

Episode 8: Creative Nature – Julianne Ponan

Hunter Ruthven, senior content manager, Be the Business

Julianne, welcome to It's The Small Things podcast. Thanks for having us. We're set up in your, in your base in Southwest London. We're all amongst your products right now and your distribution hub. It's a pretty unique setting. But thank you for having us today.

Julianne Ponan, Owner and CEO, Creative Nature

Oh, thank you very much. I'm excited.

HR

Fantastic. Let's dive straight in. I wanted to start by taking a look at what makes Creative Nature a bit different to many other fast moving consumer goods businesses. What's the company's USP? And how did you... How did that come to be? How did you come to decide that that's what you wanted it to be?

JP

Well, I'm all about a business having a purpose. And with Creative Nature, our purpose is to be top 14 allergen free, which means it caters for all the top 14 allergens and you're able to eat it. And this comes from personal frustration really, because I'm allergic to all peanuts, tree nuts, chickpeas, lentils, sesame, you name it, I pretty much have it. And with anaphylaxis, you actually stop breathing. So I've got an epi pen, so it's very, very severe. So I decided it's so important that people like me can actually eat and sit around the same table. So that's how Creative Nature's ethos was born.

HR

Okay. Now the business had been around for a little while before you came in? Can you tell us a bit more about that story? And why you decided to take on what was an existing brand rather than starting something out completely from scratch?

JP

That's an interesting question, actually. And a lot of people say to me, why did I do it? And thinking back now, I'm not entirely sure the reasoning behind it because it probably would have been easier to start from scratch maybe because the company itself was in over £56,000 pound losses. The company when I first looked at it as she did things like candles, incense, statues, oils, things, nothing to do with what we're doing now as a free form brand. But I looked at it and I saw a name and I got offered to do a management buyout. And at the time I was 22-23 years old. And I just thought, actually, yes, let's go for it. No risk, no fun. And yeah, I was sitting pretty

much alone in my office having gotten rid of the management team. And yes, I started from scratch really.

HR

And was there anything else about the existing infrastructure that was advantageous to be able to take advantage of rather than doing that setting up an entirely new brand?

JP

I think there were some great parts. Well, what I thought were great parts. I thought, for example, the trademark was there. However, actually digging deeper, there wasn't a trademark. And I had to actually refile a lot of things for Europe and many other countries. But there was certain infrastructure. So for example, the customers they did trade with, we still trade with some of them today, however, just with very different products. So it gave me an insight into the network of customers and understanding. Okay, even though I don't want to do candles and incense and oils anymore, I do want to do a food product. And how do I get that into the distribution network? Bear that in mind, health stores or big supermarket chains. And looking at it, they have actually supplied some independent health stores.

HR

Okay, so you walked in on day one, you'd had that slight baptism of fire, you got rid of who you wanted to, you'd started kind of peeking below the floorboards to see what was there. What did you do in those early days in terms of setting the mission, vision and direction of where you want to take the business? And looking back now, how has that served you well? And where have you had to go back to it and have another look at it?

JP

For me, it was all about taking things in stages, because you can't do everything at once. So the first thing we did, so I employed Matthew, who's our operations director. And he's still with the company today. I asked him to quit his job as a primary school teacher, and come and help me and I sold him the vision and the mission of where we wanted to go. And the first thing we had to do was have a core range of products. So get rid of everything that you don't want. Have a thorough look at the financials in the books. And luckily, I was quite good at that side of things because I'd done my degree in business management and finance. So I understood sort of the margins, the profitability was so important. And because the company was in losses at the time, it was very important to make the right cutbacks, and what those were going to entail. So that's what we did, we drew up a big plan of Okay, these are the products we're going to cut. These are the core, the core range we're going to go ahead with and that was day one what we needed to do, and how much of that could we do just with two people, and we figured that out.

HR

And as someone who was in their early 20s, this being a first business venture, when you're making those big decisions around, cutting stuff, setting a vision, having a USP and tone of voice of all those kinds of things you have to set up early. Where were you drawing upon to inform those decisions? What was your basis for it?

JP

Some would say, I guess I reached out to my network. And I had been in investment banking before. So I had a few people that I could call upon. However, I also think it was a lot of gut instinct. And I make decisions quite when, in the early days, I make decisions quite early on, and fast. Whereas now I take less risk as the business has grown. We also had consultants on board. So I reached out to a network of people where I could call upon and ask their advice. However, sometimes I do honestly feel that consultants charge a lot for a small business and don't give you the value that you need. You really need hands-on experience. And you need to hear it from people that have actually done it from scratch. And that's when I started talking to other businesses, other entrepreneurs. And that's when it started to make a difference. Because I made friends with them, they understood what I was going through, down to just the loneliness as well of being an entrepreneur, everything falls on you. And you've got to make those decisions, whether they're good ones or bad ones, the buck stops with you.

