

## Business Beyond Borders Episode #2 - Tony Jacobson, International Sales and Marketing Expert

Presenter: Cynthia Dearin

Guest: Tony Jacobson

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Cynthia Dearin: Hello everyone, my name's Cynthia Dearin and welcome to today's episode of the Business Beyond Borders podcast, where we unlock the secrets of international business.

My guest today is Tony Jacobson, a sales and marketing guru who's originally from South Africa. Tony's worked with global brands around the world and his experience spans a really wide spectrum of the FMCG, retail, wristwatch, fashion accessories and IT industries. Tony loves to work with innovative companies who have great brands and great products and he's worked with companies like the All Blacks and Speedo.

Tony has also owned his own watch company that he turned into an international brand, and I'm really looking forward to hearing from him about that today. Tony - welcome to the show.

Tony Jacobson: Morning Cynthia, thank you so much, and it's a pleasure to be here.

Cynthia Dearin: You're originally from South Africa; tell me, what was your first foray into international business, and how did that actually happen?

Tony Jacobson: Well, my first foray into international business was actually when I moved from South Africa to Australia. My business partner had a watch distribution company in South Africa and we both had plans to emigrate to Australia. I moved ahead of him and set up the office in Sydney.

Cynthia Dearin: Yeah.

Tony Jacobson: It was at that stage where we actually acquired the license from Speedo international to manufacture a range of watches under their brand. And we got the global rights for that watch license so, as I said, I set up the office in Sydney and then proceeded to 'get on my horse', as they say, and travel the world to meet distributors and, of course, suppliers.

Cynthia Dearin: And so it sounds like it was pretty deliberate, as a plan.

Tony Jacobson: Oh yes.

Cynthia Dearin: You had that mapped out.

Tony Jacobson: It was a plan. My wife and I had always planned to move to Australia and this was a plan in the making for quite some time, yeah.

Cynthia Dearin: And what was the motivation for starting a business that was international? What made you want to do this thing of – getting a license and then, having come all the way from South Africa, getting back on a plane and continuing to go all around the world? What was that about?

Tony Jacobson: Well, we had already had excellent experience in watch manufacturing, because we used to make our own brands in South Africa – our own private label brands. And through various connections we were introduced to Speedo. We approached them and managed to negotiate an agreement and get that license and yeah you know it's evolved into, you know once we had the power of the global brand, we knew that we could take it to more than a couple of countries; we knew that we could take it global. And, what we then did was acquired additional brands to supply to the same watch distributors in all those countries globally, so that we had a much bigger offering, and also obviously we were able to then increase the turnover and the size of the orders from each distributor.

Cynthia Dearin: Tell me about getting that first international deal; was that difficult?

Tony Jacobson: Yes I would say it was quite difficult. You know all international partnerships take work. I think difficult might be the wrong adjective. I think, it's more a case of doing your research, making sure you partner with the right people and once you've done that, and you've established that relationship and you've established the rapport and you trust the people you're dealing with, the process is actually relatively easy.

- Cynthia Dearin: So how did you go about working out who it was that you wanted to work with?
- Tony Jacobson: Right, so what we did was, you know there's a lot of ways about finding partners, and also there's different ways of doing business internationally, I mean one way is opening an office in every country you deal in, but that requires capital and staff and it's a real logistical nightmare.
- So, you can choose to go with a distribution partner and you know obviously it has an effect on pricing because there's an additional mouth in the food chain, so to speak, that needs to be fed. But you go about it by - you know the main ways that we did it were exhibiting at international trade fairs, which we did every year. So, for example we would exhibit at the Basel watch fair and the Hong Kong watch fair, the International Duty Free Show in Cannes in the south of France and in Birmingham in England and all the watch fairs.
- But then there were other kind of guerrilla tactics that we used to employ. You know, for example - I know I'm giving away my secrets here - but, you simply walk into a watch shop -
- Cynthia Dearin: Yeah.
- Tony Jacobson: You buy a watch.
- Cynthia Dearin: Yeah.
- Tony Jacobson: And you look at the warranty card, and you see a list of all the distributors around the world because the warranty card lists who to contact if there's a problem with your watch.
- Cynthia Dearin: Yeah.
- Tony Jacobson: So, you go into a shop, you buy the watch, you take it home, you open up the warranty card and you e-mail all the distributors that's listed on the warranty card.
- Cynthia Dearin: And that's what you did?
- Tony Jacobson: Absolutely. And that's how we actually secured our first customers because -
- Cynthia Dearin: From the back of a-
- Tony Jacobson: A warranty card.

