

Introduction (00:03):

Welcome to the Same Side Selling podcast, dedicated to modern sales and marketing, innovation and leadership. Here's your host, Ian Altman.

Ian Altman (00:15):

Hey, it's Ian Altman. Welcome to the Same Side Selling podcast. I'm joined this week by David Meerman Scott, he's the co-author of the new Wall Street Journal bestselling book Fanocracy which he co-wrote with his daughter, Reiko. He's a multi bestselling author. If you've ever heard the term newsjacking, that's one of his other books. We're going to discuss the greatest misconception about creating fans, why focusing on your product and service might not drive those results that you're looking for. And we'll touch on the neuroscience of human connection that can help build your Fanocracy. You'll learn a ton from the talented David Meerman Scott. David Meerman Scott, welcome to the show

David Meerman Scott (00:56):

Ian it's so great to be here. Thanks for having me on

Ian Altman (00:59):

You bet. And uh, congratulations on the Wall Street Journal bestseller list. It's not an easy feat, my friend

David Meerman Scott (01:05):

I, it is pretty awesome. And I tell you, I made one of the coolest phone calls, uh, ever when we found, I found out that we made the wall street journal list, um, after I got off a Tony Robbins stage, I was speaking in front of 2,500 people at a Tony Robbins' business mastery event in a two hour time slot. Um, I went on at um, 8:30 at night, got off at 10, you know, by the time I said hello to people, posed with some selfies, signed some books and whatnot. I was in my room by about midnight and um, went to wsj.com and we made the list and then the next morning, my coauthor on Fanocracy is my daughter Reiko. And so, um, the next morning at 6:30, when I woke up, I texted her and said, once you've had your tea, give me a call. And she called me and said, Reiko, congratulations, you are a bestselling author. We made the Wall Street Journal list and she was like, she was dumbfounded. She had absolutely no idea that anything like that was possible for a 26 year old woman. So it was really great.

Ian Altman (02:08):

Well, and the, the coolest part of that is that my kids are a little bit younger than Reiko. And I think to myself, as soon as I saw that, I was like, Oh man, there is an opportunity. I wonder if the next book I write, I write with one of the kids and

David Meerman Scott (02:21):

Oh, I highly recommend it. I mean, you know, this is, this has been fabulous for our relationship, but more than that, it's been really important for the book because, you know, I'm a middle aged white man and Reiko is a millennial mixed race. My wife's Japanese, Reiko

was born in Tokyo, mixed race, millennial woman. Um, I did, um, a liberal arts degree. She's did a neuroscience degree at Columbia and is finishing up med school. I love, um, different things than she loves. So, um, you know, it's really, really important to have those two different voices in the book.

Ian Altman (02:59):

Yeah. You know what, it's just a, it's, you got to be inspired now though, the truth is that especially our daughter is a better writer than I am, so.

David Meerman Scott (03:06):

And that happened to me too. Reiko's a better writer than me. And it's really funny. People are people who read Fanocracy is, it's hysterical. They'll say something like, you know, Reiko's writing is really lyrical or it's almost like poetry or, wow, you guys have such different writing styles. And then my, my response is always, yeah, she's a better writer than me. And then immediately those other persons, Oh yeah, yeah she is. None of them. No one, no one, no one felt like they could say that to me, but,

Ian Altman (03:35):

and no one, no one's disagreeing with you either.

David Meerman Scott (03:38):

No, no, no, not a single person. She is a better writer than me. There's no question about it.

Ian Altman (03:42):

It's funny cause for, for years in my, in my Forbes column, um, my daughter Rachel would edit my articles and some cases would draft them and I'd say in, in some cases wrote 80, 90% of what's there. And I remember when I stopped, when I stopped writing that column, I said to the editor, I said, Hey, you know, I don't know if you'd consider having Rachel write these and he's all, I don't think that she could write for a publication like ours. I don't know that it'd be credible. And I said, well, she's been doing it for years.

David Meerman Scott (04:09):

We've been doing it for a long time. That's a start.

Ian Altman (04:13):

What do you think? So tell us something surprising about you that our audience may not know.