So that was fantastic. And quite early on, I went on a programme called the Goldman Sachs 10,000 small businesses. And, and that was fantastic and phenomenal, because you were put in a cohort of around 40 businesses, and they ranged between sort of, I think it was £250,000 turnover all the way up to like £20 million. So you really understood what people were going through the problems they were facing, and how to cope with it.

HR

Okay. And looking back on those decisions you made by kind of digging into your gut, how'd you look at those now in the light of what's going on? Do you kind of look back and go, Yeah, I did make some good calls back then they were hard ones to make, but they went the right way?

JP

There were definitely decisions that I shouldn't have made. But a lot of entrepreneurs say, when you make the wrong decision, fail fast, and rectify that and learn from it. And that's exactly what I did. So for example, I didn't have a huge amount of knowledge on marketing. And I decided, oh, I'm going to employ the best PR firm in London, and I'm going to pay out all this money. And oh, yes, they're going to get my product into all the newspapers, everything because they pitched it that way. However, six months down the line, that money is then gone. And I didn't have a huge amount to show for it.

So learning from that experience, learning you don't always have to go for the biggest company or the biggest agency out there, you actually have to go for someone that understands your brand, and your branding and your mission, your vision, your message, your voice, all of these things. And, yeah, it did take a bit of time to understand. And there were some decisions I'm so proud of in terms of pushing forward with our branding and pushing forward with our specific USP of being top 14 free. That was a huge part of Creative Nature and where we are today. Also, at the beginning of my journey, I didn't want my face to the brand. I didn't want to put my personality behind it. However, very early on, I found that people were actually resonating with me, and the authenticity of that story. So we decided to incorporate my story into the brand, because it was true, and it was authentic. And it is. So yeah, we took it forward from there.

HR

Fantastic, we just had the lights flickering in and out but we're back in the light now. You're set to hit £2 million in turnover soon and do supply some of the biggest supermarkets in the UK. So can you tell us a bit about how you've gone about establishing what routes to market work best for a business like yours? And around that, how do you balance the lots of different but equally challenging options that are available for an fmcg business.

JP

So I guess I'll give you a bit of background of how it all started when we were reaching out to different markets. So for example, within the UK, there's lots of different channels you can go after; health stores, big retailers, online shopping, all of those you can play in, but each one will need a certain amount of resource and marketing as well.

So we decided to first of all, go after Independent stores because we knew we could gain traction. From that we went into the supermarkets and we were actually told we wouldn't launch into a supermarket with just two people. But we did prove them wrong. And we did launch, which was fantastic. And we have grown into sort of Asda, Sainsbury's, Tesco, Ocado since. In terms of other markets, this was something we probably did quite soon into our journey. And what happened was, we took a very scattergun approach. And that wasn't the approach that you should take. Because when you do that, you're just going off to every single market, not putting any focus on why you're going after that market, and not having enough resource to actually develop your products in those countries. So that's what we did to begin with.

And I worked with a DIT officer, Department of International Trade. And they came up with an action plan alongside myself and one other. And we understood what markets Creative Nature could really tap into, where were the markets growing, for example. So we did things like trade missions, which are fantastic for small businesses, because you get grants to be able to go out there, visit the country, understand the market, they even do the research for you, and be able to collate it into a report that you can see, okay, free from is worth 621 million. Okay, out of that market. How much is that of that is food? How much of that is snacking? Is there a gap in the

market for something that's gluten free or dairy free or not free? All of these things are so important. So for any business out there, I definitely recommend going on trade missions, as it really does help it early on, have an action plan, work with your DIT officer to understand your market before you launch for sure.

HR

And that all just helps make you make actual informed decisions rather than just this feels like a good opportunity. Or we'd be silly if we didn't pursue this one.

JP

Yes, something can feel like a fantastic opportunity. And it can be huge and you can be promised the world by a distributor. However, when you actually ship your product over there, what happens when you haven't done the correct labelling, or you haven't thought about the VAT or the duty or the customs any of that your margin is slowly getting diminished. Also, the fact that with a perishable product, you can't really afford to make that mistake because your shelf life is going down, the more weeks that it's in port. So all these things come into play. And I think it's so important that you do that research before. I know it can feel like it's taking forever. And sometimes it does. So for example, when we launched in the Middle East it was going through the Dubai Municipality, and they have to sign off all of your products before you can even sell them into the country. Now this takes time. And it's a frustrating process as well because you have to get everything right before you can even sell one product in. But once you do have it, we're now stocked in the likes of Carrefour, which is the one of the biggest supermarkets in the Middle East, plus Lulus. And we're looking at others at the moment.

HR

I suppose it's all about going, I don't have to know all of this stuff because one, it's fairly specific and two, I've never done it before. So there's no harm in just admitting that you need a bit of help and that there are people out there who can give it to you.

