

## Channel Mastery Podcast, 138: Kelly Ramirez, Prismatic

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Kristin: Welcome back to another episode everybody of the Channel Mastery podcast. I am

absolutely stoked to introduce our guest to you today, Kelly Ramirez, who is with Prismatic up in Bozeman, Montana. She is the founder and Chief Growth Officer. It is

wonderful to have you with us today.

Kelly: Thank you, Kristin. I'm really excited to be here.

Kristin: Well, we crossed paths relatively recently, and I'm surprised we haven't known each

other before that, through an awesome mutual friend, Molly, from We Are Unicorn. So,

show out.

Kelly: Yes. Thank you, Molly.

Kristin: Yes. It's so great that we were able to connect, and I'm so glad to have you on the

podcast. We are putting this show together. I think it's the 21st of May, yes it is, Thursday of 2020. So, I wanted to bring on Kelly because she has a very aligned specialization for specialty brands to understand in terms of how to engage, reach, and convert today's fast evolving consumer as we're going to through this pandemic and recession. So, would you start by giving us a bit of background on what you do at Prismatic. Actually before that, let's talk about your background and then why you

founded Prismatic.

Kelly: Yeah, for sure. So, I would say my digital background comes from my time at Google. I

would say that was like my digital learning lab as a place where I really started to learn a lot more about this industry and to specifically apply it. I was based at Google Seattle for about a decade. Prior to that, I did work in the nonprofit sector in social enterprise. I was in conservation and I also did a stint in a distant lifetime as an outdoor guide. So, as a mountain bike quite, a snowboarding instructor. I had a chance to live in Jackson Hole and as well as Chile and be involved in that. Then I had a chance to start at Google and that really started out a whole new path and opened up a lot of opportunities in my career. During that time, a small team and I managed, really trips with our top tear

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travel advertisers. So, these were companies that were spending anywhere from 100 to about 350 million a quarter in their advertising in Google. They were significant. So, it was-

Kristin: You did say 350 million?

Kelly: Yes.

Kristin: That was not a typo, an audio typo.

Kelly: No, no. That was the right number. That was, Kristin, at this point now four to six years

ago. So, that has continued to accelerate, so their numbers are way even well beyond that now. But what that allowed me to do is to be incredibly well aligned and work super closely with these companies that were spending at that amount and also were digital, what we call now digital native. So, they didn't have brick and mortar storefronts. They were specifically relying on digital channels and their websites

effectively to drive customer acquisition and revenue growth for them.

So, during my time at Google, I had the chance to work alongside our product team who was developing products. That would be advertising products for companies that invest at that level. Of course, they were rolled out to everybody who was using Google as an advertising platform. I was aligned in what we would call core, so it was like the profit center of marketing about a decade ago. We all refer to it as the non-sexy part of marketing. Now I think it's something that we're all realizing is incredibly important as

we grow our brands.

Kristin: A little more sexy now.

Kelly: Yeah, definitely. So, I'm happy to be on the prettier side of that, I guess. It was a great

learning opportunity. I also got to learn a ton about experience and bringing customers through what we now call a funnel. That first touch that you have with a potential customer, what it looks like for them to move through the different touch parts that you have with them, and then ultimately that conversion. Then opportunities for followup and loyalty, so whether that'd be email, text what some companies are using now, enrolling them in a loyalty program. But really I got an incredible experience over that time there being close to these rapidly growing businesses and being a really critical part of that. What I ultimately wanted to do, so 2013 I had identical twin girls, so our family

expanded and surprised.

Kristin: Surprise.

Kelly: Thank you. Like many of us, I have big life events. I think that prompted me to think

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about what I wanted our family's life and lifestyle to look like and also the impact that I wanted to have with the knowledge that I had. So, I started working towards building what now has become Prismatic. So, I wanted to take what I saw work at the scale that I had the opportunity to learn at my time at Google and create a methodology around that. Make that accessible for companies that I saw had a great product or maybe they were placed in an industry that was just right for digital transformation. But those companies themselves likely wouldn't have the specific skill set or access to this knowledge in-house.

