



Raymond A. Mason School of Business

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LEADERSHIP & BUSINESS PODCAST

EPISODE 106: EVAN JONES – THE EVOLUTION OF FENDER

Ken White

From the College of William & Mary in Williamsburg, Virginia, this is Leadership & Business. The podcast that brings you the latest and best thinking from today's business leaders from across the world. We share the strategies, tactics, and information that can make you a more effective leader, communicator, and professional. I'm your host Ken White. Thanks for listening. If you like music or play the guitar, you know the great guitarists like Buddy Guy, Eric Clapton and The Edge, Jimmy Hendrix, Bonnie Raitt, and Stevie Ray Vaughan. In addition to their talent, they have something else in common the Fender guitar. For years rockers and other musicians have relied on Fender to help them belt out killer solos and get audiences on their feet. But, like always, music continues to change. While the electric guitar is still popular many of today's top performers and novices are turning to the acoustic guitar. Evan Jones is the Chief Marketing Officer at Fender. He and his colleagues turned to data analytics to get a better handle on musicians, customers, and prospective customers. After analyzing the data, their creativity took over, and Fender play was born. Jones joins us on the podcast today to discuss his marketing career, the always-evolving music business, and how Fender is more relevant than ever. Thanks to the community of musicians known as Fender play. Here's our conversation with the CMO of Fender, Evan Jones.

Ken White

Evan, thank you so much for taking the time to be with us. Great to have you here.

Evan Jones

Thank you. My pleasure.

Ken White

What's the real reason you're here?

Evan Jones

Well, the real reason I'm here is my wife Kirsten Schimke, now Kirsten Schimke Jones, is being inducted into the William & Mary Athletic Hall of Fame. She graduated in 93 after playing volleyball here for two years.

Ken White

Yeah, so big, really big weekend for you and your family.

Evan Jones

Yeah. Great weekend. We actually had her parents flew out from Scottsdale. She had other friends that you hasn't seen in a while come in, and we also brought our three kids with us so they could see. Her mom went to school, and actually, I had a chance to meet some of the folks on the basketball team yesterday too.

Ken White

Yeah absolutely. Thanks for sharing because this is a big family weekend congratulations to the family. You met yesterday with a number of students and had sort of a marketing get-together, sort of talking about your career and so forth. What did you talk about with them?

Evan Jones

Yes. Well, I guess the brief for the event was to just share a bit of my journey and some of the things that I've learned along the way, so you know, I share with them that actually, when I was in school, I had no clue what I wanted to do. I thought it was political science. I remember taking a political science class at Johns Hopkins, and that turned me off to political science. No offense to Johns Hopkins.

Ken White

No, of course not.

Evan Jones

You know and then got into history, ended up transferring to UC Davis, and decided I wanted to get into sports medicine. So graduated with a BS in Exercise Physiology which is why I suppose three days later, I was on a plane to Germany with a guitar, Eric Clapton's Unplugged CD, about to go join a basketball team to play basketball for a year.

Ken White

There you go.

Evan Jones

So I'd love to tell you that it was all purposeful and intentional, but the reality is it has been anything but. But you know, the journey that I shared was after a couple years of basketball overseas, I ended up joining Nike. And for somebody who grew up in Eugene, I probably had the chip in my head early on but was fortunate enough to join the organization when it was very new. I was working with eight distribution partners doing

business in Eastern Europe and, over the course of five years, grew up within that organization became Head of Marketing for that region. And then from there, after, you know, various positions at Nike was able to work at a bunch of other brands, eventually landing my current job as CMO of Fender.

Ken White

So not really having marketing as the goal. Where does the passion come from for marketing?

Evan Jones

Well, I think, first of all, for me, my life has been driven by sports and music. Those have always been my two biggest passions. I was born in New Orleans, although I grew up in Eugene. My father was a great piano player even though his profession was as a doctor, and so music has always been a part of me, sports as well, and I think those were probably the two underlying motivations for me in terms of what I was going to do next.

Ken White

Yeah, so then you decided in sort of mid-career this is not a exact path I want to get a little more creative. Was music the target?

Evan Jones

Well, just to, yeah, just to go back and hear your question. I think you know the reason I chose going overseas to play basketball for a couple years was I had some friends who were heading into grad school had done it for a year and just said it was a great cultural experience. How could I say no, especially when a team offered me basically salary, a free apartment, travel money, the whole thing? I had that for two years. But I think what I've figured out is, well actually, what sort of drove me to leave that I dislocated my shoulder on a six foot 10 Yugoslavian center and three days later walked into an Irish pub where I ended up meeting my wife.