JP

Exactly that.

HR

How have you got better over the years as you've had more of these conversations with potential retailers and stockists? How have you got better at communicating the value of your products? What small changes have you made along the way to make those initial conversations more impactful and hopefully lead to bigger conversations and eventual stockings?

JP

Understanding your value proposition is always key. What value do you add to that retailer? And constantly I have other entrepreneurs ask me this. They say, Well, how did you get into Sainsbury's so fast? How did you get into Asda so fast? I keep going back to the same thing: it doesn't happen overnight. It really doesn't. And it's about educating them on what your product does. And not just how great it is, because so many people think their product is the bee's knees, and we all do like of course because it's your own product. But that doesn't mean everybody else is going to think that. And it's solving that problem for them. So, for example, at the moment, free, the free from aisle was built in supermarkets for people with allergies. You go there and you expect to find a safe product for you to eat. Now 90% of a lot of free from aisles now contain nuts. For me, this is... it shouldn't happen really. There is a big problem out there and this is what I'm showcasing to buyers that actually, this is a need state for the consumer to actually go to this section to get a product. However, what you're doing is just thinking about the commercial and the lifestyle customer. So that's about explaining it to them and them understanding it. So bringing it back to basics is get your retailer or buyer to understand your product. Don't just bombard them with how amazing your product is, and how many awards you've won, because that's not going to make them choose you. The thing that's going to make them choose you as if they fully understand what value you're adding, what customer you're bringing to their store, and why they should have you on shelf over another brand. If that brand can do the exact same.

HR

And that kind of process, I guess works for businesses of all shapes and sizes doesn't it. Whether it's doing food or clothing or whatever it is, whether it's a product or not, coming back to that why, what is the value of getting involved with your business? And how does that serve as a complimentary thing to what they're doing already that you think that's kind of an approach that all businesses can take.

JP

Definitely, even a service business can take that approach as well, because they have to add value to their customer. And without it, I think they find it, you find it very difficult if you're just going to go on your accolades and how good your product is.

HR

Okay. Now we're seeing in your your distribution hub, which is below your head office and you're bursting at the seams, you're looking at ways right now of scaling up operations so that you can house more stock, get closer to the production, maybe build a bigger team, all of that kind of stuff. But lots of businesses in the same or similar space to you will have found it hard to balance that ambition and having the actual resources to do it. So what are you constantly keeping an eye on to assure you're staying profitable, that the margins continue to fall on the

side that you want them to? And that you essentially don't bite off more than you can chew? Excuse the pun surrounded by food right now.

JP

So many people go off to turnover a lot of the time and it's something we didn't do. Yes, we want to be scaling and we've grown every year consistently, which I'm so proud of. However, it's important that profit is sanity and turnover is vanity. Especially when you're trying to grow without investment, for example. So some people don't get investment and at the beginning stages of our journey we didn't. And it was all about how profitable we were and how much more we could invest in the brand going forward year on year.

So when you're doing that, it's really important to assess your margins right down to the bottom penny. And a lot of people forget about that. They forget about things such as, it costs x, y and z to make my product. But how much does it cost then for staff to package it up, send it out, the pallet wrap, the tape, all of these extra things, the marketing costs, they don't take into consideration. And that's when sometimes the margin can really diminish. And unfortunately, the profitability can fall then as well. So I would say it's a constant balance of investing to grow, which we constantly are, we also invest in staff that is such a big part of my business. And yes, we couldn't afford to get people that had tonnes and tonnes of experience. However, we decided to get apprentices on board as well, which was great as well to get young people into work, because I'm passionate about that, especially starting out from sort of early 20s. It's fantastic to be able to see someone grow from their early 20s in your company over the years. So that's what we've done. And we invested in training programmes where we can train them up either in sort of warehouse and supply chain, digital marketing, sales, business admin, all of these things. And there's so many incentives out there as well for small businesses to do this. So don't feel that you can't employ an apprentice that can work alongside you. And they can really have a big opportunity, but you can also scale them and mould them to what your business needs.

HR

Fantastic to hear. Are there any, coming back to the staying on top of the costs that can mount up and making sure you stay, as you mentioned, profitable being the important thing. Are there any internal processes or systems that you've developed over the years that allow you to almost autonomously stay aware of those kinds of things? So it's not necessarily having to go, Right I'm carving out a day a month where I dive into the figures, which you might still do, but is there anything that's kind of always on to flag potential risks to that maintaining profitable?

