



What YOU Need to Know in 2019 About the Current Wholesale Climate with Robin Kramer

THRIVE BY DESIGN WITH TRACY MATTHEWS

"Stores and reps always want to hear your story. They are really invested in the designers they're working with and want to know the story and want to be able to share it with their customers. It's about engagement and education and storytelling."

You're listening to Thrive by Design, business, marketing, and lifestyle strategies for your jewelry brand to flourish and thrive. Let's get started.

Tracy: Welcome to the Thrive By Design podcast, episode 203. Hey there. Tracy Matthews here, chief visionary officer over at Flourish and Thrive Academy and I'm excited because I have my co-founder, Robin Kramer, of Flourish and Thrive here on the show today and we're going to be talking about what you need to know to basically stay relevant in wholesale today.

So I'm really excited about today's episode for a couple of reasons. The obvious reason is that Robin is on the show and I love having her here, but the second reason is that it's Robin's birthday, so I want you guys to go get sneaky and wish her a happy birthday. Her birthday is next week and we're going to have a special birthday freebie for Robin, which is very, very exciting.

Robin is our wholesale and sales expert over here at Flourish and Thrive and she's awesome at helping independent brands really elevate their sales using, you know, the tried-and-true methods of wholesale selling. And this is why I think that what we do over here at Flourish and Thrive is so awesome because it's really a 360 view. We have a special birthday gift for you, which is the Wholesale Accelerator Method, and I'm really excited because we're going to walk you through the five key components of having a successful wholesale business and if you already have one, we're going to have like a little mini scorecard at the end so that you can see how you are doing, which is awesome.



I know that many of you are either trying to dive into wholesale or you already are doing wholesale and you're kind of tired of working with accounts that are only doing sell or return or consignment or any of those sort of methods. I know that they're all like kind of branched under the wholesale umbrella where you're having your product placed in stores. So we're going to tell you how to, in that method, really just talk about how you can diversify and the things that you need to know in order to grow your wholesale business.

So make sure that you grab this download and get on the wait list now by going over to FlourishThriveAcademy.com/robinsbirthday, all one word, **robinsbirthday**, FlourishThriveAcademy.com/robinsbirthday.

I'll also have it over here on the show notes, but this is a great opportunity for you to get one of our epic downloads because we love giving stuff away for free over here. Anyway, let's dive into the show today because I don't want you to miss out on this epic episode where we talk about what's working now in wholesale, and how to stay relevant with your wholesale business.

Tracy: Welcome to the show today. I have a special guest and it's almost her birthday, Robin Kramer. Thanks for coming.

Robin: I'm so excited to be here, Tracy.

Tracy: I love it. Mid May to early July is birthday season around these parts here at Flourish and Thrive, and so every year like the end of May, early June, I have you on the show. I mean, I have you on the show many times a year, but this is one spot that is always taken by you because your birthday is coming up in just a few days. Happy birthday, Robin.

Robin: Thanks, Tracy.

Tracy: So if you want to embarrass Robin, the best thing to do is to find her on Instagram at Red Boot Consulting, what is it, Red Boot Gal?

Robin: Red Boot Gal.

Tracy: Sorry. Wrong at mention, but [@RedBootGal](https://www.instagram.com/RedBootGal) and go give her some birthday love over there. You could probably also find her on Facebook too. Robin, I'm excited to have you here because we're going to be talking about wholesale today.



Robin: You know it's my favorite thing.

Tracy: It's Robin's favorite thing and you probably hear me, other stuff coming out of mouth about what I think about wholesale but what I do have to say is that wholesale is when you can build a really strong wholesale foundation for your business, it makes everything else that you do in business much easier because typically when you can build good relationships with wholesale buyers and they're actually buying wholesale from you, which is the key here, so many things can change because you know that if you develop these relationships, you can likely count on consistent reorders and building a relationship and a partnership literally with the stores that you sell to.

And so, I asked Robin to come on the show today, not just for her birthday, but that's part of it, but also to talk a little bit about what's happening now and what you should be doing when it comes to wholesale in 2019. So Robin, thanks for being here and I would love to just start by talking a little bit about some of the changes you've seen, even since we started Flourish and Thrive Academy 7 years ago.

