

Melina Palmer:

We know we have a conscious brain. We know we have a subconscious brain. We would like to think that the conscious brain is doing most of everything that we're doing. Unfortunately, that's just really not the case. And so the highest study I've seen puts this at 99.999% of what's happening in our brain is being done by that subconscious.

James Robert Lay:

Wow.

James Robert Lay:

Greetings and hello. I am James Robert Lay, and welcome to the 87th episode of the Banking on Digital Growth podcast. Today's episode is part of the Exponential Insight Series, and I'm excited to welcome Melina Palmer to the show. Melina is the Founder and the CEO of The Brainy Business, host of The Brainy Business podcast. She's also a columnist for Inc.com. And she teaches Applied Behavioral Economics in marketing, pricing, change management and more at Texas A&M's Human Behavior Lab, but more recently, and I'm really excited about this. I'm really excited for Melina because I've known Melina for a long time. Melina's the author of a brand new book, What Your Customer Wants and Can't Tell You: Unlocking Consumer Decisions with the Science of Behavioral Economics. Lots to talk about today. Welcome back to the show, Melina.

Melina Palmer:

Absolutely. Thanks for having me.

James Robert Lay:

It is good to welcome you back because I thoroughly enjoyed our first conversation. And that went back to episode 29, Using Your Brain to Cope with Change. And a lot has changed for all of us since that time. And so besides the launch of the book Melina, what is one thing that you are most excited about right now?

Melina Palmer:

Ooh, I feel like everything is really revolving in that book space right now, but we were talking about this a little bit before getting started just shuffling some things in my business, getting prepared for that book lunch and really ramping up to be doing big, cool projects that I'm really excited about and new website and all those things.

James Robert Lay:

And I am so excited for you. This has been a long time coming. You've put in so much hard work to get to this point, leading up with a podcast and then the book and I got to take a sneak peek at it and I was like, oh my God, this is something that everyone needs to read specifically in the financial services space because there's so much that we can do from a behavioral economics to really encourage positive behavior, not only in internally with change management, but also externally in the lives of account holders because money is stressful. And in your new book, What Your Customer Wants and Can't Tell You, you really have unlocked a powerful machine on the planet, even in the age of AI, being the brain, with something that's simple, it's approachable. I could even understand it and take advantage of this. So I want to ask the most

important question. Why do this in the first place? Because I know how painful it is to write a book, but you've done it. But let's start with why go here in the first place?

Melina Palmer:

I would say that I've always had it in the back of my mind, I would write a book as a side story like what feels like a past life. When I worked at the credit union that I was at years ago, I had started doing freelance work and I did book editing for a couple years. And so I think I have a deeper understanding of books than other people, and doing those like developmental edits, which I know that you get, the restructuring of the logic of it and everything. And so it wasn't quite as intimidating for me though once I got into, it go, "Wow."

Melina Palmer:

But I really found, I think through the podcast and through now teaching at Texas A&M like you said, I really just want everyone to be able to understand this amazing field of behavioral science and how it works and how you can use and apply it in a way that just not seeing anybody else doing. And a lot of the books on behavioral economics or behavioral science so far are either just this. "We found this in a study, isn't that cool? And we found this. Isn't that cool?" Like, "Yay, this is cool," but there's no how do I do that? How do I do something with it?

Melina Palmer:

And there are a couple textbooks just like hardcore textbooks, not very many of those either. But having this spot in between of helping people in business to be able to understand what they need to understand and nothing more, and be able to have that confidence to start using this insight so they can up-level the work they're already doing and not have to change careers to become an academic researcher, is something that I really wanted to provide. So that was really the goal of the book.

James Robert Lay:

Yeah, you're right and I agree with you because there's a massive difference between knowing on one side of the spectrum and growing on the other, and that is the application or applying that knowledge to bring it to fruition to create value. And I was just guest lecturing at a university the other day and it was for a class of marketing students. And the professor asked me, "What is one thing that you could recommend to these students if they want to continue to excel in their careers?" And I said, "Study human behavior." I said, "People will tell you what they want. Not always by their words, but really more importantly from their action."

