



BRAND SECRETS AND STRATEGIES PODCAST #124

Hello and thank you for joining us today. This is the Brand Secrets and Strategies Podcast #124

Welcome to the Brand Secrets and Strategies podcast where the focus is on empowering brands and raising the bar.

I'm your host Dan Lohman. This weekly show is dedicated to getting your brand on the shelf and keeping it there.

Get ready to learn actionable insights and strategic solutions to grow your brand and save you valuable time and money.

LETS ROLL UP OUR SLEEVES AND GET STARTED!

Dan: Welcome and thank you for listening. As you know, this podcast is a celebration of authentic, real food, the building blocks of every natural organic product. We focus on the strategies to help you get your products on more shelves and into the hands of more shoppers. This all begins with the farmer. It's the farmer that provides the raw ingredients for every product that you find in every retail store. Think about it. A lot of people don't really understand or appreciate where their food comes from. Natural



brands need to work hard to educate to their shoppers so that they know and understand this.

I believe that the greatest strength of every brand is to help the retailer understand that unique consumer that buys your product,. That unique consumer that doesn't settle, the one that that looks beyond the four corners of the package to understand what is in your product, the raw ingredients. The unique consumer that wants authenticity and transparency. After all, that's the heart of the natural channel.

To do this, you need to be able to have an intimate one-on-one relationship with your customers. Here's why this matters. Nothing happens until someone buys something, and customers can't buy your products if they can't find them. Before they start looking however, they have to know, like, and trust your brand. That goes back to the authentic ingredients that you make your product with, and that goes back to the farmer.

Which is exactly why wanted to invite my special guest, Phil Lempert, The Supermarket Guru to to join me today. Phil was on Episode 32. If you haven't heard it, I highly recommend you go back and listen to it. It was a fan favorite. Phil is an expert on helping us understand what's going on in the industry, the trends and things that we need to be paying attention to, and what the future of the industry looks like.

The reason I was thrilled to invite Phil on this podcast is that he recently launched a new podcast called Farm...Food...Facts. You've



got to check it out. It's quickly becoming a favorite of mine. In this podcast, Phil talks to farmers and ranchers about real food. Where the real food comes from, the relationship between food and the products we all eat — your products. He also discusses the challenges that farmers face and trends that you need to be aware of, trends that can help set you apart and differentiate you from other brands.

Before I go any further, I want to give a shout out to a listener who left a great review. Andrew T. says, "Great resource. Dan is an industry professional that I turn to when I am in need of a prospective challenge on how I thrive in this business. I fully suggest that anyone new to the business of retail or veteran listen to the podcast and network with Dan. Retail is at a critical point and mistakes have to be minimized. The only way to do that is to share best practices and learn. I assure you, no matter your tenure, you can learn much from Dan. Just don't forget to give back."

Thanks, Andrew. If you want me to share your review, then leave a review on iTunes, send me an email, or leave one on the LinkedIn. I read them all. This is why I do this. Remember, this podcast is about you and it's for you. Help me empower brands and raise the bar in the industry. If you like the podcast, share to a friend, and subscribe, and leave a review. Remember, at the end of every episode, I always include one easy to download, quick to digest strategy that you can instantly adopt and make your own, one that you can use to grow sustainable sales and



compete more effectively. Remember, the goal here is to get your product to more store shelves and into the hands of more shoppers.

Now, here's Phil Lempert, The Supermarket Guru. Phil, thank you again for coming on. I appreciate it. The last time you were on, we had a fantastic conversation. Could you please start by reintroducing yourself and telling us a little bit about you and what The Supermarket Guru is.

Phil: Sure. Well thanks, Dan, for inviting me once again. Basically, Supermarket Guru started in the early 80s, a matter of fact. I always describe what I do as being the center of a triangle. At each point of the triangle, you've got consumers, you've got retailers, and you've got CPG companies. My job is to make sure everybody knows what everybody else wants and everything that anybody's doing.

I spend my time walking up and down the aisles of supermarkets and basically tapping consumers on the shoulder and saying, "Why did you buy this, why did you buy that?" and really being able to bring those insights to the industry through our newsletter, through our website, supermarketguru.com, through our podcasts, and so on.

Dan: For anyone listening, Episode 32, one of my favorite episodes, thank you again for coming on. This is why I love talking to you because you provide so much value. The way I framed it last time was that as a brand, I have blinders on. I'm focused on my day-



to-day activities and more focused on the retailers and things right in front of me. You, however, provide line of sight to things that I need to be paying attention to but that I'm not paying attention to. One of the things I love about your newsletter and all the tremendous content that you put out there is that you share those insights. By the way, my wife thinks we should do a weekly show. She loved that episode that we did together.

Phil: Hey. I'm up for it.

Dan: Hey, I would love to, too. That was a lot of fun. The point is that you provide so much value. I love seeing you on TV ... and by the way, your new website design came out a couple of months ago ... wow, that is really, really impressive.

Phil: Thank you.