- Cynthia Dearin: A warranty card.
- Tony Jacobson: Because you know we could only afford to do those big trading exhibitions once we had revenue coming in –
- Cynthia Dearin: Yeah.
- Tony Jacobson: So we had to, you know, we had to use Google, we had to use as I say, some guerrilla marketing tactics.
- Cynthia Dearin: And I think that is just a really great example of how you can start to work internationally even when you're very small, because a lot of people think: "Oh, I could never operate internationally, we just can't afford it, it's going to be really expensive, we'll need x, y and z and it's just beyond the reach of what we can manage." But you've just demonstrated for us really cleverly that that's actually not the case, and you can grow something really quite significant from, you know, almost from nothing.
- Tony Jacobson: Absolutely. You know, I think that a lot of people don't even consider international business because they believe that it's so complex, so costly and so difficult to do. Whereas, if you do research properly and speak to a few people who have the experience in doing that too, you'd actually realise that it's not that difficult. And, if you have the drive and motivation to make it work, it's really a lot less complex than it seems.
- Cynthia Dearin: And so you have essentially come from South Africa with your family and business partner and started over again in a whole new country with almost no networks, and very little at your disposal, and essentially built a global brand from that point.
- Tony Jacobson: Yes, that is essentially what happened. However, I did move on from the watch business six years ago. Again, a very interesting change but, again, international business. So I became, basically, the country manager of the Fackelmann Group.
- Cynthia Dearin: Yes.
- Tony Jacobson: Which is the largest manufacturer of kitchen tools and gadgets in the world. They make private label for nineteen of the top twenty retailers in the world, just as an example of what an amazing organisation it is.
- Cynthia Dearin: Yeah.

- Tony Jacobson: And I ran the Australian subsidiary. And, you know, it involved far less international travel for me because I wasn't travelling to see customers but I was still doing lots of travel on the sourcing side.
- Cynthia Dearin: Yeah.
- Tony Jacobson: Going to Hong Kong and China and Thailand and various other countries and also spending a lot of time in Germany.
- Cynthia Dearin: Yes.
- Tony Jacobson: With the head office, because it's always essential that that relationship is not only maintained but, you know, they do new product launches, you do demonstrations. And, there would be, you know, twice a year we would all get together – all the forty subsidiaries from around the world –
- Cynthia Dearin: Yeah.
- Tony Jacobson: We'd get together for conferences, we'd share intelligence and market knowledge and, you know, explain to each other what works in each other's countries and feed off each other's ideas. So, again very international and, you know, dealt with people from every country you can imagine.
- Cynthia Dearin: Now, just talking about the number of places you've been to – because it's fairly astronomical – I believe you've been to one hundred and eighty cities in thirty-six countries in pursuit of international business deals. So, I'd like to know: out of all the places you've been, what was your favourite place that you visited and why?
- Tony Jacobson: Sure. I'll answer that question first by saying that I don't sit and count the countries I've been to. It was funnily enough an app that I found and downloaded, and just for fun I actually went ahead and spent an hour or two and did it. That was the number that it came up with.
- But - look, it's a hard question to answer, because every country and every city has been so unique. But there are a few standouts. I've got to say that I absolutely love going to Hong Kong and China. For the last eighteen years I've been going to Hong Kong and China at least, you know, three to five times a year, every year.
- Cynthia Dearin: Yes.

