

REVERB.COM: A New Way To Buy And Sell Music Gear Online

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# WELCOME TO Reverb

*A tour of the Chicago-based  
gear marketplace yields  
fascinating insights*

INTERVIEWS BY PAUL VNUK JR.

## IF YOU'RE A GEAR NUT

, then you've probably heard about Reverb (reverb.com). If you haven't, or even if you have but still aren't sure what it is, Reverb launched in 2013 as a marketplace for musical instruments and pro audio gear. Its twist is that Reverb's inventory is supplied by you and me, as well as a host of retailers nationwide. If you are thinking, "Okay, so... a musician-specific Ebay?", you could not be more wrong.

There are great online and brick-and-mortar retailers out there that offer caring customer service and a rich buying/education experience, really earning the loyalty of their buyers... but they're nowhere near as common as they should be, and they don't always have precisely the gear you need. Reverb offers an alternative to hunting around through sketchy auction sites and no-name sellers by bringing lots of people together in one place and creating a framework that promotes engagement, fun, and the safety of buyers and sellers alike.

To learn how Reverb stands out from the pack, *Recording* took a trip to the company's headquarters in Chicago to get the inside scoop. While there, I got the full tour of the company's new multi-level digs, complete with a video studio. Walls are lined with gear, just like a retail store's... but most of it belongs to the employees, who also have copious numbers of instruments and musical "toys" on their desks. Is your day job that cool?

I got to meet and chat with a number of Reverb staffers, whom I'd like to thank for their time. The list includes Reverb's CEO and Founder **David Kalt**, Director of Marketing **Dan Abel**, Director of Content **Dan Orkin**, Chief Operating Officer **Dan Melnick**, Director of Customer Engagement **Chris Miller**, and Director of Digital **Justin Delay**. They all shared their perspectives of the company and offered great insight into what makes Reverb both unique and successful.

## AN ONLINE MUSICIAN COMMUNITY

More than a website, Reverb strives to be a complete online community and destination for gear needs, techniques, dreaming, and more. Once you get past the rabbit hole of virtual window-shopping (which can easily and pleasantly steal hours of your time), you can set up your own account, where you can purchase items with the simple click of a button or list items to sell just as easily. If an item costs more than you would like to spend, many sellers allow you to make offers and virtually haggle back and forth via onsite messaging. From opening an account to setting up your own storefront or just making purchases, all aspects of the Reverb process are logical, streamlined and simple.

Beyond that, there are many things that set Reverb apart from Ebay, Craigslist, and even Facebook selling. These include

customer service, education, digital infrastructure, and an easy-to-understand financial model for sellers.

## CUSTOMER ENGAGEMENT

Rather than "customer service", Reverb prefers the term "customer engagement". Chris Miller runs a team of over 35 employees that you can chat with online or by phone... and they all love to talk about gear. In Chris' words, "You go to a website built by musicians, staffed by musicians, and you get to talk to musicians."

I was surprised when Chris told me just how much personal interaction Reverb provides on a daily basis. "People come to chat because they view us as an authority. We've built this place where you can ask questions and voice opinions to someone who's built up a bit of credibility. 20-30% of the customers who call us up haven't bought anything recently or aren't currently looking at a listing. They just want to know what a particular item is worth, or ask general questions... the fact that we talk with them and help them is one of our most powerful marketing tools."

Speaking as an ex-music store retail manager myself, a strength of Reverb is that unlike a traditional music store, where an employee naturally pushes the lines which that store sells, Reverb employees have "no dog in the fight" and can help steer you toward your needs based simply on those needs and what is available online. Employees don't work on commission, so there's no hard sell either.

## PERSONALIZATION

COO Dan Melnick points out that one of his favorite parts of the Reverb experience is "personalization", which relies heavily on advanced Machine Learning that tackles how gear is categorized and sorted, helping determine what shows up on your digital doorstep. His take is, "Buying gear is like matchmaking and dating; it's very personal... people have their own likes and dislikes, their own wants and needs. When something new shows up on the site that matches your interests, we want to make sure that we can put it in front of you right away, based on your [browsing] behavior, which we do via our emails."



