

The Brand Advantage

Operating Your Retail Business with a Brand Strategy

Linda Anderson,
Managing Partner, The Anderson Group

For many owners of nursery retail businesses, branding is a buzz word that conjures up images of colorful logos, snappy slogans and glitzy reputations. In fact, many retail businesses view branding solely as a communications tool to forge a connection between a product or service and the customer.

Savvy nursery retailers know better. They firmly believe that branding isn't just about communications; it's the heart of a sound business strategy. They know that brand is an asset that has a measurable value, directly impacting the bottom line. And they understand that proper brand management allows them to improve sales, fuel profitable growth and dominate their market.

"It takes years to build a brand, and can take only seconds to destroy it," said Matt Horn, owner of Matterhorn Nursery, Spring Valley, NY. "Stand by your brand," he advises.

"Establishing your name and a good brand go hand-in-hand," said Paul Bachman, vice president of marketing, merchandising and store operations for Bachman's, Minneapolis.

Building a strong brand architecture

A solid brand architecture gives you the ability to make the right decisions about your product mix, pricing, availability of inventory, store layout, merchandising, marketing, human resources, and more. How can brand help you pull all the elements together with a single focus on your brand and purposefully use it?

Retailers who understand brand achieve the ultimate experience for their customers. For the sake of making brand strategy digestible and actionable, we'll use the analogy of a house. Just as a house needs a sound structure and foundation, so does your business.

A firm foundation and sound structure allows you to build upward, story by story. With the proper tools and resources, you'll build sturdy exterior walls that envelop the infrastructure. With the siding, you'll protect the internal structure from the outdoor elements and will look for ways to make the home "your own" with a pleasing visual image.

In this model, the infrastructure of your business is represented by your brand essence, core values and brand promise. To keep the house on equal footing, each of these must accurately reflect the external components of a brand which are image, associations consumers make and brand positioning.

Your purpose should reflect their experience

The roof represents the brand purpose, which is the entire reason you formed the business in

the first place and how you want customers to feel... creating the customers' brand experience. It's an inherent differentiation stemming from your unique ideas and skills that carves your niche among other independent or chain retailers.

Horn, for example, runs his business on the premise that "everyone is entitled to high quality." So while he offers some unusual high-end items, he doesn't dedicate his entire inventory to things the masses can't afford. Instead, he sells quality items yet remains competitively priced. That's Matterhorn's brand purpose.

To carry out your brand purpose, you need a method to help you build and hone your internal structure so it resonates and measures up to the brand experience. With the ability to control and influence internal factors, it's critical to manage and articulate them well so they reflect what customers think, feel and say about you. The way you manage and live your brand lays the foundation for your success and longevity. Differentiate your brand by providing customers with the experience you want them to have, and by evoking emotions that they'll associate with your brand.

Brand management at its peak

Brand is an experience shaped by all kinds of interactions, and it must be cultivated and protected from the owner all the way down to the nursery stock-boy. Great brand experiences are created by design, not happenstance. Once everything you do supports and reflects your original vision, the fun begins!

Working toward creating the brand experience you intended impacts which products you carry, pricing models, merchandising, and every other facet of your store. Evaluate how every decision you make affects your customers and reflects your brand (positively or negatively). How will these decisions influence your brand today and in the future? Continuing with the house model, let's examine how they represent and protect your brand.

Level 1: Brand essence reflects the image

Your image is the perception customers, vendors and other key audiences have of your brand. It's a direct reflection on the way you communicate the essence, or heart and soul, of your business. Brand image is the mental picture or feeling they have of your store, staff and every other point of contact.

Often customers come to independent lawn & garden centers for an inspirational experience as much as the gardening know-how and goods. "Have products customers need in stock as well as the innovative displays to motivate them. We work to exceed their expectations and create visually stimulating displays," Bachman suggests.

Bachman's customers know to expect originality, quality and selection. To make these traits evident in their product mix, Bachman's selects products from quality brands that will live up to customers' expectations. While this doesn't necessarily mean carrying every premium brand, it does mean choosing wisely based on the value customers expect and selling products they need.

“As sophistication grows, the ability for people to buy grows,” said Bachman. “As the product category grows, you want to offer and carry the brands that sell and put you where you want to be.”

