

Channel Mastery Podcast, Episode #60: Kristin Carpenter Interviews

Mark Schaefer, of Schaefer Marketing Solutions

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Kristin: <u>01:01</u> Welcome to another episode of the Channel Mastery podcast. I

have a very special guest for you today. Mark Schaefer is joining us for this interview. He's a globally recognized consultant, author and keynote speaker who has a very, very important topic that he owns and helps a lot of big brands, universities, et cetera ... multiple books around helping businesses use brands to connect with consumers in today's I guess evolving economy if you would say that way, right Mark. How would you describe

it? You have a great [crosstalk 00:01:36]-

Mark Schaefer: 01:37 It's really more than evolving. It's sort of like moving to a

different country.

Kristin: 01:44 Yes, or planet. So, if you wouldn't mind explaining to my

audience a little bit about your background. One of my team members, Chris Dickerson, met you at Social Media Marketing World in March, which is a very, very prominent social media global gathering. He said that you just gave a fantastic talk. I'm so grateful to have you on the show to help my people. We are specialty business leaders trying to work and create evolution in our own businesses so that we can successfully connect with, win the attention of, win the hearts and minds of today's target consumer in our businesses. So, with that backdrop and knowing my people give us a little bit about your background.

Mark Schaefer: 02:27

Well, I started as a journalism major like you. In my junior year I took a marketing class and I opened up this book ... If you took a marketing class almost at any university you used a book from Dr. Philip Kotler called, *Principles of Marketing*. I opened up this book and he describes marketing as a combination of psychology, sociology, and anthropology. I thought that is the coolest thing in the world. Marketing is all things human and we'll come back to that theme I think in this interview, Kristin. I just fell in love with it. It was too late to change my major because I was broke and I needed to get a job, but eventually I went back. I got a master's degree. I studied under Peter Drucker for three years. It was an amazing, life changing sort of experience for me to do that. Finally got in to marketing. I was in marketing for big corporations for about 30 years.

Mark Schaefer: 03:38

I started my own business 10 years ago and if you can imagine 10 years ago the thing that was really transforming social media and just about everything was social media was changing marketing, the marketing landscape, the business landscape, the political landscape and so I knew I needed to immerse myself in this to understand it. How could I teach, how could I be a consultant without really knowing this. I just threw myself in to everything to learn how to do it. My main social media drug of choice was a blog. The blog took off, I think, because there weren't too many people back then blogging who had 27 years of marketing experience. That led to books and that led to speaking and consulting all over the world. So, it's been kind of a great trip.

Kristin: 04:35

Well, we're so fortunate to have you here with us today. I always love to talk about my markets as special snowflakes because we are ... It's hard to create efficiencies when you build your business around relationships. It's interesting because in our B2B universe I think that every single people who tunes in to the Channel Mastery podcast totally gets that relationship foundation. What I think you can bring so much insight to is how that relationship with their target consumer is evolving because ultimately that is traditionally in a siloed specialty business it has belonged ... The keys to that have been in the marketing realm, that marketing silo if you will, has been separate from sales and separate from product development. What I want you to helpfully bring your insights to for my people is how that relationship with the consumer should actually be driving the specialty business today and what an advantage that is for us.

Mark Schaefer: 05:32

Well, what I'd like to do is ... If you'll oblige me, I'd like to tell a short story from my new book because this story represents the

most powerful marketing lesson I've learned in the last five years. It starts with soap. I had been reading how a lot of traditional big brands, iconic brands like Ivory, and Crest, and Pampers are in severe decline. Ivory soap has been around for more than 100 years. It was a remarkable product. It was the first soap ever cut in to bars and wrapped and advertised. It was just a core product for Procter & Gamble for more than 100 years. In the 1960s it had 50% market share and today it's less than 3%. You might think, now this is Procter & Gamble. This is an important lesson for the smaller businesses out there, right. Now here's Procter & Gamble. It's the biggest advertiser in the world. They have the smartest MBAs and PhDs and premium agency relationships and the best media buys, and they're dying. You just have to wonder why, because soap isn't being outsourced to another country. It's not being replaced by artificial intelligence. Everybody uses soap.

Mark Schaefer: 07:09

One day I was over at a friend's house. This young couple had me over for dinner. I walked into their bathroom and they had soap from the Knoxville Soap Company. I live in Knoxville and this was cucumber and grit soap, which sounds delicious I know, but ... So, I looked at this soap. I had just been reading about the severe decline with all these traditional products.

