

Tom Gargiulo Transcript

Tom: Artificial intelligence is certainly a buzzing topic right now. And I think it's going to be survival of the fittest and who will embrace it and capitalize on that technology. And you're going to see brands, hopefully like ours, who are going to kind of take it to the next level and exploit some of its greatest benefits. And then you're going to see brands stick to their guns and do what they traditionally do. And they're probably going to find themselves very far behind very fast.

Matt: To thrive in a rapidly evolving landscape, brands must move at an ever-increasing pace. I'm Matt Britton, founder and CEO of Suzy. Join me and key industry leaders as we dive deep into the shifting consumer trends within their industry, why it matters now, and how you can keep up. Welcome to the Speed of Culture. Up today, we're excited to welcome a distinguished leader in the marketing consumer goods industry, Tom Gargiulo, Chief Marketing Officer at BodyArmor Sports Nutrition. Tom brings a wealth of experience from impactful roles at Danone, Kids, Knicks, and now BodyArmor, where he leads the charge in sports hydration innovation. Tom, so great to see you today.

Tom: Hey, Matt, how are you?

Matt: Good, I'm excited about this chat today. BodyArmor is such an interesting brand and it's been fascinating to see its ascent over recent years. But before we dive into BodyArmor, we'd love to hear a little bit more about you and your journey in the marketing space and how you ended up where you are today.

Tom: Yeah. So my background is a very non-traditional path to actually where I got to. I went to a small liberal arts school in New England and studied political science, believe it or not. I didn't know if I wanted to be a lawyer. I didn't know what I wanted to do, but I was intrigued by the material. But eventually found myself getting involved in the sports industry, doing internships at a couple of teams, a couple of websites back when the dot-com boom was going on, and eventually found myself in sports marketing. My first real job was at the National Football League. Started kind of answering phones, doing expense reports, and doing your typical admin stuff, but eventually caught my way into meetings and got involved in kind of business dealings and eventually worked on a lot of big accounts like PepsiCo, and Campbell Sue.

Matt: Managing sponsorships.

Tom: Selling and managing sponsorships, exactly. And that ultimately kind of gave me the knack for CBG in marketing. So I decided to go back to business school and get my MBA at Emory University, where I actually got formal business training and eventually found my way to Frito-Lay in Plano, Texas. And that's where I started my brand marketing career. Eventually found myself moving to Danone because I was getting homesick down in Texas. I'm from the New York area and started to do a lot of different experiences, not only in marketing, but also in sales, and just gave me a very great perspective on how to manage a business and how to be a general manager. Spent almost 10 years at Danone. I had some fantastic experiences there and then landed at Kind right before Kind actually was acquired by Mars and led the marketing function there, led the commercial strategy functions, and ultimately helped Kind get fully sold

to Mars by the time I left for a pretty healthy multiplier, especially during COVID, which was incredibly difficult. So, I did that and then ultimately landed at another small up-and-coming brand called NICKS, where I dipped my toes into being a chief operating officer and kind of learned how to start a line, purchase a line, manage a co-manufacturer and did that. But then I got a call from the CEO here at BodyArmor, who was a close friend of mine. And it was the perfect opportunity for me because it marries my passion for brand marketing and sports.

Matt: CBG in marketing. Coming full circle, right?

Tom: Exactly. And now I'm on cloud. Couldn't be happier to be here.

Matt: That's awesome. Well, thanks for running us through that. I want to just double-click on a couple of things you mentioned as you're going over your background. First and foremost, getting a job to work at the NFL as a young professional, especially as a sports fan, which it's clear you are after going through your background. It's probably such an incredible thrill, but it's also probably not an easy thing to do. And then you went on to talk about how after you got the job there, you kind of forced your way into meetings and took the job versus being asked for it. And for some of our younger listeners, just walk us through that journey and what were some of your learnings in terms of what worked to break into a dream job and not only get the job but also kind of mold it into your own and make it more impactful as your job progressed.

Tom: Yeah. I mean, to your point, it's definitely, it was a job that was more focused on the passion than on the monetary benefits. I had a bartend on the weekends for four and a half years while I was working there just to pay my rent and to do the things that typical 20-some-year-olds do. But ultimately I landed there. I knew that's where I wanted to be. And I was able to get there and I didn't care what I had to do. I started really as an admin for a couple of managers in the sponsorship group, answering phone calls, doing their expense reports, doing the kind of basics. But eventually, my goal was to try to convince them that I had more to offer. And over time, as I asked for more and more projects, they started to feel more and more confident in my abilities and ultimately gave me a couple of shots. And that ultimately got me in the conference rooms and ultimately got me a seat at the table.

