

a branded world

PODCAST

with
Luiza Campos



038 | HOW YOUR BRAND CULTURE CAN
MAKE YOU THRIVE AND OUTLAST, THE
ZAPPOS STORY WITH TYLER WILLIAMS

EPISODE TRANSCRIPT

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A BRANDED WORLD PODCAST – 038 | HOW YOUR BRAND CULTURE CAN MAKE YOU THRIVE AND OUTLAST, THE ZAPPOS STORY WITH TYLER WILLIAMS

- Luiza Campos: [00:00](#) You're listening to a branded world podcast, episode number 38.
- Announcer: [00:08](#) Welcome to a branded world podcast where we explore great brands and give you tips, tools, hacks and guides to create brands that captivate clients and drive growth in revenue. And now your host, Luiza Campos.
- Luiza Campos: [00:27](#) Hello everyone and welcome to another episode of a branded world, of branded world is a member of the Alberta podcast network, powered by ATB. Speaking of ATB, ATB has created arts and culture branches both in Calgary and Edmonton because they know artists may have difficulty doing their banking because they don't have a traditional income, so this arts and culture branches help artists do their banking in a way that works for them. This is another great example of how atb really listens. To find out more about atbs arts and culture branches. Please go to atb.com. I also want to let you know that the Rotary Club of Edmonton West on behalf of its entire district is inviting you to their district five, three, seven zero conference in October. They have a number of speakers, both local and international, that are coming to share their stories. At this conference, one of the speakers coming to the conference is Dr Douglas Jackson, CEO of Project Cure Project cure delivers donated medical supplies and equipment to desperately needy people around the world.
- Luiza Campos: [01:39](#) Since 1987 project cure has delivered equipment and supplies to hospitals and clinics in over 130 countries. The conference is open to the general public and would also attract rotarians from all over western Canada and the world, and the conference again is taking place October 18th to the 20th at the shock conference center in Edmonton. To learn more about the conference, you can go to conference five, three, seven, zero hyphen two zero, one eight.ca. And I will have this link in the show notes, so make sure to go to a branded world podcast.com to find this link and other information in this episode's show notes today. You are in for a treat. We are all consumers and hopefully at least some of us have some great customer service stories, but we likely

also have some pretty bad customer service stories that we've experienced in the past.

Luiza Campos: [02:38](#)

Now, of course, it's always a good idea to have good customer service if you want your company to be successful, but in my opinion, good customer service is nothing more than your company living the values your company hold true and the service reps who are in the frontline servicing your customers not only needed to what those values are, but they need to feel empowered to make the right decisions that honor those values. I think if you ask any company if they would like to have good customer service and if they would like to have a very positive culture, one that really makes their team feel valued and be a very positive and highly effective team, I think every company in the world would say, yes, of course we want that. So why aren't all companies like that? What is it that a company needs to do to create a positive, highly effective team and to deliver high customer service?

Luiza Campos: [03:40](#)

One that is so good that your customers and your company grow almost solely by word of mouth. Well, we will soon find out. Today's episode is with Zappos. Zappos started as an online shoe company. They now sell much more than shoes and Zappos actually come from the word set back those which means shoes in Spanish. Tony Shay has been the CEO of Zappos since 2000 and the company was actually purchased by Amazon in 2009, but Zappos is best known for their customer service and they're amazing culture. In fact, when Amazon purchase apples day stayed clear of house apples, conduct business and how they manage their culture because it is so incredibly successful and has delivered so much financial success for Zappos as well. Sap pose has been so successful in really all business measures that they now provide training to other businesses on how to build a positive culture and have amazing customer service.

Luiza Campos: [04:49](#)

As Tony Hsieh says, "Zappos purpose is to live and deliver why?" They are a service company that happens to sell shoes, but they're really in the business of good customer service. Zappos do so many things to empower their team and to really nourish a positive culture that it's actually almost impossible to talk about all of them, but we will go through a lot of those examples in today's interview, but of course if you want

to learn more about samples, please go to our show notes, a branded world podcast.com where we'll have more information and we also have a link to Tony Hsieh's book delivering happiness where he talks about how he created this amazing company with such a strong culture and a high focus on delivering good customer service. One of the most interesting things you will hear in today's episode is how Zappos has recently changed its structure to become a holocracy, which is a very innovative way to further empower the Zappos team. This is a very interesting interview with Tyler Williams, the funding year for Zappos, and yes, you heard it right. He steidel is funding year. Of course, Zappos would have fun titles. This interview is filled with some great tactics and strategies that Zappos has taken as well as some really amazing stories of the great customer service and the great team culture that they have built. So I hope you enjoyed this interview with Zappos funding year. Tyler Williams.