Level 2: Core values reflect brand associations

Core values ensure consistent behaviors and personalize a brand, helping people better understand it. So everyone from the employees to vendors understands what customers expect from your brand.

Customers form opinions and make associations with the values you represent. When they're positive associations, they grow over time into valuable long-term relationships. Brand associations express the feelings and attitudes your customers associate with your store and staff.

Because people develop either good or bad associations with your brand based on their experiences, it's important to be discerning when choosing vendors, manufacturers, employees, etc. Choosing the best suited manufacturers for your brand will support your competitive distinction and market position and can extend your brand to common target audiences.

“If your (store's) brand is the top-of-line, make sure that the vendors you select have high quality products,” said Bachman.

Those you partner with need to closely identify with the values your brand embodies. If you're a leader in knowledge, associate with similar minded manufacturers who have current trend and how-to information, a vested interest in research and development, educational collateral (shelf talkers, point-of-purchase flyers, informative brochures), and unparalleled expertise.

If your purpose is providing innovation to customers, then show them how everything about you is trend-setting: from the newest hottest products to cutting edge employees to the signage. It makes your brand credible and memorable.

Anyone familiar with Bachman's knows that “The proof is in the purple.” They've demonstrated a consistent association with the color purple for over 60 years in their logo, marketing materials, store packaging, etc.

Proof is in the practice

To guide your decisions, put yourself in your customers' shoes. Determine whether the values you want to portray are actually being supported by your company and your staff. And as hard as it may be in some areas, be honest with yourself.

For instance, Horn takes his core value of being knowledgeable to a new height. “If you don't know it, learn it,” are words he lives by and encourages his staff to do the same.

Because his staff members are experts in their fields (trained horticulturalists, carpenters,

landscape architects, etc.), they know right questions to ask and make valuable recommendations whether on the floor or at the register.

“They run the registers, create merchandising displays, make buys, unload boxes, and do whatever it takes. When customers ask questions at the register, they’ll get in-depth, knowledgeable answers from an expert which adds value to the customer experience,” said Horn.

With a brand committed to education and knowledge, Horn invests in sending staff to numerous association meetings and training courses throughout the year. He recognizes educational value not only his brand equity, but also in employee retention. In fact, some Matterhorn employees have been there over 15 years, and one since 1981 when the business began.

Level 3: Your promise reflects brand positioning

Brand positioning reflects the promises you make to customers and your ability to deliver on them. It’s where brand insistence and customer loyalty kick into high gear. It’s the justification customers use when they choose you over any of the nearby independents or chains.

Typically retailers compete in one of three ways: price, innovation, and customer service. What’s your unique, competitive advantage? How do you consistently communicate your values and deliver on the promises you make through every interaction customers have with your establishment?

“One way we back up our promise of offering quality products and a great customer experience is making sure we’re well-stocked, and when an item is out of stock, we deliver it free of charge,” said Horn.

The secret to building and maintaining a successful competitive distinction is delivering benefits that are different from others, relevant and compelling to your customers, and doing it consistently. How are you currently using and nurturing your competitive advantages and delivering what you promise to customers?

Matterhorn Nursery, for example, positions itself as a lifestyle, not a store. “You come here for the experience. We try to create a quality of life,” said Horn. “Captivating customers is especially important if you’re (located) off the beaten path,” said Horn. “We do our best to keep changing and expanding... customers expect that. The bottom line is that you need to give them a reason to come and stay here,” said Horn.

The “brand house” of Nordstrom

Nordstrom’s brand has successfully transcended its physical walls and created a brand retail environment based on trust and value that meets, and often exceeds, the lifestyle needs of its shoppers.

Nordstrom’s brand promise is exceptional customer service, permeating every decision,

action and recommendation the employees make. They go to extraordinary lengths to cater to customers, and as a result the Nordstrom brand continues to build its reputation by word of mouth– the most powerful endorsement.

The brand is associated with the top designer names, high quality and an air of glitz. Nordstrom shoppers know they're worth the personal attention and seek the indulgent experience. Sales associates are brand stewards who develop intimate one-to-one relationships, enabling them to service customers' every need and whim and make well-informed recommendations.

Build your brand, reap the rewards

Using the house model to build your own brand architecture, you can make intentional strategic decisions everyday to directly enhance the customer experience and build brand equity.

Through careful brand management, you'll benefit from increased sales, profitable growth and market dominance.