

## LUXGETS

# LAUGHING IN LUXURY Katie Easely (left), Lux Florist Manager, has led the charge that has netted Arizona Family Florist's five-fold increase in bridal revenue. From right, Lux's team: Marketing Manager Lindsey Gender, Events Coordinator Katie Nudo, and Arizona Family Florist President Cheryl Denham. CHRISTOPHER BARR PHOTOGRAPHY







FULLY DEVOTED Lux Florist Manager Katie Easely, shown with lead designer Lisa Allen, wants the Lux brand to project to a bride that "we're someone who's devoted to her on the most important day of her life."

### "I didn't know you did weddings."

Little could the bride-to-be anticipate the whirlwind of activity those six words would set into motion.

Retail florist Cheryl Denham had been on the receiving end of that phrase more than once since opening Arizona Family Florist in 2005. In just seven years and amidst the country's worst recession, she had developed a "healthy and well-rounded" mix of retail and fulfillment business as a 1-800-Flowers franchisee, delivering about 100,000 orders a year.

But very few of those orders took a stroll down the aisle. In 2010, Arizona Family Florist did just 57 weddings, averaging less than \$700 per event. In a state that hosts, on average, 36,000 weddings a year at \$26,000 a pop on average, that signaled a problem.

"You don't have to be a genius to realize that [those stats] make the wedding market a \$1 billion category in Arizona alone," Denham said. She and husband and business partner Brad Denham were determined to get a piece of it.

Among their attempts to reach brides in 2009 and 2010: working wedding shows, which put the shop in front of "thousands" of brides; aggregating email addresses of brides-to-be; sending direct mail and calling prospect lists. They also advertised in a local magazines and on websites. But they found themselves constantly struggling to click with women who used the shop for their

everyday business but wanted to work with a wedding expert for their big day.

The Denhams suspected that the name — Arizona Family Florist — that served them so well for everyday and occasion work was not helping them resonate with the 20-something bride. It may have even been hindering them.

"We noticed that many brides really have an affinity to use what they consider a 'specialty' florist for their big day," said Cheryl Denham. Nothing in the Arizona Family Florist name hinted at a matrimonial concentration, so even the highest search engine rankings are overshadowed by results with names such as, "Ever After Wedding Flowers."

"Ultimately, we were working harder to win a customer because they had to be educated first that they could trust us with their wedding flowers," Cheryl said.

So the Denhams set out to develop a wedding brand within the Arizona Family Florist one. The brand-within-a-brand tactic is a well-trodden path in corporate circles. Among the more familiar efforts: McDonald's foray into the specialty beverage market, with its McCafe line of fancy coffees and real-fruit smoothies.

As a 1-800-Flowers franchisee, the Denhams were no strangers to vertical growth strategies and branding: They successfully launched Arizona Family Florist as a brand within the 1-800-Flowers brand, and Brad, who is not involved in day-to-day operations at the shop, had

several companies under his belt, including Tech Moguls, a technology and brand concept and development company.

With that solid foundation, the Denhams plunged ahead and added a bridal notch to their branding belt with the creation of LuxFlorist. It's that effort and the ultimate success of it — a fivefold increase in wedding revenues and a 41 percent bump in overall retail sales — that netted the company the Floral Management 2012 Marketer of the Year title. Here's how they did it.

### What's in a Name? Everything.

No self-respecting bride today is going to go to "X Florist" for her wedding flowers. At least that's veteran interior designer and wedding planner Katie Easely's take on the situation. Easely had been running her own wedding planning business and doing interior design work for a high-end builder for several years before the Denhams recruited her in June 2011 to help turn Arizona Family Florist's bridal business around. From working with successful brands early in her career — including Dupont's Stainmaster brand — she knew that a good brand evokes a feeling of confidence.

She wanted to bring that to Arizona Family Florist's wedding strategy, an effort she knew would be uphill. "The competition (among bridal vendors in Arizona) is pretty fierce," she said. "It started to get strong when designers who

### ARIZONA FAMILY FLORIST AT A GLANCE

Founded: 2005

**No. of Employees:** 40 FT (170 at holidays); 3 dedicated Lux Florist employees

**Wedding Sales Growth:** 

2010: 57 weddings, \$37,956 in revenues; 2012 (YTD): 112 weddings, \$225,000 in revenues (\$250,000 projected for year-end)