- Luiza Campos: [06:19](#) Hi Tyler. How are you?
- Tyler Williams: [06:19](#) I'm good, how are you?
- Luiza Campos: [06:22](#) I am great and very excited to talk to you. I am a big fan as you know of Zappos and you guys are an amazing example of how to create it is incredibly positive culture with a large number of staff I might add and how to know how to bring your values, your organizational values to live and you were hugely successful company, not just in terms of how positive your culture is, but also in terms of actual returns on investment. Actual bottom line. So I think you're an amazing example for us to talk to and I'm so excited to have you here.
- Tyler Williams: [07:02](#) Well, I'm really happy to be here.
- Luiza Campos: [07:05](#) We have listeners from around the world. So just to start, for those who are not familiar with Zappos, can you give us a little bit of an introduction to the company?
- Tyler Williams: [07:14](#) Yeah, for sure. So, um, Zappos, we're an online retailer. We sell primarily shoes, but we also have clothing and handbags and accessories we shipped to the US, uh, not yet to Canada, but you never know
- Luiza Campos: [07:14](#) Hopefully soon!

- Tyler Williams: [07:31](#) yeah, hopefully soon. And I'm really what we've been defined, we've defined by over the years is more a company that's all about service. So we actually don't look at ourselves as a company that sells things online. We look at ourselves as a service company that just happens to sell things online. So, um, we actually look at that as our commodity is service. Um, and we're also much defined by our core values and our culture, um, throughout the years. Um, you know, our CEO Tony, he wrote a book called delivering happiness and that kind of blew up in the, in the, in the business world as a new way of thinking about your employees and investing in your employees. So Zappos, we've already believed in a, if you have happy employees, you're going to have happy customers and if you get your culture right, everything else takes care of itself.
- Tyler Williams: [08:24](#) So you actually don't have to focus on the, the, the, how much you sell or your profits are, these types of things. While those are important, if you have a really great and healthy culture and happy employees, all of that stuff takes care of itself. So that in a nutshell is kind of what Zappos is to me and I think was at least to a lot of the people that work here. Um, I, I around the office, you rarely hear people saying like, oh, we had a record day of shoe sales or uh, where we were, we did this, but you more here of like the amazing that people have with customers.
- Luiza Campos: [08:58](#) Yeah. That makes a lot of sense to me because you can't really have good customer service if the person providing that service is not very happy. So for me, that's a very logical way of thinking. Can you tell us a little bit about the size of the company? You around 1500 employees?
- Tyler Williams: [09:16](#) Yeah. So we have 1500 employees at our headquarters here in downtown Las Vegas. That's the size of our headquarters. Um, and we do have fulfillment centers where we fulfill the product from down in Kentucky, but at our headquarters here,
- Luiza Campos: [09:34](#) can you tell us a little bit of how Zappos came to define their brand and these core values?
- Tyler Williams: [09:41](#) Yeah, so I think as, as the company was growing both in size and scale, you know, at the beginning of a company, um, it's really easy to keep your culture healthy because usually the founder and the CEO and the senior leaders

are always involved in the interview process. And so if they are, if they're, if protecting the culture is important to them, it's really something that's easier to do at a small scale. As we grew and we grew fast, I'm kind of had this moment of reflection and this is our CEO Tony at the time of what do we want to be when we grow up? So he sent an email out to the company and said, you know, we really need to define our core values and who we are. So it wasn't our senior leadership team or our CEO that define it. It was the entire company as a whole. At the time, and they got back, uh, a lot of different core values and they narrowed those down to 10 core values. And so those core values have defined the brand ever since and really been that cornerstone that we've built the brand off of. And so that's, it's almost kinda like our, our, our north star. And that was created as we were scaling and growing super fast. Um, you know, back in the,

Luiza Campos: [10:58](#)

One of the things that I am particularly interested in because a lot of companies, most companies I should say they have a set of values and either sits on their website as bullet points or it's up on a wall somewhere. But Zappos has been able to really, as you mentioned, your values, your core values are not just words. You're actually able to transform these core values into actions. To have staff understand how can they live by those values. So would love for you to tell us how does that happen? How do you engage staff? And you know, how does staff know how to act, what to do differently in their daily job responsibilities that they know will be contributing and it will be living by this value.

Tyler Williams: [11:48](#)

Yeah. One thing that's really unique is everybody comes into the organization, whether you're there to answer the phones or you're there to run our finance department or be a tech person. Um, they come in and everybody goes through 30 days of new hire training where they learn to answer the phones and they also answer a company phone calls for a couple for a couple of weeks. So even if you're coming into the company as a cfo, you learn to answer our phones, how to work those systems and you interact with customers for two weeks. And then every, every holiday season, um, we do another 10 hours of what we call holiday helper where everybody in the organization gets back on the phones and helps service our customers. Um, what I really like about that 30 days of training is it's also a time where the, the, the new hires

not only learn how to answer the phones, but they really learn what the core values mean to the brand.

