



Channel Mastery Podcast, Episode #78: Kristin Carpenter-Ogden Interviews specialty retail and snowsports consultant, Teddy Schiavoni

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- Kristin: [01:35](#) Welcome everybody to another episode of the Channel Mastery podcast. I am so delighted to welcome back Teddy Schiavoni to the show today. Welcome Teddy, it's great to have you on.
- Teddy Schiavoni: [01:45](#) Hey Kristin, thank for having me. Nice to be with here.
- Kristin: [01:48](#) It's my Regis and Kathie Lee buddy.
- Teddy Schiavoni: [01:53](#) That's right.
- Kristin: [01:53](#) It actually dates me going back to that, but it's great to have you on, and as my dear audience have been expecting lately, tapping their foot on the floor, waiting for us to have you back on the show. You were supposed to be on the show to anchor the three part series around the Snow Show 2019 in January. It's now March 1st. I apologize everybody, but Teddy's had a crazy travel schedule, as have I, and we are finally getting the band together to give you the recap on the Snow Show as well as talk about brick and mortar trends and some tech trends. So this will be a quick punchy episode. I'm super excited to have Teddy back. He's always just full of great information for us.
- Kristin: [02:29](#) So let's take it from the top Teddy, tell us about your takes in the Snow Show up in Denver back in late January. What did you think about the show this year?
- Teddy Schiavoni: [02:39](#) Loved it. Absolutely loved it. I'm still totally stoked on bringing the outdoor industry and the snow sports industry together the

way that they have. Love the energy at the show, love the diversity and the different brands and such. I loved being exposed to outdoor brands, seeing what's hot and trendy, which boots were hopping, the mix of the people in the aisles and such. I had an absolute blast. I loved it, thought it was great.

Kristin: [03:13](#) Well, I'm very happy to hear that. I was actually reading through Nick Sargent's notes. If you guys don't get that, you should sign up for his newsletter. But basically in his newsletter he says, "Throughout the show I repeatedly heard from suppliers and retailers about the overall cost of the show, the need for a four day show, the hurdles created by a two day gap between the OR Snow Show and the SIA/WWSRA On Snow Demo, how finding the perfect show dates, all of that remains elusive."

Kristin: [03:39](#) So yes, there still are a lot of pieces out there that have not fallen into place, but I also applaud Emerald for pulling it together and bringing everybody together so that we can have conversations and actually have something to look at from a success and failure perspective, meaning we can take and do more of what worked and edit what didn't, so I think it was good.

Teddy Schiavoni: [04:02](#) Yeah for sure. Whatever. People are always going to find something to complain about, right? It's just the way it goes I guess.

Kristin: [04:11](#) Yes. And the Snow Show I think does continue to be the very epicenter of the winter business. You always come at this with such an interesting set of rules. Obviously you won a successful store or stores, and you serve on multiple boards and you've just been and this community for so long, so maybe you can talk about it. Is it evolving more into kind of a gathering for the industry, or is this still where the businesses being done?

Teddy Schiavoni: [04:43](#) Interesting question there. Yes to being a gathering of the industry. Is it where the business is being done? I think it's a place where you go to find where you want to place your business, whether or not it's a writing show per se, to use that old term. I don't know if that's so much relevant anymore, but I think that it's an event that if you don't go, if you don't attend, and you don't get an understanding of what's happening across the industry, you're really missing out.

Kristin: [05:28](#) Right. I agree. I think it's important to go. It gives you that instinct to run your company, especially as small entrepreneurial businesses and especially brands and retailers, we need that. And plus I think it gives us all an opportunity to look at different demographics. As you said, you can get a sense

of what's working from a brand standpoint. And they did have a lot going on with the Industry & Intelligence Day. I think the thing I heard most from my clients is just was a big long commitment. If you want to do the whole thing front to back with the Industry & Intelligence Day, the actual trade show itself, and then the On Snow Demo, it was basically huge, a huge time commitment, but lots going on.

