

Jay Palter:

We have to learn how to have meaningful, rich relationships through our social networks and all the technology that we have, including this kind of a conversation we're having.

James Robert Lay:

Greetings and hello. I am James Robert Lay, and welcome to the 51st episode of the Banking on Digital Growth podcast. Today's episode is part of the Exponential Insight series, and I'm excited to welcome Jay Palter to the show because he has a lot of insights that he's going to share today around how we can humanize the digital experience. It's a topic that's very personal to me, I'm very passionate about Jay. Is the chief engagement officer at Jay Palter Social Advisory. Welcome to the show, Jay.

Jay Palter:

Thank you for having me on this awesome show.

James Robert Lay:

Absolutely. Absolutely. One of the things I always like to start the conversation with is what is one thing that you are just excited about right now, personally, professionally, in this dynamic year?

Jay Palter:

Well, it's been a crazy year, but I'll tell you, the return of some sports has, I think, given lots of us things to at least pay attention to. So basketball is coming back, and my kids are really excited. So we're going to have some good times watching the Raptors win.

James Robert Lay:

There you go. Sports. It's one of those things. That's a communal activity. It brings people together. It's something that we can get excited about. We can cheer our teams on, and it's something that I think we've all missed over the past year. And hopefully, we can get more of that as we enter into a whole new season together.

Jay Palter:

Absolutely.

James Robert Lay:

One of the things that you and I were talking about before we started recording was this idea of humanizing the digital experience. I'd love to hear from you, from your perspective of just some of the biggest roadblocks and challenges that you're seeing. Because this has been a... We'll call it a transformative year, but what have been some of the challenges that you've seen, when it comes to humanizing the digital experience for financial brands through platforms like social media?

Jay Palter:

Well, look, it's been an unusual year, and in many ways, it's been a banner year for social media platforms. People haven't been going to conferences, people haven't been meeting in person and flying all over the place. So it's really challenged any organization, any marketing organization, any organization that sells products and services to anybody, to figure out how to use these digital networks to deliver their product and service and deliver their pitch. And so I've certainly seen a focus on social media, and brands are doing it, obviously, they've been doing it in the past. I don't know that they've done it a lot different. There's been some messaging around what's been going on.

Jay Palter:

But I think what I really see as a gap in that space is still the day-to-day leaders of organizations, whether it's the big brands that are delivering services to consumers, whether it's vendors who are selling services to them, business leaders have not yet figured out how to conduct themselves day to day and have relationships of value online, having productive relationships with high value individuals, how to do that in a way that grows the relationship because we all know business is driven by relationships. So we have to learn how to have meaningful, rich relationships through our social networks and all the technology that we have, including this kind of a conversation we're having.

James Robert Lay:

Yeah, let's dive a little bit further into that because I'm seeing the same things and having some conversations, even with CEOs, for example, of financial brands. They are the leader of the organization. And traditionally speaking, particularly at the incumbents, not necessarily FinTech, but more so at the incumbents, the leadership looks at social as either A, it's a waste of time, B, it's a security threat, and so we just shut it down for everyone, even in the 2020 year, 2021, right ahead and right around the corner. And why is that? Because you and I know the value, we've seen it in our own businesses, but where are some of these leaders still getting stuck, and then what can be done to help really educate and inspire them to say, "This isn't so scary. Here are some opportunities, not only for my organization, but I really think for myself, the individual, the leader of the organization."

Jay Palter:

Well, I think part of it is how people see those platforms. Social network platforms can be used for all kinds of things, and people have a tendency to have a narrow view of them. My view is a digital social network is just another way of having relationships with people. And you can have relationships lots of ways. You can meet somebody face to face over coffee. You can pick up the phone and call them and have a conversation. You can send an email message to them. Or you can log into LinkedIn on a daily basis, and you could go look at their profile, and you could see what they're sharing today, and you could comment on that. And that intentional activity is actually a very personal way of having a relationship with somebody.