David Meerman Scott (04:19):

So I am a massive live music fan. Um, my first concert I saw, um, specifically rock music, although I like all kinds. My first show I saw when I was age 15 was, was Aerosmith. The second show I saw was the Ramones played my high school for \$100 when I was 15 years old. Um, I've seen the, I've seen 790 live shows. I have a spreadsheet where I keep all of the shows I've seen listed. Of course I do. I've seen 75 Grateful Dead concerts. And uh, probably the single coolest concert I saw as I was, I'm the only person known to have taken

photographs at Bob Marley's last concert. And those photographs have become quite famous. They were used for five minutes in the Marley documentary that was recently completed. And, um, a really important historical record of Bob Marley's last show.

Ian Altman (05:14):

So my question for you with respect to that is, are you the only person who took photographs because no one else was coherent enough to take photos?

David Meerman Scott (05:21):

No. I mean, well of course it was back in the day was pre-cellphone. That was 197-, 1980. September, 1980. I was a teenager. Um, but you know, you just didn't think to bring a camera with you and to shows back then. Uh, and I'd I thought this is really cool Bob Marley, I love Bob Marley asked the yearbook photographer if I could bring this camera on. You said yes. I had a really nice camera and then they saw the camera, they let me in. They thought I was an official photographer cause it was a big camera with a big lens on it. And then the people in the venue let me go right down front. So I was just shooting away. It was crazy.

Ian Altman (05:58):

There's a lesson for people there. There's a lesson for people.

David Meerman Scott (06:01):

I don't know if you could do it now though, because you know, now everyone's got a phone on their camera and it's like less unique to bring a camera in.

Ian Altman (06:10):

Exactly. But I imagine if someone attached a large lens to their phone, it could be convincing. Maybe. Maybe that's the answer. So let's talk about Fanocracy. Um, so what's the greatest misconception that people have about what it takes to build a fan?

David Meerman Scott (06:28):

Everybody we've spoken with has a misconception that's really interesting to us as we were doing our research. And that is they say, sure, you can become a fan of a sports team, a rock con or a rock band. You can become a fan of an author. But you know, I'm in the, I'm in a nonprofit business, I work at a government agency, I'm, I'm B2B software business. Um, you know, I'm an insurance company. We can't build fans. And it turns out every single person or organization can build fans. There's no question about it. That's a huge misconception. And the bottom line of the entire book, if I were to put it into one sentence, is that developing fans is about developing a true human connection. It's about, um, we spoke with a bunch of neuroscientists and it turns out that we humans are hardwired to want to become part of a tribe of people. And so for me, the grateful dead is a tribe of people. I feel safe and comfortable when I'm with grateful dead fans. And so a misconception is that you're a fan of the product or service. So yes, I'm a fan of grateful dead music, but more than that, I'm a fan because I'm part

of a tribe of like minded people. And you can have a tribe of likeminded people who love what you do no matter what you do.

Ian Altman (07:56):

Which is fascinating because I mean if you think about that, it's very similar to when, when people are trying to move somebody move a client from an existing vendor to their business, they'll often say, yeah, I mean I showed this person how they weren't being well-served and how we could do this better for them. And they said, no, you know what, I, I just, I want to stay where I'm at. And people scratch their heads and say, how is that possible? My guess is at some level they are a fan of the ecosystem around that existing vendor. There's a whole bunch of other psychology goes on of look, they gotta fire the person they liked enough to hire to begin with, they got to acknowledge maybe they made a mistake, but in some cases we've all seen it where someone says, Oh, I love this restaurant or I love this business and everyone else thinks they're awful. But those people are in essence almost like part of a cult or in that fan level. How do you explain that?