Tyler Williams: [12:47](#)

And then we also give examples of how those core values have been used in the past and, and provide stories for them so that it begins to sink in as more of this, this, this way of life inside of Zappos. And less just like, like we said, a plaque on the wall that people were like, Oh yeah, we have core values. And it almost becomes ingrained in the very language of how the employees talk to each other, you know, name. One of our core values is do more with less and you'll see somebody, um, you know, either stretch resources or do something inside of the organization and somebody will say way to do more with less. And they'll give them enough positive feedback. And just hearing the core values used in everyday conversation to me lets us know that it's, it's, it's much more than just

Luiza Campos: [13:35](#)

right. It's a way of life. You have everybody, regardless of what job they will be responsible for, to have that interaction with customers because as you said, if you are a company who is really about delivering customer service, then it becomes a very important part of everyone to understand what good customer service looks like because it's easier to, to deliver good service if everything goes well, but when you're on the actual phone with someone that maybe the shipment was delayed or some sort of issue, that's when you, your values become so important. Right?

Tyler Williams: [14:13](#)

Yeah. I remember, um, I, when I came to Zappos, I hadn't never answered the phone. I've done customer service. In fact, prior to Zappos I was a touring musician, so I had no idea what I was getting into. And I remember, um, I remember just having this app after I learned and I started to take phone calls. I had this tremendous respect and, and also honor for the people inside of our company that answer the phones and help customers. You know, the thing is apolis is if you're, if you're, uh, on the phones, you have the same ability to help a customer that our CEO has, so you are given all the tools to make the situation right. And it really was just continually taking somebody who, yeah, they could have been upset because their shipment was late or they didn't get the right product and turning it around and making them happy, you know, and so it just doing that all day long is actually very energizing. And I felt like, um, you know, it

was a totally different type of call center I hear to. I heard all the horror stories of working in call centers. But um, our call centre is very different.

Luiza Campos: [15:21](#) It is very different because for many companies they don't give their staff the empowerment that you mentioned of being able to do anything that is needed to turn that experience from a negative one to a positive one. And I can see how knowing that you have the ability to do that, the ability to be able to choose the right way to, to change that. Yeah. It would be really cool to be able to do that. For both the staff member and the client,

Tyler Williams: [15:51](#) and I think too, when you, when you're a senior, you're a senior leader in the organization, a lot of times you get kind of far removed from from the, from the customers and it's. It's hard to relate to your customer, so I feel like kidding on the phones I'm getting on the phones every, every holiday season helps recenter everybody around what we are like we're a, we're a, we're a service company and our customers are our life's blood and making sure that they're happy.

Luiza Campos: [16:22](#) Yeah. That is the true definition of having the client as your focus. A lot of companies say that or wish to have that, that you are really, truly living by that, by whatever it takes to take that client from a negative experience to a positive experience. In fact, there's a couple of examples of that I have read about. One is that a few years ago you had a phone call where Zappos staff member was on a 10 hour phone call with a client. Did that actually happen?

Tyler Williams: [16:59](#) Yeah, totally happened. So our call center employees are not given time limits of what they can speak, how long they can speak to customers and they're not, and they're not supposed to upsell or try to sell anybody. In fact, if we're out of stock, our call center reps will go to other websites and help you shop and find the product that you're looking for. Um, so yeah, one of our employees was on the phone for over 10 hours and we call that a personal emotional connection and we encourage that from our call center and we encourage them to ask people, you know, how, how is the weather, how are things where you live or make those connections because we really want it to feel like when you call them the Zappos, you're calling a, a, a friend that you haven't called in a while and you feel very comfortable. And um,

it's great for our call center reps because there's a lot of times where, um, you know, if you're just taking call after call after call, um, you, you kind of, you need to make that human connection with somebody as well. And there's people that call in just to eat, just to talk to us. And it's a really. It's really cool. Were there 24 slash seven? So. So why not? If somebody needs something, somebody to talk to our call center agents will be thinking. And I've heard this as common. So before that, will he makes no sense for a company to do this. This could be a waste of resources, a waste of time. What is the return on investment? How would you answer that?

Tyler Williams:

[18:34](#)

Well, I think that's true if a, if all you care about is the conversion or all you care about is the transaction at Zappos. We care about the person because we believe when you make a personal emotional connection with somebody, you make a much longer lasting customer. You know, we have an incredible loyal customer base and that is because our customers, um, feel a love and an affinity for our brand. And it's not just because we have a lot of shoes or we have great prices because there's a lot of places you can, other places you can go and get products. So the reason you choose to shop where you where you shop is because it makes you feel good or you or you have a connection or you feel like it's family. And so for us it doesn't feel like wasted resources and all, in fact, I think an employee staying on the phone with a customer for 10 hours is the most amazing thing in the world. And it's not something that would be like, well frowned upon. In fact, it's celebrated here. Um, if somebody breaks the longest phone call record, the entire company knows about it because it goes out and everybody sells.