James Robert Lay:

And that's what I appreciate about the work that you've been doing, is it is so rooted in research, but you've been able to apply it and simplify it for others to understand. And you open up the book by helping us understand, to keep parts of the brain. And I love the way you frame this. It's like trying to get a meeting with Oprah. And who doesn't want to meet Oprah? But what are these two key parts of the brain? What role do they play? And why is it important, specifically for financial brand marketing, sales and leadership teams to understand how these two parts of the brain work together?

Melina Palmer:

Yeah, so we have in behavioral economics, you would hear it talked about System 1 and System 2. I don't like those terms because they actually don't speak well to System 1. Well, [crosstalk 00:07:15] on point.

James Robert Lay:

I'm already confused.

Melina Palmer:

I know. And that's the point I'd be talking about and I'm like, "System 1 does this." And you're like, "Which one is that? I don't know." So I like to just say conscious and subconscious for how they work.

James Robert Lay:

There we go.

Melina Palmer:

So essentially we know we have a conscious brain. We know we have a subconscious brain. We would like to think that the conscious brain is doing most of everything that we're doing. Unfortunately, that's just really not the case. And so the highest study I've seen puts this at 99.999% of what's happening in our brain's being done by that subconscious.

James Robert Lay:

Wow.

Melina Palmer:

He switches not great ratio-wise. And you know the lowest studies put it at 95%. So it's still the vast, vast majority of stuff. And so to think about this, it's not like sometimes subconscious is on, sometime conscious is on. It's really more like a gatekeeper, or like I say, the receptionist. If you're trying to get a meeting with Oprah, you have to get through the subconscious to be important enough to make it into that conscious brain because it has very limited capacity. It uses a lot more energy to do things in that conscious space and its capacity just is smaller. So that subconscious is constantly scanning the world around you to say, "That's normal. I know how to do that." That's normal, normal, normal, normal. And then like, "Oh, this is weird." Conscious, you're up and you can go do something. So in this case, your conscious brain is Oprah. That's the meeting that you're able to get there.

James Robert Lay:

How much when we look at the brain and these, not necessarily systems, but different structural parts of the brain, the reptilian brain, the limbic system, the neocortex, it's that reptilian, that lizard brain, the oldest part of the brain that really is scanning the environment. And I like to call it the binary brain because it's either I trust you or I don't trust you. It's fight or flight. It's one or it's zero. How much does that play in regards to the subconscious from an environmental scanning and awareness, because a lot of this is like, once again, marketing messages, we're scanning and we're creating these decisions that we're not even aware of consciously at the subconscious level?

Melina Palmer:

Yeah, so all of that stuff you're talking about, that lizard brain, the senses, the limbic system, that's all really in that subconscious space. And it is the senses in taking and whether we like something instinctively or not. I also would say we like to say that something felt wrong in my gut. When your gut says something to you and you can't quite articulate it, that's probably a subconscious alert that I'm not going to tell you why I don't like that because your subconscious and conscious don't speak the same language. So they really can't. They don't communicate very well.

James Robert Lay:

That make sense.

Melina Palmer:

But when we're looking at communicating through marketing, the imagery you use can be incredibly impactful, whether you have descriptive and colorful language makes a big difference. Well, it's not a financial institution sort of thing. Just thinking about if you were looking at buying a new couch and it says material leather. Okay. Find the end. I'm not like jazzed about that. But if it says material buttery, soft, chocolate, brown leather.

James Robert Lay:

That's a couch I want to sink into and sleep.

Melina Palmer:

Yeah, or it keeps you cool. Or that more description and using that power in metaphor or imagery that is getting at the deeper story is going to resonate better with the subconscious even if someone can't articulate why.

James Robert Lay:

Because well, you just literally painted a picture in my mind that I couldn't only see, I could feel, and I could even taste.

Melina Palmer:

Right.

James Robert Lay:

When you said chocolate, I'm like, "Chocolate? [inaudible 00:11:37]. And you just triggered so many chemicals. And maybe let's talk about this idea of chemicals. And not getting too scientific. And once again, you do a fantastic job of doing this in the book. It's full of research, but it's simplified because I think the brain and really the brain chemicals, it's another area of opportunity for financial brands to understand, especially when it comes to developing experiences, whether those experiences are online or offline, or as you've just done, craft and tell stories because it's through the experiences, it's through the stories that you fire chemicals off in the brain that many of us may not even think about when it comes to the just developing strategy. What are some of these chemical? What did you just do to me when you said chocolate? You fired something off of my brain. What are the chemicals that we must consider? And what role do they play in marketing and in sales?