There were a couple of industries that I was really excited to align to, one of them being the outdoor industry, which I know that you're very, very familiar with. The other one being SaaS, so we have a number of different companies that are in the software space. The third one being travel because of my specific background at Google, but also recognizing that just there's a ton of opportunity for digital transformation in that space. After Google, I spent a couple of years working directly with brands, observing the challenges they faced and then also seeing sort of a little bit more about what was broken with the more traditional agency model.

So, out of all those things coming together, Prismatic was born. In launching Prismatic, I wanted to deliver this new model that I knew was possible. And also in many ways being able to use that power and that knowledge that I had elements of, and I've continued to build a team around to deliver value for brands that we believe in and that are doing great work out there.

Kristin:

Of course because I own an agency and it's a very different type of agency, but what was the model that you wanted to have that you thought might be broken, because I've had that same thought about our industry many times over my last years with Verde.

Kelly:

Yeah. I think from my perspective, both in observing relationships during my time inside of Google with brands that had agencies working alongside them and then getting to work in more of a brand direct environment, this model that I believe is broken is more of a transactional base model. Agencies that deliver a service and kind of check a report over the fence, don't really a core understanding of the challenge that their client is facing or even the broader perspective of what's happening in the marketplace. And they're pushing on one or two levers, but not really able to bring it all together.

Kelly:

So, what I wanted to offer at Prismatic and I think we've done so to great success in partnership with our clients is this methodology. For the podcast listeners, I'm making a triangle with my hands because I learned in my high school physics class that this triangle is the strongest shape in nature. But also we deploy an approach that has three elements to it; marketing analytics, user experience and customer acquisition which is where the paid component of paid marketing or email marketing comes in.

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What I was observing was that observing was that there was so much pressure from a traditional agency, and let's say it's a paid marketing agency, to bill out their services, incentivize to ad spend to focus on pressing really hard on the paid channels to try to deliver revenue or try to measure revenue. But without these other pieces in place of deeply understanding the user experience and changing that user experience to get a better outcome for conversion or for purchases and also having a very deep and accurate look into analytics, so what's actually happening on the site? What channels are working well? How can you measure the effectiveness of your ad spend? It just wasn't standing up correctly.

So, the methodology that I'm talking about is really bringing those three forces together. Then I think the other thing that's unique that we've really followed is bolting on to an internal team. So, we empower those teams to learn, to come along with us as we continue to grow their business and improve the results that they're seeing. It was a bit of a leap, right, as you know starting something. I think a lot of your listeners probably have an entrepreneurial streak or maybe have even started businesses themselves. You do take a leap when you move towards something that you believe has an opportunity to make a big difference. I'm just thrilled that we've been able to come as far as we have and there's more to be done.

Kristin: So, Kelly, we're all in that gap jump right now.

Kelly: Yes.

Kristin: So, even the well established companies, we need to have a) beginner's mind and b) we

have to just put our little startup outfit on and like be that for right now. We have to be studying because ultimately we are all in the opportunity of reinvention around a moving target. That's why I'm so, so delighted to have you here today. Number one, I totally, totally connect with you on the most fulfilling part of the relationship for us is the relationship with the in-house team. Also, just the fact that you've humanized something that I think people have largely seen as like this black box of technology,

right.

Kelly: Yes.

Kristin: So, you went in and you worked on the inside and now you've come out. You're like

think this gracious lovely person who is like, "My team and I are here to help you with us and here is our experience." That's very refreshing. I can speak to the outdoor active lifestyle markets. It's a requirement I think for a successful agency to have that human

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approach. So, I really have to say hats off to you for seeing that.

Now, let's help our listeners because you have some great insights, I think, around what's happen in mid-May of 2020. So, tell us what you're seeing out there because what you just said around the analytics portion of it and the joking of what you do, that's something that I feel that a lot of set and forget has happened.

