

How to Establish that Point of Difference

Marketing executive **KATRINA PARTRIDGE** has highlighted some of the farms that have successfully showcased their 'point of differentiation' in order to sell their product.



Kylie Bax:
Stud farm owner whose modelling career has helped establish her farm's profile



"In order to be irreplaceable one must always be different."
(Coco Chanel: 1883-1971)

Differentiate or die, said Jack Trout. Jack may be one of the world's leading marketing gurus (rather than a world class thoroughbred expert) but his comment caused me to wonder how applicable 'differentiation' is to today's thoroughbred industry.

Let's consider how "differentiation" may be applicable for someone in the business of selling agistment. You may be

surprised to discover that agistment actually has nothing to do with grass and a fence and has everything to do with the person who owns the horse that needs the grass. Research has shown that the choice of farms and services now available to an owner is staggering, all of which made me think that maybe effective differentiation was a factor in why some farms were doing well – and others were wondering why their phones were curiously silent these days. So let's take a look at some examples of farms who have marketed their point of differentiation to good effect.

A Model Effect

There are only so many ways of describing "lush pasture, an idyllic setting, secure fencing and two daily feeds" before you start to sound like everyone else. I've already mentioned Chatswood Stud's unique value proposition when it came to describing the quality of its pasture (see October issue of *Breeding & Racing*) but what else can you do to stand out from the crowd?

Personalities both human and equine offer a valuable point of differentiation – particularly in attracting clients to your product/service in the first instance. Let's deal with the two-legged variety first.

A unique example has to be the stud in New Zealand part-owned and run by a face known to many photographers and catwalks around the globe. Those with South Island connections will know which stud I am referring to – the gracious and historical Blandford Lodge (the former Matamata stud) which is owned by the Bax family. Kylie Bax is, of course, one of New Zealand's international success stories: smart businesswoman, dedicated horse breeder and (wait for it) ...supermodel. How many stud farms can offer THAT as their unique point of difference?!

The proprietor of the newly established Lurline Lodge, Bill Mordey, offers another case in point. His 350 acre property at Denham is a NSW property offering the solid agistment mix of pasture/fencing/feed. So how did Bill attract all his recent publicity? The differentiator in Bill's case is his background as a well known boxing promoter. It was THAT rather than the opening of the Lodge per se that was so effective in sparking the attention of the media who then ran the story across multiple publications giving Bill a head start in outlining the services Lurline Lodge is offering to potential clients.

I Thee Wed

Joint ventures can be profitable for both signatories if their marketing activities can springboard off the personalities behind them. Heather Brown's Plaintree Farms in Queensland is one such example. Brown has a long history with the thoroughbred tracing back two generations to her grandfather who owned the 1959 Brisbane and Melbourne Cup winner, MacDougal. Heather would however probably be more familiar to those on the Australian stock horse, quarter horse, and camp drafting circuit than the die-hard thoroughbred breeder. So, how did she translate her "history with horses" and her "new stud farm on the Darling Downs" into a point of difference?

Enter one of the industry's most well known figures, John Messara, owner of Arrowfield Stud in NSW.

Messara wanted to enter the Queensland stallion market and so offered Brown two of his well bred entires to stand at Plaintree

Farms. Count Albrecht (Geiger Counter-Lady Giselle by Nureyev) and Sunday Knight (Sunday Silence-Wrap Around by Bletchingly) were the lucky recipients of the joint venture agreement – and Plaintree Farms used the existence of the joint venture and John Messara's involvement to get the attention of those who may otherwise have been looking elsewhere. In doing so Heather put Plaintree Farms firmly on the Australian thoroughbred map and was able to build her future advertising campaign off the back of the initial media coverage.



The People's Horse

Speaking of personalities – what about the equine variety?

