



Findings

- What neuroscience tells us is that we need both the rational and emotional part of the brain to make good decisions.
- Far from emotions interfering with rational decisions, without emotions, customers would not be able to make a buying decision.
- Knowing that you need to change isn't enough. You have to want to change, and it takes emotion to bring knowledge to a boil.
- Because stories incorporate not only facts, but also emotions, they are better at inspiring customers to buy.

Implications

- Invest the time to wrap your key facts into a story.

Required Actions

- Find the top 3-5 key gaps in beliefs between what your customers believe, and what they need to believe to buy your product, and then create compelling stories to help close the gap.

Facts alone aren't enough



If someone accused you of acting irrationally, you would be offended, because your response is based on 2,500-years of conditioning. It started when Plato said that man is rational, and that our emotions interfere with rational decisions.

Although over time rationality has come to define us, it often conflicts with reality. Salespeople, for instance, know that facts can flood buyers with too much information, and result in paralysis for analysis.

Salespeople also know that every great leader, such as Winston Churchill, JFK, Steve Jobs and Warren Buffet, have used stories to inspire people to act, because people are seldom inspired by reason alone. When was the last time that you saw someone march on Washington, because of charts, graphs and bullet points?

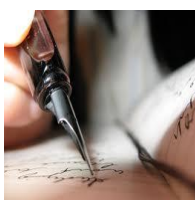
But until recently, we could only guess what really inspired customers to buy, because the mind was inaccessible. Now, however, modern neuroscience has broken open the black box of our minds. We now have the tools, such as magnetic resonance imaging (fMRI) brain scans, to see inside people's minds, so that we can see how people's decisions are influenced.

What neuroscience tells us is that we need both sides of our brain to make good decisions. In fact, without emotions, customers would not be able to make a decision.

And because stories incorporate not just facts, but also emotions, they are better at inspiring customers to buy.

You decide

But before we dive into the science, let's do a thought experiment, so that you can discover what is more likely to inspire you to act, a story or a fact?



Story scenario: Imagine you are the VP of Sales for Software USA. After an overnight flight, you are walking over the Waterloo Bridge in London on a sunny April morning. You are on your way to the biggest interview of your life- to run your European operations.

After investing over \$1,000 on a new wardrobe for this very important interview, you sidestep a puddle, to avoid getting your new shoes wet. Just then, out of the corner of your eye, you see a small girl fall off the bridge into the frigid water below. As she cries for help, without thinking, you jump in to rescue her.

As you emerge from the river, you notice that your suit and shoes are ruined. But that's quickly forgotten, when you look down into the frightened girl's eyes, and realize that she is just about the same age as your daughter.



Facts scenario: The next day, after a successful but wet interview, you're flipping through the Economist magazine in the hotel bar. As you

Sales Research Report

Neuroscience proves stories trump facts

finish your drink, you notice an advertisement for relief victims of the Indonesian Tsunami. For a fraction of the cost of your ruined wardrobe, you're informed how your contribution could save hundreds of people. There are plenty of facts and figures about airlifts of medicine, medical supplies, and water purification. But the facts don't grab you, and you're quickly flooded with too much information. You disengage, look at your watch, and decide it's time to leave for the airport.

Concrete stories trump abstract facts



If you're like most people, you would most likely act to save the girl, because this scenario feels real. Specific things happened to a specific person.

The facts and figures, on the other hand, are too abstract. You can't see them or feel them, so they don't feel like they affect you- either directly or indirectly. This explains why one personalized story about a girl on a bridge has infinitely more impact than the impersonalized generalization in the Economist, even if the impact of the generalization is 100-times greater.

So, if people are more likely to respond to a story, why do salespeople try to persuade customers with facts and figures? Salespeople think that if they educate customers enough about their product, then they will buy, but they don't. The customers can't figure out how a specific person can solve a specific problem with the salesperson's abstract product.

