

SUBTA Power Hour - Transcript

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Today's Guest: Alex Brown, Co-Founder, The Beard Club.

- Alex is a serial entrepreneur and specializes in marketing, strategic and vision development, corporate development, and operations management. He has been behind the launch of multiple brands, including The Beard Club which went from \$0 to 13M in revenue in their first year.
- Alex loves the startup space and helping other entrepreneurs establish and position their companies for massive growth. He is an active advisor to multiple entrepreneurship programs and individuals and loves to give back to the startup community.

Topic: Moving the Needle. Starting and growing a 9-figure e-commerce subscription business

- Beard Club co-founder, Alex Brown, shares what he learned in the journey to 9-figure growth and beyond...

Michelle: Hello and welcome to the SUBTA Power Hour today with our guest, Alex Brown. Alex, for those who don't know him, is a serial entrepreneur and specializes in marketing--strategic and vision development, corporate development, and operations. He's also been behind the launch of multiple big brands, including the Beard Club, which went from 0 to 13 million in revenue in just their first year.

Alex: Thank you so much for having me, Michelle.

Michelle: Our pleasure. Seriously, 0 to 13 million in one year? That is absolutely crazy. Can you share your story?

Alex: Yeah. I mean, my story personally or the Beard Club story? I guess they're sort of intertwined, but I'm originally from Canada. I'm actually up north right now. It's getting a little bit cold close to Toronto, but I moved down to California I guess about three and a half years ago, and I got linked up with my business partner, Chris--for any of you who have seen our videos and our video marketing, he's sort of the face of the brand, if you will, and I'm the guy behind the scenes, but him and I got linked up and we just had the same vision for a lot of different

things, and starting companies, and doing new and exciting things, and launching products, and we didn't really actually know what we were doing at the time, but we knew we wanted to do it. So, him and I started Wearables product and we started, did quite well, but the timing wasn't right and had to walk away from that one, which kinda hurt. We launched a smart toolbox, which he was actually on *Shark Tank* for. It's called Coolbox. So, it had light speakers and all sorts of other really cool gadgets and stuff that's never been on a toolbox before, and we started to launch all these products rapidly. We started to build kind of a little club of four or five entrepreneurial, like-minded dudes and we were all working together, living in a house. We didn't have very much money. So, we were actually AirBnBing our rooms at one point and sleeping on the couch and sleeping in the garage, so we could pay for our rent, but we knew we had a knack for launching products, for making videos, and for branding. So, we actually started a bit of an agency. We were helping other people do much about the same, and we were growing our beards and sort of living life on our terms, and I guess really figuring out what we wanted to be when we grew up, and at that time, started to check out beard products because we were like, "Hey. What do we do with these giant, massive beards? I guess try and put stuff in it and probably take care of them so they don't stink and have all sorts of food in them." So, we started to order stuff online, and everything out there for beard oil was, say, \$15 or \$20 for an ounce, and you know, shampoo--premium shampoo was like \$30. So, we kinda looked at what was out there, and in a past life, I worked at a startup that dealt with pharmaceutical business development and contract manufacturing. So, we helped people find partners internationally for generic pharmaceuticals or cosmetics. So, we kinda took some formulation ideas from a friend of ours, went to a bunch of different manufacturers, and thought, "This could be really fun. Like, let's make some funny videos," because we knew beards were sticky when we'd pass another group of bearded guys on the street, there'd be like a little head nod--sort of like the motorcycle or the Jeep wave. So, we knew there was something underlying there that we could feed off of. We launched our first video. We sort of gathered our pre-launch list--if you will. A lot of people were interested in seeing what Dollar Beard Club would actually be about, and you know, they'd heard of Dollar Shave Club. So, they kinda got the picture, but we started to gather a bunch of emails to make a bit of, I guess, a pre-launch list, you would say. We got our video ready, we took a couple months to get our product portfolio right, invested in a decent amount of products to start off with, which would turn out not to be enough, which is a great problem to have, but we hit launch and it was sort of--I guess you would say--and overnight success, but it wasn't for the eight months of crap that went into it, but it really took off. We started to hit all these major press outlets, and *Huffington Post* and BuzzFeed started to pick up the video and started to pick up the story of what we were doing, and kind of turning this whole new category, really, in men's grooming on its head in terms of pricing and marketing and I'm sure you guys have seen there's