Kelly: Yes.

Kristin: That's something else that I think people need to really have a beginner's mind around is

like just cozy on up to anyway you can in terms of watching what you're doing and seeing how it's working and intimately see how your consumer is responding within your category or your competitors, whatever it is. But let's just give some great lanes

out there to our listeners who are just dying to here like-

Kelly: Yeah. What the heck is going on... and when is this tornado going to stop?

Kristin: Yeah.

the

Kelly: Yeah. There are a couple of things that I definitely want to share. Let's see. If we take

digital landscape and look at all the different changes that have happened over time, there's always algorithm changes, platform changes, things that we need to educate ourselves on. I think now what is both terrifying and incredibly exciting is one of the biggest things that is the force for change in this industry, in the digital landscape, is consumer behavior.

We've come up against this incredibly, maybe largest within a lifetime, social phenomenon that's been caused by the COVID pandemic and the impacts of that that are still rippling and will continue to ripple through all different sizes of business communities. More than anything though, I mean we're seeing the momentum that was being built around e-comm and digital accelerated, some are estimating five or seven years. We're seeing the e-comm behavior and consumer behavior online that was expected to be the case five or seven years from now. So, we've really, to your point, jumped a gap.

Kristin: Wow. I thought it was three or four, but I like five to seven. I mean, if we're going to go

big-

Kelly: It feels like five to seven, right?

Kristin: If we're going to go big, let's go big. Yes.

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Kelly:

But yeah. So we're seeing like if we're to compare the Q1, Q1 2020, so that's January through March, and that's the beginning of the COVID impact and this only accelerated this then, total e-comm revenue was up 54% year over year. So, we're seeing 54% more revenue come through e-comm channels overall, not by specific industry but overall, than this time last year. We know unique digital shoppers are up. People that normally don't or wouldn't shop online were forced to. Then we also know that mobile traffic, in particular, I think that's been one of the largest fronts that I've seen in the data is that in a matter weeks and now months, mobile e-comm traffic is up by 25%. So, if we were to see, previously we saw mobile orders around 25 to 40% of total orders. We're now seeing 50, 60, 70% of order share come from mobile.

Kristin: Wow.

Kelly: What that means for us, we're thinking about consumers, is everybody is processing

their experience with that tiny screen. This is not a story that's new. It's been in play for years, but again I think what COVID and this pandemic and the impacts of business has

really accelerated and pushed us in ways that weren't as urgent before.

Kristin: That's fascinating.

Kelly: Yeah.

Kristin: I did not hear that about mobile.

Kelly: For sure. I think we'll start to see it come down again as people are moving into a new

phase of people going back into their offices or not necessarily constrained in the way

that they were in the first five to seven weeks of this, but behavior is definitely changing. Particularly in outdoor active arena which I know a number of your listeners are in that category, what we have seen as really surging is companies that are able to offer up or talk about more their value or their mission messaging versus pushing that

purchase, right. Like not that desperate buy, buy now, but really taking a step back and taking the time to focus on building that community and that voice around the value and what you offer versus that buy-now urgency. But I think we will see that continue to transition as people aren't really comfortable walking into a store or don't really want to be in a crowded shopping place. They'd like to do that from the comfort of their own home and are looking to brands to deliver on that, to be responsive to what that

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consumer is asking for.

Kristin: Yeah, and the consumers want to join those brands and be part of something, and in

some cases, they're counting on those brands to actually be the corporate citizen and create potential support or change that they aren't in their government at all.

Kelly:

Kelly:

Oh my gosh, I 100% agree with that. I think the other thing, Kristin, that I wasn't anticipating that we've seen with our own clients is that, I mentioned earlier in the conversation, the level that some of these very large advertisers are spending hundreds of millions, in some cases, billions of dollars. But those brands they're huge, but they are transactional. They have something to offer that somebody needs to buy from them. That's really nothing... That is their business model. So, when COVID hit, we saw, and if folks are interested in more of the data part of what I'm talking, there's a really great resource, an agency or a group called Within. There's a daily publication of digital stats and this is a great place to see what's happening just across the landscape, not just in outdoor.

