

Full Episode Transcript

With Your Host



Welcome to the Brainfluence Podcast with Roger Dooley, author, speaker and educator on neuromarketing and the psychology of persuasion. Every week, we talk with thought leaders that will help you improve your influence with factual evidence and concrete research. Introducing your host, Roger Dooley.

Welcome to the Brainfluence Podcast. This is Roger Dooley. We're changing things up a bit this week. We do not have a guest, it's just me, and I'm going to be talking about a topic that I find interesting. I'm going to call this podcast "Why Every Business Needs an Enemy." Now, having an enemy doesn't sound good. It may make your heart rate increase a little bit if your flight or fight syndrome kicks in, but actually our having a business enemy can help you gain and retain customers. Let's take a look at how this works.

First, let's start with a little bit of history and psychology. Henri Tajfel was a British psychologist who left his native Poland to study in France in the earlier part of the 20th century, because as a Jew, his education opportunities were limited in Poland. Then when World War 2 broke out, he decided to enlist and fight for the French. He was captured by the Germans and he spent much of the war in prisoner of war camps.

I give you that bit of history because it was a great influence on Tajfel's later research as a psychologist. He experienced first-hand how people could be persecuted not because of anything they did but because of their membership in a group. The persecutors themselves were members of another group. How otherwise normal people could commit acts of great injustice against others led to Tajfel's work on social identity. Some of his early work in this area showed that he could divide people into completely arbitrary groups, say, with a coin toss and with almost no effort get these people to favor those in the same group over those in another group.

For example, with the coin toss, he could easily make the heads group favor other members of the heads group and discriminate it against the tails group. This ultimately evolved into the theory of a social identity which says that people have a natural tendency to identify with one or more groups. They build part of their identity on this group membership and also seek to maximize distinction between their group and other groups.

Membership in a group not only helps us build our own identity, that is who we are, it makes us feel good about ourselves very often.

Now, one way businesses could leverage social identity is by making customers feel that they are part of the same group. I've written about Texas supermarket chain H-E-B that does a great job of emphasizing its Texas roots. This store only has stores in Texas and Mexico and it works well because Texans tend to identify with their state. They're proud of their membership in that group of citizens of the State of Texas. Drive down residential streets here, and more than likely, you'll find quite a few houses sporting Texas symbols, things like the Texas star or an outline of the State of Texas. This is something you tend not to see in most other United States areas.

H-E-B has been very smart in incorporating this Texas identity into its own marketing, even product labeling. For example, store brand products, maybe Hill Country, for Hill Country being an area of the state, and their coffee flavors have names like Houston Blend and San Antonio Blend. They continually remind their customers of their own identity and then show that they, the store, shares membership in that group. This is through in packaging and advertising in the circulars, in the in-store signage. They're constantly reminding you that, "Hey, you're in Texas, we are part of that same group."

One way that you can bond with your customers is to identify a group that many are already members of and then demonstrate that you too are part of that group. You can even create your own group. Saturn, GM's innovative automobile brand that sadly no longer exists, tried to create a group identity for its owners. They were independent spirits, free thinkers, and different from other car owners just in the same way that Saturn itself was different from the other GM brands and presumably other car brands as well. They even had events like a giant meet-up to which all Saturn owners were invited. All of these was to establish the group identity of Saturn owners.

The other part of Tajfel's research showed that once social identity is part of a group, it was strengthened by drawing boundaries with other groups. Think of sports fans. They love their teams. They wear team colors. They rejoice in victory. They commiserate in defeat. In fact, studies have

shown that the hormone levels of fans are actually changed by whether or not their team wins. A key part of being a sports fan is a hated rival.

To use a U.S. college football example, the existence of Michigan is important to maintaining Ohio State's fan base at fever pitch. Army and Navy, not necessarily the best football teams these days in the country, but both with a very enthusiastic fan groups. Their fans support their team for the entire season, but it's the Army-Navy game that really defines the season for both teams. They can lose all the rest of their games but if they win that key game, that rivalry game, it will be a successful season.

How do we do this in a business context though? It's easy to think about sports teams having a fan base, but most business don't have folks that dress up in their colors and so on. What we need to try and do is define our customers as a group which would be the in-group and then find another group, the out-group, to compare them to. It's what I call an "us versus them" strategy and that's where we get it, creating the enemy.

Sometimes, this happens organically. Think about the rivalry between Chevy truck owners and Ford truck owners. The distinctions between both products and their customers for that matter may not be all that great, and I'll probably get in trouble with both groups here. We'll point out that differences are huge, but at least, some portion of each owner group strongly identifies with their brand, hence you have things like shirts and bumper stickers that say "Friends don't let friends drive Chevys" or make other disparaging remarks about their rival brand. You see quite a lot of this driving around.

Now, the brands themselves, this corporate management may not participate in this rivalry in a big way, but they benefit from it. We have this enthusiastic portion of their user base and these customers are loyal, they're brand advocates, and they will be out there talking up their product whenever the subject of trucks comes up. Plus the focus on one enemy brand keeps other formidable competitors like Toyota and Dodge completely out of the discussion, so what's not to like from a brand standpoint?

