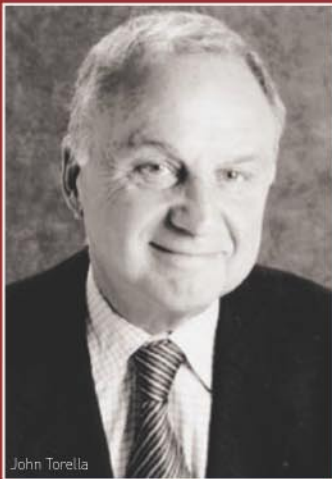


# BUILDING A BRAND

A retail consultant expert divulges the secrets behind branding, its importance in a successful marketing plan, and how it helps to build a lifelong clientele.



JOHN TORELLA KNOWS JEWELLERY. BUT HE'S NOT A VENDOR. NOR IS HE A RETAILER. IN FACT, HE'S NEVER MADE A SINGLE PIECE OF JEWELLERY IN HIS LIFE.

TORELLA, A SENIOR PARTNER WITH TORONTO-BASED RETAIL CONSULTANTS J.C. WILLIAMS GROUP, SPECIALIZES IN STRATEGIC PLANNING, BRANDING, MARKETING AND COMMUNICATIONS, AND THE INFORMATION HE OFFERS IS WORTH MORE THAN WHAT'S INSIDE THE JEWELLERY STORES HE REPRESENTS. HE WORKED FOR THE EATON CENTRE THROUGHOUT THE 1970S OVERSEEING A STAFF OF 200, AND NOW BOASTS A ROSTER OF CLIENTS THAT INCLUDES 3M, ALDO, INDIAN MOTORCYCLE, THE BODY SHOP AND THE LCBO.

WE ASKED TORELLA HOW BRANDING HAS SHIFTED THE JEWELLERY WORLD, AND HOW IT CAN IMPROVE SALES FOR THOSE IN THE INDUSTRY.

## WHAT IS J.C. WILLIAMS GROUP AND WHICH JEWELLERY CLIENTS DO YOU REPRESENT?

We offer retail consulting. We have an office in Chicago and have consulted for many major retailers and manufacturers in Canada and the U.S. In jewellery, we work with Birks and their whole new team, and Mayor's, the chain they own in Florida. We also work with jewellery manufacturers like Gravure, out of Montreal.

## HOW DO YOU DEFINE BRANDING, AND WHAT DOES IT MEAN?

Branding is a name, logo, graphic or symbol that identifies a product, service or store. Brands add value beyond the function they provide. For example, let's say I have a Cartier watch on one wrist and a Casio on the other.

They both provide the same function: to tell time. But why do I feel so much more emotionally tied to the Cartier? That's what branding is: the emotional hooks between people and products.

## HOW IS IT DIFFERENT FROM MARKETING AND ADVERTISING?

Branding is how you are going to brand or differentiate yourself, whereas marketing is how you bring that brand to life. Advertising is how you are going to communicate it.

It is, in terms of retail branding, a relatively new phenomenon in the last 10 years, the concept of the store as a brand. Brands have always been an important part of packaged goods in the corporate world, but it is new and growing in importance in retail.

## WHY IS BRANDING BECOMING IMPORTANT IN THE JEWELLERY SECTOR?

Brands are the DNA or identity of a company. People have an identity; companies have an identity. But most of the time, they're misunderstood and not communicated in an effective way. For example, there is so much sameness in the jewellery industry. Walk through any mall and you will see one jewellery store after another. So if you're going to be unique, special and more than just a commodity, you have to think about branding as an important tool for your company, a way to build long-term profitable growth.

## HOW WILL BRANDING HELP YOU STAND OUT?

BY ZACK MEDICOFF

You need to ask fundamental questions like, "What's the personality of my brand?" If it were a person, how would you describe it? Classic? Canadian? Contemporary? Old-fashioned? What's the added value that you are going to provide? If I can buy that same wedding band from three or five jewellery stores, why should I buy it from yours? What emotional, subconscious benefits are you going to provide me with: trust, confidence, style, badge value? There are a series of steps we go through to help you create this brand differentiation to build customers for life.

#### WHAT IS WHOLE-BEING BRANDING?

It looks at every touchpoint between you and the end consumer. It looks at every aspect of the organization, from the look and feel of the store, product mix, Web site, how you answer the phones, people, service—every single aspect that touches the customer has to have symmetry. Look at McDonald's. They're as fanatic about their tray liners as they are about a menu board or TV commercial. That's because they know that more people are going to see a tray liner than a TV spot.

#### WHY IS IT IMPORTANT AND RELEVANT TO RETAILERS AND MANUFACTURERS?

When I go into Birks and look for that Cartier Tank Watch, Cartier has already set up that purchase. They got the consumer to go into the store to look for a specific brand that's worth millions of dollars. They've built brand recognition and awareness; so just think of all of these things and how much easier that sale would be if I was selling you a no-name brand. The interesting challenge for the retailer is to first build and establish the name on the door, and then the names on the floor.

#### WHAT ARE SOME OF THE FACTORS THAT ARE DRIVING THE USE OF BRANDING?

The number-one factor is the consumer and the sameness of most retail stores and products. If you think of all the watches

that are out in the world today, the consumer can only name five or six out of the hundreds of brands. They're looking for some sort of uniqueness. They want to be special and don't want to be part of the mass.



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#### WHAT ARE THE BENEFITS OF BRANDING?

There are three. First, it's the consumer. They love brands because they trust them. Brands make consumers feel better emotionally. Brands are a way that consumers identify themselves; they have a lifestyle relationship with the brands.

From the company's point of view, brands are about premium prices and sustainable growth. They're about adding asset value to the company. Now that's pretty important. Brands actually have a multiplier in the marketplace. If you look at Ralph Lauren, it's not about the book value but the multiplier that the marketplace puts on great brands.

And for investors, brands are about long-term profitable growth, brand equity, and intangible and tangible assets.

#### IS IT EXPENSIVE TO BRAND?

Not really. For an average retailer or manufacturer, a branding process costs between \$30,000 and \$50,000. It's more like investing. It will save you money, it won't cost you money. It's about investing in the future of the company, and that does not need to be expensive.

#### CAN SMALL OR MEDIUM RETAILERS AND MANUFACTURERS DO IT?

Absolutely. Every store has a logo, a package. It's just doing it within a brand context. You're investing in a brand, not spending on an ad that changes every week. In fact, branding is, for the small retailer, a way to compete internationally.

#### WHAT ROLE DOES ADVERTISING PLAY IN HELPING BRAND A PRODUCT?

I don't really talk about advertising. I speak more about communications, and that's the way you build brands. Advertising is just one tool in the tool kit. Communications can be everything from the store windows and Web site to direct marketing, and so many more tools you can use to communicate with the end consumer. Advertising is just one of them. It's an important one absolutely, but if people can't afford advertising it doesn't mean they can't afford branding.

#### HOW DOES BRANDING JEWELLERY DIFFER FROM BRANDING OTHER, MORE VISIBLE PRODUCTS, LIKE FOOD OR FASHION?

Jewellery branding is really a new phenomenon. For years, jewellery was just sold as a commodity. It was an item. And then David Yurman came in and said, "I have a unique point of view [with] my jewellery and I want to put my name on it." Or Birks putting their name on watches and thinking about jewellery. Jewellery branding is an idea whose time has come, and it's going to happen more and more.