JP

Well, to be completely honest, we review figures on a weekly basis, because we've got bigger now. And so we need to understand the stock values, and what's going in and out. And also shelf life. In terms of early on, I would say having that big spreadsheet is so important, but not

only having the p&I and the balance sheet, but having that cash flow model. So building out a really simple what's coming in what's going out, and when it's coming in. Because that's the key part. I find that a lot of people, people that I've worked with in the past and have asked a lot of questions, they go, Well, I can't plan ahead, and I'm going, You can't plan ahead because you're not understanding where the cash is coming back in. So if someone's going to pay you on 60 days, put 70 days or 80 days, because usually they're not going to pay you on that 60 days. You need to understand that from a business perspective, but also from a growth perspective of what you're going to invest. So I'd say that's great.

Xero is a really easy accounting system, a lot of people, I'm not a brand ambassador or anything. But I started on QuickBooks, and I found that Xero was easier for people coming into the business who had no experience of accounting, or anything like that. But they were able to navigate the system very easily and quickly. And it can give you the reports you need at a click of a button. So you don't have to do much work. Then also, I'd say another system that is really good to use is something called Unleashed. We use it as a stock management system and also a profitability tool. Again, if whatever you put in, you're going to get out. So a lot of people moan about they don't get the information out of their systems. And usually it's because you haven't put the right information in. So working with developers early on to make sure they understand what you need, I think that that's the key part.

HR

You touched on a little bit there. But I know you've made some recent changes to the way in which you do cash flow forecasting. Can you tell us a bit more about those changes? How does it put you in a better position now, but kind of compare what you were doing before to what you're doing now and how that's more beneficial.

JP

The thing that mainly has changed, it's from the sales side. So our head of sales has put in a lot of new ways of working, new processes. And that's from weekly forecasting model being updated, and it pulling through for every single account, understanding our best sellers, our worst sellers. Usually, we would just be looking at the revenue figures, we wouldn't be diving in deep to understand, okay, multipacks are actually doing fantastically well. And however, single bars aren't, why is that and it gives you that visibility. And I guess no one can hide in a way. And so having that information at your fingertips every week is key. And it also enables you to pivot and change and make decisions faster. Because if you're looking at things once a month, how are you going to make a decision for the next month, if you're looking at things weekly, you can make those decisions. For example, with the pandemic, we had to switch Amazon on overnight. And we had to do that very quickly, in a manageable way, and get stock into their depots very, very quickly. Now, without understanding the numbers and the forecasting behind it, I don't think we'd have made that decision.

HR

Okay. I want to come on to do a bit more about product because you are a very product focused business with a distinctive brand. Can you take us through what goes into the development of a new product, right the way from initial idea to being stocked on shelves? And how has that process changed over the years to become a smoother, more efficient process?

JP

Product Development is a difficult one. It's a love hate relationship. We absolutely love developing new things. And we constantly have things in the background going. What we do with new product development is we sit as a team, and we throw lots of ideas into the mix. And that happens every single month. And I tell the team no matter how silly the idea is, just say it because it might be something that we want to take forward.

After that happens, usually we tend to launch around one to two products or a product line a year because we try to innovate and have fresh things on shelf or we have limited editions. For example, we had the bunny droppings for Easter, which was super fun. It was an easy way of gifting and reusing some of the product that's already out there. In terms of the actual development stages, the first thing is to understand what other products like what we're developing are on the market. Is there a gap for it? What is the purpose of it? Where is it going to sit? What channels is it going to go into? That's the first thought. Then it's looking at, okay, we understand that it needs to be a £2.99 price point, or whatever the price point needs to be, we have to understand that first. And then you work back from there as to what ingredients you can use, what processes you can use, and everything is different. So when you make something in your kitchen, it is very different than taking it and actually manufacturing it down the line because things go wrong, you can't heat something up, or there's so many different elements when you're testing. So it usually takes around at least six months from start to finish to get a product just ready to go. Then comes in or the design in the marketing side, where they need to understand the product, how they're going to convey that to the consumer, what colours are we going to pick down to fonts. Font sometimes takes weeks to just get it right and choose? Yes, you could go with any font, but then that could lose your brand identity and your voice. So it's about just understanding that and the process behind it. So I'd say NPD has definitely changed over the years. Now it's more streamlined in the sense we know exactly what we're doing. And when we need to get deadlines done by and we have a full on, like this is the timeline. And we need to hit this by the x date. Early on, it was more, let's just try and do this. And we made it all in our kitchen. And it was a very different process. We also matched, for example, made a five pound bar, it cost five pounds to make. And it was fantastic. It tasted brilliant. But we realised very quickly that we could never, we couldn't sell that bar because you're not going to be able to sell to the consumer at 10 pounds for a bar, or whatever it might be. So it's understanding that very early on, but we didn't, we didn't understand that when we first started. And it was a very hard learning curve, in the sense that the time that was wasted on certain things. Whereas now it's more we know we can get to an end result within six months.

HR

And is that timeline, almost like a Gantt chart, which says, if we haven't started this thing by this period, or done this properly, then we're not going to get to the point where we're able to take it to market this day. Is that kind of how almost I suppose there's flexibility but almost how rigid you've got in terms of knowing what goes into getting a new product to market?