Kristin: I'll put that in the show notes, everybody.

One of the things that we saw was that as big brands were pulling back, there was really a vacuum a huge opportunity when Facebook CPMs dropped incredibly. CPMs, basically the metric that you're understanding the expensive rate of how much your ads will cost if you're [inaudible 00:20:33]. We saw small and mid-sized brands that were able to articulate their value and absolutely understand their customer. Just to what you were saying, they had days that well beyond exceeded in revenue black Friday of previous years. That has lasted as they continue to connect to their customer and could be really responsive through digital channels.

While I think this time is incredibly intimidating if you're a small or mid-sized brand, what I think do want to align, folks that might be in that category, or maybe you're a bigger brand and you haven't played in this digital space yet, there is space to succeed by putting your customer, number one. The value of what you're delivering with your brand, number two, and then the way to really connect through these digital platforms and allowing people to do that. I think that people more readily now are willing to support brands that they believe in and we're seeing that play out in revenue numbers for sure. It's not just a feel good statement. It's quite impressive to see brands really rally, and not only survive at this time but thrive with the right elements in place.

Kristin: That's wonderful. I love hearing good news.

Kelly: Right?

Kristin: So, if we don't have a Prismatic working with us on our brands, what are some of the cornerstone things that are just sort of table stakes that we should be doing today?

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Kelly:

Yes. I'm so glad you asked that question because I'd love to share. There's three things that I want to share that some people call, and Kristin you've mentioned, growth hacking. I really love the term growth engineering because the word hacking I think invokes this silver bullet, while in fact it's really an approach and a whole sort of system that you want to move towards. It doesn't mean if you don't... And in fact you're not going to do everything in a day, but these, I think, for businesses that are thriving now and those that will continue in our new reality, they're doing these three things.

So number one, make data your friend. If you don't have an accounting background, you don't have an engineering background, it doesn't matter. I'm saying that as somebody who studied anthropology in college. I was the mountain bike guide and I really found my way to this universe and this place. Data is something that we should all be very comfortable with. So, it can be even simple as knowing and having somebody on your team or being comfortable asking questions that you can find by using a free tool like Google Analytics. How many people are coming to our site on mobile versus desktop? How many people are new customers that haven't been here before or that I've been seeing on my site and they're a returning customer? What does my customer funnel progression look like on my site? Where am I losing people?

Those are all things that can be found in Google Analytics with even a quick search for that. But really, I think, having a mindset of moving your business and the power that your business has to understand insights through analytics, that is absolutely critical for any business that's going to succeed. That's not as much of a hack, but it's really, I think, an approach and an ethos that is going to be critical for any business that's going to get beyond this and just continue to succeed.

If I were able to share, and maybe I'll try to find this image and share with you, Kristin, there's just analytics value curve that we use when we talk with our partners and our clients. It will probably feel very familiar. It looks like an incremental growth curve. Like a curve going up unto the right and at the beginning you start with, "OMG, we have a lot of data. I think we know what to do with this." You move through to a data fortress and then you've got a lot of information and a lot of numbers, a lot of inbound information coming from email, maybe your website. It's there, but you don't know how to get to it.

Then eventually, later on down the line, you get to predictive and even prescriptive analytics models. That's more advanced, but eventually for brands that will continue to succeed, you are trying to move towards being data led and have a core understanding of what are those basic items that you need to understand to make the best decisions in terms of crisis or in terms of when you're doing really well. How do you know when you should be doing more of what works? That's a question, I think, we all should be asking ourselves.