Matt: Yeah. I think so many people make the mistake of just waiting to be told what to do. And I think that's akin to just coloring just inside the line. When you're a student, I mean, if you follow orders, fine, you might kind of move along, but this world is made for people who go out and grab things and not for people who wait to be told what to do. And I think also the other thing that's not lost on me is in this world where so many young people I think are just so ready to flex their new watch or a new car, like the reality. And sometimes you do have to become a bartender when you want to work your dream job. And that's okay. That's kind of how you get to where you want to get to. And I just think it's a good message. The world was different back then than it is today. We both came out of the workforce around the same time. Now I think there's far less patience and people want to hit it right away. And they don't understand that you have to take your chops along the way and learn your lessons to get to where you want to get to.

Tom: Absolutely. I grew up in a very entrepreneurial environment. My dad was an entrepreneur and I knew learning from him, hard work is going to get you where you need to get to. You can be savvy, you can be intelligent, but unless you work very hard, you're not going to end up where you need to get to. So that was kind of the mantra I always held close to my heart.

Matt: Absolutely. So you also mentioned that when you were working at Kind, which was acquired by Mars and a great success story, it was amid the acquisition. Talk to us about what it's like to work and the emerging CPG startup as they're getting acquired by a behemoth like Mars. What were some of the considerations you had to have as a leader to keep people focused and also deal with a huge financial transaction at the same time?

Tom: Yeah, so what I loved about my time at Kind was I got a taste for what that kind of up-and-coming startup CPG experience was like. Where, frankly, you don't lean on mountains and mountains of research. You don't lean on a playbook of how to do things. You don't lean on a ton of people around you who have a ton of experience in certain functions. So for me, it was a great opportunity to kind of learn skill sets that I didn't have before, become much more entrepreneurial, become much more self-sufficient, and develop the people around me. And in many cases, a lot of those people were very young, very malleable, and didn't have a whole lot of experience. And it really kind of tested me as not only a marketer but also a leader. But what I loved the most about it was there was a direct correlation between the effort and the success that you have. And the financial results at the end of the acquisition. So that was one of the things that I loved the most. Everybody at that company was so focused on the end game and getting to that finish line with Mars. We did some extraordinary things, launching a ton of new products, expanding Kind to new categories, launching new go-to markets, and doing so many different unique things. And we were able to cross that finish line and show Mars truly what the value that Kind had to bring to the portfolio.

Matt: Yeah, so it's such a unique product, the way that it's designed, where you can see the ingredients, the way it's packaged and merchandised because it's a competitive category. We're going to get into your category as well, which is also competitive. And you need a lot of different things to succeed in terms of differentiation. The products taste good and have to have a good shelf life and you have to have a good message, but the packaging and the way the product looks and feels, I would imagine was a huge part of the success of Kind. Would you agree?

Tom: Absolutely. I think Daniel Labetsky, the founder of Kind, he's a brilliant entrepreneur and a little bit crazy at times, but certainly one of the most brilliant people I've worked with. I mean, his whole focus was delivering a fantastic tasting product and being as transparent with consumers as they possibly can. And he put a heavy focus also on where the product was sold as well. So getting into airports, getting into bodegas, getting into maybe not the most, widely available grocery store, but maybe the most prestigious so you can kind of carry that premium badge. And he was ruthless. I mean, down to the point where he would do it himself if he saw an opportunity. And that's the kind of culture he built and that's the experience all of us have.

Matt: Absolutely. So you went on to join BodyArmor in March of 2023. What some people might not know is two years earlier than that, in 2021, I should say early November 2021, Coca-Cola acquired or finished their acquisition of BodyArmor. It was for \$5.6 billion. It was the largest-ever brand acquisition. Another quick factoid there is Kobe Bryant had actually made an investment seven years prior in BodyArmor, the late, great Kobe Bryant in 2014. That was a brilliant move by Kobe. And it was at that age when athletes were starting to invest in brands. We know that Powerade was one of the first brands that saw outside investment from, and vitamin water as well, from athletes and celebrities and things of that nature. So when you joined BodyArmor in 2023, what was it like? Because at that point, the company had already

been acquired. So they're acquired by Coca-Cola. Are you operating inside Coca-Cola? Are you still kind of a separate entity? And I guess what were some of the nuances given that situation?