Luiza Campos:

[19:42](#)

I completely agree with you because I truly believe that your products, what people buy, but your brand is why they buy from you. And the score says they feel that they have that emotional connection with a company they know. If every time they engage with you, you will be looking after their best interest. There is a much higher likelihood that they will engage with you rather than anyone else. So I completely see this as, as being the investment. And I also really love the fact that your values, as you mentioned, is a way of life, is not just some words on the wall because you are really honoring those values when you are on a phone call for 10 hours because you don't see your customers just as a dollar

symbol in what, how much they can spend with you, but you see them as a person and you're trying to help them and therefore really deepening that emotional connection with them. And that loyalty, that trust that is really at times is what's going to completely change their decisions to continue to do business with Zappos rather than anyone else.

- Tyler Williams: [20:48](#) I don't know why more companies don't, don't do it, but, um, you know, it, it does. We've proven it that acting and behaving in that manner, uh, is great for your bottom.
- Luiza Campos: [21:00](#) In fact, it is because you are a multibillion dollar company and do you have been purchased by Amazon in 2009? Is that correct? Yep. That's good. You're unique credibly successful company, as I mentioned that just in terms of your culture but also as economically speaking, right?
- Tyler Williams: [21:17](#) Yeah, I mean we've, we've grown so much and the Amazon acquisition has been also really great because there's things that Amazon does really well for customers and there's things that we have that we believe they don't have. They purchased us because we were unique and we were different and we had this amazing culture and there was things that Amazon felt that they could learn from us and that was really cool to see the success of that company kind of honor. Um, the, the foundations of the things that had been built here. And you know, what's great is Amazon has been super helpful for us. They step in and help us in an area that we need help with and they're very also at the same time very hands off and they allow us to continue to behave and operate like Zappos always has. And that's been a really nice relationship.
- Luiza Campos: [22:07](#) Obviously they see the value in that because you, again, you're very profitable company. There's also a great story that I have Rad and this is another example of how when you are on a phone call with a customer, you really, truly listening and really trying to help that customer. And this is what led I think to the Zappos adaptive. Can you tell us a little bit about that and what that is?
- Tyler Williams: [22:35](#) Yeah. Zappos adaptive is basically a curated both wine of clothing products and helpful, um, helpful items for people that have different needs. And so it's basically trying to create a really great marketplace where if you have trouble putting on your shoes, it's very easy but not just easy to use products, but very stylish products. And

that was adaptive, is all about trying to create this very inclusive marketplace, um, for people with special needs to really get the stuff that they, that they want and they need. And it all yet all stemmed from a phone call from one of our guys in, in, in finance. His names.

Luiza Campos: [23:17](#)

I love the fact that he became from the phone call because they couldn't, they didn't have the product at the time to help that. He took it upon himself to make sure that you as a company will then be able to deliver that. And it's again, thinking of your customer, have that person that is on the other side of the call.

Tyler Williams: [23:37](#)

And what I think is really cool about that story is it goes back to that the importance of having, um, no matter where you're at in the go answer come a go at answering customer phone calls for 10 hours during the holiday season because, because Saul was in finance and he had different relationships inside is appose. Um, that could have been something that, uh, our customer loyalty team agent may have not known how to go and fix, but because he was in a different area of the company, he had the relationships and the resources to actually take, take that call and turn it into action and create the, uh, the adaptive marketplace that we. So that was, that's what I really love about that story is it proved our model of like, there's a lot of people that's, Oh man, having all of your, um, you know, senior people throughout these departments answer phone calls as a complete waste of their time.

Tyler Williams: [24:31](#)

Well, no it isn't because you never know what things they might discover some pain points that the customers are having that they can actually solve and they know how to do it and they can solve it right there. We've had, um, we've had stories where we had a senior developer, I'm a back end technical developer that was on a phone call with somebody and somebody said, hey, I wish I could just automatically exchange. I wish I could just automatically exchange the product and then you just move the money from one a, one customer to another and that developers like, oh, I can build that. And then all of a sudden we were able to process exchanges in that manner. So is, it would've never happened if he wasn't on the phone call listening to what the customers wanted and was able to make that change.

