

	<p>Episode 12: Spaghetti Sauce and Apparel Decorating</p> <p>www.customapparelstartups.com/spaghetti-sauce-apparel-decorating/</p>
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Transcription Start:

Mark S: Hey, everyone and welcome to yet another, I think this is episode number 12, so we're at a dozen of the custom apparel startup podcasts. My name is Mark Stephenson.

Marc V: And I am Marc Vila and here we're talking about spaghetti sauce and the custom T-shirt business.

Mark S: This is by far my favorite title so far, and we have to tell the story here, really Marc and I we struggle sometimes with finding the best material to educate you guys and something that will really impact your business as after all you're cutting out part of your day to listen to us yammer at you about custom apparel and general business, so this was inspired by a TED talk that I watched at least a dozen times by Malcolm Gladwell.

Marc V: Yeah, and if you don't know who Malcolm Gladwell is, or if you haven't read any of his books or seen him speak, I'm just going to recommend it especially if you're in small business, if you're in the business world, it's inspirational and the first book that I had picked up was probably in 2004-2005 'Blink'.

Mark S: Blink was great.

Marc V: Yeah, and he just talks about making decision and how people can make decisions, like in this Blink! So he is an inspirational person to listen to and read and I say that most anybody in business would pick up his books and read something and then put it down and have a new idea, a new outlook of a business.

Mark S: I absolutely agree and he was at this TED talk and they invited him to speak and if you're not familiar with TED I am going to say go to ted.com and start exploring, but he did this Ted talk called choice happiness and spaghetti sauce where he talks about one of his idols, whose name is Howard Moskowitz. Which is one of my favorite names and Howard was a (I can't remember his title because it's a science that no one else has ever heard of) But basically food manufacturers would hire him to try to figure out what the ideal flavor set or brand of food was, so for example: he would talk to Pepsi about what's the perfect Pepsi and he would talk to Prego's spaghetti sauce about what's the perfect spaghetti sauce and the results really had changed the way marketing is done in the food space and can have a real impact on what we do as apparel decorators.

Marc V: And he one thing that he says is about spaghetti sauce specifically was the traditional spaghetti sauce was-

Mark S: -Ragù.

Marc V: Yeah, and it was just thin plain and simple sauce, and we need to deliver people the traditional spaghetti sauce, what a sauce is and I grew up in an Italian family and that's the spaghetti sauce that my mother made, it was just like that and it was exactly how he described it. And then talking about going in an offering other options.

Mark S: So, Prego hired Mr. Moskowitz Because they were the number 2 brand in the 70s and Ragù was kicking their butt in the market, just because Ragù means sauce in Italian so they had that going for them . So Prego said was what's the perfect sauce we need to compete and what he did was he made dozens of different sauce variations and he took those sauce variations on the road and had people do a taste test. He put in chunky and spicy and less tomatoey, more tomatoey, just like every little variation you could think of and had people taste.

Marc V: With that he also talks about how there isn't a right one, they thought there was a 'right' one and they thought the right one was the "Traditional one" and that's the one that you're supposed to have and like and people would want. But as soon as you start to bring other variations in we really realize that the taste of everybody is different and there is no right taste.

Mark S: And it is clustered too, so what everyone expected him to find was a kind of bell curve, so like 10 people would like not sweet and 500 would like it really sweet and 10 would like it extremely sweet and so there would be a nice clear cluster, but what he found was that wasn't the case. When he looked at the data he found that the groups of people liked it in many different ways. So his answer to Pepsi and his answer to Prego and kind of our suggestion to you out of all this is that there is no one perfect Pepsi and there is no one perfect Spaghetti sauce and it's the plural of those.

Marc V: And what else is really interesting is he mentions coffee for a moment and that is where he starts it and when I think about with that is what people think they like VS what people like with what people would say they like VS what they really like and I've got thoughts on how this applies to the Apparel Industry but to got to the example: Who here likes something to a effect of a rich and robust and dark roasted coffee. And everyone would raise their hands and say that's what I like, but in reality most people like creamy weak coffee.

Mark S: When they did the taste test that's what they found, what people say they like and what they actually end up liking are two different things and that was the same thing with the spaghetti sauce which is why we have chunky spaghetti sauce is because no-one has ever asked for chunky but when it was offered to them a significant portion of the population ended up linking that the best. So here is something that wasn't even being offered in the market it was like Starbucks recently started offering a blond roast and that's because there are a lot of people that like the strong taste of different Starbucks coffee but there is a big population that would say that but they actually want something weak and something a little bit lighter in color and not as strong.