a lot of beards out there and a lot of people walking around with them. So, now is this wonderful time in humanity where men are not considered weird if they're taking care of themselves, or if they're buying grooming products--guys are getting facials and doing all sorts of things for themselves now. So, people are opening up to using products like this. So, it's sort of the perfect storm of all these different things. I'd like to say it was a smooth ride from there for our first year, but we really had a tough time. We ran out of product many times. We didn't have the right operational systems in place. So, things started to quickly get a little bit--much like, I guess, continual firefighting, you might say, in operations. We had to scale up basically everything we had. We'd outgrown manufacturing. We outgrew the logistics partner. Our website was just a huge disaster for us. It kept going down. We didn't sort of build it with a big picture in mind, and as we tried to add more functionality in, it'd just completely break it, or we had, say, 20,000 active subscribers. If you tried and make a change that affects all of those accounts and all of those Legacy accounts, it would just create huge issues. So, we did the best we could with what we had, and obviously, things turned out quite well and it was really awesome to be able to, you know, look back and see the mistakes we had made, but be given the chance to work on them and figure them out because we created this really cool sticky brand that people were really excited to get behind and to get the value from our product offering and to be a part of. So, it's been a really cool ride. It's been about two and a half years ago since we've launched. So, we've learned a heck of a lot since then. We pretty much--I would hope--have seen it all. There's still lots of challenges every single day, but it's just been a fantastic business to be involved with for a number of reasons, and got to kind of play this interesting role between startup world and the traditional sort of BC world. We haven't taken on any major funding. We took a couple small angel investments, but that aside. Then, we sort of worked with celebrities, and influencers, and stuff, so we get a view of that world, and it has kind a weird celebrity, stick feeling because we do so many videos that touch so many people, and then the internet marketing world where you're talking about scaling up and doing internet marketing--all the stuff that we didn't really understand properly when we launched and now go back and look at it and say, "Wow. We really..." We had to email people for like the first year and a half and teach them how to use the products and stuff like that. So, we've kind of got a diverse experience from a lot of different--in a lot of different things from this business, and we're all super grateful to be a part of it, and I guess sort of, that's the 0 to 13 million story.

Michelle: I am curious. When you started--on day one, Alex--what were you actually thinking would happen?

Alex: I mean, you know, we all hoped for the best, but we really didn't expect it to go so big so quickly. Like I said, we did a bit of preparation. So, we gathered--I don't know--probably 20,000 emails, which is a decent amount, but not a heck of a lot, and those were fairly easy audience to get. One of the two advisors work with a lot of influential people, and so they pulled some favors and were able to get us some posts on social media accounts. So, we knew we could kinda make a splash, but we ordered enough product to maybe get 10,000 subscribers and sort of be panicking, and that's sort of what happened almost within--I guess it was three and a half weeks. So, we immediately had to reorder products and scramble. So, we thought we would do okay, but we never expected it really to go that well, which is a great surprise, but came with a lot of challenges, so.

Michelle: So, in less than a month, you had 10,000 subs.

Alex: Yeah.

Michelle: That's pretty crazy. When you think about summiting a peak like Denali or Rainier as a company, where would you see the Beard Club is if your were ascending that peak?

Alex: That's a good question. I'd say it's just leaving base camp, really. We've done a lot of preparation--and maybe I'm sort of selling what we've done a little bit short, but I think we're just starting to really open our eyes to the real market opportunities that are out there. We focused sort of on the big beard niche, if you will--with guys who have giant beards, but there's a whole market for men who have just shaved. The cool thing about being involved in beards is that literally every man on earth is currently growing their beard right now, whether they've just shaved or whether it's three feet long. So, there's sort of a plethora of different opportunities for us in this niche now that we've made a name for ourselves to expand beyond that. So, I really see this going a lot bigger, but it's sort of like we've kind of gone to base camp and back a couple times because we forgot stuff at the bottom. So, I mean, I think we're started to make the ascension now, but it's all just been a lot of really great preparation thus far, and like I said, sort of bought us time to figure out what the next step is and really have the sum of the mountain.

Michelle: Okay, assuming you're solidly out of base camp now. Acquisition and retention--two areas that tend to pull in a subscription box company's very core. What is most important to you? What are you doing about it? Where is your growth going to come from?