- Luiza Campos: [25:17](#) I completely agree with you. I think if more companies did what you did, if more companies ensure that every staff member had contact with the people they serve with your customers, they will be so much more in tune and reminded of why they're there, what is the purpose, because you can have all the words you know in the world and beautifully written ones, but if you don't feel it, you lose a bit of that perspective. It loses its meaning and you actually kind of get lost and don't know how to make sure that that north star, it's actually always you're north star in every decision that you're making.
- Tyler Williams: [25:17](#) Right.
- Luiza Campos: [25:56](#) One of the things that I, that it really inspires me is that you not only have your client as, as you're focused, that your culture internally, there's such a high degree of respect or understanding the importance of building that positive culture. So can you tell us a little bit about that and, and you have a system that is very unique I find in that's the ocracy. So can you tell us a little bit about that?
- Tyler Williams: [26:24](#) What's interesting about our transition to self organization, Tony Tony kind of discovered a few years back by reading a book called good to great and then another book of how the mighty fall and it's about companies their no matter how great of a company are for some reason, they get to a certain size and then they begin to just break down. Like you said, they either lose their north star or something and so the default for companies is death. And so Tony became very focused on finding a new way to do business and one of the first things you noticed is that the top down hierarchy of bosses and managers and directors and the top down budgeting process was actually not scalable. So the bigger you get, the harder it is because these layers of management build themselves into the system and they hoard money. They hoard power, they hoard information they don't share, they become siloed.
- Tyler Williams: [27:23](#) And then also the top people in the organization are really far removed from the customer. So holocracy was meant to flatten the organization out and build a hierarchy on purpose and work. So basically what happens is every team creates a circle and they create a purpose with that circle, my circle that I'm lead link of and Brando is called brand aura. And our purpose is Zappos, universally known as fun, unique, slightly

irreverent. And then our, our focus is our employees, our local community and our customers. And our goal is to make everyone say, wow, so that's our purpose. And then we unpack our work around that purpose and so we create roles and we create accountabilities in those roles. And so, um, it's kind of like holocracy is more like an operating system for what we're really trying to get to, which is Zappos being more organized like a city and less like a top down hierarchy because in a city, uh, there's nobody telling you necessarily how to do your work. There's a need for your work, but the mayor of the city isn't telling you how to run your business on a day to day. Um, they give you guidelines and they have governance in place that, that can, that makes sure you don't go out of certain limitations. But other than that, you're really, you're really free inside of a city to to energize your work, how you see it

- Luiza Campos: [28:56](#) I love that analogy from corporation to a city, but how to apply that. So if somebody is in one of these groups, as you mentioned, how do you make sure that they know what they're doing is good or that they are being responsible and accountable for the work that you're doing?
- Tyler Williams: [29:11](#) One interesting analogy that when you, when you go back to the city analogy, as as organizations increase in size, they become less and less productive and so their productivity and innovation declines. The exact same opposite thing happens in the city as the population of a city increases inside both a productivity and and innovation and creativity goes up. And so that's a really interesting phenomenon. So that's the, it's organized. It must be different. So the thing is with a, with self organization and knowing that you're providing and doing work that's valuable to the organization, it's something that we call I'm customer focused mindset. So different circles within the organization have internal customers and they serve those customers. And so let's just say I am a photographer and a, that's the service that I have to provide. I might have multiple internal customers that want me to do work for them and we encourage that.
- Tyler Williams: [30:16](#) We encourage you to act more like you would a business inside of a city because in a typical top down hierarchy, um, I would only have one customer, which is my manager. I only really need to make my manager happy

and my boss and that is how I succeed or that's how I know I'm doing good. Where in Zappos right now it's more how many customers do you have? Are Your customers happy? And you have a wide array of customers because we believe that the more customers you have, the more resilient you are as an internal service provider. Um, and we actually say that if you only have one customer insight is Zappos, that's actually a very non resilient place to be. Um, and so that's really how the accountability happens. It's kind of like the supply and demand in a city is if there's a customer for the work that you're doing, then by all means continue to do that work and we don't really try to define whether or not it's super, super highly valuable or super low valuable.

Tyler Williams:

[31:19](#)

We just say if you have a customer for that work and then, then you're more than welcome to do it. A good example of this is I think at most companies you wouldn't think that a full time artist was valuable. Um, we have an artist here at Zappos. His name is Miguel Fernandez and he was in our clt department. He answered the phone. He would come get pooled, he would constantly get pulled off the phones and used throughout the company because he was a fantastic artist and now we noticed, hey, Miguel has a lot of customers. He has people that want his art all over the organization. And so he basically has become a full time artist. He has an entire circle. He has somebody that helps with his incoming requests. He goes to Amazon and paints murals that Amazon. And he's a really cool story because we would have never known if it was top down that there was this need for a full time resident artists on campus and he is one of the most busiest per people that we have, which I think is really cool.