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Kristi:

Absolutely and it's changing so much. I mean, I've mentioned this a couple of times in panels I've done. But I was looking at the first quarter financials for Target for something that I was working on and I've never seen a couple of... There is a handful of analysts that I follow that do talk a lot about consumer perception and behavior changes. They were basically saying we are going week by week right now. So, there is no such thing today as set and forget. There is always a point where you can start and progress from with data or anything else you don't know about. You just need to start diving in and not be worried about being perfect. Every day is progress. It doesn't have to be big progress, but it is more comfortable you get, the better you can serve your consumer. That's really the thing that I have been preaching today is we cannot serve our points of distribution anymore. We have to serve our consumer because literally it's go time. There's no way to survive without that anymore.

Kelly:

Yes. No, absolutely. I think, Kristin, that's like a perfect segue into the point that we're absorbing to the second point under this topic is be human. I think we need to absorb that as business owner and as business leaders that, to your point, it's not too late to start. I think it can sometimes feel frustrating like, "I don't have a direct to consumer strategy in place." Well, you have to be there. You're going to be there in some element. Start today. What do we have right now? What kind of information do we know? Then on this human part, what I really want people to understand and absorb is that this e-commerce world, it's a blend of science and art. It's technology and humanity because at the end of the day, on the other end of the screen, we're the same people online that we are offline.

Think about how you welcome people into your front door of your retail store or how you hope that a large retailer, when they're highlighting your product on their floor, will talk to customers. Likely the best salespeople know exactly the type of questions people are going to ask about a ski boot or a backpack or a bicycle. The brands that really succeed in this environment, and especially I'll talk about brands that haven't been in here for years but those that are making headway, they think about their customer first. Then they're also doing what they can to translate their relationship to digital channels. It's not about throwing up a trace list on the internet. That's not how consumers want to be talked to. But really I'd encourage you to think through what your most successful sales channels, what are your most successful communication channels in person, and then look at how you can translate that online.

What I find to be most exciting about e-comm and direct to consumer and just tech in general is I think while on one hand it can be intimidating, it's also this incredible platform. It's a democratizer. Everybody has access. So, let's figure out how to use that to connect rather than disconnect. The brands that are doing that are continuing to do exceptionally well.

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Kristin: Also, just the whole be human facet is people in times of challenge or crisis are

gravitating to story even more.

Kelly:

see

Oh yes.

Kristin: So like putting people in front of your brand and having them do a beginning, middle

and end of a story and then repeating that and seeing how it work with visual content. We're also seeing that as something that's really helpful. When they position that person, somebody who really mirrors their target consumer or shopper, so the person can actually see it like, "Oh, that looks like me. I feel like that person." It's super powerful. People are all kind of captive to their browsers right now. It doesn't have to be the most well produced academy award winning thing. It could just be like start getting used to doing Facebook lives. Start getting used to going out and being live and being with your people and understanding them and showing them like here is a person just like you being transformed by our product, solve their problems this way. I don't know. I just feel like there's a lot to feel like, "Oh, I don't know how to do that," but you

just have to get out and try and not have it be polished.

Kelly: Yes. Yeah. No, and I think that that feels better. I know that feels better to me when I

a brand I'm interested in showing up in an authentic way. We throw the word authentic around a lot, but really what does that mean? It means that you're not putting up on a show. I've seen also there's been some businesses that I've been incredibly transparent about the struggles that they're having. Not in like, "Oh, woah is me," but like "Hey, this is hard. This is hard for us. This is hard for you. Let's get through this together and we're going to find new and innovate ways to support you, to connect with you, to be there for you." I think that that is earning some incredible loyalty through this whole process. We don't know how long our new process is going to last. I think, like you said, get comfortable with it. It's okay. It'll be a little bit awkward at first, but I think too as you lean into it, it gets easier and also talking about it gets easier. Yeah.

Kristin: I have a question. So, I'm not familiar with all of your clients, but I know some of them

are edgy, young brands. Meaning like they haven't been in business for 110 years like some of ours, and I love them. Literally, we have had brands on our roster when we worked with Julbo, it's an eight year relationship we have with them and we celebrated

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their 119th year anniversary at a trade show.

Kelly: Amazing.