Jay Palter:

And a lot of people don't understand that we shouldn't be just looking at social networks as places to shove our marketing messages, including business leaders. That's what they often do. They're promoting their own company stuff. They should be using it to have relationships with people, and they don't know how to do it, but it's as simple as that. It's as simple as paying attention to people and engaging.

James Robert Lay:

What you just said, it's as simple as paying attention to people, so putting the focus on others, not necessarily yourself, and that can be one in one of two ways. It's you're consuming other people's ideas, insights, content, and that's going to help to educate you. That's going to help to empower and elevate your knowledge, your skill set. And then number two, if you are contributing to the conversation, and you are putting out your own content, it doesn't necessarily have to be about yourself, your organization. It's how you can then, in turn, educate and empower others. And it's this whole upward elevation of like minds around common ideas.

James Robert Lay:

When we look at this idea of, for example, LinkedIn. I look at LinkedIn, that's a community, that's a community of people. And in this digital world, post-COVID world where we're all living in now,

community has really transformed. Take the idea of sports. It's a community activity. Community has transformed to where I'm a leader at an organization. I might be in lending. I might be in sales. I might be on the executive team. What are the opportunities to take the idea of the local community, because I can still connect with people locally and build those local relationships in this digital world. Is there an opportunity there?

Jay Palter:

Yeah. I think there's an opportunity online to build relationships with whoever we want to. I think the initial suggestion I'm making is that, and you're echoing back, is listening is really important part of that. You can't have a conversation without listening. And the way people think of social media is a one-way pipe, where their marketing message needs to get pushed down to the audience. That's what everyone's always, business-wise, excited about. But the reality is, especially in B2B type businesses, social networks are a channel for having a two-way communication. That can be locally, it can be with people anywhere in the world, in fact, because the world basically becomes very small in social networks.

James Robert Lay:

Yes, it does.

Jay Palter:

And I personally advocate that there are people in any ecosystem that are influential, that have a lot of followers, whose opinions people are listening to. And those people become strategically important people to pay attention to. And they may be completely outside your marketplace, may be in different countries and they have nothing to do with it. But somebody in your world may be listening to that person as well, and your conversation engagement with them becomes strategically valuable to you and your business.

James Robert Lay:

I think what you just said is really interesting because we can get so locked into our echo chambers, and you get confirmation bias to where social media provides an opportunity to learn from others and other verticals, and then bring that knowledge, bring that thinking back into our own activities. I can think of an instance of real-world use of a couple of people, particularly on the commercial side, who are utilizing social to make connections with other business leaders. And maybe they do some deals. We have one financial brand. So where in 2020, one of every three commercial deals that they closed had an initial digital touchpoint. That was something that they've never had because they weren't able to go out. They weren't able to do lunches and go on the golf course and make those deals that they had before.

James Robert Lay:

But I think we have to be very careful, as we move down this path, because one of two things is going to happen. Either we can continue to build humanity through these digital channels, or to the point of an [Accenture 00:09:31] article that you had shared, which is titled the Banking Consumer Study: Making Digital More Human. One of the things noted in this article was the rush to digital is depriving banking of its traditional human touch. Where have things fallen short, as we've almost swung the pendulum from one side of the spectrum to the other?

Jay Palter:

Well, look we've had a pandemic and a very rapid change from a traditional in-person way of dealing with things to a digital way. So I think it's a normal reaction to that situation that we're going to lose some of the humanity because we haven't had enough time to figure out how to do it right. They say the

last few months have been five years of acceleration of the digital agenda. And so some of those issues, we would have more time to work out, but now we still have to figure them out.

Jay Palter:

So I think it's a reality that moving from branch based banking to digital banking is going to leave some people with an empty feeling because they're used to going in and saying hi to someone. And I'm not sure there's a quick fix for that, but it is a really important issue. It's a really important issue that people still want to have personal connections with the services they use. Increasingly, purpose is a buzz word in the financial services industry that purpose driven brands are going to have a better time with marketing because that fills some of that humanity that people are looking for.