Ken White

Wow.

Evan Jones

And she's from Montana. So go figure. But I think as we talked about we wanted to do next. We realized that sports, sports marketing, and being in and around sports was what we wanted to do. Found out that Nike had an office in Vienna, and that drove us to essentially put business plans together to go pitch Nike to hire us.

Ken White

Fantastic.

Evan Jones

Her first and then me.

Ken White

So many undergraduates and graduate business students want that job. They want to do a marketing job in music, in sports, anywhere. And it is unbelievably competitive. How do they cut through the clutter today?

Evan Jones

Yeah, you know, it's interesting. I look at most successful marketers are either generalists, having been in multiple brands, multiple companies, maybe multiple startup situations where they've had to solve all sorts of interesting problems, or they're specialists, and there's no question that if you want to be a specialist today understanding how social media, digital marketing, lifecycle marketing work is critical. For my career, I've always been a storyteller first, and I've always told you know marketers on my team, and as I've learned over the years, especially at Nike, that the best marketers are curious, and you know they are consumer advocates first and foremost. I think what's interesting is if you look at the evolution of technology, the capabilities now that brands can develop the ability to understand not only how to attract sort of top-of-funnel marketing consumers to your brand but then how to build relationships over time that go beyond just simple transactional conversations is really the key.

Ken White

Is this that where storytelling then comes in?

Evan Jones

Yeah. So you know, storytelling at the end of the day is a great way to attract somebody, engage somebody, get them into a relationship with the brand but then in terms of building that relationship over time. You know, just look at what's happening at retail right now. You know the physical experience is being challenged by the digital experience, and what's attractive about the digital experience is the data, the information, the relationship that you can develop directly with the consumer. So understanding as a marketer how not only to tell great stories but also how to build a great journey for the consumer is critical.

Ken White

So really, going from beginning to end with the customer now, it's not just buy this item anymore.

Evan Jones

That's right.

Ken White

So how did you make the move to Fender?

Evan Jones

Well, the move to Fender for me. I can't tell you that anything I did after leaving Nike was purposely intended to get me there, but I remember when I left. My wife when I left Nike after twelve and a half years, my wife challenged me to write down my three target jobs that I thought I'd want to get someday. And admittedly, one of them was to be the CMO of Under Armour. Just because I thought, well, I can sort of prove you know what my capabilities are. But one of them was to be CMO of Fender, and I figured, you know, someday when I was older, I could comfortably market guitars to people like me, but you know, as I went through the next seven years of my career I can't tell you that it was anything intentional or purposeful I held kind of jobs for shorter periods of time. I was the VP of Marketing for DC Shoes. I was at Activision working on the guitar hero business, which, if you can't be a real guitar hero, be a plastic guitar hero.

Ken White

There it is.

Evan Jones

And I was CMO for New York Hat company out in Buffalo, New York. And you know, all of them for me were attempts to match my aspirations with my values with things that I wanted to do. When the fender opportunity came along, it was such a great fit for me because of where I was as a marketer but also where the company was. And you know, I think where we are now with Fender is, you know, we've got a great 70-year-old brand that has tremendous equity and brand adoption by some of the world's most interesting artists. But we're also, I think, well positioned to drive a whole new wave of energy into music and into culture through artists and through community.

Ken White

We'll continue our conversation with Evan Jones in just a minute. Leadership & Business is brought to you by the Center for Corporate Education at the College of William & Mary's Raymond A. Mason School of Business. You've been hearing about the power of business analytics for years now, but you may not know how to get analytics to work for you. If that's the case, the Center for Corporate Education is offering an exciting opportunity in April. Business analytics for leaders. The two-and-a-half-day program starts April 18th. It's designed to help you gain an understanding of how business analytics can be used to

build a data-driven culture in your organization. The course is designed for executives, high-potential managers, and business owners with a responsibility to develop and implement the organizational strategy and grow the business. The program is taught by our business school faculty, who teach in William & Mary's Masters of Business Analytics program. To learn more about business analytics for leaders, visit wmleadership.com. Now back to our conversation with the Chief Marketing Officer of Fender, Evan Jones.

Ken White

And so, what are you doing in that space that you can share with us?

