

Our Experience with Branding®

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INTRODUCTION

Branding in the horticultural industry is one of the hot topics that we as business owners have to deal with. Everyone has an opinion and not two people think alike on this issue.

My presentation is going to explore three questions that I hope to answer for you.

They are:

- Does branding sell more product?
- Can branding your company or product make your small or mid-sized operation more profitable?
- How do you go about creating and establishing a brand?

DOES BRANDING SELL MORE PRODUCT?

When you answer the first question think of the examples of well-established brands and their impact in their sector of the economy.

Take for example the visual image of the bow-tie logo that represents GM's Chevrolet division. It is recognized world-wide without any tie-in to the name or to what it represents, but instinctively everyone in this room and beyond recognizes it as a brand that sells cars and lots of them. It has been around since 1919.

A little closer to our lives and to what we sell would be the example of coffee shops. Who here doesn't recognize the Starbucks logo? I suspect that a good number of people here went in search of a Starbucks for your morning coffee. Starbucks proved that a good brand can sell lots of product at a very healthy profit margin.

Can a good brand sell more plants in the horticultural industry at a better profit margin?

Empirical evidence from Australia and New Zealand certainly suggests that it can. Many of you may remember the fictional brand "Southern Shades Impatiens" that was created specifically to research the effectiveness of branding in a garden center setting. (For a full review see the October 2003 issue of *Greenhouse Grower Magazine*). It concluded that branded product outsold similar unbranded product by as much as 40% at a gross margin 15% higher than the unbranded product. Needless to say several large players in the floral industry have decided branding their product in the market place is essential to increasing their market share and profit margins. Think of Ball Seed with the "Simply Beautiful" line of product, Yoder Brothers with "Flower Fields" and "Blooms of Bressingham" and Scott's going as far as selling plants, fertilizers, soils, and pre-mixed containers under the "Miracle-Gro" brand. Smaller operations have also done very well with brands. "Proven Winners" started small with their annuals, later added the "Proven Selections" line of perennials, and now in conjunction with Spring Meadow Nurseries has introduced the "Color Choice" line of woody plants. A brand that we have been involved with since 2001, "Stepables", has also done exceedingly well. Fran Hopkins of Salem, Oregon, created the idea to sell more of her groundcovers in Oregon, Washington,

and California. It has blossomed into a program with 20 growers across the United States of America and Canada as well as a whole host of copycat programs from other growers.

To summarize the answer to the first question: an emphatic yes, branding sells more plants at a better profit margin.

CAN A SMALL- OR MEDIUM-SIZED BUSINESS BECOME MORE PROFITABLE BY BRANDING?

Probably the first thing you have to establish is that only “good” brands sell more plants over the long term.

A good brand starts with a corporate identity that the buying public can identify with.

It consists of:

- Company name and logo.
- The look of buildings, offices, and vehicles.
- The appearance of stationery and publications.
- Your portrayal in the media.
- The manner in which you and your staff respond to the public.
- The appearance of your product.

All of these have to portray the same consistent message about your company and its products. In other words a good brand starts with a well thought out plan that starts with the corporate mission of the company. It requires consistency in how you deal with customers and employees, the general public, and the press. The quality and appearance of your product has to be consistent with your corporate mission to create a long-term sustainable brand.

I believe that every business owner wants to be able to portray this kind of consistency and predictability to the other stakeholders in his or her business. Your brand, in simple terms, is the logical extension of your business philosophy.

The way it makes you more profitable is by giving customers a visual identity to go with a plant and allowing them to return to you for more consistently. When your product is anonymous in the market place it does not allow consumers to identify you as the provider. You make them search for and possibly find alternatives. Especially as a wholesaler it is very important to have at least one direct link with the ultimate consumer. It is a lot easier to convince retailers to carry your product when end consumers ask the retailer for your brand.

HOW DO YOU GO ABOUT CREATING AND ESTABLISHING A BRAND?

After deliberating for several years and observing the marketing efforts of other perennial growers in Ontario, we decided that J.E.A. Perennials Inc. was ready for a change.

We are growing and selling many of the brands mentioned earlier and we have been quite successful with them. For us it was time to take the next step and put our name squarely in front of the end consumer. We want to make sure that when a consumer buys a plant at a garden center, it is one of ours. We want to engrain our logo and name in the minds of gardeners in Ontario as the ultimate source for their perennial purchases.

How do you go about taking that leap to establishing a brand and corporate identity?

I think everybody understands that the process is not as simple as going to a label company and telling them to create a label for you. That is actually one of the last steps in the process.