# WELCOME TO *Reverb*

Speaking as a Reverb user, I can say that they have achieved a great balance of relevancy and constancy with said emails. I never feel spammed, and when emails pop up, it's almost always something I will enjoy reading about.

Also, because you will never know what you'll find, Reverb can help you create wish lists and alerts for your Holy Grail pieces. It's common for the staff to hear about buyers who have scored items that they literally couldn't find anywhere else after years of searching.

## EDUCATION

Reverb produces a healthy amount of online content, from tutorials and techniques to runthroughs of both new and vintage products. Dan M. chimes in again: "This is not a totally commoditized industry. We're not selling toilet paper, or something else you're going to be buying nearly every day. We know there will be gaps when you're not buying anything, so in between, we want to educate, to talk about music. It comes back to the fact that we're all musicians, and we hope it comes through in our emails that aren't sales-related. We're trying to share that love of music making with our audience."

## A UNIQUELY LEVEL PLAYING FIELD

Many of the products on Reverb are sourced from everyday folks like you and me who simply want to sell one thing and buy another. There are also traditional music retail stores jumping onboard. That means "mom and pop" shops, or even a rummage sale hound with a garage full of gear, can now sell alongside the bigger retailers, since they no longer need to set up their own websites or have knowledge of coding and online commerce.

Director of Marketing Dan Abel points out that Reverb is helping to integrate all of this into unique personalized storefronts called Reverb Sites that use the Reverb infrastructure; he says it's like Squarespace, but for great sellers. Even though these sites are part of the Reverb paradigm, they can look and act like

your own standalone website.

You may be thinking, "Oh, great... now I'm competing with big retailers selling the same thing I am." This is actually a plus, especially when you can offer an item used at a good price in great condition. Used gear typically has more flexibility and wiggle room than the profit margins and bottom lines on new products. Also remember many buyers (especially global ones) don't all live in towns with cool stocked brick-and-mortar stores. Reverb is also great for finding sale items, closeouts, and factory blemishes.

## IN SYNC

Another sales area that Reverb is trying to streamline and centralize is the world of software. Face it, when was the last time you bought software in a brick-and-mortar store? Having said that, wouldn't it be great to browse all the coolest software plug-ins, sample libraries, and DAWs in one place at one time? That's

just what Justin Delay and his team are working on with SYNC. Again, it's not just about sales, it's about education, comparisons, demos, and more.

## A PLACE FOR THE LITTLE GUY AND ENTREPRENEURS

Another cool aspect of the Reverb model is what it can do for boutique companies and startups. Whether you've just created your first sample library, coded a plug-in, or are building unique effects pedals in your garage, Reverb is a great outlet.

In the past, most of these startups would have never gotten their foot in the retail music door... at least, not without without great expense, distribution effort, and networking time. A great example Dan Abel told me about was the White Pedal from Jext Telez, a startup pedal manufacturer that Reverb helped get off the ground. Search for it on Reverb if you are a fan of the Beatles' "Revolution".

## MONEY MONEY MONEY

The main thing that drew me to selling on Reverb was the easily understood, no-hassle fee structure. Many popular auc-



### Dan Orkin's Recommendations For Sellers

Photographs must be clean and against a neutral backdrop with decent lighting. Take a couple of extra minutes to make that first impression of your listing the best it can possibly be; your smartphone is perfectly capable of taking great shots. The app makes it easy to do that, and it does wonders to help something sell. In Reverb, you play gear with your eyes first.

A good clear description that tells a story reassures buyers that you're legit. Specs can be gotten from websites, but do more than just say "great condition, only used once." For example, say, "I've had this piece for about a year, touring with my band." The buyer can see himself as being part of that story. This is especially true of vintage instruments. "This was my uncle's, I tried to fix it, I put a new tremolo on it but it didn't really work..." You see yourself picking up where someone else left off and continuing the story, and that really helps the sale.

Keep the information in the Make and Model Fields really simple. Don't fill it up with metadata that doesn't help. Get away from the Craigslist mentality, say "Fender Stratocaster" rather than "Cherry Pre CBS Fender Strat AWESOME CONDITION LOOK LOOK LOOK"... it's very 2000, really outdated, and people are more sophisticated these days.