Evan Jones

Well, when I got to Fender three years ago, my CEO, our Head of Digital, and I all realized one of the things we really lacked was sort of true data around, you know, what was the guitar playing and buying universe like. So we commissioned what I suppose had been the first consumer insights survey or segmentation study that Fender had ever done, perhaps ever had done in the music industry. And what came back was really compelling. It kind of showed us that 50 percent of all new guitars in the last five years had been bought by females, not just moms, girls, women looking to play. Call it the Taylor Swift effect, but the inbound number of female players coming in has been dramatic, and that is very different than what I think most guitar shops would tell you.

Ken White

Absolutely.

Evan Jones

Secondly, 70 percent of all those guitars that they preferred were acoustic. We've since seen a lot of that slide into electric under the assumption that you had a lot of young women come in learned to play acoustic realize they also want to play electric, and so they've added that to their collection as well, but probably the most interesting information that came back was that 45 percent of all guitars that we've sold and 35 percent of all guitars bought by new players are first time players. Are bought by first-time players.

Ken White

Wow.

Evan Jones

So that's a pretty compelling stat. And what makes it even more interesting is we learned that 90 percent of all first-time players drop out within the first year. If not, the first three months.

Ken White

Right.

Evan Jones

So for us, what that told us is we don't really have an awareness issue. We have an abandonment issue.

Ken White

Yes.

Evan Jones

And so you know, as a company, we've been really focused on how do we both elevate the profile of guitar and music and culture and elevate artists who are dragging music forward but also how do we address the abandonment issue.

Ken White

And so that's what the data showed you those three areas, then abandonment is issue. That's such an interesting issue. I'm thinking, as our listeners heard you say, that I can just see the hands. I'm one of them. You know listeners saying that, right? I had a guitar or two and just abandoned. So how do you approach that?

Evan Jones

With that information, one of the other things we did is went out to understand the dynamics of the new market, the used guitar market, and also the lessons business. What came back was really interesting in the new, and the used guitar markets are essentially of equal size. The new market just edging that slightly, which, when you think about the number of guitars that are out there today, kind of makes sense.

Ken White

Right.

Evan Jones

But way more compelling is the fact that the lessons business is four times as large as the new guitar business. Meaning there are people are spending four times as much on learning as they are on buying.

Ken White

Interesting.

Evan Jones

And within that, the fastest growing segment of learning modalities is online subscription-based learning. So with that information, what we embarked on about two and a half years ago was to build a digital business of subscription-based services really targeted and designed to help first-time players get over the hurdle, learn their first song, and get started on their musical journey. And that's when in July of last year, we launched something called Fender Play which is a subscription-based online learning service absolutely targeted towards beginners.

Ken White

And what it what are the results? What are you seeing? I think you just nailed it to get that first song because then there's some success, right?

Evan Jones

Exactly and you know we always talk about the fact that if you are a guitar player, if you're the 10 percent who make it through the dam each year, you're going to go on to own six, 10, 15, 20 guitars or if you're like our CEO 55 and you know we want to get people started on that journey, of course, it's good for business but it's also great for music and for the brand.

Ken White

How you reaching, but what are you doing to get them to learn that first song?

Evan Jones

So you know, thinking about how do we get more people through the hurdle with Fender Play. When we launched it, you know, we were unsure exactly what the results were gonna be. It was really a first time. I think that this had been done by anybody in the guitar industry. Since we've launched, we've now have over 40,000 subscribed users who are using the Fender Play service to learn. What's really interesting about it is they are very engaged. We built a model that had assumptions around conversion from trial to subscription churn rates, et cetera. We're finding that they're converting at a much higher rate, refining they're sticking with it much longer. Equally compelling is we're finding a subset of them are also buying new gear. And so we've got the first glimpse of what a true lifetime value lifecycle marketing model can look like for the brand. What's also really compelling is we have established an invitation-only closed Facebook group of Fender Play users. And we've got about 3,000 people who are in there right now, and for us, it's a great test too, but it's also become this really phenomenal sort of organic support system. And we have consumers who are on there every day sharing their experiences. In fact, one of the most interesting things we did is we pulled a couple of videos of that just to share with some of our internal teams, and some really amazing things were coming through. One of the most interesting was, for a brief moment in time, Wonder Wall by Oasis was a

song that everybody wanted to play, and out of nowhere, we had hundreds of Wonder Wall videos being shared across all channels. We think it's because, with three or four chords, it's a lush-sounding tune it doesn't require a ton of technical expertise, but people are able to get that thrill of learning to play a song and sharing it with their friends, their partners, or in this case the community.

Ken White

Have you noticed anything about age in terms of who's trying Fender Play? Does it tend to skew younger?

