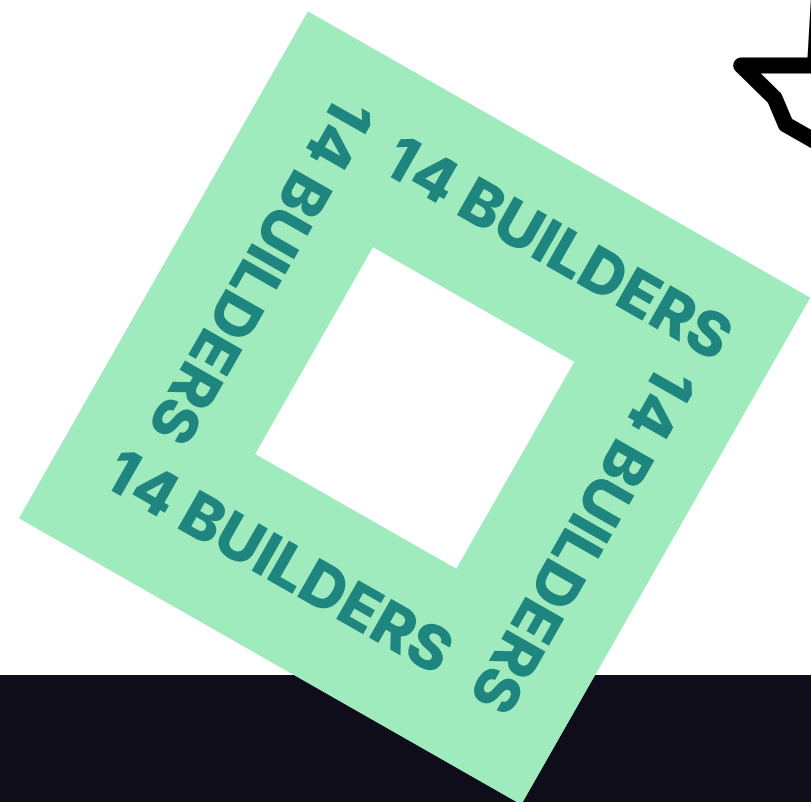
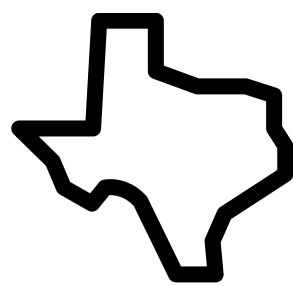


tydo



Tydo Tables



What if we gathered innovative DTC founders and operators to discuss the unique opportunities, challenges, and questions in their niches?



The Wild West of CPG

SUSTAINABILITY ECOMMERCE PRODUCT COMMUNITY SALES BRAND

Table Of Contents

Introduction	01
Attendees	02
Keep Austin Weird (And Local): One Bite And Sip At A Time	03
It Takes Two To Tango: Product And Community	09
A Catch-22: Sustainability And CPG	16
The Digital Shelf: Standing Out In The Crowded ERetail Landscape	23
Shelf Talk: Driving Sales In Physical Retail	29
Cracking The CPG Code: New Platforms & Opportunities	36
Conclusion	43



Letter From Our Brand & Content Marketing Lead

There's a new wave of brands upending the grocery store as we know it. Open the IKEA cabinet of any modern-day consumer, and you might find adaptogenic trail mix, chickpea pasta, grain-free tortilla chips, probiotic sodas, and canned ranch water cocktails. Goodbye, cheesy, junk food. Hello, chunky serif lettering, bold colored, better-for-you brands.

Emerging food and beverage (F&B) brands are popping up left and right—whether it's on GoPuff, at Pop Up Grocer, or on your TikTok For You Page. With the explosion of Shopify and no-code tools, the barriers to entry are lower now than ever before, but that doesn't necessarily mean it's easy to build, launch, and scale a F&B brand from the ground up. It's quite the opposite.

Nowadays, CPG (consumer packaged goods) is the wild, wild west.

Consumer expectations and behaviors are rapidly changing—from the rise of third-party delivery apps to the explosion of sustainably-sourced, mission-driven brands.

F&B brands can listen to as many webinars, join as many Slack communities, and engage with as many tweets as they'd like, but I've seen firsthand how IRL collaboration, creativity, and

conversation lead to magical moments, ideas, and opportunities. Unfortunately for CPG founders and operators, those moments—where they can speak openly and honestly about their struggles and ask questions without judgment—are few and far between.

That's why we created Tydo Tables—a unique experience where we gather niche groups of innovative DTC founders and operators to collaborate, problem solve and connect over passions, curiosities, and challenges.

To kickstart the series, we traveled to Austin, Texas, to host our first-ever Tydo Tables. From the brands stocked in Austin's must-hit market Tiny Grocer to the ones launching nationally later this year, we gathered 14, Austin-based F&B founders and operators to meet for the first time, share a delicious meal, and have one roundtable conversation around the biggest questions in CPG.

The only rule: No question or topic is off the table.

We're excited to share the insights, takeaways, and thought starters from the two-hour Tydo Tables experience.