Mark Schaefer: 07:37

I'm looking at this bar of soap and so I asked the young woman there, I said, "Why did you buy this soap? Procter & Gamble, and Dial, Unilever they've been marketing to you your whole life. They spent millions of dollars for you to buy their soap. Why did you buy this soap? Why do you love this brand?"

Mark Schaefer: 08:05

She thought for a moment and she said, "You know, I don't know if I love this brand, but I love the hands that made it." She went on to tell me about how awesome this company was. What they stood for. The owners of the business, the family behind this business was involved in the local maker movement that she was involved in. They're trying to create a sustainable business. They're involved in the community. They use local products. She was telling me how they were using honey from a neighbor down the road. She was so enthused about this product she made me want to buy it. She paid 10 times more for that product than a bar of Ivory soap. She said, "Advertising," she said, "They don't do any advertising." She said, "I can't remember the last time I saw an ad." She said, "I watch lots of TV, but it's on Netflix and it's on Amazon Prime." She said, "I listen to the radio all the time, but it's Spotify and audiobooks," she said, "I don't hear any ads on the radio anymore. I don't see any ads in my newsfeed. I've got an ad blocker on my smart devices. I don't even really see digital ads

anymore." She said, "I'd have to say my advertising consumption has gone down 95% in the last five years."

Mark Schaefer: 09:40

She's unreachable by what we used to think was advertising and marketing. Everything you think about ... Where's the sales funnel here? There's no sales funnel. What's the customer journey? This is one person talking to another person. That's the customer journey. The customer is the marketer today. The customer is the marketing department. Some research that I have in this new book, which is called Marketing Rebellion: The Most Human Company Wins, is that two thirds of our marketing is occurring without us. So, I know that's a long story, but it sort of sets up the discussion to emphasize that the brands of the past like Ivory and the big mega brands that all of your listeners are competing with, they were built on advertising impressions. Today our businesses and brands are built on an accumulation of human impressions. That's what people trust. Trust in businesses' brands [inaudible 00:10:51] advertising has declined 10 years in a row. Even if people see ads they don't believe them, but they do believe each other. They believe industry leaders, entrepreneurs, founders, experts, influencers, friends. They'll believe reviews from a stranger before they'll believe one of your ads. So, this is a key idea. Two thirds of our marketing is occurring without us. We have to think about how do we get in to that two thirds because you can't buy your way in, which is why the big brands are failing.

Kristin: 11:28

Right, and so this is the ... Wow, there's so much for us to talk about here. I'm so excited about this. I love this because first and foremost I always love to encourage my amazing audience that I think a large part of what you're talking about here is really in our DNA. I mean, the retailers serve communities. They build businesses around the backdrops that they're serving communities around. Ultimately I think in our market the version of this ... They may have gotten lazy, and I'm just talking about specialty retail at this point, with larger brands such as ... I'm just going to throw a few out there – Specialized, Trek, The North Face, they come in and the retailer who gets that brand relationship opens some kind of like an exclusive relationship, which obviously is not the case anymore, but this is kind of where we came from in wholesale. I think that the retailers who had those large brands would literally come to them and say, "Okay, how are you going to make me money this year." It became about the brand and a point of distribution instead of that human to human relationship.

Kristin: 12:37

I am seeing an evolution where we're seeing more direct first brands choosing some brick and mortar outlets very specifically to service specific audience. They seem to really get what you're talking about, but we still have a lot of antiquated thinking out there that's based on antiquated return on investment that is basically driving, you know, we need to have X amount of retail doors open to have the numbers that we need. We need to increase the penetration of retail in these regions in order to hit our quarterly sales goals.

Kristin: 13:11

So, I feel like a large part of what's been set up to protect the existing revenue base from wholesale is actually really getting in the way of what's naturally part of a specialty business, and that is winning the hearts, and minds, and loyalty of their target consumer. Because, think about it, they founded the companies, they sold stuff out of the back of their cars, they made stuff in their garage, they were super passionate to connect with other enthusiasts ... Some of them created categories across all the specialty markets. That's the magic. Now how do you take that magic today and get it in front of your people. That's where I think we're really getting tripped up because we're reading about what works for Nordstrom's or Target. How does it work for us? Influencer marketing versus not using influencer marketing because we might have ruined influencer marketing. Tell us what your purview is on what's going to work for our brands to connect to that person who loves our version of that maker soap because that's who my people are. We are makers of gear, of electronics, you know, solutions. That's what we are.