Studies have shown that charities sending out donation letters, for example, pull two times the donations when the letter is about one person vs. using facts and figure about manyⁱ. So, you can provide facts to make your cause credible, but belief isn't enough. To act, people have to care.

Because we've been using stories visually for 100,000- years, and verbally for 10,000- years, we are wired to share stories. All the way back, for example, to early man when stories were the technology used to share information vital to our survival: "You better not eat those berries, because John, your uncle, ate them, and here's what happened..."

Stories are how we take a scenario out for a virtual test drive without having to risk the time or the danger to do it ourselves. Studies have proven, for instance, that a story activates the region in the brain that process sights, sounds, taste, and movementⁱⁱ.

So, a salesperson can share a story with a customer and due to the transportation effect of story, it feels real. It's as if the customer took the salesperson's offering out for a virtual test drive. Contrast this approach to a salesperson presenting a factual data dump delivered by an 85-slide power point presentation.

Stories aren't just kids' stuff



Despite all of the evidence that stories sell, admit it, you have a deep-seated prejudice against stories. They're kids' stuff, right? Because wrapping facts with emotions to form a story is not something that serious adults would use to influence multimillion dollar deals.

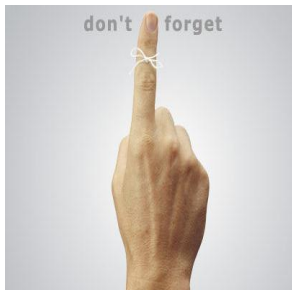
Well, that's a shame because neuroscience proves that without emotion, we are not able to make decisions.

This discovery occurred in 1982, when Elliot, a patient of Antonio Damasio, a neuroscientist, had a small brain tumor cut out of a part of his cortex. Because only the emotional part of the brain was damaged, Elliot's IQ in the 97th percentile remained the same, so Elliot just lost the ability to feel emotions.

Because the conventional view of neuroscience at this time was that if our feelings kept us from making good decisions, then surely Elliot would be better off without any feelings at all. But that's not what happened. They discovered that Elliot would endlessly deliberate over irrelevant details like whether to use a black or blue pen. His paralysis for analysis was pathological.

But to add emotion doesn't mean you have to make your story a tear jerker. Just make sure that your story is about a specific person doing specific things (concrete), and then show how that person was affected (emotion) by the story.

Memorable



Dr McGaugh, founded the Center for the Neurobiology of Learning and Memory for the University of California, discovered that rats remembered better if he injected them with a poison strychnine that simulated adrenaline. It only worked, however, if the injection occurred after the event. It may seem odd that you could improve learning after the event, until you put it into the context of our evolution. Imagine early man stumbling upon a tiger as it emerges from a cave. As the man runs

for safety, his body is pumping with adrenaline, and this helps him to "remember that cave" in order to survive. ⁱⁱⁱ

And the amount of adrenaline released is dependent on the intensity of emotion and the level of surprise.

Which explains why almost everyone is able to remember where they were, and what they were doing when they found out about 9/11? They were shocked that it could happen, and they were filled with intense emotions of empathy and fear.

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Because stories are facts wrapped up in context and delivered with emotion, they are more memorable. In fact, Jerome Bruner, a cognitive psychologist, said that a fact, wrapped in a story is 22-times more memorable.

Stories speak to a brain on autopilot



But that's just our conscious mind. According Gerald Zaltman, author^{iv} and Harvard University professor of business administration, 95% of the time our minds are on autopilot, and most of our decisions are made with minimal conscious involvement. This is confirmed in a recent study where subjects were given a puzzle to solve, and through monitoring brain activity, the scientists were able to show that the puzzle was actually solved eight seconds *before* the subjects were conscious of solving it^v. So, unconscious processing happens in the background, and only delivers the answer to consciousness once it has been arrived at.

Emotions are signals from the subconscious that tell us a lot about what we really choose.

This may explain why many salespeople intuitively believe that customers buy on emotion, and justify with logic.