Rachel Cantor
Brand & Content Marketing Lead at Tydo

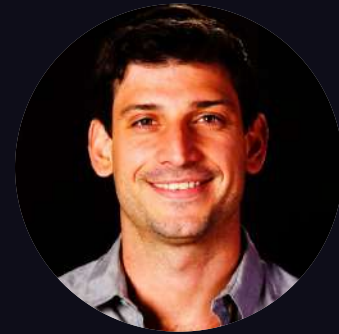
Attendees



Audrey Turner
Founder
Toasty Dips



Ben Ponder
Cofounder and CEO
Ponder Foods



Bryan Guadagno
Founder
It's Skinny



Caitlin Cash
Founder
Kinship Milk Tea



Cattie Khoury
Founder
Toodaloo
Superfoods



Dyanna Salcedo
Cofounder
Oats In Coats



Ellie Seta
Senior ERetail Manager
Super Coffee



Ilene Chen
Founder
Power Up Foods



Josh Bezoni
Cofounder and CEO
BioTrust Nutrition



Kate Morton
Founder
Funk It Wellness



Madhu Sharoff
Founder
Kimbala



Quentin Cantu
Cofounder and COO
Ranch Rider Spirits

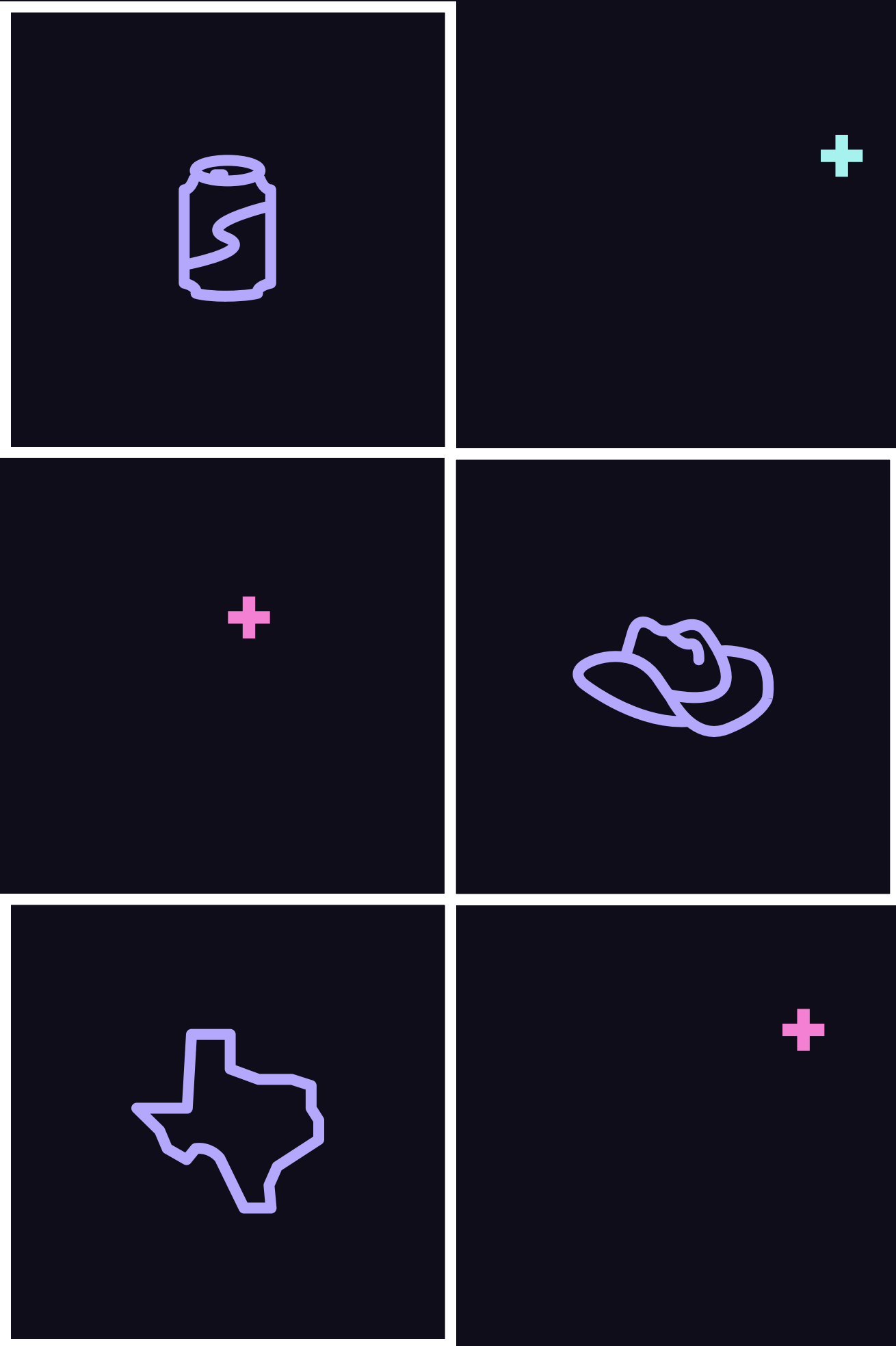


Robbie Thomas
Director of Growth
Direct.Co
Cofounder
Just Panela



Sunny Roberts
Brand Activation and
Community Director
Siete Family Foods

tydo



**Keep Austin Weird
(and Local):
One Bite and Sip At a Time**



Austin's Thriving CPG Ecosystem

Home to major food and beverage brands—Tito's Handmade Vodka, Siete Family Foods, Deep Eddy Vodka, Amplify Snack Brands, and Epic Provisions, to name a few—Austin is a booming, global innovation hub within the CPG space.

