



## Next in Marketing | AppsFlyer

### Episode 5: How Digital Ad Veteran Sarah Hofstetter is Trying to Help Legacy Retailers Become E-commerce Juggernauts in the Age of Stay-at-Home Shopping

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**Mike** (17s):

Hey guys, this is Mike Shields and this week on next thing marketing, I got to talk to Sara Hofstetter president of the e-commerce tech company, Profitero. We discussed how big marketers are grappling with sudden growth in their eCommerce business, thanks to the COVID 19 lockdowns. What advice she'd give to CMOs grappling with the realities of a pandemic and how to market toilet paper on Amazon. Let's get started. Alright. Hi everybody. My guest today is an old friend and industry veteran legend, Sarah Hofstetter, someone I know for a long time, fellow strong Islander.

**Mike** (47s):

Hey Sarah, how are you doing? Thanks for joining us.

**Sarah** (50s):

Strong islander, I like that. It doesn't make the accent sound so bad..

**Mike** (55s):

No, we don't. I don't know if our accents are really great for podcasts, but let's see how this goes.



**Sarah** (1m 1s):

Jewish girl from Long Island, probably bad.

**Mike** (1m 4s):

I think it's better than mine at this point. We'll see, but thank you for being here.

**Sarah** (1m 8s): It's my pleasure.

**Mike** (1m 9s):

So I've known you for a long time. I know you most for most of your career at 360i, but you've got a big new job, you're president at Profitero, tell us what that is.

**Sarah** (1m 19s):

I feel like the first thing I have to do always is fix the pronunciation. It's *profit-eh-ro*. People say Profitero because we're like a dessert. It's delicious, but, but really it's Profitero, it's more tied to profits.

**Mike** (1m 37s):

My grandpa used to get preferos every Christmas from the bakery.

**Sarah** (1m 39s):

That sounds, that also sounds delicious. And now I'm hungry, but yes, so Profitero is enterprise software that helps brands grow profitable sales on third party eCommerce retailers. So think you



know, Amazon Walmart target, et cetera. So not your B2C, but everything else. So it's a diagnostic measurement and optimization tool.

**Mike** (2m 2s):

So I want to get into that, cause this is an interesting time for you to be at, to joining this company for a number of reasons. But so are there your clients, your clients are not the eCommerce marketplaces themselves. They're the vendors to sellers, is that correct?

**Sarah** (2m 19s):

Correct. That's the either suppliers, merchants, or as I used to call them in my old brands. Yes. Yep.

**Mike** (2m 28s):

Typically, are they mostly brands who've been well into the e-commerce game for awhile or are they brands that are trying to accelerate things?

**Sarah** (2m 36s):

Well, I mean, most of our clients are already interested parties if they've been already investing in e-commerce data and analytics, but it's incumbents, it's insurgence it's as long as they're selling products across multiple retailers, they will need us.

**Mike** (2m 52s):

And so let's and describe for people what they need you for. Cause if people hear analytics and that means a lot of things,



**Sarah** (2m 59s):

It might put people to sleep so let me simplify it. Why don't we talk about toilet paper? Just cause it's not as timely as it used to be. Thankfully, or we can talk about yeast or flour or anything else, disinfectant wipes. But if there's something that you're looking for, that you're trying to buy, our software will help the manufacturers figure out if you have it. Like if it's in stock, if you can find it. So how you're showing up from a placement perspective, how does it look like what does a product content look like?

**Sarah** (3m 35s):

Is the price rate? Like if you set a minimum price and said, I don't want to charge more than \$2 for this cookie, are they charging \$2 or are they charging a buck 99? How can it be delivered? Do customers like it? On Amazon we can tell you how you did it from a sales and a market share perspective. You know, are you growing share, not just growing sales.

**Mike** (3m 59s):

So prior to working with you guys, I imagine if a toilet paper brand is selling on Amazon, and they had a certain amount of information, but they couldn't be as strategic. And they had to be very manual. How does it change from what they were doing to how they, the advanced level that you bring them?

