

Highlights

I have no intention of telling you the truth.

Instead, I'm going to tell you a story. This is story about why marketers must forsake any attempt to communicate nothing but the facts and instead focus on what people believe and then work to tell them stories that add to their worldview.

Make no mistake. This is not about tactics or spin or little things that might matter. This is a whole new way of doing business, a fundamental shift in the paradigm of how ideas spread. Either you're going to tell stories that spread, or you will become irrelevant.

In the first few pages, I'll explain what the whole book is about, and then we'll take it apart, bit by bit, from the beginning, so you can learn how to tell stories too.

In the beginning, there was the story

Before marketing, before shopping carts and long before infomercials, people started telling themselves stories.

We noticed things. We noticed that the sun rose every morning, and we invented a story about Helios and his chariot. People got sick and we made up stories about humors and bloodletting and we sent them to the barber to get well.

Stories make it easier to understand the world. Stories are the only way we know to spread an idea.

Marketers didn't invent storytelling. They just perfected it.

You're a liar

So am I.

We're all liars. We tell ourselves stories because we're superstitious. Stories are shortcuts we use because we're too overwhelmed by data to discover all the details. The stories we tell ourselves are lies that make it far easier to live in a very complicated world. We tell stories about products, services, products, friends, job-seekers, the New York Yankees and sometimes even the weather.

We tell ourselves stories that can't possibly be true, but believing those stories allows us to function. We know we're not telling ourselves the truth, but it works, so we embrace it.

We tell stories to our spouses, our friends, our bosses, our employees and our customers. Most of all, we tell stories to ourselves.

Marketers tell us stories, too. And we believe them. Some marketers do it well, others are pretty bad at it. Sometimes the stories help us get more done, enjoy life more and even live longer. Other times, the stories have significant side effects and we pay the price.

It's not that marketers are bad people. In fact, some of my best friends are marketers. The reason all successful marketers tell stories is that consumers insist on it. We're used to telling stories to ourselves and telling stories to each other, and it's just natural to buy stuff from someone who's telling us a story. We can't handle the truth.

Georg Riedel is a liar

Georg is a tenth generation glass blower, an artisan pursuing an age-old craft. I'm told he's a very nice guy. And he's a liar. He's very good at telling stories.

His company makes wine glasses (and scotch glasses, whiskey glasses, espresso glasses and even water glasses.) He and his staff fervently believe that there is a perfect (and different) shape for every beverage.

According to Riedel's website: "The delivery of a wine's 'message,' its bouquet and taste, depends on the form of the glass. It is the responsibility of a glass to convey the wine's messages in the best manner to the human senses."

Here's what they have to say about their model 400/15 glass, one of the more than 50 models they sell:

Austria saw the dawn of a new era of winemaking in the 1980s. The best crus of Riesling from the sunniest sites were harvested extremely late, yielding grape musts with high sugar levels, concentrated fruit and typical Riesling acidity levels. When fermented to dryness the resulting wine has an alcoholic strength of 13-14%, with 2-4 grams of residual sugar. Fresh acidity and high levels of mineral components can produce an intense wine with wonderful peach aromas. The wine also ages exceptionally well, with its colour changing slightly to give the typical hue of an aged Riesling.

In search of the shape that would best match this new style, Stuart Pigott, a British wine journalist specialising in Riesling, put together a tasting of the finest 1990 vintages from Germany, France and Austria. Riedel sent a selection of glasses for evaluation, suspecting – correctly – that their Chianti Classico (Item # 400/15) glass might prove ideal.

Thomas Matthews, the executive editor of *Wine Spectator* magazine, said, “Everybody who ventures into a Riedel tasting starts as a skeptic. I did.”

The skepticism doesn't last long. Robert Parker, Jr., the king of wine reviewers, said, “The finest glasses for both technical and hedonistic purposes are those made by Riedel. The effect of these glasses on fine wine is profound. I cannot emphasize enough what a difference they make.” Parker and Matthews and hundreds of other wine luminaries are now believers (and as a result, they are Riedel's best word-of-mouth marketers). Millions of wine drinkers around the world have been persuaded that a \$200 bottle of wine (or a bottle of Two-Buck Chuck) tastes better when served in the proper Riedel glass.

Tests done in Europe and the United States have shown that wine experts have no trouble discovering just how much better wine tastes in the correct glass. Presented with the same wine in both an ordinary kitchen glass and the proper Riedel glass, they rarely fail to find that the expensive glass delivers a far better experience.

