

Mark Schaefer:

We're in a society today people don't want to be sold to. They're sick of it. They run away from it. They block it. They avoid it. And if they get a whiff that you're selling something, they're not going to walk away, they're going to run away.

James Robert Lay:

Greetings and hello. I am James Robert Lay and welcome to the 98th episode of the Banking on Digital Growth Podcast. Today's episode is part of the Exponential Insight series and I'm excited to welcome Mark Schaefer to the show. Mark is a globally recognized speaker, educator, business consultant, and author. He is also the cohost of The Marketing Companion, one of the top 10 marketing podcasts on iTunes. Mark is also the best-selling author of eight books, including Known, Marketing Rebellion, and the newly released Cumulative Advantage. I look forward to talking to Mark today about the opportunities for financial brands to build momentum for digital growth by being human centric in a post Covid digital first world. Welcome to the show Mark.

Mark Schaefer:

Well it's great to be here and we are certainly going to have some exponential insights today.

James Robert Lay:

We are. And I'm excited about this because you and I have been dialoguing back and forth on LinkedIn and it's finally good to just get to connect in person, quote unquote. Before we hit record already making some connections. And I want to come back to, before we get there, what is just one thing that is going well for you right now personally or professionally? What's good.

Mark Schaefer:

Well I mean 2020 was a pretty bad year from a lot of different perspectives. And I really feel like the lights are green right now. Public speaking is coming back. I just did my first live conference in like 400 days in Miami. And I got to tell you how I'm just absolutely energizing it was to be in front of a live audience and people were so enthusiastic, so happy to be there. It was very well run by the way in terms of being really conservative still around social distancing and disinfecting the room and so forth. But I think people are feeling better about coming back, gathering, and that's a powerful thing.

James Robert Lay:

I'm right there with you. I've gotten back on the road a little bit, things like you said, the green lights are coming back on. I'm excited about that. And one of the things that you mentioned before we hit record is you're doing some work with American Banker, which is how you and I had connected previously. And I want to come back to that because something that you noted at the unconventional conference last year, you shared it's going to be the most human bank that will win. And I think that's important to start this discussion here. Number one, what does that mean to be the most human bank? What is that? And why do you believe that's the case?

Mark Schaefer:

Well this is certainly one of the major themes in the Marketing Rebellion book. The subtitle is the most human company wins. So first, if you think about we're really moving through a world where we see less ads, right? I watch a lot of TV. I never see ads because I'm watching it on Hulu or Netflix. I'm listening to the radio all the time, radio quote unquote, right? I'm listening to music, but it's on Spotify. I don't hear ads. I listen to audiobooks. I don't hear ads. Advertising consumption is down 95%. And the companies

that are wedded to this broadcast model, that are connected to this ad agency model just aren't relevant. And I like to connect this to what we saw in the pandemic.

Mark Schaefer:

At the beginning of the pandemic we were bombarded by many messages from big companies that said we are with you in these unprecedented times. And it became a joke. And actually there's a video on YouTube that says, all pandemic advertising is the same. And they have these quick cuts and they show the music and the narration and the words from all these companies are the same because their connection to human beings is being dictated by an advertising agency. Now you look at what are the companies that are really standing out. They're the local companies, right? They're the community companies, the community banks that are realizing we've got to roll up our sleeves and really do something because so many people are suffering. James, one of my favorite stories actually comes from Houston, your town, where you're from. We just had this big ice storm, right? And my brother lives in Houston and lost power and lost heat and lost water for four or five days. And there was the big furniture company in Houston that didn't lose power. And they said, if you're cold, come warm yourself, right? Mattress Mack.

James Robert Lay:

Mattress Mack man. Yep. Hometown hero.

Mark Schaefer:

Hometown hero. And so he had thousands of people come into his store every day. He brought in food, he set up a play area for children, he had 500 people a night sleeping at his store on the mattresses. Now what does it have to do with marketing? It has everything to do with marketing because marketing is about creating an emotional connection between what you do and your customers, your audience. And during this pandemic especially this is a time to not only create an emotional connection, but become legendary. And by the way, how did I hear about this story? It was on the front page of the New York Times. If I lived in Houston, I can promise you I would never buy furniture from anybody else because of this amazing just generosity. And that's what I mean by human centered marketing. These big brands that are wedded to these advertising structures, they were built on advertising impressions, but the brands of the future will be built on human impressions. How do we show up? And, oh by the way, of course we don't trust ads, but we do trust people. We trust. You know who we trust? Bank presidents, founders, subject matter experts, our friends, our neighbors. So this is the way the world is going and definitely the pandemic accelerated this. Many people said, Mark, the things you predicted in the Marketing Rebellion book are coming true right before our eyes in this pandemic.