**Impact on Retail Sales:** 41 percent

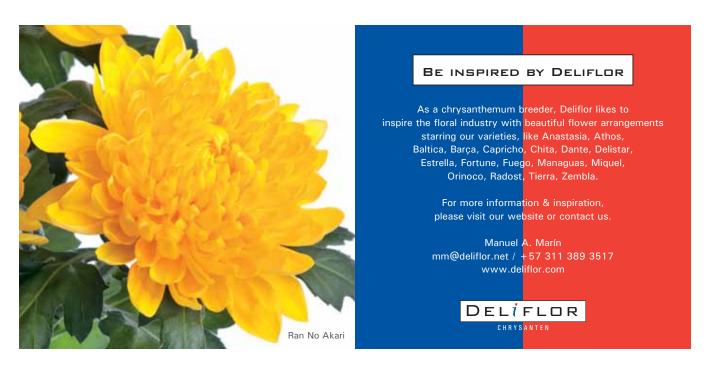
increase

**Lux Florist Start-up costs:** \$65,000 (website development, collateral, advertising, wedding shows, photo shoots.) **Lux Marketing Budget:** \$45,000 year two and beyond

got laid off (during the recession) opened up businesses out of their homes. The pool of floral designers is quite large."

Job No. 1? Change the name to something that will immediately convey to a bride that "we're someone who's devoted to her on the most important day of her life," Easley recalled. It would have to convey high-end style, as well as accessibility; and that, "no matter the budget we'll give you a couture, customized one-on-one experience."

Easley teamed up with Brad to study a wide range of luxury retail marketing in areas not related to weddings: Bergdorf Goodman, Nordstrom, Sak's Fifth Avenue, American Express.



"All those brands are timeless, classic, sophisticated and luxurious, yet relevant — especially Nordstrom," Brad said. "Interestingly enough, recessions have been kinder to luxury brands and businesses." In June 2012, MasterCard SpendingPulse, which estimates total U.S. retail sales across all payment forms, including cash and check, recorded 20 straight months of year-overyear growth for the luxury segment.

He worked with Easley to develop a brand "with an appeal to luxury" but one that wouldn't be viewed as trendy or too exclusive, "or we wouldn't have staying power," he said. Ultimately, they wanted a brand that would have the panache the high-end bride seeks but still come across as attainable for the average bride.

Thoughts of luxury naturally led to the name Lux, and, eventually — after a series of back-and-forth, one-word blips of ideas texted back and forth between Brad and Easley — the tagline, "Live, Love, Lux."

"It happened in a pop of a second, and we said, 'That's it!'" Easley said. The tagline depicts the progression of how Lux would intersect with the bride's life. "They live their life, they find the perfect love of their life and now they have Lux to help fulfill their dreams," Easley explained. "It's kind of like a mantra for the way you approach life."

The new artwork needed to feel "organic," in contrast with the shop's previous materials which, Brad admits, may have come across as too commercial.

### LEARN MORE ABOUT LUX

Go to **www.safnow.org/moreonline** for these resources

### **Get Some Lux Eye Candy**

Take a detailed tour of the Lux brand, from its marketing materials and signage to some of the high end weddings they've done during the 2012 year.

### What Makes a Marketer of the Year?

Meet the judging panel for the 2012 Marketer of the Year, and find out how the pick a winner among the pool of candidates. Plus, get info on entering next year's competition!



Easely chose an almost-but-notquite Tiffany blue for the logo and branding — a timeless and easily adaptable color ("all the Pantone colors have a blue undertone," she said of the company that guides so many of the hues used throughout the fashion industry).

"We made sure that the materials show the creativity and attention to detail, which is something the brides want," Brad said.

### **Growth of a Megabrand**

Solidifying the brand was step one; now they needed to get it out there. The Denhams have aggressive goals for the growth of Lux: \$300,000 in wedding revenues in 2012, and \$1 million in year three, 2014. Getting the brand in front of not only brides but also the wedding vendor community "in a huge way" — from planners, to venues, to photographers, to cake decorators — would be critical to achieving that growth, Easley said.

"Referrals are key to growing the business. Brides have a trusted source in their venue, photographer, wedding planner," Easley said. "A referral from them is a hot, hot lead."

Where are there dozens to hundreds of vendors hanging out in one place? Bridal shows, of course.

"Bridal shows are vendor networking events as much as they are for meeting brides," Easley said. Between mid-2011, shortly after Easley joined the team as Lux manager, to mid-2012, Lux exhibited at five shows ranging in size from 250 to 3,000 attendees.

