



Lighthouse

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Established Family Business Finds A New Way

In This Issue

Decades of success and extraordinary profits created a strategic weakness for this family business. The family lost their connection to what they were known for in the minds of their customers. They continued to enjoy business in many countries across the globe, but they no longer knew what their customers really expected.

The successor generation wanted to expand, but the family could not agree on which direction to take. Redefining their brand and re-establishing the associations with the brand in the minds of customers got this business back on track.



Sales rebounded within 12 months.

The Difference Is Night And Day



We once worked with a successful business that was more than 100 years old. Things were not going well with them. Sales and earnings for the company's core lines were declining. There was no sales management. The phone just seemed to ring when services and products were needed by loyal domestic and international customers. The arguments started when the next generation of this family-owned business wanted to expand. The family wanted growth, but they could not agree about what their customers really expected. The disagreements frustrated the development of a strategy.

Why wasn't this more straightforward? After all, customers ordered voluntarily, which suggested they knew what was on their minds. There was abundant client testimonial containing praise and appreciation. Numerous conversations with clients and industry veterans surfaced many good answers to the basic question, "What can we do for you?" Yet, our clients could not fathom any clues in this information about the image they were making in their customers' minds.

Putting aside all of the conjecture, the customer research, and all of the data, we asked the family what they really wanted to be known for. The answer was elegant, and our

clients were surprisingly unanimous. Then we discussed with them a process for redefining their brand, and a system for projecting their image and creating associations with their brand in the minds of customers and prospects.

The successful brand is instantly and *automatically* associated with *solutions* to compelling needs and wants. The starting point is how the marketplace and your industry perceive you. Much has been written about the technology of "branding." A successful brand can be created by applying the technology to what you are already known for. You can think this through objectively without doing any customer surveys! Here are the 12 things we analyzed with our family-owned business client:

1. Industry Analysis - What is your industry? How big is it? How fast is it growing?
2. Target Markets - The segmentation of your customer list
3. Strengths - What do you have going for you that is unequalled by your competitors?
4. Weaknesses - Where are you vulnerable to attack from competitors and external threats?
5. Opportunities - What is Your upside? How will you capture it?

6. Threats - What potentialities can slow you down, or put you out of business?
7. Customer Profile - What is their incentive? Who decides to buy? What is the buying process?
8. Competitors - Who are they? What is their market share?
9. Risks - What is at stake?
10. Financial Goals - Industry benchmarks vs. Your financial performance
11. Marketing Themes - Your strategic advantages and your competitors' vulnerabilities
12. Your Unique Value - The answers to the 7 critical questions your customers are listening for.

We revised the company's marketing communications with verbal and graphic statements of our client's Unique Value, and we implemented new systems for spreading the word. The results?

- ◆ Sales increased rapidly and surpassed the previous high point after 18 months.
- ◆ The younger generation tripled profits and free cash flow.
- ◆ The business eliminated all of its debt.
- ◆ The older generation created the retirement nest egg that had eluded them for most of their business lives.