Jay Palter:

But even the app design, even the user interface and the whole user experience, I just think these are things that are going to take a little bit of time to work out because we realized that, yeah, we have to move down the digital road. I personally am excited about that. I'm so excited about the acceleration because it lit a fire under people, and they've had to respond. And so we're at 2025 in terms of digitization, and there's no reason why we shouldn't. We've could've been here years ago, but people are always be working on their own time and got their own rationale for it. So I'm excited about that.

James Robert Lay:

Yeah, COVID has been a forcing function, and it's pushed us further, faster than I think many of us had even ever considered going, sometimes even in our careers. And that can be very exciting, can also be very scary. But this idea of humanizing the digital experience, I want to touch on that word experience because it's one that we're seeing thrown around a lot, CX, customer experience. I'm really predicting that employee experience will be the next big thing coming out of COVID because it's almost like we've got to look inwards and put our oxygen mask on first as an organization, so that we take care of our people, so our people can go take care of our customers.

James Robert Lay:

But when we look at this idea of experience, we've moved from a commoditized product economy to we're moving through an experience economy. And I really feel, and you've touched on this before about this idea of thought leadership, I really feel that the next level up is the knowledge economy or the expertise economy.

James Robert Lay:

So you're working with someone, and they're a leader, and they're trying to position themselves, their brand. What advice would you give to them? How can I disseminate my knowledge and expertise into the world, to inspire others and really even to influence others to... It's those things. People need to know you before they like you, like you before they can trust you.

Jay Palter:

Well, this is exactly... You and I having a conversation today is, in a way, a by-product of how I do it and how I advocate and help others do it, which is being social in a digital space is really important part of it. A lot of people think you have to have your fancy ideas. You have to be smarter than everyone in the room. When you're on the internet, there's a lot of smart people. It's very hard to be the smartest person in the room because there's a lot of people out there with very interesting ideas and lots of experience. And so a huge part, to me, I think, is listening. It's funny, because if you're talking about

something like thought leadership, you think about advocacy, you're thinking about pushing my ideas out there and getting people to pay attention to me.

Jay Palter:

But the fact of the matter is, I think, one of the most important skills to learn is how to listen strategically and effectively on social networks, both to take in the knowledge that helps inform and make and contextualize your own thought leadership. But also, just importantly, to build relationships with people who you respect, whose ideas you respect. Because when you build those relationships on a personal level, those people become amplifiers for your own thoughts. They both contribute because they have thoughts, they have feedback, but they also help amplify your own vision, your own ideas. So I really believe that thought leadership in a digital social age is a social activity. It's not just about sitting there, like the old philosopher, and writing your genius, and then spitting it out. You need a community of people who care what you think. So you got to build that community.

James Robert Lay:

Yeah. You have to build a community. Community then leads to collaboration opportunities, sometimes even between competitors. And I think that's the big thing that I'm seeing now post-COVID, is who once would have traditionally viewed each other as competitors are now viewing each other as collaborators, and they're making some really cool stuff. But this idea of listening, I can't help but think, financial brands, when it comes to marketing and content strategy, they ask me, "Where do we start?" And I have an acronym, and I call it, you got to go all in on content. And the acronym is you need to start by asking what are people's biggest questions? What are their concerns? You need to, to your point, listen to that. And then you need to learn, as you're continuously sharing. And it's this conversation, it's a back and forth. I'm so grateful to have been in this social, digital sphere personally, probably going back to 2006, '07, right at the early stages.

James Robert Lay:

And I've seen the ebbs, I've seen the flows, but the relationships that have been formed... I texted Brian Claggett the other day, and I was like, "Man, I'm so glad that you reached out, we connected on Twitter." It was 2009. And just the relationships that have been developed, and Brian and I have known each other, we've spoken at multiple conferences, events together, workshops. And to see what he's been able to do in the space has been fabulous. And even for you, I've been following you for years now, it seems. Now we're having this opportunity to have this conversation.