Marc V: So I find all of that stuff fascinating and I think a lot of it applies to our industry and so the first thing to talk about is the rules or what you're supposed to do in Apparel decorating so what do you feel is

the right way to do things might not necessarily be the right way to do things, Because there isn't always a right way.

Mark S: There are multiple right ways so, it's just really the number one lesson that I took away from this and all of you are guilty of this (I hope) because I know I am and that's just offering customers what you like.

Marc V: Yeah.

Mark S: So, that's a big deal especially in apparel decorating if you for example if you do Rhinestones, you may only like rose Rhinestones, you may only like the SS-16 big rhinestone, you may only like a certain color or combination or style of design, so when a customer calls you and asks for: I need a cheer-leading design for my kid's school then you're going to give them what you like.

Marc V: And that comes down to like you mentioned the variations in the colors, we have customers come in and they look at the charts and they say "I think that the cosmos check looks awesome". And I don't understand like the black check, there are two different colors of stones, however if they make the decision for their customer they might not necessarily for one being deliver exactly what their customer likes and somebody else might. Now my take over that little color of Rhinestones might not lose customers over that however you need to go to your customer's and say "here are two options blue and black".

Mark S: Because, they may not know, let's say that you are the person and if you're doing DTG and somebody sends you a design that they'd like printed and you print it and hand it back to them, basically you're letting them just buy Ragù because it's what they asked for and what they expect and they might not know any better and it's up to you and it will be more profitable if you offer them more options.

Marc V: Yeah, and it works both ways it's a double edged sword because on the other hand they might hand you a piece of artwork and you might look at that and say "These colors!! Who would wear this?"

Mark S: They're terrible, how many different shades of brown are there? For god's sake.

Marc V: But if they love it and the group that they are representing like a club or an organization loves the logo and loves the colors and loves the designs especially if they are in a different culture or a subset of a culture than you and if they love it then make it for them. Just because if you don't love it doesn't mean that somebody else doesn't.

Mark S: Remember it's not what you like but then again don't let your customer get away with just the Ragù. At every opportunity because just like Howard Moskowitz found out they may not even know that they want chunky and if you can introduce somebody that something that they love but they weren't aware of like you truly introduced them to something then you've got a fan you just don't have a customer, they'll look at you differently than they will at every other vendor.

Marc V: And I think a real world example is in the custom T-shirt business, somebody is going to call you up and say "I want 25 T-shirts with this on it and you're going to say "okay, do you got a color in mind a style in mind?". A T-shirt probably blue and you're going to say "okay great, I can do that that's easy". If you have the opportunity to meet with them and you have a few samples of this blue shirts would be better if you have specific of those but just samples of styles and just bring it to them and say that look, this comes in a crew neck and this comes in a V neck and this is more of a organic cotton material and feel this one and this is just your standard in-expensive pre-trunk and let them get a feel for the different flavors that are out there of the shirts and they might pick the organic one and say "wow, this feels great, i didn't even know... I buy a organic tomato sauce. I did not even know I could buy an organic T-shirt" and might not even realize that you just found a niche and a love that that customer already has, they said the word organic and they love it already, because they buy organic foods and they can buy an organic T-shirt and that's something when you are marking it up you could possibly make money on and they didn't know that was an option like you've just earned a fan.

Mark S: What we're talking about is kind of offering variations and this is especially important if you're a single method decorator. If you're only a screen printer or if you just do Rhinestones or if you only do DTG then its going to be important for you offer variations and this really brings me to a discussion that takes place all the time and I'm going to plug our Facebook group, if you are a Facebook-er join us at Custom Apparels Startups. It's full of people that do just what we do and what you guys do but the common conversation is: how do I do my pricing? There is somebody new in town that's pricing lower than I am, I can't seem to make money in this business. We hear that kind of thing all the time and I can guarantee that what's happening is that someone would call up and ask for, hey can you give me a price for 50 medium and large shirts with this design on it and the business person says yes and they give them a price. Well of-course the only decision that you've given them to make is, is this one cheaper than that one?

Marc V: Yeah.

Mark S: You've got to be the person that offers them variation that offers them more than one kind of Spaghetti sauce, so the variation on the blanks is a really important one because a lot of people will just put it on the cheapest T-shirt possible. What Marc said is absolutely true, somebody comes in saying that I am really interested in a bunch of V neck shirts for a running club, and you say V necks for a running club, that makes perfect sense, I can definitely do that, have you thought about a long sleeve V neck for the fall.

Marc V: Yeah.

Mark S: Have you thought about a hoody to go over the V neck that I can do the same, so what you are doing is you're offering the extra chunky and that's important to do with every single customer that contacts you. If you're a single method Apparel Decorator it's finding and giving them those options that they'll have the opportunity to love.