Alex: I think that they're both very equally important. We're very great at acquisition--like, from the get-go, by default, because our videos were going viral, we were acquiring a lot of people.

We weren't--like I said, we weren't focusing properly on the indoctrination of people into the club and the [inaudible 00:26:07] on the products. So, we've really had to really refine the way we look at retention. You can't scale a subscription business unless you have a solid retention rate because your cost for acquiring customers--you might get better on it and find more scientific ways to get to new people, but I think typically, you find that it goes up on a longer timeline. As you try and pull in new people, you have to try new things and you can work with affiliates and influencers, but they kind of have their own risks as well. So, I mean, I can't really pick one or the other. I can say that, you know, we've learned that retention is just so incredibly important, and it's really cool to get excited about people coming in the door, but unless you're able to keep them there and really get a great sort of return on and the lifetime value of that customer and keep them coming back even after they've unsubscribed, a few months later and coming and trying some new products that you've launched. That really has to be a solid, foundational focus of any sort of--any sort of subscription business.

Michelle: How are you improving your retention rate and reducing churn?

Alex: A really big thing is to focus on sort of product education and habit-forming, and it's sort of kind of overlooked by us in the beginning because there was so much going on and just, "Hey. Send people products. They'll know exactly what to do with them or they'll come back to the website," but really communicating with people via email from day one and targeting them on Facebook after they've, you know, purchased the products to get them indoctrinated into the club, if you will, and into what the products are all about and how to use them has been really good for us. We've seen a really big boost from that. Things that we're exploring in the future is more exclusive content that we'd like to be able to provide for people sort of on the inside to keep them around for longer. One thing that we didn't get right was shipping people too much product. So, we originally offered these massive sizes of product, but it was basically impossible for people to go through 4 ounces of beard oil in one month, unless they were--they had, you know, a 3 foot beard. So, we adjusted that offering as well. We'd like to really build out some great milestone gifts as well. People love getting gifts and surprises and stuff, and offering people samples of other products because it might not necessarily be wise to think that someone's just gonna keep ordering the same product--or sorry, every month--for five years, but there's a lot of great products that we have. So, just different ways to introduce them to that. Another thing that was really pivotal for us, and this is actually focusing on--I guess what you would call maybe a cancellation flow. I still don't have the best word for it, but really it's looking at the subscription adjustment portal for a member--what their backend and experience is. If they go to cancel their subscription, are there things you could be doing to cross-sell them onto

another product, or maybe down-sell them onto another size, or say, “Hey, you know, if you’ve stacked up too much stuff, why not skip a month and change the frequency of it?” And this is something that we’re not quite scientific with yet, but we’ve begun experimenting and finding things that do and don’t work for our customer base. It’s gonna be different for everyone with a subscription business, but we never really pictured that at the beginning of how important it would be for somebody who does wanna change or cancel their subscription to actually focus on that as a really important part of the user experience of your website because it definitely is. There’s a certain point where somebody will wanna change products or cancel that, right? And this is great opportunity to keep them onboard or at least prepare them to come back onboard in a couple months when they are ready.

Michelle: Excellent. Are you exploring any of the mobile messaging, texting technology to help create new habits for your members?

Alex: We haven’t really delved into that yet, but it’s something that we’re extremely interested in. I mean, messenger bots are really a hot topic right now, and we’ve been at a lot of events where they did come up quite frequently. We don’t collect phone numbers. For the most part, we don’t require phone numbers. It’s great for delivery, but we haven’t really gotten into that and we wanna find a really good basis. In the beginning, it was funny because we actually didn’t wanna email our customers because we thought, like, “Oh, maybe we’ll just remind them that a subscriptions about to come due and they’ll go and cancel it.” Well, now we’re like, “We actually wanna talk to them as much as possible so that--you know, we want them to wanna hear from us.” So, this is definitely our roadmap of things to experiment with, and I guess, when you have an active base that’s pretty large, making any change to all of it could be quite risky. So, we try to figure out the best way to roll things out in test instead of just saying, “Okay. Let’s flip the switch and try this with everyone,” because if something doesn’t work well, it could be a disaster and we might not be able to go back, and it’s--we always use the analogy of when you have all this going on it’s like trying to renovate a house where there’s a party going on. You’re shifting people into other rooms, you’re trying to paint and the people standing in the paint, and it could be a little messy sometimes. So, I guess I’m just kind of going off on a tangent here, but yeah, we’re looking at ways to test that out and really use that as a new tool.