Robin: Well, there have been unbelievable changes. I think one of the biggest changes I've seen in wholesale is one that stores and reps always want to hear your story. They are really invested in the designers they are working with and want to know the story and want to be able to share it with their customers because the customers are wanting to know the stories. It's about engagement and education and storytelling.

Tracy: Is that one of the things that you feel like has changed, or is that something that has always been the case?

Robin: It's been that's it been enhanced now. I think it's more important to the end customer. They want to know where, you know, how things are made or who the artist is, and it's always been a part of jewelry but it's been -- I can't even say, like, it is a top thing that is happening now, it is so important right now to know your story, to know your why and to be able to articulate it and share it and also too, I really feel having a website, being on social media, is now essential because buyers want to know you have a presence. It's a validation thing and before, a lot of times you'll see designers who have been in the industry for you know 20 plus years who may not have as strong a website or been on social media focused, but they already have the relationship. When buyers are looking for new talent, they're looking at all of the things that are going in social media to



see what you, you know, it's a validation thing for them is that you also have a following.

Tracy: 100%. I think that that's really, really important and we were talking before the show and this is a little bit of a sidebar, but I posted something on Instagram today that has completely gone viral and it just shows you that people are on Instagram all the time, and I got off the phone with a potential client of mine this morning and she found me on Instagram.

So, I think that when you're building, you know, maybe direct to consumers definitely find you on Instagram but all the wholesale buyers are on Instagram, too. It's like an important way to kind of build relationships and start following all your dream stores now and start commenting on what they're doing and continue building your audience, create a beautiful feed.

Create content that gets people, that goes viral and keeps you well engaged and just keep building that and if you listen to this podcast, I will thump you over the head with a pillow since it's soft. If you don't my stance yet on having a branded website, this is, in this day and age, it's not a maybe or a sort of or I'll get to it one day. It is a necessity. If you don't have one and you're trying to do ecommerce or sell online or even sell to wholesale stores, building a site on a platform like Shopify is just the most important that you can do these days because that website that you have is basically your digital business card.

And it shows a brand or a store or basically any consumer in your vortex that you are serious about your business and Etsy Shop does not count, and that you are, you know, a real player in the field. And so like having something that is well designed and there are so many templates out there that you can easily use to upgrade and use without even spending a ton of money to make your website look awesome. There's just no excuse these days. You have to have one.

Robin: And social media presence. I mean it's, again, people are looking to make sure you're "real" so it's very important, and I also want to mention that what I'm seeing new in the last probably 10 years is that one of a kind jewelry, which used to be not something that a lot of stores bought, I would say galleries would buy one of a kind pieces, but really boutiques and department stores, it wasn't happening as much. And now, that has



totally changed. But if you create one of a kind jewelry, there is definitely a marketplace for you in boutiques, in wholesale.

Tracy: So Robin, what do you think has led to this shift to buying one of a kind?

Robin: I think it's really going back to the story, going back to people wanting something different, something that's just, that they're not going to find somewhere else that it's unique and extra special, I would say. And in fact, it's really interesting, there's a store called Story in New York City that bases all of the product they have has a story to it, and the theme of the store changes monthly. And it's, you know, a bigger story.

Tracy: Robin, let me interrupt you right there. Sorry to interrupt you, but Story, because I live a couple of blocks away from Story, and they just closed.

Robin: Yes. They -- Macy's bought them.

Tracy: Yeah. So now it's like all over. It's not just in Macy's and not just a part, right?

Robin: Right. Macy's is actually opening Story within their stores and creating -- it's really cool what they're doing but they saw the importance of the story and so you'll hear it more and more. So I think it's just really opened the door for more unique jewelry, more like I said, one of a kind. There are designers like Lena Skadegarde and Margaret Solo who have been one of a kind businesses and they do extremely well in wholesale, so ...

Tracy: Robin, do you think that part of the reason that stores want wholesale is because if a designer is selling the same product on their site and other retailers who have online stores are also selling those products on their site that when a store can have a one of a kind and especially if they're selling online or somewhere else, that it offers them almost like exclusivity on that specific product?