Marc V: And that's I think what you just said something in there that is really keyed in when I had been in sales before because, equipment sales then I also sold for real estate services, and people would call up and say, what's your fee, how much does this machine costs and the rule was, which I hated this rule for

myself anyways because I whenever I would call I would wanna find out the price if somebody could give me a price or an estimate or a quick range, but the thing is you immediately make it about the price when you do that, so the rule was, was that I am not going to answer any price questions until they answer a few questions for me. And I had to explain that to them in a reasonable way. So if somebody calls up and says how much for a 100 shirts, now you know you can't answer that question already, because there are a lot of factors involved front, back, long sleeve, short sleeve, cotton polyester there are all these other variables.

Mark S: Yeah, what do you want me to do to these shirts?

Marc V: Yeah what do you want me to do to em? But beyond that I think you need to help the customer try to get a consultation if you can, try to get em to come into your store try to set a meeting if you can, especially if it seems like it's a big enough order Because that's the opportunity you have to give them a whole menu and offer them a menu, get things in their hands, get a feel for who they are and try to find out do they like the idea of the organic but if you can't get the meeting even make the meeting on the phone. Try to find those things okay this case is for running club and you could ask "do you run year round?" that's where you could go for a hoody and long sleeve and then one thing is – since we are talking about spaghetti I am going to say is look for Parma Jon cheese add-on too, and you can also say, by the way i also do hats a minimum of 10, you said you're ordering 50 shirts so it's a small number, you think 10 or 12 of those people might want some hats that match, I could add hats easily and There is your opportunity to add Parma Jon, not everybody on the table is going to want Parma Jon cheese added to their spaghetti, however you might get a portion of it and that is an up.

Mark S: I like that and especially with something like if you do vinyl or if you do DTG or especially if you do embroidery, those are really reasonable and helpful things to offer because they may be looking for caps and did not realize that they could do that in the same phone-call as well. So definitely chunky and Parma Jon kind of conversation that you can have. So the other thing that you can do other than offer variations within is different blanks, we talked about different garments which kind of goes under blanks, you could also talk about design options itself, we touched a little bit on that but I don't want to get away from the fact that especially in Rhinestones and Spangles and even in Vinyl actually you can offer designs that are just an outline, you can offer designs that are filled, you can offer designs that are a combination of two different methodologies and as a matter of fact that's the next thing in my notes is different methods that you can offer if you have the capability.

Marc V: Yeah and the other thing that also comes to the price I think, if we circle back a little bit because if someone is asking specifically for- I just need T-shirts and i need 25 of them or I need a 100 of them, well you maybe have a DTG and you might have a vinyl cutter and you now have two options to sell them, so that's where it comes to deeper into it, which one is going to cost you more in time and supplies and what's the purpose of those shirts and what are they going to do with them, that's what it all comes down to getting all those questions asked to the customer and then offering in and say "I could do this in a moisture wick and I could do this, I could take that design and I could put it like this on hoody and I could take this other design and I could put it on a T-shirt a this one is DTG and this one is vinyl and I think this will mix well together".

Mark S: And here's what's great it's the spaghetti sauce lesson, just because I really like to state spaghetti sauce there is something about it is that within a few years of the change that Prego made they were by far the number one brand of spaghetti sauce on the market.

Marc V: There is still Prego VS Ragù commercials, I saw one not even a week ago and I was blown away Because I don't watch a ton of TV Because I am always doing something geeky

Mark S: Productive.

Marc V: I wouldn't say productive but geeky, so when I saw that I was blown away Because I remember from a 25 years ago seeing those commercials.

Mark S: And I don't know maybe we should have a show of hands, I am Prego guy, if I buy spaghetti sauce, its Prego. I don't know anybody that buys Ragù and I don't want to associate with those people.

Marc V: (Laughs)

Mark S: I am talking about a lot of things here, if you're following our advice, our suggestion so far and you have different methods and you've got different locations and you've got different blanks to offer, remember you're not trying to get them down into the point where you're just offering one thing. So you're not using these what we call qualifying questions, are you running all year round and in the end you're not going to end up with offering them just a long sleeve V neck Polo with a left chest logo. That's not your goal to narrow things down, your goal is to offer them a variety of different sauce and see which one they pick, and then if you get a cluster of customers that kind of pick the same things then you know that, man I should be advertising this V neck hoody with Rhinestones on the back and vinyl on the front and something on the cuff and you could end up with these clusters of customers.