Tom: Yeah, so it was a very interesting time kind of in the life cycle of BodyArmor, where we were going through a bit of a transition. A lot of the old guard started to leave the organization.

Matt: As often happens, right?

Tom: Exactly. It's a natural progression. I mean, a lot of people made some really great money and decided that, hey, maybe they either want to do something completely different or maybe try to throw their hat in the ring again. So it required us to do a lot of recruiting and to start bringing people on into the organization that had different experiences and different skill sets that we didn't necessarily have in the past. This company was born, again, by a brilliant entrepreneur who learned so many different things from his experiences at Vitamin Water Pirate's Booty and a bunch of other companies and built this brand to where it is today. But now we've grown to over a billion-dollar brand. It takes a different set of skills and different type of individuals in order to get it to that \$2 billion number, \$3 billion, \$4 billion, etc. So when I joined, we had to fill a lot of holes. And I was very fortunate to keep some of the best that stayed around from the acquisition. And we brought in some sharp people. And over the last year and a half, it's been slowly but surely integrating kind of into the Coke system in certain places, but still very much keeping our own identity and keeping our own unique culture here in Whitestone Queens.

Matt: And what are some of the benefits of being part of the broader Coca-Cola organization? I would imagine there's many, but what are you able to tap into that you wouldn't be able to if you were just still a standalone startup?

Tom: There's a bunch of things. I mean, first and foremost, the muscle that Coca-Cola brings into the store, it's bar none the best in the business.

Matt: Distribution, basically.

Tom: Distribution is second to none. The thousands of employees that stack the cases on the floor, put the bottles in the cooler, put the cases on the shelf. I mean, we have the best in the business. So having that strength behind our distribution was a huge reason why we went from a \$250 million brand to a \$500 million brand to a billion-dollar brand in only a few years. Now, in addition to that, Coca-Cola has some of the most brilliant marketers in the world. You can argue that some of the best marketing campaigns in the history of CPG were born out of this organization. So being able to tap into a lot of that expertise, being able to tap into a lot of the resources and insights that Coca-Cola has to offer, it's been just an absolute wealth of resources that we can now tap into that we never had before. There's certain things that processes and protocols that we have to follow now that we're part of a publicly traded company. But on the flip side, in the very much, especially Jennifer Mann and her direct reports and our CEO Fed have given us the ability to kind of continue to stand on our own, tap into Coca-Cola in the places where we need it and can leverage it, but still maintain our own unique identity.

Matt: We'll be right back with the Speed of Culture after a few words from our sponsors. Yeah. And when you look at the category, I guess the category is a sports hydration category. I'm

sure I call it maybe something. So what are the major consumer behaviors and trends that are driving the category that make you continue to have to innovate to stay on top and be in a growth position?

Tom: Yeah. So the last couple of years have been really interesting in the category here in the US, especially. It's not often that you get to work in an industry where there's this behemoth that has a 65% market share. I mean, I was on the flip side when I worked at Frito-Lay and Salty Snacks. So I kind of got that experience, but I've never been coming from such a unique place versus a behemoth like that. So you're always going to have Gatorade and the big dollars that they bring to the table and the expertise that they have in the category and the science behind the category. You always have to kind of keep up with them. So that's kind of the first area that keeps us on our toes. The second is we have a lot of players coming in onto the scene last year or the year before Prime came onto the scene and basically copied our product and brought their own spin to it with content creators, et cetera.

Matt: Right. That was Logan Paul's brand, right?

Tom: Yeah. Logan Paul's brand. Exactly. So that wasn't necessarily... It wasn't necessarily a product fight. It was more of a marketing fight and an eyeballs fight. And now we have brands like Electrolit coming onto the scene where they're delivering unique functionality that this category hasn't really seen before in terms of rapid rehydration. So what keeps us on our toes? Those three things. I mean, from one end, it's the science and the mass availability and the support that PepsiCo brings behind Gatorade. It's these up-and-comer, what we call ankle biters coming at our heels. And a lot of them are just copycats of us. And then we have brands like Electrolit coming onto the scene and bringing unique and different experiences and functional benefits to the category.

Matt: And one thing I know that has been a big initiative of late, we talked earlier about packaging, is that BodyArmor has rolled out limited edition collector bottles, which obviously you're probably well aware of just the collectibles market right now. The big collectors conference last week was the National and Chicago Fanatics has their own conference coming up in August. So, you're well aware of just the fanaticism in the sports space. And it seems like you're tapping into that, which I think is a brilliant strategy. Walk me through how you came to that and how you're activating all that.