Mark Schaefer: 14:18

Well, it's a very rich question and a very deep question. So, all of us know that especially in your market it's about relationships. You're going to go to your specialty store because you know the owner, or you trust the owner, or you've heard the owner and somehow the owner or the staff there is helpful, they have a unique perspective. I go to a local bike shop because they're just awesome. It's a bike shop and they have a beer pub inside the bike shop. Awesome, and one time I was traveling for a long time. I had my stepson take my bike into to get it repair. There was a misunderstanding and they did a lot of work on the bike that didn't need to be done. I was presented with this huge bill and I was in shock ... Excuse me. It's allergy time here in Tennessee. So, I just looked at this bill, but the owner completely understood and was empathetic and worked with me to help me get the bill down. I'll never forget that. He told me very carefully what he did and so it's that sort of human relationship. It's the emotion that creates that loyalty and loyalty is in decline today.

Mark Schaefer: 16:03

The research shows profoundly that loyalty is in decline. There was a clue in one of these McKinsey reports. It said the reason it's in decline is because emotion is being dissociated from brands. There's no emotion for Amazon. You go and you look and you click. There's no emotion. Nobody cares where it's coming from. You don't even know where it's coming from, but the reason you'll go to a local business is because there's emotion. So, that is the key. Now, let's talk about measurement, because you talked about ROI, and the pressure of quarterly ... So look, I've lived in that world and I know it's real, but your customers don't care. They don't care. They really don't. They don't care what your ROI is. They don't care what your quarterly numbers are. Quarterly numbers don't drive relationships. Relationships and loyalty aren't created in any specific timeframe. So, the traditional measures, and again, I empathize because I used to work for a public company.

Mark Schaefer: 17:16

I know how great that pressure is and that's probably not going to go away, but I'll give you a quick example. The greatest sales victory I've ever witnessed in my life was I was working with this big, big company on using social media and social selling and relationship selling. Long story short, there was one guy in this class, in this room, who had no business. The two companies hated each other. His company and his customer hated each other and they'd vowed to never do business together again. He had no sales goals. He had no quarterly sales goals. He was the only person in the room that had no sales goals. He took a new approach and within 18 months he had 39 million dollars in new business.

Kristin: 18:21 Wow, tell us about that.

Mark Schaefer: 18:24 Well, because he started to befriend these people. He started to

approach it a different way. He didn't do sales presentations because he couldn't. He started connecting with them on LinkedIn and connecting with them on Twitter, and say, "Hey, I'm going to be in your part of town. Can we go have coffee." They loved the guy so much they soon invited him to this LinkedIn group. He started seeing the problems that they were having, he started creating content to help them, and all of a sudden he started getting requests for quotes using the language he was using in his LinkedIn posts. The feedback from the customer was, "This is so refreshing because you're just relating to us and really listening to us. We trust you. You've become our friend. Your competitors, all they want to do is schedule meetings for presentations. We don't have time for that anymore." So, I think small businesses really the brand, the brand going forward is the personal brand. People can't fall in

love with a logo, or a jingle, or an ad, or branded content, but they'll fall in love with a person. Let's think about this kind of on a big scale and bring it down to a little scale. Why do you think Tesla has more market value than Ford Motor Company? It's a great company. They're doing a lot of amazing things, but I think a lot of it is because of Elon Musk. He-

Kristin: 20:02 I totally agree.

Mark Schaefer: 20:04 People ... They believe in him. They follow him. They admire his

vision. Now, who do you love at Ford? Who do you love at Chevy? All they do is take out ads, right? That's the disconnect. So, we have to think about how do we elevate the personal brand. How do we elevate the personal brand, because that is the brand. That's really the opportunity with smaller businesses and it's the power that these big businesses can never replicate.

The power right now is with small businesses.

Kristin: 20:51 I totally agree and that's why I feel so incredibly fortunate that

when I started this podcast two years ago it really was to go out and embed myself and find solutions for our specialty brands that we serve at Verde. It's turned in to something that is really I think going to position us to really do incredibly well going forward in this new planet that we're living on, as you said at the beginning of our conversation, but what you just said I think is going to really ... Let's make it actionable on a couple of examples here and then I want to go in to a couple more questions I have about your body of work and your most recent

book.