JP

That's exactly how it is. And one product that was supposed to launch at the end of this year, cannot launch because we didn't hit the deadlines on time. But we can launch it in a different channel. So there's always ways around it. And there might be solutions. But it's about understanding, okay, if it's going to go into a retailer, I need to be hitting their range review. They're going to be looking at it between March and April, I need to have samples, mock ups, pricing commercials, everything done at least a month before. And if you don't have that, you're going to miss the range review. And then sometimes you have to wait a year till the next range review.

HR

You mentioned that the branding and packaging, mentioned fonts and colours, plays a key role in getting people to quickly see the value in your products and pick it up and buy it. Can we go have a look and see how that kind of evolved over the years? And how those initial products look quite different to how they look now?

JP

Yes, definitely.

HR

Right, Julianne, we're back upstairs, we're having a look through Creative Nature branding through the ages. There's a lot of colour on show here, it's really interesting to look at. Tell us a little bit, just a top level kind of summary of how the brand, the look of the brand has evolved. And then we're going to bring in Ellie to talk about some more specifics around how the packaging has changed.

JP

Yeah, the brand has definitely evolved completely from the beginning. So this isn't even the beginning. This is a stage in actually. But after we did a lot of the focus groups, and we got a branding agency involved, we understood more, our customer avatar, and also what our customer wanted to see to be able to pick it up off shelf. So you'll see the amazing colours that have changed and the wording that's used, the fonts that's used as well.

HR

Okay, so Ellie, can you tell us about some of the specific things that have changed in relation to things such as customer feedback, or focus groups, things like that, the way in which they've come to light and how they now look on packaging?

Ellie, Creative Nature

Yeah, so probably the main thing you'd notice is the logo has changed quite dramatically. And a lot of feedback we were getting from that was that it wasn't easy enough to read, the font was a bit outdated. So we've kept that as similar as possible. But that's probably the biggest, the main thing that's changed. Obviously, if you look at kind of the old branding, it is quite colourful. But because it uses a lot of pastel colours, we found that on shelf, it didn't stand out as much as it could and as much as it deserved to. And then the other thing is, on the old kind of packaging, we would list every single USP out in a very similar way. So we've got allergen friendly, gluten free, dairy free, wheat free. But we've kind of summarised that into just one single stamp, which is delicious without doubt top 14 allergen free, which is our catchphrase for the brand.

HR

And this has all come about from asking the right questions. Really not just taking for granted that what you've put out there is, is doing the job it should do?

E

Yeah, yeah. So you definitely have to listen to what the customers have got to say about the packaging, because at the end of the day, it's that kind of person that's going to be buying it. So it needs to stand out to who we're marketing it towards.

HR

And looking at some of the newer packaging, it feels like it's kind of got a bit more playful, there's a bit more kind of actual photography alongside the colour and the illustrative stuff, what's influenced that kind of thing?

E

We wanted to communicate as well that the product is really very tasty. And the best way to do that is by using photography. So that's how we wanted to incorporate that into the brand.

HR

And Julianne, and when you look at this, and you see kind of where stuff was early on, and where it is now. What are your thoughts and kind of where do you kind of where does this get your mind going when you're thinking about where the brand is going to look what the brand is going to look like in two years, five years, 10 years kind of thing?

JP

Well, when we were first going through the whole branding agency, they came up with sort of four different scenarios. And it was really interesting to see because each route was so different. However, they were still incorporating all the key parts that we had got from the customer focus group. Now we wanted to create a brand that didn't need updating constantly year on year, we wanted to create that sort of timeless element as well. So that safety stamp, that top 14 allergen free, hopefully will stay throughout the years. And the colours, the vibrancy, we intended to keep that throughout the range. And as we have add ons like we've got the Gnaw Balls over there. And you'll see the bright colours have come from the rest of the brand. The catchy name Gnaw Balls are catchy slogan, nibble my Gnaw Balls, which is again, something that's very playful. And we wanted that to convey across the brand. And across all the ranges.

HR

And what have you learned about not trying to do too much with the branding and the look of a product that you could share?

JP

For me, well, I learned a lot from Ellie actually, when she was constantly saying less is more. So for example, trying to put so much on pack because I would be like oh, I really want the brand to say everything we're free from and I would want to say it's vegan, and I would want to say it's high protein, all of these things. But she would say to me, but the consumer is never actually going to understand that and take it in in three seconds, which is your window that you have to be able to get into the consumers mind. So if you can pick one thing, you're probably going to pick the flavour and the brand logo. So it's got to stand out enough and like super salted caramel. It sounds good. And we've got things like the whole grain banana bread mix, things like that, that make you want to eat it are so important.

