

A masterclass in the COVID-19 pivot with Sebastien Faelens

Sebastien Faelens, who at the start of this year ran a wine business, struggled deeply when pubs, bars and restaurants closed overnight due to COVID-19. His revenue dropped to zero and he eventually decided to call time on his dream. Now, he's back - this time with digital marketing offering Xplore Digital.

Temps de lecture : minute

27 November 2020

Maddyness spoke to Sebastien about lessons learned, the mental health impact of being a founder, and the importance of flexible and affordable marketing for startups.

[Maddyness] You were running a business before, and now you're running a different business. Tell us about your background leading up to the pandemic, and how COVID changed things for you.

[Sebastien] After my Master's Degree in Marketing and Communication, I worked two years in marketing then decided to move to Business Development as I always knew I wanted to set up businesses and sales is an essential part in any B2B company.

In 2015, I set up Wine and Tradition with two business partners, but we had different priorities and vision, so, at the end of 2017, I decided to buy my partners out. I wanted a fresh start, and I created Innvino. The

business was profitable; in 2019, we did about £1M in sales. At the beginning of 2020, I was looking to acquire some other companies in the Cotswolds, Wales and Devon but then COVID arrived.

With the lockdown, all bars, pubs and restaurants closed and my revenue went to £0 overnight.

The uncertainty was extremely stressful: I didn't know how many customers would pay me, how long the pandemic and lockdown would last, what level of business we would have after that. I could wait and see of course, and borrow more money with no guarantee at all.

It was too much of a risk, and I could not see the situation improve within the next 12 months. I did not want to leave my future in the hands of so many unknown factors, so took the hardest decision of my life, which was to liquidate the company.

After a short confidence crisis, I started to think about what I wanted to do next. During my time at Innvino, I have tried to do digital marketing to attract new customers, but there was not any flexible offer on the market. I did not have the resource to do it inhouse, and agencies are costly without guarantee of the result.

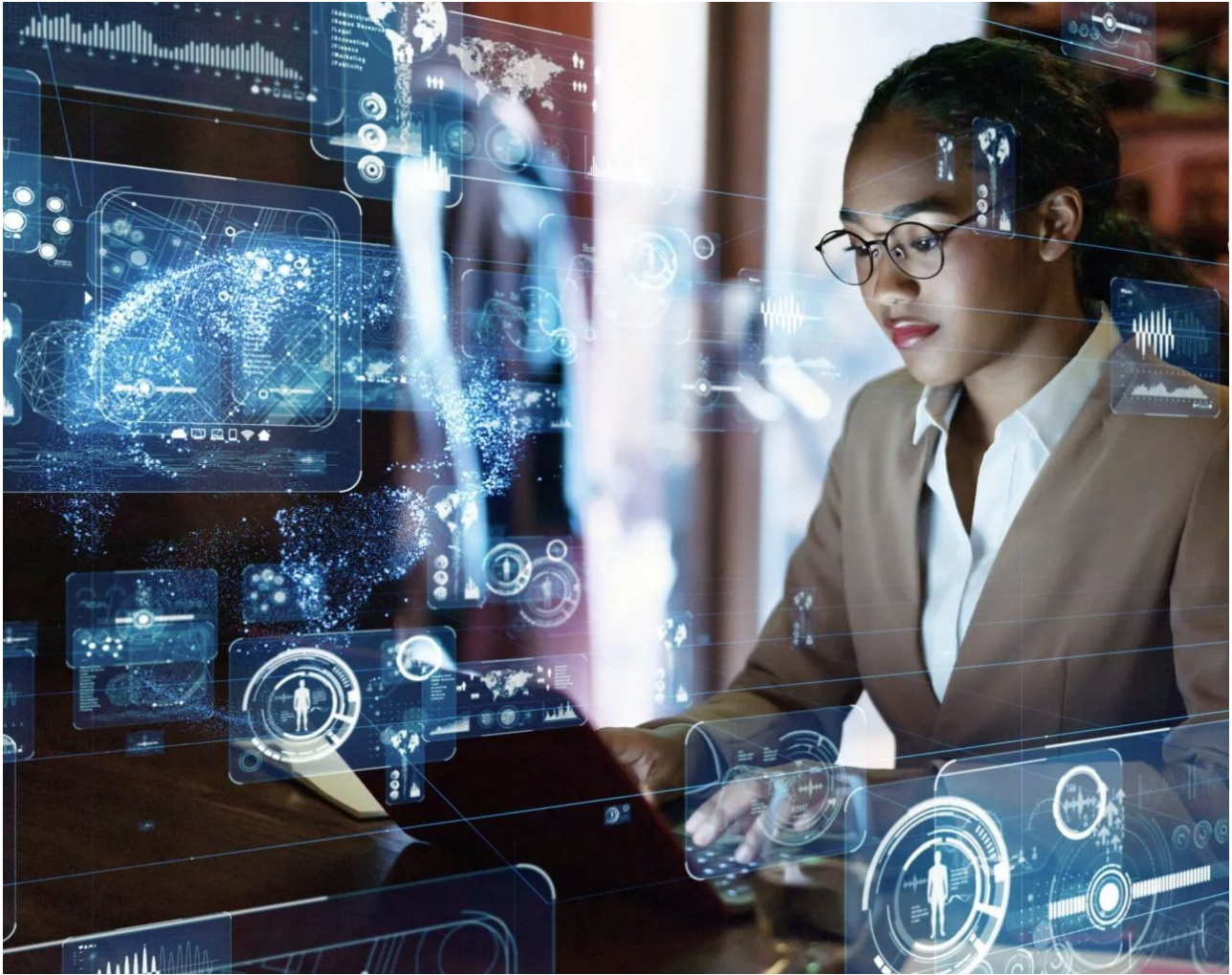
Explain briefly in your own words what your new business, Xplore Digital, does.