Kristin: So, let's give a few examples to my audience about putting the person in the channel, okay, so let's take our client SCARPA

North America. They make fantastic all season mountain footwear. They're an Italian based company. Literally the CEO is a great friend of mine. He's in the Dolomites right now at the meetings getting ready for the sales meeting, which is the wholesale flywheel, right, but he's ... They're working so hard to create connection. He is SCARPA North America from a B2B standpoint in North America, however the emails don't come from him. We sometimes ... We use athletes. We obviously do a lot with media relations. There's lots of things that we try and do with their multi-channel strategy in terms of brand communication, but what I haven't seen a lot of brands do in our space is put the person ... Like, does the email need to come from the person. Do we need to have, kind of the way ... Believe it or not, I'm using Starbucks here, but using the CEO figurehead like Starbucks does. That humanizes that brand I think to a specific audience, but how can we do that in terms of putting

the person in the channels that are most effective in terms of creating that emotional engagement with their target audience?

Mark Schaefer: 22:50 Well, first of all I want to acknowledge that for many business

leaders this is uncomfortable. It's uncomfortable for me. I was very reluctant here. My own business and my own brand ... I have a company called Schaefer Marketing Solutions. To me, that's the company. That's the brand, but after a period of time I realized nobody cares. They care for me. I didn't even have my face on my landing page of my website until 2016. That's how reluctant I was to embrace this, but so you mentioned that the

founder of SCARPA is in the Dolomites right now and-

Kristin: 23:36 Oh, he's not the founder. He's the person who's leading the

business in America. It's literally like 100-year-old family owned

craftsman company in Italy.

Mark Schaefer: Yeah, I'm actually looking at their website right now, which is

really cool. But so, I think what the fans of this gear would want to see is what's going on in the Dolomites. What's it like to be in the Dolomites. Peel back the curtain and that should be the Instagram account. Say, "Hey, here we are. Look at this. Look at this beautiful view. Look at this idea that we have." Peel back the curtains of what it's like to be you. To be working for this company. To be experiencing the Dolomites. I would love to be in the Dolomites right now. I would love to see what's their view right now. What sort of food are they eating, right? So, it's just peeling back the curtains, and look, the people who are fans of the brand they're going to geek out over the latest gear and the latest materials, but they're also going to geek out over, "Oh my gosh, look this is my favorite climber," or, "My favorite trekker

who is in this meeting and giving a presentation and look

they're-"

Kristin: 25:00 Working on the product, right?

Mark Schaefer: 25:01 Working on the product. Taking us along on a hike. Showing us

what's inside their backpack. That's the inside baseball, you know, that's a common term, inside baseball, but that's the inside baseball that the real fans are hungry for. People are tired of being sold to and being marketed to and being advertised to. They want to be respected. I did something really unusual, Kristin, when someone asked me, "Well Mark, what's the purpose of this marketing rebellion you talk about in your book? Every rebellion has a goal." I said, "I have this picture in my mind of all these people who are marching at your door and they're holding up this sign that says respect me. Respect my

time. Respect my life. Respect my privacy and respect that I can make my own decisions. You don't have to market to me and manipulate me." When you open up my book the first page you see is a picture of a crowd with a woman on someone's shoulders holding a sign that says respect me. I think that's the mindset that we have to have is to think about ... Put ourselves in the shoes of the customer. In SCARPA's case, literally, and say, "Look, what would I love to see."

Mark Schaefer: 26:36

Look, we're customers too. In my book I have this thing called the manifesto for human-centric marketing. That's where we really need to go. The first step is easy. Look at everything you're doing in your company and think about are you doing things that people hate. Are you annoying people. Are you spamming people. Are you robo-calling people and stop it. Then think about what do your customers love. What do you love. You love seeing the inside story of your favorite celebrities or your favorite brands. You have the power to do that. The big companies don't. In many cases these small companies, the owner, the founder, the president, you are the brand. Show yourself. Show your [inaudible 00:27:33]. Show what you stand for.

Kristin: 27:36

That is a huge point in our markets obviously because of everything you said about the person you were at dinner with that loved that soap. A big part of what we are just inherently part of our businesses is the causes that we're tied to and that we want to use our brands to affect positive change. It's because we love our outdoor backdrop or whatever the backdrop is for a specialty market that attracted people because oftentimes our markets are the identities of our consumers ... our brands are, rather, right. So, we have to really think about what is the whole complexion of that and what makes sense for my brand to have permission to do with this person. Then it's the storytelling from that, I would imagine.