**Sarah** (4m 15s):

Well, I think, you know, in some cases they were getting the data directly from the vendors that they were working with and then they'd have to synthesize it all together, but couldn't necessarily compare. Sometimes data is lagging. There's also just the complexity of number of SKUs and number of retailers. So most people sell on more than one retail site, in which case, just being able to have that diagnostic tool across multiple retailers is important. Now this, this used to be not that important to manufacturers or brands because e-commerce was such a tiny percentage of overall sales.



**Mike** (4m 52s):

Happy to have the sales coming in and then have to go crazy and manipulate it.

**Sarah** (4m 57s):

Yeah. I mean, almost like what's the point of investing in software, if it's such a tiny percentage of my sales, right. Better for me to get the brick and mortar and make some sort of, you know, some sort of best case a guess on what my percentage is coming from eCommerce, or rely on the omni-channel guys like a Walmart or a Target to give you, you know, further breakdown, but it's got a lot. Well, first of all, e-commerce has accelerated in terms of consumer behavior. And secondly, how the consumer buys versus gets their product delivered has changed drastically with click and collect and the Instacarts of the world.

**Sarah** (5m 36s):

So any digitally initiated purchase we can track. So that, that really changes the game. And therefore the analytics become that much more critical to making business decisions.

**Mike** (5m 48s):

So you hinted at it. It's the obvious thing people are talking about in the last few months with everyone quarantined the economy and everyone's getting more stuff delivered, they're shopping on their phones. So I imagine you're seeing that across the board with clients, although I guess it really depends on the category, but can you get into what you mean by the different patterns, the Instacart occasion of things? Like what are some of the trends beyond just the more e-commerce that you're seeing?



**Sarah** (6m 12s):

Yeah. I mean, I think for the most part, we're looking at things from the product perspective, not from a consumer behavior perspective. So we don't have like consumer data, but where we're seeing how things are showing up from the product perspective. So I can't tell you, people are spending more time on X platform versus Y platform, but I can tell you, you know, where the kinds of behaviors that we're seeing. So certainly in terms of general behaviors, we're seeing that if you can't find your product on one retailer, you're going to jump somewhere else.

**Sarah** (6m 43s):

So people aren't necessarily loyal. People used to be very loyal either to their particular grocer or they were loyal to their particular retailer. They're less loyal in the short term, like in March and April, we had seen that people are just more willing to pay for convenience. Because they wanted to protect their health. So they were willing to spend extra for delivery or, you know, and be more generous, frankly, with their tipping. That's not something for tracking the tipping component. That's just natural behavior of kind people, I suppose.

**Sarah** (7m 15s):

But those are the kinds of things that we were seeing now that the world is hopefully continuing to start reopening, it's going to be very interesting to see where brand loyalty ends up staying. So let's say you have this toilet paper brand that you always used and that you were loyal to, but you couldn't find it during the pandemic. And so you defaulted to different toilet paper brands. Are you going to go back to your original or does this change like the whole way you think about customer lifetime value? Does this change the way you think about loyalty?



**Sarah** (7m 47s):

Like I've been using the same brand for 20 years. But now I've sampled elsewhere. I'm willing to be more promiscuous. I suppose.

**Mike** (7m 54s):

It's funny that you say that. Cause we we've gotten groceries delivered for a long time here and we were always doing Peapod, but then when things got really desperate, my wife's up in the middle of the night, trying to get, you know, different times from Instacart and trying every other service under the sun because we, it was just like about desperation. But at the same time, we're shopping at Amazon, like crazy is Amazon a different animal in terms of loyalty because of Prime and the membership aspect or not really?

**Sarah** (8m 21s):

You know, I think in general consumers, we're looking at like immediate need for now. So whoever could deliver that would work for them would be great. I mean, I was in a bunch of WhatsApp groups. Just, again, this is just general behavior. I was in a bunch of Whatsapp groups and everyone's like, hey, were you able to get a slot? Can I piggyback on your slot? I'll leave food on your porch. I bartered somebody's paper towels for toilet paper. I mean like the whole new currency was like a whole other story.