The strategy at each: Be everywhere, be big, get noticed. That means, for starters, having the biggest booth at every show. "It makes a statement," Easley said. "It says we're here to do business, we're here to showcase what we can do."

With space upwards of 400 square feet, the show becomes more of an open house than an exhibit. "We'd never be able to get 3,000 people in one day at an open house at our store," Easley said. "But if I have a big enough booth, we can."

Few passersby miss the visual impact of Lux at a bridal show, with its signature "Live, Love, Lux" tagline swathed on giant four-color banners, chic lounge furniture, full-size trees and, of course, bridal flowers everywhere — they do 60 bouquets for their booth at larger shows, but they also supply booth florals (donning Lux branding) for other wedding vendors at the shows. At one show, they supplied the show producers with roses to hand out to attendees, with a logoed "Live, Love, Lux" card attached.

Another can't-miss-it element of Lux at shows, as well as venues where they're installing a wedding: Every team member wears the signature blue Lux logoed polo shirts. "We're like this small army of blue wherever we go," Easley said. "You can't miss us. You see this mass of blue and the branded truck and the beautiful flowers."

And that's the whole point: It makes an impression.

"When I get a call from the event planner at the best hotel in the valley that gets the largest events, just to say thanks because 'two of your guys in the blue shirts helped us bring in some boxes,' I know we're getting noticed," Easley said.

She acknowledges the investment in making a splash at shows is significant —25 percent of total marketing costs — and insists it pays off. "It's 100 percent worth it," she said. "We have a lot of seasoned wedding vendors who are blown away because our branding is everywhere. They tell us it's like we came out of nowhere. It's because of our very strategic, specific mega branding."

### **Booking Brides**

The team goes into each show fully expecting to book weddings, not just "rub elbows, show face, show the bride what you can

do," Easley said. "There's a window of opportunity at those shows where you need to grab the bride when she's interested."

Their efforts to widen that window include incentives such as a complimentary boutonniere for every bouquet purchased or special pricing on a bridal package for show attendees, plus an additional discount for the first 100 brides to schedule a consultation. They use shows to nurture their social media presence, with promotions throughout the day, such as a the chance for a free bouquet each hour at the show for florists who "like" the shop's Facebook page and tag Lux in a photo of them holding a bouquet in the booth. Attendees had to visit the Lux fan page where winners would be announced each hour (they netted 150 new "likes" from the effort, and have collected 20,000 email addresses of brides in one year).

It's all part of the Lux strategy:
"Simply showing up with flowers and
collateral is not enough today," Cheryl
said. "You have to really engage the bride

by getting their attention and creating a hook early on in the planning process," otherwise they will leave the show with a bag of loot and no sense for the vendors who gave it to them.

The "go big or go home" show strategy worked: Lux booked several weddings after the first show.

"Low and behold, we were caught by surprise that this grew so big, so fast," Cheryl said. Before they knew it, they had weekends with weddings that involved a drop-off of a dozen centerpieces alongside another with a \$30,000 floral budget that required a freelance team of 12 to install. The early success prompted not only the need for a reliable pool of freelance designers, but also the addition of more fulltime staff: Lindsey Gender, to oversee marketing and, eventually, Kathy Nudo, as events coordinator.

### What Does Luxury Look Like?

Together, Easley, Gender and Nudo collaborate to ensure that Lux backs up the beauty of the brand's physical components with an equally impressive experience. Every step of the way, the bride gets the royal treatment at Lux, and it begins with the kind of unbridled enthusiasm the bride appreciates (but has long fizzled out at the office after months of wedding talk).

"When that phone line rings, we answer with the whole bridal joy," said Easley of the staff's protocol to ooze enthusiasm for the bride and the planning process. "We want her to know this is an exciting time for her and that we are on her team to make her day perfect."

The process from initial contact to wedding day follows the same trajectory as at most florists: a preconsulation questionnaire (Lux's is an interactive electronic form, which allows the bride to upload "inspiration photos"), in-person consultation, contract, etc. But Lux looks at each phase as an opportunity to pamper the bride and reinforce the Lux brand: from the Lux-labeled water bottles in the consul-



ASSESS, REASSESS The Lux team meets weekly to discuss what's working, what's not and new marketing initiatives to grow the brand. From left: Katie Easley, Cheryl Denham, Katie Nudo and Lindsey Gender.

tation room, to the elegant Lux folder used to present the quote and summary of the design details, to a handwritten "thank you for sharing your day with us" note on Lux stationary after they get the business. Even the various bridal pieces, from the toss bouquet, to the attendants' pieces come with a preprinted, waterproof card with a title, such as "toss bouquet" or "best man" and, of course, a Lux logo.