Michelle: Question from the audience. “What most impacted your ability to jump from 20K to 200,000 subscribers?”

Alex: We don't have 200,000 subscribers, but like--really, like, in the beginning, we had just had these massive spikes in acquisition like I said. Mainly, for us, it was video-driven marketing campaigns that we were able to put AdSpend behind and that we were able to really test the eyes of people in the press and get some coverage like that, but we've been huge proponents of video marketing. It's obviously easier for certain industries like beards to make something that's fun and great to watch, and something that people wanna share, but there's creative ways to make videos for any and every industry, and I promise you, like, the more boring and dull your industry is, the actually more impactful that this video can be, but really behind a lot of our success in acquisition has been video and a focus on video.

Michelle: Okay, let's shift to the people side. So, tell us a little bit more about your partnership with Chris, your cofounder.

Alex: Yeah. I mean, this--the brand that we created is really true to who we are and sort of what we do, and we're funny guys, and we like to express our humor, and we like to use natural products. We're sort of like health freaks, in a way--not that we don't have the odd beard, but love to explore holistic health and healing, and eat super clean, and stuff. So, the whole being, I guess, like, true to yourself, growing your beard, and you know, having products that don't have additives and chemicals in it is sort of very true to who we are, and him and I work really well together. He's the visionary genius, "Let's pull a video out of thin air and make it happen on the most ridiculous budget." He's basically the best salesperson in the world. He can find somebody and get in touch with them mysteriously somehow every single time, and I'm more of, I guess, the operation--how to translate that big vision into something that's actionable, but really, like, far beyond Chris and I, we have just an incredible team at the Beard Club--men and women. I think it's about 50/50 now behind this club and just a lot of people that are all invested in seeing this become something very special, and we really couldn't have done it without them. So, I think it's unfair that Chris and I get a lot of the attention sometimes, but we've got just some incredible people that have been with us since day one, some people that have just come on in the last month, but it's a cool culture that Chris and I have created, and then has duplicated into people that come onboard and just really excited to work with this brand and help this company move forward, and you know, I'm really grateful for the people that we've been able to attract because of our, I guess, authenticity, and being humble, and needing help, basically.

Michelle: I like that. People like to help people who need help. I'm glad you brought up culture. Tell us about something that people might not expect in terms of how you hire for culture. And

also, how about the times when the pressure is on and the business is not going as planned. How do you work through and maintain the kind of culture you want, when things get tough?

Alex: I think--I mean, everyone has their moments and there's little disagreements that pop up here and there, and I'm usually pretty good at fixing these situations, and it's definitely a role I've played, I think, in the past and the present, but honestly, like I said, everyone's so invested in seeing this go well, and I don't really know a lot of people that aren't really good friends that work at the Beard Club. Like, we'll work together all day, and then go to dinner together, and then go hang out at night. So, sometimes it's a bit much. It sort of stemmed from, like I said, when we were all living together. There were six of us guys that were eat, sleep, breathe Beard Club, basically, morning to night and I guess that's sort of like carried forward and everybody just realizes, like, you know, this can be a nightmare and really crappy sometimes, but it's also really fun. We're building something really cool and really special, and because I guess we're at a still relatively small stage, we still have--people still have the opportunity to make a huge impact in the things that they're doing, and the stuff that you're doing you actually see happen and see effect the business in a major way. So, it allows people to be proud of what they're doing and what we're doing, and I think it sort of stops a lot of those disagreements before they begin, but it sort of like hanging out with 12 of your best friends, and you know, there's some periods when you're not completely in love with each other, but you're all there to hang out and have a good time, and in this case, work.

Michelle: That's cool. Did you and Chris architect your company culture based on core values or did you let it arise organically? And as a follow up, do you have certain rituals, stories, or symbols that pass that culture on through to the company and to other customers?

