

Brand New Identity: An Insight Case Study of Lakota Trailers™

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Shakespeare once posed a famous question and claim in *Romeo and Juliet*; “What’s in a name? That which we call a rose by any other name would smell as sweet.” A savvy businessperson might contemporize the question for the modern marketplace and ask “What’s in a brand? Would the same product with a different brand sell seem just as attractive to customers? How much difference can effective branding make?”

Effective branding communicates to customers that companies understand their desires and passions, positing customers and organizations as partners in the same pursuits. Savvy organizations know that branding concerns much more than logos or slick advertising. An effective brand communicates a statement of identity promotes internal and external focus, offers a promise to customers and stakes a claim in a specific market niche that differentiates a company from their industry competition. With the help of Insight Strategic Concepts®, Lakota Trailers™ strategically transformed and positioned their brand to meet the needs of specific, targeted customer segments. As a result, Lakota reaped massive economic rewards and now leads its industry in sales and innovation.

Lakota was founded in 2005 as a manufacturer of aluminum horse trailers. Early on, the

organization faced several serious challenges. First, the horse trailer market is relatively small and it is difficult to obtain external distribution with dealers. Second, the organization had experienced several years of leadership instability that scuttled most long-term strategic intentions. Third, they had no experienced sales leadership, lacked clear sales goals, were bereft of focused sales territories and, as a result, had no clear sales process. These hindrances, however, paled in comparison to Lakota’s sub-optimal management of their brand identity. The company lacked a coherent brand position and had little notion of what customer segment they were pursuing.

Lakota originally contracted Insight in 2006 to develop a marketing program to increase their distribution network and establish and deepen relationships with dealers. Insight soon realized that the root of Lakota’s problems could be attributed to an incoherent brand identity. Lakota’s leadership agreed with this analysis and contracted Insight to conduct an in-depth study of their consumer base and brand management. As a first step of analysis, Insight generated research questions for employee and customer surveys. Additionally, they facilitated in-depth interviews with dealers of other brands and people involved in the culture of horse ownership. They then collected and tabulated the data, applied an interpretation to the results



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and, in conjunction with KW Brand Translation, advised Lakota on rejuvenating their brand in the marketplace.

Interviews with trailer owners and customers revealed that Lakota had grievously misunderstood the demographics of their customer base. Until Insight's intervention, Lakota had assumed that their target market consisted primarily of males and had consequently infused their brand identity with a masculine "cowboy" sensibility. In stark contrast, Insight's analysis demonstrated that women constituted upwards of 88% of consumers in the horse trailer market. The largest age group was younger, baby boomer women and the second largest group was girls under the age of 18. Needless to say, based on these results, Lakota had greatly misaligned their brand and their minimal marketing efforts were missing their target markets.

To complement their qualitative demographic analysis, Insight conducted a qualitative study of the psychological and emotional characteristics of female horse owners. An analysis of interviews and internet blogs and forums indicated that, in a general sense, many women described the relationship with their horses with words tinged with hints of romance, love and sensuality. The analysis also indicated that many women described their relationship with their horses using the terms trust, passion and partnership. In addition, many women indicated this strong partnership brought a deep sense of accomplishment and reward.

Within the general customer base of female horse owners, Insight uncovered two primary

customer segments with differing needs and motivations. Consequently, Insight advised a two-pronged marketing approach integrated into Lakota's overall brand strategy. The study indicated that women engaged in event showing were fiercely competitive about everything "horsey," including their trailers and other equipment. For this consumer segment, Insight advised marketing concentrated on the themes of precision, quality, and getting the "edge" over the competition, infused with themes of confidence and focus. Insight then analyzed trail riding enthusiasts and characterized this consumer segment as horse owners who had a very high interest in and relationship with their horses. These owners also had a deep appreciation of the beauty and freedom in exploring the wilderness similar to the mindset of RV owners. To appeal to these adventurous horse owners, Insight advised Lakota to blend a wilderness camping appeal with the luxury of a camping product that provides many conveniences in their marketing campaign

Interviews with Lakota employees exposed several unique competitive advantages for the company based on their history and corporate values. Lakota's RV industry background accustomed them to demands for fast turnaround to customer expectations of high quality and broad customization. Lakota's leadership had consistently placed a high premium on integrating quality, value, and service as guiding company principles. The company, as a whole, had embodied these values with a 7-year warranty, impressive service responses, and attention to details throughout their corporate practices. Insight, recognizing that successful companies are fueled



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recognizing that successful companies are fueled by the passion, vision, and history of their leadership, advised Lakota to capitalize on these strengths and integrate them into the overall composition of their brand.