Mark Schaefer: 28:22

Part of it is storytelling. Part of it is showing up. I think showing up might be even more important than storytelling because let's face it ... Especially with a big brand, when I hear them saying something about, "Oh, we're doing this for the environment," or, "We're doing this to create more diversity in our workforce," or whatever, I don't really buy it. In the back of my mind I'm thinking number one, you're only doing this because you know you need to do it to raise your stock price and look, so now you're hiring more women. What you're basically saying is, "Hey look everybody, we're not stupid anymore." That's not a point of differentiation. I think something that's cooler and better is just to be out there and do it. If you are supporting the Sierra

Club go get out there and help build a trail and show what you're doing on your Instagram account or your Facebook account or whatever.

Mark Schaefer: 29:29

I'll tell you a little story that I think is so powerful. There's a brand that I feature in my book called Everlane. Everlane is an online retailer. They're completely transparent in what they do. At the bottom of every page it tells you what the cost is for the products: how much the materials were, how much the labor was. You can click on a link to see the factories in Asia where these are being made. Everything is transparent. So, the founder of Everlane right now is obsessed with getting rid of plastic. He's obsessed with it. He wants no plastic in his packaging, in his products, in his whatever is coming into his facilities. So, there was this story about him where he was in an airport and he's a very healthy guy. He's a very fitness oriented guy. He was in an airport trying to find something to eat and he stopped and he ate McDonald's hamburgers because it was the only product wrapped in paper.

Mark Schaefer: 30:39

Now, there's a big difference between a story like that and a company saying, "We're dedicated to a green earth. We're dedicated to reducing emissions," right. Nobody really believes that, but when you live it. When you're out there doing it, that's a story. That's relevant and that's believable. That is the power of these human communications. Like I said, it's a great example of how our businesses used to be built on advertising impressions and now our business is going to be built on human impressions. That story about the CEO from Everlane, that's a human impression. That's not an advertising impression and now I'm buying clothes from Everlane. I don't even really like their clothes that much, but I'm buying clothes from Everlane because I've studied this company and I just believe in what they do. That's marketing today. I believe in what you do.

Kristin: 31:48 How did you find out about them?

Mark Schaefer: 31:51 Well, curiously from one of their customers because customers

are the marketers today. I can remember exactly last year I had some friends out on my boat. We were floating in the lake and I said, "I'm working on this new book. I'm looking for companies that you buy from them because you believe in them. They help you feel like you belong to something bigger than a product or yourself." Immediately this young woman said, "Everlane." Then she just went on and told me this whole story about how they're transparent and how they're improving working conditions and they pay living wages in these third world countries and went on, and on, and on, and on, and on. I

thought, "Holy cow. This woman's on fire about Everlane." She said, "They just put money in my account for no reason. Just to thank me for being a customer." She said, "I got 40 dollars in my account." She said, "Of course, I used this to buy more Everlane products," but she said, "I guarantee you in the last four weeks just by talking about this to my friends," she said, "I've told people about them giving me 40 dollars," she said, "I guarantee you I've sold you 1,000 dollars worth of their products."

Kristin:	<u>33:22</u>	Right. That's awesome. What a great example.
Mark Schaefer:	<u>33:25</u>	The customer is the marketer.
Kristin:	33:28	Yep. That totally makes sense. How do you-
Mark Schaefer:	<u>33:32</u>	[crosstalk 00:33:32].
Kristin:	<u>33:31</u>	Sorry, go ahead.
Mark Schaefer:	33:32	The mindset today, and this is really the heart of my book, is the customer is the marketer. How do we help them do the job? That requires reimagining what it means to be a business. What it means to be a marketer. How do we help our customers be the marketing department. That's a different way of thinking.
Kristin:	<u>33:57</u>	That's very different. I love that.
Mark Schaefer:	33:59	We have no choice because that's the way the world is going. The customers are in control. We have no choice. We've got to rethink the way we do business.
Kristin:	34:09	Well, let me ask you a couple more things on that point. I love that because it's very simple and you can really grab onto that and look at it like almost as a lens through different problems that you're having with consumer discoverability, engagement, et cetera. How do we measure this today? One of the things we talked about before we hit record was about tech intoxication. That's definitely tied to ROI. Like think about how our online footprint, if you will, even some of the really diehard specialty retailers in my market are looking at things like connected buildings and how do we get data on our consumers. How do we understand what merchandising displays are working for them. So, how do we switch the mindset without getting caught off the back, since you're a cyclist, right. How do we do that? We have to look at some [inaudible 00:35:02] solutions. We have to provide ROI because it's a business I would imagine, but

knowing this it's much more nuanced. How do you advise us in that realm?