James Robert Lay:

Thought leadership brings us to another area that I know that you've been doing some thinking about, which is the idea of influencers and influencer marketing, which is, in the banking space, is maybe a relatively new idea and even a little bit scary to some, because your putting your brand in someone else's hand, who has built an audience, who is influencing a community or group of people online. Let's dive into that. What are some of the opportunities when it comes to influencer marketing with people?

Jay Palter:

Yeah, it's a very big area. And it's often misunderstood from the consumer focus, the business to consumer focus, where there are people in the world who have built audiences on various platforms, and you want to get them to use your product, show your product, say good things about your product because their audience will then do something related to your product, buy it, use it, something like that. Recommend it to somebody.

Jay Palter:

That concept is different, I think, a little more subtly different when you're talking about business to business influencers, because those folks are less transactional. They're less interested in being paid X dollars to do a post. They have an audience, they have credibility with that audience, and so they're interested in information, and they will help deliver your information in a way.

Jay Palter:

But what I found is that a transactional approach is just not the right approach in a B2B setting, when you're talking about influencers. Influencers are part of an ecosystem of thought and of ideas. They help... People who aren't sure what to do often go to the influencer network. What does so-and-so think, what does that person think about this idea? They follow those debates.

Jay Palter:

So, if you're selling a product or service, you want to be part of that conversation. You want those influencers to be aware that you are in the marketplace. You want to have them understand your product, but not necessarily to pitch it for you. That's where it... You can go into that space, and you can throw some money around. In the old days, you could hire influencers when you had the events, and they could come to your event and speak, and that was great. But my feeling these days is that influencers are a way of moving content through a network, moving ideas through network, and you have to really get to know them, and getting to know them as a leader in your company is actually the best way. And it's much less about endorse my product and much more about, just know about my product. Just include it in your view of the world. It's a busy, crowded world out there. Just getting people's attention is valuable.

James Robert Lay:

I love the distinction, and I'm so glad you touched on it, the difference between influencer marketing in the consumer world, which it can work in consumer banking. For example, I see UNIFY Money is moving into the influencer space, but that's going to be more on the FinTech consumer approach. But on the B2B side, whether that's small business services, commercial services, that's a different take. And if I look at this, we could almost connect the old world with the new world, to where the influencer of the old might've been the CPA in town or the financial advisor in town, and making sure that you have those good relationships there. But we can take that same approach and that idea online in the digital space and get a lot more scalability out of it, and I think even credibility, because it's not only us who is sharing that knowledge, disseminating that knowledge, but it's now those that we're working with. Which if we're aligned back to your point around a common purpose, that makes things so much easier.

James Robert Lay:

When we look at influencer marketing in the business space, what are your recommendations to help either A, identify with, B, connect with, and C, maintain those influencer relationships in a B2B world?

Jay Palter:

Any relationship comes down to the same things, if you do things for people in your network, whose attention you want. So if you give them attention, you'll get attention from them. If you help promote them and their ideas and their thoughts and ideas, you will get a similar reciprocal attention back. So that's a huge thing, is that you don't start with pushing your own stuff all the time. You start with actually listening and sharing other people's content.

Jay Palter:

But you mentioned in your last comment, you mentioned, if you're selling something to a business audience, then there still are advisors to those audiences. There's accountants, there's lawyers, there's the old centers of influence that you would always think about. And I wouldn't lose that idea. There are communities of people who are also talking to the people you're trying to reach in a B2B setting, and you should be thinking about those communities and what their needs are. What are they interested in? How can you help them do what they're doing and provide advice and resources for them?

Jay Palter:

So it's all about just saying yourself, who do I care about? Who am I trying to attract? And then providing content that serves them. This is the biggest... You want content that serves the audience you're trying to attract, not the content that you want them to read about you. You want them to read about me, think my product's great, and recommend my product to somebody. But how do you get that? Well, you get that by giving them things they want. What do they want? What are they interested? And that earns this trust and respect that they're going to look at your stuff and say, "How can I share your stuff because you've been helping me?" [crosstalk 00:23:11] It's a weird reversal of the whole marketing mindset.