HR

Ellie, are there any kind of creative inspirations that you look to when you're trying to kind of stress test the way in which Creative Nature comes across? Where do you look to, to go, we should beg a bit, steal a bit from there, borrow a bit from there?

E

I'm constantly looking at existing packaging any time I go into a store, even products that aren't related to what we've got already, just anything, I'll be looking at design everywhere I go for inspiration, really. This is the kind of thing I would pick up personally. So anything that appeals to me normally appeals to who I'm designing for. So that's...

HR

So it's just kind of constantly keeping your eyes open...

E

Constantly, yeah, every day.

HR

And going, that's not a direct kind of competitor to what we do, but they're competing for shelf space as well. So there's something you can learn from that.

E

Just taking elements of everything that's out there and seeing how that can be applied to what we do.

HR

So one final thing, Julianne with all that's gone on with the branding history and what's gone into it, what's your advice for businesses who are wanting to take a look at their brand, but maybe a little bit scared, apprehensive, unsure where to start. What advice do you have for them to be able to approach this in a constructive way that allows them to come out the other side with something that's going to do a better job for them?

JP

I would say again, going back to understanding your customer, it's so important and looking at what the shelf looks like at the moment. So if you've got a product in particular, obviously, it doesn't work as well, for service businesses, but products, you could go to a supermarket shelf, you could look at all the brands there and you could understand what do I need to do to stand out against them, you could then do a mock up and put it on shelf and see if your brand even has any standout. And that I'd say is key. Branding agencies are expensive. However, it's so important, even if you can't have a branding agency, finding someone who has an eye for design, who is really creative. Getting them on board is so important early on.

HR

Great advice there. Well, thanks for showing us this it's really nice to see how a history of the brand comes together and can really see what kind of journey it's been on and such wonderfully creative and colourful packaging as well. So thanks for showing us that.

JP

Thank you.

HR

Cheers, Ellie.

HR

Fantastic. Thank you so much for showing us that Julianne, really brings to life how the brand has grown over the years. I know that surveys and focus groups have recently played an important role in shaping where the business and products go. How does that process play out for someone who hasn't built that into their business functions? And how do you make sure it's a good investment each time that you do it?

JP

I think focus groups are so important. However when you are a small business sometimes you're not able to afford that sort of level of insight and data. And I've been there and I have not paid for it at the beginning and I've gone, actually we can't afford it, We don't have the resource, Let's just launch THE product. and that's not a bad thing. However, what I would say is no product is perfect off the bat like there's always tweaks and changes you can make to packaging and the product. However, it is really important to get feedback and test your consumer. So when you can't afford a full on data insight, customer focus group survey, what you can do is go out there to, to small local shows. We used to do actually, the year before last, we did 75 consumer shows. And this gave us a lot of insight into the customer and the thinking behind what, what they're interested in, why they're buying, what their dislikes were, what their likes were. And when you go to the local shows, like at market stores, you can go to your local one, you're able to ask these questions to the consumer, you're able to sample, you're able to say, oh, which flavour do you prefer? Is it coffee? Is it chocolate? Whatever it might be. And that insight is key in when you come back to the office, and then you write all of that down, you collate it all. And then you can improve your product. And that's something you can do very easily, very early on, for a low amount of money.

As you grow as a brand, it's important that you get your brand identity. And it's important that you have that voice. And that again, I'm going to go back to that mission and vision and how that's conveyed to the consumer. So for me, I decided to get a branding agency involved. And we got investment in 2018, or 19. And what I decided the first thing I was going to do is get a brand agency onboard to really hone in on what is Creative Nature? What are we doing for the

consumer? How are we helping them? And how do we get that message out there? Because our packaging just doesn't scream it. Even though the product inside is fantastic. We needed that uplift. However, when we went to the branding agency, it was okay, What is the brief? What do you want? What's your customer, avatar, etc? Now to get this information, it was so important that we did a huge data insight survey. And we did it across the whole country. We did about four or five customer focus groups. And they were first of all people who suffered from allergies, vegans, people who just had dietary requirements, female, male, all of these things that played into it, and then their income, all of every single thing we could possibly do. We did and we asked them questions on the packaging, what sort of colours, what sort of fonts? What would make them pick up the brand? And one of the main things was the personality and the authenticity of the brand. And so many people said, Why can't Julianne be on the brand. And I was going that's 100% no, we're not going with that. But however, what the branding agency was able to do from all of that insight and that data, they decided to put my signature on the backpack, something so simple, but key to getting the consumer to have that trust. Because at the end of the day, we are a brand where consumers come because they feel safe. And, having that signature really made a difference.

HR

And when you compare the information that you bring together to make a decision, whether it's a big decision or a small decision, when you compare what you have when you kind of do basic, anything as basic as kind of just scouring the internet to do research, scaling that all the way up through going to events to speak to customers to doing focus groups and surveys to getting to the point where you're hiring in experts. When you compare those two information bundles, what are you really looking at to go, Look, this just gives us so much more to be able to make the right decisions.