Alex: Yeah, I think the culture very much came organically from the kinda people Chris and I are, and that's the reason that we've attracted the same sort of people that we are because we're very authentic to that, I guess, personality type, if you will--not that everyone's the same personality type, but the same core values tend to be tracked into our lives--both in work and outside of work--as the ones that we embody. So, it's very much like--it took us quite some time to sit down and actually say, "Okay. We're a big boy company. We need to actually start putting our values and all of this stuff on paper," and really starting to get a bigger plan around what is our mission and what are these sort of--what are these sort of, I guess, like, systematic things that you need to put in place for a bigger company, but it was always just sort of apparent from the first time we would meet someone that was a potential employee--or potential business partner, really, as we like to call them--is to sort of embody these and you kind of either get it or

you don't. In terms of rituals or symbols, there's not a lot. We're pretty flexible in terms of, you know, if someone needs to go and do something in the middle of the day and it's a doctor's appointment, you know, you're absolutely free to go and do that. It's just--there's what's expected to be done and what needs to get done and everybody kind of knows that and flows with it, but we've done some really cool things, like, outside of work as well as had, you know, tapping sessions with people that do, like, tapping and stuff to release emotional trauma or to release workplace blockages and stuff like that. So, we're into helping people as much as we can that work with us and work for us, and if somebody has an issue or a problem, we're really happy to help out with that, and it's just kind of core to our culture is getting better as a business, but also getting better as friends and as people.

Michelle: No, I like that. That's kind of a triple hit right there. Watching your videos, Alex, I notice that other than Gandalf, there were no men with gray in their beard. I'm just curious, why is this?

Alex: I mean, it's not really intentional, I am glad you pointed this out. Certainly trying to include that level of diversity in our videos going forward.

Michelle: I just was thinking you have to give hope to men who just because they're having a little bit of gray come in their beard, it's okay to still have a beard.

Alex: I think it's even better. I love seeing guys with salt and pepper beards. I think it's awesome.

Michelle: Exactly. So, seriously, you guys have developed some of the funniest videos that clearly connect your tribe with videos that have been viral in excess of 10 million. How do you actually keep those fresh, and relevant, not getting too corny?

Alex: I mean, it gets tougher and tougher, especially as the expectations get a little higher, but you know, for a while, we were really focused on getting these really great big, epic, awesome commercials out, and it was going well, and we started to see, I guess, diminishing returns on them, and we started to sort of believe our own BS, if you will, that we were video kings and stuff and lost sight of what the important things were, which was building up the brand, recognition with people, making people life, and acquiring customers at the end of the day. So, we have an amazing creative team that are just nonstop ideas and execution like bosses, and Chris as well is just a really, really creative, funny guy who just--it's sort of like there's new video ideas that get thrown around every day. There's probably, like, a thousand of them that we've

talked about and thought about and just haven't ended up doing, but really, like, I guess another bit of learning that we had to do is it's not necessarily all about trying to make viral videos. It's about making great videos that get a great message across, that acquire customers, that make people feel like they're a part of something bigger, that make people laugh, and get the name out there, and you don't necessarily have to spend a ton of money doing that. We also do--this month, actually, for November, we're doing it a little bit different. We have sort of a main video that we've released, but are doing a video every single day of November. So, it's more beard motivation to grow it along with No Shave November who we're partnered with, but it's something that's evolved for us as well is our video strategy, and just trying not to build up these expectations that aren't really realistic and don't really matter, and just kind of get back to the roots of make funny stuff and do it on a budget, and it's not about big production values and stuff like that, and we sort of challenge ourselves to make great videos for, you know, as quickly as we can, and see what works, see what doesn't, see what resonates, and that kind of rapid fire content's done extremely well for us this month so far, and our engagement's just sort of through the roof because certain messages may really resonate with some people, whereas, for other people it might be lost, and like an example like I said earlier was the big beard crowd. Some of our videos are really focused on guys with big beards. That's all we had in our videos. So, somebody who just had stubble or a shorter beard would look at that and go, "Well, that's really not for me. That's for one of those guys with the big beard." So, we missed the mark on that, and that's something we've learned and I'm sure we'll slip some graybeards in there in the future. So, thank you for pointing--

Michelle: Well, they can be short. Like, I loved how you had Richard Sherman in the end of one of your videos. Yeah, not everybody can be ZZ Top either. On the topic of doing good, can you share your involvement with Movember.