This is a breakthrough. A \$5 or a \$20 or a \$500 bottle of wine can be radically improved by using a relatively inexpensive (and reusable!) wine glass.

And yet, when the *proper* scientific tests are done—blind tests that eliminate any chance that the subject would know the shape of the glass—there is absolutely no detectable difference between glasses. A \$1 glass and a \$20 glass deliver *precisely* the same impact on the wine: None.

So what's going on? Why do wine experts insist that the wine tastes better in a Riedel glass at the same time that scientists can easily prove it doesn't? The flaw in the experiment, as outlined by Daniel Zwerdling in *Gourmet* magazine, is that the reason that the wine tastes better is that people believe it should. This makes sense, of course. Taste is subjective. If you think something you're drinking tastes better, then it does.

Riedel sells millions of dollars worth of glasses every year. They sell glasses to intelligent, well-off wine lovers, who then proceed to enjoy their wine more than they did before.

Marketing, apparently, makes wine taste better.

Marketing, in the form of an expensive glass and the story that goes with it, has more impact on the taste of wine than oak casks or fancy corks or the rain in June. George Riedel makes your wine taste better by telling you a story.

Some of My Best Friends are Liars

Angela Kapp is a world-class storyteller. She spent a few decades at Estee Lauder, selling hope in a bottle. Angela understands that the stuff she marketed from Clinique and Origins wasn't demonstrably better than cosmetics that might sell for a quarter the price at Kmart.

The best part of Angela's story is that she believes it. Every morning Angela applies 32 different lotions, creams and emollients, all in a successful effort to give herself confidence and to turn her charisma up a notch or two.

Arthur Riolo is a storyteller as well. Arthur sells real estate in my little town north of New York City. He sells a lot of real estate—more than all his competitors combined. That’s because Arthur doesn’t sell anything.

Anyone can tell you the specs of a house or talk to you about the taxes. Arthur does something very different. He takes you and your spouse for a drive. You drive up and down the hills as he points out house after house (houses that aren’t for sale). He’ll tell you who lives there and what they do and how they found the house and what their kids are up to and how much they paid. He’ll tell you a story about the different issues in town, the long simmering rivalries between neighborhoods and the evolution and imminent demise of the Mother’s Club. Then, and only then, will Arthur show you a house.

It might be because of Arthur’s antique pickup truck or the fact that everyone in town knows him or the obvious pleasure he gets from the community, but sooner or later, you’ll buy a house from Arthur. And not because it’s a good house. Because it’s a good story.

Bonnie Siegler and Emily Obermann told stories too. They are graphic designers in the toughest market in the world—New York City. And they claim their success is accidental. Bonnie and Emily ran Number 17, a firm with clients like NBC, Sex and the City and the Mercer Hotel.

Everything about their firm, their site, their people, their office and their personalities tells a story. It’s the same story. It’s a story about two very funny and charismatic women who do iconoclastic work that’s not for everyone. Their website is exactly one page long and some people think it has a typo on it. Their office is hidden behind a non-descript door in a non-descript building on an oddball corner of New York, but once the door opens visitors are overwhelmed by fun, nostalgia, quirkiness and raw energy.

Nobody buys design from Number 17. They buy the way the process makes them feel.

So, what do real estate, cosmetics, graphic design and wine glasses have in common? Not a lot. Not price point or frequency of purchase or advertising channels or even consumer sales. The only thing they have in common is that no one buys facts. They buy a lie.

...The Whole Story and Nothing But the Story

Does it really matter that the \$80,000 Porsche Cayenne and the \$36,000 VW Touareg are virtually the same vehicle, made in the same factory? Or that your new laptop is not measurably faster in actual use than the one that it replaced? Why do consumers pay extra for eggs marketed as being antibiotic free—when *all* egg-laying chickens are raised without antibiotics, even the kind of chickens that lay cheap eggs?

The details are irrelevant. It doesn't matter one bit whether something is actually better or faster or more efficient. What matters is what the consumer believes.

A long time ago, there was money to be made in selling people a commodity. Making your product or service better and cheaper was a sure path to growth and profitability. Today, of course, the rules are different. Plenty of people can make something cheaper than you can, and offering a product or service that is measurably better for the same money is a hard edge to sustain.