Our shores have played host to a series of equine heroes this century – from the immortal Phar Lap through to modern day greats such as Might And Power, Octagonal and Northerly. And that's just on the track. In the breeding barn we have seen history rewritten with Star Kingdom, Wilkes, Bletchingly, Marscay and (although strictly speaking a part-time visitor) Danehill. But how can these legends assist in differentiating your property from the one down the road ... particularly if the stallion in question is now deceased?

Let's head over to New Zealand. Much of Cambridge Stud's success can be laid at the feet of the remarkable Sir Tristram or 'Paddy' as he was affectionately known by those who handled him. Recognising the integral role that Sir Tristram played in the stitching of the Cambridge fabric, the stud has ensured that the now deceased sire continues to figure prominently in the promotion of the stud and its new sires.

History and those that write it can be an incredibly powerful promotional tool. Horses create stories and great ones create legends. How could you not be swayed by the story of the unwanted stallion that originally stood for a service fee of NZ\$1500 and as Hogan recalls "was a horse that my agent couldn't recommend, that we could barely afford anyway, that my fellow shareholders wanted out of, and my staff didn't want to handle." This "problem horse" went on to become, at the height of his fame, Champion Australian Sire, Champion Australian Sire of Two-Year-Olds, Champion New Zealand Sire and the Dewar Stallion Award winner with progeny earnings in excess of \$50million. As a broodmare sire he is making (if that's possible) even more of an impact.

If you have a history behind your company that offers a point of differentiation don't be afraid to use it in promoting your stud or company's services. Remember – the history of mankind is dependant on the re-telling of stories. Modern business may rely on 'electronic campfires' rather than the real thing these days but that doesn't mean that

the tried and tested methods that supported generations of our forefathers are of any less value to the 21st century company.

A Room with a View

Edinburgh Park Stud located in Taree (Northern New South Wales) has recognized that not only do broodmares need quality accommodation but so do those who pay their bills.

Edinburgh Park offers a self-contained cottage on its property to allow owners who want to view their broodmares/foals the opportunity of staying for more than a cup of tea. The Guest House may not be a suite at the Ritz Carlton but it is a very well appointed Studio Villa with views across the manicured gardens of Edinburgh Park stable complex and beyond to the lush green fields of the Stud and surrounding farms. You can stay and witness a real day in the life of the Stud and even participate in the operations of the Stud (e.g. birthing of newborn foals), or just sit back and watch it all happen around you.

What's the unique selling proposition here? Well, consider the reasons owners need agistment in the first place: most do not have the requisite land/facilities/time/money to offer it themselves. Many owners will also live a long way from where their horses are agisted and they may feel constrained by the short visiting hours they can enjoy (without starting to encroach on the stud farm's lunch hour or afternoon feed run!) when they attend other properties. Don't forget that many owners are also white collar urban dwellers so add 'week day traffic jams, stressful hours, pollution, urban sprawl and endless expanses of concrete' to the equation. What better way to indulge their favourite passion (gazing at their horse/s) while also spending a couple of days being pampered, eating fine food, and drinking good Australian wine – all among a peaceful setting?

The 'client experience' also provides the stud farm with an invaluable opportunity to further develop the client relationship and subtly show case other services it has available but which the owner may not yet have considered purchasing (yearling preparation, breaking-in and pre-training services for example). Those who have been in the 'selling' business for awhile will know from experience that it is far easier to sell additional services to existing clients than to invest money chasing new ones. Normally the Guest House would cost \$280 for a weekend but Edinburgh Park has gone the extra mile and provides clients who have broodmares with the stud two free nights accommodation annually, which allows them to visit the Stud and their broodmares, as well as enjoying the great sights and attractions of the Manning Valley and surrounding areas. Gwaihir Stud in the beautiful NSW Southern Highlands is very similar in thought with a bed and breakfast place that oozes relaxation.

How to Establish That Point Of Difference (cont.)

