



SELLING WITH STORIES

A POWERFUL SALES TOOL REVEALED

SYNOPSIS

In this whitepaper, David Hoffeld provides readers with a clear understanding of how to effectively compose and convey the most powerful type of story that a sales person can share, a Third Party Story. David begins by disclosing why stories are so influential. He then reveals how sales people can construct Third Party Stories that are aligned with how the human brain instinctively processes and responds to stories. The white paper concludes with an explanation of how to persuasively communicate the four essential components of Third Party Stories.

ABOUT THE AUTHOR

David Hoffeld is CEO of the Hoffeld Group, a research based sales training, coaching and consulting firm that is the leader in the integration of proven science and sales. The Hoffeld Group takes the proven science of influence out of the laboratory and academic journals and applies it to selling. For a deeper look at the Hoffeld Group's groundbreaking research and innovative sales strategies visit HoffeldGroup.com.

Why Third Party Stories are Essential to Selling

Walter Fisher, a respected behavioral scientist and Emeritus Professor at the *University of Southern California*, is famous for publishing research on the Narrative Paradigm. The Narrative Paradigm confirms that the human brain is hardwired to organize information in narratives. Fisher writes that “all forms of human communication need to be seen as fundamentally stories.”¹ Fisher’s research has shown that stories are the interpretative lens that humans use to understand and make decisions. He maintains that this is clearly seen by the fact that all humans “experience and comprehend life as a series of ongoing narratives, as conflicts, characters, beginnings, middles, and ends.”²

Because the brain innately thinks in terms of stories, it does not process stories as it does statements of fact. Stories bypass the normal mental route that prospects go through when evaluating data. This is why stories are entertaining and highly persuasive. There is also a substantial amount of evidence from the fields of neuroscience and cognitive psychology that stories influence the brain in such a way that they instinctively evoke an emotional response.^{3 4 5}

In the past, business leaders scoffed at the notion of using stories. They believed that business decisions must be focused solely on the analyses of facts. However, this belief is now considered antiquated because the evidence demonstrates that stories are too influential to ignore. Nowadays, the vast majority of business leaders recommend using stories. For instance, Bronwyn Fryer affirms in his article published in the *Harvard Business Review* that to move people emotionally you need to leverage the power of stories.⁶ Leadership expert Jay Conger concurs as he writes, “Numbers do not make an emotional impact, but stories and vivid language do.”⁷ Stephen Denning further explains that stories are a necessity in business because:

1 Walter Fisher. *Human Communication as Narrations: Towards a Philosophy of Reason, Value, and Actions*. (University of South Carolina, Columbia, 1987). p. xi.

2 Ibid. p. 24.

3 Louis Cozolino and Susan Sprokay. “Neuroscience and Adult Learning.” In Sandra Johnson and Kathleen Taylor (eds.), *The Neuroscience of Adult Learning: New Directions for Adult and Continuing Education*, no. 110. (San Francisco: Jossey-Bass, 2006).

4 John Medina. *Brain Rules*. (Seattle: Pear Press, 2008). p. 91 – 94.

5 J.E. Zull. *The Art of Changing the Brain: Enriching the Practice of Teaching by Exploring the Biology of Learning*. (Sterling, VA: Stylus, 2002).

6 Bronwyn Fryer. “Storytelling That Moves People: A Conversation with Screenwriting Coach Robert McKee.” *Harvard Business Review*, June, 2003.

7 Jay Conger. “The Necessary Art of Persuasion.” *Harvard Business Review Onpoint*, Fall 2010. p. 54.

Analysis is what drives business thinking. Its strength lies in its objectivity, its impersonality, its heartlessness. Yet this strength is also a weakness. Analysis might excite the mind, but it hardly offers a route to the heart. And that's where we must go if we are to motivate people not only to take action but to do so with energy and enthusiasm. At a time when corporate survival often requires disruptive change, leadership involves inspiring people to act in unfamiliar, and often unwelcome, ways. Mind-numbing cascades of numbers or daze-inducing PowerPoint slides won't achieve this goal. Even the most logical arguments usually won't do the trick. But effective storytelling often does. In fact, in certain situations nothing else works. Although good business arguments are developed through the use of numbers, they are typically approved on the basis of a story—that is, a narrative that links a set of events in some kind of causal sequence.⁸

In my own sales career, regardless of whether I was selling to consumers or to Fortune 500 Companies, I have found that stories are an extremely effective selling tool. In fact, many prospects have even told me after they purchased my product or service that one of the primary reasons they purchased was because of a story I had told them.