David Meerman Scott (08:49):

I think that's absolutely right. And uh, what we, you know, we learned as digging, we did five years of research on why and how people become fans and then came up with a prescription for how to do it. But, um, it does come down to a true human connection. And, um, you, there can be companies that have products or services that are inferior to another brand. However, those human connections have been made. And that's incredibly powerful. And so, you know, you mentioned a restaurant or a software company where you know the people. Yeah, absolutely. Because your fans, because you become Mmm. Uh, you become somebody who's focused on that relationship that you have with those people who serve you. And in the case of restaurant who literally serve you your food and you can really like them and want to go back to them, they remember your name when you walk in, they remember your order. They, um, you know, it's, that's important stuff. Um, we actually did run across a restaurant in, in Italy, in Rome, and um, it's ranked in the top 1% on TripAdvisor. The food isn't so great. Um, I ate there. The, the view isn't so great. It's on a, uh, a nice square. But I saw many that were way more picturesque, but the people were awesome. You know, they're dancing, they're happy, they're smiling, they're telling jokes. It's like, you're eating in their family kitchen. So they built fans in that way.

Ian Altman (10:23):

Yeah. It's interesting. There's a, we went to a restaurant in Lima, Peru called central and central is consistently ranked in the top five restaurants in the world. And the, you know, they do a 17 course tasting menu. We went through everything. And there were some dishes that you said, Oh my God, it's amazing. Every single one of them was an experience. Some of those experiences is incredibly positive and some just different experiences. But what was, what was fascinating was that the company with that level of recognition, you felt like you were eating in someone's home. And we said, Oh, the

towards the end of the meal they said, would you like to tour the kitchen? Sure. And so you go and take a tour of the kitchen and then everyone in the staff stops what they're doing and they pose for a photograph and they tell them, they take you through all the ingredients and you left there and you couldn't help but be a fan of that restaurant and tell other people about it. Now, here's the funny part. We were fans of that restaurant. But it's not like we would say, Oh, we have to go back there next week, but we'll still tell everybody about it. So,

David Meerman Scott (11:27):
and you're telling us about it now.

Ian Altman (11:29):
Yeah. So, so why is that? What, what is it that creates that connection? And moreover, what can businesses do who don't think that they can generate fans? What can they do to build that human connection to build fans in their business?

David Meerman Scott (11:44):
So, um, there is some very, very specific things and I'll, uh, I'll talk about a couple in just a moment, but I want to share an example of an organization that has built a massive fan base in a business that everybody in the world hates. And that's automobile insurance. So Ian, do you like automobile insurance?

Ian Altman (12:08):
Oh, absolutely love it. Not.

David Meerman Scott (12:10):
Yeah. Yeah. So, um, we, we, uh, we connected with McKeel Haggerty. He's a CEO of Haggerty insurance. They do classic car auto insurance. He says, David, everyone hates my business. Everyone hates the category of product I'm in, nobody likes auto insurance. It sucks. And he said, I couldn't market the way that everybody else does. So I had to go out and build fans. And I had to do that by having personal connections with people. So, uh, he said, I don't want to be the low cost provider. That's not how I want to compete. I don't want to spend more money on ads. I can't out-compete the geckos, so I've got to build fans. That's what I'm going to do. And he went to, um, uh, he and his team goes to over a hundred classic car auto shows a year in North America. They're there together with people who are already fans of classic cars, mingling with them being a part of their world. Um, they do educational seminars. They have a booth where they answer questions. Um, uh, on the, on their website, they have an, on a mobile app, they have valuation reports. How much is my car worth? How much has it changed over the years? Um, in that particular model, um, they have a YouTube channel with over a million subscribers. They have a driver's club with 650,000 members that you can meet other Haggerty, uh, members.

David Meerman Scott (13:27):
Um, they're the number one classic car auto insurance in the entire world. They'll grow by 200,000 customers this year, double digit

growth every single year. They've built it all on fans. And specifically it's about connecting with people. And we spoke with, um, a number of neuroscientists to know what's going on in the human brain when you become a fan of something. And it turns out that we humans, I mentioned earlier, we're hard wired to want to be a part of a tribe of likeminded people because when you're with your tribe, you're safe. Uh, and when you're not within your tribe, you feel vulnerable. Um, your subconscious mind tells you that there's danger. You walk into a crowded elevator, you feel danger. If you don't know those people, you walk into a room with your friends, you feel wonderful because you do know those people. One neuroscientist named Edward T. Hall identified the different levels of how close you are to people. So further than 12 feet away, he called public space.