Luiza Campos:

[32:25](#)

That is such a great example and it's also great example of the culture and what you do for were you employees and I think at the end of the day it's sort of really boils down to the trust that you have on your employees and the care that you have for them because you do things that like this example that you told us that if a company is just looking at their bottom line and profitability, they would not, they will not see how an internal artist in residence could, could be beneficial for that bottom line. But tell us a little bit more about, because there's some amazing examples, um, of your campus and what do you do for employees in terms of how your offices look like.

And if you can give us some examples of that, that would be great.

Tyler Williams: [33:14](#) Our campus is a couple of things. One, we have an open office space so there really is no legally we have to happen. So you know, Tony, our CEO and our senior leaders in the company sit out in the open and are approachable so anybody can come up and talk to them. So we haven't opened workplace with, with no offices based on like how important to you are, you know, and uh, and we also do some fun stuff like we, we, we believe in collisions like trying to create a destination points or collision double points on our campus. So we, we actually create a little bit of, of um, inconvenience so that people will go to other areas. And so we placed the cafe in an area where you might have to walk through a somewhere else to get to it. We placed snacks, snacks versus drinks on opposite floors so that you don't have snacks and drinks on the same floor, so you might have to go to somewhere else and get your snacks.

Tyler Williams: [34:18](#) And we, we just want people to go into other areas and build those cross relationships between different departments. So if, uh, you know, if I want to go get a soda or I want to go get a snack, I might have to go walk through the Tech Department and we know that just you seeing somebody on a day to day basis, even if you just see their face and say a friendly hi, um, it builds trust and the less and less you see somebody, the more, the, more distrust that enters in because people what people don't know. Um, and if they don't see you, they don't, they don't have that trust reinforcement. So it's just natural and we believe to try to move people through different areas of our company so that they build those, those, those trust relationship.

Luiza Campos: [35:06](#) Oh, I love that. Office is also really unique. I mean, you have things like nap rooms and the jam room.

Tyler Williams: [35:14](#) Yeah. So, um, that's something actually, uh, um, as engineer, um, I created a few years ago was the jam room. I really felt that there was a lot of amazing Zappos musicians and I think that connecting through music is one of the best ways to connect and build relationships. So we made a jam room where people can go make music together and so it turns into kind of rehearsal space after 4:00 PM, but every once in a while somebody will go in there and play a little bit or a or workout a little

stress if you're a drummer. And then our nap room has really cool. Naps had been proven to be good for you and to reinvent, reinvigorate you. I think after lunch everybody needs a nap. This Siesta as a really a real thing and it helps increase your productivity.

- Luiza Campos: [36:04](#) I love it. It's so the room is another point of collision, one of those points of decisions that you're talking about and, and really a way to create more unity amongst the team.
- Tyler Williams: [36:14](#) Yeah. We've even had Zappos band form, so we've had a, you know, Zappos bands come out of the jam room and play it at Zappos events. It's been a lot of,
- Luiza Campos: [36:25](#) it sounds like so much fun to work there. We all, we all jealous now.
- Tyler Williams: [36:30](#) I feel, I feel really lucky. Yeah. Coming to Zappos, uh, on a day to day basis, it's not like waking up and oh my gosh, I have to go to work. I got on my way into work. I usually thinking like what kind of exciting things or am I going to experience today? What new challenges am I going to have? But mostly just get to see my friends. You know, at, at Zappos, we, we believe in work life integration. We spend so much time at the office around the people we work with. We, we should, we should be friends with those people. We should have relationships and a lot of companies believe in work life separation. You should separate your work from your life. But we believe in integration we have. You can bring your dog to work and have people all the time bring their kids in and it's totally fine because it's all family, you know, and, and everybody loves each other and has a great relationship. So it makes it, it makes it like coming to work, like going to see a bunch of your friends,
- Luiza Campos: [37:30](#) which is remarkable because again, most companies have much more strict rules about that and the field that then employee if they're at work, they need to be focusing and being productive. But in fact what we know and we know this through research, but not a lot of companies actually apply the learnings that have come through research that a happy employee is what makes a productive employee and much more dedicated and committed employee and what makes them happy or such in the things that you're talking about, which is really showing them that you care about them, that you want them to have fun while they're in the office. That

you want them to feel relaxed. That you want them to fulfill their needs. Should they have any needs to take a nap or, or just release some stress or whatever the case may be. So, you know, again, this is why I think you guys are such an amazing example because you are living by those values and also by the learnings that we know and what actually makes a happy employee and a productive employee.