Understanding Third Party Stories

The most persuasive type of story that a sales person can tell is a Third Party Story. A Third Party Story is a true story about a customer who has used the sales person's product or service and experienced positive results. Third Party Stories are very persuasive because they show the positive results of others who have purchased the sales person's product or service. They also project your prospects into the future and demonstrate to the prospect the outcome that they will have when they purchase your product or service.

The reason that Third Party Stories are so influential is because there is a considerable amount of scientific research that has identified that when people hear a story, their brains respond by actually seeing the story unfold in their minds.^{9 10} Neuroscientists refer to this as mental imagery. Mental imagery is when the human brain forms a mental image of a behavior, idea or situation. The field of neuroscience has established that when a person imagines him or herself engaging in a particular action the brain actually creates new synaptic connections and forms a network of neurons in the area that is associated with that behavior.

⁸ Stephen Denning. "Telling Tales." Harvard Business Review Onpoint, Fall 2010. p. 85.

⁹ Rolf A. Zwaan and Gabriel A. Radvansky. "Situation Models in Language Comprehension and Memory." Psychological Bulletin, 123, 1998. p. 162 – 185.

¹⁰ "Scientists Watch as Listener's Brain Predicts Speaker's Words," Science-Daily, September 15, 2008.

Mental imagery is important in selling because there is conclusive scientific research, conducted over a 40 year period, which has proven that the simpler it is for a person to imagine something the more likely that person is to do the behavior.^{11 12 13 14} The evidence also suggests that the more challenging it is to imagine something the less likely it is that the person will be persuaded by that idea.^{15 16} The power of mental imagery is further illustrated by the fact that numerous studies have shown that even asking people about the likelihood that they will take part in a behavior increases the likelihood that they will actually perform the behavior.^{17 18 19}

It is important to grasp that mental imagery is more than simply mentally picturing a story. There is a growing amount of scientific research that suggests that when people mentally construct a story in their minds they are not only seeing it in their mind's eye, but they are also reliving it as it is being told.²⁰ For example, Princeton researchers published some remarkable findings regarding how the human brain perceives stories.²¹ The researchers monitored brain activity in pairs of subjects, one who told a story and the other who was listening to the story. The researchers noticed that the neural activity in both of the participant's brains were synchronous. When the speaker imagined the story while articulating it, the listener also had the same brain activity as he or she was mentally recreating the story.

One way to further increase the persuasiveness of a Third Party Story is to use stories where the characters are similar to the prospect. Scientific research findings have confirmed that the more alike the characters in a story are with the prospect the greater the persuasive impact of the

11 W. Hung and R. Wyer. "The impact of differences in perspective on the influence of charitable appeals: When imagining oneself as the victim is not always beneficial." *Journal of Marketing Research*, 46, 2009. p. 421 – 434.

12 P. Petrova and R. Cialdini. "Fluency of consumption imagery and the backfire effects of imagery appeals." *Journal of Consumer Research*, 32, 2005. p. 442 – 452.

13 F. Bacon. "Credibility of repeated statements." *Journal of Experimental Psychology: Human Learning and Memory*, 5, 1979. p. 242–252.

14 A. Tversky and D. Kahneman. "Availability: A heuristic for judging frequency and probability." *Cognitive Psychology*, 5, 1973. p. 207 – 232.

15 J. Levav and G. Fitzsimons. "When questions change behavior: The role of ease of representation." *Psychological Science*, 17, 2006. p. 207 – 213.

16 G. Fitzsimons and S. Moore. "Should we ask our children about sex, drugs and rock & roll? Potentially harmful effects of asking questions about risky behaviors." *Journal of Consumer Psychology*, 18, 2008. p. 82 – 95.

17 G. Fitzsimons and V. Morwitz. "The effect of measuring intent on brand level purchase behavior." *Journal of Consumer Research*, 23, 1996. p. 1 – 11.

