

The changing face of business



Branding is an important part of business success, but only when you realise changes are necessary to an old establishment, can you move forward and re-brand for the better.

Jon-Michail, CEO of *Image Group International* and best selling author of *Life Branding*, creates wealth for his clients. "It's all about perceptions and image plays a big part in creating the reality, love it or hate it this is real world. If you look and act like a rag bag, your business will also be perceived as one," Jon says. When he was asked to bring his talents to bear in a report prepared for entrepreneurs and property owners, Bernard Corser and Jim Fagan, he was in his element and the *Tolarno Hotel* in St Kilda, a glamorous dame of Melbourne, was set to receive the make-over of a lifetime.

In 1996 Bernard Corser and Jim Fagan bought the bohemian Melbourne icon, the *Tolarno Hotel* for just over \$1 million and then set about transforming it into one of the most spectacular boutique hotels in Melbourne suburb St Kilda. They spent ten years remodelling, refurbishing and getting in touch with the building's artistic history of renowned artist Mirka Mora whose husband George opened the restaurant at *Tolarno* in 1964.

But despite the money spent and the changes made, there was still a great deficit in a great many things. It didn't look right as you walked in – the entrance and the accompanying restaurant and restrooms were under the control of the lessee and despite many requests to come along side the new look, the lessee was unable to do so.

Jon-Michail was secured to assess the restaurant and foyer areas and compile a report on that part of the premises. It was a damning document that demanded action – immediate and drastic. It wasn't a pretty read. Upon first entering the building brimming with new rooms behind the entrance, one saw a ramshackle array of dilapidated and greasy grey fixtures and fittings. There had been no changes to equipment, furniture or kitchen facilities since Mirka Mora's days.

But, it wasn't until the lease expired in May 2006, that Bernard and Jim were able to advertise for expressions of interest in the restaurant and a little piece of Australian history turned full circle – then the famous and very talented chef and restaurateur Guy Grossi took up the lease and spent in excess of \$2 million. To Guy it was something of a moment of symmetry, of closing the loop – he had worked at the restaurant with his father when he was a lad of 15. The restaurant meant a lot to him and he remembered too how closely linked it was to the artwork of Mirka and the spirit she brought to the place.

Outside influence

Speaking of the initial report Jim says, "We called Jon in because we needed a fresh set of eyes to look at the place. You can get used to a place and not notice a lot of things that an impartial observer sees. We wanted a totally unbiased opinion and Jon has an eye for getting it right. He was able to pinpoint where it was failing badly. It was at that point that we realised we had a problem of such great magnitude that the current tenant could never embrace the changes needed."

"We were concerned about the image of the building. To walk through to the hotel you had to walk through about 80 feet of original hotel lobby and common area which lead to the restaurant area. Jon was able to profile the extreme condition of the area. He listed a number of items that were not just cosmetic. He really made us see the reality of the situation. He was able to crystallise the dire need of the situation. He was the one who focused us on the true problems of the building," adds Bernard.

Jon had his own first impressions of the entrance area and says, "When I first looked at the building's entrance, it was very confusing. The signage required updating to be more in line with a contemporary feel, walls needed repainting, display cabinets needed re-doing, entrance mats required updating. Windows were tacky, dirty – not congruent with the image Bernard and Jim had created with the hotel. The awning at the front was old and dilapidated. The tables and chairs were also fairly old and tacky. The menus needed updating. They were confusing and the message was unclear. The flooring needed updating, basically it had seen better days and was very scuffed. There were many unpleasant odours throughout the area. The public toilet area of the restaurant needed rebuilding and was of a condition that an inspector probably would have closed it down. It is totally the opposite of that now.



Bernard Corser, Jon-Michail and Jim Fagan

"It looked like a down market backpackers entrance – it was keeping down the value of the whole property. It was clear what had to be done, and soon. Update the furniture. Frame the pictures. Update the music. Replace the rubbish bins – have much less clutter."

Jon also noticed that it wasn't just the entrance area itself that needed a makeover. The staff were unfriendly and gave the impression that serving the customer was just too much bother and trouble. Jon had seen this kind of problem before and one of the things that *Image Group International* does best, is take lackadaisical staff and turn them into high energy, go get'em achievers. But for some of them it was obvious this was going to be a waste of time, and since then, all of the original staff have been replaced.

Guy Grossi was able to use the basis of the report to transform the whole area. He even brought *Mirka Mora* back to brighten up the original artworks on the walls.

Jon says, "These changes have meant that the return on investment in the restaurant and the hotel is much greater because you will now be willing to pay more for their hospitality and services, as the perception of value is a lot greater than it was before. Bernard and Jim as entrepreneurs knew that there was more and more competition coming into the area and if they didn't keep up, then they would fall behind. Progress is all about getting your act together and being out there well before your competitors and because of their vision Bernard and Jim now have a property that is worth a fortune." The investment is now valued in excess of \$10 million and counting as of the last valuation. [wcm](#)