Kristin: These are brands that are bionically legacy wholesale brands. So, I have a question for

you around serving brands that might be more nimble than maybe a legacy wholesale brand. So, if for example you're coming in to help and you pull back the curtain and you sit down, you become the partner with the internal team. And you realize, wow there's a lot in this company that's been built around legacy channels and there's a lot of habits in place. There are people who have bonuses tied to results that come from certain channels. Have you worked in a situation like that where you can say a way that a person can own the consumer relationship who maybe the whole structure of the company has been built around serving the retail buyer? There's nothing wrong with that.

We have to continue to do that, of course, to be great partners especially during this time. But one of the things that we're really hoping that we can support our brand leaders, the people who manage us at Verde, it's the brand leader, the marketing director, and ultimately we're part of their team. As they're trying to migrate their way through the crisis here, the tracks are not there at all. Honestly, some of them haven't had a seat at the leadership table that makes the big decisions, and now is the time to get them there because they own that consumer relationship. So if you have any words of advice for somebody who might be like, "Okay, for the first time ever in 119 years, we have the opportunity to change today because somebody rolled a grenade into the living room called COVID-19."

Kelly:

Oh gosh. Okay. So, I love that question and I think that's exactly what we're facing. In fact, one of the things that I was hoping to share today was like, things have been blown up and shifted in ways that we, probably in our working lifetimes careers, haven't seen it. Even the recession of, when was that, 2008, 2009, it didn't come close to how this is disrupting in our day to day life in how our businesses fundamentally function. I think it's an incredible time to really advocate for putting things first. I think you and I share the perspective that that's always the consumer. So, you got to start with where do they want to find us and how do we communicate with them, how do we relate to them and bring them into our community. I think again my best friend, the point number one is always data. As marketers, we have such access to rich treasure trove of data, whether it's our own first party data or even market data, market information of what's happening.

I would say that those people that now do have the seat and have the opportunity to make that case, to use that to your advantage to bring that forward. Then the downside of that might be there are companies who won't survive this, not because they don't have a great product or because they don't have a strong organization or a great people there, but because they cannot be nimble enough to weather this storm. And that's because they're ignoring what their customer wants. I think I've shared with you, there's this incredible... Simon Sinek is an author. He did a great podcast. People are listening to podcasts. I know they love your podcast. There's one called How I Built This by Guy Raz.

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Kristin: I love that one.

Kelly: It's so good.

Kristin: It's such a good one.

Kelly: Simon Sinek came on. There's very short one about resilience.

Kristin: We'll put the link in the show notes.

Kelly: Oh perfect. It's directly related to this question about what do we do from now. It's

about resilience and his main point is, from a business perspective, everybody keeps saying that COVID, we're in unprecedented times. These are not unprecedented times. The business world is incredibly familiar with changing market conditions, social conditions that completely change business models. When the advent of the internet, that completely changed and took down companies that were not ready to adapt and some are still being taken out by that. With JCPenney, I mean things are in the news today that they're still sort of suffering because they were not able to pivot. So, right now, what we're experiencing is sudden. It's jarring, but God, it's an amazing time to revisit what the heck you're doing. If isn't, what's not working, and to be brave enough to bring that forward. Then also again, I would say, utilize the data. We know this point

has been proven.

Then Kristin, I think something you mentioned is well what about people's bonuses when what you are paid is tied to an old model that, forgive me for saying that because it's not that the people aren't great or the ideas aren't great. It's that the model is not aligned to what your consumers need. I say be creative. One of the things that we did for a client that fits your description. They weren't 120 years old, but a very, very established outdoor company who for a very, very long time, for the entirety of their existence, had survived and grown through direct relationships with small specialty shops. That was a point of pride and it should be and it continues to be.

But what we were able to help them do was not pit direct to consumer against wholesale but actually utilize data that was pulled from their own website direct to consumer sales and data that was pulled from sales in their specialty relate shops. Essentially what we did was we did a heat map. We showed the areas of growth for direct to consumer and areas of growth for specialty retail. More often than not, they weren't counter to each other. So, the areas where they didn't have a presence in a small specialty retail shop or it was in the L.A., for example-

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Kristin: The flyover country.