Mark Schaefer: 35:11

Well, so when we started our discussion we talked about how a lot of companies today feel lost. They feel like their marketing is not working like it used to, like they're falling behind. You mentioned to me I think maybe before we started recording that one of your customers said, "I'm not sure I even know what to do anymore." The reason is, is because a lot of these traditional things that we've held onto ... Look, I was uncomfortable with this too. As I started looking at this research and looking at really where customers are today there was a moment where I literally thought I don't know what it means to be a marketer anymore. I need to reinvent myself. I need to reimagine what I do and what we do in our field. That became the book. One of these difficulties is measurement. Measurement is important because it sort of justifies what we do, but a lot of the things that we need to do today in terms of building a personal brand, building relationships, those are really hard to measure.

Mark Schaefer: 36:32

There's a quote in my book that is sort of chilling to me. I interviewed the CEO ... No, no this came from an amazing marketing company called Giant Spoon. Here's something that's quite poignant. The Giant Spoon was just named the breakout agency of the year by Adweek Magazine. Breakout agency of the year. Now here's Giant Spoon's slogan: We're an advertising agency that aspires to never make an ad. They were just named ad agency of the year. That shows there is a big shift going on in our world. [crosstalk 00:37:19] CEO of Giant Spoon said, "Look, you can keep with the pulse of culture or you can measure. You probably can't do both."

Kristin: <u>37:30</u>

Oh, I love that.

Mark Schaefer: 37:32

Now, part of me loves that idea because I think there's wisdom in that. People want ... They don't want to be told things. They want to experience things. So, if you're a bike a shop and you have some sort of demonstration or you're bringing people together and you're having some sort of outdoor festival or something, how do you measure the success of that. Now I do address that in the book. There are ways to do it, but it means opening our mind to thinking about measurement in ways that may not be comfortable or may be unfamiliar because in the back of my mind I hear one of Peter Drucker's famous words of wisdom was, "If you can't measure it, you can't manage it." But if you can't measure it why are we doing it. So, I can be empathetic with anybody who has heartburn about thinking

about doing things that are difficult to measure, but again, if we're trying to create these human connections and beat the big brands or overcome the big brands or connect to our customers in a meaningful way we may have to do things that at least at first are more difficult to measure. Because again, nobody cares about your quarterly numbers. Customers do not care. We need to make the customer the center of our marketing, the center of our story.

Kristin: That looks different for every company because every company 39:09

has a nuanced target consumer.

Mark Schaefer: Yeah, right. 39:14

Kristin: 39:16 Okay, that makes sense. Can we also talk a little bit about how to look at the organizational structure of a brand, for example,

and get these formerly siloed facets of a brand working

together to be more consumer-centric?

Mark Schaefer: 39:34 You know Kristin, this is one of the things I've been thinking a

lot about is in this human centered marketing approach what does the organization look like. So, there are two things that sort of come out in my book. Number one, the role of the marketing leader, whoever that is, it's a CMO or could be a marketing manager, or whatever ... The primary goal is to really understand your customer's needs so well. You need to be out there, out there and translating those needs across your organization into actions so that you can be better than the competition. So, that sounds so simple and it sounds so reasonable, but this is part of the problem we're having with our obsession with technology is that we're hiding behind dashboards instead of getting out there and being with our

customers. That's number one.

Mark Schaefer: 40:37 Number two, the book is filled with lots of case studies, really

> inspiring case studies of businesses that are transforming and really connecting the customers in a new way. I started looking at how are they organized and here's something that really surprised me. Almost all of their marketing resources were creative. So, at first that was kind of surprising to me, but then I thought well in a way that kind of makes sense because if you're trying to ... What does a customer appreciate? A customers going to appreciate a really cool graphic, or a really cool video series or something that tells an amazing story on Instagram or on SnapChat. The economic value of content that's not seen and shared is zero. If you're not producing content that's seen and shared you're wasting your time. You're wasting your money. You have to focus on ignition. How does that content ...

How is it seen? How is it shared? Other than conversions the most important metric I think in marketing today is social sharing because that represents advocacy. To do that you've got to create something worth sharing. You've got to create something really cool. It makes sense that there's such an emphasis on creativity and creating something that's visual or unusual.