"That strategy doesn't change whether you have \$200 to spend on flowers or \$5,000," Easley said.

All of these elements comprise Lux's communications strategy, a series of strategically mapped out "touch points that show our brides the meaning of the 'Lux' experience," Cheryl said.

### Just Say 'Yes'

Another key touch point for brides is the website. Knowing that Lux's online presence would likely be the brides' first impression, building an engaging website that reflected that brand topped Cheryl's list of marketing things to challenge.

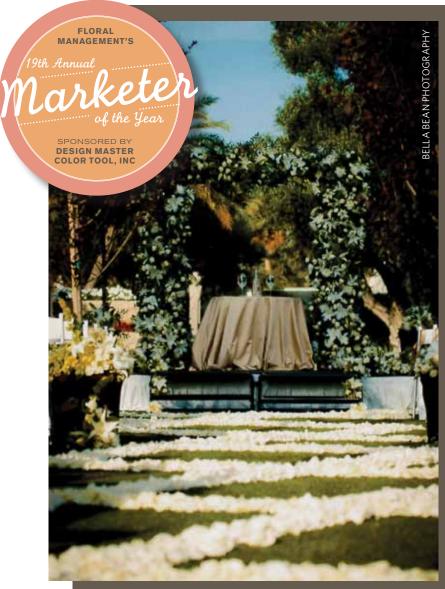
"This is what most brides see first, and it is important to make a good impression," she said.

The interactive site, developed by the Denhams' Tech Moguls company, allows potential brides to view past Lux weddings — with the option of viewing wedding flower galleries according to color ("blue wedding flowers"), read wedding-related articles, announce their engagement and feature their own wedding. Brides can also use the site

as their home base for their planning: It includes features such as a wedding budget tracker, a 12-month planning countdown, a wedding guest list, a gift tracker, even a spot to organize the wedding music playlist. One hundred brides have used the planning tools since they were added in February.

In addition to the show presence, website, social media and email marketing, beautiful, color print ads in the area's slick event publications round out the Lux marketing plan. Easley regards each component of the marketing as important as the next.

"The bride has to see something three times before she buys it." Easley said. "She has to see us at the bridal show, then she sees us in the maga-



BIG BRAND, BIG BUCKS An aggressive launch of the Lux brand helped it cut through the vendor clutter and resonate with Arizona's most posh venues, such as the Arizona Biltmore, where they recently did a wedding (shown) that had a \$30,000 floral budget.



zine or online with the same branding, and then she goes to her venue and hears about us. Now we're relevant to her."

A look at the numbers demonstrates just how relevant: In 2010, the business did 57 weddings totaling about \$38,000 in sales; by September 2012, the shop had done 112 weddings totaling \$225,000 in sales. The growth is not only in the number of weddings but also the size of them — the average Lux wedding in 2012 is three-times the average in 2010. The company is on track to reach a quarter of a million dollars in wedding revenues by year's end — not quite the \$300,000 the Denhams had projected, but impressive nonetheless. Easely is confident \$1 million in year three is attainable, provided they continue to invest. The Denhams invested \$65,000 in year one of the campaign and plan to spend \$45,000 annually to maintain it.

"Failure is not an option," Easley said.
"We embrace that philosophy together.
We look at our systems and what we can
do to make it better."

The growth of Lux hasn't gone unnoticed by competing florists, one of whom quipped to Easley, "When are you going to take a break so we can catch up?" But Easley is unapologetic about the success of Lux. As far as she's concerned, their drive to get brides to spend more helps not only Arizona Family Florist's bottom line but also that of anyone in the industry. "Why should we slow down when we're telling brides to put more focus on flowers?" Easely asked.

It's just that kind of drive to succeed exhibited by Easley, Gender and Nudo
— who meet for 90 minutes weekly to discuss what's working, what's not and what's next — that makes Cheryl Denham confident that the investment will pay off.

"As an entrepreneur, it's in your DNA to take risks," she said. "You have to take calculated risks and you have to have the right team to execute it."

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FULL STEAM AHEAD Cheryl Denham is confident the investment in Lux Florist will continue to pay off and help them attain \$1 million in wedding sales in year 2014.

CHRISTOPHER BARR PHOTOGRAPHY