**Sarah** (8m 50s):

And so the fact that peapod had limited availability, some people were trying to get Amazon fresh and they couldn't get Amazon and Amazon fresh. It was like, wherever you could get a slot, you took one. The question is, do people then go back to their original behaviors because now you can get a spot on pea pod. You can get a spot on Amazon fresh because the retailers have caught up. So now that the retailers are getting a heck of a lot better at this, both because of certain changing demands and slowing down of pantry stocking, where are those behaviors going to land in terms of retail loyalty and brand loyalty?



**Mike** (9m 26s):

I guess groceries is probably an extreme example because it was vital and everyone was all of a sudden adopting that behavior. But I imagine there were a lot of, I imagine a lot of companies that were all of a sudden had a small, e-commerce percentage of the business and now it's up - probably struggled to, to be ready. They just weren't totally ready for all this. Like what kind of things did you guys see from your vantage point?

**Sarah** (9m 47s):

Yeah. I mean the people who were our day to day clients, all of a sudden got the headlights thrown right on them, like asking for tremendous volumes of data, which thankfully we have, to escalate to the C suite, to the board of directors, to the head of commercial so that they could provide the kind of data and insights that was going to help them determine, you know, what do we do from a supply chain perspective? You know, are there any third parties that are price gouging?

**Sarah** (10m 19s):

Like there are a lot of real important questions that were being asked that we were being asked to answer on behalf. So the clients who were operating a business that was growing, but not growing like triple digit growing, those are the ones that started, you know, their phones were ringing off the hook and it's affecting organizational change, right? Like where does e-commerce sit in an organization? Reminds me of like, when you and I first met, I don't know, like 15 years ago.

**Mike** (10m 53s):

Where's the digital guy in the basement thing.

**Sarah** (10m 55s):

Exactly. Yeah. Or whether it was search or social, it was like one of those hot potato departments that kind of bounced between, you know, media, PR, IT like all of those different kinds of groups and eventually ended up getting settled in marketing because it became part of the integrated



marketing construct. And so I think e-commerce has been bouncing around as well. It was bouncing within marketing, within shopper, within commercial. And so I think that is really starting to get a lot more attention.

**Mike** (11m 31s):

Yeah. That's interesting. You know, like I imagine a bunch of brands are just going to have to invest in a better eCommerce platform and better site and better mobile site and that'll be step one, but they probably have to restructure where their supplies are sourced from, you know, the Instacarts the grocery guys have to have more efficient warehousing, but then I imagine every, or all these organizations you got to about... do I weave this into my performance marketing group? Do I put all these teams together? Are the silos going to mess up our business down the road? I imagine there's all kinds of conversations happening now.

**Sarah** (12m 3s):

Yeah. They're all. I mean, they're, they're fabulous conversations cause this is the stuff I geek out on. But like even hearing, you know, where should my Amazon media budget come from or my Walmart media budgets, which used to come as part of the commercial arrangements and they still do. You know, when you sell into Walmart, you generally have trade commitments and commercial commitments and all of the stuff that goes along with that, now that e-commerce rolls up into that, where does the media buying within those retail sites go?

**Sarah** (12m 34s):

And it used to be like consumer and shopper. We're very siloed in terms of behavior.

**Mike** (12m 39s):

So, like what the ad agency that's buying all your television search, have no idea what's going on with the Walmart budget or the Amazon budget. And that's probably not good long term.



**Sarah** (12m 47s):

Historically, that was the case we're seeing, we're seeing drastic shifts. And I don't think that there is one right way yet. I think it's highly talent dependent. Like if your agency is really good, if your agency that's buying your TV, digital performance, programmatic, whatever, is good at buying your econ media, or your trade media. It's always good to be able to have a single line of sight wherever that is.

**Sarah** (13m 18s):

It might be that the planning is different from the buying. I mean like this, this takes me back to all my fund agency side days, but, but those are the things that brands are grappling with now, where does that budget set and how does it get allocated? And to a certain degree, it's like also the way search was like, search was similar in that there were, there was evergreen budgets. Like you always want it to be discoverable, but then if there was a brand campaign that was happening over and above, you would surge in your spend - the similar situation would be today.