Mark Schaefer: 42:21

There was a study done that showed the word that was associated most often with content that goes viral is awe, A-W-E, awe. Now, that's a word commonly used within your business, awe, right. I'm in awe of what you just did. I'm in awe of where you just went. I'm in awe of that photo of the Dolomites. So, those are just two thoughts around the organizations of the future. I think leadership, to me, means just getting out and spending more time with your customers and how do we execute this. There's just got to be a super focus on creative.

Kristin: 43:12

Now I have another really big question for you. Let's talk about the shopping experience and I think ... I don't have the Seth Godin quote handy, but he had a recent quote about how commoditized buying is done. Amazon owns that, but the shopping experience is just beginning. That's not exactly ... I'll put it in the show notes. All of the resources will be in the show notes just so everybody knows, but let's talk about how to extend that because obviously we have multiple channels now not just wholesale. The mothership of the brand I often talk about is responsible for creating this awe, this emotional connection, that all channels can benefit from. It raises the level of awe across all the channels, but let's talk about the physical shopping experience. If you're in REI or if you're in independent specialty store there's a house of brands, an assortment that in a perfect world is hand selected or curated for that consumer. What are your thoughts on creating a shopping experience where a brand is part of a mix with other brands including a house brand?

Mark Schaefer: 44:18

Sure. Well, I think let's go back to this idea that the customer is the marketer. The timeframe when customers are most likely to share their stories about a brand is when they're buying it. So, now isn't that interesting. The buying experience is our most powerful marketing opportunity. It's sort of ... has us start thinking about different ways to create a shopping experience that makes people go, wow I want to share this. So, and I think that the answer is going to be different for everybody listening to this, but what can we do in that shopping experience, in that customer experience, to create some peak moment. There's a

book that I like very much called *The Power of Moments* by Chip and Dan Heath. They talk about how people are willing to overlook problems and forgive the potholes in life if you create peak moments that kind of make them go wow. The shopping experience is really number one. If there's something that happens in that shopping experience that makes people go, "Oh my gosh, that's really amazing," or, "Oh my gosh, you've been so helpful," or if there's something visual ... I'll give you an example. One of my favorite brands right now is Glossier. It's this-

Kristin: 46:01 Oh, I love that brand too.

Mark Schaefer: Yeah. I'm just ... Of course I'm not exactly their target market,

but they do skin care products and cosmetic products, but, I mean, if you want to look at one company today that's really doing it right, that's winning in this world of the marketing rebellion I think it's Glossier. I love everything that they're doing. It's a human brand. It's absolutely a human brand. They do no advertising. It's all word of mouth and every part of the buying experience is some human touchpoint. Even the people that are featured on their website using the products are customers. They don't use models. Now, if you have a customer on the website how many people do you think that person is going to send to that website. Every time they send out a product the product comes with special little gifts, little stickers and stuff that you can interact with. Every product come wraps in pink bubble wrap which is a perfect backdrop for an Instagram shot. So, every touchpoint becomes a conversation point, becomes a marketing moment. That's how they're growing their brand 100% through the customer experience.

Kristin:

47:29

That's a great example. You're right, it is going to look different for every brand, but you know what word keeps popping up in my mind that's kind of anchoring so much of our conversation is what does reciprocity look like today? That's what we're talking

about here.

Mark Schaefer: You know, that's a fantastic conversation. Reciprocity is a very,

very powerful idea. I wrote about this extensively in my book ... Which book was it now? I think it ... Another book I would recommend for specifically for your audience is my book KNOWN. It's about how do you build that personal brand. How do you build that human impression with your audience. I think that book is extremely, extremely relevant for founders and small business owners and for smaller brands that are fighting bigger brands to take advantage of leveraging that personal connection-