Dan: And so, go one step further ... yeah no, you deserve it. I mean, I really appreciate your making time for me and for helping me help spread the news or share with the community why this is important.

On that note, one of the things you recently did was launch a podcast, which I'm really enjoying. I think it's critically important that we have the voice of the farmer, of the rancher, et cetera, and how we can communicate that back to the industry, because that's one thing I'm really focused as well. Can you please talk about your podcast? Why did you decide to go down this path? What was the genesis for that idea?



Phil: Well, thank you. It's called Farm, Food, Facts, and basically came out of a conversation that I having with Aaron Fitzgerald, who's the new CEO over US Farmers and Ranchers Alliance. We were both angered by the fact that with the dietary guideline committee, there wasn't a farmer on that committee. That as we look around to all the reports that are coming out about agriculture, about the future, about climate change, nobody ever includes a farmer. That's where it starts and we've got to give very the farmer a voice and really be able to share the hard work and what's going on in farming today. If we take a look at this past year, again, coming off the California drought, the storms that we saw on the southeast, what's going on now in the Midwest and has been for the past three months, these farmers are out there just trying to make a living and Mother Nature has not been kind to them.

As a result, we really wanted to make sure that the word gets out of what farming is all about today. Everybody thinks in terms of, you know, these big farms that are owned by multinational companies. That's not true. For the most part, farmers are second, third, fourth, fifth generation people who are struggling to survive. The average farmer loses close to \$5,000 a year and has to have a second job in order to maintain their farm. That's why we decided to come up with it, and every week, we talk to a thought leader about a particular topic, we do agriculture news, then we always talk to a farmer.



Dan: I think that's so critically important, and thank you for putting it out there. Let me add a couple of things. The farmers again, unfairly burdened. There aren't enough people because all the stuff going on, and I don't want to get political, but there aren't enough people to pick the crops so we've got crops rotting in the fields. We've got restaurants and grocery stores, et cetera that can't get the crops that they need, that customers want to buy, prices are shooting up. We've got people that are, because of the climate and because of the trade issues and whatever else, are getting unfairly impacted. This is so critically important. Bottom line is, we would not have a food system if it were not for the farmer, and every brand on every store shelf is relying in some way on somebody to produce the raw ingredient.

Phil, this is one of the things that I spend a lot of time talking about in my podcast, and the idea behind it is how do we help the farmer? What I'm getting at is my mission, I clarified this since the last time we talked, is help make a healthy way of life more accessible by getting healthy products on more shelves and in the hands of more shoppers. The way you do that is by changing the conversation from a product being a commodity or an ingredient being a commodity, to the value that they add. My belief is that the best way to help the farmer, the environment, all of that, is to help brands better communicate the value that they bring to the retailer, and help the retailer better understand that relationship between, like you said, your triangle, between the consumer and the products that they have on the shelf. Your thoughts?



Phil: Absolutely right. Frankly, what we're starting to see because certain retailers are not doing a good job of doing exactly what you described, we're seeing many more companies going direct to the consumer so that they can talk to the consumers, including farmers. If you look at some of the apps that are out there right now in Maine and in New York, there's an app where people can just order directly from the farmer, not as a SCA, not as a subscription model, but just order what's in stock that day to be able to get closer to our food supply.

And to your point, to get political for a second, if you look at this whole idea of tariffs with China, which has practically destroyed soybean farmers here in the US, we look at the potential tariffs with Mexico which frankly would put both Mexico and the US widely at risk with our food supply because most of our products these days are coming from there. A lot of our beef is coming from there. You know, cows birthed here but then sent to Mexico to be raised and then from Mexico brought up to Canada to be slaughtered and packaged. I mean, if we take that out of the system, price of beef is going to go through the roof. Then the potential EU tariffs, you know, everybody's going to wind up paying a lot more money for our food than is necessary, and for all the wrong reasons.

Dan: Absolutely, and I want to emphasize, all for all the wrong reasons. The things that being done right or wrong regardless of what side of the aisle you're on, the impact is the consumer. It drives me nuts. One of the podcasts you had, you were talking



about food waste. The food waste and you were focused on the food waste in the store. What about all the food waste on the farm because we don't have to labor to help pick it? What about all those other aspects of what you were sharing? You were also talking about climate. We'll get into each of these, but we're talking about how that's impacted by the farmers. Recent podcast you did, you were talking about how farmers in Nebraska are literally getting wiped out almost overnight because of the flooding, and then the farmers in California ... Now, we could go on and on, but the point is this. If we can help the brands better communicate the value of the products that they have to the retailer and help the retailer stop being ... help it stop being a transactional relationship but by rather developing a loyal relationship with their own consumer, that I think is the opportunity.

What I'm getting at, Phil, and I'd like to hear your thoughts on this. Right now, the strategy is that a brand walks into a retail office and they say, "Shut up, get out your checkbook, here's what we need to do." I believe that the value ... what I'm trying to do is change the conversation to instead of saying, "Here's my checkbook, how much money can I spare," and stuff, I believe that the real value of any product on any store shelf isn't what's in the package but more importantly, it's that unique consumer that goes out of the way to buy it.