18 A. Greenwald, C. Carnot, R. Beach and B. Young. "Increasing voting behavior by asking people if they expect to vote." *Journal of Applied Psychology*, 72, 1987. p. 315 – 318.

19 M. Garry and D. Polaschek. "Imagination and memory." *Current Directions in Psychological Science*, 9, 2000. p. 6 – 10.

20 Rolf A. Zwaan and Gabriel A. Radvansky. "Situation Models in Language Comprehension and Memory." *Psychological Bulletin*, 123, 1998. p. 162 – 185.

21 Greg J. Stephens, Lauren J. Silbert, and Uri Hasson. "Speaker-Listener Neural Coupling Underlies Successful Communication." *Proceedings of the National Academy of Science of the United States of America*, vol. 107, no. 32, 2010. p. 14425-14430.

story.^{22 23} Robert Cialdini summarizes the vast amounts of scientific research in this area when he wrote, “The science supports what most sales professionals already know: Testimonials from satisfied customers work best when the satisfied customer and the prospective customer share similar circumstances.”²⁴

The reason this similarity matters is because the greater the similarity between the prospect and the customers in the Third Party Story, the more the prospect will be able to relate to and mentally picture the story. For instance, it is an easier mental exercise for an experienced sales person to envision a situation involving another sales person, than to imagine a situation involving a teenager. The opposite is also true; it is a much simpler mental exercise to construct a story that is reflective of one’s current situation. This is why sales people must have many well-constructed Third Party Stories at their disposal.

When selecting a Third Party Story to use in an actual selling situation, sales people should focus on making sure that the customers in the story have a similar Primary Buying Motivator, objection or situation as the prospects who are listening to the story. The greater the similarities between the customer featured in the story and the prospect, the easier it will be for the prospect to relate to the character and the more persuasive the story will be.

How to Effectively Convey Third Party Stories

To be sure, it is not enough to merely tell Third Party Stories. To maximize their persuasive power they must be told properly. There is a large amount of scientific research that has shown that the way a story is told influences how it is perceived. The human brain decodes and then reconstructs stories in a particular manner and if a story is communicated in a way that obstructs this mental process, then the brain will be unable to fully comprehend the story.²⁵

When composing a Third Party Story there are four essential components of the story that when correctly employed will guide sales people in creating stories that will be easy for their prospects to process. The overriding theme that must permeate every story is that the story should only include what is necessary. It should never have any distracting details. Also, a Third Party Story should be focused on conveying one main point.

22 D. Van Knippenberg and H. Wilke. “Prototypicality of arguments and conformity to ingroup norms.” *European Journal of Social Psychology*, Volume 22, 1992. p. 141 – 155.

23 D.M. Mackie, L.T. Worth and A.G. Asuncion. “Processing of persuasive in-group messages.” *Journal of Personality and Social Psychology*, vol. 58, 1990. p. 812 – 822.

24 Robert B. Cialdini. “Harnessing the Science of Persuasion.” *Harvard Business Review*, October, 2001.

25 Nancy Pennington and Reid Hastie. “Explanation-based Decision Making: Effects of Memory Structure on Judgment.” *Journal of Experimental Psychology: Learning, Memory and Cognition*, 14, 1988. p. 521 – 533.

The following are the four pivotal components of the Third Party Story:

1. COMPELLING INTRODUCTION

The way a story begins is important because it will determine how the story will be perceived. A poor introduction can kill the persuasive impact of a story and actually prompt prospects to cease listening. In fact, there is a mountain of scientific research that has exposed that what comes first will shape one's perception. Social scientists even have a scientific principle to describe this phenomenon; they refer to it as the Primary Effect. The Primary Effect has been proven through many research studies. One of the most famous was conducted by esteemed behavioral scientist Solomon Asch. Asch conducted an enlightening experiment that began by randomly splitting college students into two groups.²⁶ Asch had the first group read the following description about a man named John: "John is intelligent, industrious, impulsive, critical, stubborn and envious." Asch then asked the students to give their impression of John based upon the words used to describe him. Asch then had a second group of college students read the same description about John, with one exception. This time Asch put the adjectives in reverse order. So the sentence describing John read, "John is envious, stubborn, critical, impulsive, industrious, and intelligent." When these college students were asked to give their impressions of John they were radically different than those of the first group. While the first group perceived John in a positive way, the second group viewed him very negatively. Yet, there was no difference between the words that were used to describe John. The only difference was the order in which they were disclosed.