Robin: Absolutely.

Tracy: So that's like the reason why I think that there's probably a huge draw to one of a kind these days, not even just the story, because the story is guaranteed. We need that 100%. Everyone needs that, whether you're doing one of a kind or a production line, but I think the importance, it's an interesting shift that stores really want those one of a kind pieces. And when I was talking with Jennifer Dawes the other day, she was talking about how she is really focusing on just some key accounts for wholesale



and how she's bringing in a lot of one of kinds for trunk shows that she does, because she has a trunk show season, and that it has really helped her sales overall.

Robin: Yeah, and can we just talk a minute about how Jennifer does an incredible job of outreach to her customers, her wholesale customers where she physically sees her wholesale accounts. Every year, she physically goes to them to see them, no matter where they are. So that's super impressive and it also shows a great partnership, and that's something else I'd love to talk about, a partnership.

Tracy: Yeah. So, let's talk about some of the changes first and then let's talk about those other things. So what else are you seeing in the market?

Robin: Well, I'm seeing that there is, it's a little harder to get a hold of buyers because although the internet has been amazing, it's also inundated a lot of these buyers, and so they're very -- if they don't recognize, you know, don't recognize your email, they may not open the email. It's just -- it's harder for them, and in fact, I've talked to quite a few buyers who say, "You know what? I don't even, I don't have time to look at my email, but I look at mailings, like I look at what comes in the mail." So snail mail is kind of making a resurgence...

Tracy: Speaking of comebacks, direct mail.

Robin: Totally. Direct mail and so I really like to encourage people to look at direct mail but where they actually have no choice. They have to look through mail, right? So it's -- so you see a lot more of that.

Tracy: I think a great place to start with that too is just sending out postcards. You don't need to invest in sending out the line sheet because if they want the line sheet, you can even have like a short link that someone who is -- like send the postcards out, have a link for them, like an easy link to remember to download the line sheets just virtually online for those wholesalers.

And that's an awesome way for them to just like check out what you're doing, and you can have like a separate price sheet, like maybe they have to email you for the price sheet or something like that if you're worried about people like seeing your postcard at the post office and then going and downloading your wholesale line sheet or something like that. But I love the idea of doing like a postcard mailing or some sort of mailing



where it is -- I mean, environmentalists might have a hard time with this, but like some sort of mailing where it comes in like a small brochure that's actually like put in an envelope and sent out.

Robin: I think a postcard is a great way to start. Absolutely. Something visual and it can give you know, it gives a nice taste of what you do, and visual is so key now. That's why, you know, Instagram is such a favorite for me is you know when I look at designers I love seeing their work. So yes, I think postcards, mailings, and you can use you know the recycled materials to do that, but I think that's definitely I'm seeing more of and something that buyers are really you know, it's a guarantee that you're going to get their eyes on what you're sending as opposed to sometimes sending an email and it might not get opened.

I also see more partnership where you know it's because of the access of digital and media that you're able to provide, and this is something that I think is really important, when a store buys from you that to give them access to images of what they bought. So then they can use it in their social media and talk about you. So I love that, where you can really look at how to be a great partner with your accounts, your wholesale accounts.

Tracy: I think a way that you can really impress people would be like when they sign an agreement, like you can even have this on your line sheet, you know, it's like we provide our partners with 10 social media images a month and slide copy for social content and access to x, y, and z to make it easy for them to actually promote your brand. I think that is brilliant.

Robin: Yes. I also you know make sure you're able to do that and make sure that you work on that before you promise that because you don't to...

Tracy: Oh, of course. For sure. Never promise that if you can't deliver it, for sure.

Robin: Absolutely.

Tracy: So Robin, what else are you seeing that's kind of changing or has changed? Should we talk about how people pay? A segway into that?

Robin: Absolutely because that has been a big change. There are good options, right?