I believe that by changing the conversation to enabling or helping the small brands communicate the value of that unique consumer



to the end retailer is the goal. Part of that is helping the retailer understand how that's important if they want to remain relevant. I want to be relevant as how do you keep customers coming back time and time again. There's a little thing called Amazon which is really frustrating Jet, instead of ... you're smiling, but you know what I mean, it's .. so if a retailer can remain relevant, I think the best way to do that is to convert occasional customers and the little shoppers. Your thoughts?

Phil: Yes, you're a thousand percent correct. I would suggest that there are retailers that are starting to have that as part of their core value. I mean, if I look at Aldi, even though Aldi is 95% private label, they really value their relationship with their suppliers. They really work together. If I look at smaller chains that are out there now like Erewhon, with just five stores in Southern California. Same kind of thing. I don't think we're seeing that yet from the big guys, the Krogers, the Safeway, Albertson's of the world, the ShopRites, but I think that those stores that are doing it are really doing well. They're making more than 1.5% net profit, they have got a very loyal consumer base, so I think the tide is changing for a lot of people at retail and understanding that it's not just about piling it high and selling it cheap and picking your supplier for more money, for more slotting fees, and so on. I really believe that retailers are stepping up their game. I don't think it's going to become pervasive for probably a good decade, but at least we're starting to see little steps for it.



Dan: Absolutely. In fact, one of the things you talked about recently ... actually, let me back up. You were at the Fancy Food Show and one of the people that you interviewed was Michelle Simone at the Plant-Based Food Association, and you were talking about that particular segment, that attribute. That is the fastest growing attribute in every category. What I'm getting at is that if you remove ... I think I shared with you, I did a feature article for the 2016 Category Management Handbook, where I had a vast amount of data. The gist of the story was this, organic was up 1.5%. Organic ... excuse me, dairy was up 1.5%, organic dairy is up to over 12% or 13%. Organic dairy represented only 9.8% of that pie, it's just a small sliver, it's a multimillion-dollar pie. If you remove organic dairy from dairy, then total dairy will only be up 5%.

My point is that when you look at plant-based and gluten-free and allergy-free, et cetera, the sliver is even smaller and yet the sales impact is even greater. Can you talk some of the things that you're saying, back to Michelle's conversation with you, and other categories where you're seeing the dramatic growth, and then after that I want to talk about how can a retailer take advantage of that?

Phil: There's no question that plant-based everything is leading the way for food companies. Everybody's getting into plant-based, people like Cargill, Tyson, they're all investing in it. It's because we as consumers are getting smarter as it relates to food. We're finally listening and learning that a plant-based diet is healthier



for us, it can do things. Doesn't mean stop eating meat, but in a smaller combination, we need to look at.

So plant-based is number one. The other one that's frankly really close is everything CBD. Cannabis, whether it's the creams, the gels, beverages, and so on, and there, it becomes very controversial for two reasons. Certainly the legality of it and not being able to cross state lines, but more importantly, as we're seeing people rush out to buy cannabis everything, you've got to look at the percentage of CBD oil that are in these products. Because some put a drop in it, which is meaningless and not going to do good for your shoulder that aches when you put the cream on it, and others ... you know, it's an unregulated industry right now. We really got to get some regulations in place quickly; otherwise, we're going to see the whole CBD thing implode, which I wouldn't want to see.

If you look at ... you mentioned gluten-free, you mentioned allergens, all of those are becoming much more important to consumers. The average US consumer now has three traits that they're avoiding when they're buying their foods. It could be gluten, it could be sodium, it could be sugars, whatever those traits are. Now we're finally starting to get tools that help consumers. You know you mentioned Jet before, there's a company in the UK named Spoon Guru who is partnering with Jet, so when you order on Jet, you can put in those attributes and it only shows you those products that fit your need.



For example, and the example that I've heard a thousand times already is that for a vegan, opening up a store circular or getting online to order something and the first thing you see for Thanksgiving is a turkey, that's really a turn off. That retailer doesn't know you. Now, with the kind of technologies that we have available, the retailers can target. There's no reason that you and I when we want to buy something for dinner, have to walk past 40,000 products in a supermarket. It's just not logical. It just doesn't make sense. We get tired, we get angry, we don't want to be in the store. We really need to rethink the whole shopping experience and setting up the stores differently, making it a store for me. That way, that retailer's values are going to align with my own and I'm going to be a loyal customer and they're going to make a lot of money on me.

Dan: Absolutely, it's all about personalization. I have a lot of great conversations with Bill Bishop about exactly this. I'm actually on the board of an organization that is working to produce the proper attribution for products, and what I mean by that is that when you look at the databases that are out there, they all have issues. None of them are perfect. One of the things that my secret sauce for the clients that I work with is getting down to those attributes to understand what's really driving sales, et cetera. But unfortunately, the syndicated data providers and all the other data providers really don't have a good hold on this.