Kristin: I wholeheartedly agree and I have read that book. I own the 48:38 workbook and there are definitely pages out of that playbook that I have used to help clients with strategy. I totally agree. Mark Schaefer: 48:49 Yeah, I'm not a salesy person and I'm not a person that brags a lot, but I nailed it on that book. That book has ... It has helped thousands and thousands of people. Every week someone tells me I've changed their life through that book because it just, it reduces the learning curve. It says, "This is exactly what you need to do if you're going to become known in this world this is what everybody does. There's no exceptions." But reciprocity, which is this idea is if you give somebody a gift, whatever that might be, it could even be like a psychological gift, you feel like you need to repay that favor. That is a psychological phenomenon that happens in every culture in the world. I think you're on to something there and I think there's lots of ways that that can occur. We just talked about the Glossier example, right, is that every time you buy their product and get ti shipped to you, you get something a little extra that you didn't expect. Kristin: Right, and I also just think the way that they set up their ... The 49:58 way that they guide and serve. I think they call their associates editors, which I love. They really are melding publishing and a brand experience. I can't wait to see how she continues to evolve the actual physical experience that you get to have after you're a brand fan. It's really a fantastic company to watch and I'll put links to everything. I love this. The control has moved to the customers and they're the marketing department today. We have to help them do their job. That is very, very different-Mark Schaefer: Yes, it's very different. 50:37 Kristin: 50:37 And it's very simple in a lot of ways, too. I love it because it can be applied to every business. I believe the marketing leader has to have a seat at the table where all the decisions are made around everything within the company when you're a specialty business. They hold the keys to that consumer. Mark Schaefer: 50:56 Mm-hmm (affirmative). What would be the impact if the marketing leader of a company spent 20 minutes a day or 30 minutes a day thinking how do I help the customers do their job today. How do I do something? How do I create something? How do I create that reciprocity or how do I make them go wow. How do I make them experience awe today. How do I ... Mark Schaefer: I end a lot of my talks in a lot of my classes with this idea that I 51:35 learned from Doctor Robert Cialdini. I got to talk to him and

interview him one time for one of my books. He's the author of [inaudible 00:51:50] Influence at Work. His latest book is called Pre-Suasion. I asked him, "Doctor Cialdini, how does someone stand out today in this noisy busy world?" He said just three words and they were just so profound. He said, "Be more human."

couple weeks, Brooke Sellas. She's ... Excuse me ... brought a

Mark Schaefer:	52:10	I think that's the killer app today. That's the filter. If you're a marketing leader today if you use that lens and think about what are doing, how can we be more human with our customer service department. How can we be more human with our sales calls. How can we be more human with our content. Number one, stop using stock photos. By the way, I love, love, love, love the staff photos on your website because it shows so much personality and passion in just a little photo, but I mean, that's being human. Whenever people use stock photos the message that they send is even we don't care. They're checking a box.
Kristin:	<u>53:01</u>	Exactly, I was just going to say that.
Mark Schaefer:	53:04	Hire a photographer and take some beautiful pictures of your own people and of our own customers. Get your customers stories. Let them tell your story. Just think every touchpoint, everything we do, how can we be more human. How can we be more human. That gets you on the path of the cultural change you need to make those long lasting emotional connections.
Kristin:	<u>53:31</u>	I love that. That's fantastic. Tell us where we can learn more about your incredible body of work because you have so much to offer in your blog and your multiple books, but tell us where's the hub?
Mark Schaefer:	53:44	You can find everything about me at businessesgrow.com. I have a blog there so you can get all my best free ideas. I give everything away. I blog every week at businessesgrow. You can subscribe there. I've got a podcast called The Marketing Companion that I'm very proud of. I've been doing that with for six years now. You could also find my books. I've written seven books and you can find them at businessesgrow and of course you can find them on Amazon.
Kristin:	54:18	Your podcast is phenomenal and it's one of the top 10 marketing podcasts so congratulations to you on that. It's no easy task.
Mark Schaefer:	<u>54:26</u>	Thank you, thank you. I've got a new co-host over the last

tremendous new energy and perspective to the show. I'm excited about that and people are excited about Brooke so yeah, it's ... I'm loving the podcast.

Kristin: 54:46 I love doing them too, and honestly I think it's a great way to

humanize a brand isn't it. I mean, think about that.

Mark Schaefer: 54:51 Yeah, 100%, yep.

Kristin: 54:53 So, this has just been phenomenal. I feel like we could talk for

hours and hours more, but what I'm going to do is obviously I have a lot of information in the intro and outro. Tons of links in the show notes page and really what your message is, is so heartening to my people because it is truly part of our DNA. We kind of have to get back to why we started these businesses in the first place. That passion, that human founder. That story there and really work to unearth that and present that in a way that brings awe and continually is reminding people of who we are, what we stand for, and who the people are within these

brands and businesses.

Mark Schaefer: 55:36 And we need to be more human.

Kristin: 55:38 Yes. Amen to that. Thank you so much Mark, it was amazing

having you on the show today.

Mark Schaefer: 55:45 Thank you Kristin.