James Robert Lay:

Absolutely. And when you're talking about Mattress Mack I can't help but think, I was maybe a junior or a senior in college at the University of Houston. I was part of the American Marketing Association and Mattress Mack came and he spoke and it left a big impression on me and the think of all the work, the good that he has done for the city of Houston time and time again, whether it was the ice storm or the hurricanes, I mean he's really stepped up. And that's what I said hometown hero right there. And you're right, it's about making this emotional connection. And when you think about banking, who is that? It's the CEO, the president, the loan officer, the subject matter expert. And you recently wrote a LinkedIn, when you meet somebody new you naturally start evaluating them as a potential business contact or even a friend. And from the research that Princeton shared, they showed that two factors people value most or warmth and competency. And as you mentioned here, it's these big brands that they're wedded to their legacy advertising days, you can't make a connection through the old mediums. So how might

financial brands, bank presidents, CEOs, loan officers, subject matter experts might be able to convey warmth and competency in a post Covid world that it's all about the human connection and the relationship? And how might a marketing rebellion be needed for this to actually happened?

Mark Schaefer:

Well there are lots of ideas in the book. It's a pretty dense book. But thinking about banking, and I have done a lot of work in the banking world and just know the importance of banking and the importance of personal relationships, the first thing is I think one of the most powerful comments in the book was from a fellow that I know, he was at Nike at the time, and he said, success isn't being in a community, it's being of a community, right? Being in a community is giving a donation to the United Way or having your name on the little league team uniform. Being of the community is really getting down and helping people at their moment of need. I have a friend and someone who I look up to, Martin Lindstrom suggested that we ought to take half of our marketing budget right now and just use it to help people. And I don't think that's really far off. That's maybe the best thing we could be doing in marketing right now.

Mark Schaefer:

The other thing that I think is so important is we need to show up. We need to show up as human beings. So increasingly, the personal brand is the brand. I have a story in the book about a woman who just was so kind to me, so nice to me at a hotel. She was the lady just standing behind the reception desk. And she became the brand for me. I stay at that hotel every time I go to teach at Rutgers University. I go there because of her. She is the brand and there's no amount of advertising that could make me stay at that hotel. I stay there because of the relationship I formed with her. She's my Facebook friend, right? So how do we show up in a way where we're known in the community? Increasingly the personal brand is the brand, especially for smaller banks.

Mark Schaefer:

Now the other thing as we start moving out of this post Covid world. There is a special power in bringing people together. And this was one of the most inspiring things I learned, it's sort of energized me to start bringing people together. And I actually started an event after I wrote this book. I thought, you know what? I want to bring people together. I started a little marketing retreat and it was probably the best thing I've done in my whole professional career. The most human company wins. An easy place to start is to think about how do we be more human at every touch point? How do we show our hearts, our smiles, our passion, especially our compassion now? And one of the ways to do that is through maybe an event, is to bring the community, look maybe we reach some sort of vaccination milestone and the bank says it's time to celebrate, right? So bringing people together, gathering, letting them see you, letting them hear you. Those are all powerful ways that we can create a human presence instead of an advertising presence.

James Robert Lay:

Absolutely. And when you talk about being of the community versus being in the community, I see so many financial brands, a lot of community banks, a lot of credit unions even, they still write those checks. But that's only just one step. And you're saying we can go deeper, we can make those deeper level connections by being of, Mattress Mack is a great example of this. And I want to come back to this idea of the personal brand because to me that's where the human connection's made. Eric Cook just shared recently on the podcast, people do business with people, people bank with people. And I think of this personal brand, it's been a recurring theme serendipitously probably you've had eight, nine, ten episodes of individuals who have built personal brands in the space within this podcast who have shared

their stories. I'd like to get your take on this because there's a big difference, as you've written about in your book *Known*, that being known is different than being famous. And I think it's the idea of being famous that tends to hold a lot of people back from even thinking about considering building a personal brand, even a personal digital brand. Can you describe the differences of being known versus being famous and where some people might be held back from taking that trip? That journey?

Mark Schaefer:

Yeah, that's a great question. Everybody has a personal brand, whether you like it or not or admit it or not. A personal brand is what people think of you after they accumulate a certain number of observations. They may think you're punctual and creative and funny and reliable or friendly or whatever. So this is being created in people's minds. And we have a remarkable opportunity to amplify the best of who we are through the web, through social media. Especially during the pandemic we may not have the opportunity to see our customers, talk to our customers every month or every week, but there might be a way we can connect to them on a regular basis through social media by being accessible and friendly and connected. So the truth is it's really the only thing that matters long-term in our careers, right?