Melina Palmer:

So the top four brain chemicals that we would look at in this space are the dopamine chemicals. So you have dopamine, oxytocin, serotonin, and endorphins. The one that I think is most relevant for brands is dopamine. And it's because dopamine is tied with anticipation, and it motivates us to achieve goals and to keep moving. And having someone do something with your business regardless of what it is that you're selling, you're needing them to feel that motivation to take an action and go do something. And so creating anticipation is really critical in that case. But what we tend to do wrong, and what our logical conscious brain, where we think the joy should be and the payoff, is not where it actually is.

Melina Palmer:

So great study that was done that was looking at monkeys. And so they had been trained that when the light goes on, if you press this lever 10 times, you get a treat. And then light 10 times, treat. So we know that you want the reward. It's something that they're wanting to get. And if we were to think about this, we can use chocolate as an example. If it's like you see the sign and then you go in and you get your piece of chocolate, where do you think the most dopamine, which is what our brain wants, when does that hit? And I know that you know because you read it in the book. But the logical thought would be, I get the payoff. The reward is when I actually put that chocolate in my mouth. It starts to melt or whatever it is, I get that flavor. And that's where I think the kind of explosion, the goodness is.

Melina Palmer:

But actually what they found is, the dopamine release starts when the light goes on, and it's at its highest while you're doing the work, where you're anticipating, getting the thing, hitting the lever to 10 times. And it stops when they get the treat. That's when the goodness ends. So one, it teaches us something about weight loss and dieting and stuff. It's all that anticipation is what your brain really likes. But the really, really crazy thing. Then they looked at what happens if you made it. So they only got the treat 50% of the time. So then light goes on, hit 10 times, no treat. Light goes on again, hit 10 times, get a treat.

James Robert Lay:

Yes.

Melina Palmer:

And it doubled. So when you have this uncertainty and you don't know what's going to happen, you have more anticipation and your brain likes that. And so we want to give people things as soon as possible, give them the payoff, but that's not where the joy really is.

James Robert Lay:

[crosstalk 00:15:27].

Melina Palmer:

There's a little bit of that buildup to get there. And if they're not sure, if you're doing giveaways or you feel like we have to... Everyone needs one or else, people are going to get mad, but actually the chance of winning has a lot more of that dopamine release and the joy that comes with it. So there's a lot of benefit without having to give everyone something in that same way.

James Robert Lay:

So a couple of thoughts hearing you dialogue through this is one, EDM or electronic dance music, they always have these massive builds and then the payoff and then the drop.

Melina Palmer:

Right.

James Robert Lay:

But it's the build, it's the anticipation because if you listen to EDM, you know there's the build coming, but it's not the drop that's the payoff, it's the anticipation leading up to that. And then number two, I was having this conversation with my wife about date nights and we were watching a TED Talk. That's how nerdy we get on this. And it's the science behind it. And one of the things that we were listening to in the TED Talk was the role of date nights and maintaining a healthy relationship.

James Robert Lay:

And it's not necessarily the date that creates the value. It's what you're talking about. It's the anticipation leading up to that date that creates all of the, in this particular case, it's the dopamine, it's bleeding that experience out. And I can think we were coming up on our 15-year wedding anniversary and we've been researching where we're going to go for a weekend escape. And I think there's a lot of dopamine that's firing off in that search. And then now that we have found a place, it's like there's that anticipation. So it's interesting to hear that you talk through this. And coming back to financial services, I can think of, and I've seen a lot of this from a social engineering perspective of registration or whatever it might be, but then you're also encouraging people to share this and it's that anticipation of wanting to know who might win whatever this activity or prize might be. Am I correct with this thinking here?

Melina Palmer:

Yeah, and I think there's also, if we were to take it into a less contest or a clear place where we can see this. But if you look at the process of waiting to know if your loan application was approved. So there are some important caveats of this. So we don't want to stretch it out and make people wait longer than they have to. But knowing that there is some joy for the brain in that anticipation of it if it's going to work out, and helping to showcase that it's being worked on reminding them that progress, this is the pizza tracker where you see things are happening.