One of the things you were talking as far as the health folks, et cetera, so Health Master, of ItemMaster. I was originally part of,



they were recently bought by Syndigo. Some work on that on the board of that as well. But the point is that being able to understand exactly what's in it and having someone be able to communicate the values of Himalayan salt versus iodized salt versus whatever else is so critically important. To your point, the ability to personalize the shopper journey, like you were saying to back up a little bit ago, that you can actually buy farmers market type products and have them shipped to your house. That's brilliant. I think a lot of brands that are able to be unique and focused on those disruptive technologies, where the future is. What are the technologies or things have you seen in that space?

Phil: Well, to your point, most of the databases that are out there, it goes back to the old same garbage in, garbage out. I could go on Amazon, for example, right now, and I can type in "vegan sausage," and the first 20, 30 things that will come up are either pork or beef sausage. If I'm a vegan, I want vegan sausage, it's a very frustrating experience, which is why, again, this company that I mentioned, Spoon Guru, is 99.9% accurate, and that's why Jet, which is part of Walmart, decided to partner with them. Their database is good. They update, I think it's something like, I don't know 15 million products and attributes every night. They look at the ingredients, they look at the nutritional information, and they've got a big team of docs and nutritionists who are checking it to make sure that it's accurate.

We can't just rely in technology that scans the front of the package and just dumps that in the database. Well, it's easy to do



that. I'm going to say something that hopefully you'll agree with and certainly, some listeners are going to object to, but not everything that's on a package is accurate. Either by mistake or because somebody wants their nutritionals to look better, they change it. Or they've changed the formula for the product and never updated the packaging or they're using up their old packaging. You know, on and on.

We really need a much more accurate system than is out there now, and that's why these guys, and they're global, they're with Woolworth in Australia, they're in Europe with Tesco. That's why they're hitting it out of the ballpark.

Dan: I'm going to have to check them out. One of the problems we're trying to solve in the meetings that I go to is exactly that. If you're a brand like ... doesn't matter what the brand is ... and you go on to a website like in Amazon, et cetera, or even a retailer's website, the image that they show and the ingredients that they show might be a year too old, might not be relevant. Again, another part of that problem that we need to fix.

Phil: Yup.

Dan: So tremendous opportunity there. Then I've got some really cool strategies I'd love to share with you some points that go way beyond that. Again, part of my secret sauce, what I deliver to my clients. But the point is, it's all about personalization. People don't want to be sold to, they want to be able to buy what they want,



and they want to be able to have a relationship with the food that they have.

I saw something a while back that said that people spend more time trying to figure out what app to put on their phone than figure out what they want for dinner. That's kind of scary but it kind of sums everything up. The fact that a lot of people don't know the difference between, like I said, what's the difference between Himalayan salt versus iodized salt, et cetera. Do you have any antidotes about that?

Phil: Well, I would agree with you. I think that we are creatures of habit, that the average person or average family buys the same thing week after week. We've got 15,000 new products, new foods or beverages being introduced every year, most of them fail. The reason that most of them fail is they really don't know how to communicate to a consumer. They really don't understand the consumer proposition for that product. It's getting harder and harder for consumers with all the products that come out, with all the garbage that's on the internet. In looking up stuff again, you Google anything, 50% of what you get is right, 50% of what you get is wrong, and you don't know what's right and what's wrong.

It's confusing, especially as we're now evolving into a world where we finally are getting the health message across that what we eat can affect our longevity and our health. Also because of Instagram, because of Facebook, because of Twitter, we have all this global cuisine being thrown at us that people really don't understand. I mean it's a pretty picture that you look at and say,



"Wow, I'd really like that!" Then you've got the people who are just taking pictures of food so that you can prove to me that you're a better foodie than I am and make me feel guilty ... I mean there's a lot of information being thrown at consumers as it relates to food and nutrition these days, and it's harder to cull out what's real and what's not.

Dan: So what you're saying is that you're connected on Facebook with my cousin? Just kidding. You know what, constantly food. I eat this, I tried this one over ... anyhow. Yeah, it's hilarious. But to your point, I believe that customers now, the savvy customers look beyond the four corners of the package, and this kind of gets back to what you're talking about a minute ago. One of the things that I encourage brands to do, Phil, is to have a relationship with that customer outside of the retail store.

Bottom line is this. If I go into a store and I buy your product, you don't know anything about me. You don't know that I bought it, you don't know how I shared it when I got home, et cetera. But more importantly, if I can get you to develop a relationship, develop a community around my customers on my website, then that's the way I believe that brands can help defend against that, compete more effectively, gain more exposure through, more traction through social, et cetera, and the whole idea at the crux of it is that at that point, I can showcase what's really in my package, what's really inside of the ... you know, the ingredients that I make it with.



More importantly, we vote with our dollars. If we take a product that says that it's vegan sausage but it's not vegan sausage, well, what does that experience look like, where am I going to go, and so on and so forth. My point being is that again, part of that customer journey, I think, is getting back to how does a consumer want to buy things as opposed to traditional methods which focus on how do we lower the price or how do we develop some radical strategy or whatever to force people to buy it? My point is that price is the vehicle that we should not be paying attention to, it should be quality. We need to change that conversation. Your thoughts?

