

ENTREPRENEUR

AudienceView ticketing takes on industry giants

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Kevin Kimsa, CEO of AudienceView, says the key differentiator is his clients sell tickets.

Tyler Anderson/National Post

[AudienceView Ticketing](#) operates in the same space as Ticketmaster Entertainment Inc., but Kevin Kimsa, chair and chief executive of the Toronto-based company, doesn't see the multinational giant as much of a threat to his business.

That's because AudienceView, which offers a so-called "white label" ticketing service, differentiates itself from the industry giant that merged with Live Nation in 2010 by providing a client-branded web platform from which to sell tickets.

"We don't compete against their existing model. Ticketmaster is a retail shop — they sell directly to the consumer and aggregate tickets at the back end — while our clients sell to the consumers." This difference is key, he says, because the act of selling a ticket gives the businesses AudienceView works with the opportunity to build relationships with their own customers.

"Ticketing really represents the conduit to the end consumer," Mr. Kimsa says.

The social aspect to ticketing was always obvious to AudienceView, he says, but the company recently expanded on the concept with its Tiki feature that integrates ticketing for events directly into Facebook pages.

"With the utility of Facebook, all of a sudden you've got social ticketing on steroids," he says. "Ticketing is just one of the most apropos markets in regard to what should appear inside of the Facebook fabric."

AudienceView does business with about 170 companies in 13 countries and rolled out the feature, which allows users to remain on the Facebook page to complete a ticket transaction, last fall through the U.K.'s Ticket Factory. The Facebook integration made its North American debut at the Tribeca Film Festival in New York City last month and will be generally available later this summer, Mr. Kimsa says.

AudienceView, which has about 120 employees, has been in business for 10 years and profitable for three, he says.

The company is enjoying renewed momentum, he says, as social ticketing takes off and companies such as California-based general admission ticketing website Eventbrite disrupt the industry.

Mr. Kimsa estimates the global yearly ticket market at between five billion and 10 billion tickets. Ticketmaster sold 141 million tickets through its ticket services in 2011 and a further 135 million through its venue clients' box offices, according to its annual report. In that climate, Mr. Kimsa, whose company handles about 60 million a year, sees opportunity for all the players.

"It's a very fragmented industry. So we have a massive market and what Eventbrite has done, they've sort of exploited the lower end of the market," he says. "We feel we're a leader in the space and we do feel there's going to be an accelerator effect over the next couple of years primarily just because of the impact of social networks like Facebook."

On that confidence, AudienceView, which had one round of financing with Ventures West Management Inc. in 2005, is in the midst of raising a second round of capital.

AudienceView is part of a trend that is seeing smaller players seek a stake in industries dominated by one or two large players with ample resources.

For example, Burlington, Ont.-based [Audiobooks.com](#)'s unlimited streaming service launched in January has tough competition in Amazon.com Inc.'s digital audiobook property [Audible.com](#).

The company is a subsidiary of Simply Audiobooks Inc., a CD rental service that launched in 2003. Ian Small is general manager of both companies although they are run separately.

He says when the company was considering whether it could compete with Amazon on the increasingly dominant digital front, it saw an opportunity in the idea of an unlimited cloud-based model, which was "more on the consumer-friendly side of things."

Instead of paying on an à la carte basis, users can pay a monthly fee of about \$25 for as many books as they can listen to.

Mr. Small wouldn't provide numbers but said response to the new service has been promising.

He jokes that taking on an industry titan still causes him to lose sleep, but he seems confident the company can wrestle some market share from Amazon with its approach. "We look at things like what Netflix did to Blockbuster. It's possible, it's happened in the past. There's room for both Coke and Pepsi. We operate in a market where one business has 95% of the market share and that is not to the benefit of the customer."

Also looking to cash in on the prevalence of both social media and digital commerce is Toronto-based startup Uniiverse Collaborative Lifestyle Inc., an online marketplace launched at the beginning of February.

Its website, which is part of the growing "sharing economy," aims to muscle in on territory typically dominated by Craigslist Inc. and eBay Inc. subsidiary Kijiji by allowing users to connect on the Internet to make offline plans to share or sell their belongings, time, expertise or space.

The site has no ads but charges buyers a small fee at the time of booking.

While the sharing economy landscape is becoming crowded, just a few months in, Uniiverse co-founder Craig Follett says his company has 6,000 users in 300 cities who have posted 1,500 offline activities and services.

"Although Uniiverse is in a competitive space, we remain the most comprehensive platform out there for offline sharing. As a young company, we are more nimble and able to disrupt existing large players."

Along the same lines and also in February, Research in Motion Ltd. employee and Kitchener, Ont., resident Asim Siddiqui launched WizeNation, a website he describes as "classifieds gone social." He was inspired to create it after moving to the area in 2008 and realizing that although he had plenty of friends on Facebook, he knew no one in Kitchener. "What are these social networking sites good for if you can't connect with your neighbours?" he says of the dominant social media sites.

Ultimately, WizeNation, which has about 500 users in the Kitchener area so far, is intended to compete with online classifieds by bringing a hyper-local, social element to the endeavour, he says.

For startups taking on established industry leaders, that differentiation from the dominant model could be all the difference.

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