Justify unconscious decisions



And for those that think all of their decisions are rational, there is now proof that our rational minds fabricate the truth, so that we have a consistent narrative to consciously justify out subconscious decisions.

Michael Gazzaniga, professor of psychology at the University of California, Santa Barbara, proved that our conscious rational mind is always seeking meaning to events, and when there is none, it will invent it.

The subjects of his experiment were people who had undergone a split-brain surgery to treat epilepsy. Because the left and the right hemispheres were severed, this allowed Michael to trick the brain. The set-up is that because the right hemisphere was no longer connected to the left (which processes language) the mute right hemisphere is no longer able to articulate what it saw to others, or even itself. The only way the right hemisphere can communicate what it subconsciously saw is by pointing. So when the subject's right hemisphere was shown a picture of a snowy winter scene, and then asked to point to the card that represented what they had just seen, they correctly pointed to a shovel. But when asked to explain their choice, they didn't refer to the snowy picture. Instead, the left hemisphere jumped in to fill the gap. The left hemisphere connected the shovel to a picture that it was previously shown of a chicken claw, because it wasn't able to see the snowy picture that was shown to the right hemisphere. So, the left hemisphere was forced to make up a reason for the right hemisphere subconsciously pointing to the shovel, by stating that the shovel was to clean out the chicken shed.

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Neuroscience proves stories trump facts

The chicken-shovel experiment led Gazzaniga to conclude that the left hemisphere acts as an “interpreter” by applying a coherent narrative to events- even when there is none.

That’s why it’s difficult for people to reflect on story, since we’re always in it. It’s like asking a fish to reflect on water.

Facts attack, so customers push back



But you may wonder, wouldn’t it be easier to skip stories, and just deliver the facts? The answer is yes it would be easier. Using stories to inspire customers to buy is hard. First you have to build a rational argument, and then you have to craft it into an emotionally compelling story. But if it is done well, people will be inspired to buy instead of yawning and ignoring you.

The main problem with just using facts to convince customers to buy your product is that your facts bounce off of a wall that customers build to defend themselves from change. Customers, for instance, don’t want to invest time they don’t have, into a problem they don’t fully appreciate, so that they can take on the implementation risk of your product that could end up getting them fired.

And the harder the salesman pushes, the more the customer pushes back. Customers push back because of their confirmation bias. They are biased to stick with the status quo, and research confirms that strongly held convictions can actually harden in the face of contradictory rational evidence^{vi}. In 2004, for example, when subjects were confronted with evidence that contradicted their views, the emotional area of the brain lit up on an MRI scan, rather than the cognitive and reasoning parts^{vii}.

So, imagine you are a salesperson, and you are trying to convince a customer to buy your product. Unfortunately, your rational message isn’t resonating with the customer, because the customer is emotionally charged to defend the status quo. Haven’t you been there? You won the debate, but the customer still said no. Now you know why.

Avoid the push back by sharing stories



Instead of trying to win a debate with the customer, we suggest that you put the rational reasons to buy your product inside a series of mini customer stories, like a Trojan horse, so that your sales message gets past the customer’s defensive wall and is more likely to be heard.

These stories sell for four reasons: 1) they make the abstract concrete by showing how real people solved real problems; 2) They add emotion by showing how real people were affected by the story; 3) they are about someone else, so they are non-confrontational, and; 4) they present a

scenario that allows the customer to draw their own conclusions. Without feeling pressured, the customer can now relax and listen to your message, and possibly tell themselves a new story, where new choices make more sense.

Next Steps

- Find the top 3-5 key gaps in beliefs between what your customers believe, and what they need to believe to buy your product, and then create compelling stories to help close the gap.
- Create your stories (how to guide to create Stories that sell www.insightdemand.com/?p=1965)
- Train your team how to deliver their story, and most important hear the customer's story (Storytelling Dice Game www.insightdemand.com/?p=1706).
- Make your presentations more engaging with stories (how to guide <http://insightdemand.com/?p=2226>).