Alex: Yeah. So, we actually started a partnership with Movember last year. They're a great foundation, great organization. It was an interesting match, though, like you mentioned because they're sort of about shaving your beard off and growing a mustache, and we really just thought because they're such a big name in men's health and I really like their new focus on their message being that men are dying too young and not just focusing on testicular cancer, prostate cancer--just sort of men's health in general. We really like being partnered with them because it is about opening up the conversation and just having men talk more openly about their health. I actually, unfortunately, lost my father just about three and a half weeks ago. He died way too young. Not something testicular/prostate cancer-related, but he should've gone to the doctor earlier and he should've gotten himself checked up earlier. So, it's something that

occurs with men naturally--I'm stubborn. I mean, my mom's stubborn too, but men need to really take better care of themselves and realize they're not invincible and that it's not a sign of weakness to go and get something checked out if it's bugging you, but yeah. So, we've kind of changed our partnership with them a bit this year. They're starting the No Shave November campaign as opposed to just mustaches. So, it's a great fit for us and we're their exclusive partner on that one, and we've just been able to donate--of course, the proceeds of the portion of every sale--like kits and everything that we're working with through that charity. So, we're excited to be a part of the. We really haven't been doing a heck of a lot day by day on a charity basis, but it's something that is a big priority for us is to give back a lot more. Instead of just much like Movember and No Shave November--instead of it just being about a month, it should be No Shave Forever, No Shave All the Time just as it should be giving back all the time, and it's something true to our company culture is giving back. So, we're looking for more ways to integrate that and get members more involved in selecting the charities that we're involved with. So, it's a really exciting to be able to give back, and I think it's great for every business to be able to do it, and so many do and so many don't get recognition for it. It's a lot of sort of the bigger companies that make big donations and make a big stink about it, and we're sort of guilty of that too because we advertise what we're doing, but there's a lot of great businesses out there that are giving back, and it should be a part of every corporate culture, in my opinion.

Michelle: Thank you for sharing that, Alex, and on behalf of everyone, we are very sorry to hear about your loss, and your relationship with your dad will never go away, clearly your father is a part of who you are. As one of our guest just sent, we all send you our thoughts.

Alex: Much appreciated.

Michelle: You bet. Thank you. On a flip side here, I'm curious. What keeps you up at night or should be keeping you up at night?

Alex: I think it's sort of like the big picture stuff that I talked about, which is what the real potential is for the Beard Club, and it's not just guys with Gandalf beards or ZZ Top beards. It's actually the fact that every man's growing a beard to some extent at every point of their life. So, it's working our way towards being more of a household name in men's grooming products as opposed to--what some might say--just like a novelty brand for beards or something like that. So, that's what keeps us up at night is kind of positioning ourselves more in the flow of that major brand, and being able to offer products and not be, I guess, within a niche. I think it's important to start in a niche with any business--and we've certainly done that well, but now it's

kind of go time for us, and let's pivot away from that and become something more and bigger, and be able to affect more people and encourage them to not necessarily just grow a beard, but grow into the authenticity of who you are, and that's kind of a lot of what the marketing we've made has sort of pushed for is it's not just about growing your beard, it's about becoming who you are and not being ashamed and shaving and covering it up--not that shaving's a terrible thing. I'm not saying--anyone clean shaven listening, I'm sorry. But it's kind of like getting that messaging across to more people and making our products available to more people.

Michelle: That's wonderful. Question has come in in terms of the operations side. What is it you are choosing now to do in house versus outsource?

Alex: So, we've actually outsourced our fulfillment, our manufacturing, and our customer service pretty much from the get go. Customer service was internal, but it quickly became apparent that we needed some more hands on deck because I spent one weekend doing like 18-hour days of customer service tickets, and I was like, "Why am I doing this? I'm the cofounder of a business." You know, our other team members didn't have time to do it. They were doing marketing and operations and everything. So, for us, outsourcing those three has always been kind of part of our business. We're really great at marketing and I guess the overall operations, and controlling the operations, and forecasting, and the strategy. So, we let the people do what they're good at best, more or less, but we've worked with a couple partners that we've had to kind of outgrow and move away from, and we really like where we're at now, but for us, it's much more simplified to have an account manager, and another person that we can speak with, as opposed to managing a team of 12 people that are full-time stacking boxes and have to worry about quality control with them. Instead, it's more everyone's accountable to the account manager, we're accountable to them. I really liked what you said about customer service and when you slipped that in because that was something we definitely overlooked. We thought it was just issue management, but I think majority of times when someone writes in to customer service, they end up having a very positive experience, which can actually move things forward. So, customer service is huge. If anyone's thinking about outsourcing it, just make sure that you make it really easy for the agents to become a part of your brand and understand the key messaging behind it, and really feel like a part of your time because then they'll be really giving those great answers.