Tyler Williams: [38:33](#)

Yeah. It's one of, of those things that I think at Zappos, we, you know, there's, there's a lot of companies that say work life balance and if your work isn't, it doesn't feel like it's a drain. If your work, it doesn't feel like it's, it's draining the life away from you, you're automatically going to have that work life balance and you're going to integrate those, those two things. So I think a Zappos provides the freedom for people to do that. We have a saying in Zappos, we hire and fire based on culture and we always say hire slowly, fire quickly because I'm one, you know, if, if somebody is bad for the culture, it creates such a negative ripple effect. You really need to be good and you need to develop a culture that, that is really quick about getting rid of that, uh, that, that cancer within the organization. Because it can spread and so those are some of the, the, the hiring practices that we, um, that we tell our hr people is, you know, I'm really hire and fire for culture, not performance because performance is if somebody has the right culture and performance can be, can be helped and, but if they don't have the right culture, um, and maybe they're a high performer but they don't have the right culture, the negative that's going to come from that bad culture far outweighs any of the performance that they can.

Luiza Campos: [40:04](#)

Absolutely. How can you tell us a little bit of what is it like, you know, if somebody is to apply for a job, it's apples. What is the hiring process like?

Tyler Williams: [40:13](#)

So the hiring process is, is I think it's pretty standard. We, um, we have an interview, we have a culture interview that takes place and that's done by somebody in hr and in that interview, if you pass it, you move on to a series of, of um, interviews by whoever the hiring team is. And most of the time the majority of the people on that team all meet with that person, so it's not just the, it's not just a lead link that meets with them and it's kind of a, everybody has to agree that, that they, that they want to move forward with this person. And then after that, um,

they have 30 days of new hire training and that's a lot of fun because I like to this day, I, uh, I went to new hire training seven years ago and I'm still really great friends with all the people in my training class and we do anniversaries. Um, we get together for happy hours all the time. So new hire trainings, a lot of fun because you kind of create these really deep bonds and relationships with the people that you're in there.

- Luiza Campos: [41:20](#) Now, tyler, you have a very particular way that you applied for a job, which I love how you did that. Can you tell us that story?
- Tyler Williams: [41:28](#) Yeah. So, um, I was actually a touring musician before I came to Zappos. So I had job history in the, in the normal job for us, you know, um, and when I was introduced to Zappos by my wife, she took a tour of Zappos. I started reading about the company. I read Tony's book and I really, um, I really kind of fell in love with Zappos. And then what happened is I realized it's harder to get a job at Zappos than it is to get into Harvard. I read that I'm in in Tony's book and then thought, well, there's no way I'm going to get a job there so I have to, I have to stand out. I have to, to, to show them that I'm creative. So I also knew the core values are very important as APA. So I wrote a song based on the 10 core values, recorded it, and then I videotape myself playing it. And then I sent that video in. I didn't even send a resume because I had no work history. So I had nothing really to share. But I knew that I had a lot of creativity and talent and I got a call back within an hour of sending the video in and said, come down. Uh, we don't really know where we have a position for you, but we're going to hire you. So
- Luiza Campos: [42:40](#) I love that story and I'll, I'll include a link to the video for the listeners to see because it's, it's a really cool video. Now, one of the questions I believe that is asked in that first culture interview is how weird you are on a scale of one to 10. Is that right?
- Tyler Williams: [42:59](#) The core value we have is create fun and a little weirdness. It doesn't say create fun and a lot of weirdness. And I thought, I thought I was way too weird, um, because when I made that video I kind of thought one or two things, either Zappos was going to be super excited about it or are they ever going to be like, this person's crazy, uh, we need to file a restraining order or something they get. So, uh, luckily it was the former and

they thought it was really cool. Um, but yeah, I've thought, well, hopefully I'm not too weird, you know, uh, I, I'm a very fly by the seat of my pants creative person. I love to dream up crazy stuff. In fact, the new hire training, I dreamed up a nerf attack where we went and attacked our dev department with like fog machines and confetti cannons and Nerf guns and uh, you know, it all and you know, then I started a Tutu Tuesdays and boots and shorts Thursdays and all of that stuff seemed to, to, to, to resonate with them with, uh, my fellow employees. So I thought I was a little nervous because when they said, are you weird on a scale of one to 10, I said probably a 10. Hopefully that's not too weird.

Luiza Campos: [44:12](#) It's awesome. I love it. And one of the things that I think I am getting is most companies have sort of their culture club or their social club or whatever they want to name it. And it's sort of a team of people who are responsible to create some fun activities. But in Zappos it just seems that it's just natural for anyone. And everyone to do it,

Tyler Williams: [44:36](#) Zappos creates the space for teams to create their own tribe. And each one of those, those groups genuinely have very good deep relationships. They kind of function more like a family. Um, and then it, it's because that gives you the freedom and we create moments where you can build those relationships. You know, if something exciting happens, we closed down the office and we go celebrate. We opened up a bar somewhere. We or we do something fun with everybody because we want people to build that relationship with each other because those relationships come with trust. And in order to have a company has deep trust, uh, you really need to have that, have those relationships.