- Teddy Schiavoni: [06:08](#) Yeah, there is. What I've come to realize too was that the show serves the brands as much as it serves the retailers. Oftentimes you find with the brands, they're in their office with the same people day-in and day-out, they have the same conversations among each other, and what their strategies go to market are going to be and such, where if you attend the show and you go to the Industry & Intelligence meetings, it exposes brands to ideas and a better understanding I guess of what's happening out there in the market, insights that they wouldn't otherwise have.
- Teddy Schiavoni: [06:50](#) So, it really benefits both sides, the brands and the retailers. So, it's really on everybody to participate. I don't know. Sorry, I'm a little bit hung up on that whole, "Oh, it's expensive to go." I don't know if you can afford not to go.
- Kristin: [07:07](#) Right, agreed. Okay, well that's great. I'm grateful I was able to get your take on that. But let's move onto wrapping up the panel that you and I are doing together at the Industry & Intelligence Day, which is basically managing and closing the digital divide. This leads into some of the work you're doing with Locally. And then maybe we'll close up with getting your take on how things are going with your brick and mortar business now that we're well into Q1 and looking at Q2.
- Kristin: [07:34](#) Going back to the panel and discussing tech solutions to enable especially retailers and brands to compete with large corporations like Amazon and just data gathering and implementing machines. I thought that we held a really interesting panel with the people that we did, and we provided some interesting solutions on how we can enable smaller businesses to close that gap.
- Kristin: [07:59](#) The thrust of it essentially was enabling specialty brands and retailers in our passion industries to offer the same type of an experience for consumers that they're used to getting from Amazon, right? So, if they're looking for convenience, or selection, or price, or personalized ... If they're getting served things through algorithms when they're on the site, how can we actually make things friction-free, efficient, and how can we differentiate ourselves and enable it to be worth their time to

come visit our store or our brand, or engage with our brand, by making it a special experience?

- Kristin: [08:35](#) One of the things that we talked about as we were rehearsing for this call that really resonated with me that I thought could be a great jumping off point, is what you've noticed in the market about brands reclaiming their brand equity, and taking back ownership on how they're presenting that to the end consumers through their channel strategy. So, why don't we talk a little bit about that with the backdrop of that tech and how the tech helps our people compete with the Amazons and large, large retailers of the world that are really using data to drive a personalized high-tech experience?
- Teddy Schiavoni: [09:11](#) Yeah, sure. That's ... Okay, so [crosstalk 00:09:14]. There's [inaudible 00:09:15] of conversation.
- Kristin: [09:22](#) Yes.
- Teddy Schiavoni: [09:24](#) It starts by understanding that everything evolves, consumer shopping, habits, evolve. And so when you look at say the past 30 years in e-com, and what's happened in e-commerce and such, one of the things that you and I talked about earlier was Amazon really became the marketplace for online shopping. But prior to Amazon, what about Ebay? Amazon just did a better job of creating that marketplace. And the way that they did it was being very consumer-focused. It was the best shopping experience for online consumers, it was reliable, and it was really genius. And Amazon did it better than anyone. They did it better than Ebay. They did it better than any brand did. Brands at that time, if you go back 20 plus years now, they didn't have E-com Directors that they have now, and they didn't have the resources to really develop online shopping the way that they do now.
- Teddy Schiavoni: [10:27](#) A brand now can put together a Shopify platform, or Mangenta platform, and they can have a really killer online platform for their sales, for e-commerce. So I think what we're seeing is consumers have learned or become conditioned to be able to have products on tap, at their fingertips, off their mobile phone, they always have it right there in the palm of their hand. They want to be able to shop how they want, when they want. But they don't always shop the same way.
- So consumers aren't always going to shop online to have something dropped on their doorstep, they're not always going to jump in their car and go to the store down the street. But they do always want to be able to open up their phone and see what's available nearby, "How quick can I get it?", and they

want to be able to do their research. And I think that that's where we're seeing a lot of opportunity for brands to really re-stake their claim with their brand equity, be able to lever their relationships with their wholesale channel, their brick and mortar, and really provide an actually better experience than what an Amazon can provide. By leveraging that physical experience that you can't get in a digital shopping environment.

Kristin: [11:53](#) So that brings up a really good point in terms of this webinar that I was watching earlier this week about ... there was a great analogy the presenter made basically likening Amazon to a vending machine. Because you can rely on the vending machine to deliver the product and the machine has attributes that make that consistent and something you can trust, but you're not endeared to it, you're not emotionally attached to it, right? And that's exactly where the opportunity is for specialty.

Kristin: [13:07](#) So I feel like we're actually putting the person back in the equation more that, you know. And also we have the opportunity to create an experience. And in that same webinar, and I'll share the link to it in the show notes, at the channelmastery.com/79 episode with Teddy here. But you can see the webinar PDF if you want to there. And it basically also talks about this incredible spike in the number of millennials wanting experiences and how there's a resurgence with brick and mortar tied to that, and retail looks a little different around that, but at the same time, especially random businesses, that is exactly our opportunity, that's our whole shot ... is bringing that personalization in the actual form of a human being. (laughs) To talk to somebody.