The Doctor is in

One of the better known stud farms situated halfway between Sydney and Melbourne has worked hard to differentiate itself from its competitors by highlighting unique on-site facilities. Owned and run by Dr. Kevin Pendergast, Riverdene Stud based in Wagga Wagga has something that many others can't offer, that is, a fully equipped equine hospital and surgery on site that provides both routine and emergency care 24 hours a day, seven days a week to all horses residing on the stud. There are three vets and a consultant – all of whom are available at the hospital – no doubt a secure thought to many whose main concern is rapid medical attention if a prized broodmare falls ill.

World Class Safety

Speaking of safety, let's look at fencing. Post and rail, standoffs, electricity – we all know the traditional variations on the same theme. Some farms have however taken extra steps in valuing 'clean' legs in the rough and tumble first year of a thoroughbred's life. Many know just how bad "that" phone call can be when they need to contact an owner with the news that their

Reavill Stud (NSW), Tremon Thoroughbreds (Victoria), and Montana Park (NSW) are converts and all use the existence of the fencing on their property as a point of reference in their advertising.

Safety sells. How else do you think Volvo became so successful in the car business?

To Prose or Not

The next stud is not strictly in the agistment business – but is worth mentioning due to its use of a communication strategy to enhance its point of difference. We will consider the vast topic of web marketing at a later date. For now I wish to focus on a related web tool which is the e-bulletin. An e-bulletin can be used as part of a stud's communication strategy and is sent by email on a weekly or monthly basis to clients, prospective clients ... or anyone who signed up for it because they didn't already receive enough promotional material in their inbox.

An e-bulletin has the advantage of being able to contact a large database at minimal cost and no-one from the stud is required to work overtime sitting in the office (or lounge room) stuffing envelopes into the early hours of the morning. The main purpose of an e-bulletin is to promote your stud by providing

clients/contacts with information canvassing anything new and exciting that has recently occurred on the property or on the track (arrival of new stallions, progeny results, new foals, sale information etc). As a marketing tool it is extremely valuable in staying in regular contact with those who support you.

There are many e-bulletins in existence – some better than others – but the one that rates a mention is the Coolmore e-bulletin's writing style (of all things) can be as much a differentiator of WHAT is actually said or the art work that surrounds it, belongs to Coolmore.

No prizes for guessing how good Coolmore are at using their e-bulletin to effectively promote how their sires' progeny are doing around the world – or which of their famous stallions has a date with which equally

famous mare. That's the purpose of the bulletin after all. But what makes this e-bulletin unique is the style of its prose.

The author of the newsletter is Sydney bloodstock agent (and Coolmore marketing consultant) James Bester. If you believe everything James says in his weekly bulletins he'll have you immediately sympathizing with the hours Coolmore management has him glued to his TV screen watching stakes races on five continents when he isn't researching savvy quotes for the opening paragraph, contemplating hyperbolic adjectives or generally tallying stakes winners-to-runner's ratios. His prose is easy to read, to the point, and downright enjoyable if the truth be known. His occasional bold swipes at the opposition always tempts a grin, but when you're writing on behalf of the most successful stud in the world one guesses you don't always have to respect the rule of journalistic humility on every occasion!

Sequitur

Suppliers of agistment/spelling facilities need to focus on selling their unique point of difference to a client, not merely a product (grass with a fence around it). Agistment is big business in the thoroughbred world and there are loads of good examples where people have subtly added to the "grass/fence/feed" mix to ensure their name is the first that comes to mind. Remember that a point of "uniqueness" will appeal to only a certain percentage of the total market. No two customers will be identical in their needs/desires. An on-site veterinary hospital may have some owners in raptures while world class fencing, client accommodation, communication strategy, or who owns the property may work for someone else.

The trick for stud managers is to first identify their point of difference and then market it effectively to their target audience. When there are so many choices of "grass/fencing/idyllic location/two feeds daily" available to potential buyers your unique selling point can make the difference between a client immediately recognizing your name and wanting to use your services – or a client who has utterly no idea who you are and therefore no intention of giving you any business.

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