Michelle: Excellent. Where are your agents based?

Alex: They're just north of LA.

Michelle: Are in the US?

Alex: Yes.

Michelle: How do you involve them with the brand?

Alex: We actually--we've met with them quite a few times, but there is quite a few--like, a high turnover at I guess the call center atmosphere, as you can imagine. We have some agents that have been with us since the beginning, and they have sort of become the key points of contact for us. We're certainly really grateful for them. We've actually internalized additional people from people that were just kind of part time casual friends of friends that wanted to pick up some extra hours doing customer service tickets that really enjoyed it and that work with us full time. So, we're in like sort of transition phase where we have sort of like half and half, which is kind of a good mix for us, but I think there will come a time where we'll be able to internalize that fully, and I think we're getting to it because for us it's really cool. We have a great brand--we have a great culture. So, people enjoy working with us and for us, and yeah, I guess we probably should do a better job of taking in the contract service providers, but we do have a great relationship with them and we're happy with them.

Michelle: One of our listener's is asking, "What company outside LA are you using?"

Alex: It's called Applied Perceptions.

Michelle: On a lighter note, I heard that Beard Club started on a beach with some quality liquid courage. I'm curious. If you were on the beach right now with another good brew, where might your talk like to go? Where do you see--we've talked about the Beard Club, but where might else you'd like to take your talents and put them to good use?

Alex: I really enjoy--I really enjoy helping people avoid the same mistakes that I've made and that we've made with the Beard Club. I've got a couple friends who look to add subscription parts to their existing businesses, or start things outright, and because of all the stuff we've gone through, I've sort of had this blueprint in my mind for how we should've done a lot of these things. So, I really enjoy sharing that insight with people and of turning it into, like I said, a guideline. We can talk about Unconscious Content in a bit, too, because that's [inaudible 00:56:11] asked us how we made videos. So, we eventually just got sick of typing out the

answer [inaudible] a call and we turned it into like a free e-book. So, that's something I'd like to do in the next couple of months and I've started working on is, "Hey. This is the guide for all the things that you need to think of." It's impossible to know how everything might work for each particular niche or what industry you're in, but these are sort of the overall principles of things we didn't think of that you should before you launch sort of. So, for me, I think that adds a lot more value to the mistakes that I've made and we've made, and I really love speaking like podcasts like this, but I actually love speaking onstage. I think it's because I come from playing in bands and playing music and stuff. So, that's me kind of reconnecting my roots a little bit, but that's sort of the liquid courage moment now is how do I get into more of that.

Michelle: I am confident, Alex, there will be many hand-raisers for your blueprint. It will be interesting to see.

Alex: I would actually love that, and anybody that is on the podcast that would like a copy of that, I'm really happy to give them sort of the early first pass at it when it's coming out because I'd really like it to be a lot of value for a lot of people, and if something doesn't make sense or whatever--so, I'm happy to give anybody a copy as long as they're happy to give me some feedback.

Michelle: We're excited about your blueprint and happy to share that. Tell us about Unconscious Content.

Alex: Yeah. Well, it really sort of--that came about because we started to get involved more in marketing events and masterminds. It became abundantly clear that we had a really great ecommerce company without really knowing enough about e-commerce, but just nailed the branding. So, what we've done exceptionally well, which we knew, was the video part, and so every time we go to an event, I was getting asked to speak at Master Minds events. Chris was getting asked to speak, particularly him because he's the face and the good looking one, but he and I were like, "This is something that's really cool and something that people find a lot of value in." So, we put together our own event and we did it in Hollywood at a really nice mansion and had a bunch of people there. We had a bunch of speakers that kind of put this together to I guess get more of this out in the open and flesh out what everyone's questions were. We had a bunch of our friends from the internet marketing and startup world, and I guess the influence/celebrity world come, and it was a really great event. We thought we might end up making some money on it, but we did not, which is a hard lesson to learn about doing events--not to discourage anybody doing them, but it's a lot of work, but we had this vision for

just creating simple guides or the blueprint that I have. So, it's available at unconsciouscontent.com. You can just pop your email address in, it emails you the PDF, but it's sort of the 7 step formula for creating a really high impact video, which doesn't break the budget. It's the formula we've used. There's tons of variations and different looks you can take at it, and each individual element in it is actually something that you can incorporate independent of the other elements, but it's kind of the best way we could formulate having to explain the exact same thing over and over again is just kind of putting it all in a guide and just letting people have it, more or less, and we're building a list, but we're really still not sure what to do with it yet. You know?