Melina Palmer:

When there's something that we're not super, but we're excited about the outcome, but it makes you a little bit nervous and what's going to be happening, how long is it going to be? And that reminder of keeping it like we're focused on you, we've got a team working on it right now. We'll be back to you tomorrow. Keeping them on the edge with excitement while you're giving them updates, could be a good way potentially to be incorporating some of that dopamine and anticipation in something that's traditionally a not fun experience. They're feeling anticipation in a negative way if they're waiting, just stressing. But if you can make it a little bit more of a positive, that could actually have a really big impact fact over time.

James Robert Lay:

Practically applied, I see two sides of the equation here. One is what happens post-conversion and something as simple as woo-hoo, we've got your application. Here's what happens next. Step one, step two, step three, and then communicating with them as they're going through that part of the journey. But then if you go pre-application, you can also provide anticipation as to what that journey might look like for them, step one, step two, step three. And we're seeing financial brands deploying that thinking in regards to website positioning. So now it makes sense of why this works because it's tapping in creating this dopamine effect.

James Robert Lay:

Another area in the book and really an opportunity I see once more is framed around leveraging the power of questions. And this echoes a conversation that I recently had with Whitney Loe in episode 72, which is, 5 Steps to Improve Your Customers' Financial Wellness where we discussed the opportunity for financial brand marketing and sales teams is to get really good at asking good questions. Why is this important? And what are some of the challenges when it comes to just thinking about questions or putting in another way as Dan Sullivan notes, "Just simply thinking about your thinking?"

Melina Palmer:

Oh yes, thinking about thinking. That's such an important thing to do and questions are my jam. I do a lot of training on question storming instead of brainstorming, which we'll talk about in a minute.

James Robert Lay:

Ooh, I love that.

Melina Palmer:

I love working with teams on that. It makes such a big difference. But I think one of the things that every single client and every listener of the podcast has heard me say at least once is, and then eventually here everyone who gets the book too is, it's really easy to find the right answer to the wrong question. And more often than not, people are asking the wrong question and it's because, and the first part of the book goes into these biases of our brain where we are programmed to think we're smarter, faster, better than everyone else, including who we were five minutes ago. It's just how it's set up.

Melina Palmer:

And so when you look at a problem you're trying to solve to say like, "We need a better loyalty program." We need to be working on... People want this faster experience, or everybody, we need to be their PFI, these constant things that people talk about. These become these known truths. And when you're within the organization, it seems very obvious what the problem is. However, it's often not. It's often not the actual problem. And so if you just jump into trying to solve that problem, it's not going to actually do what you need it to do. Whereas if you take the time to investigate and see what's going on, what the actual behavioral issue is and what you're trying to adjust for the consumer or members of your team, it is going to serve you so much better.



Melina Palmer:

I love to use the, it's attributed to Einstein of saying if you were given an hour and you had to solve a problem and save the world, how would you spend that hour? And he says he would spend 55 minutes thinking about the problem and then five minutes solving it. And so if Einstein was going to be giving 55 minutes of his respective hour to understand the problem. We really need to think about our ratios because most people just really jump in to what they think the problem is. And it's going to put you down the wrong path.

James Robert Lay:

Yeah, you're recalling a scene from Moneyball with Brad Pitt. And there's a great scene where Brad Pitt playing Billy Beane. He says, they're sitting around the table and they're trying to replace these players that they had lost. And the scouts are trying to solve the problem from the traditional lens from what they know. And Billy Beane's coming in here and he's providing a different perspective and he says, "There are rich teams, there are poor teams. Then there's 50 feet of crap. And then there's us. You're not even thinking about the problem from the right context and I agree with you."

James Robert Lay:

So there are four, what I call for digital growth operating environments. You can be learning, you can be thinking, you can be doing, or you could be reviewing, but you can only be in one environment at a time. And where I see so many institutions and organizations get stuck, it doesn't matter if you're in marketing sales, leadership, it's in the doing environment. What are the opportunities to help create that space and time, to break free from the doing, to stop pause, review, reflect, to learn from that experience, to think about that, and then be able to apply that thinking to the next iteration, the next round of doing otherwise our future will repeat its past?