Insight then analyzed Lakota's competitors and industry trends studied four of Lakota's competitors in terms of their branding, marketing strategies, and comparative price points. All of them used a very "canned" marketing approach and neglected the relationship angle that Insight discovered among women; competitors focused on a traditional product/production-orientation in their branding rather than a market-orientation to attempt to appeal to the large female consumer base. In addition, Lakota offered substantially more quality, standards, and features than their competitors such as integrated living quarters, a single source warranty and innovative products such as a horse utility trailer (HUT) and Grande lines. Finally, because of their particular production efficiencies, Lakota offered higher quality products at overall lower prices and Insight advised Lakota to continue to refine their competitive edge by consistently pricing their products 15-20% below the MSRP of their competitors.

In a comprehensive brand report and strategy, Insight conceptualized Lakota's new brand as signifying a unified relationship between owner and horse that enunciated the feeling of affection for the horse. Overall, the proposed brand would focus on women, communicate an understanding of what horses do for people in both a practical and emotional sense, express essential standards that Lakota's products

provide for horses and their owners and stress the unique blend of value, price and quality in comparison to competitors.

Insight identified three strategic approaches for Lakota's marketing momentum: sell to traditional horse trailer dealers, sell to RV dealers who are already selling horse trailers, or sell direct via the web. Insight advised Lakota to utilize a hybrid model of all three approaches and made some recommendations for gaining sales focus and territories. They also used the power of the internet to aid Lakota in these endeavors. Insight sub-contracted the design of the website to Pathfellow member Connelly Design Studio. In addition to an impressive, aesthetically pleasing, and user-friendly site, Connelly Design Studio optimized Lakota's page to attract a maximum degree of web traffic. In addition, Insight also initiated a Google™ AdWords campaign to boost traffic and awareness. These initiatives increased Lakota's web traffic from less than 1,000 to between 8,000-10,000 visitors per month. While the strong internet presence proved an effective marketing tool, Insight, aided by Connelly Design Studio, also utilized the power of the web as a business tool for communication and facilitation. They implemented the ability for customers to create custom trailer layouts on the Lakota website and funneled this information to nearby dealers for follow-ups. Insight also implemented web-based marketing and sales systems via web tools that tracked open sales opportunities and alerted dealers to these potential customers.

Insight, with help from other Pathfellow members, created a different logo to reinforce



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the themes of Lakota's new brand image: passion, beauty, and deep relationships with horses. This logo conveyed a modern, versatile appeal for recreational and show markets and the lettering, coloring, and design of the logo communicated the premium aluminum construction of Lakota's products. Insight also advised Lakota to adopt the slogan "Unbridled Confidence" throughout their marketing materials. As a facilitator of the Pathfellow® program, Insight outsourced visual and graphic design to professional freelance artists and design firms. These Pathfellow members produced professional consumer brochures to promote a larger base network as well as the visual component of a comprehensive postcard and direct campaign to dealers, initiated and facilitated by Insight.

By focusing and marketing a refined brand identity through market research guided by strategic planning, Lakota achieved impressive results. If imitation is the sincerest form of flattery, Lakota's competitors are a complimentary lot; after Lakota refined and deployed their new branding, competitors began to duplicate Lakota's products and marketing strategies. However, imitation cannot adequately compensate for innovation and strategic growth. In 2006-2007, Lakota doubled its sales. While their industry currently trends downward and overall unit sales have shrunk - 25% YTD June 2008, Lakota's superior branding has sheltered them from these hostile conditions and their market share has increased +69% YTD during this same time period. In

addition, they have expanded their base of premium dealers who sell retail units products from ten to twenty-two. Overall, Lakota's unit sales have increased +27% YTD and their branding now sets the tone for the entire industry.

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