**Sarah** (13m 48s):

So if you're trying to defend your position on Amazon or Walmart.com, you want to buy, sponsored search on those retail sites to make sure that you're showing up, but you also can only spend so much. So what does your evergreen budget look like? And what does your surge or seasonal budget look like?

**Mike** (14m 6s):

I imagine the opinions are pretty mixed or there's still a lot of big brands in the consumer packaged goods world where just, they really would like to not be in business with Amazon, or they don't want to. They just, they just don't know how to approach them, but there's awareness. There is that, is that are there, or are they kind of giving up capitulating as things change?



**Sarah** (14m 23s):

I don't know if it's much about capitulating. You want to be where your customers are. I mean, ultimately that's, that's what it is. And I think, you know, I think what PepsiCo's done by creating a B2C arm and allowing people to buy that way in addition is a smart move because you kind of need to be everywhere. And the barrier to entry to starting, something like that, you know, in certain cases can be very low. In certain cases can be actually quite complex, but being on Amazon, that's where people are shopping.

**Sarah** (14m 56s):

So if you're not discoverable there, what are you?

**Mike** (14m 59s):

Right. But you touched on it. So many brands over the past couple of years have they've had this DTC envy. They want to be in that business. And they feel like Amazon takes that relationship. It becomes an interloper in that relationship, which is the opposite of what they're trying to do. But like you said, you, consumers behavior is going to, it's going to dictate a lot of their thinking.

**Sarah** (15m 19s):

Yeah. People, but, but when it comes to, you know, specifically should grocery. So let's just talk about growth. You know, grocery is different than a lot of other types of products that you might want to buy via B2C. But I'm mean, personally, I think that when you're buying groceries, you don't want to go to multiple sites. No, when you're buying groceries, you really want to be able to get everything in one place. Ideally you're, you know, any food non-food purchase, you probably want to be able to get from one location, just like the way you would, if you were operating quote unquote, you know, in real life B2C is really good.

**Sarah** (15m 58s):

A if you, you know, if you're a brand that can't get the distribution or don't want to pay for the distribution B2C is also very good. If you sell things that are bought individually, like if you were



selling a Peloton, you know, like that, that's somebody that that's a product where you have already gone through the purchase funnel individually, nobody's saying, Hmm. Thinking about getting a smart exercise bike, let me go see what they have on Amazon. It's like, they're going to say, I want to build on. Right.

**Mike** (16m 25s):

Right. It's a very purpose driven product search. And then there's not a lot of shopping around before you're in this role, you were at comScore, but then you got a big chunk of your career is in the agency world. Can you imagine the last few months, what would your old job have been? Like? I imagine, cause you, you went through 2008. I mean, no, there's no, there's not a lot of good precedences for what's happened the last few months, but can you imagine the kind of calls you would have been getting from clients and what you, what kind of advice you'd have to dispense like early on and then versus when things started changing?

**Sarah** (16m 55s):

Yeah. I mean, I think that had I still been on the agency side of ad, I still been, I guess a 360i that's the only agency I've ever worked at for what it's worth. So like I have an agency career, but really it was just,

**Mike** (17m 7s):

Yeah. You were a rare loyalist in that, in that world at one point in time.

**Sarah** (17m 12s):

Yeah. Well, I can't tell you I'd love to agency life, but I can tell you, I loved 360i. I think that if I take lessons probably, and they're not obviously, like you said, they're not perfect lessons because it's only looking at one of the multiple whammies that we're dealing with right now. But if you're talking about economic hit, one of the things that we did in 2008 is we just doubled down. Now you can't double down entirely and not do fuloughs or any of that. Those are those other



unfortunate necessities, but I'd be on the phone with clients day in and day out, trying to help them navigate where consumer direction was going.

**Sarah** (17m 51s):

Right? Like if you're in the travel business, it's very hard to say, please don't pull your dollars

**Mike** (17m 55s):

Just keep going. That would be really hard.

