

## Re-Cap- SDSI Marketing Panel: Lessons Learned: Turning Trip-ups into Triumphs

Chuck Scott, Director of Media, SDSI  
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Believe in yourself. Make sure there is something unique about your product. Connect with your customers by building a community around your product.

Those were some of the lessons imparted to a standing-room-only crowd by three marketing experts during a panel discussion organized by San Diego Sport Innovators on Dec. 2 at Yogi's Beach Bar & Restaurant in Cardiff by the Sea.

"I think it's really important to connect an emotion to your core values," said Mark "Schmidy" Schmid, founder and CEO of ArtFunction Inc., which sells a patent-protected method for customers to display consumer products that they love; including skateboard decks. "To me, a customer is somebody who I want to make smile and have that association with the emotion of celebration.

"I want [my customers] celebrating who I am and the culture that I love and saying 'I need to buy some more products from Schmidy's company.' That's not a manipulation, that's an honest, 'Hey, I celebrate who you are and what you do, I'm into it.'"

Schmid was joined on the panel by Tony Finn, founder of leading wakeboard retailer Liquid Force; Kevin Flanagan, vice-president of marketing for Reef; and Bill Walton, executive chairman of SDSI.

Nearly 80 sport minded entrepreneurs, executives and owners of start-ups attended the panel discussion, "Marketing Lessons Learned: Turning Trip-ups into Triumphs", sponsored by Procopio, Cory, Hargreaves & Savitch LLP, one of the largest full-service business law firms in Southern California.

"When you are selling someone a pair of sandals you are selling them a lifestyle, a dream of something that is more important than what they are doing day to day," said Flanagan. This is a message he reinforces with his staff before trade shows because "You've got to build in the importance of what your product is and how it's affecting people in a positive way. If you can sell that dream then people get excited, their sales presentations are better and you get better results."

The panelists agreed that social media – Facebook, Twitter, YouTube, etc. – continue to grow in importance and have already become the dominant marketing method for many companies.

"Facebook, all those things, they are places where you can build communities," Schmid said. "You can either offend your customer or make them part of your community. Your job as an owner is to make them part of your community. And again that comes back to creativity, every

day figuring out what's going to put a smile on someone's face, so they want to open up your Facebook message and communicate.”

Added Finn: “The thing is you can't sell them, though. Even if you are selling them, you definitely don't want them to feel like you are selling them. The whole thing is you have to *be* them. What I want to do is wakeboard more with kids and people. So I'm on the water more, hanging out. Every time I go on the water and wakeboard I learn something about the customer or the board.”

While the phrase “generation gap” may have been coined in the '60s, it's just as relevant today, especially in the marketing world.

“As much as we say we're embracing new media and it's great and we've got our Blackberries and yeah, we're on Facebook and Twitter, we do it kind of reluctantly,” Flanagan said. “Kids do it willingly and they enjoy it. It is part of what they do; it's not work for them. So I think you have to have these employees in your organization because for them [social media] is really part of their DNA.

That's part of the reason Flanagan said he is considering a “reverse mentor.”

“I've always in my career looked at people above me saying ‘Hey, what can I learn from Bill Walton?’ and I've learned a lot,” Flanagan explained. “But what can I learn from somebody younger than me? Getting somebody who would benefit from spending time with me, maybe an 18-year-old surfer, and every two weeks getting together for coffee and picking their brain, seeing what's going through their head- it's kind of the reverse mentor program.”

Other topics addressed by the panel:

■ **Have a unique concept:** “A lot of people call me when they think of some cool idea,” Finn said. “They say ‘I have a new concept for a board short, it's going to be light blue instead of blue’ or whatever... it's not unique, right? So I say ‘That's not gonna happen. Quicksilver, Billabong or whoever is going to kill you, you have no chance.’ ... Those guys with unique products and a unique vision will be successful. If it's just a ‘me-too’ thing, you don't really have a chance.”

■ **Develop the business plan:** Flanagan said it's critical to lock down what he called the “guiding documents” because they help you know where you're going. “I'd have three things,” he said, “your vision statement, your mission statement and what I like to call your brand essence. It which should be really short, three or four words; the core values. For Reef, it's ‘exotic beach and surf culture.’ Having the guiding documents is so important because as you start growing and having to make decisions everybody wants to kind of poke at where you're going, so you want to be able to run everything through those guiding documents. That's the filter, so get that in place.”

■ **Don't let a bad economy stop you:** “This is the big one right here,” said Schmid, referring to the prolonged weakness in the economy. “I have a 1-year-old, he's never going to know what

'the big one' was about. [A weak economy] is the greatest time in the world to start a business. ... If you can prove you're providing a valuable service or product with the way things are right now, you're going to kill it when things are stable again."

■ **Turning a product into a brand isn't complicated:** "Who's wearing your T-shirt? It's as simple as that," Schmid said. "If you look at the pyramid of importance of who moves the needle, it goes from Hollywood superstars to A-level athletes, and then it just gradually goes down. If you get the advocacy of any A-plus tastemaker, you got something that can go places."

■ **Ride the momentum of broad trends:** "I'm a big fan of overarching trends," Schmid said. "Green; organic foods; health ... if you're involved in these things you can get an awful lot of momentum just because there's a much bigger tide coming in with these broad-based trends that you should be aware of and take advantage of, as long as it's authentic with who you are and what you're doing."

■ **If at first you don't succeed ...** "It takes a lot of time, and a lot of passion, and a lot of energy," Finn said. "Liquid Force is my third brand. You just have to stick to it. You can't take no for an answer." Added Schmid: "I'm a startup junkie, and every time I start a business it's really nice because you go through this process of renewal where you are shedding all this stuff that you learned not to do in your previous business."

Schmidy's parting words, "I want to know why my customers are buying my stuff and how I can put a bigger smile on their faces so they spend more money with me and become more active in my community. Essentially they become advocates for everything I'm doing."



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