



## How to Succeed in a New Market

**Q:** You've got a popular concept with a few locations in one market, and you're looking to expand into a new market. What's the best way to do so?

**A:** Expanding into a new market can be both risky and rewarding, but there are a few ways you can increase your odds of success.

You first need to decide whether to favor consistency or customization in your branding strategy. Most companies opt for the former, opening similar units with the same name, same positioning, and same look and feel as existing stores. If your vision is to build a national or international brand, this is the way to go.

But, if your concept is highly dependent upon local appeal, you might want to take a different approach. For example, if you have strong ties to a local sports team, location, or landmark, those associations may not serve you well in a market that's unfamiliar with them. Or, if you're known as a mom and pop business, you may want to downplay your identity as a chain when setting up shop in a new market. It might be better to keep the core of your concept the same but adopt a name, look, and feel that's tailored to the new market.

Whether you're keeping your brand consistent or customizing it, you'll need to create a brand toolbox to ensure people execute it correctly in the new market. One of the tools in your brand toolbox should be a style guide or standards manual that provides guidelines for how your brand is expressed in communication—for example, proper use of the logo, approved typefaces, colors, taglines, and other messaging.

Other useful things to include in the brand toolbox are decision guides and process outlines that help your people take actions that are “on brand.” For example, you might provide a list of “must-make” points for them to communicate to the local media when they're covering your opening, or a partnership guide to help your managers decide which local organizations to support and partner with.

Also include information on your brand culture, like the type of employees you want, and the values and principles that should guide their behavior. This leads to a bigger point.

A strong culture is the way to ensure your brand is embraced and appropriately interpreted and reinforced with customers. It's relatively easy to foster a distinctive culture when your company is smaller and all of your units are in a single market because you can have frequent, focused interactions with your people. But even expanding to an adjacent market can spread your attention

at the expense of your culture. So you don't want to assume new people will “get it,” nor can you afford to leave your values and beliefs up to interpretation by your new managers. Be rigorous about screening franchisees or managers to ensure values alignment and cultural fit. And give them the information and tools they need to do the same with their employees.

Once you've got these brand foundations in place, consider a “soft launch” in the market. You can take advantage of the latest developments in pop-up stores and food trucks by opening a temporary location or a food truck first. Not only does this allow you to carry short-term leases, rent equipment, and limit inventory exposure so you minimize your cost investment, but it's also a way to gauge market appeal and generate buzz before entering a new market. Plus, as a follow-up to my notes above about naming/branding strategies, you can test different options.

Another way to create anticipation for your concept is to reach out to community leaders and organizations in the new market in advance. By catering a few key community events prior to your opening or inviting local groups to exclusive preview days in which you serve guests on an invite-only basis, you can spark powerful word of mouth. Also, ask your existing customers to help promote your new opening to their friends and followers in the new market. Social media makes it easier than ever to spread the word across geographies.

Once you open your first unit in the new market, seed the market with publicity. Reach out to reporters with local business beats, DJs, Patch.com contributors, and editors of the food section in local newspapers. Offer them a special behind-the-scenes look at your new restaurant, or an interview about the story behind your concept and why you're expanding into their market.

A publicity stunt may also generate a lot of attention—just be sure it's consistent with your brand personality and can help you attract customers after the event. A taste-test versus an established competitor will generate a lot of attention, but do it with a fun, positive tone (and make sure you're good enough to win!). Giving away free or highly discounted food is also a sure crowd-pleaser, but incorporate bounce-back coupons or tell-a-friend cards, and gather visitors' e-mail or mobile info so you can initiate a customer relationship program. And consider combining publicity with community relations by hosting a pep rally for the local high school sports team or a fundraiser for a popular community nonprofit and inviting the press.

When entering a new market, the best approach is to keep a healthy balance between two famous maxims: “nothing ventured, nothing gained” and “being prepared is half the victory.” 