James Robert Lay:

It really is because what you're speaking to, on the negative side of things, that is really at the heart of what I define as narcissistic marketing, to where what you're talking about, it's really an empathetic, it's about putting other people first. It's about giving more than you take. Okay, I'm a banking leader. I might be on the executive team. I might be the CEO. I might be in lending. Jay, I'm really connecting with what... I get it, but this is going to take a lot of time, it sounds like, and I'm already busy. What do I need to do to create that time to connect with people and maintain these relationships in a digital world, to either produce the content, share the content? Is it something that I can push down to my marketing team? Or is it something that I'm probably going to have to take some ownership of because it is my perspective that needs to be shared? What do you think?

Jay Palter:

Look, I think it is a challenge. There's no question about it. I never like to say to people it's going to be easy, but it is going to be worth it, is what I typically say. So, yeah, I think there's a bunch of different things you have to change. The marketing mindset thinks in campaigns, and digital social network relationship building is not about campaigns. It's about what you do every single day, and it's incremental, and it's cumulative. So when you do it for six months, yeah, people may not pay that much attention to you, but by the time you've been doing it for 12 months on a regular basis or 18 months, people start noticing you around. They start noticing you're consistently adding value, and they start paying attention. And so it's a long-term gain. It's incremental. It's not campaign oriented.

Jay Palter:

People need to figure out how to do it as part of their day to day work, which my argument is if you're a business leader in a business these days, where digital's important, which name a business it isn't, that you need to figure out how to have part of your day, no matter what your job is and how many responsibilities you have, to nurture your social relationships on social networks, because it's the most efficient way to do it. You can go golfing for five hours with someone, with three other people, or you can take 20 minutes a day, and you can touch 30 people in a micro way, and you can have those touches happening every single day of the week, if you're doing it right. So that nurturing of relationships is a really key part in baking it into the organization and the culture and not just thinking of it as a campaign we're going to do for a few weeks.

James Robert Lay:

I love it. The marketing mindset, traditionally, is a campaign. And that historically has resulted in the expectation I do X, I get Y, sometimes instantaneously. Where digital content, social, however you want to frame it, I'm going to call it, that's a habit. That's, to your point, it's a long-term game, and it's a commitment. Just like any relationship is a commitment. You have to be committed.

James Robert Lay:

And I really like the point to where you tied this all together. This has to be baked in culturally. This has to be baked in operationally. And to that point, something that you had shared as well was a Forbes article. Tomorrow's Digital Careers: Technologists Need Business Skills, Business People Need Technology Skills. How can we continue to educate, to help the unaware become aware of what the opportunities are? Because as you and I were talking before, change is hard. Change is scary. Change is painful. But I believe that training and education really can help provide some clarity into what those opportunities are.

James Robert Lay:

So what's a good way to bring all of this back together, to help the unaware, become aware? I'm listening to this, I buy into it, but now I need to take these insights and help bring this to others within the organization to maybe increase their level of confidence that this is a good way to go.

Jay Palter:

Well, I have two answers to that. First, I want to start with this notion. There's three types of capital that drive business, and I've written about this before. There's financial capital, which we understand, investments, physical assets, that stuff. There's human capital, which is people and knowledge, and we know that our businesses need human capital in order to grow, in order to generate return on investment. And the other third type of capital is social capital, and social capital are the relationships that we invest in, the value that we build, the reciprocal goodwill that we generate through our activities that help us create new opportunities, meet new people, get referred, close deals, all those things. That's all social capital. And digital networking and social networking today is a way to build social capital.

Jay Palter:

So that's what you set out to do. It's not something you do once, and then you're done. You're constantly needing to grow your social capital. You're constantly drawing on it to, to advance your business. So how do we change that? I think we need to stop thinking about this as a campaign and start thinking of as a core activity that we need to do as business professionals, if we're functioning. It's 2021 in the few weeks. We're dealing with entering the third decade of the 21st century, so it's time to get modern about that. And the reality is, people who know this, who see this, are already doing it. And many of them been doing it for 10 years. You've talked about that yourself.