We started by identifying the need for professional help. We do not have the expertise or time to go through the entire process by ourselves. Nor can we look into the industry from the outside. Admitting to your own weaknesses can save a lot of effort and money. We solicited proposals from and interviewed several brand design agencies on how they would go about identifying and satisfying our needs. This included the steps needed for development, design and successful implementation, timelines, and price. This process is really no different than shopping for a new car. You have to have a rough idea of what you want, how long you are willing to wait, and how much you are willing to pay. By soliciting proposals from several different companies we identified areas that we had overlooked and eliminated some unnecessary fluff from our project. At the end of that process we had the preferred companies quote on the project as we envisioned it. The project was based on our vision and a composite of the recommendations by the various agencies.

We started our effort by doing a needs assessment. It analyzes the company's current placement in the market place, the level of marketing sophistication in the industry, a competitive analysis and the corporate identity that we were portraying to our customers and the buying public, as well as, the image we wished we had. This process was carried out by the design agency over a period of about 2 months by talking to garden center buyers and consumers both formally and informally. Tradeshow were visited and garden centers explored by people who look at the industry both as consumers and suppliers of ideas. They were able to stand back from our business and supply us with a set of eyes that we do not possess.

From this flowed the design of the corporate name and a suitable logo, and tag line.

We went from a rather ambiguous name of J.E.A. Perennials Inc to marketing under the name of the founder of the company, Janet Anderson. To the name and logo we added the tag line "Growers of Distinct Perennials". So Janet Anderson, Growers of Distinct Perennials was born. Janet was already a well-known spokesperson for our company. She was regularly quoted in various gardening magazines in Ontario and is heavily involved with the Perennial Plant Association and Landscape Ontario. Although reluctantly, she was finally convinced by fellow managers and the design firm that the "Martha Stewart" approach to branding would pay off in the plant industry.

Once we had decided on the name change and the corporate logo the implementation process began. Decisions had to be made on how to launch the transformation from J.E.A. Perennials Inc to Janet Anderson, Growers of Distinct Perennials. This involved digital artwork for the obvious applications such as pot stickers, labels, and business cards to the not so obvious like a black-and-white version for invoices, statements, and envelopes. Although it may seem more elegant to have everything done in full colour, because of the sheer volume of some of the stationary it is impractical and not financially viable to send statements out in a three-colour envelope that costs \$0.50. More affordable colour laser printers may at some point in the future change the need for a black and white version. Our pot stickers are designed around the concept of co-branding ourselves with well-known brands, such as, "Proven Winners", "Terra Nova Nurseries", and "Stepables". For more specialized material we work with our own labels which are currently being designed. It is important to understand that you don't have to implement everything at once, but that you have to have a good plan that allows you to add elements that enhance and refresh the image at a later date. One unexpected cost was the need to acquire several copies of publishing software to be compatible with the design team.

We decided to launch the new name in the fall of 2003 at Garden Expo, Landscape Ontario's fall trade show. This show has a large proportion of the green goods buyers in Ontario in attendance, so it is a high impact show for us. The launch included a new trade show booth, new logos on all vehicles and signs, as well as, the new look of our product. We placed stickers with our logo on the badge of everyone who visited our booth. We donated plant material to the entrance garden at the show with our logo and generally saturated the show. We managed to create a question in everyone's mind as to who had this neat new logo.

Because we managed to keep the proceedings hushed through the professionalism of our suppliers and ourselves, our booth had a much bigger impact at the show than in previous years. This was followed up with consumer advertisements in *Canadian Gardening* and *Ontario Gardener* magazines during Winter and Spring of 2004. We also partnered with *Canadian Gardening* magazine and *Oriole Landscaping* of Toronto in creating a garden at Canada Blooms, the annual Toronto flower show in mid-March. As a result of these efforts we were able to tie Janet's speaking engagements at Canada Blooms and elsewhere in Ontario into our brand and our product. The same message is again re-inforced on our web site, which is mentioned in all our advertising.

The website is divided into a public portion and a dedicated wholesale section. The wholesale side is password protected and contains credit information and availabilities.

The public side of the website is linked directly to the *Canadian Gardening* Website both ways. It contains a searchable version of our reference guide posted along with as many images of the plants listed as possible. It also lists our dealers in a geographic searchable database. We are in the process of pasting links to their respective websites into our site. We also utilize the site to post special events both for our wholesale customers and the end consumer. And finally we also produce a reference guide along with a matched pricelist. The reference guide is not yet in full colour, but it already carries our distinctive logo and ties right back into the rest of our branding effort. Currently we are also working on display modules for garden centers, banners, and other POP material to give the whole marketing effort a finished look.

CONCLUSION

We are now 2 years into the project and have experienced one full season under the new corporate identity in our marketing. We have given the branding effort 3 years from launch to come to full fruition. So far the brand has increased our sales volume by about 15% and the average wholesale price of our product by 26% compared to the year before launch. We have also learned the hard way that you have to be ready for success. We could have used 20% more growing space for our spring crops. I am certainly not advocating that everyone jump on the branding bandwagon all at once and increase their production, but for the small- and medium-sized grower there are opportunities to have consumers recognize their products in the regional market place by establishing an effective brand.