Luiza Campos: [45:24](#) Can you tell us what has been, if any, what has been sort of the hardest challenges that the company has faced in building this brand?

Tyler Williams: [45:33](#) Yeah, there's been several moments in history that had been, had it been hard on the heart on the company, but have been moments where our culture came together and rallied. I, you know, back when the economy took a downturn, um, you know, we had to do a series of layoffs and that was really a difficult time, but it was also a time when the company really came together and very, you know, we were in such a growth trajectory and that, that it was, it seemed like it was going to last forever and

when we had to like come on those hard times and deal with them, it was, it was something that helped define and grow everybody closer together. Then as the, as the economy got back up and kicking, um, we did go through a number of things where we were, we were struggling with our warehouse management system.

- Tyler Williams: [46:27](#) Uh, we were, we were changing it from one system to another. Um, and we had a lot of, I was actually on the phone during that time. We had a lot of ms dot promises, but we took care of our customers and our company was better for it. Um, and, you know, throughout, I think some of the biggest challenges we face in the future is just transitioning the company out of this top down hierarchy way of thinking into self organization. You know, it's, it's hard to go through that transition because there's a lot of unknowns and Zappos is constantly evolving and that can be hard because, uh, some people I'm just kind of want things to be the same, just want things to be easy or a or safe. And at Zappos I think there's never a feeling of like of like, oh, this is the way we're doing it. It's always changing. And I feel like that's one of the hardest thing.
- Luiza Campos: [47:26](#) So you really have to be able to adapt, change as theory, as the company changes.
- Tyler Williams: [47:32](#) Yeah, we're always, we're always changing and I think we go through, um, a new evolution every couple of years and it's, uh, it's, it's, it's never an easy thing to change, but we have a core value and embrace and drive change. And that is something that everybody tries their best to do. Even with this one.
- Luiza Campos: [47:56](#) Yeah. And I can see how it can be really difficult for a lot of people to embrace change or wrap their heads around this self governing new way of being because historically this just has not been the way businesses do business or corporations or organize themselves. So I can understand that. But that's also, you know, embracing change and evolving and adapting with times. It's also what's going to keep the company successful. I know Tony says a lot that and you mentioned this as well, yourself, that for most companies their faith is to is to die. And in fact a lot of companies who were in the fortune 500 list no longer exist. Exactly because they haven't been changing and evolving with time. So I. I

completely agree that as uncomfortable as it may be at times, it is. It is necessary,

Tyler Williams: [48:53](#) the most effective way to live both as a team and as a, as a brand it defense and respond and not to predict command and control. Because most of your big organization that exactly what their focus is, their focuses to predict and then command and control that outcome because they are maybe the biggest and they're the best at that moment, but there's always some new innovator, new exploring company out there that is trying to figure out a new way to do things that are gunning for you. And so if a company more sat and just watched and since then responded and they have the resources to probably get into any industry, but what happens is they become closed off from that, it become closed off and they begin to protect what we call the incumbency. Um, and then the, the insurgent businesses eventually take over and that just recycled more and more.

Tyler Williams: [49:51](#) And today with technology moving so quickly that's happening faster and faster. You know, the shelf life of companies used to be 50 to 100 years. Now that's down to like three years, you know, it's there. The lifecycle of companies is going up and down so rapidly. Um, Tony really look at Zappos and said, how can we not be, you know, in evolution that it's not always the fastest and strongest that survive, it's the ones most adaptable to change. And so we really want to organize Zappos more as a company that's to change and less like, you know, the lion or the tiger or the or the dinosaur, you know,

Luiza Campos: [50:33](#) that's a really great point to tyler and especially nowadays with how things are changing so fast. Adaptability is really key to success. I mean we have seen great strong companies that have essentially become dinosaurs because of their lack of ability to adapt. We could talk for much longer and I know that there's much more to find out about snappost, but tyler, thank you so much for your time today. And for those of you who want to find out more about Zappos, I will have more information and links in the show notes so you can go to a branded world podcast.com to find out more. Tyler, again, thank you so much for your time today and for sharing a little bit of bell's apples with us.

Tyler Williams: [51:15](#) My pleasure. Thanks for having me

Luiza Campos: [51:18](#) and there you have it. I hope you enjoyed this interview with Tyler Williams from Zappos and as I mentioned, Zappos is doing amazing things, so to find out more, make sure you go to the show notes@abrandedworldpodcast.com.

Luiza Campos: [51:33](#) Thank you so much. And until next time.

Announcer: [51:36](#) Thank you for listening to a branded world podcast. Discover more@abrandedworldpodcast.com.