Likewise, the way a story begins leverages the Primary Effect and shapes a prospect's perception of the entire story. Third Party Stories must have compelling introductions that draw prospects into the story. It should be so compelling that if the sales person ceased telling the story after delivering the introduction the prospect's response will be, "Tell me more." Prospects are busy and if sales people do not give them a convincing reason why prospects should listen, they will not.

There are many strategies that sales people can use to make the introduction to Third Party Stories engaging. A few of my personal favorites are:

- Make the introduction about the prospect: There is nothing that will grab prospects' attention more than telling them that there is a customer who is just like them. One example of this is, "You remind me of one of my customers Bill Smith, the VP of Operations at ABC Company. Bill said the same thing that you said."

²⁶ Solomon E. Asch. "Forming impression of personality." *Journal of Abnormal and Social Psychology*, 41, 1946. p. 258 – 290.

- Assert a provocative statement: “This high turnover within your organization is a serious problem. For instance...” or “89% of those who purchase our software report that their operational cost are reduced by at least 22%. For example...”
- Illustrate how the product or service fulfills one of the prospect’s primary buying motivators: A prospect’s primary buying motivators are what the prospect cares about and when a story addresses one of these it will instantly be considered significant. There are many ways to accomplish this in the introduction. One example is, “You mentioned that one of your requirements for any solution was being able to have it functional within 30 days. We can definitely meet this requirement, for example when XYG Company invested in our software they also had a similar requirement, except they wanted the software installed within only 21 days...”

2. DIALOGUE

If a Third Party Story has characters in it, sales people must let characters speak by incorporating dialogue. Inept storytellers almost exclusively tell their stories through narration. They make their stories sound like they happened a long time ago in a land far way. However, incorporating dialogue in a Third Party Story increases the brain’s cognition of the story because it brings the story to life by allowing the brain to more easily mentally construct the story. For instance, notice the difference between, “John looked me straight in the eye and said, ‘I would never want that.’” verses, “John told me that he did not want that.” The difference is profound. Since the prospect’s brain is actually mentally constructing the story, prospects will rarely argue with the characters in a Third Party Story, they simply accept what occurs as a historical event. Since prospects are actually imagining the story in their minds, it is not subjected to the vigorous mental analysis that most facts or statements undergo.

3. CLEAR CONCLUSION

The conclusion of a Third Party Story is important because it is the part of the story that prospects will most likely remember. For the conclusion of the story to be effective it must answer all of the main questions raised in the story. If the conclusion does not coherently wrap up the story then the prospect’s brain, which is recreating the story, will not allow the story to conclude. This is essential because for the human brain to emotionally assess the story it must not be confused or distracted. This is why the long term impact of a Third Party Story is dependent upon a clear, convincing conclusion.

4. CONVEY MEANING

Third Party Stories should be told for the purpose of conveying a singular point. This is aligned with how the human brain processes stories because when the brain mentally recreates a story it is deciphering what the story means. If the story was told correctly, so the prospect’s

brain was able to reconstruct it, then the prospect is in a very receptive state and will readily embrace what the sales person says the story means. It is imperative that prospects never wonder what the point of a Third Party Story was because the meaning of the story will shape how the prospect responds to the story. If prospects do not understand what the story means, the persuasive impact of the story will be reduced. This is why sales people must, at the conclusion of the story, tell the prospect the meaning of the story.

At the conclusion of a Third Party Story sales people must state one sentence that clearly discloses the meaning of the story. For example, one of my clients uses a Third Party Story that guides prospects away from their chief competitor. They accomplish the objective of the story by expressing what the story means and then asking the prospect to agree with the meaning. They do this by stating at the conclusion of the story, “The reason I share that with you is that if anything goes wrong with this option, it is the customer that bears the brunt of the cost and I don’t believe that is right. Would you agree?” Here the meaning of the story is disclosed in one succinct sentence and the prospect is then prompted to verbally agree with the meaning of the story through an involvement trial close.

Summary

Third Party Stories guide sales people in touching their prospects’ hearts and minds. In today’s hyper-competitive selling environment Third Party Stories have become an essential sales tool that is just too important to ignore.