David Meerman Scott (14:29):

Um, and our brains do not track people in public space. We know they're there, but we don't subconsciously track each one of them. Once they get in within about 12 feet, they're in social space to us and we can't help the fact that we know those people are there. We track them. We want to know are these people part of our tribe or not? Do I need to worry about them and potentially have to fight them? Our ancient brain tells us inside of four feet, that's the most powerful. That's called personal space. That's the most powerful human connections we have. That's cocktail party distance. So that's when you're at a cocktail party, meet people, um, you get to know them, you feel very comfortable, very, very powerful human connections. So as business people, how can we get in people's social space or better yet personal space.

David Meerman Scott (15:17):

That's exactly what Haggerty does. Now. They didn't go in, they didn't say, Oh, we understand the neuroscience of getting in people's personal space and building like-minded tribes. I didn't say that, but that's what they naturally did because they go to these classic car events and they're there mingling with the fans. Um, so how can you get people in close physical proximity. And there's one more step also from neuroscience, which is fascinating and that's the concept of mirror neurons. The mirror neurons are the part of our brains that fire when we see or even hear somebody do something and our brains are firing as if we are doing it ourselves. So I'm going to do something now I'm going to demonstrate to you, um, how mirror neurons work and you and I are now on a video call. So we're seeing each other recognizing that everyone else on the podcast is only hearing, but I'm guessing 100% certainty that everyone guessing is also going to be following along here.

David Meerman Scott (16:12):

I'm holding a lemon and a slice of lemon, one in each hand. And if I take a bite of the lemon, wow. It's really powerful. It makes my eyes close and my eyes are actually watering a little bit. My mouth puckers up, my saliva is running. It's, it's a really powerful thing to bite into a lemon and my brain is firing. Ian I bet your brain is firing.

Ian Altman (16:38):

Absolutely. Absolutely. I made even like a pucker.

David Meerman Scott (16:43):

And I've done this now with, with with quite a few dozen people, um, just through audio, just on a telephone or through a podcast without the video component and, and a a hundred percent. I'm, I'm saying everyone listening into this is feeling a little bite of lemon right now. This is the, well how mirror neurons work. Now what this means for building fans, for a business, for all of us is how can you use video and audio, sorry, video and photographs effectively cropped as if you're in people's personal space. Cropped as if you're four feet away from the camera looking directly at the camera. So can you create a YouTube channel? Can you use video on your website? Can you use photographs on your website, on social media? Don't dis, don't dismiss the humble selfie. Um, people would dismiss it as frivolous, but in fact, it's an incredibly powerful tool because you're four feet away from the camera. That's how long your arm is. You're looking at the camera. Uh, if there's other people with you, they're aligned with you and our brains tell us we know those people. This is precisely why you believe you know a movie star. Intellectually, you know they're just an image on a screen. Intellectually, you know you don't know them, but your brain through mirror neurons says, I know that movie star. They are a personal friend of mine even though you know they're not. So you can develop fans of your business by using this technique. Effective use of getting in people's personal and social space. So physically, can you run a conference, do events, go to the events where your potential customers are. And number two, can you use mirror neurons to get in their virtual space using photos and videos?

Ian Altman (18:23):

And let me, let me ask you this, cause I want to make sure that people get, get this, this concept, which is when you talk about Haggerty my guess is they did not show up at these events and act like, as someone who stereotypically is selling insurance, they basically presented themselves as someone who shares the same interest in classic cars.

David Meerman Scott (18:46):

Correct. They were part of an existing, they created fandom for Haggerty by being part of an existing group of fans of classic cars. Um, and they, uh, they did it really effectively using both of these concepts, the concept of being physically close to people as well as through their video and their, um, uh, their driver's club and other ways that they use virtual images of people. Um, cropped as if you're in personal and social space. So they've done a fabulous job naturally of doing this. Um, but you're absolutely right. They don't go to the classic car shows and say, buy my insurance. They go the classic car shows and says, Hey, and shows and say, Hey, um, we've got a database of practically every classic car that's out there. Because we insure millions of them and we know the valuations. Would you care to have free access to our database to learn how much your

car is worth and see where the chart suggests they might be going later and then get a sense of what the valuation is of a car you might want to be interested in buying and, and people love that. Love it.