Michelle: Oh, we've all been there. So, two things, Alex. First off, I would debate that Chris is the good looking one.

Alex: I have to confess, too, that the photo that's up of me right now, I actually have a much shorter beard and my hair is cut down short. So, I'm looking a little bit younger on my birthday today than I was in that photo, I think.

Alex: More common bond with people with shorter beards and break barriers, you know?

Michelle: Somebody has to. I see on LinkedIn that you refer to yourself as traveler. I'm curious. Where are you off to?

Alex: Well, I actually spent the last six months on the road. My lease was up at my place in California, and I knew that I had to be in Canada for a wedding and Europe for a wedding, visiting friends in Hawaii, and most of what I do now can be done on the phone or via computer. So, I kind of looked at that as an opportunity to go out and be able to work remotely, and there was still lots of work things I had to do, and lots of meetings to get to, but yeah, fortunately, like I said, we have a great team in the office. I'm hoping to make it back there soon. I kind of had to make a detour back home for the family situation, but yeah, we have a great team in the office and they work remotely lots of times as well, but I'm looking to take it on the road again next year and speak at more events and kind of see where the wind takes me. I don't have a family right now. So, kids aren't an issue with traveling. So, I figure, before I settle down and do all of that, then I might take this last opportunity to do a trip around and visit more people that I know and love all around the world. It's a great [inaudible 01:02:20]

Michelle: It sounds like traveling in terms of work and connecting with people, and I absolutely get what you say about being on a stage where you can connect in real time. I'm curious, you said wherever the wind blows you. Is there any particular beach or mountain or pagoda you'd like to go to?

Alex: I really love Hawaii. I spent almost two months there last spring, and it's so beautiful and so powerful, and like, for me, I'm so centered there. I get up super early in the morning, go for a workout. I just feel the energy of the islands there. I'm definitely gonna end up back there at least for a week and hangout in Hawaii. I have some really great friends in Europe, and I lived in England for a couple months and backpacked around just after university. I have so many friends there--some of my good friends in Switzerland and I stay with them for a week, and they're bodybuilding entrepreneurs. So, they're natural bodybuilding champions. They have clothing line, supplements--just even being in the same room as them and seeing their hustle inspires me in a different way because you kind of see how different cultures work and what they put into it, and I don't know. There's lots of places I haven't made it to yet, but bucket list place for this year is actually Nepal--and I hope my mom doesn't listen to this because she's scared of me going anywhere but my room--

Michelle: Well, that will never change, but maybe she'll just go with you. Nepal sounds pretty cool. Excellent.

Michelle: Wrapping it up, Alex, "what advice would you give your younger self?" Your pre-Beard Club self.

Alex: I guess the main thing--and this something that I could probably give to myself now too is just not to worry so much, that everything always turns out okay in the end, and if I look at myself in high school, I worried about stuff that literally could not even have the smallest bearing on my life today. I look at myself five years ago, and a year ago, and a lot of the stuff that we tend to get bogged down in, whether it's in work, or our personal, or family life, take a step back and look at the big picture. It really doesn't matter, and it's something I'm trying to bring into practice everyday still is being more present and not sweating the small stuff so much.

Michelle: Excellent. So, any last thought you'd like to share with our audience before we wrap it up?

Alex: Don't be afraid to make mistakes. Plan as best as you possibly can for a new product launch, a new business launch, or whatever it may be, but just don't be afraid to make mistakes because we've made some of the biggest ones of our lives in this business and it's taught us the most. Again, I hate that that's such a cliché thing to say, but I've learned so much by failing at stuff than I have by succeeding at stuff.

Michelle: Play fearless, right?

Alex: Exactly.

Michelle: Alex, what an absolute joy talking with you has been today. My mind is blown in a bunch of ways and I'm sure the audience as well. Thank you for being on the SUBTA Power Hour. We look forward to touching base back with you again on your next ventures, and this is Michelle at SUBTA and we're out. Thanks, everybody.