

## Some Computers and Half-a-Dozen Graphic Artists, Not! Marketing Opportunities with Patents, Trademarks, and Brands®

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### INTRODUCTION

So what will it take? Are you ready to leap into branding?

- Today you have heard what patenting and trademarking does, doesn't do, and why.
- A grower perspective on why branding is important.

So let's get branding, this is easy, right? All we need is a colored pot and some Point of Purchase (POP) materials, and watch the dollars roll in. Well not so fast. The industry today is showing a decline in sales with sales per participating household slowing or not increasing.

### THE CONSUMER

#### The New Consumer is Different.

- Young homeowners place considerable value on personal time.
- Young homeowners want projects done promptly. They want projects completed quickly, and if needed, they will hire a professional to get it done.
- Access to money is not a barrier, as our focus groups revealed; young homeowners do not consider money a significant barrier. One respondent eloquently summarized the prevailing attitude: If I want to do a project I borrow on my home equity line of credit. The interest rate is only 4%, and I get the tax deduction on the interest. The value of my home is going up 10%–13% a year — I'm going to get my money back and some more.
- Homes are investments. As a group, young homeowners see homes more as a mechanism to build personal wealth than as an expense or a place to “plant some roots.” In our focus groups, most agreed that they would be in a different home in 5 or fewer years.
- Just acceptable is not good enough. Young homeowners want items that reflect their personal style.

**The Changing Consumer.** The following themes emerged when we asked focus groups to compare their home improvement preferences and skills to their baby boomer and post-war generation parents:

- Contemporary and unique styling. They do not want homes, furnishings, and landscapes that look like everyone else's.
- Willing to be more whimsical in design by using vibrant color, unusual artwork, and other eclectic decorating items.
- More meticulous with keeping the yard mowed and cleaned.

- Far less motivated to complete home improvement projects. They would rather spend discretionary time on eating out, socializing with friends, and traveling.
- Far less skilled than parents.
- Much more confident in admitting what they don't know, and not trying to complete complex projects without some help.

## **BRANDING**

Do we understand what branding is?

### **What the Industry Says About Branding.**

- The retailer's reputation is what drives plant purchases in independent garden centers and nurseries, 78%.
- Branding is an effective strategy to improve profit margins on plants, 55%.
- Plants are commodities, 55%.
- Consumers will pay more for branded plants, 52%.
- Branding and POP materials (pots, labels, signage) are the same thing, 18%.

### **Real Branding Requires:**

- 1) Focus.
  - What is the plant's/brand's unique selling proposition?
  - What is the plant's core essence or personality?
  - What promise is the plant making to the purchaser?
- 2) A core essence.
  - Differentiating.
  - Why is your plant/brand different from others?
  - Compelling.
  - Will that difference make sense to the consumer, do they care?
  - Enduring.
  - Is this a long-lasting appeal?
  - Does it make you feel good?
- 3) Great alignment.
  - You need to translate brand's core essence into strategies and tactics that will determine how your brand will behave in the marketplace.
  - Who's the customer?
  - Who are you talking to, trade and/or consumer?
  - Is it a push or pull through the channel of distribution?
- 4) Cohesive linkage.
  - Instilling the brand strategy throughout the business system.
  - Yes, production needs to be in the loop.
  - We are a production-lead industry for the most part; branding is a marketing-driven approach.
- 5) Strategic planning, business planning, employee training, advertising, and all customer touch points are all coordinated to continually reinforce the brand's core essence.

### Aren't Brands and Promotions the Same?

- Differences between promotions and brands are:
  - Both are trying to do the following:
    - Customer demand.
    - Higher margins/retail price points.
    - Awareness/recall.
- Only brands have the following:
  - Endurance.
  - Real or perceived difference.
  - Long-term strategic intent.

### Brand Differences:

- Differences between promotions and brands.
  - Customer segments.
    - Zealots.
    - Loyalists.
    - Indifferents.
- Mature channels of distribution.
- Emotive trigger.
  - Perceived or real and long term.

Most horticultural efforts are promotions.

In-store promotions are combinations of merchandising, point-of-purchase materials, in-store events, and possibly some advertising and direct mail with the sole purpose of “calling attention to the product.” Most of what we do with branding in horticulture falls into this category. We have lots of plant programs but few true brands.

### Still Want to Create a Brand?

So what's it going to take above all else — dollars and lots of dollars?

- Branding is not cheap and requires all this work and energy to be spent before you have sold a single plant.
- Branding can take time to return the investment.
- It's not easy.

**Asking the Customer.** Customer focus groups tell us:

- Primary promise is to remove fear of failure, guarantee product will “thrive.”
  - Consider offering money-back guarantees.
- Big-box stores have “programmed” consumers to buy plants on impulse.
  - “If I'm there and it looks good, I'll buy it.”
- “Higher-risk” purchases are the mainstay of independent garden centers.

**Table 1.** What the consumer said.

Physical	Cost
Full, bushy foliage	Good value for money
Rich color according to plant species	Not overly expensive
Blooming plants that contain unopened buds	Discounted if past prime
Sturdy stems without wounds	
Adequate moisture in soil/heavy soil in pot	
Dark soil with visible fertilizer	
Ample room in pot for root growth	
Insect and disease free	
Effort	Packaging
Low maintenance	Container in good condition
Drought resistant/low water requirements	Descriptive label telling how to care for plant
Plants that require less upkeep	

In summary, consumers shop for plants like produce.

## PUTTING IT ALTOGETHER

### Brand Promises.

- Information
  - Care instruction booklet.
  - Monthly newsletter on plant care and maintenance.
  - Where and how the plant was grown.
  - Color-coded tags profiling growing instructions.
  - Website with plant information and support.
  - Free in-store seminars given by a rep from the branding company.
  - Email updates on plant care.
- Keys to Successful Branding
  - Colorful packaging to make the plant stand out.
  - Advertising.
- I want it to look nice.
- Make it easy; I don't have lots of time.
- Eligibility for trips with purchase (e.g., Holland for tulips).
  - Ability to order more plants on-line at a website.
  - Catalog of products.
  - Biodegradable container/package.
  - Coupons and rebates.

- Plant Characteristics
  - Unique species.
  - Attractive appearance.
  - Consistent from plant to plant.
  - Low maintenance.
  - Healthy genetic origin.
  - Plant appropriate for hardiness zone.
  - Genetically improved to resist diseases (does not apply to vegetables).
  - Larger, long-lived blooms.

### **The Endless Summer Story.**

#### ***Did Creating a Brand Work?***

- The gardening public said ‘yes’ overwhelmingly.
- The biggest new shrub introduction ever.
- Bailey Nursery and our network partners have sold over 4 million plants to date.
- Everybody was sold out from coast to coast, even in the warm climates where the attraction was the amount of rebloom.
- Over 35 million dollars worth of “PR” was generated in 2004.

#### ***What Has It Done for Our Nursery?***

- Created demand for our customer. Happy customers order more and other products.
- Excitement at Bailey Nurseries, Inc. for what we can do, we are the talk of the industry.
- Pulls in new customers eager to hear what we have coming next.

#### ***This Success Also Creates Challenges.***

- Land and resources required to grow big numbers.
- Need to cover the market with enough plants, new growers, and cost and time to manage the brand.
- Required consumer advertising, consumer publications, consumer/trade advertising, info sheets, POP.

#### **What’s Next?** The creation of the Endless Summer brand of plants.

- Continue to look for new plants to introduce.
- Introduce the brand around the world.