri-Cities, says Ms. Coghill.

"Our beer is getting rave reviews on all fronts, from local beer bloggers, aficionados and regular people who just enjoy good beer," she says. "We are getting top-notch ratings. So now we're seeing people that typically frequent the East Vancouver brewery scene starting to come out to the suburbs because, hey, they want to check out Yellow Dog's patio."

CIBC Tips: Choosing a Successful Location for Your Business

1. **Identify your business needs** Where you choose to base your business can often have a direct impact on your growth and profitability. It's vital that you identify the needs of your business and take sufficient time to assess your goals – including brand image, proximity to suppliers and expansion plans – to find a space that is suitable for your business needs.
2. **Know your customers** Define your ideal customer and understand their buying behaviour and lifestyle to select a location that appeals to your target consumer base. Consider population trends and the demographics of your potential location to assess the market for your business in your selected region.
3. **Evaluate your finances** Consider all costs involved when choosing a location and be sure to keep a long-term perspective to balance cost with other factors. Evaluate your goals to ensure that your investment in a location allows you to maximize revenues while keeping overhead low, and provides for your longer-term needs.

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