

# ORANGE COUNTY BUSINESS JOURNAL

## Luminor Lights The Way To Success

By Tony Marino

**A** small Orange county firm has earned an enviable reputation as the secret weapon of fast-growing companies and many of the world's largest corporations. The name of the firm? Luminor. Employing experts in virtually every marketing discipline, Luminor works to find the right solution for clients, not just an agency specialty.

With offices in Orange County and Seattle, Luminor has been called one of the world's best branding agencies. But lest you join those who think that branding is an esoteric discipline that provides intangible results, Luminor's CEO Ron Wilbur would like to set you straight. Wilbur is an expert on marketing metrics: measuring the results of marketing programs in terms of Return On Investment (ROI). "Knowing the 'measurable impact' of a marketing plan means a company can assess the effectiveness of its strategies with empirical accuracy."

"We really serve two types of companies," says Wilbur. "Those that have the potential to grow unusually fast and those that are already market leaders who want to either grow their market share more or successfully defend their dominant market share."

Luminor begins with an aggressive analysis of the company's inner workings. "Our objective is to have a measurable impact on our clients' business," explains Wilbur, "We're brought in to help clients outsmart and outgrow their competition, but that literally requires that we measure how well the PR, advertising, online marketing, and other integrated marketing efforts we create are working for them."

The busy executive has spent 20 years developing systems to objectively measure the results of marketing. "It really comes from a different philosophy about marketing," explains Wilbur. "As a senior marketing executive working in corporations for many years, I wanted to know which part of my budget was working and which wasn't. The agency couldn't tell me, so I developed my own systems.

"During those years I documented the results of hundreds of marketing, advertising, direct marketing, and PR programs. When we started Luminor we not only had all of the systems in place to measure results, but also a great understanding of what works and what doesn't. And that was even before we started applying the principles of psychology and purchasing dynamics to our work. Once we integrated those disciplines our clients started to take off."

**New product launch helps flat sales soar.**

And take off they did. A good example is Wall Data. As a manufacturer of computer network hardware, the company had languished for years at around \$3 million in sales. When Wall Data developed a new software idea, the company's newly hired senior marketing executive brought in Luminor, a company he had worked with several years before. Luminor developed the branding campaign and within four years Wall Data had catapulted from \$3 million to over \$100 million in annual sales. Over those years, Luminor created just one minor problem. Too much success. "When we broke the campaign to penetrate a second market, the response literally locked up Wall Data's inbound toll-free phone lines for several days," remembers Wilbur. "In retrospect, you could have worse problems than getting thousands of calls, but we now use throttling techniques to keep response to manageable limits. Even so, the busy phone lines made it clear to the many businesses trying to get information that Wall Data was a winner."

Wilbur goes on to talk about the power of perception. He describes the call Luminor received from Heath Tecna. The company's senior marketing executive had a research report from a large research firm. The independent study surveyed readers of the most respected publication in Heath Tecna's market. The results were disturbing. When asked which company they thought of in Heath Tecna's specialty, not one respondent mentioned Heath Tecna.

The Heath Tecna executive gave Luminor a single charge: make us the top known company among our peers and be able to prove that this was accomplished. "We laid out a deliberate campaign employing clever psychology," says Wilbur. "By embedding measurement methods into the campaign, it became a self-perfecting marketing communications program, meaning it got smarter and more targeted every year. All without spending a dime on research."



Ron Wilbur

*It's all in how you're perceived in the mind of your ultimate customer. If your prospective customers think you are the latest buzz, they'll prefer to buy your company's products or services over your competitors.*

After five years, the research firm conducted their regularly scheduled study, again using the readers of the top publication. The results were shocking. Not only was Heath Tecna the top mentioned company of their peers, they were the fourth best known company in their specialty in the world. Even better, they were the company most survey respondents said they would prefer to work with.

"It was a pretty quiet meeting when the company's senior executives read the report," recalls Wilbur. "Their first reaction was shock because they had been experiencing serious shipping and quality issues and couldn't fathom how these executives had rated them so high. It was obvious that many of those surveyed had never done business with Heath Tecna. The answer was perception. We referenced several studies that showed that once a company has greater than 50% awareness, every additional one percent they gain in awareness will net a gain of between 1/4 and 1/2 percent in 'preference.' In Heath Tecna's case the marketing campaign established such a familiarity and positive association for the company that the market believed Heath was the best in its field — even without ever having done business with it." During the five years, Heath Tecna's sales also more than tripled, from around \$30 million to over \$100 million.

Wilbur continues: "Most companies are astounded to learn that the best-selling products are generally not the best products. Many of our clients have been engineering-driven companies. Their notion of success is to design a better product. Without taking anything away from excellent engineering, you don't have to look hard to see that the most successful companies are not always those with better products and services; they're the best marketed companies. It's all in how you're perceived in the mind of your ultimate customer. If your prospective customers think you

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are the latest buzz, they'll prefer to buy your company's products or services over your competitors."

So, what if your company is a small, unknown company with a good idea? Ask Foam Matrix, a small company in Inglewood, California, which went from an unknown to one of the best-known companies in their area of the aerospace industry. Mike Kramer, Foam Matrix vice president tells it like this: "Luminor came in and literally put us on the map. We had watched them do it for another company so we called them up and asked them to do the same for us. Can you imagine what it's worth for an unknown company to get a full-page article in your major industry publication, Aviation Week, or get a front-page story in the LA Times, or get in Business Week? Or to begin winning award after award for your technology? Or be featured on CNN? That's what Luminor did for us."