Tom: So first, I am going to admit I am an avid collector of sports cards and sports memorabilia. So I had a lot of FOMO not being at the National last week. But one of the most valuable assets we have within BodyArmor is Team BodyArmor. We have some of the biggest and best stars in their respective sports. And thinking through our marketing plan, we wanted to find unique ways of us connecting Team BodyArmor with our consumers. So we brought fresh thinking to the table. We were able to do some unique things on social media. We were able to do some unique things through our field marketing organization. But one of the biggest opportunities that we identified was just how do we start connecting our athletes to our product itself? And playing off the fanatical nature of bands in certain markets and unlocking the ability to kind of give them something unique was really interesting for us. And then we kind of a step further by integrating unique content with each one of our bottles with augmented reality, which we got some really great feedback from our consumers about. So more to come in this space. I think maybe this year we were a little bit too aggressive in terms of the number of bottles that we've

done. But we certainly got some key learnings. And we're going to be coming out full guns blazing in 2025 and 6 with some really exciting stuff.

Matt: And when you roll that out, like the collector's edition bottling, like how does that work in terms of? A scalable distribution platform, because I imagine it's hard for you to slot in all these limited edition models when you're kind of working on mass scale distribution.

Tom: Yeah. So one of the unique, I guess, challenges slash benefits of working for a company like Coca-Cola and having the sales organization and the in-store muscle that we have, you're always constantly not only fighting against your competition, you're also fighting against your sister brands, air of mind. So a lot of it has to do with internal selling and getting our bottling network and our associates excited about what we have to offer. So we put a great amount of effort into internal selling and making sure that we're getting all of the associates super excited about it. Then obviously we have the customer, which is another key stakeholder that we have to get excited about it. And then the last piece and most important is obviously the consumer. So we take this kind of three-pronged approach with every major initiative we do to make sure that we have a high likelihood of success in the market.

Matt: Yeah. So moving on to just communications and marketing, obviously the world's changed. We have AI now, which is reframing everything in terms of the way that we go to market. What are some of the tactics that you've used from a marketing and media standpoint to get the message out to your core consumer and break through the increasing clutter that we're seeing in the consumer marketing world?

Tom: Artificial intelligence is certainly a buzzing topic right now. And I think it's going to be survival of the fittest of who's going to embrace it and capitalize on that technology sooner than later. And you're going to see brands, hopefully like ours, who are going to kind of take it to the next level and exploit some of the greatest benefits of it. And then you're going to see brands kind of stick to their guns and do what they traditionally do. And they're probably going to find themselves very far behind very fast. So in terms of artificial intelligence, I mean, our brand is a better for you, real, super transparent brand, similar to what we just talked about with Kind. So when it comes to certain marketing tactics and things like that, I don't necessarily know if artificial intelligence is the best way for us to connect with our consumers. But on the back end, when it comes to making sure that we're serving up content that is most relevant for our consumers, making sure that we're tapping into conversations that are naturally connected with our product and people's passion points are great ways for us to leverage this technology. And from a social, digital, and immediate perspective, it's going to be a big part of our approach in the next few years.

Matt: Yeah. It'd be fascinating to see how it all develops. So shifting gears as we wrap up here, Tom, I'd love to hear a little bit more about your day as CMO of such a fun brand, how you spend your time, what's the pie chart of your day look like, and what are some of the things that you do personally to make sure that you're continuing to progress and develop as a CMO?

Tom: That's a great question. I appreciate that. So first and foremost, the one thing that you can ask anybody on my team is that I travel a ton. We obviously report to the Coca-Cola company down in Atlanta, but we have over 65 bottlers across the country that manage and service our product on a daily basis. So a good portion of my time is actually spent on the road talking to these bottlers and trying to communicate the marketing plans that we're putting

together and try to create that excitement around the programs that we want to execute. But when it comes time in the office, I spend a great amount of time connecting directly with my team, my direct report. So I spend probably about anywhere between a quarter to a third of my day making sure that they have the resources they need, the support and direction and guidance that they need. And then the rest of the day, it's a handful of other meetings, either part of our leadership team meeting with our CEO and his direct reports, or being in a number of initiative meetings, talking about projects or talking about campaigns, things of the like, and trying to drive the business forward and create that growth that we need.