JP

At the end of the day, it's data isn't it. The more data that you have and the more you analyse it, the more informed decisions you're going to be able to make. Sometimes though, data can skew your decision when you have a lot of it and it's not conclusive. So that can make things quite difficult. And that's when having a sounding board. So we have some incredible non exec directors. And I definitely advise small companies to get...not a full board, you don't need a full board in place... but having someone as their sounding board that's outside the business, but that can just give you those pointers and sometimes you can only see straight in front of your nose. That's literally all you can see and can't see beyond that. But they are able to do that because they've got that outside perspective. So definitely someone like that. And then when you're looking for a non exec look for someone who's either had experience in your field, or someone that's got specific knowledge in marketing or specific knowledge in HR, if you need it, or I don't know, finance if you need that, but it's so important that you utilise their key skills.

HR

Fantastic to hear. I think it's something that a lot of smaller businesses neglect, because they think it's gonna be either a massive cost or I don't know, any anything is that when they're not deserving of someone with that kind of experience coming in. But I think for anyone who brings in, they will talk until their blue in the face about the benefit, just having someone like that, like you said, kind of getting you out of just looking at what's directly in front of you, isn't that right?

JP

Yes, and they do cost sometimes, but it is important to find the right one that can add value. I find that a lot of the time it's don't just go after the first non exec you can see, get them to understand your business. And if they're willing... [interruption].

HR

So having that person come in from the outside, it's you've spoken to it's valuable, I think it's probably something that a lot of small businesses neglect, because they think it comes with a big price, or that someone's not going to have any interest in a business of their size, but you really feel like just having that person who challenges what's directly in front of you, is really healthy, whether it's a conversation once a week, or once a month, but that really helps make the right decisions.

JP

Yeah, I think it's really important that you find the right person. And it's not, that doesn't clock watch in a way, because it's really important that they're adding value to your business, but also their learning as well, because they're learning about your business. So if they can't be bothered to spend a bit of time with you, at the beginning to understand your business, I wouldn't say they're the right person for you.

HR

What kind of feedback mechanisms, you've spoken about the ones where you go to people, and you speak to people at events or through surveys. But what are the kinds of feedback mechanisms, those not requiring that involvement of outside support, have you built in that allow you to stay close to the thoughts and opinions of both existing and I guess, potential customers?

JP

I guess you could say social media, Instagram, Facebook. I think you get to see customers interact with your brand on a daily basis, you can put up polls, you can put up questions. And that's really important, because you understand what's working and what's not. And you can test things so easily. Again, with email marketing, you can do the same thing. You can do a B testing, split testing down to, Okay, I'm going to send this recipe to 3,000 people. But I'm going

to understand whether males respond better than females to it. And why did they respond better? What is the conversion rate on it, etc. And you can really drill down more into that.

HR

Looking at the people side of the business. It's a small operation you've got, you've told me there's always been a desire to keep it quite lean over the years and only invest in people in the right areas. How have you decided where that makes most sense? And where you're more prepared to take in external resources to plug the gap?

JP

I think with people It all depends on how you want to grow. I've always wanted to keep us quite lean as much as possible. In terms of outsourcing things, it's about understanding where your gaps are. And whether you can afford someone in house to do that, or whether actually, they're going to be too high cost. And you're not going to utilise them enough, which means you're not ready for them. And maybe you outsource it to begin with. And then you bring it back in house later on. It's something I have a mix actually with the marketing side. I have two people in house, but then I always have an external few freelancers that we use on a regular basis. And we have a certain contracted hours a month with them. And that works really, really well. And it means that they've got the flexibility to work for other people, but they can also work for us and we can utilise their skillset.

HR

Has it been a bit of an evolving process as you've learned both where it makes most sense to have someone out So the business and I guess, how to manage these different types of resources that you're employing?

JP

Definitely. I think again it comes back to my board. They gave me a lot of advice on how to stay lean and how to utilise the current skill set that we have internally. But also how do we grow? Who do we need to invest in? Whether that be new operations, warehouse staff, or finance etc. But it's really important to understand where you need to get to, what your goal is and we've literally just brought in a new head of sales because we really want to be ramping up the export side and pushing through with some big growth over the next 24 months.

HR

Great. Touching on the coronavirus situation that you've had, you've mentioned stuff like scaling up Amazon quickly and creating different types of product that were fitting the situation that people were finding themselves in. But I'm interested to find out what from this experience you will be taking away based on having navigated through this process that nobody thought they

were going to have to do, aside from probably making you better prepared for unforeseen circumstances in the future. I'm interested to hear what changes or shifts that were forced upon you were good for the business and will now be staying going forward?