Marketers profit because consumers buy what they want, not what they need. Needs are practical and objective, wants are irrational and subjective. And no matter what you sell—and whether you sell it to businesses or consumers—the path to profitable growth is in satisfying wants, not needs.

Can Pumas Really Change Your Life?

In *All Marketers are Liars*, I will explain why people lie to themselves and how necessary they are to deal with the deluge of information consumers face every day. Just as critical to the importance of stories is the fact that stories (not ideas, not features, not benefits) are what spread from person to person.

People believe stories because they are compelling. We lie to ourselves about what we're about to buy. Consumers covet things that they believe will save them time or make them prettier or richer. And consumers know their own hot buttons better than any marketer can. So the consumer tells herself a story, an involved tale that explains how this new purchase will surely answer her deepest needs.

An hour ago, I watched a story transform the face of Stephanie, a physical therapist who should know better. Stephanie was about to buy a pair of limited edition sneakers from Puma. \$125 for the pair, about what she earns, after tax, after a long day of work.

Was Stephanie thinking about support or sole material or the durability of the uppers? Of course not. She was imagining how she'd feel when she put them on. She was visualizing her dramatically improved life once other people saw how cool she was. She was embracing the idea that she was a grown up, a professional who could buy a ridiculous pair of sneakers if she wanted to. In other words, she was busy lying to herself, telling herself a story.

The way Stephanie *felt* when she bought the Pumas *was* the product. Not the sneakers made for \$3 in China. She could have bought adequate footwear for a fraction of what the Pumas cost. What the marketers sold her was a story, a story that made her feel special.

Make no mistake—this was not an accident. Puma works hard to tell a story—they have built their entire business around the ability to tell this story.

Telling a Great Story

Great stories succeed because they are able to capture the imagination of large or important audiences.

A great story is true. Not true because it's factual, but true because it's consistent and authentic. Consumers are too good at sniffing out inconsistencies for a marketer to get away with a story that's just slapped on. When the Longaberger Corporation built its headquarters to

look like a giant basket, they were living their obsession with the product... a key part of their story.



Great stories make a promise. They promise fun or money, safety or a shortcut. The promise is bold and audacious and not just very good—it's exceptional or it's not worth listening to. Phish offered its legions of fans a completely different concert experience. The promise of a transcendental evening of live music allowed the group to reach millions of listeners who easily ignored the pablum pouring out of their radios.

Great stories are trusted. Trust is the scarcest resource we've got left. No one trusts anyone. Consumers don't trust the beautiful women ordering vodka at the corner bar (they're getting paid by the liquor company). Consumers don't trust the spokespeople on commercials (who exactly is Rula Lenska?) and Consumers don't trust the companies that make pharmaceuticals (Vioxx, apparently, can kill you). As a result, no marketer succeeds in telling a story unless he has earned the credibility to tell that story.

Great stories are subtle. Surprisingly, the less a marketer spells out, the more powerful the story becomes. Talented marketers understand that the prospect is ultimately telling *himself* the lie, so allowing him (and the rest of the target audience) to draw his own conclusions is far more effective than just announcing the punchline.

Great stories happen fast. They engage the consumer the moment the story clicks into place. Great stories don't need eight page color brochures or a face-to-face meeting. Great stories match the voice the consumer's worldview was seeking, and they synch right up with her expectations. Either you were ready to listen to what a Prius delivered or you weren't.

Great stories don't appeal to logic, but they often appeal to our senses. Pheromones aren't a myth. People decide if they like someone after just a sniff. And the design of an Alessi teapot talks to consumers in a way that a fact sheet about boiling water never could.

Great stories are rarely aimed at everyone. Average people are good at ignoring you. Average people have too many different points of view about life, and average people are by and large satisfied. If you need to water down your story to appeal to everyone, it will appeal to no one. Runaway hits like the LiveStrong fundraising bracelets take off because they match the worldview of a tiny audience—and then that tiny audience spreads the story.

Great stories don't contradict themselves. If your restaurant is in the right location but has the wrong menu, you lose. If your art gallery carries the right artists but your staff are rejects from a used car lot, you lose. If your subdivision has lovely wooded grounds but tacky McMansions, you lose. Consumers are too clever, and they'll see through your artifice at once.

And most of all, great stories agree with our worldview. The best stories don't teach people anything new. Instead, they agree with what the audience already believed and make them feel smart and secure when they're reminded how right they were in the first place.