A high-level timeline: In the late aughts, Austin made its name in tech. By the late 2010s, Austin became a burgeoning CPG incubator, fueled by the launch of SKU (the nation's first CPG accelerator) and major acquisitions and deals in the food and beverage space.

In 2016, Epic Provisions sold for \$100 million to General Mills. In 2017, Hershey acquired Amplify Snack Brands for \$1.6 billion. In 2019, Siete Family Foods raised \$90 million through a minority investment from Stripes Group LLC. New venture funds, specializing in CPG, set up shop in the city, including CAVU Venture Partners and Springdale Ventures.

Austin's CPG ecosystem is backed by a wide network of Texas-based retailers—HEB, Whole Foods, Thom's Market, Central Market, Tiny Grocer, and Royal Blue to name a few—all of whom prioritize amplifying and supporting Austin born-and-bred businesses.

As the birthplace of Whole Foods (the grocery store that launched a new era of health and wellness), Austin continues to attract both first-time entrepreneurs and industry experts—ready to develop the next generation of better-for-you, CPG brands.

Kate Morton uprooted her life in New Zealand and moved to Austin to start her seed cycling business, Funk It Wellness. She describes the Austin community as “incredibly receptive and welcoming.” Similarly, Robbie Thomas, the current director of growth at Direct.co, relocated from Columbia, South America, to Austin with the hopes of connecting with like-minded entrepreneurs. He says, “In Austin, it's second nature to meet people and let them into your circle immediately. It's a tight-knit community.”

SKU and Naturally Austin (a nonprofit fostering sustainable entrepreneurship in CPG) both strengthen ATX's CPG community. Now located in multiple cities across the US, SKU's 14-week program helps founders turn their ideas into transformative CPG brands. In 2021, SKU brands' annual revenue topped

\$2.5 billion and Naturally Austin had 483 member brands.

The unique mix of tech moguls and creatives has cultivated a family-like mentality and pay-it-forward approach among the CPG community that's unlike any other city in the US.

Caitlin Cash, the founder of Kinship Milk Tea, experienced this warmth when she started her milk tea brand in 2019. When she asked to grab coffee with a handful of Austin founders, not a single founder turned her down.

“There's this local card you can use,” says Madhu Sharoff, founder of Kimbala, a ready-to-drink chai brand. Whenever he walks into a new retail account and tells the store manager he's a local business, their ears immediately perk up. Austin is that first connecting point.

“People gather here because they have holistic, genuine intentions to heal people. We see that in CPG. We're all creating better products because we see that the food system is messed up, and we bond over that,” explains Cattie Khoury, founder of Toodaloo Superfoods.

All in all, Austin is a city where heart-centered people with big dreams and big ambitions gather.



Everything Is Bigger In Texas

In 2021,

\$4.9 billion

in venture funding across

387 deals

flowed to Austin-based companies.

Source: PitchBook-NVCA Venture Monitor Report

Texas entered 2021 as the

**9th largest
economy
in the world
by GDP.**

Source: Texas Economic Development Corporation



In 2021, food and beverage companies raised a total of

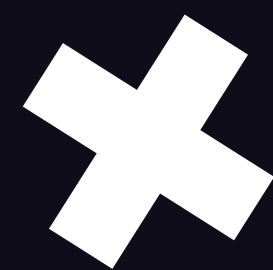
\$172.89M

in **33** venture capital deals

compared to a total of

\$67.41M in 2015.

Source: PitchBook

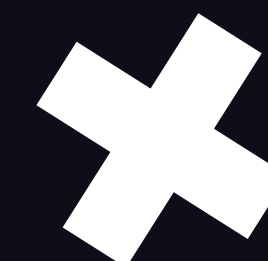


**Austin is a city of connectors.
It's a city of makers. It's a city
of innovators. I don't see that
anywhere else.**

Words By:

Caitlin Cash

Founder Kinship Milk Tea





In this series, we'll be teasing out **five key themes** that shaped our conversation:

A Dynamic Duo: Product and Community

The Tension Between Sustainability and CPG

The Role of Ecommerce in the Crowded eRetail Landscape

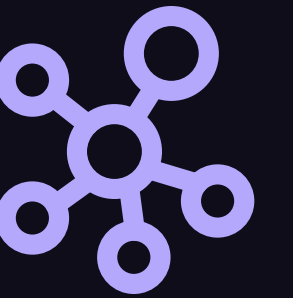
Shelf Talk: Challenges in the Grocery Store

Emerging Platforms and Opportunities

Let's dive in.

1

A Dynamic Duo: Product and Community



Theme #1



It Takes Two to Tango: Product & Community

What goes into creating a 10/10 product?
How are brands thinking about, defining,
and building community?



The DTC space is buzzing about community.

How do you set the foundation for a strong brand community? When is the right time to jump on the community bandwagon?



The Recipe For Success In CPG



What's the recipe for success in food and beverage?

Up first: an exceptional product. Pair that with a strong community, and you've got a special sauce.

What's top of mind for F&B brands? Community.

Known as a buzzword in CPG, community—if done right—can strengthen a brand universe. But, if the product isn't where it needs to be, the community component needs to be put on hold.

At Tydo Tables, F&B founders and operators were aligned on the order of operations: product first, then community.

That critical, first part—building a strong product—is easier said than done. It's incredibly complex, especially in food and beverage.

“Anyone can brand a product, but if your product doesn't taste good, your job will be 10x more difficult,” says Quentin Cantu, cofounder and COO of Ranch Rider Spirits.