Marc V: That's where the power of data is and I know that in an industry where you are the business owner and you run the books, you do the sales and you do the production or you might only have a handful of employees, you don't have somebody dedicated to reviewing the data, that's when it's important to take this information and put it somewhere, however you can organize it but just even if it's simple as an excel spreadsheet however you do it but start paying attention and don't go by memory. Don't go by memory because you're not going to remember the right thing, people don't remember the right things they remember what they think is the right thing, so write it down and keep track which one do people pick the most, when it comes down to pricing, when people are looking for the cheapest they pick this shirt, when people are looking for the best quality they pick this shirt and when I offer these three extra options, let's say hoody, hat and long sleeve; the hoody is picked the most, this is my most popular cheap shirt and this is most popular luxury shirt and this is my most popular add-on and then tell other people that as well, because we also can't forget that beyond all of this is the power of influence of others. So if you say to your customer in a case where they say "no-no, no I don't think I need anything else, I just need this shirt" Okay, great, great and you go with the conversation, then come back to it and say, and by the way I know you were saying you just wanted shirts but most people add like a dozen hats on because it's one of those things and it's not much more money, do you think you want me to get you those?

Mark S: So we're talking about a lot of sales stuff, so let's break it down into a couple of to-dos when you do this, so you're going to offer, if you are a single method decorator then you're going to offer a variety of blanks and you're going to keep track of when somebody picks a different blank other than the standard T-shirt. So if it's a hoody or if it's a long sleeve (whatever it is) Because remember you're adding price and value to this, somebody is going to spend more money with you and you're going to make more profit if they buy a hoody VS a \$2 T-shirt.

Marc V: and they're going to be more satisfied.

Mark S: So you're going to keep track of that and if you get a nice order in a particularly good product area, make an extra one and keep it in the shop or take a picture of it and put it online, that will be one of the flavors of Prego that you put on this shelf with the other spaghettis for other people to choose from, if somebody adds an extra method like an embroidered cap or vinyl on a cap or a new location then you're going to take that and you're going to add that also to the offerings that you're going to make. So you're going to offer different blanks, offer different methods if you can and offer different locations, offer different fills and colors and as you go along you're going to end up with maybe five or six general categories of products that people buy on regular basis and are willing to spend money for. In the end you're going to be able to go: hey I know you just want T-shirts but take a look at these six other awesome combinations of stuff that we've done recently for other customers, do you like any of these? In other words you've never tried chunky before, take a look at some chunky and see, what you think?

Marc V: And also remember, you can ask them a question, plant that seed in their head to say, let's go back to the running group and this is something that is a very practical thing to do is to say, okay great so, you are the president of the group or what do you do "Yeah, I run this portion of it and we do this" how many members? "We got about 150 members" do you think that are any of them hat wearers? Like do you have any bald guys?

Mark S: How many people are wearing caps when you run,

Marc V: Do you have guys that would wanna protect their head when you run, do you have women that like to keep their hair up in there to keep it out of their face and that's the way they like to do it is they wear the hat. and now you got them thinking about, as anybody else at this dinner table wanting a different sauce option than me and get them to think about that because that's when they'll draw the line and say, you know what I'm going to have, I should have that option because although we only talked about the T-shirts and everybody is going to wear T-shirts and there are probably 25% of people men and women that are wearing caps and maybe that's a good idea, let me take that to my group and then you turn around and you have to remind them that not everybody likes the same type of sauce that they do.

Mark S: I just want to say one more thing, we should probably wrap it up pretty soon Because we got a lot going on today is that just for the record neither Mark nor Marc are runners of any kind and it's a completely random example however we are both fairly good experts on spaghetti sauce.

Marc V: And I am going to be honest, I haven't bought Prego or Ragù... I don't even know... I don't buy that, I would.

Mark S: You buy Paul Newman's Vodka sauce don't you?

Marc V: I don't know if Paul Newman makes the Vodka but I do like the Vodka sauce, but I would have many Italian relatives that would be rolling in their graves if they would find out that I was buying Prego and Ragù, so I have a cultural responsibility to eat the good stuff and to make my own.

Mark S: Alright, well nobody here is making their own.

Marc V: Okay, for Spaghetti sauce recipes, E-mail hosts at customapparelstartups.com

Mark S: Okay that's what happens when you try to be a little creative at custom apparels startups podcasts; you end up with a cooking show.

Alright this has been our spaghetti sauce and apparel decorating custom T-shirts episode, and my name Mark Stephenson.

Marc V: And I am Marc Vila.

Mark S: We hope you join us on CASpodast.com the custom Apparel Startups Facebook group and our new CASwebinars.com website as well.

Marc V: That's caswebinars.com so that's our latest addition and thanks for listening.