Phil: Yes. Also, to add to that quality, it's that relationship that you just talked about. If you build a community, somebody's not going to be looking at another brand that might be a little cheaper, might have a flashier package. What comes to mind is certainly the Dollar Shave Club. I think that Harry's really shocked Gillette and Schick and changed the business overnight. I mean, for Gillette to have to run TV ads that say we're lowering our prices, I mean that's a huge impact.

Again, these direct to consumer companies are building the communities that you're talking about. Across the hall from our office in Santa Monica, there's a new company called Ladder. It's owned by Arnold Schwarzenegger, LeBron James, Cindy Crawford, and Lindsey Vonn, the skater. It's protein powder, basically, in semi-customized forms. They've got I think about six different protein powders. It's by subscription, you can't buy it in a store.



It's the only protein powder that is NSF-approved, that goes through very, very stiff regulation in order for every batch that they make to make sure that it's as pure as possible. They launched in January and I think they're up to 70,000, 75,000 subscribers already at 60 bucks a month. They're going to grow and continue to grow, and certainly, there's the celebrity factor there, but then your point, it's a high-quality product and building a community. They have a newsletter that goes out every week with different tips on how to eat better and mental health and everything else. That's going to be a strong business for them.

Dan: Oh yeah. I think that's the model, and back to what I was saying earlier. For a retailer, traditional retailer to remain relevant, they need to stop playing the price game. They need to stop fighting to the bottom. But more importantly, they need to develop a relationship, an intimate relationship with that consumer that buys their products. I mean, the goal of every retailer is to try to get everyone to not purchase stuff at another store. So I talk about the two things that matter the most. Market basket, the sum total of everything that's in the basket; and then the share of wallet. If I have \$400 to spend, the goal of that retailer should be to try to get me to spend as much of that \$400 in their store without inviting me to go to their competition. Because if I go to the competition, I may not come back.

With that in mind, I think it's a great strategy, and I think it's so critically important that retailers begin to start paying attention to Main Street or the consumers that shop their stores as opposed



to focusing on Wall Street, which is something I'm hearing a lot of, which is unfortunate.

You're talking about some retailers, and I've got to try that retailer that you keep telling me about in your neighborhood. Lucky's is in my neighborhood, and they're doing a lot of that where they have that intimate relationship with their brands. They partner with the brands that they work with and as a result, they have a more loyal base, from my perspective. Do you have any other retailers or strategies or ideas around that in terms of examples? That's the term I'm looking for, examples of brands effectively doing it or partnering with the retailers?

Phil: Yeah, I think if you look at Hy-Vee, for example, in the Midwest, they really value their relationship, again, with the brands. They're constantly being out there and changing formats, experimenting with new things. They're probably, in my mind, one of the most aggressive with that. Certainly Wegmans, who has a very similar philosophy. There are pockets of change around the country that are doing that, and it's to their credit.

The problem is that there's probably more chains and more stores that are not doing it. They are becoming irrelevant. They can blame delivery, they can blame Amazon, they can blame anybody they want to. They should be blaming themselves because what they haven't done is really understood their consumer, what you're describing. That's the key. It doesn't make a difference whether the outside of the store is black or brown or green or what your logo looks like and things like that. It's what's in the



store that's important. Whenever I'm in a store, I'm watching consumers. Again, I'll bring up Erewhon, the first I went into their new store, which is in Santa Monica, a matter of fact, and I noticed how high the shelving was. It was unreachable, even for LeBron James. He couldn't reach the top shelf. And that the aisles were so narrow.

I talked to the owner, Tony, and I said, you know, I find it odd that in a small store, 10,000 square foot, and they do about 3500 transactions a day in 10,000 square foot, so they're killing it. He said, "Well, two things. One is I want the shelves to be really high so that the consumer," and by the way, that's not the same products that are below. It's not extra storage, it's different products. He said, "I want my customers to ask for help. To relate to my staff." His staff is all full-time, no part-timers in the store. So that they can communicate with each other, that they can meet each other. He said as far as the narrow aisles go, "I want my customers to bang into each other. I want them to be a community, to get to know each other so that my store becomes the center of that community." We don't have a lot of retailers that think like that.

Dan: No, that's ... it's counterintuitive when you first mentioned it, but it makes a lot of sense.

Phil: Yup.

Dan: I mean the reality is most people are so engaged in their phone, they don't know how to have a conversation. I go for a bike ride



every day, and kind of my pet peeve is that people don't say hi. I live in Colorado, and everyone used to be so very friendly. Yet today, I've got ... on a regular basis, especially weekends, where people are looking down not paying attention. It's that community that keeps us connected.

Back to some of these problems we started talking about, if we had more of a community, then maybe we would work more as a community to solve many of these issues or help solve many of these issues. Again, back to your podcast, I love the fact that you're introducing those things or shining a light on it. And when you're interviewing people at the Fancy Food Show and other places where I see you interviewing people, it's all about how do we build a community around, for example, plant-based et cetera. So thank you for sharing that.