Kelly: Right. Impossible for somebody to get across town, direct to consumer was an incredibly

powerful tool. There's other companies. I think it might be Giant Bicycles, and you might edit this out if I say it incorrectly, but there's a bicycle company who compensates their specialty retail shop based on a purchase made within a specific radius of a zip code

where their specialty shop is.

Kristin: I think Trek.

Kelly: Trek.

Kristin: Yes. I don't know. Giant might be doing that too, but Trek introduced that a couple of

years ago. Instead of getting key stoned, they get 20% so that basically they're like, "Hey, our website brings millions of people. Some of them live in your region." Then everybody is like, "Tell me more." So the Trek dealers are getting leads from Trek.com. From what I understand, they can't sell what's flawed. They have to pull from Trek's inventory because Trek still needs them to do pre-seasons to build the product.

Kelly: Makes sense.

Kristin: I'm wondering now how that's evolved, but that was the initial and that was a big shot

across the bow. Like once Trek did that, they specialized to do that, it really kind of fused everything. That was years and years ago now. So, I'm super curious to see what's happening now. I mean, we're having an absolute just street fight in bike. You would not believe, maybe you would, I can't believe what I'm seeing in terms of sales happening in

bike right now. It's crazy.

Kelly: Yeah, no. Especially bringing it back to outdoor, I think there are a lot of people that felt

like outdoor recreation was either out of reach. They didn't have time for it. They couldn't afford it. They weren't in the demographic. I think the industry has struggled with opening up and allowing more people to access some specific parts of the industry.

But there are so many more people walking and biking and being outside-

Kristin: That was wonderful.

Kelly: ... and recognizing the benefits to that. Gosh, if there's a time to position your business

to connect with consumers in that way, that was it. So, that's really exciting. But yeah, those kind of two examples. If anybody in your audience knows how that is going with the Trek model, what's called the Trek model now, I'd be really curious because I think it will continue to be something not to pit against each other, but the smart business owners and smart leaders will figure out how to sort of turn that on its head and align all

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forces to head in the same direction-

Kristin: Well again-

Kelly: ... and use direct to consumer as a lever.

Kristin: Right. So the consumer does not care about the channel. That's really the takeaway

there.

Kelly: No.

Kristin: So, it's everybody working together, which thankfully I think collaboration is a human

tendency through things like pandemics.

Kelly: Yeah.

Kristin: But I have seen a lot of brands collaborate who maybe were formerly "competitive"

around personal protective equipment, for example. There's a lot of alignment happening. Maybe we can actually align around serving the consumer. Tell me this. I've talked with a bunch of Amazon specialists over the past three years, marketing specialists. So, there's three things that I wanted to ask you and they're all related to one question really. But when a brick and a mortar store is open in a city and there's an Amazon presence online, there's a lift in Amazon sales and there's a lift in the brick and

mortar store.

That, to me, feels like kind of what you're talking about, I think, because maybe the consumer needs 8-10 touchpoints, which we know because humans have an eight second attend span which is amazing and true. It's smaller than a gold fish, but they have to see this touchpoint 8, 9 or 10 times. Maybe when they're using over 65, I think it's much higher than that, but that's where product searches start on Amazon. Then boom, you're like, "Oh wait, that's in my neighborhood." There's a connection between that browser and that physical space. A lot of brands actually have set their teams up internally, their e-comm and their wholesale teams, to compete against each which is-

Kelly: A huge mistake.

Kristin: ... absolutely ridiculous.

Kelly: Yeah. Yes. Right.

Kristin: So that started home.