Another example of leveraging social identity comes from Rob Kalin. He's the founder of Etsy. You're probably familiar with Etsy. It's an organized marketplace where artists and craftspeople can sell their one-of-

a-kind creations. It's a surprisingly big business. It generates hundreds of millions of dollars a year in sales. One of Kalin's biggest challenges isn't so much finding customers as in keeping many thousands of individual artists onboard, because in essence, these are his customers. They're choosing to sell their products through him to other people who may visit the website.

These artists and creative people aren't sharing fans of big companies and they tend to operate by their own rules. One of Kalin's strategies has been to portray Etsy as one of the little guys despite the enormous size of the company. He's referred to other businesses as the big businesses all of us small businesses are teaming up against. In essence, he's portraying Etsy as part of the artisan community and defining an enemy as those other nameless big businesses out there.

To me, the all-time master of social identity marketing was the late Steve Jobs. He always tried to portray Apple users as unique and part of a creative community. Sometimes this was focused on a positive identity. For example, one famous ad series was their "Think Different" campaign. This featured images of innovative thinkers like Albert Einstein, Martin Luther King, Thomas Edison, and Bob Dylan and many others. In this case, the message was that Apple customers are creative, they're independent, and they're not part of the establishment. They're not afraid to think differently.

To me, some of the most effective and hard-hitting ads with those that not only pumped up the identity of Apple users like the "Think Different" campaign but also attack an enemy. Perhaps the best example is the iconic 1984 commercial, perhaps one of the greatest commercials of all time. As you know, what it did was it portrayed PC users as drones, these sort of gray, faceless people marching in lockstep, being dominated by this leader on the giant screen, very 1984-ish and Orwellian, of course, where the Apple user was portrayed by this attractive young athletic woman who, at the very end, smashes the giant screen in a heroic fashion.

That not only makes Apple users look great, but it also shows there are these other people out there and you are not one of them, you're part of the in-group, you're part of our group. The next year, they followed that up with another Super Bowl commercial. It wasn't nearly as effective or entertaining. It was the Lemmings commercial, but in terms of drawing a distinction between the two groups, it was perhaps even stronger where it showed these legions of people on suits marching Lemming-like off a cliff,

simply following one another as Lemmings are rumored to do. These, of course, were the PC users who didn't really know any better because everybody else was doing it. Of course, the Mac user is portrayed as somebody who did not go over the cliff, looking again very heroic and independent.

A much later series of ads was really a lot of fun. Those were the "I'm a Mac" ads where they contrasted the Mac guy and PC guy. The Mac guy was always cool. He was casual, look creative, notably attractive where the OC was dorky, bumbling, unattractive, someone overweight, and generally clueless too. The Mac guy always won the verbal exchanges. These ads were great. They were lighthearted, they were funny, but every now and then, they really hammered PC flaws too like some of their botched upgrades, their virus problems, ease of use issues and all the things that PCs were known for.

Very effective advertising because they were a lot of fun and amusing at the same time as they pointed out these real differences. In every case, all of these ads underscores that Apple users were the cool ones in the group and PC users weren't. Now, Apple has prospered for a great number of reasons, but one of these has been the creation of an amazingly loyal and enthusiastic customer base. Most of us would be happy to have customers just half as engaged as theirs.

The moral is if you can define your users as part of a group with attractive characteristic, you'll be successful. Then if you can find or create an enemy, perhaps a rival brand or even the more general group of people who don't use your product in all of your communications just as Apple did over the years, look for opportunities to underscore these distinction between the in-group and the out-group, between us and them.

Now, these may sound difficult, but one of the really interesting things of Tajfel's research and research done by other social scientists is that one thing about social identity is that it's incredibly easy to form in-groups and out-groups. They did crazy things like flip coins, have the people choose a preference for a kind of artwork, and things that were absolutely meaningless in terms of distinguishing people from other people. Nevertheless, these most trivial distinctions could be created and amplified to the point where group behavior was changed. Don't give up just because you think your product is too similar to your competition's product or that

you can't distinguish your customers from the folks who aren't your customers. It's relatively easy to create these distinctions.

Let me close by reminding you that you are part of the group of Brainfluence Podcast listeners and probably to neuromarketing readers. That means that you are smarter than your competitors because you understand the importance of getting beyond features, benefits, and low prices. You know that your marketing work better when it appeals to the way your customers' brains actually work. You too are part of a group.

I really appreciate your being part of this select but visionary group and together we can excel and crush the competition. Now, check the show notes page at RogerDooley.com for links to some additional resources on social identity and "us versus them" marketing. If you have some great examples that you've seen of this kind of marketing either in your own business or ones that you've seen from other businesses, feel free to post that in the comment. Share it with your other fellow group members.

Thanks very much for listening and next week we'll be back with our normal interview format and we'll have on-board another world class marketing expert.

Thank you for joining me for this episode of the Brainfluence Podcast. To continue the discussion and to find your own path to brainy success, please visit us at RogerDooley.com.