LEAN MARKETING

Brick & Mortar Diamond Business

Case Study

Diamond Business Case Study

Start date: August 6, 2020
End date: Ongoing
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Why Consulting?

This client had been in business for 20 years when COVID hit. The owner, an internationally renowned gemologist, was at a point in his entrepreneurial career where he didn't know if he wanted to continue driving the business forward or exit it.

Unfortunately, like many business owners, the running of his business was siloed in between his ears. Even if he'd decided to sell the business, there were no systems, processes or assets in place to make the business enticing to potential investors.

Selling the business probably wouldn't have been his biggest payday ever.

So he chose to stay and proactively market his business. The business served an older target market, and was looking to attract a younger demographic.

Not knowing how, he did a little Googling and stumbled across the 1PMP Canvas. He downloaded it, and started advertising on Facebook. It soon became clear he needed more help.

That's when he bought *The 1-Page Marketing Plan*. He read it, and soon after signed up for 1:1 consulting with Lean Marketing.

Recap

- The owner felt lost.
- He wasn't sure if he wanted to sell the business or keep it in the family.
- If he did sell it he wasn't sure how much he could get for his business.
- He'd read *The 1-Page Marketing Plan* and knew that Successwise could help him.

Challenge

Besides a great reputation, we quickly realized that the Diamond company didn't have assets, processes and systems. They had an extensive client list but weren't doing anything with it. And much of the business came from repeat customers and referrals or walk-ins.

Australia was also experiencing one of the toughest lockdowns due to the coronavirus pandemic, and this was impacting foot traffic to their two flagship stores.

The owner had grown his business from the ground up, and like many founders, was very hands-on. He wanted to be involved in every decision, but when scaling, a business owner can quickly become a bottleneck, especially if they struggle to make decisions.

In this case, the owner didn't like to rock the boat, so fear of hurt feelings meant vital decisions weren't being made.

And many of the decisions that had been made were based on cost rather than ROI. For example, the company is a high-end luxury business, and yet the online store front (website and social page) felt old. Images were low quality, which meant the marketing didn't inspire trust or lust for their products.

We also wanted the owner to stop investing in random acts of marketing. They had a wordpress website and were trying to learn SEO. They'd also started Facebook advertising and had some success. Because of this, they didn't see the benefit of investing in photographers, a new website, and social media manager.

Their reasoning for keeping costs down, *"We're not big and corporate. We're a small business."*

But by trying to save costs they were actually hurting their brand.

Our goal was to get their infrastructure up to scratch, begin marketing on purpose, and help the owner make a vital mindset shift.

Recap

- The company was a brick-and-mortar, there was no ecommerce side
- Know-how of running the business wasn't documented.

- The managerial founder wanted to be involved but was ultimately a blocker.
- Trying to do things as cheaply as possible. So taking photos and designing the website themselves.
- Weren't leveraging email lists.
- Operations, tech, inventory management, everything was done in excel spreadsheets.

Solution

There were several major challenges we needed to tackle first.

1. We built a team. We hired a brilliant senior marketing manager to free up the owner's time and focus on getting things done.

2. We restructured the company. We convinced the owner to take on the role of CEO, promote his marketing manager to Chief Revenue Officer, and hire a COO. The CRO hired a marketing assistant to help her tackle many more tasks. Marketing lit up so much that sales and the operation side of the business couldn't keep up.

3. The business needed a visual makeover. We eventually convinced the team to hire a designer to create a style guide for images.

4. We redesigned the website to appeal to a high-end customer. This initially felt like an unnecessary ask to the company's team, but once they understood the power of brand perception, they were more willing to invest big in owned media.

5. We set up big infrastructure and worked on email sequences.

6. We identified quarterly goals. This allowed their team to focus on smaller projects and achieve wins rather than getting lost and overwhelmed at the enormity of the changes that awaited them.

7. We audited the social strategy analyzing what worked well and what didn't. We honed in on our ideal target market: who we would reach out to and what message we would convey. From here we were able to build an extensive social media plan (a year in advance) with a cohesive theme and tone.

8. We reevaluated the social media advertising strategy, taught them about targeting on Facebook ads and Instagram, and taught them how to craft high-value and trustworthy content. We also helped reduce lower-performing ad spend.

9. We added SEO to bring in more organic leads.

10. We began working with the owner to build his personal brand. As a big name in the diamond industry, we encouraged him to focus on his sweet spot. We paired him with a ghostwriter and helped to keep him accountable as he wrote the first draft of his book.

Recap

- Hired a team and rebuilt the organizational structure.
- Reworked email sequences.
- Prioritized capturing email addresses through the store.
- Redesigned website.
- Hired a professional photographer to take better shots of their diamonds.
- Levelled up the visual branding on social media
- Planned marketing content calendar a year in advance
- Taught team how to build processes and systems

Benefit

The company's marketing infrastructure is now set up for exit success. We've taught the team how to build and optimize processes. With comprehensive SOPs in place the team can now focus on getting operations and sales up to sp

By restructuring the business, the owner now has a leadership team capable of stepping into his shoes and excelling. The marketing team is able to tackle many more projects quickly, and get great results without relying or waiting on the owner to make decisions.

And he can focus on building his personal brand and creating a timeless legacy.

Result

Despite the pandemic, in one year our diamond client doubled in revenue, outperforming the industry standard. They grew from Aus $4.5 to $8.9 million dollars.

They did this by hiring a high-level marketing manager. On our advice, she was eventually promoted to Chief Revenue Officer.

This allowed the owner to step back from the day-to-day runnings of his business and focus on his exit strategy. He is now committed to building his personal brand. After being paired with a ghostwriter he'll soon release a book.

Working with Successwise accelerated their results. We helped their team to focus on the systems and products that mattered.

Takeaways

- Consulting only works if you trust the process. If your instinct is to push back and never try, then consulting isn't for you.
- It's better to spend more and hire a high-level marketing coordinator.
- You need to be willing to go all in. Half measures won't get you the results you need and deserve.
- A CEO can make or break their company. If the owner isn't ready or willing to change, there is only so much we can do.
- You need to understand that marketing is an ongoing process. Your wins will compound but you can't expect instant results. While raising prices can deliver quick wins, marketing is a long-term game.
- A good coach recognizes that no client is the same, and can adapt their consulting style to that particular client. For example, this client was all about ideating what needs to be fixed. They required a coach with a sharp eye for detail. Someone who could advise and be a sounding board. It wasn't about being managed.
- You need to be operationally prepared for scaling rapidly. If you're not, that's when expensive errors occur. In our client's case, sales couldn't keep up with marketing

enquiries, and operations were still working with outdated tech. As a result, millions of dollars in misplaced stock was uncovered. This provided a critical mindset shift for the business owner. That's why it's vital you trust the process.