- Tony Jacobson: And, you know, Hong Kong is this bustling melting pot of cultures from all over the world and it just thrives twenty four hours a day, seven days a week. It never sleeps. And what is so amazing is the cultural mix, because it's almost like, you know, we would always refer to it amongst ourselves as the New York of Asia.
- Cynthia Dearin: Yeah.
- Tony Jacobson: And because of the previous British mandate, you know, and being from South Africa – which was part of the British Commonwealth – there's a lot of similarities, yet it's an Asian country. So, it's a fascinating place and you learn a lot because the people who work there are just driven and people work day and night. And you come back from a place like Hong Kong feeling energised. Similarly, China. You know, I've been visiting China for eighteen years. The first time I went China, I went to see our main watch supplier in a very small place called Zhuhai, it's about a two hour ferry ride from Hong Kong. Now, when I went there for the first time, my suppliers factory was the only factory in Zhuhai. It was a small little city, it had one highway from the port into the city, and I literally watched this city over a period of about fifteen years – even less, within ten years – grow to a complete metropolis with skyscrapers and six lane highways and it went from one factory to five hundred factories.
- Cynthia Dearin: Wow, that's crazy isn't it?
- Tony Jacobson: And I used to go there twice a year and each time I stepped off the ferry, the city skyline had changed and doubled and it was just incredible to witness the speed, and the way it evolved.
- Cynthia Dearin: And how did you find working in Zhuhai? What was it like to work with people in a city, which when you started in it, was at the beginning of that journey of expansion. What was that like?
- Tony Jacobson: It was, again, relatively easy. The supplier who I was dealing with had been exporting for quite some time so he had experience in global trade.
- Cynthia Dearin: Yes.
- Tony Jacobson: You know, I suppose the hardest thing to get used to in those early days was the food.
- Cynthia Dearin: Yes.

- Tony Jacobson: Because, you know, in those traditional areas of China the cuisine is obviously completely different to Westernised food.
- Cynthia Dearin: Yes.
- Tony Jacobson: And food is a huge part of Chinese culture, and I'll never forget the principal of the country – who is now a very good friend of mine, his name is Leo Chen – he took us to the best restaurant in Zhuhai. Expensive, fancy restaurant, and you know, the dishes start arriving and it's pigeon, and snake and shark fin soup. Which, you know, doesn't sit with me from a taste perspective or a moral perspective, to be honest, you know? And he's ordering all the most expensive dishes on the menu and I'm looking at each and every one of them and thinking: Wow, do I just eat this and convince myself I'm eating chicken? Or do I possibly insult him and not eat it? And those are some of the things you need to be aware about when doing international business.
- Cynthia Dearin: But Tony, what did you do?
- Tony Jacobson: I ate it and I convinced myself that I was eating chicken. You know, in the pursuit of business there are things you've got to do sometimes and that was one of them.
- Cynthia Dearin: Absolutely. So do you think that you have to love travel to be successful in international business; is it a prerequisite?
- Tony Jacobson: I don't really think so. Firstly, I would say that, I think generally most people do enjoy travelling, but I don't think you have to love travelling. There's always a certain amount of travel that's required because what's most important - what is so key and critical in global trade - is the relationship with your global partners.
- Cynthia Dearin: Yes.
- Tony Jacobson: And that relationship can only really be solidified when you're together. Because while we have all these great technologies like Skype and Facetime and video conferencing where you can meet and it's like you're face-to-face, you can conduct your business that way once you've established the relationship. But my suggestion would always be that you definitely make at least one trip. Because also, as I described, it's at the dinners and the lunches and when you're driving from store to store in the car together where you speak about family and your interests and your life, and those are the things that build the relationship. And things that are not discussed in the boardroom, and that is what builds the relationship, creates the trust and that

leads to – I almost call it the grease that makes the wheels run smoothly, is that relationship, because when you run into problems and difficulty, if you've established that relationship you are able to sort things out in a non-combative, easy manner. You know, particularly when you're on the other side of the world things can be difficult to sort out, and you've different legislation and rules in different countries. But if you have a good personal relationship with your partner, you know, it's much easier to generally work through any difficult issues that may arise.

Cynthia Dearin: And did you encounter many of those situations where you were working with partners who were on the other side of the world and things blew up?

Tony Jacobson: Oh, absolutely, absolutely. I mean, I could tell you a hundred stories.

Cynthia Dearin: Why don't you just give us your favourite one? Your most horrifying one?