What are the things ... in your podcast, what is the other focus that you have in your podcast? I like the fact that you've got a story, and then you bring the news, but what are some of the other things you're trying to do with your podcast?

Phil: Well, for example, the one that's coming out today, there's a new series on History ... which used to be called the History Channel, but I've been corrected a number of times, now the name is just History ... called The American Farm. We interviewed the producer of that series and frankly, I said to him ... and he's done a lot of reality shows, he's done over 60 shows, everything from storage wars to, he did a show on lobster fishermen and things like that. He grew up on a farm. What he wanted to do is really to



be able to share five different family stories, with Americans, to understand the farmers story.

I say that Mother Nature is probably the biggest enemy, for lack of a better word, of the farmer today, he says the bank is, because in dealing for a year with these five families. I mean, they either have to worry about paying the bank back, getting a loan from the bank, I mean everything that a farmer does relies on money and having that money accessible. He has some other great stories where there's a farmer in Virginia, third-generation farmer. He has one son and the son doesn't want to go into farming. So what do you do with this third generation farm when you don't have another generation to pass it on to?

We're always looking for those aha moments with the people that we interview to really share the story and get the word out there. I did a PBS special, oh now probably about five years ago, called Food Sense. I went to a diner in Baltimore, it's actually called the Hon Diner, H-O-N, because all the waitresses call you "Hon," the short for "Honey." Ordered breakfast, and then tracked all those foods back to the source. That came out of a story that I read in the LA Times where they did a survey of grammar school kids and asked them where certain things came from. When it came to milk ... and it was multiple choice. I forgot what all the choices were. Obviously, one was a cow, one was a chicken, and so on. I mean 90% of these kids didn't know that milk came from a cow.

That was my impetus to say, okay, whoa, we've got to educate people where our food comes from. We went to Florida where the



potatoes came from, where the eggs came from, and the wheat, and so on. We really ... even though we're really into food and we're really into iconic food and we're into rainbow food and all these trends or fads, let me say that, that people are going for, we really don't know about the source of our foods. That's something that I think until we can get people to understand where their food comes from, how it's grown, all of those kinds of issues, we're never going to reverse obesity, we're never going to reverse onset diabetes or heart disease or any of these other things, because we just need a better understanding of food. I mean right now, keto is the hot diet, everybody is running to keto. All the doctors that I've spoken to said this is a very harmful diet. I mean if somebody wants to be on keto for a week or two to lose weight quickly, sure. But to change your lifestyle to just go on keto is not a good way to go.

We have a tendency in this country to rush into these fads and then until the next one comes and then we rush into that. Just doing a lot of harm to our bodies. Then we've got ... you know, a good friend is Marion Nestle from NYU and she just wrote a book about how the funding of all the research for food is paid for by the companies. In her blog yesterday, she talked about yet another study that was funded by Coca-Cola that talked about sugar is not the culprit of why people are getting fat, it's lack of exercise. That's been something that Coca-Cola and some of the other soda companies had been pushing for a while, but the science shows that sugar is a cause of obesity not only in the US but around the world.



Dan: Well, and to your point and kind of go back to where you were starting, back in the diner, this is certainly what I'm trying to focus on. Trying to teach the brands how to have that relationship and build that relationship with their end consumers so they understand where the ingredients come from. Back to the comment about going beyond the four corners of the package, you mentioned the CBD oil, et cetera, that's the Wild West. There are so many different purities. People that don't understand what they don't understand. To what you're talking about, everyone wants that magic bullet, that one thing I can do or one pill I can take that's going to make me look like a red carpet type, you know what I mean, a type celebrity.

But at the end of the day, being able to celebrate the farmer and appreciate the hard work that they go through or what they do in an average day, I think is so critically important to this conversation. Phil, when you're talking to farmers, are you talking to a wide variety of farmers or are you talking to those that are healthy, natural, focused, et cetera?

Phil: Wide variety. I think it's important that we talk to the farmers that are organic farmers, conventional, ones that have row crops, ones that are growing heirloom tomatoes. It's all part of agriculture and I think for consumers and for retailers, retailers, in particular, they need to understand that. They need to understand what some of the differences are. That for example, we lump all soybean farmers together, that they're all GMO, that they're all one variety and so on, and they're not. There are



organic soybean farmers, there are new varieties of soybeans being developed now, and we've got to get that word out there. Who better to tell that story than the farmer? The farmer who's growing it and can really talk about the technologies that are available today that, whether it's drone technology, whether it's using satellites to pinpoint a two-inch square in their fields that needs water or that needs more fertilizer to it, I mean this is real science. You've got tractors that people run by their iPhones, and you've got tractors that have the farmer sitting on it going up and down and up and down. We want to cover it all.

Dan: I think that's great you're doing that. I've got a couple of people if you're interested, that you might be interested in talking to ...

Phil: Absolutely.