Mark Schaefer:

A funny little story I just thought of. I was asked a few years ago to be the keynote speaker at a big marketing conference, maybe the biggest in the country. And we started talking for awhile and the guy that organized the conference, I knew him quite a bit, and we were talking about my career and my corporate days. And I said, I have won these awards, I've got seven patents, and I manage this big global team and blah, blah, blah, blah, blah. He said, you know Mark, I've known you for about eight years and I never knew any of that stuff. I said, well, let me ask you something. That all my achievements in my career don't matter to you and this event. The only thing that matters is that I'm known, right? He said, I guess that's true. And I said, if I went away for awhile and I wasn't really known anymore, you wouldn't be inviting me to speak on this big stage. He said, I suppose that's right too. So being known in your community is the only sustainable competitive advantage you have. And if you are known and your competitors aren't, you'll win. You'll have more opportunities, more phone calls returned, more doors are being opened, more deals being closed because people know how you are, how you think, they have some emotional connection to you. And that's a huge benefit.

James Robert Lay:

Well let's talk about that because being known almost saved you, specifically last year with, with your business. Exactly. But I want to go back because I can hear a lot of bankers, a lot of credit union leaders who are listening right now thinking, well, this is Mark. He's built the platform. But you had to start somewhere, right? You didn't have this idea of being known out of the gate. Go back to before that time period. And what does it take for someone to build that level of thought leadership of influence? Even down to the local community level? Because it's not just something that can be done say globally or nationally, it can be done even locally if I'm not mistaken. Yeah.

Mark Schaefer:

Well first of all, and maybe this is one of the great lessons of my book, is I didn't set up to be known in my field. I mean I stumbled around and fumbled around for years and sort of came across the path of how to do it. And it would have saved me a lot of time if I had my book back then. So that became really part of my journey is to see how do you become known? Is there a model? Is there a path? And in fact there is. I interviewed 97 people from all around the world, including quite a few wealth management

and banking people, and they all sort of did the same four things. Now the most important thing is not necessarily any sort of special education or special insight.

Mark Schaefer:

Some of the case studies in my book, they started out as homeless people. I mean they started literally with nothing. But if you show up consistently, if you create constant content consistently, the path does work. I do coaching calls and a guy hired me for an hour. And he said, well, I can tell you that blogging doesn't work. I said, what do you mean? He said, well, in 2015 I wrote three blog posts and nothing worked. Now of course it isn't. And as you know. So what are you doing with your podcast, right? You are becoming known. You are creating a brand of generosity and your intellect and your helpfulness to your audience. And I think you said you're up to 98 episodes?

James Robert Lay:

98 episodes. We're so close to 100 in less than a year.

Mark Schaefer:

Yeah. So but see, consistency is more important than genius, right? You got to show up, show up, show up, show up, right? And it may take a period of months, it may take a period of years for your brand to really start taking off. But it works. It absolutely does. And it's just a matter of being kind, helpful, and consistent.

James Robert Lay:

I want to touch on that because you mentioned being kind, being helpful, being consistent. One of the things that I write and teach about in *Banking on Digital Growth* the book is the mantra help first, sell second. It's so easy to just, specifically when thinking about banking, just to want to sell, sell, sell, but the help has to come first. And a lot of times before the help we even have to give people hope, hope that there's a better future ahead before they're even able to receive help. And I think about the podcast, for example. This is not about me. This is not about James Robert Lay. This is not about *Banking on Digital Growth*. It's really about bringing other people in, inviting them into the narrative. Whether it be someone like Mark Schaefer or someone like Eric Cook or even that dear listener I think it's come back to the point it's being of the community and building a community almost of sorts of like minds. To me that's another area of opportunity is for these local institutions to start their own podcast series.

James Robert Lay:

Before we hit record we were talking about that town of Wimberley, Texas right outside of Austin. And fascinating story, they have their own radio station now because before it was either you could tune in to San Antonio or you could tune into Austin. And now they have their own little radio station and it's in the town square and it's in a fishbowl like so you can look in. And a lot of that was because of the floods that hit Wimberley before they knew they needed their little local radio station. To me the opportunities to become known, to help others, to transfer knowledge at scale, digital provides the exponential value factor in that. And when I'm thinking about this, how might practically speaking a CEO, a president, a loan officer, a branch manager build these personal brands and maybe what role might marketing play to provide some training and education to these others who it might just not be a natural thought? Practice makes perfect if you will.