Melina Palmer:

Yeah, so when I work with organizations on question storming, this is where so instead of... So the thing that you do, we've got a problem. We need to increase memberships. We need to drive checking accounts, whatever, whatever it is. And then you say, "So what are the solutions to get that done?" And then you're like, "We could do A, B, C." And you're coming up with a bunch of solutions to a very specifically articulated problem, which again, a slight change in verbiage opens up a completely different problem that you're working on. So making sure you really, really, really know the scope of what you're working on is very important.

Melina Palmer:

So instead of starting with that question and coming up with a bunch of solutions, which does not work well with our brain. People don't want to speak up because if you don't have the perfect solution, you're going to look stupid, or you might get saddled with a project. You don't have time for all these things. If instead, you start with a statement, and then you generate a lot of questions. It gives you an opportunity to look at things very differently. And so when I do this, we'll work with those known truths to say, "Changing financial institutions is hard. Is there anybody that says that that's not a true statement?" In general, every financial institution would probably say that that is something that is difficult for people and they don't want to do it.

Melina Palmer:

And so if we say that's our statement we're going to start with, and then we ask as many questions about it as we can like, hard for who? What if it was easy? Does that matter? Who



cares? Do people ever like to have changed be difficult? We were just talking about dopamine and anticipation. What would make it worth it? Why would people put in the time to change? When do people not care about that? All these things you can be asking. And then half hour or so of working on this with teams to come up with hundreds of questions, that show that that's just not necessarily accurate. And that helps open up your thinking in a different way. You find some new questions that are interesting to go and research, learn a little bit more about, maybe scope a project around, and then you can work on solving that much more interesting problem that can also help you to stand out against your competitors because they're not doing this.

James Robert Lay:

Yeah, this is a question that I had asked a financial brand recently because they were trying to develop a digital purpose statement that goes far beyond promoting just the same commoditized dollars and cents. And I was like, "Look, let me just back up. What would happen if your financial brand just went away, no longer existed, what would be lost forever?" And the responses that we got back were completely different than how they were trying to approach it by what's the purpose, why do we exist? It was just a small change in reframing their thinking to apply this. And they started going down a path of, there'd be less choices and people would get screwed by the big banks and that no one would be here to take care of them. And it kept going deeper and deeper and deeper in this idea of financial empowerment, financial wellbeing.

James Robert Lay:

And that idea of financial wellness, financial wellbeing, there's a tremendous opportunity I hear. And I see four financial brands that is really rooted in what we're just talking about. Maybe we can go deeper with which has changed management. In fact, some of the challenges that financial brands are facing when it comes to digital growth, digital transformation, however you want to frame that, there's a lot of empathy that they can share for consumers who are going through the same struggles when it comes to financial stress and financial wellness. So why is it so hard for people to transform their behaviors, their habits, and really even deeper, their beliefs, their thinking? What is holding them back that's keeping them stuck in a consistent pattern when they logically know what they're doing is not the best path forward, but they keep going down that path anyway?

Melina Palmer:

Yeah, so this is definitely just rooted in our brains are set up and what we were talking about with the conscious and the subconscious. So your subconscious brain, which does 99% of everything that's happening in your life and that of your consumers and your peers and everybody else, is built on habits and predictability. And it likes the status quo and it is wanting to keep as much stuff as it can in its handling instead of having to send it to the conscious. And so habits are the things it likes and will be seeking out and it chooses what filters and makes it to your conscious brain.

Melina Palmer:

So I use this in the question storming in change management. So I teach a course on change management at Texas A&M and how the brain ties in with all of this. And so essentially, if you were to think about changing behavior, and we say change is hard. This is another one of those known truths that I like to work with on question storming. So changing the structured rules of the brain in the way that they exist in the habits that we have formed is very hard. And of course, this is in the book too.

Melina Palmer:

So yes, changing what has been building for eons is difficult. Working with those rules to help someone to nudge to change their behavior to do something that they already like to do to help them achieve a goal that they want, can be easy. So to get back to what you're saying what's the problem and why do we have a hard time with this, is actually why we're talking about the question storming in the first place is because you didn't take enough time to think about what the actual problem is. What's the behavior that you're trying to solve.