Evan Jones

Well, for now, what we've done is we've mainly targeted our existing channels and audience. And so, by virtue of that, it's a fundamentally slightly older community of people. But over the last six months, we've been aggressively ramping up our outreach and acquisition strategies to reach younger both male and female consumers say from the ages of 16 to 30. And what we've seen is since we've been doing that, it's exactly replicating what we've seen in the data. Fifty percent of the users are female. There's a predominance of acoustics that are coming in. That's really exciting for us.

Ken White

Yeah. What about musicians? How are you working with them? I mean, you certainly don't abandon them. That's your heart and soul. What do you do with them?

Evan Jones

Well, in the context of Fender Play, one of the side reasons that we also launched Fender Play is we believe it could be a great way for new artists who have fans to allow their fans to experience their music differently, and that could be everything from you know legacy artists who have some of the most viewed songs as a way for them to get more people listening with and engaging and really leaning into the musical experience. But we're also finding it's potentially a very compelling way for us to help break and launch new artists who, when they're in cycle and let's say they have an album coming out in Q4 they want to get a song in Fender Play. They don't actually have to record it themselves. We take care of that in our studios in Los Angeles, but they could incentivize learning that song to their fans, and we're more than happy to, you know, support them in that effort because it just creates obviously more connectivity for them as individuals. Outside of that, you know, I think with respect to the overall brand, one of the fundamental things that we've done in the last three years is really get much more focused on artists. And when I came to Fender, my CEO and I had, I guess, what could best be described as multiple spirited conversations sometimes over a beer where we discussed a lot about, you know, talked a lot about the Fender brand voice. You know, at Nike, we used to sweat that a lot. We would be in strategy sessions, and we would grind it out. I think we wanted to keep it

simple at Fender, and what we decided to agree upon is that the Fender brand voice can best be described as the sum total of the voices of the artists who use it. And with that in mind, what we've embarked on is really becoming great storytellers on behalf of artists, and we do that in our product marketing. We also do that, quite frankly, just with artists who have a unique story to tell.

Ken White

So when you started in marketing community building like you're doing on Fender Play affecting culture like you're doing there driving personal improvement, that wasn't marketing, but it seems like it is today. What a change.

Evan Jones

Yeah. You know, I think the way that I try to think about it is not as a series of transactions but really as a movement, you know, and I think I've been in a lot of brands where we've had to pay influencers to speak on our behalf, or we've had to convince influencers that what we're trying to sell is cool. I think, in this case, we're sort of flipping the script. We are fortunate to sit sort of inside the creative circle with the artist. So we put all of our energy into making sure that they've got the best tools on the planet to create whatever they want. We're also expanding the definition of artists to include not just the ripping guitar solo legacy players that we all grew up on, whether it was Stevie Ray Vaughan or David Gilmore, but really to think about artists today who are using guitar in different and new ways to create music. And I think the reality for us is we've realized as a brand, you know, we need to be both servicing the legacy but also really servicing, supporting, and elevating what the future and next generation of guitar looks like, whether that's first time players or artists who are in that developing emerging phase and just breaking through.

Ken White

Do you see more products and services taking this approach to marketing as opposed to let's just reach people and get a sale?

Evan Jones

Well, I think so, and kind of going back to my point about the influencer relationship. In our case, the primary influencer is the artist. And so our relationship is that it's not a sponsorship. And I think for brands, if you can figure out what your organic truth is. Figure out what's the heart of your brand what's the heart of the relationship that you want to have with the consumer. Then I think the challenge is to figure out how do you authentically build that relationship in a way that isn't so transparent where your strategy is showing. That was always kind of one of the worst insults you could ever get at an ad pitch when I was at Nike. Hey, your strategy showing, you know, and I think not every brand is built for that necessarily type of marketing, but I think if you're working with a passion-based brand, or you're working in a lifestyle business, or you're working in a business

where there's a repeated relationship. I think figuring out what that authentic core is is critical.

Ken White

That's our conversation with Evan Jones, and that's our podcast for this week. Leadership & Business is brought to you by the Center for Corporate Education at the College of William & Mary's Raymond A. Mason School of Business. The Center for Corporate Education can help you, and your organization meet and exceed your goals with business and leadership development programs that fit your needs and get results. If you're interested in learning more, visit our website at wmleadership.com. Also, if you have any feedback or suggestions pertaining to the podcast, we'd love to hear from you. Email us at podcast@wm.edu. Thanks to our guest this week Evan Jones and thanks to you for joining us. I'm Ken White. Until next time have a safe, happy, and productive week.