**Sarah** (17m 59s):

That's a very hard conversation, but let's just say you're in the grocery business. If you're in the grocery business, you may be out of stock right now, but does that mean that you should be invisible? Some would say yes. Some would say don't advertise something

**Mike** (18m 15s):

Don't annoy people. Don't don't don't try and turn them on what can't be fulfilled.

**Sarah** (18m 19s):

Yeah. Or some people would say, you know, oh, why don't you make this a, you know, you should make us happy. We care about you. Video went about these unprecedented times or something like that. Like, I don't know. I think it was like, how can you stand out during a time like this in a way that is both empathetic and realistic. And I think that there were a lot of opportunities to be able to do that. And I think people that get paralyzed by fear ends up either hiding under the table or copycatting.



**Sarah** (18m 51s):

And I saw a lot of, I saw a lot of both. Yeah.

**Mike** (18m 54s):

Cut everything or make a we're all in this together thing.

**Sarah** (18m 58s):

Exactly. I have to say, I saw, I saw a number of ads that were actually quite good because it was showing here's how we're actually helping you. Right. Like I thought, I thought I actually have two actually competitive brands that are pretty good job, home Depot. And Lowe's, I thought did very good jobs, both in terms of being empathetic to their employee base. But also just talking about how now you can buy via contactless pickup. The idea of saying, I know you're probably gonna want to do home improvements during this time.

**Sarah** (19m 30s):

Cause you're cause you're stuck at home.

**Mike** (19m 32s):

Oh, that thing that's broken right now. You gotta, you going get on that thing.

**Sarah** (19m 35s):

Yeah. You're staring at that home wall and you're like, damn it. I gotta fix this. So that, that's one of those things where it's not just like, hi, in these unprecedented times, we care about you. This was high, you're stuck at home. We can help. And I, and it doesn't sound like you're capitalizing on pain. It's that you're saying, I understand that these are things that you need. So it's very functional advertising, but I actually thought that was quite good. And the fact that the



marketing teams were, were thinking like that and able to convince whomever they needed to convince to actually double down an investment there.

**Sarah** (20m 11s):

I actually thought was pretty damn smart.

**Mike** (20m 14s):

There a lot of talk about how this, all these brands went through this process. You're describing where they probably had to rush out messaging and figure out a whole new strategy and media plan that this is going to wet their appetite for, you know, we can go a lot faster. We can make ads, maybe a little cheaper and not have to have million rounds of edits. And then we can optimize your media and everything's going to be countable like digital, and it's going to change everything. Do you think, do you buy that this is going to have a great, this is a great change accelerator or are we going to go back to the old, old ways of working soon after this?

**Mike** (20m 48s):

I don't know what after this means. I don't think, I don't think any of us do. So I think in short there's no turning back, but are things going to be the way they are now? No, but it's still takes us to a point where we really do the things we say we're going to do when we save reimagine everything. Right? Like there've been so many times that marketers, advertisers brands have said, Hey, if I were starting a brand from scratch right now, how would I do it? Right.

**Mike** (21m 18s):

Or, or when, if they're talking efficiency, speak ZBB zero based budgeting. Right. But, but nobody ever really did that. Right? Like it was all, it was all like minor optimizations today. We get to say, okay, here's the new reality? Here's the stuff we have available to us right now. How are we going to do things differently? And I think that we've seen some things work well. Like we've learned that telecommuting is not a horrible thing.



**Mike** (21m 49s):

Although I desperately miss human interaction and like white boarding steps together. So I don't think it's a forever, but I think producing live TV shows via zoom is obviously not a sustainable business, no offense to SNL

**Sarah** (22m 13s):

A for effort for sure. But I think we have to realize that consumer behavior has changed. And I think particularly as it relates to e-commerce one of the things that this, you know, the situation has presented is the fact that more people it's not just that people are buying more online. It's that more people are buying online. The fact that seniors and immunocompromised people are using Instacart more, not more ever, you know, people, I was talking to a client of mine.