Melina Palmer:

We get into this thinking space first. Say, logically people should know that they want a better rate or that they want to save money, or they want to get out of debt, blah, blah, blah. And so we approach from this thinking perspective. But to get anyone to do anything, you need to make them feel something first. So you need them to have an emotion, a feeling that makes them want to have a behavior shift. And then they can think about it afterwards, which is more in this like post-rationalization of why I did that on the other side. So triggering that emotional piece to get them to do something, but you need to know what you want them to do because there's a lot that you could do. I have clients ask me all the time, how do we get more members? We're like, "Well, that depends." "For what?" "What do you want them to do?" I could get-

James Robert Lay:

Why?

Melina Palmer:

I know I can target a message to do whatever you want and that's not in a manipulative way, but to say if we want to promote auto loans here or credit cards or this checking account over that checking account, I can reframe it to make something be the clear best choice for someone to help nudge them to make that choice. But why do you want that? And why is it a good fit for them? And how do we properly frame that is all how are we priming for that, that all is based on what you want them to do. So you need to know the goal and the behavior shift first to then structure what you want. And then it can be much easier to get people to change their behavior.

James Robert Lay:

You're talking through this and I can't help, but think about Dr. Benjamin Hardy in Willpower Doesn't Work. And one of the things he was diving deep in there was environment. The environment is just too massively strong. And I just had an idea. If you're talking about cultural and organizational transformation and we're having meetings about cultural and organizational transformation, let's just say in the boardroom. Maybe that in and of itself is not the best place to have these conversations and discussions because it's a known environment. Would it be more valuable and beneficial to take this to a completely new environment? I know obviously COVID is going to make this a little bit hard right now, but I see the light at the end of the tunnel. There is hope. How does environment play? Because maybe when we're thinking about our thinking, we should be thinking about our thinking, not in our office, not in our boardrooms. We should be somewhere different. At least my thinking is at least once every 90 days to just turn over some new thoughts that are actually valuable?

Melina Palmer:

Right? Which and I'm sure you and I have both facilitated our fair share of strategic planning sessions. And there's a reason that you have those offsite often. Get out of the norm of where

you are. But when you look at priming studies. And so some have shown where they had people working on projects together. And in some, there was a briefcase visible, but like nobody commented on it. It wasn't like, "Hey, look a briefcase, guys." But it happened to me in the room. And in the other room, they had a backpack. And again, nobody noticed it, would say they saw it or that had any impact. But those who were in the backpack room were much more cooperative than those in the briefcase room, which were more combative and like holding things to themselves.

Melina Palmer:

So if you're meeting in the boardroom to have these sessions, potentially you've already primed yourself to be in this very different mind state of what you're thinking about. You've pre-primed to be a little bit more aggressive whereas if you were to go do something a little bit fun or be somewhere else just to shake things up, could be priming your brain to look at things differently and even having it. So there was another study that was done by McKinsey, where they had people, and there was a bunch of different priming things that went into this. But in one case, they said, "Diligently, write down a list of your ideas." And it was on white-lined paper or the yellow legal pads or something.

Melina Palmer:

And then the other groups they said, "Yeah." They had a bunch of multicolored Post-it notes and colored pens that they were using. And then we're saying, "Make as many as you can and put them around." And it's all the same big meeting and people that were just at different tables that they had different stuff. And those that were told to use the colorful Post-it notes came up with more creative ideas than those who were told to use the structured note taking option.

Melina Palmer:

And so those all have an impact on what comes up. And we didn't fully get to this, but one of the weeks in my course, I talk about the IKEA effect and how people are more bought in on things that they had a part of creating. So I like my wonky table that I made from IKEA better than the one that you made, even if you're a professional IKEA table creator. And so when you look at things like change management, if you're coming from, like we're in the boardroom, the executive team comes up with what we think is going to inspire people to want to change and then just put down and say, "This is the new plan and you better like it," sort of a thing, it won't go over as well as if you let people be part of that discovery process.

James Robert Lay:

Absolutely. And so may be being in a post-COVID environment, everyone's working in a little bit of a different area, it's having a different effect on our thinking. And that's actually one of the reasons I used to require financial brands to fly into Houston to force them out of their environment so that it would open up a new part of the brain, or at least just their own thinking model. And the people were like, "Oh, well, we don't want to fly. We don't want to the travel expense. Can't you come here?" I'm like, "Nope, Nope. It's just not happening because it's intentional."