At Xplore Digital, our mission is to make marketing excellence accessible and affordable for everyone. We offer a CMO and a full team of marketing

experts to startups and SMEs so they can access world-class marketing for as little as £1,500 per month. We also help SMEs with their international campaigns as we have a team of people from all over Europe.

What was it like emotionally having to give up on one business? I imagine it really exacerbated the stress of COVID. How did you get together the energy to start up again?

Giving up my business, my dream, was one of the hardest things I've ever had to go through. As an entrepreneur, you work so tirelessly to grow your business. You spend so many nights awake thinking about your business. For the past few years, Innvino was my life; I have lost everything. It is a traumatic experience.



For three to four weeks, I felt sad and angry; this whole situation was so unfair. And then you move on. I did not have a choice as I had no money (lost everything) and no help from the Government (the joy of entrepreneurship). I started to look at my options: jobs, potential business ideas, until one day, I was ready to begin again. Xplore Digital was born.

How come you switched industries? Are there things you learnt from the wine world that you will apply to help Xplore Digital grow?

I had the idea of Xplore Digital for a short while. I could see so many startups and SMEs not able to access high-quality marketing and to have

to do DIY (that is not working) instead.

I have learned so many things: Margin is everything; cash is king, there is no point working 60 hours a week if the business model is wrong; hiring the right employees is extremely important. And most importantly, we need to be different from the competition to succeed; we need to resolve someone's issue.

As a business owner, I understand the challenges that startups and SME are facing daily. I know how hard it is to grow a business with limited resources, so I created the offer I wish I had.

Why is marketing important for startups, and what marketing-related challenges are they likely to face in the time of COVID?

Nowadays, 70% of B2B buyers do not speak with salespeople; they either work with people they know, they have heard of, or they find online. That means if a B2B business does not use digital marketing they can only work with 30% of their target market.

That is especially true now as with COVID everything is becoming digital and moving online.

Do you have any success stories from the journey so far that you can share?