Teddy Schiavoni: [13:55](#) Wow.

Kristin: [13:55](#) I know, imagine that. And to help build the drive and to give somebody something to join up with. And that's really our lifetime value of a customer when we're looking at specialty businesses in my opinion.

Teddy Schiavoni: [14:07](#) Well yeah for sure, it's a cycle, right? It's come back around. So prior to online shopping, that's how it was done, you went to your local shop and you had a relationship with whatever family business was nearby or whatever that might have been. And you've got to understand that over the course, or think about I suppose, over the course of time, generationally, whatever generation we're in now, if it's part millennial and part Gen Z [inaudible 00:14:37]

Kristin: [14:36](#) Yeah.

Teddy Schiavoni: [14:38](#) The bottom line is that if you're someone who is in your early 30's or younger, you've grown up with online shopping in that technology, in that experience and you're looking for something different. You're looking for something more special, more hands-on. You know holding the device and typing with your thumbs isn't really enough anymore. That's why SnapChat is big and Instagram and video and such.

Kristin: [15:11](#) Right.

Teddy Schiavoni: [15:11](#) So people are looking for more and the savvy brands, the sophisticated brands are understanding that their products are more than just commodities, they are experience in that they're partnering up with retailers who are providing unique experience. And their leveraging the relationships that those retailers have with those consumers to provide an experience in store, you know trusted partners. So yeah, what was the quote you had earlier, something about it's not about shopping anymore?

Kristin: [15:46](#) Oh yeah. So this is a Seth Godin quote that we should share with everybody: "The buying race is over. Amazon won. The shopping race, though, the struggle to create experiences that are worth paying for, that's just beginning".

Teddy Schiavoni: [16:03](#) Yeah.

Kristin: [16:04](#) And this is a current quote from Seth Goden.

Teddy Schiavoni: [16:06](#) Yeah it's a good one, so run with that for a minute and think about it, right? So if you have the local shop that has that high-touch experience with the consumer, isn't the consumer probably more inclined to go there as opposed to having something dropped on their doorstep?

Kristin: [16:27](#) Absolutely.

Teddy Schiavoni: [16:27](#) Right. And so for retailers who are engaged with their customers who are active in those communities, whether it's a cycling, or rowing, skiing, whatever, electronics, it could be anything. But retailers who are engaged in those experiences and active with their customers and within those communities, they're the ones who stand to gain the most in this new shopping era.

Kristin: [16:57](#) Right. And creating that emotional connection, we have, I think a much, much higher probability of doing that, especially brands and businesses across our channels. I mean obviously what I think, and we're going to get into Locally here because Teddy

has a big new job there and I'm excited to talk about that, but I think what technology solutions like Locally provide to specialty businesses in our space, is enabling them to show up and take a swing at the plate in terms of creating that experience and that lifetime and customer value at retail, at the brick and mortar shop, connecting the triangulation between the brand, the consumer, and the retailer.

- Kristin: [17:35](#) And another study in that presentation that you guys can see at the show notes shows that there's three times higher lifetime value of a customer when you have an emotional connection with a retailer. 2.5 times higher annual spend, 1.5 times longer brand tenure and higher likelihood to recommend a brand. So that's from a company called Motista, that's all going to be in the show notes too. It's a really good presentation, but I think that it speaks to exactly what we're talking about here, but I feel like Locally is what gets the retailer the opportunity to actually show up and have that opportunity to serve in that regard and to build that relationship.
- Teddy Schiavoni: [18:15](#) Yeah for sure. In that case, if you look at Locally as being able to level the playing field in terms of consumers finding stores and finding products in stores, that's where we really pick it up and take off from anybody else, is that we're able to allow consumers to connect and communicate directly to those retailers who have those products in stock. And we also enable the retailers to be able to use their Locally profiles to show maybe events that they're having coming up in store and such, and being able to promote events. So when you talk about it being an experiential marketplace, we're checking all of those boxes and really, it's great for brands because it's content that brands otherwise wouldn't have access to.
- Teddy Schiavoni: [19:09](#) So once a brand on-boards with Locally and we're powering their database of their stores, and then we're showing events that those stores might be holding and detail content about the stores, and then we connect their inventory on top of it, it makes it that experiential marketplace where the brand is now directing consumers to a trusted partner in their local area. And the consumers are more likely to have a better experience because we're providing so much information on the front side before they even get there.
- Kristin: [19:48](#) And that makes them get off their couch, get dressed, and go to a store.
- Teddy Schiavoni: [19:54](#) Well yeah absolutely. Yeah, it's not just always they're going to be something at the end of the rainbow, it's like, "Oh yeah there's a pot of gold there, sure, and there's a cool Adirondack

chair, or a hammock, or a kayak, or whatever that I want to hang up too".