James Robert Lay:

And this has been such a fantastic conversation again, Melina. I got to two final questions for you. Number one, I want to build some anticipation together with you. As we look ahead, and all the opportunities that are available for a financial brand to create, to capture, to capitalize on,

what is the biggest opportunity that you see from the work you're doing routed back into the brain, into the mind of a consumer?

Melina Palmer:

Well, I think it's just at the simplest form, it really is understanding what's happening in the brain and starting to apply and test and use that. There's a whole chapter in the book that's talking about how to do testing yourself and I've got this, how to apply it. Part three is all about how to start applying behavioral economics. And so getting that confidence that skill set that's built to where you say, "Okay, let's do something," and to think about it in the right way of understanding the problem, and then thinking what's the behavior we want to shift and then putting in a small intervention and just trying some things, is a really great opportunity to see what's going on and how you can have an impact.

Melina Palmer:

And by understanding behavior and asking those really good questions, it just helps you to resonate on such a deeper level with those potential members and customers for you. And that they can feel understood, it's empowering for staff. There's just so much good that comes with really understanding people and how they behave and trying to help them to better themselves. And so I think just understanding behavioral science is a benefit.

James Robert Lay:

Yeah, total aside. Will we ever see, I think it would be a CBE, a chief behavioral economist?

Melina Palmer:

Oh, perhaps. [crosstalk 00:39:10]. We obviously have some chief behavioral officers that exist.

James Robert Lay:

Got it.

Melina Palmer:

And you have a lot. So in the corporate side and actually in public policy and some governments have what they call Nudge Units or because of there's a book, Nudge, from some work from Richard Thaler and Cass Sunstein that won a Nobel prize. So either a Nudge Unit or this behavioral science departments, they are absolutely a thing in other industries. And I think we should absolutely have them in financial brands. No question.

James Robert Lay:

And that's what I want to end on. I always like to end with something extremely practical, something tiny, we'll call it a nudge, we'll call it a Tiny Habit from BJ Fogg, atomic habit, James Clear. What's one small micro-commitment that you could recommend a dear listener, a financial brand marketing, sales, leadership team member, something small just to commit to today to make progress on just their own personal journey of growth around what we've been talking about today?

Melina Palmer:

Well, I always end every episode of my podcast and all my emails sign off with be thoughtful and potentially this is what I said last time too, but it still holds true. And so I say be thoughtful

both in just general ways that you would think of, but also in that thinking about thinking and questioning things.

Melina Palmer:

So if you felt inclined to click on and open a particular article that you went to read, or you wanted to throw away something that came into your mailbox, or that you were inspired to read something when you usually don't or whatever it is, to stop and say, "Why did I do that?" Or why do I brush my teeth with my right hand instead of my left hand? Or whatever it is, to just ask yourself those questions and think a little bit about what you're doing and trying to understand is that a habit, or is that something I chose consciously to do, which then you'll start to realize how much of it is in that subconscious space. But questioning those things can really help you to then be a better questioner with your own work and projects as well.

James Robert Lay:

Speaking about questions, if someone is listening, they have questions, they want to continue this conversation, to connect with you. What is the best way for them to reach out and say hello?

Melina Palmer:

Well, you can find me on all the socials as The Brainy Biz, B-I-Z. You can also pop over to my website, [thebrainybusiness.com](http://thebrainybusiness.com). And for anyone who wants to just send an email, [melina@thebrainybusiness.com](mailto:melina@thebrainybusiness.com), happy to chat with you or connect on LinkedIn, whatever that is, I'm around.

James Robert Lay:

Connect with Melina and go pick up a copy of her book from Amazon, What Your Customer Wants and Can't Tell You. And don't forget to subscribe to The Brainy Business podcast. She's always sharing something of value that I promise will help you continue to grow from good to great. Melina, thanks again for joining me on another episode of Banking on Digital Growth.

Melina Palmer:

Yeah, thanks for having me.

James Robert Lay:

As always and until next time, be well, do good, and make your bed.