Jay Palter:

So in a way it's a self-selecting group of people who are saying, "I get it. I get that there's now a global community. I get that. I learn and get a lot from it. Makes me better professionally. It helps me get my message out." So those of us who see that are using that tool. And in a way, I feel like it's a survival of the fittest that way, that the longer you stay away, the longer you don't pay attention to what's happening in social, digital networking, the bigger the gap's going to be, to the point that... Which is why I said at that point, you either get into this stuff, or you say, okay, I'm retiring in five years. Because the world is getting more digital, more global, more social. And we need to use these tools on a day-to-day basis just to



function in our jobs. And if you're not doing that, you're not going to be in your job long. It's going to become a job requirement.

James Robert Lay:

Man, you just said so much, and I'm going to try to distill this down. Three types of capital, financial capital, human capital. To me, really the opportunity in this digital world, it's the social capital, because that gives us an exponential factor. I love your analogy of you can take five hours and go play golf with three people, or you can take 20 minutes, engage, connect, like, comment, share on social media, half an hour and connect with 30, 50 people in that timeframe. So there's an exponential factor, but social capital must be a cultural core competency. And really, what I think it boils down to is we're looking at this from the lens of abundance, or we're looking at this from a lens of scarcity. And there's one person, because you mentioned if you're not on board with this, well, maybe it's time to start looking at retirement.

James Robert Lay:

But I have learned so much in the executive coaching program I'm in, Strategic Coach with Dan Sullivan, one of the things he says is, "Always make your future bigger than your past." And if there's one person that I can look at and say, "Follow him, he's done this," it's Jim Marous. He has really taken this, and I've had him on the one of the very first guests on the podcast because he has such an amazing story of just personal transformation, which has led to personal growth. But he's always been about sharing, helping, empowering others in this game. It's not necessarily about Jim, it's about him helping others. And I think that's what it boils down to.

James Robert Lay:

I want to bring it all back to this because we can really go down a rabbit hole, and we can lose ourselves in this digital world as well. And I would say I'm a recovering Twitter addict from 2010, '11, '12, it actually did a lot of personal harm to myself and to my wife, my kids at the time, my family. Digital leadership, you mentioned you're doing some things to take care of yourself. What do we need to do to strike the healthy balance between the digital world and the physical world?

Jay Palter:

Well, that is a big question. And I don't know, probably much like you and many people listening, I spend most of my day in front of a computer, sitting in, admittedly, a comfortable chair, but not at a great position in general for my body. So my feeling is that my work is always going to be in front of a screen, and there will be some hazards associated with that, but my own mental health and my own general overall health, I find I got to get out. I got to get away from the machines. I got to get away from the devices, even though I carried my phones with me all the time. But lately, the way I'm self caring is walking and getting out there and being... Some kind of fitness.

Jay Palter:

And I live in the far north. Usually there's tons of snow. We've been blessed with a very nice fall this year and not so much snow, but it's coming. So I'm steeling myself for the winter 2021, I'm going to be walking no matter what the weather is like. I'm going to get the footwear. I'm going to get the layers. And I'm going to walk all the time because for some reason, walking just feels like the perfect way to restore balance, when you're sitting in front of computer all day.



James Robert Lay:

Disconnect with the devices, reconnect with nature, it sounds like is a good way to find that healthy balance. Jay, thank you so much for the great conversation. I've learned a lot today. I appreciate the insights. For those that are listening, what is the best way for them to really connect with you? Because that's what we've been talking about. What is the best way for them to connect with you today?

Jay Palter:

Well, I invite anybody find me on LinkedIn. It's easy to find, and send me a note with a little introduction. Say you heard this podcast. This is a great way to connect with people. Or come follow me on Twitter where I am also active. Yeah, I'm really quite open to having conversations with people, especially if they've heard this and have any insights or ideas they want to talk about. So come find me. I'm easy to find.

James Robert Lay:

All right. Well, for those that are listening, go find Jay, connect with him, LinkedIn, Twitter. And as always and until next time, be well, do good, and wash your hands.