- Kristin: [20:09](#) (laughter) That's awesome. So just really quick before we get into kind of another update on Locally I wanted to ask you about, tell us about your new position there.
- Teddy Schiavoni: [20:18](#) Oh yeah, new position, new title, Vice President of Business Development with Locally. It's actually exciting, yeah. I'm kind of my own least favorite subject here.
- Kristin: [20:30](#) I know you hate talking about yourself, so I'll go ahead and just ... I want to bring for our audience here, the reason this is very beneficial for us, is that Teddy is going to be working across multiple specialty industries. That's only going to give him more firepower for us in terms of looking behind the curtain around what's working for other brands and understanding how brands like Sonos in the consumer electronic space or different companies in the baby industry, like tell us about some of the other industries that you're in front of because you, literally I think, are a very interesting repository of trends and brand positioning as you're going to all of these different shows, including our shows.
- Teddy Schiavoni: [21:09](#) Well thanks, I appreciate that and it's actually one of the things I love so much about the work. It's interesting, because, as you said, in crossing through different industries, different brands, global brands when some have more sophisticated, more layered, whether it's Commercial Teams or eCommerce, or Global Strategies. Some are more sophisticated in what they're capable of offering up to end users and such.
- Teddy Schiavoni: [22:13](#) Mark Strella who I work with, he likes to use the term crowd sourcing. And I think that that's one of the greatest things about our platform, about Locally is that it's really, it's constantly being molded and developed by our client's needs. So our out of the box tools continue to become better and better and better. Are we on version 10? Are we on version 20? Are we on version 100? I mean, the platform's just always evolving. It's always getting more magnificent, more fabulous all the time because as we bring on new brands with new needs, the platform and our out of the box tools just keep getting better.
- Teddy Schiavoni: [22:58](#) And with the amount of global clients that we're supporting now around the world, regionally in different languages and currencies and different needs around the world will change even within the same brand. So it's exciting. It's new and fresh. And I love being able to share those experiences with our clients to help them become better at what they're doing.

- Kristin: [23:20](#) Right. Yep. And that's also going to be great for our Channel Mastery audience too. So just know that as we continue to do our check ins with Teddy, because he's a regular guest on the show here, he not only will talk about his incredible lengthy background in the snow sports part of our community, but he also can talk a lot about the other industries and the instincts and trends that he's picking up and seeing as he travels the world visiting all of these exciting shows.
- Kristin: [23:48](#) But most recent is consumer electronics. So congratulations on that. That definitely dips into our world on a number of levels, all across outdoor bikes, snow sports travel. I mean, there's crossover there galore. Verde's work in that space. I mean, we were GoPro's launch agency, I don't know if you knew that, for the first six years. It was a wild, awesome ride and we've always gone to Consumer Electronics (CES) and always had a client or two in that space. So I love that you guys are expanding there and it's going to be great learning for us.
- Kristin: [24:19](#) And then before we sign off for today, can you, we obviously talked with Mike Massey back in fall of 2018 or maybe it was kind of November time frame about you guys launching the Switch platform. Now that we've had a few months under our belt, how is that going in terms of the rollout there and how is that helping your customers?
- Teddy Schiavoni: [24:39](#) Oh goodness. Locally Switch is unbelievable. It's another one of those ways that our platform and what we're doing, our tools are developing to help brand retailer relationships around the world just get better. So with Switch, what's really happening is the ability now for us to show a brand. We call it, first of all, we call it putting the consumer into the brand's funnel. So once a consumer goes to a brand site and they start to do research on a product, and brands are the most trusted authority on any product, right? Consumers go to a brand site when they want the absolute truth on the product, they want to know about it.
- Teddy Schiavoni: [25:22](#) So our mission with Locally is to keep the consumer at that brand site. And so by keeping them at the brand site or putting that consumer into that funnel, it means that you have to bring together the local retailer, the stock of the local retailer, be able to show that to the consumer so that they don't have to go hunting around to try to find it elsewhere. And be able to present the catalog and all the information and such to them.
- Teddy Schiavoni: [25:50](#) Well, while this is happening and a consumer is searching across the site and we're picking up different product impressions, product clicks, all the way through the variance, color, size, style levels, all the way to the UPC level. And as we're picking up this information and we're within the funnel and providing this to

the brand, we're also knowing where this consumer is, which retailers were the nearest retailers to the consumer while they were searching across the site. And we're also able to know what the retailer's stock was, whether or not they even had it available.