Tracy: Right, so back in the day, it used to be that consignment was basically for people that were students or just starting out and it wasn't something that was so readily available. So there were a few stores, I remember back



in the day, that only did consignment in San Francisco and even though certain friends of mine sold to those stores, I always refused to because I wanted to partner with people who were just buying outright wholesale and not doing consignment because once I got really serious about my business, I no longer took on any consignment accounts but I know that that has changed for a lot of designers because if they want to sell wholesale, stores, many stores, not all of them, but many stores are requiring designers to do a couple of things.

Post on consignment, do memo or sale or return. Memo and consignment are very similar. Sometimes memo, it's like you're loaning the jewelry for a while and if it sells, then you know, if none of it comes back. Consignment is just you putting jewelry in the shop until it sells and then they pay you a check when it sells and then sale or return is that they actually buy it and then they have the option to return it later or trade it for other merchandise.

Whereas it used to just be sometimes you might do the concession of sale or return back in the day, but nowadays, **and it used to just be that they would buy out the order outright, but that's completely shifted.** So Robin, why don't we talk about a few of those, and we kind of, we figured out the store in San Francisco that has a great business. It was one of the only good ones. It's called Gallery of Jewels. Thanks for pulling that out, Robin.

Robin: Yep, yep. So yeah, I think it's really important, especially you know, the economy and I think some waters are still being tested and people, stores want to bring in people that they know are going to be good partners but also generate some business, and so as Tracy said, a lot of times they bring them in on consignment, but it's always a conversation that you can say let's -- I think what I see with a lot of designers is that they don't feel that they have control over working with stores and that's not true. Again, I keep saying partnership, but it really is.

It's a discussion. It's partnership. It's, it needs to work for both parties. And so to discuss, okay what does that look like, if getting into, let's say it's a store that you really want get into and the way that they do it is you come in on consignment but you can talk about okay, so after six months, let's discuss where things are. It's, you know, keep the conversation, stay in touch with the stores that you work with. You should be checking with them on a regular basis. I would say on a monthly basis. How are they doing? Are you providing other things for them like training for their



team, their staff? Are you sending them, you know, story cards of the inspiration or about the jewelry, you know what are those other things that you can provide as a great partner and what in turn are they able to you know making sure that they send you in a timely manner the sales report, just show what is selling, you know. I think it's really important to know when you're sending things out on consignment that you keep really, keep track of everything that you've sent them.

Tracy, you and I both know there have been designers that sometimes they, they're so excited to get into a store, even on consignment, that they're sending out their work and they're not keeping close tabs on what's there, and that's money that you can be losing when you don't keep track of your inventory. So there's so much to do with making sure that you and the store are on the same page and I want to really stress first and foremost, before you're working with anybody, do your research. Know about the store. Know, you know, there's so many ways that you can learn about the account, and I say "store."

It could be a catalog. It could be an online site. It could be, you know, even resort or a workout studio. I mean, there's so many different ways that jewelry is being sold nowadays and so many different locations, and even, you know, cruise ships is like another great example. So, there's many different ways but the communication is key, not only knowing what -- researching and knowing what they do, but learning more about it and also what you're able to provide.

Tracy: So how are stores, like what have you noticed, because you work with a lot of designers with wholesale, what have you noticed happening, because it used to be that stores didn't want to buy designers that were selling online. Now that has to shift because most designers are selling from their own branded websites and it's just, you know, it's the nature of doing business. I mean I know that this was a tough conversation back in 2006, 7 and 8 when the internet was kind of just, selling jewelry online was sort of just starting.

But nowadays, it's, I mean I used to tell the stores, they're like "You're selling online?" and I was like, "Yeah, I have an online store but like literally no one buys from it. It's not like it's competing with you." Because people weren't as savvy as they are now to go look online to actually shop. It wasn't a thing as much back then, but now, it's like people will be in a store, they're googling and trying to find, see if they can get a better price



on things or whatever. So, is there, like have you noticed a shift for designers who are selling on their own branded website and how that affects them selling to stores?

Robin: That's such a great question. Well first of all, when you have your own branded website, you're selling all of your product basically. You can sell everything, the extent of it. Most wholesale accounts that you work with are not going to buy absolutely everything that you do, so that's the first thing, is that you need to have representation by having your own website, but don't undersell your product, so I would recommend if you're keystoneing, which means double the price of your wholesale, I would recommend not keystoneing. I would recommend doing x2.5 on your website.