Mark Schaefer:

Well first I do want to build on one of the key ideas that you had there. And I think this is something that is creating a lot of the angst in marketing today is this idea of helping instead of selling. Especially if

you're a public company you've got this pressure to increase profits quarter by quarter by quarter. And we're in a society today, people don't want to be sold to. They're sick of it. They run away from it. They block it. They avoid it. And if they get a whiff that you're selling something, they're not going to walk away, they're going to run away. But if you do concentrate on coming alongside people at their point of need, which is a big thing for banking, and help them understand, look, there's hope, as you said, for a better life, a happier life, a healthier life, a wealthier life and let us really show you, that's a great way to differentiate yourself.

Mark Schaefer:

Now in terms of how to begin. Again, this is quite ironic because I don't want to be salesy, but the book that I wrote called *Known*, it does work, it really does. And as I look back at my career, if I had to point to one thing that's my greatest contribution to the business world it's probably that book. I get notes from people every week saying this changed my life. This changed my business. So it works. That has been very, very rewarding.

Mark Schaefer:

And it's basically just trying to figure out what do you want to be known for? And one of the things you might ask yourself about your bank, how would you finish this sentence? Only we. That's really hard because you probably have a lot of competition. But I will also say, if you dig down deep, I have never had a consultant call with a person or business that we eventually haven't been able to figure it out. And by the way, it can't be, oh we have the best service. Everybody says that, right? My garbage collector says that. It's got to be really something that goes back to the DNA of your company. Why are you there? What do you do that adds unique value? What's the problem that you solve and how do you solve that uniquely? So it really has to start there. And once you figure that out, then you kind of know what to say and who to say it to and where to say it.

Mark Schaefer:

And it also, like I said, it means showing up consistently. For a small bank I might think about Instagram. I might think about YouTube. And also I wouldn't overlook some of the channels that are more youth oriented like Snapchat and Tik Tok. The Tik Tok generation, which I would characterize typically as being under 18, are very, very money minded. I mean they are savers, they are investors. They want to go for it. So I wouldn't overlook starting to nurture relationships even down to that level. Now you've got to adjust to that culture, right? It might not mean the bank president is a Tik Tok dancer. Or maybe it does. So you really need to think about where are you with the brand. What's different about you and how do you connect in a really authentic and personal way? How do you, like I said, be more human in every way in every place.

James Robert Lay:

And I think that's where I'm most excited about the future here. Pretty soon we're going to have [Jennifer Beeston 00:26:18] on the show. She's in the mortgage industry and has about 4.5 million views on her YouTube channel. She started it back I want to say it was like January of 2017. So four years, 4.5 million views. And it's all by just answering people's questions. And another great kind of approach to this is, I can't help, but think, and I had him on the podcast before, [Marcus Sheraton 00:26:44] with they ask you answer as another way to answer people's questions. And you put other people at the center of all of your thinking. You put other people at the center of all of your doing and everything falls into place. But you're right. If we keep focusing on the internal, what we need and we keep positioning around, you said the great service, I call it great rates amazing service and commoditized laundry list of lookalike features because banking has been exponentially commoditized because of digital and FinTech is like a

death by 1,000 cuts to where they have the primary focus on solving these very specific problems with this.

James Robert Lay:

I want to look ahead here to the future because as you know marketing today is not about answering one question, how can we be heard, you warn that content, you warned social media, SEO, it might not be enough. Even being great is not enough because the way the world is moving it's kind of stacked against us. So we need a new path forward. Can you give us a sneak peek into what this new path might look like? Which is where your latest book Cumulative Advantage comes into play. Because I think this is where it all starts to come together to get some momentum going forward, onward, and upward.

Mark Schaefer:

Yeah, it really does come together. Someone said to me, Mark, you don't realize that you've done this, but the last three books taken together basically give you your blueprint for any small business or any business or entrepreneur to move forward. Because it really does talk about how do you connect in these modern times. And one of the challenges, as you said, is look, it is really hard to stand out. Even if you're doing your best work you might just feel like you're getting buried. James I saw some information, I think it was a week or two ago, about the amount of information that's on LinkedIn. And the amount of information being published on LinkedIn has doubled since the pandemic started. So arguably, if your goal is to connect with people through LinkedIn, your job has become twice as hard in the last 12 months.