JP

I guess one of the biggest things is working from home. That has been a really interesting time over the last year where some people have really thrived through it but others have struggled. I'm proud to say we didn't furlough any staff and we just found ways of being able to let them work from home and it was fantastic to be able to do that. And we found ways to keep them motivated through Zumba classes, combat classes. We did so many things over lockdown and it really kept their spirits high. But what I learned from that was the fact that actually I can employ people with amazing skills up north and actually they don't have to be in the office and I'm more inclined to actually do it and we hired two people up north, one in Scarborough and one in Preston and I would never have even looked at their CVs if...

JR

If they weren't committed to moving down here.

JP

Yeah, if they weren't committed. That's the thing. And it's quite sad because obviously before I would have wanted somebody very close and they would be able to obviously commute to the office very easily. But it's not needed and I really learned that. And we became closer as a team even though we weren't seeing each other at all physically. Don't get me wrong team days and having people in the office is fantastic but it's not to say you can't do it remotely as well.

HR

So you really feel your talent pool that you can go and pick from is just sky's the limit

JP

I think so, yeah.

HR

And what about the way in which you've made decisions because you'll obviously have had to make them quicker with the circumstances that have gone on so I imagine that was quite scary at times but is there anything about the way in which you look at all the facts and figures and make decisions that you've done in the last year that you go actually maybe we took too long with that or maybe we obsessed too much with that, that you can kind of go forward and go, look we have done this under those circumstances, we can keep doing this in the future?

JP

There were lots of things that cropped up over the pandemic. For example, the snack bars, food on the go really plummeted and no one was commuting. That went overnight really. However, the baking side really picked up because everybody was baking at home. Now, what we did have to change was the fact that our... where we were manufacturing at the time just couldn't cope. There were then suddenly 6-8 week lead times which we couldn't afford. We were already out of product. Crazy banana bread was going through the roof and Amazon were literally out of stock every single week and we were sending in more. So we needed to make a very fast decision of, Ok we know where we're going to move it to but we actually had to do it. And we had to do it in the middle of a pandemic which was hard. And it was one of the toughest decisions I guess I made within hours. But I said, Right, we've got to get stock, the factory is Top Fortune free, we can make here, we can do it. Let's go ahead and move it. Usually it would be a testing process of, OK, let's trial it, let's see how this manufacturing does, can we actually scale up from here? But no it was an instant, Yes we're going to do it. Move everything and churn out the product which is what we did and it actually worked to our favour.

HR

I think that neatly tees up my final question which is specifically about you and your own individual approach to leadership. How has that changed in recent years? What's driven that? And based on that, what are you want to be focusing on yourself in the next few years to give you even more confidence in being able to lead the business where you want it to?

JP

I guess my leadership style has changed over the years. At the beginning it was just myself and Matt and it was very much an equal playing field and together we would make decisions. However, as the business has grown and we've had different mini teams I guess in a way. Matt is looking after more of the ops side and the supply chain. Myself on the finance and marketing and now we've got Trudie who is head of sales. Things have changed to understand people more. I'm doing this strengths finder at the moment to really understand the strengths of my team and maybe there are certain skill sets that I don't know that some of my team have. So it's about being more open to other possibilities. Maybe, for example, they've applied for a role in the supply chain. However, they're more suited for a role in marketing, which is exactly what's recently happened with one of our apprentices. She came on board for a warehouse and supply chain apprenticeship. We got her to do a couple of bits of marketing and I was very open and I am more open and I think leaders really need to be. I understood that she was actually good at some of the marketing strategy. And we decided to take that a little bit further. She's actually completely switched apprenticeship to a more business and marketing apprenticeship which is fantastic because I've been able to understand her skillset. And being able to have more resources in the team enables me to do this as a leader. It's really great to say you listen to all your employees. You can listen to all of your employees but not action anything. I think that's

really key. And you can also monitor them and do a lot of key performance development and regular PDPs. However if you're not going to change anything, you're not going to help scale your business so that's exactly what I'm doing. I'm listening and learning and consistently trying to be able to talk to our board and understand where I'm lacking in leadership and who I can bring in, which is why I have brought in Trudie as a sales manager.

HR

That's really exciting to hear that you're now able to do much more of that nurturing role that is so important as the business grows but you'll know that's just very hard to do in those early days when everything is moving so quickly. Julianne, thank you so much for sharing the Creative Nature story. It's been fantastic to hear kind of where it's gone from those early days when you did that buy out, especially through the pandemic with all the surges in home baking stuff like that that you've been able to capitalise on. I think there's lots of things within what you've said, lots of small things that other businesses can learn from. From the use of focus groups to the what you've done with cash flow to just continually coming back to what is our value? Why should people get involved with us? What's our mission? Having that as the driving force has been really interesting to hear. So, thank you.

JP

Thank you very much.