**Sarah** (22m 46s):

She was like, my mom calls Instacart, Instagram, and she still doesn't know the difference. I'm like, well, I really hope she's trying. She's not trying to order her groceries on Instagram. I mean, you can, it's just not, not nearly as great a UX is Instacart for shopping, but yeah. Think about the expanded demographic that you're getting as a result of that, both in terms of age, but even socioeconomic status.

**Mike** (23m 13s):

Right. There's just, yeah, that, that pie is going to be bigger. And you would assume even if it regresses a little bit, it's going to be a bigger pie than it was a few months ago.

**Sarah** (23m 22s):

Yes. That's a long way. That's a short way of answering what I just spent the past three minutes.



**Mike** (23m 27s):

You kind of hit it. It's funny. You hinted at Instagram as, as a shopping platform. And they've definitely pushed into that. And, and you've seen so many DTC brands build their business on Facebook and Instagram. Initially. Now every social platform is trying to get into becoming a social shopping platform. And you're seeing that with tick talk a little bit in snap. Do you think that's going to be something that's realistic on all these big platforms everyone's going to shop socially and share all the time, or is it really unique to those specific two big guys that we mentioned?

**Sarah** (23m 60s):

I think that this goes back to the idea of being where your consumer is and making it easier to buy stuff. So is that going to be the primary way people buy stuff? No. But is it going to be an opportunity for brands to close the loop on shopping faster and better? Absolutely. And I think, you know, the whole idea of integrating a, where to buy component to advertising in general is something that had started taking off. But I feel like guys, like Mick Mack have done an exceptional job of, of bringing that more to brands and making that more mainstream.

**Sarah** (24m 35s):

So integrating that into the platforms, regardless of what the platform is, makes it that much easier.

**Mike** (24m 42s):

You know, it made me think of this. We don't, I, when I mentioned the big three or four, I always failed. I failed to mention Pinterest. And I feel like we don't talk about them enough and you and I are talking about them and it feels like this is a moment for them, but they've struggled. I think whether they are going to be the place you buy, everything, look for ideas. What have you seen with your clients and Pinterest in terms of eCommerce and where they kind of want to go right now



**Sarah** (25m 2s):

For the most part, most of our clients are the ones that are dealing directly with the retailers, not the means to the end. That being said, anecdotally, I'm certainly seeing the, you know, Pinterest has always been one of those like dark horses where you're rooting for them to really realize their exceptional potential because they are such a great discovery platform. But if they could do more to try to figure out how to, how to close that loop and how to close that gap from a shopper perspective, I mean, that would really help.

**Mike** (25m 36s):

So they still have not totally nailed that.

**Sarah** (25m 39s):

I mean, I don't, I don't know that much about the data these days, but

**Mike** (25m 43s):

Given your history in, in both in the agency world and what you're doing now, you know, there's so much going on with, with measurement and data, and there's so many challenges and threats to data with regulation and privacy. Cause what's that biggest challenge you see with your clients or with measurement and data in this industry right now. It's a big, I know that's a big question.

**Sarah** (26m 2s):

Well, that's a good question though. I mean, there's more data available and people still don't know how to figure out what, which data they need. And you know, they end up with, gosh, sorry to be cliché, but analysis paralysis that happens everywhere. And I think we're seeing a lot of, we're seeing a lot of our clients ingesting our data and our insights and then co-mingling it with other data sources to help triangulate what's happening more holistically.



**Sarah** (26m 33s):

Like we're giving a lot of insight into what's happening across all the different retailers online, but then they're trying to co-mingle it with supply chain, data and brick and mortar data and media dollars and first party data when they have it and try to figure out how that's going to help them get to something that gives them a competitive edge. Some of our clients have really robust data science capabilities in house.

**Sarah** (27m 5s):

Some are really behind in the end and they're giving it to somebody else to solve for them. And I think that that could be a problem at the same time. Sometimes it goes so far field of business decision making that you just have so much data and it's just like sitting in the data lake and they have it for the sake of being able to check a box and say, Hey, we have all this data, but I don't know how much it's being used.