Take Ranch Rider, for example. On the surface, it seems like a simple product—spirits, natural citrus, and sparkling water. But, it's way more than that.

Ranch Rider's tequila and citrus juice come from Mexico, the filtered water is from Austin, and the can is sourced anywhere from China to Pakistan. Each factor and ingredient impacts taste, and that's even more the case with all-natural products.

“There are so many hidden variables that go into a single CPG product,” notes Cantu.

Cattie Khoury from Toodaloo called dozens of manufacturers before she found the right adaptogens and sprouted nuts and seeds for her adaptogenic trail mix. She even went through 12 different paprikas to find the right one.

Although it can be a hassle, investing in and nailing the product pays off in the long run. **Ultimately, it's the product that makes the brand “cool,”** remarks Sunny Roberts, brand activation and community director at Siete Family Foods.

She explains, “It’s a privilege to work for a brand with a high-quality product. Above all else, it’s the product that makes the brand special and builds community.”

In a [Thingtesting](#) article titled “Does every direct-to-consumer brand need to build a community?” [Tendai Moyo](#), cofounder of [RUKA](#), further emphasized that community comes after the foundation is set (aka the product). She told the Thingtesting team, “The DTC brands that have been heavily focused on brand and community, and haven’t evolved on their product, are starting to struggle a bit.”

Once the product foundation is there, consumers are more likely to naturally gravitate towards the community component. But, what does “community” even mean and look like in practice?

At Siete, Sunny and her team define community as people with any sort of shared connection to the brand.

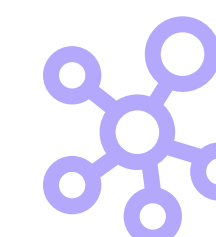
Siete customers love the brand’s lineup of all-star products. Plus, they love the brand’s authentic storytelling—a key value that’s been at the heart of the company since day one. Because of that, the mission-driven brand has been able to attract consumers who know what it’s like to feel left out of culture because of their dietary restrictions, says Sunny. Thanks to Siete, they can now enjoy their favorite foods and sweet treats with family and friends.

In the case of Siete, the community naturally manifested around a shared connection and love for the product. From there, the Siete team built out their brand community around interests, including parenting and fitness. Roberts reminds us, “You don’t always have to be talking about your product for people to feel that shared connection.” There are opportunities to build community around the product, not just about it.

[Ilene Chen](#), founder of [Power Up Foods](#), seconds the power of authentic storytelling when it comes to building community. She’s an advocate for building in public, right alongside the PUF community.

She explains, “We try to be as authentic as possible, sharing the ups and downs of our growth with our PUFs family to give them an inside peek into the business. We like to connect with our PUF’s community as directly as we can—with our customers on video calls to say hello and to get feedback and with our local Austin community at events and markets.”

First, community. Then, product. There’s your dynamic duo.



The Dynamic Duo

Theme #1 Community and Product

We're seeing more better-for-you brands. According to NielsenIQ data, the top five most important food attributes for US households are

"heart-healthy"	62%
"low sugar"	60%
"high protein"	56%
"low sodium"	55%
"high fiber"	54%

Source

In a First Round 2019 survey, around

80% of founders

reported that building a community of users was important to their business, with

28%

describing it as their moat and critical to their success.

Source

92%

of people trust recommendations from friends and family over any other type of advertising.

Source: Nielsen

“

Start with authentic storytelling. The community piece will come if that brand story resonates.

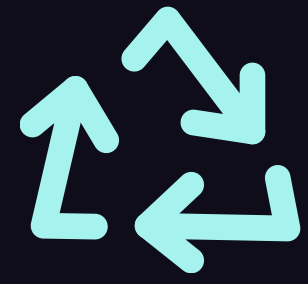
Words By:

Sunny Roberts

Brand Activation & Community Director

Siete Family Foods





2

The Tension Between Sustainability and CPG

Theme #2



A Catch-22: Sustainability and CPG



How are F&B brands navigating the consumer demand for sustainable products in a category where sustainability often equals higher costs?

The Tension Between Sustainability And CPG



Cattie Khoury loves soil. Yes, you read that right. Soil.

The Toodaloo Superfoods founder is a certified plant-based nutritionist who's building a carbon-conscious, plastic-neutral brand. With every purchase, Toodaloo invests in regenerative agriculture.

Saving the environment is a cause Khoury deeply cares about. The same is true for today's consumers.

“Consumers don't trust mega corporations right now. They're not authentic,” she explains.

More and more consumers are seeking out and supporting brands that align with their beliefs and values, especially in the food and beverage space. According to a 2019 Nielsen report, over two-thirds of consumers said they would change their shopping behaviors to lessen their environmental impact.

Plus, 73% of Gen Z consumers are willing to pay more for sustainable products, per a 2020 First Insight report.

Sustainability is a clear consumer trend. It's not a fad. It's here to stay.

Unfortunately, the harsh reality is that not all F&B brands can check the sustainability box.

When Kate Morton was starting Funk It Wellness, she sacrificed some aspects of sustainability due to costs. She packaged her seeds in plastic, but she kept her supply chain small and local to Austin.

As the founder of Toasty Dips, a small up-and-coming brand, Audrey Turner does what she can when it comes to sustainability. She has high aspirations for her brand to be eco-friendly, but at her current stage, those goals aren't necessarily realistic. It's part of her long-term game plan for the business.

That begs the question: In today's competitive landscape, do all brands have to launch with sustainable values and practices?