Tony Jacobson: Let me think of a good one. So, setting up an international distributor in another country, containers in the water, everything's been done, all the work's been done. And the customer, or the distributor, realises that our watches have a two-year manufacturing warranty, whereas the legislation in that country was that it had to be three years. Now, it was one of those things that neither he nor I checked. The goods were on the water, and he said to me "I can't accept them." What do you do? You know, it was a really difficult situation but we fixed it. I said to him "For your country I will offer you a three-year warranty, I will reprint the warranty cards with three year warranty. You're going to have to repack, obviously, all the product when it lands, which I will pay for because, you know, that's something I suppose I should have picked up."

And yeah, essentially we solved the problem, but at the time there was complete panic because we've got a full container on the ship.

Cynthia Dearin: That's a lot of watches.

Tony Jacobson: That's a lot of watches. And I'll tell you another brief one which was a really difficult one, but again it's an interesting story in what can go wrong. We landed a fantastic deal where we got a few watches listed in the British Airways in-flight magazine, a duty free magazine and it was under the Speedo brand. And the one watch was an interesting shape, and they hadn't tested it properly, and we prided ourselves on superior water-proofing technology, and this one particular watch had a high defective rate and there was an 8% defective rate of it not being water resistant to the right degree. And British Airways basically just cancelled the deal and sent us back hundreds of

thousands of dollars worth of watches, which we had no one to sell them to. So those are some of the things that can go wrong and you learn from every mistake and you pick yourself up and you carry on going.

Cynthia Dearin: So I'm curious about the work that you do with the All Blacks, and I guess no Australian podcast interview would be complete without a question about the All Blacks. So, what can you tell me-

Tony Jacobson: I've got to say that that was one of my most enjoyable and fascinating companies to work with. It was actually - I didn't work directly with the All Blacks, so we worked through a company called VBM, who were the company who controlled the licensing of the All Blacks brand. So we worked with them in conjunction with the New Zealand rugby union. We - in the same way as Speedo - we negotiated the rights to have the All Blacks watch license globally. And we made a range of watches, and the All Blacks brand in New Zealand - and, funnily enough in other countries such as Japan, Argentina and various other places - is really strong because the All Blacks are such a loved team.

So we weren't only selling All Black watches in New Zealand, we were selling them in other global markets.

But, one of the things that I'm most proud of is when New Zealand hosted the rugby world cup, the New Zealand rugby union wanted something really special for that period. And the watch supplier I was chatting to you about recently - Mr Leo Chen based in Zhuhai - he was always very innovative and had just come up with what was called a USB watch, where there was a USB plug that connected to the watch - that fitted in the watch structure - and so you could just plug your watch into your computer. And it acted - it was exactly the same as a USB stick, so what we did was we pre, we downloaded all the information about the World Cup onto the watch before we took them to store. So we sent the factory all of the information, so in other words we had the timetable of all the matches, who was playing who, the groupings. We went so far as to list all the teams, all the players, the player biographies, you know, everything about the history of rugby. All that, you know, because we could fit - I think at the time it was about 128mb or -

Cynthia Dearin: And this was all in the watch?

Tony Jacobson: All in the watch, yeah.

Cynthia Dearin: So could you read this on your watch?

- Tony Jacobson: No, you had to plug it into your computer. And then you would open up – the same way as you would plug in a USB – you would go into My Documents or whatever, and you would open the USB, the little USB drive, and all the information was there for you.
- Cynthia Dearin: So this is almost like a very early Apple Watch?
- Tony Jacobson: Yeah, I'd like to think that we were really ahead of the curve in that respect. I mean we did a similar thing with Speedo watches, where we were preparing for the Olympics in Athens and Speedo were launching the second version of the famous false skin swimsuit and they wanted a 'hero product', which is how they termed it, because that was just in a league of its own. And they wanted a hero watch that they could align with the swimsuit.
- Cynthia Dearin: Yes.
- Tony Jacobson: And it had to be completely unique and, you know, nothing like nothing available on the market.
- Cynthia Dearin: Yes.
- Tony Jacobson: So, we created a watch that was able to monitor your heart rate without a chest strap.
- Cynthia Dearin: Oh right.
- Tony Jacobson: Now, for someone who's not in the watch industry then that may not sound like much, but at the time you could only get heart rate monitors with a chest strap. And the chest strap spoke – or communicated – with the watch via an FM signal which doesn't work underwater.
- Cynthia Dearin: Right.
- Tony Jacobson: So we had to come up with the technology where you could have your heart rate monitored without a chest strap. And we included things such as a stroke counter, so that, you know – so that almost the same as like a pedometer today counts your footsteps, we had a stroke counter in the watch so that athletes could monitor how many strokes per lap and that kind of thing. And then of course we had to align the colours and the design and everything else and that was another fantastic project that I really enjoyed.
- Cynthia Dearin: So your international journey has taken you to a lot of different places and it's exposed you to so many different experiences. You went from watches, then