Dan: Tim Joseph, Maple Hill Creamery. His cows are grass-fed, do not take antibiotics, are bigger, live longer, et cetera. Jefferson Heatwole, organic chicken. His chickens don't use any antibiotics, et cetera. They live longer, they're healthier, they're bigger, et cetera, et cetera. The flavor profile is different. Caryl Levine of Lotus Foods has a farming method for rice that actually doesn't use much water. You were talking on your podcast about water conversation, how much a big issue that is. One of the things ... I know some people in South Africa who have 13 gallons a day, 13 gallons a day per person, that's all you get. Think about it. Your bathing, your toilet, your food, you're whatever you need, 13 gallons a day. I don't think that ... that's unfathomable where we're at today, but to what you were talking about on that



podcast, these are all things that we need to take ... we really need to understand.

By the way, I think the drone idea where far as checking to see if the cows were healthy, that was pretty creative. I think that was a great idea and kind of the ... well actually, why don't you talk about it?

Phil: Sure. Well, there's a lot of technologies that are out now for cows, a matter of fact. One is drones looking to see where the cows are, where they're feeding. Another technology that we just did a report is a collar that is put around the neck of the cow so if the cow goes to a part of the field that they shouldn't be at, it vibrates. It brings them back. A lot of times, cows are in herds so all the cows are in one herd together, and that can be dangerous for the cows, so it can move it and so on.

When you look at technology and how farming is changing so rapidly, it's also one of the reasons that we're having a lot more young people want to get into farming, because it's kind of cool. It doesn't mean that you got to dig the ditches and be on the tractor all day and so on. There's a lot of these devices that are out there now that it's not quite the gentleman farmer that you're sitting on a rocking chair on your porch, but you're behind the computer and really looking at everything, all the traits that the soil need. Soil health and water are two very big, important issues that we're always addressing.



To your point of water, if we don't do something very soon about climate change and our water supply, it is estimated that we will be down 30% to 50% of our water needs within the next 20 years. That becomes really scary. I'm talking globally. It's not just part of South Africa that have issues, it's right here in the US that we're going to have major issues as well.

Dan: Well, and Colorado's a semi-arid desert, but yet we have green lawns because we have water, which doesn't make any sense at all. Why are we doing that when we could put the water to better use? I agree with you completely, and so some of the others I've been looking at is hydroponic farming. There's a company that I interviewed on the podcast that does that, and they can actually put more nutrients in their crops as a result. You mentioned cell-based meats, which is another neat technology.

The point is there are so many great things out there, and so farmers are the cutting edge of everything. They're the background, they're the ... what do you call it, the edge of the blade or whatever, the point of the spear. We need to take care of them, we need to support them, we need to help them out. But more importantly, and I love the way you do this, is we need to help the consumer better understand where the products come from.

I'll connect with you, I'll find ... because I've got some ... you were talking about Kimbal Musk. He's got a company called the Big Green, and they're trying to get schools to develop gardens in industrials and urban schools as well to teach kids about food. So



the kids grow the food that's organic, how to harvest it, et cetera, teaching people about the quality of food. The point being is that it kind of back to the consumer piece too. If we can teach a young child about the value of quality food, that's going to rub off on the mom and dad. If that rubs off on the mom and dad, then that eventually rub off on the retailer, et cetera. Again, we vote with our dollars. I think this is all critically important. Anyhow, thank you for putting out that podcast because I think it's a great resource, and I'll certainly put a link to it in the podcast and on the show notes.

I know we're coming up kind of closure on the hour. What are the things have we missed, that we haven't talked about that you would want to share?

Phil: Well, how our supermarket is changing and to your point, where we spend our money, that's where we have our voice. To really be able to go up to the store manager, go up to the fishmonger, the butcher, whatever, and start to have a conversation. Every produce manager carries a knife in their pocket. There are now about 400 different items in the average supermarket's produce department. Most of us buy the same 10 produce items. You know, apples, oranges, bananas, and so on. Go up to the produce manager and ask to taste a cherimoya or some of the other products that are there. They want to impart their knowledge to consumers. They want consumers to have a wider variety of produce or of meats. These people who work in the stores, for



the most part, there are exceptions, are very knowledgeable and want to help.

I always see somebody struggling. If they're buying limes, for example. You see them, they're getting limes that are hard as rocks. I'll go over and I'll just say, "Oh, what are you going to use the lime for?" "I'm going to make a margarita." I'm going to say, "Okay, well, here's what you want to do. You want to smell it, you want to squeeze to make sure it's juicy, not hard," and you see the wonderment in their eyes and they go, "Wow, that's great! How do I learn more things like that?" I say, "Talk to that guy over there. He's the produce guy, he can teach you everything that you need to know to have a healthier, tastier, more affordable diet."

I think the most important thing, and this is what you say all the time and the way you started today's discussion, it's about communication. We all have a responsibility in the food world to learn how to communicate properly, whether it's retailers, whether it's CPG companies, whether it's the people that you work with, to understand that a consumer has one-seventeenth of a second in a store to make a decision on a product. Get it out on the package properly. Forget all the junk that's on the package and tell your story. Talk about the quality of your ingredients and how your product is made. It's all about communication.