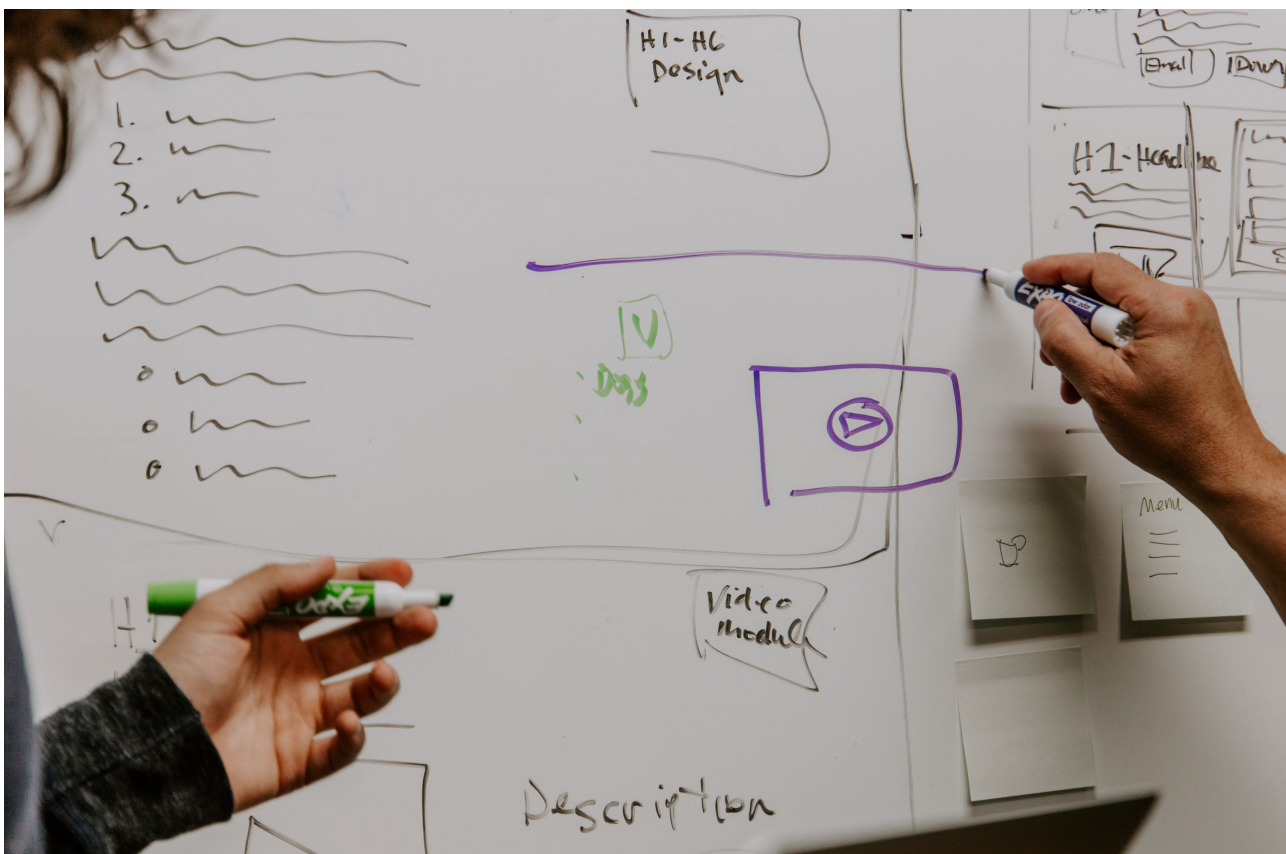
Digital marketing is a necessity for the sustainable growth of all

businesses even more so today with the COVID. With the pandemic, companies have to rethink the way they sell and communicate with their customers. Many large companies have already turned to digitalisation with high marketing budgets and have transformed their profession. But what about much smaller companies? There is a need for business to adapt to the new environment. Last month alone, we signed three customers and in November are doing a x10 in turnover.

We have also partnered with incubators to help first-time entrepreneurs to build and execute a kick-ass sales and marketing plan.

What advice would you give to new founders at the moment?

Always put your customers first. Talk to your target audience and make sure you understand what they want and need before spending any time and money on sales, development, marketing or operations.



Also make sure you have a robust business model limiting financial risks (stock, investment, payment terms...) with a substantial gross margin enabling you to hire good people and grow the company.

Being a founder can be lonely; make sure you continuously engage with customers and experts to help you refine your idea and make the best decision quickly.

And finally, a more personal question! We've started asking everyone we interview about their daily routine, the rules they live by, and whether COVID has changed this?

I generally work from 7.30am to about 7pm with a 45-minute lunch break. I either go for a walk or a run at some point in the afternoon to get a bit of fresh air. After work I generally read for 30 to 45 minutes then dinner and a bit of TV before going to bed at 9.30pm!

COVID has changed the way I worked as now I am allowing myself to go for a run or a walk during the day.

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Article by Sebastien Faelens