That way, you're at a competitive price for the retail accounts that you have, or excuse me, the wholesale accounts who sell retail. So what I mean by that is that if you have a store and sometimes their markups might be even more, but you're not underselling. 99% of the time, if you're doing a x2.5, it's still a strong dollar that might be even a little bit more than that particular wholesale account.

The other thing too is that you can actually quote a store list, a stockists' list on your website that can direct people to stores near them, and I was talking with a designer who does this, which I thought was really brilliant, that when somebody gets in and wants to purchase an item on her website that there is a store nearby, she actually will refer them to the store and say you know, thanks so much. We have a great store in your area that is very close to you.

So that's another way of being a great partner to the stores that you work with, so that's an option and having the stores listed on your website, and I do recommend that when you do that, I'm very sensitive of the fact that when a wholesale account buys from you and they do a minimum order and the minimum order is let's say it's a couple of hundred dollars or you know 10 pieces, and it really is dependent on ...

Tracy: Or maybe a couple of thousand if they're doing costume jewelry, right?

Robin: Yeah. It really depends on your line and if you're selling finer fashion or you know what kind of jewelry is selling, but you have to look at what are the requirements to be listed as a stockist on your website because if you don't want to have I would say, I would strongly recommend not having a



store on your website that is not invested in your brand because then you're -- then someone's going to look for an item that might not be there. So, again, it goes back to the relationship and a conversation you had. Here's what I'm finding more and more that people are more tight with their dollars because they really want to have a brand that they work well with, a designer they work well with but it is such a two-way street of being able to say, "Here, let's work together. Here's what I'm going to do help you.

This is what I'm going to provide for you." I love making it easy for a buyer. I really do and there's so much more that you can do nowadays to really hit it out of the park with the wholesale accounts that you work with and providing them, you know, because ultimately when you get an account that you're working with, once they become a customer, that they can be a customer for life. Right?

And to build on that relationship and really help them, so I always come from a place from service, of how can I make their, you know, how can I make my product shine. You know, I want them to have a great sell through with my line. You know, how can I make that happen and I want open lines of communications, you know and really be that fantastic partner to them.

Tracy: Absolutely, 100, 100%. That's like 1000%. Robin, is there anything else that you're kind of seeing happening these days that's different than it used to be? I mean, I know that we were talking the other day and you're like you know the difference nowadays between wholesale is it is really a long game. It's not like, it's much harder to get into stores these days and it requires a lot of persistence to stay on top of it. Right?

Robin: Absolutely. And it's much harder, I think it's being persistent and consistent with that. I can't tell you how many times people are like well I emailed them and I never heard back. I was like well...

Tracy: Did they follow up? Did they buy the next season? All those things.

Robin: You know, did you call them? Did you send a postcard? Did you send another email? Did you, you know, don't be afraid of the phone. The phone is your friend. Come from a place of service. Do your research. You know, people, I still have designers that say well I went to a trade show and I didn't get any orders. Trade shows are not a guarantee of an actual



you know getting by. It's more and more the first time at a trade show is a marketing tool.

Tracy: And there's also a lot of trade shows out there that aren't really getting the buyers there.

Robin: Absolutely. Do your...

Tracy: They will remain nameless.

Robin: Yes. Do your research on that too. There are a lot of shows out there that are promising things that aren't happening and there are a lot of great shows still, but it takes always walk a show before you do a show. Always. You know, talk to other vendors that are there. But to expect to go to a trade show and expect to come back with you know a suitcase full of orders does not happen.

Tracy: And there's a huge difference than what it used to be.

Robin: Oh, my gosh, yeah. In fact, one year, I Dogeared when I was at a show, I literally had to buy a suitcase to put the orders in because I had a --- and those days are you know gone. It's not to -- but I do also, Tracy, it's really interesting. I do see a trend in fine jewelry where there's more stores investing in fine jewelry, so that's going to ...

