

Distinguish Yourself Among the Competition

Harley-Davidson marketing expert gives tips to create excited customers to kick off Angus University.

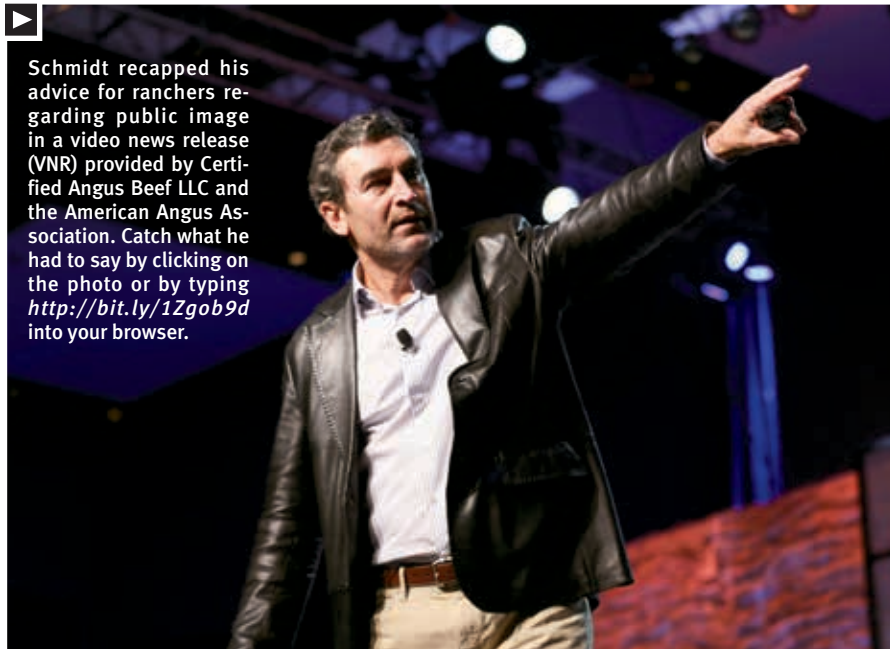
by *Kasey Brown*, associate editor

PHOTOS BY LEANN SCHLEICHER, ANGUS MEDIA

► Consumers expect quality, so a quality product alone will not create a following, keynote speaker Ken Schmidt warned Angus University participants.



Schmidt recapped his advice for ranchers regarding public image in a video news release (VNR) provided by Certified Angus Beef LLC and the American Angus Association. Catch what he had to say by clicking on the photo or by typing <http://bit.ly/1Zgob9d> into your browser.



Like the Angus breed, Harley-Davidson Motor Co. has Scottish roots. Both entities have gone through some rough patches before enjoying their current success. To kick off Angus University at the 2015 Angus Means Business National Convention & Trade Show, Ken Schmidt, former director of communications for the company, shared how the motorcycle brand turned itself around.

When he joined Harley-Davidson, the motorcycle company had the worst reputation, Schmidt said. The public thought only criminals, drug runners, ruffians, etc., rode Harleys. The media and Hollywood helped perpetuate the stereotype.

People have had Harley-Davidson tattooed on their bodies since World War II, so people knew about the brand, he pointed out. They just didn't like the image.

Schmidt asked three main questions to evaluate a brand's relevance:

- ▶ "What are people important to us saying about us?"
- ▶ What do we want them to say?
- ▶ How do we get them to say it?"

He added that Harley-Davidson — and any company or organization that is downtrodden by false perceptions — couldn't wait around for someone else to fix the problem. Harley-Davidson went about changing these negative perceptions by changing the dealership environment. Instead of simply pushing sales, they changed dealerships into positive-experience creators.

Word of mouth is the most important form of advertising, Schmidt said. By creating positive experiences, people told stories about Harley-Davidson.

"No story told means no new demand built," he emphasized. "No human ever told somebody a story about your product if their expectations are simply met."

Consumers expect quality, so a quality product alone will not create a following, he said, warning Angus breeders that televisions may be a "coal-mine canary." When a customer walks into an electronics department, they are bombarded with a wall of TVs that are the same size displaying the same things, he explained. Nothing seems to distinguish one TV from another

Angus University

On Wednesday, Nov. 4, Angus University welcomed an industry-leading lineup of speakers and panelists to explore "A Story of a Steak" and what it will take to supply high-quality beef for consumers worldwide.

The theme of the educational program, which was sponsored by Merck Animal Health, was an extension of the award-winning series of articles in the *High Plains Journal* and segments on *The Angus Report*.

The program emphasized the importance of all industry sectors working collaboratively to improve the quality of beef and the profitability of producers, feeders and packers.

Headlining Angus University was keynote speaker Ken Schmidt, the former Harley-Davidson communications director who helped shape the quality reputation the company enjoys today. Schmidt inspired the audience to think creatively and pay attention to consumer signals to build a successful brand.

Linking that strategy to the beef cattle business was a panel of speakers including moderator John Stika, Certified Angus Beef LLC (CAB) president; Bob McClaren, 44 Farms; Jonathan Perry, Deer Valley Farm; and Eric Grant, Angus Media. They discussed the power of brand building in seedstock marketing and the influence it can have on customers.

After a lunch featuring the *Certified Angus Beef*® (CAB®) brand, participants were treated to an afternoon educational program. Twenty-one educational breakout sessions emphasized management, animal health, advertising and marketing, commercial cattle production, ag markets, social media training and low-stress cattle-handling demonstrations.

For full coverage of Angus University, including audio and PowerPoints of most of the sessions, visit the convention Newsroom at <http://angusjournal.com/NCnTS/2015/index.html>.

— Adapted from news release by the American Angus Association



besides brand name and a price that may vary \$5. At that point, consumers default to the lowest price.

"The value of the product comes from what they've heard or have experienced. The product doesn't stand on its own," he warned.

Harley-Davidson built a narrative that no matter how perfect it is from the factory, it's not perfect enough for you, so customization is a big profit driver. He said by playing to basic human behavior, people are willing to spend more on chrome and customization because they play to the human ego.

"If we make people feel good about themselves, they are loyal," Schmidt said.

Harley-Davidson is about being the most passionate in the industry, which they demonstrate at the Sturgis Motorcycle Rally in Sturgis, S.D. Schmidt said when he encounters someone new at Sturgis, he uses three words when talking about Harley-Davidson — disciples (not customers), lifestyle and passion.

Humans are attracted to passion, and visible passion gets mimicked, Schmidt said. When employees and Harley owners are passionate, that attracts new customers.

Differentiation also contributes to success. He concluded, "[If you] tell people what they expect to hear, they don't repeat it."

Schmidt spoke as part of Angus University, which featured an industry-leading lineup of speakers and panelists who explored "A Story of a Steak" and what it will take to supply high-quality beef to consumers worldwide. An extension of the award-winning series of articles in the *High Plains Journal* and segments on *The Angus Report*, the convention series was sponsored by Merck Animal Health.

To listen to presentations and to view their PowerPoints, visit the convention Newsroom at <http://angusjournal.com/NCnTS/2015/index.html>.