Although it's a clear differentiator, “There's no shame in having the intention to grow into a more sustainable brand. I've realized that it's okay if you're not there right now,” says Turner. At the moment, Audrey's plant-based dips are packaged in plastic containers, but she hopes to switch to more eco-friendly packaging down the line.

Packaging first comes to mind when most F&B brands think about sustainability.

It's what the consumer sees at first glance. In reality, many sustainable packaging initiatives harm the environment, says Neshat Soofi, president of JIT Experts Hive. "If you dig into what it takes to produce more sustainable packaging options, you'll see that most brands are increasing their environmental impact, not lessening it," explains Soofi.

We often forget that the "P" in CPG stands for "packaged," which is in direct opposition with sustainability. Anything that's packaged is inherently not the most sustainable option.

But, if we have no choice but to package a product, what is the most sustainable choice?

Ben Ponder, cofounder and CEO of Ponder Foods, helps a handful of DTC brands with their manufacturing. For those brands, as well as the ones under the Ponder portfolio, he advocates for glass. That's because it's inert and infinitely recyclable. Caitlin Cash is also a vehement glass advocate. It's important to her and the ethos of her brand Kinship. Packaging is a decision unique to each and every founder. It's one way to touch on sustainability, but there are other considerations to keep in mind.

In regards to the larger sustainability issue, "cost and supply chain restraints are the most obvious hurdles," says Jaime Schmidt, founder of Schmidt's Naturals, BFF, and Club CPG, "but, there are other factors, such as how compatible the packaging is with product formulation. Brands need to consider the potential physical and chemical reactions between the product, the package, and the external environment. It all impacts stability. Durability is another consideration."

Additionally, Soofi reminds us, "CPG brands can also differentiate not just by their packaging but by their product and their operations. Above all, brands need to be smart about choosing practical, feasible, and fruitful sustainability goals."

There's no single solution to sustainability. There will always be trade offs.

Why Sustainability Matters

Theme #2 Sustainability

Sustainability-marketed products are responsible for

more than half

of the growth in consumer packaged goods (CPG) from 2015 to 2019.

Source: The 2020 Sustainable Market Share Index™

60 to 70%

of US consumers said they would pay more for sustainable packaging.

(McKinsey 2020)

Sustainability-marketed products grew

7.1x faster

than conventionally marketed products and

3.8x faster

than the CPG market.

Source: The 2020 Sustainable Market Share Index™

81%

of global survey respondents feel strongly that companies should help improve the environment.

The Conference Board® Global Consumer Confidence Survey, conducted in collaboration with Nielsen

**The No. 1 concern for Gen Z:
Climate change/protecting the environment.**

Source: 2021 Deloitte survey.

“



We're in CPG, and a key component of that is the package. It's tough when your idea of the business collides with the reality of the package.

Words By:

Quentin Cantu

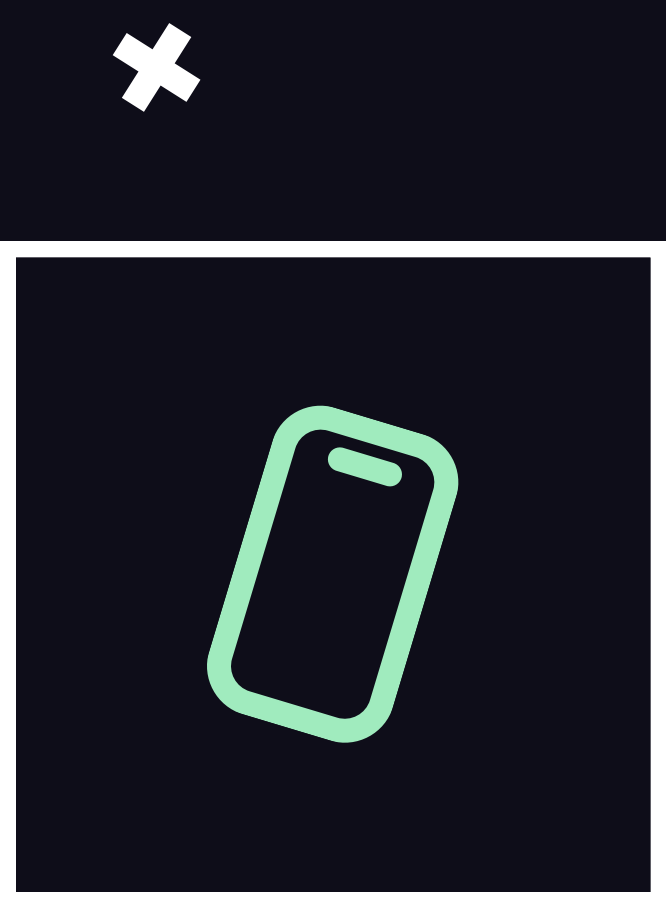
Cofounder and COO of Ranch Rider Spirits





3

The Role of Ecommerce in the Crowded eRetail Landscape



Theme #3



The Digital Shelf: Standing Out in the Crowded eRetail Landscape



Covid accelerated the growth of online grocery.

**How are brands standing out on
eRetail channels?**

ERetail Opportunities



In 2021, food and beverage passed health and beauty as the leader of CPG sales online ([Grocery Dive](#)).

Online grocery sales will account for 11.2% of total US grocery sales by 2023, per [eMarketer](#).