Tracy: Why do you think that is? I just think that people, consumers, are on, whereas like in 2008, because like we have talked about this before. I really do believe that we're going to see a softening in the economy in the next couple of years in some way, shape, or form. It won't be like 2008, but it will be something different. And so, this is where like tightening up those partnerships now becomes really important and building those relationships.

But also, I think back then yeah and like right before things kind of tanked, there was this trend towards, and you remember this because it was Dogeared hay day, when people were buying like you know the 20, 30, 40, 50, 60, 100 dollar pieces of jewelry like left and right and especially things with inspirational messages, so it was a hefty time. there was this draw towards fast fashion and so people who were stuck somewhere in the middle, and I would say that I was more of a middle price point brand in the demi-fine range, which is now, we used to call it bridge, but now they call it demi-fine, which is like not quite fine jewelry but semi precious and silver stuff, people just want more special jewelry these days, and



they're willing to invest a little bit more for fewer pieces that are special and that they wear all the time.

Robin: Yeah, I see that more and more. And also too, Tracy, people are living longer.

Tracy: Yeah.

Robin: And so there's some more disposable income for those who are you know 50 and older. There's a huge -- the baby boomers are you know, it's growing, and you see that in a lot of people are investing in second and third homes and so there's -- and it goes back to one of the reasons Tracy and I even started Flourish and Thrive is because we really believe that there needs to be education but there is more than enough to go around for people. It's just knowing how to do it. Right?

Tracy: It's knowing how to do it. Robin, I think we covered so many great things today, don't you?

Robin : I do and there's , you know, there's always something. Right?

Tracy: Was there anything else that we didn't cover? Maybe we save that for a master class that we have coming up.

Robin: That would be fun.

Tracy: So Robin, there's so much more to talk about when it comes to the changes in wholesale that are happening these days. Right?

Robin: Oh, my gosh, so much more, Tracy.

Tracy: And the good news about it is that it has changed, but if you are someone who really wants to create that huge brand foundation by building a strong wholesale business in addition to your direct to consumer avenues, then like quite honestly like I really believe that's the strongest business model you can have because not all your eggs are in one basket, but you're having revenue streams coming from multiple places and if you build them both at the same time and can really dive deep into building those relationships in wholesale that take a little bit longer to build and get the more like immediate satisfaction of getting customers buying from you online, like you're pretty solid. And you got it going right there.



And so Robin and I wanted to take some time to go a little bit more in depth about some of these changes that are happening in the wholesale arena, shall I say, in this day and age. So we're hosting a master class. It's really Robin's master class. I am just going to be there for moral support and we're going to be talking about some of these big changes in a little bit more depth and talk about how you as a designer who is either interested in doing wholesale to find out if it's right for you, but then also for those of you who are doing wholesale or you've been trying desperately to basically knock down some doors, then we're going to talk to you about some really tactical ways that you can open the doors. I'm sitting in my closet right now pretending like I'm opening a door.

More wholesale accounts and the kind that are going to pay you on time and really build long-term relationships with. So we'd love to invite you to that. You can head on over to FlourishThriveAcademy.com/wholesalemasterclass to jump on that and register right away. But we're also giving away a free gift for Robin's birthday, which is The Wholesale Health Checkup. It's basically a scorecard that is going to basically take a look at your wholesale strategy and if you don't have one, I would still recommend that you take this scorecard, and it's like a mini version of an assessment that we have over here to really see how well you're doing with your wholesale play. And we're going to talk to you a little bit more about some solutions and all those things so that you can really dig deep into building a strong wholesale business that has a healthy, vibrant, long lifespan. Right, Robin?

Robin: That sounds good to me.

Tracy: So you can grab that by heading on over to FlourishThriveAcademy.com/robinsbirthday. We will also have all the links on the show notes, so you can easily grab that by just going over to FlourishThriveAcademy.com/podcast and finding this episode. Robin, thank you so much for being here today. I'm so stoked.

Robin: Always a treat, Tracy. I'm so excited to dig in even more and share about wholesale.

Tracy: Thank you so much for listening to the show today. This is Tracy Matthews signing off. It was a thrill to have Robin on the show and I'm so excited. Make sure that you download her birthday gift. Head on over to the show notes to grab that or you can just head on over to



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