Dan: Thank you for sharing that. I would go one step further. I think the biggest failing of brands is not communicating that, is not sharing that. The reality is this. If I eat organic ... well, I'll give



the example that I always give. If you walk up to the bread section and you see that, you buy the cheap generic bread, you're hungry almost before you eat it. Almost before you finish eating it. Then you buy the best mainstream bread, it's whole grain, et cetera, and you might be satisfied or satiated for a couple of hours. You buy the organic bread next to it and you're probably going to be satiated longer. My point is even though it's 50 cents more, whatever, at shelf, it's cheaper in the long run because I need less of it to sustain my body. It doesn't have some of the things that the other might have in it.

The point is this. If we can help educate the consumer on the value of the healthy, quality foods, how you need to eat less of it as a result, we take out the preservatives and all that other stuff, that I think is the opportunity and that ties back to the farmer which at the end of the day, this is ... you know, whoever's producing the product is so critically important.

There's a brand that I've worked with that puts a snowflake on their product, and you can then trace back the ingredients or everything in the product back to who planted it, how it was taken care of, everything. I think that's where the future is, and that's ... getting back to that app you were talking about in terms of helping the community ... I'm sorry ... helping the end consumer be able to buy directly from the farmer which I think is a great idea. I wish we had that locally.

Thank you so much for coming on. One thing I forgot, I wanted to talk to you a little bit about ... we got a couple more minutes ...



there's a new technology that actually I'm really focused on, I'm partnering with some people. It's earth-digestible printer on demand packaging. I think you would find it fascinating. The whole idea behind it is that if you buy beef jerky or whatever and you recycle it, forget what's going on with China not buying recyclables now, the reality is that will never become another beef jerky package again. This packaging, you can actually throw in your backyard, it's earth-digestible.

The other thing is you can also print on demand. Your brand, you come up with an idea and you want to get it on the store shelf, but you've got to wait for an order to come in because you're buying a small order and you got to get it printed and ... so you're talking 14 to 16 months before you can even get the product on the shelf, but during that time period, you got another label, another certification, so you want to add that. The point being is being able to get the product on the shelf faster.

Someday, I'd love to continue this conversation and talk about some of those things that I'm learning about, but anyhow, thank you so much for your time, I really appreciate it. Enjoy Palm Springs, that's got to be a blast.

Phil: It is, it's great. Today will be about a hundred degrees and nice and sunny, so it's good, it's good.

Dan: You like a hundred degrees? I would melt.



Phil: I do. But thank you for inviting me on and being able to share insights, and always love talking to you.

Dan: Oh, thank you. Again, everyone listening and watching, the insights that you provide are just priceless. The ability to go beyond and see what's going on beyond the four corners of your neighborhood ... and oh, I forgot the other thing I want to say. What you're talking about is the produce manager, the key takeaway that I took from our last conversation is theater. That's theater, and that's how you develop that relationship and develop that community within consumers. Anyhow, thank you so much, have a great rest of your day, and I look forward to the next time we talk.

Phil: Me too. Thank you.

Dan: Thanks, Phil.

I want to thank Phil for coming on today and for sharing his wealth of insights about the industry and things that you need to know including helping you better understand where the food comes from — real, authentic food, the food that is the building block for all the brands that we're talking about. I'll be certain to put a link to Phil, The Supermarket Guru in the show notes and on the podcast webpage. In addition to that, I'll also include a link to Farm, Food, Facts, Phil's new podcast, the subject of this podcast interview. I highly recommend you check it out. It's full of great insights that you can use to better help educate your consumer as well as the retailer. In addition to that, you'll hear



trends about what's going on in the industry so you can stay ahead of the curve and gain a significant competitive advantage.

This week's free download is my top 10 strategies to meet your business goals. I thought this would be appropriate because it covers a lot of the things that we talked about in the podcast. How to leverage the unique consumer that buys your products at retail to help you get your products on more store shelves and into the hands of more shoppers. You can get it on the podcast webpage and in the show notes. You can get there by going to brandsecretsandstrategies.com/session124. Thank you for listening and I look forward to seeing you in the next episode.

Supermarket Guru <https://www.supermarketguru.com>

Farm Food Facts <https://www.fooddialogues.com/farmfoodfacts/>

This episode's FREE downloadable guide

Nothing happens until someone buys your product and shoppers can't buy what they can't find. The path to sustainable sales and getting your product onto more retailers shelves and into the hands of more shoppers.

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Thanks again for joining us today. Make sure to stop over at brandsecretsandstrategies.com for the show notes along with more great brand building articles and resources. Check out my free course Turnkey



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Sign up today on my website so you don't miss out on actionable insights and strategic solutions to grow your brand and save you valuable time and money.

I appreciate all the positive feedback. Keep your suggestions coming.

Until next time, this is Dan Lohman with Brand Secrets and Strategies where the focus is on empowering brands and raising the bar.