- Teddy Schiavoni: [26:34](#) So what this enables a brand to do now is to say well, they can go back to a retailer in a particular area with qualified information, with actual information and say hey, you didn't buy that whatever, zebra striped jacket that we told you was going to be fantastic. But in reality, there have been 800 hits in your area for people looking for that recently. Or it could be something like a commodity item like black socks where they're saying hey, you don't have any women's small black socks left in stock. We know that you need these black socks.
- Teddy Schiavoni: [27:11](#) So Switch is enabling consumer insights to retailer stock availability on hand for those relationships to improve and really enabling the next level, which will be a vendor managed inventory system so that brands can potentially just automatically generate purchase orders or even just automatically send product to stores based on what the store's stock is. And for retailers that should be, I mean, that should be fantastic because for retailers the scariest part about being a retailer is taking a risk on the inventory. It's all about the risk of the merchandise.
- Teddy Schiavoni: [27:56](#) So with Locally, if we're able to overlay their stock with what brands have available in order to ship and reload, and consumer demand and consumer insights at that local level, it really makes the whole system run more efficiently between all of them, consumer, retailer and brand.
- Kristin: [28:20](#) That's completely disruptive to how it used to be done. It really is.
- Teddy Schiavoni: [28:26](#) I guess you're right. I mean it's disruptive, but I kind of think it's more like harmonizing really. It's, you know.
- Kristin: [28:32](#) Yeah. But I just mean disruptive in terms of the way people go and do their jobs every day. Very different.
- Teddy Schiavoni: [28:38](#) Yeah, I mean, for sure. Well, yeah, what's wrong with working more efficiently? It's hey, work smarter not harder. And I guess, it's funny. I know the term disruptive is like if you're a disruptor, you're coming up with something new and exciting and fresh and cool. And so you're right. I mean in that regard, yeah, it's disruptive. But I mean, the net result of this is, it's pretty sweet.

Kristin: [29:04](#) It is. That'll be your tweet from the show. The net result of Locally is pretty sweet. #prettysweet. Awesome. Well, I appreciate your time so much. And again, Channel Masters, I apologize. It took us three extra weeks to get Teddy and I to give you the recap on the snow show. But I think this is actually great timing because it's given us the opportunity to look ahead a little bit and touch base on Switch because I don't think we would have had a lot of data to talk about it prior to this. So this is good.

Kristin: [29:36](#) All right Teddy, anything I'm forgetting or do you think we're in a good place to wrap up here?

Teddy Schiavoni: [29:41](#) Yeah, isn't this the part where I sing?

Kristin: [29:43](#) You could sing if you want. He's kidding. We'll save that for a different podcast. Anyways, all right, well thank you again. We look forward to getting more updates and I know we're going to be out at, are you going to the BLC, the Bicycle Leadership Conference again this year in April?

Teddy Schiavoni: [30:04](#) Oh yeah. Monterrey, I'll be there.

Kristin: [30:06](#) Yes. I'm going to be doing a panel there on Channel Mastery topics, which I'll update everybody on more. But that's in April, so that'll be really fun. That's one of my favorite conferences to go to. So make sure you ship your bike out this year or get a bike so we can get you on the rides in the mornings.

Teddy Schiavoni: [30:25](#) That's a good one. Yeah. My problem with mornings in California is I'm usually deep into meetings with Europe.

Kristin: [30:28](#) Yeah, right. Well, I might have to hijack you to go on at least one of the rides because it's really beautiful down 17-mile drive. It's gorgeous.

Teddy Schiavoni: [30:38](#) I know. I'd love to. I know. I'd love to. All right, it's on my radar now.

Kristin: [30:40](#) Okay, good. All right everyone. Next time we'll have Teddy on probably after that, so late April. And I appreciate your time so much. Everybody have a good week. Thanks so much.

Teddy Schiavoni: [30:51](#) Thank you, Kristin.