#### **Ambition is a must for Luminor clients.**

But while Luminor has helped businesses achieve phenomenal results, the company doesn't take on every potential client. "When a company calls us in, we make an independent assessment of their potential," says Wilbur. "Some companies are positioned to grow, but just need the critical marketing and branding piece in order to break through. Others don't really want to grow. We're a bad fit for companies with no ambition."

Fast-growing companies are one of two categories in which Luminor clients fit. On the other side are international corporations wanting to rebrand or solidify their brand. Take Microsoft. The software giant called in Luminor to rebrand a services business unit that generated around \$1 billion in revenues worldwide. Luminor worked with worldwide regions to help put together the right strategic position, the right messaging. While Microsoft has an exceptional grasp on their market, Luminor brought in new insights after interviewing top executives in customer companies. The company then boiled all of the learning down into a new brand position, with key messages and literature to carry the new branding, even website implementation.

#### **Hewlett Packard tapped Luminor to protect market share.**

Karen Hyatt of Hewlett Packard has equally strong support for Luminor. HP printer supplies are more profitable than all other HP divisions combined. But just because you sell someone a printer doesn't mean you can continue to sell them ink or toner supplies unless you give them a good reason. Hyatt says: "We started working with Luminor over 12 years ago. Since then they have probably done everything any marketing or brand firm could ever do for HP. I've personally worked with them on lots of advertising, videos, retail strategies, direct mail, channel training, channel and in-store collateral. We hit a perfect partnership

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and came up with ideas together that were next level thinking. A few years ago when I invited the top strategic marketing minds to a 'thinktank' summit in New York, not only did Luminor coordinate the event for me, they were one of my invited participants. They also have done PR, website development, advertising, sales collateral design, packaging design, brand consulting, channel promotions, eBusiness strategies, and promotions for other parts of the company," says Hyatt.

"Whenever we've needed to solve a marketing problem they have come up with a great answer," continues Hyatt. "They put together the whole campaigns, the strategies, the ideas, the execution. Their ideas are insightful and creative."

In fact, clients credit Luminor with new concepts that have been ahead of their time. For HP the company created Internet microsites that are used by HP's largest resellers to help sell more effectively on the web. One microsite for Office Max helped the giant office supplies retailer get recognized by Bear Stearns for having the best "back-to-school" web site. An interactive program created in Flash tested as one of the six best Flash online programs in a field of 46 such programs created for the world's top brands. An innovative direct response piece for HP drew an amazing 50% response, saved the company \$4 million a year, and got consumers to buy products that they previously wouldn't even try. Luminor was retained to serve as direct mail consultants to Fluke after helping the global leader of electronic test tools and software sell \$10,000 instruments by direct mail to a record 4% of their list, using a never-seen-before technique, in one of the most difficult months of the year for response. And it was done for a product line that was going to be made obsolete.

#### **Breakthrough strategies help clients during market downturns and upturns.**

Want the major players in your industry, particularly the companies on your wish list, to not only know who you are but want to do business with you before you call? Sounds like Tolo. Tolo was a \$6 million company in Santa Ana, building components for aerospace, defense and research.

Curtis Lockshaw, former senior marketing executive for the company, now part of Goodrich, recounted their experience: "During a pronounced slump in our cyclical industry Luminor helped us come up with a market strategy to make it through the downturn and position the company for later growth. When we developed a new technology, they planned and executed a launch strategy that put us on the map. We were flooded with inquiries from the companies we were hoping to work with. Luminor knew we had limited resources so they pre-qualified the inquiries so we were only calling on real prospects. When it was strategically important, they got us in feature articles in the LA Times, and written up in all of the major publications in our industry. So key customers on our wish list were receptive to us before we called. Every six months we looked at key metrics together and fine-tuned the campaign. Luminor's metrics system was a true measurement of where we were getting maximum ROI and where we could cut. If we hadn't sold the company, we now estimate we would be at about \$150 million in sales today. Luminor made the difference for us."

While Luminor has helped huge corporations keep their brand positions strong, and smaller companies grow unusually fast, the company seems to be equally effective in virtually every industry. The company has worked in consumer and business-to-business programs for giants like Microsoft, Sony, HP, Alcoa, and Amazon; helped healthcare firms like Spacelabs, Heartstream and Fukuda Denshi make inroads with hospitals and clinics; helped real estate firms like Coldwell Banker and Washington state's John L. Scott market high-end real estate developments; and, if you've heard the provocative radio or print ads for Astroglide, well, they were created by Luminor.

Luminor publishes a monthly newsletter called 'Smart Marketing for Tough Times,' with tips on how to make marketing budgets work harder and go farther on less. And Luminor's CEO is regularly invited to speak to professional marketing associations. Educating the market on how to have more effective marketing is all part of what the company calls 'measurable impact.'

"It's not about size, or industry, or type of work," says Wilbur. In fact, the company's clients say that because Luminor is expert in every marketing discipline they can solve whatever marketing or branding challenge with the most appropriate solutions.

So, what is it about? "It's about making a difference," concludes Wilbur.

"We make a client assessment and if we conclude we cannot make a difference, we do not accept the account."

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