Kelly: Well, God, I love that example because too, and from my background, what we see is

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with dedicated digital advertising spend. If we increase spend for a brand on digital, specifically I've seen this the most on Facebook. So, let's say peed social. Facebook spend, we increase it. We're going to for prospective audiences. So, we're trying to connect with people that have never been to our website before. We will see an incremental lift in brand queries on Google. That's the counterpart of what you're saying is that historically, it's been like, "Well, we need to pay for clicks. No, it's organic clicks. No, it's paid. No, it's organic." No, it's everything. Again, we're the same people online as offline. Your brand is the same brand, whether somebody finds you on Amazon, goes direct to consumer or goes into AI or a retail shop around their block and goes to purchase.

So, I think there's different value to those channels. They're not all valued the same and also have different opportunity to tell your story in different ways, but it all comes back, again, the consumer is looking for the thing that is most efficient and most convenient and feels best for them. If you can allow your direct to consumer experience or your website experience to be frictionless, and that actually is what I recommend, that's a gold sign. That's what you want to aspire to, that's going to help you. If you have presence on Amazon and you choose to use that channel, that will help you. It all comes with some pros and cons and trade offs that you have to understand, but it's not... I think now it's time for brand leaders to have the courage to be willing to tear something down that doesn't work.

You cannot move forward and you're not going to be able to move forward in this new reality if you have these parts of your business that are fighting each other. It's new and it's different and it's uncomfortable, but it is surmountable and it is possible to move in that direction. I think it's time to break down this black box theory around technology or direct to consumer and recognize that technology is the ultimate democratizer. We can all be there and we all are there. Your consumers are there, so you should be as well.

Kristin:

Yeah, for sure. Is there anything else that I should bring up to our audience because this is such a special opportunity to have somebody who is so accessible? I mean, you literally are just so easy to talk to. You make it feel personal.

Kelly: Kristin, you're a sweetheart. This is so fun.

Kristin: You mean it.

Kelly: Come hang out with me in Bozeman.

Kristin: I will. Let's all go, all of us.

Kelly: Yeah. I think that the last part and I'll tie together the first one, which is make data your

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friend, the second one be human at all costs. The third one is be nimble and be willing to be what I call a park view or workforce. And not to make it sound unappealing, but really I think the opportunity here to combine together and take action against the information that you're seeing. I say park view or workforce because so often in tech, everybody is thinking like, "This unicorn, it's going to be like this billion dollar idea. It's all going to be either a huge success or a total failure," and that's not what it is. It's about taking information, looking at what your consumers are doing and constantly adjusting.

If you keep those two things front and center and make constant changes over time... I used to kind of joke, when we first got started, that I felt like a personal trainer some days because all the stuff that we're talking about it's incremental change to a business. You have to stay focused and you have to keep your two priorities of very visible data and your customer experience always at the forefront. But the beautiful thing about digital is that we can experiment, we can learn. We can quickly put into practice, but we learn literally within minutes or hours or days, not years of a development cycle.

Kristin: Amen.

Kelly: And if you've got the right infrastructure and the methodology there, and that's what

we're talking about today, you can measure and you can improve on the outcomes that you're seeing come in. So, it's incredibly powerful and it's not powerful for just a few people. This is all accessible for brands that are willing to take steps in this direction.

Kristin: Awesome. That is a perfect place for us to finish. I just can't thank you enough. This was

not only fun, but it was relaxing.

Kelly: Oh, that's great.

Kristin: Yes, it's like okay. It makes it feel possible.

Kelly: Good. I'm happy to hear that. That's what we aspire to do, so I'm so happy to hear that.

Thank you for having me. I just have loved the way that you're thinking about this, and the brands that you work with and get to listen to are so fortunate. So, thanks for

including me today.

Kristin: Oh, are you kidding? I'm totally going to drag you back in at every opportunity I can. So,

thank you. More to come everybody, but we'll have show notes with all these links. Tell

us where my amazing audience can find out more about your incredible company.

email: channelmastery@verdepr.com

Kelly: <u>www.welcometoprismatic.com</u>.

Kristin: Awesome. Thank you. I really appreciate your time.

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Kelly: Thank you, Kristin.

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