Mark Schaefer:

So I was like, I want to figure this out. I'm just obsessed about this. And if you look at my career, basically what I've been obsessing about for the last at least 12 years is how do we stand out? How do we cut through the noise and become the signal? And I thought, look, if you're stuck, how do you have momentum to get to the next level? What is momentum? What does it take to get carried forward? And I learned that there has actually been a lot of research on this. But the problem is a lot of the research, most of it was really started in the 1960s, has kind of resided in academia, and hasn't really been applied to our lives and our businesses. So I explored this idea and there's some very, very surprising insights in there that most momentum really starts by chance. It starts by something random. And certainly that's been true for my career. So that's part of the hope of this is that you don't need any sort of Ivy League degree or \$1 million in the bank, that you can create momentum just by really kind of by paying attention.

Mark Schaefer:

So it talks about being aware of where you are, where are your strengths, what could create an initial advantage that leads to momentum. And then I also talk in the book about a new way to look at strategy. I think this is especially important for banks. When I was a young guy growing up in business it was about a 250 page plan and a five-year plan of strategy. And the world moves so fast today. And we see this especially with the pandemic. Strategy today is about looking for fractures in the status quo through shifts that are occurring where we can be relevant in that moment. Now we just are experiencing the biggest fracture in the status quo maybe in the history of the human race, which is this pandemic. Everything is changing. How we work, how we play, how we learn, how we connect, how we date, how we teach our children, how we work out. And all of these are business opportunities because there are unmet and underserved needs.

Mark Schaefer:

Same with banking. We need to think about what's our only we? What is our strength right now? Where are the seams? What is fracturing? How do we charge through that seam? How do we connect and let people know you've got this specific problem right now, we're going to charge through and we're going to help you and we're going to do it more boldly, more rapidly than our competitors. That's what creates value today. It's really a very different way of looking at strategy. But it works and it's happening all around us. Last March I predicted there would be more startups in America than any time in history. This is at the beginning of the pandemic. And I was right because there's so much opportunity. And we've had a lot of business failures, tragically. We've actually had more startups than failures during the pandemic.

James Robert Lay:

You're right. And it does come down to that one word, it's opportunity. And for me, the greatest opportunity right now is banking. Really comes back to what were mentioning before, it's revisiting the purpose of the organization. Why are we here to begin with in the first place? Have we gotten trapped in to what I call the cave of complacency to where it feels safe, it feels secure, but it creates a pseudo sense of security to where let's come out of that cave, let's ascend to the apex of awareness, and let's look behind us of where we've been, let's look down the mountain at where we're at, and then let's look ahead to the horizon line at where we can go next and put the transformation of people at the center over the transaction of just commoditize dollars and cents.

Mark Schaefer:

Here's what I would like to hear from a bank right now. I'd like my community bank, I'd like the leader of the bank maybe to make a video, maybe put it on their site or get it out on social media and say, look, we know you're suffering right now. We're suffering ourselves. We've had people sick. We've had people experience all kinds of tragedy during this pandemic. We know you're hurting. We know you're suffering. Maybe you can't get into a bank. Let us know. Call us. Do you need us to come see you? Do you need us to have a Zoom call? Look, we're here with you. We're here with you. And no matter what happens, we're going to be by your side. We're going to get through this together, right? I want that more than I want to know what the latest mortgage rate is. I want to hear that heart. I want to know that somebody cares. I want a bank president to say, if you're not getting what you need right now, just call me. Here's my phone number. There's nothing more important I can do right now than to show up in this community and help people get through this pandemic. And look, I'm going to do it. That's what people need. And it goes back, who's going to be the Mattress Mack of banking, right? Who's going to show up in their community and become legendary?

James Robert Lay:

Absolutely. And to me, I always end this podcast with a very practical application. You just preceded the question of what is one small, simple step, because to me all big change, all big transformation starts with a very small, simple step. That is one I think that everyone listening can take today. Share this internally because there's no better way to communicate a motion than through video. And video has become so much more simplified to communicate emotion now at scale. Mark, this has been such a fantastic conversation. If someone is listening, they want to continue this conversation with you, what's the best way for them to reach out, say hello. Obviously they can grab your books on Amazon, but what are the other ways that they can connect with you?

Mark Schaefer:

Well, sure. And first of all James, thank you so much. And thank you for actually being familiar with my work and my books because that just made this such a joy to have a conversation like this. My name is

Mark Schaefer. It's hard to remember how to spell Schaefer, but if you can remember businesses grow, you can find me. So at businessesgrow.com you can find my podcast, my blog, my books, my social media connections, and lots of free stuff for businesses of every size.

James Robert Lay:

Thank you so much Mark. And thank you all for joining me on another episode of Banking on Digital Growth. As always and until next time be well, do good, and make your bed.