**Mike** (27m 25s):

But the, this vision that we kind of got sold on a few years ago, that we were going to have the clouds we're going to come in and we're going to have this awesome dashboard. And you're going to look at it and click a few buttons and move your money around. And that's so far from reality for a lot of brands like the master dashboard,

**Sarah** (27m 40s):

Some, some are better than others. I would say we have some clients that are really high on that maturity curve. And we have some that are really curious and it really does run the gamut, but some, some are more advanced really, and, and impressively so.

**Mike** (27m 57s):

Let's shift gears radically here. And I wanted to talk to you. You have a really interesting career origin story. I would say like you, cause I remember I met you. I think you were a PR person, but



you started off as a journalist and then you became an agency person talks to us about how you got into where you are now.

**Sarah** (28m 14s):

I believe we met at a bar on St. Mark's street, like 15, almost 20 years ago. Something like that. It was wild. Yeah.

**Mike** (28m 21s):

I believe that. That is correct. And now St. Mark street is the next outbreaks plot it seems like.

**Sarah** (28m 26s):

Don't tell me that my daughter goes to NYU. Don't say anything like that. She's all messed up. She's fine. But yeah, so I might, my goal was to be a journalist. That was my original career intent, which is, I think why I have a tremendous amount of respect for what journalists do, whether that's within our industry or just in general, especially these days, but not to get all political. Anyway, that was my goal. And then mama had to pay the bills.

**Sarah** (28m 57s):

And so I sold my soul to the devil and went to the dark side of PR. So had this really? Yeah. It takes one to know. So yeah, I had this awesome internship that turned into a very, very entry level job at the New York times and sold my soul to the devil to make ends meet and got into PR. I was working for a bunch of years at a voiceover IP startup, leading their PR figuring out how to do PR by reading a book that I bought in Barnes noble on how to do PR.



**Sarah** (29m 28s):

So it wasn't necessarily trained on that. Oh yeah. But you know what, like books are helpful. And I did that for about eight years and then I, and I added like investor relations and Corp comms and things like that into my repertoire. Yeah. And it was a, it was a company that hit, you know, had gone public know major.com flyer and crusher. And so

**Mike** (29m 55s):

Yeah, you don't worry about it, voice over IP. It's a big category anymore, but that, but that is, that was a, probably an awesome time to learn.

**Sarah** (30m 1s):

Yeah. So I mean, learning about startup culture, I mean, I was one of the earlier employees at the company and helped take a public and do a secondary and get a major investment from like John Malone. I mean, it was, there was some really cool stuff that we had done during that time. And so I learned how to manage times during good and bad, which, you know, that's all the right kinds of lessons you want to learn. And then I was pretty much done doing that. I'd reached the top of my game, started my own PR consulting firm and took that voice over IP company.

**Sarah** (30m 35s):

It's called Net2Phone. I took them on as one of my clients and my second client was 360i, and that is how that's, how I got involved with the company, took on other clients like Vibrant Media and Adobe. And I think that's, that's that, that brings me to how I met you.



**Mike** (30m 57s):

So things started going so well, 360i probably said, Hey, you should, you should come inside full time.

**Sarah** (31m 2s):

So they didn't say come inside full time because of my fabulous PR skills. It was because I was on 23rd street. I don't know if I've ever told this story, but I was on 23rd street walking from the subway to our office on 23rd, between fifth and sixth or maybe it was 18th street. Now I can't remember, but we were walking from the subway to the office. So some work from the West side to the East side, me and Brian Wiener, who was the CEO at the time. And we were talking about search engine optimization and how SEO and improving SEO results is really just like getting a lot of earned PR.

**Sarah** (31m 43s):

And so if you can increase PR if you can get more PR for a client, then in theory, their SEO would improve. And so could I use my PR skills to help with 360i's SEO practice? And that was germination of our social media practice

**Mike** (32m 3s):

Because yea, that makes a lot of sense. The philosophy and the thinking are probably very similar, just totally different tactics, but why couldn't they be applied that differently?