We're not selling window treatments. Add some personality! It's supposed to be fun. Reverb is a great platform for telling these stories, they enrich the community. "I made these guitars myself, my dad taught me how..." or people who make small batch boutique ribbon microphones... they have the exact same platform as the huge makers do, an even playing field.

# WELCOME TO *Reverb*

tion sites and online gear brokers have become both high-priced and cryptic with their fee structure. They have listing fees, make your ad pretty fees, add bold type fees, fees for extra pictures, fees when it sells, and on and on. It can easily add up to them taking a significant chunk of your money when all is said and done.

On Reverb, it costs zero to list your piece. Taken straight from the company website: "List as many items as you want for free. If they sell, Reverb's selling fee is only 3.5%—no matter what."

When the item sells, you have two choices for collecting money: Paypal, which takes a 2.9% commission plus 30 cents per transaction, or Reverb's own Direct Checkout system, which has a 2.7% commission and 25 cents per

transaction and also offers wonderful levels of seller protection.

The only other fee at this point is called Reverb Bumps, an optional system to keep your item at the top of the heap and current in daily searches. I can't detail the tiered structure here, other than to say that if your item does not sell it costs nothing, and if it does, you only pay for the number of Bump impressions your item received. All in all it's about 4 to 6 cents per impression on average, based on the price of your item and the Bump package you choose.

Reverb also helps generate receipts, help arrange shipping if you want, and track sales at your online store.

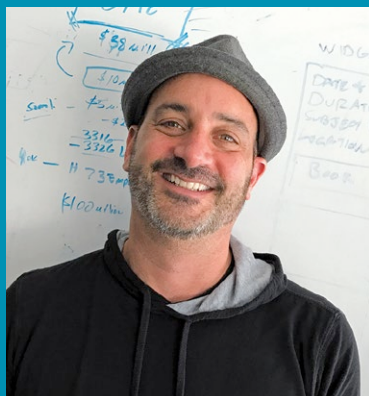
## CONTENT CONTENT CONTENT

Just like Customer Engagement on the

buyer side, sellers have a team of behind-the-scenes gearheads led by Director of Content Dan Orkin. These guys look through listings to make sure the photos look good, the gear is listed in the correct categories, and descriptions are correct and engaging. Think of them as online curators who want your gear to sell just as much as you do.

According to Dan O., "We enforce our standards because they help people sell stuff more effectively. Our mission is to make listings consistent to benefit everyone in the transaction. Objectivity and balance permeates every corner of this website." Even more so, Dan says, "Neutrality and transparency is a core company value, not just lip service. We promote products because they're great. If the buyer ends up with the best possible experience, it's a win... we get not just a satisfied customer, but a supportive lifelong member of the community."

Speaking to what this curation entails, he points out, "We want to do our due dili-



### CEO and Founder David Kalt On Reverb, Past And Future

I was a recording engineer in Chicago right out of college, doing a lot of house music, working with bands like Ministry. During my studio days, I got into software and taught myself to code...

I started and sold my first software company—a customer relationship management program for the travel industry—in the 1990s. I then went into online brokerage, and that startup went public and eventually sold to Charles Schwab. I loved building up those companies. I'm a product guy; if you blow the customer away with a great product, everything else falls into place.

Fifteen years away from music and two public companies later, I decided to get into the MI space. I approached the owner of a beautiful vintage guitar shop, Chicago Music Exchange, with my vision for how to grow the business, and I bought it from him. I had no idea what I was doing, but I jumped in head first and learned the ins and outs of selling guitars.

Then I expanded the line, opened a drum shop, developed an online presence, and along the way, I found a pain point: selling gear online. I heard this from other folks at guitar shows, and I experienced it myself firsthand: the fees were high, the service was bad, and the user interface was crappy. That's all

I needed to know. I realized that this was a huge opportunity to build an all-in solution for the industry. By lowering fees and margins and offering price transparency, gear leaves the marketplace in three days rather than three months. All the money that would have been wasted when unused gear sits on the shelf is put back in the musician's hands.