Walmart has the leading share of [digital grocery sales in the US](#) with 28.9% market share, then Amazon (23.8%), The Kroger Co. (12.3%), Target (4.9%), and Albertsons Cos. (4.9%).

According to [Ellie Seta](#), [Super Coffee's](#) senior eRetail Manager, 30% of the brand's customers discover Super Coffee through a retail store. What about the remaining 70%?

For the high-growth coffee startup, ecommerce fills its own need. There, the goal is to build loyalty and provide an additional benefit to the customer—outside of any typical engagement they get in-store.

The same is true for the cereal brand [Oats in Coats](#). Cofounder [Dyanna Salcedo](#) has always known that her direct site will never be the highest-performing channel hence the brand's investment in eRetail.

Consumers don't shop at 30 different stores. They shop in baskets—whether that's on Thrive Market or Amazon.

Plus, with the explosion of digital grocery retailers and third-party apps—Kroger, Amazon, FreshDirect, GoPuff, InstaCart, JOKR—every brand is thinking about how to differentiate themselves on these platforms.



Ellie explains, “In eRetail, it's about surprising with delight, building loyalty, and inviting customers into your community.”

The key: focus on meeting the customer where they are. Ellie says, “Brands need to isolate their customers by channel, figure out their shopping behaviors, and then tailor each platform to that experience.”

All content and packaging configurations should reflect that approach as well. For example, a GoPuff customer typically buys a single bottle of Super Coffee whereas an Amazon customer tends to buy the product in bulk.

One key difference between the online and in-store experience: data. What does Super Coffee know about the shopper who frequents HEB? Nothing. What do they know about the shopper who buys directly from their site? A whole lot.

Typically, third-party apps lock away data in a black box, leaving brands in the dark about their performance.

Before Ellie joined Super Coffee, she worked at [Quiverr](#), a performance-based Amazon brand management and marketing agency. There, she learned the ins and outs of selling products on Amazon.

She cites the [Amazon Marketing Cloud](#) as a game-changer for brands selling on the platform and looking for category-level data insights. Additionally, she recommends building relationships with buyers. They genuinely want brands to succeed on their respective platforms, and they'll often share data on what works vs. what doesn't work.

F&B brands want to meet where shoppers are—and that's on Amazon, InstaCart, GoPuff, etc.



The absence of a physical trip to the supermarket is not a loss, rather an opportunity. It presents endless opportunities to surprise and delight the customer.

The ERetail Boom

Theme #3 eRetail

Delivery through third-party intermediaries will make up

28.8%

of digital grocery sales in 2021.

eMarketer

A July 2020 study shows that

63%

of total grocery shoppers reported engaging online before making a purchase.

Amazon Ads & Kantar Study

Grocery is now the top online CPG category. It **accounted for 44% of all CPG e-commerce sales** over the year-long period ended November 30, 2021.

Grocery Dive

46% of respondents bought more categories online in 2021 (vs. 34% in 2020), demonstrating more comfort with online grocery shopping

(Mercatus Report)

In 2020, more than

20 million consumers

started buying CPG grocery products online.

Source: Grocery Dive

“

I don't expect my direct site to be my highest performing channel. Consumers don't buy their 30 favorite brands at 30 different sites. They shop in baskets.

Words By:

Dyanna Salcedo

Cofounder and COO of Oats in Coats



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o

4 Shelf Talk: Driving Sales in Physical Retail

Theme #4



Shelf Talk: Driving Sales in Physical Retail

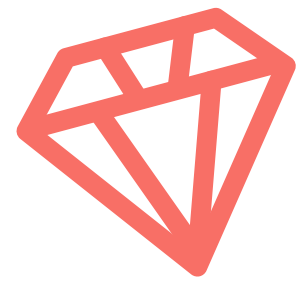


The IRL store experience still matters.

**How are brands responding to new
challenges in brick and mortar?**



The Consumer Perception Is The Be-All And End-All



Shelf life isn't the sexiest or most glamorous topic in CPG, but it's foundational and often left out of the conversation. At Tydo Tables, we didn't shy away from the subject.

Shelf life can be what stands between a brand and a spot on the shelf. For every product category, shelf life takes on a different meaning. In food and beverage, the expectation is that everything should have an expiration date.

Neshat Soofi, president of JIT Experts Hive, says, "Most consumers don't know what an expired product means."

99% of the time a product's shelf life doesn't indicate a product safety issue, remarks Neshat. Rather, it means that after a certain stage, the consumer may not experience the product's optimal quality and benefits.

For Madhu Sharoff, shelf life is a constant stressor. His ready-to-drink chai has a shelf life of 45 days. When he approaches a retailer, he says that their first question is always "What's the shelf life?" When he replies, "45 days," the retailer points to the door. Caitlin Cash shares a similar experience. Her milk tea has an even shorter shelf life of around 21 days.

Why? To the retailer, consumer perception is everything.

When consumers purchase products in a grocery store, they expect a shelf life that's long enough for them to 1) take the product home and 2) use it within a certain timeframe (at least a week or two). However, the consumer doesn't account for the time it takes for the product to reach the shelf. That's another factor the retailer must consider.

When Neshat worked at Brandless and Target—and even now as she advises grocery delivery clients—one of the most popular customer complaints was expired or close-to-expired products.

Consumers get mad. "They think that the retailer is ripping them off or intentionally selling them a bad product. It's a huge cost to the retailer," Soofi explains.