**Sarah** (32m 12s):

Exactly. And so we had this client, it was a home and garden television set. They had a TV show about Ed Begley Jr. And it was called living with Ed and the show was premiering during a low visibility. It was like premiering, like Christmas week or something like that. And so if anybody had heard about the show, this was way back in like 2005, 2006, people would say like, Hey, I heard about that show. When does it air? There was no like real DVR.



**Sarah** (32m 43s):

So you really needed to know the day date, time and network. So what would you do? You would Google it. Cause that was a TV guide at the time. Right. And what would happen when you Google living with ed, you would get results for Cialis and Viagra and things that do not have anything to do with ed Begley jr. To my knowledge

**Mike** (33m 2s):

Might be a happy accident

**Sarah** (33m 5s):

But, but what it wasn't for the show. And so we tested the theory. And so we pitched HGTV on this idea of what we call digital word of mouth or digital PR, or what's now called influencer marketing and said, you know, why don't we try to get press for the show from influencers, otherwise known at the time as bloggers or UGC and see if they will write about this. And if they do just ask them if they could link back to the site and that would drive more traffic and SEO for the show.

**Sarah** (33m 37s):

And it worked so well that Cialis got moved to page five of the search results. Yeah. And I, and, and I did all the pitching myself. It was like, I was, I was the official publicist of living with ed and we had Perez Hilton and HuffPo and a whole bunch of other early, you know, gen one bloggers writing about us and the proof of concept was there. And obviously it's a great story because of the component.

**Sarah** (34m 8s):

So we had our first account and our first case study and that, and that was the Genesis of our social media capability. And only after we sold through a few campaigns like that, did I join 360i full time.



**Mike** (34m 22s):

But that's kind of how careers happen. Right. You're, you're early on something that people don't know a lot about and you master new skills and new territory, and then stuff gets built around it over time.

**Sarah** (34m 32s):

Yeah. I don't think people were calling things social media at the time. It was like right after Google bought YouTube. Twitter hadn't existed again. There was no Instagram.

**Mike** (34m 40s):

There weren't full time divisions and agencies dedicated to this just yet.

**Sarah** (34m 45s):

Oh no people thought we were crazy. People are like, you're doing blogger outreach, like who talks to bloggers like bloggers are like these like creepy dudes in their underwear, in their mom's basement.

**Mike** (34m 57s):

Right. That's so low brower, where's that going to take you?

**Sarah** (34m 59s):

Yeah. And I gotta tell you, it completely changed the trajectory of my career and of 360i.



**Mike** (35m 8s):

And so eventually you rise up the ranks there around the time that you leave, the industry is coming to a reckoning with female leadership. It's been a struggle as it's interesting. So when I actually started my career in the agency world, I had a lot of female bosses and in the media departments, it seemed like, Oh, this was going pretty well, but there, but it definitely capped off at a certain hierarchy. And didn't get past the, get into the C suite. Where would you grade things now that you're out a couple of years, are things improving? Is it still a struggle?

**Sarah** (35m 39s):

I mean, I, you know, at this point I'm now outside looking in and I don't think it's changed drastically. I think every time a woman gets hired in leadership, it's like, Oh, look, another woman in leadership. And so the fact that you're saying that already says something and the same thing can be true for anyone who's black or Brown. And that sucks. And you know, we're just people. So, you know, hired this very accomplished executive. Period. The fact that we have to say, oh, and it's a woman.

**Mike** (36m 10s):

Cause it stands out so much still, is it?

**Sarah** (36m 13s):

Yeah. Yeah. That being said, I mean, you know, there's definitely, there's definitely an effort being made. And you know, if I look at, for example, some of the recent hires that my Alma mater Dentsu has made, Jackie Kelly, Wendy Clark, great executives happened to be women. Great executives. Jackie was like one of the best in the world.

**Mike** (36m 36s):

Right. They'd be stars regardless and should be. And it's great. And, and thankfully they're getting their shots.



**Mike** (38m 9s):

Very cool. Well, thanks so much for taking so much time out, Sarah. Awesome conversation and appreciate your being here.

**Sarah** (38m 15s):

Thank you, Mike. It's always a pleasure.