

instinct™

Leading and inspiring all those who touch the organization
to understand, embrace and enhance the power of your brand.

Pop Quiz:

Name the oldest company in North America?

If you said the Hudson's Bay Company, you're right. Do you know who the second oldest company is? No? Sadly, it appears it won't be long before we all know, since the trading company that founded a nation appears destined for the scrap heap of history.



Two centuries older than Canada itself, the Bay was founded in 1670 and seems to have belatedly realized the folly of ignoring its rich past. Recently it began selling a book it commissioned on its famous Point Blanket, the striped staple of the fur trade dating back to 1779. The company took the book's historian/author on a cross-Canada road show of stores and invited Canadians to bring in their heirloom blankets so they could be authenticated and dated.

Then, there was also the television commercial a few years back detailing some of its history, an effort abandoned until this latest blanket effort. A nice touch, however, too little, too late. Like the tragically mismanaged Eaton chain, the Bay has spent more effort worrying about its next Scratch and Save promotion than about weaving itself into the Canadian cultural fabric.

Consistency is key to building a brand, an attribute trend-seeking retailers are not known for in the best of times. Unconvinced of the Bay's inconsistency? Try and recall some advertising. Bet you can't. It changes from year to year as the marketers vainly chase the next great idea.

The reason the company has not been consistent in using its history to build a killer Canadian brand is boredom. The Bay marketers see and hear about the history all day long. They walk past the hallways of pictures of long-dead chairmen - called "Governors" in company parlance - and executives shudder when they hear about the "old days" or the company's crucial role in the creation of Canada.

In the revolving door of the Bay's marketing department, it is new ideas and creative concepts that get one promoted, not a fond look back at the "old days." The boredom goes all the way to the top; George Heller, president and CEO, started with the company hawking beaver pelts at a northern trading post in the 1960s. At least he should understand the value of heritage!

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Surprisingly, the one company that understands the power of heritage is none other than the behemoth of Bentonville, Ark., mighty Wal-Mart. Everyone from sales clerks to top executives are immersed in the legend of Sam Walton, who began with a five and dime discount store and created the world's largest company with a single promise: the lowest price, period.

When the Bay is inevitably taken over, merged, or disappears from the corporate map, don't blame Wal-Mart. Instead, blame the Bay management that has frittered away more than three centuries worth of priceless heritage and history.

What would brand coach suggest?

Mine a company's heritage! Its unique, and it's ownable. And in this day and age, getting and holding something meaningful is very, very tough.

In his recent book Differentiation – Survival in Our Era of Killer Competition, Jack Trout, the genius behind the past century's marketing bible Positioning Battle for the Mind, tells readers that Heritage goes deep into the soul of North Americans.

“The psychological importance of heritage may derive from the power of being a participant in a continuous line that connects one with the right to be alive, to a history that one carries forward from the living past – a link to immortality.”

Wow! Now, as a stakeholder in the Bay – employee, customer, shareholder, supplier, Canadian – wouldn't that be a whole lot richer than Scratch and Save! Here is the Bay with the oldest, richest, most rightful ink to Heritage and they avoided it.

Why? Because our research shows that marketing people inside any company tire of the positioning first. Naturally, they live with it 24/7 and ultimately make the wrong conclusion - that everyone is just as bored as they are.