Corporate Experience



John Burke, Group Vice President, Oracle Corporation

“Throughout our careers, we have been trained to ask diagnostic questions, deliver value props, and conduct ROI studies. It usually doesn't work; best case, we can argue with the customer about numbers—purely a left brain exercise, which turns buyers off.”

“Large companies are often very adept at explaining what their products do, but not as adept at explaining how and why their customers use their products. Most companies, Oracle included, have made a great effort to

become more customer-focused, and there have been a lot of sales training programs put into place to accomplish that. However, I've observed over the years that many of those programs don't seem to help much, because salespeople don't often know the real stories behind why their customers bought and how their customers actually use their products.”^{viii}

Corporate Example

Here's a story a salesperson could share with customers to explain how their products are used, instead of presenting what their product are.



Truly profitable orders: Maxine, the Supply Chain Director of Asahi Glass, wanted a way to know what orders were truly profitable.

Up until now, the salespeople had been using a static snapshot of profitability.

Maxine, however, was disappointed to see profitable deals later become money losers, because the salespeople would place orders with no insight into how they impacted current capacity, nor if their rush order would

negatively impact other orders.

Sales Research Report

Neuroscience proves stories trump facts

Maxine needed to find a way to have a more dynamic view of profitability. Something that was simple for the salespeople to use. What she envisioned was something as simple as booking a flight online; with a number of scheduling options according to price for the customer, and true profitability for Maxine's company.

Maxine finally had enough when a salesperson's profitable Toyota order quickly turned into a substantial money loser, because her company was forced to fly parts into the plant to avoid delayed order penalties.

Fortunately, the Toyota order inspired Maxine to look for a solution, and she found more than what she was looking for with Advance Schedule Corp.

We provided Maxine with the ability to see each potential order's impact on capacity, and then how it affected other orders.

But the sales team was over the moon that they could now do sales campaigns by pooling their orders along with price incentives, so that they could not just generate more sales, but more important, maintain profitability.

But that's Maxine's story, what's yours?

InsightDemand
More Insight • More Change • More Revenue

At our sales training, you will discover, capture and share the stories told by your top salespeople. We guarantee that the quality of the stories told by your top performers will not only double, but that we will also help put them into a consistent format so the rest of your team has the magic to inspire customers to buy.

Unlike other sales training programs that become shelf-ware, you can use the stories that you created in the training the next day with customers.

i Small D., Lowenstein G., Slovic P. "Can Insight Breed Callousness? The Impact of Learning about Identifiable Victim Effect on Sympathy," Working Paper University of Pennsylvania, 2005.

ii PhysOrg.com, "Readers Build Vivid Mental Simulations of Narrative Situations, Brain Scans Suggest," 2009.

iii Dr. James McGaugh, Basolateral Amygdala Is Involved in Modulating Consolidation of Memory for Classical Fear Conditioning, The Journal of Neuroscience, August 1, 1999, 19(15):6615-6622.

iv How Customers Think: Essential Insights into the Mind of the Market ©2003.

v The Economist – "Incognito: Conscious and unconscious thought" 16-04-09.

vi Lord, Charles, Ross, Lee, and Lepper, Mark (1979). 'Biased Assimilation and Attitude Polarization: The Effects of Prior Theories on Subsequently Considered Evidence', Journal of Personality and Social Psychology, 37 (11): 2098-2109.

vii Westen, Drew; Blagov, Pavel S.; Harenski, Keith; Kilts, Clint; Hamann, Stephan (2006), "Neural Bases of Motivated Reasoning: An fMRI Study of Emotional Constraints on Partisan Political Judgment in the 2004 U.S. Presidential Election", Journal of Cognitive Neuroscience (Massachusetts Institute of Technology)

viii How Oracle Uses Storytelling to Sell More, cbsnews.com, April, 2011.