into the Fackelmann Group and cookware. What happened after that, so where did the journey take you next and how did that happen?

Tony Jacobson: Well, essentially where I'm at now is – I've gained so much experience over my career in terms of product sourcing, brand management, international marketing, logistics and just all those aspects of business that take a long time to learn. And, you know, it's a lot of, you know, fighting through trenches – should we say – to gain the knowledge.

I'm now in a position where I want to help other companies along that journey and so I've moved into a business consulting environment where I assist companies not only with international expansion but with, you know, all functions of business. I have a group of fantastic consultants that I work with, so depending on the requirements of each business, we work together to improve any part of the business, whether it be HR, sales, digital marketing etc. So I suppose that's where the journey has led me to at this point.

Cynthia Dearin: And was there something in particular that prompted you to, you know, to move into what you're doing now?

Tony Jacobson: Yeah, I wanted to travel a bit less. I have a young family – my daughter and my son are ten and twelve, and, you know, eighteen years of constant travel does take a toll. And also I was very interested in the challenge of a new career path. I like to be, you know, I like to wake up in the morning and feel challenged, I don't like to feel that I'm running on automatic. And yeah, I was just looking for something new and it almost evolved because I met various people through some networking groups that I'm a part of and just through discussions and networking this idea evolved into what it is and –

Cynthia Dearin: Do you think you might take this business international?

Tony Jacobson: I'm absolutely considering it. There's no doubt, you know, at this point we're still in the early days of setting up in Australia, and it's a relatively new venture – you know, we're only getting things up and running as we speak, so there's a lot of work yet to be done but there is no doubt that I aim to take this international. I mean, as a good example I have - my entire family still live in South Africa, and I have a tremendous amount of business contacts in South Africa who could all benefit from these services

Cynthia Dearin: Yeah.

Tony Jacobson: And so that's a market that we plan to target first and, you know, and take it from there and see how we can develop. But international markets always,

always are a goal for any business I'm involved in because I just believe that you shouldn't limit yourself to one place, whether you're offering a product or a service regardless.

Cynthia Dearin: Yeah.

Tony Jacobson: You know generally business needs and business requirements and consumers around the world have a lot of the same needs, and if you put your blinkers on and you just look at one country, you're really, you know, you're really closing yourself off to so much opportunity that exists out in the world.

Cynthia Dearin: Now lots of people who are listening to this might be thinking "Oh this just sounds kind of complicated and too hard." Is international business as difficult as it looks from the outside?

Tony Jacobson: No, it really isn't, it really isn't. If you do your research, if you plan properly, if you have the right partners in place and you just, you don't dive in head first without going through a proper process, then it's really not difficult, it really isn't. I mean, you could almost think of it – if you were in product for example – you know, it's easier to ship product to, and I'm really not kidding, ok? It's easier for me to export to New Zealand than it is to get product to Perth.

Cynthia Dearin: Yeah, absolutely.

Tony Jacobson: I have more complications for some reason when I'm sending goods to – in my previous role to my distributing in WA – it was harder, the logistics were more expensive and, you know, always having issues with logistics. You know, whereas my distribution to New Zealand was easy as. So, you know, it really does seem harder than it is. But you can almost just look at it as, you know, you're shipping product. If you're shipping interstate, if you're shipping from

Sydney to Brisbane or to Melbourne, all you've got to do is add in a few extra steps and that product can go to anywhere on the face of the globe.

Cynthia Dearin: And suddenly you can reach millions more customers.

Tony Jacobson: Exactly.