So, retailers take the easy way out. "I'm sorry to say it, but retailers will just say, 'I don't want to deal with it.' They don't want to take the risk. But again, it depends on

the category. In the refrigerated section, they're used to dealing with a shorter shelf life," says Soofi.

Taking the time to go through a shelf life study is incredibly worthwhile, explains Ben Ponder, especially as a brand starts inching their way closer to major retail distribution.

But once a brand makes it to the shelf, how do they prove their worth and value to the retailer? One key method: sampling.

In-person sampling has had its fair share of ups and downs with the pandemic; however, it's still a big conversion driver for today's F&B brands. While many brands have shifted to online sampling programs, in-person sampling is a whole other ballgame. It provides a multitude of benefits and reaches a brand new audience.

Bryan Guadagno, the cofounder of It's Skinny (the nine-calorie noodle), built his whole sampling approach—and entire business model—around the following thesis: create approachable and accessible product experiences.

When sampling, he prioritizes testing. "You have to see what works and what doesn't work before anything else," Guadagno explains.

Before jumping into sampling, every brand needs to come up with a hypothesis, adds Ponder, CEO of Ponder Foods. He says, "Ask yourself: What are you trying to accomplish with sampling? What does success look like? What are key metrics? What are the anomalies in the data? You have to be fiercely, radically empirical about it."

The plug-and-play approach doesn't work. What works at HEB won't work at Whole Foods. It's all a guessing game until a founder or operator can hop on a plane and see who's buying the product and how many taste-testers are repeat customers. That's exactly what Guadagno is doing later this year. The Northeast is an incredibly strong market for It's Skinny, and he's eager to find out why. Then, he'll put ad dollars or retail merchandising behind his discoveries and learnings.

Khoury (founder of Toodaloo) has found the greatest success when asking each retail manager, "What would a successful in-store demo look like for you? Who's successful in my category, and what's their approach?"

Khoury's other piece of advice: "Train the people who work in the store. Educate them about the product, and give them free merch and snacks. They'll become your brand advocates."

The Value Of The Grocery Store

Theme #4 Shelf Talk

63%

of respondents surveyed will do most of their shopping in person a year from now, compared with

37%

who said online.

Morning Brew x Harris Poll

“In 2019, Forbes reported that Erewhon generated \$2,500 in sales per square foot of floor space — which at the time was over four times more than the average grocery store.”

46%

of consumers no longer feel comfortable with traditional sampling.

Sampler via Modern Retail

A 2019 study found that shoppers who sampled a product were

11% more likely

to buy it again during 20 weeks.

Retail TouchPoints



“

People misunderstand product sampling. It's about discovery. If you don't have a hypothesis around why you're doing what you're doing, don't sample.

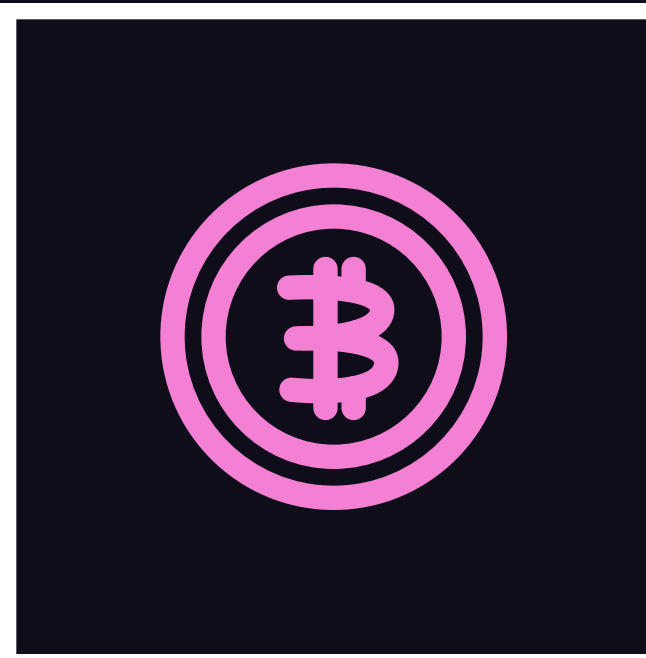
Words By:

Ben Ponder

Cofounder and CEO of Ponder Foods



5 Emerging Platforms and Opportunities



Theme #5



Cracking the CPG Code



TikTok and Web3 are all the rage.

**How are brands leveraging these
channels and opportunities?**

Looking Ahead

What's hot: TikTok, podcasts, Web3. What's not: FB ads, the perfect Instagram aesthetic, and skinny jeans.

Food and beverage brands are leveraging new ways and channels to cut through the noise.

Kate Morton started Funk It Wellness with \$5K aka her life savings. How did she scale? Podcasting, TikTok, and influencer marketing.

In 2020, Morton launched her podcast, "Period Chats," where she dives into menstruation and women's health. The pod is a marketing channel for discovery and education—two of Morton's main priorities since seed cycling is often misunderstood.

Interestingly, she sees the biggest ROI when she appears on other people's podcasts.

As she's grown the brand, Morton has built out strong partnerships, especially with cycle tracking apps, fertility testing companies, and doctors.

Above all, she's invested in influencer marketing,

explaining that she wouldn't have a business without it.

Morton even brought on an early, full-time social media hire, Sissy Schultz, who runs TikTok, Instagram, and all influencer marketing, including their ambassador program.

Over time, she's seen an immense ROI, especially with affiliate. Using Wooly, Morton credits Funk It's growth and success to influencer marketing.