My mission became to make Reverb's growth not about taking market share from other dealerships, but to teach and empower musicians that it's really not all that hard to pack and ship a guitar, to flip pedals you're not using any more even if you don't have a store nearby. Take a few pictures, click, click, sell it... it takes all of the risk out of buying and selling online.

My goal was liquidity: lots and lots of buyers and sellers, and a very diverse marketplace. It's our vision since day one, and now it's our vision for Europe, Japan, and beyond. Shipping costs aside, a mic is a mic, a pedal is a pedal. Musicians all over the world want them, but pricing is all over the place. We want to be a global destination for musicians, engineers, DJs, and more. We want to level the playing field and allow people to get top dollar and not overpay for what they want. We're making used gear more transparent and more relevant for more people.

People used to be hesitant about buying used gear, but we're adding a whole layer of trust, of buyer protection. We have a whole staff that you saw in Customer Engagement... They make issues disappear. We have a staff cleaning listings, we have people getting rid of jerks and making our ecosystem fun and pleasant to be in, and we have tech people making the site feel magical, so you can find whatever you want. We've built this fun little marketplace where musicians can go gaga, find what they want, and learn more. That's the vision!



# WELCOME TO *Reverb*

gence and make sure every listing is above board, and the vast majority of what we do is just making sure it's the best possible listing. We will go in and fix small things in listings like badly cropped photos, and let the seller know what we've done so they're educated on how to sell more effectively in the future. We're being helpful, not punitive. In the vast majority of cases, sellers are really appreciative, not only of the advice but also of the fact that we care enough to give it."

Dan O. and his team also oversee Reverb's online Price Guide, which is quickly becoming an industry standard for gear values. It shows what products have sold for, could sell for, and will probably sell for, right at this moment.

## IF YOU'RE NOT HAPPY...

Of course, with any online store populated and frequented by the public, there will be unhappy customers who get products they don't like, items that arrive in unexpected condition, folks who don't pay... and yes, even scam artists selling misrepresented items, although Dan O. says the latter is rare thanks to the abovementioned curation practices. In any case, when these things happen, what then?

Reverb really impressed me here, as they step in to help negotiate and smooth over most sticky sales experiences. Speaking again with Chris Miller, he points out that with everything from bad products to unhappy purchases, and even shipping damage, "We help where we can. Work with us and we'll do what's best in the situation... you're not totally up the creek."

I even heard stories where Reverb, in a few truly difficult situations, went so far as to refund money to a buyer, pay the seller, take the gear in question, and then refurbish or resell it as needed, to keep all parties satisfied. That's dedication.

Chris also points out that at Reverb, "There's a lot of autonomy, and there is no script. There's a little bit of secret sauce to everything. We empower everyone in CE to think for themselves, make decisions, make the customer happy without necessarily speaking to a manager. That goes along way, especially with difficult situations. Make something quick and satisfying without the whole bureaucratic process!"

## WRAP UP

I'll wrap this up by mentioning that I have had a large number of experiences buying and selling on Reverb, all flawless.

I did have one person who bought a pair of 500 Series EQs and then disappeared off the face of the earth without paying for them. Luckily Reverb warns not to ship until payment is secured! They tried to contact the buyer, and when he was unresponsive to them, they helped me get the items back up for sale and even gave the items free bumps for my trouble. They didn't know I worked for a music magazine and would end up writing about them... it's just how they treat everyone.

I also have a few friends with similarly flawless experiences, like my buddy Josh, who (as far as I know) buys a new guitar or pedal every month and then sells one that he is tired of. Our wives have learned that the phrase "I'm done buying gear" has absolutely zero meaning!

Reverb is a fantastic playground for people just getting into music, transitioning out of music, and everyone in between, from beginners to pros. It takes a whole lot of pain out of buying and selling gear, in a way that has no real equivalent anywhere in the world. ➤

*Paul Vnuk Jr. (paul@recordingmag.com) is Recording's Technical Editor, and an engineer, producer, and recording musician in Milwaukee. In addition to everyone at Reverb whom he met during his visit, Paul and the Editors of Recording offer special thanks to Reverb's PR & Communications Manager, Heather Farr, who was an amazing tour guide and host.*