Cynthia Dearin: Than you could ever hope to reach if you were just selling whatever you sell at home.

Tony Jacobson: Exactly. And again, with the technologies available, there are so many ways of going about it. You know, there's – on platforms like Amazon and Alibaba, and

there's Ebay. And you know there's also all those types of online platforms that you can use. So, you know, it just takes also having the courage, I suppose, to reach out to the right people and get guidance, and not to think that you know everything because you've been successful locally and you think to yourself "Well I run a successful business here so I can do it anywhere." You know, you need to reach out to people to get some advice, to get some guidance, to teach you about what's required, and once you do that it's really not that complicated.

Cynthia Dearin: So Tony, to anyone thinking of expanding their business internationally, what would you say?

Tony Jacobson: I would say absolutely go for it. I would say if you, if you're running a successful business and you are selling products and you're making good profits, there's no reason why you can't do it internationally. And one thing that us as Aussies – and I do consider myself an Aussie even though I was born in South Africa – us as Aussies, we have a real competitive advantage. Number one: Australian brands are seen around the world. There's a perception that Australian brands are excellent quality, and it is global and that is priceless.

Number two: Australians themselves are seen as people of integrity around the world and people want to do business with Australians because we're seen not only as people with integrity but people are fascinated by Australians. You know you meet someone from Japan or from South America or someone who's from the other side of the globe and you say you're from Australia, they're like "Wow! Australia, no way! Have you ever seen a kangaroo?" And you know, they're like, people are just fascinated by Australia. And, so straight away, you know, the perception of quality product and the interest in the country, straight away you've got a head start over a lot of other countries.

Cynthia Dearin: There's sort of, there's some rapport there before you even start to think about doing some work together.

Tony Jacobson: Exactly, exactly. You've got a head-start on hundreds of other potential people in other countries doing what you're doing. You've got a head-start on those people.

Cynthia Dearin: And what about for the people who are listening who are not from Australia, because this podcast is broadcast on the internet and so people from anywhere can listen to it. What about people from other places?

Tony Jacobson: Well, I mean my advice is the same really; it's that, you know, if you run a successful business locally and you do your research, and the research again is not that hard to do. So, you know, take for example kitchenware, as I was in. Say you're running a successful distribution, you have your own brands and you successfully distribute them to customers and you live in Russia, for example, ok? And there's no reason why you can't take your brands – if they sell well and they're competitive – and sell them internationally.

Now the only thing I suppose you need to consider is that, again, doing your homework. You need to research the markets. You need to make sure that if you have a distributor selling on your behalf that your product is competitive. But, thanks to good old Google that information is so easy to find, you know, it's so easy. All you do is if you, you know, this gentleman, you know, who owns a company in Russia and you're considering exporting to Poland, for example, you know you go and search for Polish retailers and look on Polish websites at the RRP's or what the e-commerce websites are selling the like-for-like products at, and you've got the information. You do your numbers and you say yes, you know, my distributor can buy it for x, he can land it for y, this will be his margin, we're competitive and then you can go about looking for a distribution partner.

The other thing which is growing, which is an important point today, is that you don't always have to look for a distribution partner. In many countries I used to supply direct to the retailer. If the retailer is big enough – the likes of David Jones or a Wal-Mart or a –

Cynthia Dearin: Neiman Marcus.

Tony Jacobson: Yeah, I mean there's millions – not millions – but there's thousands of retailers around the world who in a particular country would have two, three hundred stores. Now, if you're supplying them directly, the product is much more competitive because you're cutting out the distributor, and so your sales volume is incredible. And that is, and now what's happening is a lot of retailers are now themselves attending all the international trade fairs because they want to buy direct from suppliers.

Cynthia Dearin: Yeah, instead of going through a middle man.

Tony Jacobson: Correct, because the world has become so competitive, because retailers are backing against the likes of Amazon and, you know, all these other global brands and so on. The retailers are looking for ways to make themselves look better too, otherwise they will not survive.