Matt: Yeah, and obviously, you wouldn't be able to create that growth on your own, you obviously have to deal with the team. So when you look at building a team, what are some of the things that you look for when adding people to your team to make sure that you can compete at the highest level?

Tom: Yeah, so I'm a little bit biased in terms of maybe the profile of people that I'm looking for. Again, because I grew up with a serial entrepreneur as a father. So work ethic is a big part of what I look for. The people that are willing to put in the time, the people that are willing to put in the hours, obviously not crossing boundaries into personal time and stuff, or making sure that every minute that they're focused on work, that they're focused and committed to driving what we need. The second is one of the things that I'm very passionate about is empowerment and making sure that I bring on a team that's highly self-sufficient. They can obviously tap into me and any of the leaders in the organization when needed, but I'm going to give them the space in order to succeed or fail, and then hopefully learn from that. So for me, it's hardworking, self-sufficient, and last but not least, it's individuals that just want to win. Like I said before, we're in a highly competitive, we have a massive behemoth as our primary competitor, and we got a bunch of these ankle biters kind of coming after us and trying to mimic a lot of this stuff that BodyArmor has done over the years. And I like to surround myself with people who want to win, who aren't afraid of overcoming the behemoth, who aren't afraid of leaving those ankle biters in the dust and ultimately winning in the marketplace.

Matt: I think it's really well said. So to wrap up here, Tom, I mean, obviously you've had a really exciting career and I can't wait to see where you're going to take the BodyArmor brand to next. When you look back at your career journey, what were some of the things that you think you did right along the way to put yourself in the CMO seat today?

Tom: Like I told you, I had a little bit of a unique career path, so I wouldn't exactly call it cookie-cutter.

Matt: Most darn, right?

Tom: Yeah, most darn. One of the things that I did, which I thought really helped me in the long run, was I took on a lot of assignments that some were planned, but that ultimately pulled me out of my comfort zone. I go back to my time at Danone or even KIND. The business had different needs than maybe what the scope of my current job was. I knew that I had value to deliver in other parts of the organization, so I took a leap of faith and I did a few years in category management and was the lead of the category management organization. I spent a few years in sales planning, where I managed a trade budget and built trade plans. Spent some time in revenue growth management and figuring out pricing and all these different components. The role I had before I joined BodyArmor, I was a chief operating officer at a small

startup. All of these experiences and all of these skill sets that I've kind of built along the way have given me such a unique perspective and point of view on the business that makes me a business builder versus somebody who's exclusively focused on driving one respective area of the business. Everything that I look at is through the lens of what's going to be the best for the overall health of the business, and that will help guide ultimately our actions.

Matt: Absolutely. So to finish up here, Tom, is there a quote or mantra you like to live by? You seem to be super focused on throughout yourself with winners, and I love that mentality, and it's not lost on me that you are an industry that largely plays in the sports world. So you guys, a lot of analogies there. I use sports analogies all the time, as I'm sure you do in business. But is there any other mantra that you like to live by when you think about your career?

Tom: Yeah, I mean, ultimately, this is going to seem like a loaded answer, but I'm going to say the Mamba mentality. I mean, Kobe was a huge part of how this brand got to be where it was. And a lot of it had to do with the fact that he was all about making today better than tomorrow. How can I do the little things better? And over time, those little things add up and ultimately get you to the peak of your game. And it's truly inspiring. It's a big part of the culture that we've built here at BodyArmor, and it will be moving forward.

Matt: That's awesome. Well, I want to thank you for taking the time out of your busy schedule today to share your journey and the current work you're doing with BodyArmor. It's super exciting. And I've long been a huge fan of the brand and your work. So it's been a great thrill for me to connect today.

Tom: Awesome. Thank you so much, Matt. I appreciate the time.

Matt: Absolutely. On behalf of Suzy and Adweek team, thanks again to Tom Gargiulo, CMO of BodyArmor Sports Nutrition for joining us today. Be sure to subscribe, rate, and review the Speed of Culture podcast on your favorite podcast platform. Until next time, see you soon, everyone. Take care. The Speed of Culture is brought to you by Suzy as part of the Adweek Podcast Network and Acast creator network. You can listen and subscribe to all of Adweek's podcasts by visiting adweek.com/podcasts. To find out more about Suzy, head to suzy.com. And make sure to search for The Speed of Culture on Apple Podcasts, Spotify, and Google Podcasts, or anywhere else podcasts are found. Click follow so you don't miss out on any future episodes. On behalf of the team here at Suzy, thanks for listening.