Ian Altman (19:57):

And, and what, and what I'm guessing and virtually guaranteeing is that they don't say, and you only have access to that if you're a customer, they say you have free access if you're in that community because we're part of that community. And in turn someone says, well I'd much rather buy insurance from someone who's in my community, understands why I'm passionate about this and who I trust because they like the same things I like, instead of, Oh they're here and now they tried to sell me something which is going to probably repel them.

David Meerman Scott (20:29):

That's exactly right. That's exactly right. And now, and I learned about Haggerty cause I'm a customer. I've been a customer since 2005. I have a 1973 Land Rover that's been insured by Haggerty. Um, I'm holding up a, you can't see it. Those of you listening in, I'm holding up a, um, uh, a card that Haggerty sent me upon the 15th anniversary of me being a member of Haggerty's driver's club. That's crazy. An insurance company. Now I'm a fan of my auto insurance company, which is a nutty thing to say, but I am, and there's millions of other people who are fans of Haggerty and they're the largest in the, in the world for what they do. And, um, fabulously successful company based on building fans and, and you know, Reiko and I looked at, you know, hundreds of different companies that have been able to achieve the same thing. And it's absolutely a hundred percent possible to build fans. And you know, that's just one of 10 ways to build fans, this idea of understanding the neuroscience around proximity. But there's, there's a bunch of other ways that people can build fans as well that we wrote about in this book.

Ian Altman (21:40):

Yeah. You know what, and I encourage people to run out and get the book. And obviously there's a gazillion other people as erm as evidenced by the Wall Street Journal who, uh, who felt the same way about it. Hey David, what's the best way for people to learn more about what you're doing and connect with you and Reiko for that matter?

David Meerman Scott (21:59):

Yeah, and Reiko too. So we've got a great site at www.fanocracy.com where, um, there's a bunch of stories. In fact, the Haggerty story is up there. We've got a bunch of different stories that you can read about people who have achieved this kind of fandom and some videos and whatnot, some downloadable PDFs. Um, and I'm on social media. I am @dmsscott. That's D M S C O T T on Twitter and Instagram. Uh, Reiko is, uh, Allison A L L I S O N underscore Reiko REIKO (@allison_reiko) on Twitter and um, uh, uh, many people who listen to podcasts like everyone who's listening to this, uh, like audio books and Reiko and I read the audio book ourself.

Ian Altman (22:42):

That's fantastic. I'm sorry, I'm telling you now, like for my next book, I'm like, I'm like totally focused now. How can I incorporate one or both of my kids?

David Meerman Scott (22:51):

You got to bring Rachel, I don't know your other child's name. You got to bring them in, one of them or both of them into one of your next books

Ian Altman (22:56):

Rachel and Isaac into, into the next book. It's a, you know, or have the two of them write it. It'd be better than what I could write up I'm sure

David Meerman Scott (23:01):

There you go there you could write the forward to their book.

Ian Altman (23:04):

That's perfect. All right, David. Well, thanks so much for sharing your wisdom. I encourage people to run out and get the book and um, I, I know that everyone listening has learned a great deal about what it takes to build a fan.

David Meerman Scott (23:19):

Thank you Ian it's a pleasure to be on.

Ian Altman (23:22):

David shares so much amazing insight. Let me give you a quick 30 second recap of what you can use and apply to your business. Don't think for a second that fanocracy doesn't apply to B2B businesses. David shared many examples. Your clients seek true human connections. So take the time to personalize your interactions and remember, fans crave a community. They're attracted to it, especially within that four foot range of personal space. That's where true connections happen when those mirror neurons fire. So avoid hiding behind social media and email and truly connect. Remember, this show gets its direction from you, the listener. If there's a topic I should cover, a guest I should have on the program, drop me a note to ian@ianaltman.com and be sure to check out the same Side Selling Academy at samesidesellingacademy.com. Have an amazing week. Add value and grow revenue in a way everybody can embrace, especially your customer.