- Cynthia Dearin: So speaking of platforms like Amazon – I mean, Amazon arrived in Australia last week and opened operations in Australia last week. What do you think that’s going to do the Australian retail scene, and does that mean that Australian producers and Australian brands really need to be looking internationally?
- Tony Jacobson: Yes. I think that Amazon almost certainly, without any shadow of a doubt, have an impact – and a large impact – on Australian retailers. It’s just been proven in every other country that Amazon has entered. You know, Amazon can make losses in Australia for ten years and it probably wouldn’t equal what Jeff Bezos earns in one month of interest.
- Cynthia Dearin: Wow.
- Tony Jacobson: While he’s on his value, if you know what I’m saying.
- Cynthia Dearin: Yes.
- Tony Jacobson: You know, and that’s their model. They come into the country, they sell product at a loss, they gobble up market share, retailers fall over, and once they have enough market cap they put their prices up and they make money.
- Cynthia Dearin: Yeah.
- Tony Jacobson: And, you know, they can lose money for however long they want, they’re sitting on so much cash that it’s like a pinprick in the ocean for them.
- Cynthia Dearin: Yes.
- Tony Jacobson: So retailers really need to be, you know –
- Cynthia Dearin: Thinking bigger.
- Tony Jacobson: Wary, they need to understand – look there’s always going to be a place for, you know, for standard, traditional shopping in malls and retail outlets. But, you know, what we talk about these days is obviously, it’s omni-channel – you need to have a good online presence and you need to have a good presence in your physical store. And if you can do that and combine them with things like click-and-collect and a whole lot of other different technologies which are available to retailers then, you know, you can compete, because people don’t only shop based on price. I mean a lot of people do but if you want to buy a nice Hugo Boss suit, are you going to buy it online? Maybe some people would take a chance and do it but if I’m going to be buying a Hugo Boss suit, I’m

going to be going to David Jones and I'm going to have it measured properly and, you know, cut to fit and, you know, so there's always going to be a place where service is required. And people also, quite frankly, enjoy the shopping experience.

Cynthia Dearin: Yeah.

Tony Jacobson: It's more of a social, you know, people go to malls, they go for lunch, they spend time with their friends, they walk past a shop, they go inside. So, you know –

Cynthia Dearin: It's also about an experience; it's not just a purchase of a good.

Tony Jacobson: Correct, correct. Retailers who are good at facilitating that in-store experience are the ones that will continue to be profitable. You know, a great example of that is the company that I used to work for in my early career, a company called Digital Music Express – also a global brand – has operations all over the world. And what the company does is the same way as you have a, like a Foxtel box in your home or that you view your cable television with. We used to put these boxes into, for example, hotels, who require music in 25 different parts of their business. So they need elevator music in their elevators, they need pop music in the bar, they need classical music in the reception area and so on and so on. And we would create playlists specific to all the areas that were required, and you can apply the same thing to retail. So what we would do is, we would create playlists based on the demographic of when certain people were in the store. So you would know that between, say, nine and three it would generally be mums and bubs, maybe younger teenagers and you would create playlists that suit that demographic. Then from like, say, three to five or seven where it's maybe more of a mix of business people and people picking things up on the way home from work and so on, you know, you adjust the playlist to meet that demographic. And it goes as far as smell, you know, it's all the senses. And, you know, the stores that are able to manage that whole experience are obviously the ones who have less to fear from the likes of Amazon.

Cynthia Dearin: Yeah. Tony, it's been great having you on the show today. We've covered a really wide range of topics and I've loved hearing some of the stories you've had to share. If people want to get in touch with you, how can they do that? Is there a web address they can go to?

Tony Jacobson: Yeah sure. Look, I suppose the easiest way is via my LinkedIn profile, which, if you just search for Tony Jacobson Sydney on LinkedIn I'm the first, I'll be the first one that pops up. And all my contact details are there so that's probably

the best thing to do. And yeah, I welcome anybody to contact with me. I like to say I'm a serial networker, you know, I reach out to everybody and I welcome people to reach out to me so that would be fantastic.

Cynthia Dearin: That's great. So folks if you want to get in touch with Tony wherever you are in the world just head over to his LinkedIn profile – Tony Jacobson Sydney, and hit him up and I'm sure he'll write back to you. Again Tony thanks so much for being on the show today and I look forward to having you back here again sometime soon.

Tony Jacobson: It's been an absolute pleasure, thanks for having me here.