Morton's influencer marketing strategy revolves around seeking out influencers who truly care about the product because they've experienced a pain point. To find the right people, Morton recommends asking yourself, "What's our customer's main pain point, and how can we connect with consumers through that experience?"

Josh Bezoni, cofounder and CEO of BioTrust Nutrition, found great success with affiliate as well, especially on email. "People don't realize that the email affiliate market even exists. That killed it for us," says Bezoni.



The + Power Of TikTok

We're seeing more and more brands lean into TikTok. It's free, and the platform has a ripe audience, especially amongst Gen Z.

Funk It Wellness is leveraging the platform to build brand awareness and to educate consumers about seed cycling. With 2K+ followers and 18.3K+ likes, Funk It's TikTok is quickly growing and becoming a strong customer acquisition channel.

"TikTok is all about output. Your videos have the chance to be seen by a million people, and it costs zero dollars," says JT Barnett.

Additionally, It's Skinny—another brand at the table—has a whopping 17.1K TikTok followers, harnessing the platform's short-form video format and viral sounds. Leaning into the fitness culture around the brand and the "nine calorie noodle" value prop, the It's Skinny account has successfully stayed relevant and grown its customer basis from TikTok.

Amongst JT's keys to TikTok success are consistency and the ability to create an ongoing series. He says, "There's no real formula to what works and what doesn't. Post a ton, look at the data, and go from there."

At the bare minimum, TikTok content has to meet that "good enough threshold." JT defines that as "content that would catch your eye if it came across your For You Page."

As one of the top downloaded apps in the US in 2021, TikTok provides brands with the opportunity to tap into new audiences, connect with customers, and build brand affinity.

The Web3 Opportunity



For Tydo Tables attendees, Web3 was top of mind. We weren't surprised, as more and more emerging F&B brands are thinking about launching NFT (non-fungible tokens) collections.

Leisure Project is the world's first co-created beverage brand. They released 4,567 Leisure Creature NFTs, which provide access to exclusive perks and a closed community. And, Liquid Death, the water brand that raised \$75 million in Series C funding, recently dropped their first NFT collection (6,666 unique severed heads). Cereal brand OffLimits released 2,500 custom cereal box NFTs, and soda brand Perfy mocked up cans for NFT owners that feature the artwork they own.

Plus, we're seeing more and more Web3-enabled tools for digitally-native brands, such as Novel. **It's only a matter of time until more brands start launching NFT collections, accepting cryptocurrency, and token-gating new products.**

Dyanna Salcedo, the cofounder of the kid's cereal brand Oats in Coats, is thinking about how crypto can enable the Oats in Coats' character world. Currently, Dyanna and her team are writing stories about the brand's mascot, Oatis, and about what happens

when the lights go out in the grocery store and all the customers are gone. Now, she wants to invite more writers into the writer's room. Salcedo wonders, "How can we build a co-creator community and incentivize participation to build up our brand universe? How can we write stories together and build a mini writer's room?"

On the other side of the table, Bryan Guadagno, the founder of It's Skinny, is thinking through how to bring the supply chain onto the blockchain. We're not quite there yet, but Guadagno is interested in how consumers can validate and audit the supply chain. What does that look like in practice? That might mean a consumer ordering a brisket and then tracing it back to a specific cow and date.

Soon enough, Guadagno will accept Bitcoin on the It's Skinny website. Shortly afterwards, he'll start giving out token rebates for product purchases. And eventually, It's Skinny will launch NFTs, where holders get lifetime benefits.

Not every founder and operator is bullish on crypto quite yet. There are still looming questions, concerns, and challenges. Nonetheless, it's a major opportunity.



New Opportunities

Theme #5 Emerging channels

TikTok has nearly a

18% average engagement rate

with micro-influencer content compared to **3.86%** on Instagram.

Influencer Marketing Hub

The average time spent per user on TikTok is now higher than on YouTube in the U.S. and U.K.

App Annie

TikTok got more traffic than Google in 2021.

Cloudflare

66

I started my business with \$5,000, and I wasn't sure how I was going to make it work. But, we built the entire business through podcasting, TikTok, and influencer marketing.

Words By:

Kate Morton

Founder of Funk Wellness



tydo

The Finale

Tydo Tables Doesn't End Here

First, strangers at a dinner table. Then, collaborators, shelf mates and soon-to-become lifelong friends.

Little did we know that a two-hour conversation about CPG would turn into a multi -page report, a series of biweekly founder meetups in Austin, and future brand collaborations and partnerships.

That's the power of Tydo Tables.

We learned that Austin has a burgeoning CPG ecosystem with a family-like mentality, unlike any other city in the United States. We discovered that the recipe for success in food & beverage is starting with an exceptional product and then building out a strong community. We came face to face with the fact that sustainability is a catch-22 in CPG. We openly discussed the challenges brands face in the grocery store—shelf life and IRL sampling—and how

brands are standing out in the crowded eRetail landscape. And finally, we explored exciting platforms and opportunities—TikTok, influencer marketing, and Web3.

Thank you to all the incredible founders and operators who participated in the conversation. And, thank you to all of you for reading and following along. We hope you walk away with a new question, idea, or conversation starter.

Tydo Tables doesn't stop here.

The insights gained from this conversation will live on Tydo's site as well as Tydo Tables content that's to come. We hope to have you as part of future Tydo Tables experiences—whether it's a seat at the table or as a long-time reader of our content.