



“Find your Association's Biggest Fans” with David Meerman Scott, as originally aired on June 10, 2020

Chelsea Brasted: Hey everyone, Chelsea Brasted here with Sidecar. A quick note about our next Surge Connect session, this is actually an interview that I did with bestselling author David Meerman Scott about “Fanocracy,” a book that he wrote with his daughter Reiko. So, we did this interview before that book release actually happened, so this interview is from last December.

We wanted to revisit that conversation because David speaks so well about how important it is for associations not just to have members, but to have fans. And we, at Sidecar, believe this is incredibly important, especially now with the coronavirus pandemic because we believe it's made that fandom even more necessary to remain relevant in the future. So, the video that follows is that full interview, which we will get to right now.

I did want to start by talking about your book just a little bit because that's one of the reasons that we wanted to reach out to you. So, if you could just give me a little bit of a background on what a fanocracy is and, I guess the, the elevator pitch on your book coming out in January, I believe, yes?

David Meerman Scott: Yeah, book comes out January 7th. And the idea of Fanocracy is I really dug in deep to understand how organizations, people, nonprofits, companies can develop fans. And so, I came at it from the perspective of being a fan myself. I'm a big fan of the Grateful Dead, as you'll see behind me. I've been to 75 Grateful Dead concerts. I've been to 780 live shows of all kinds in my life. My first Grateful Dead concert was 40 years ago when I was 17. So yeah, I'm pretty dug in deep to the Grateful Dead.

And I co-wrote “Fanocracy” with my daughter Reiko, she's 26 and she's dug in deep to Harry Potter. She's read every single book multiple times, seen the movies multiple times, gone to the Wizarding World of Harry Potter in Orlando several times. And she wrote a 90,000 word alternative ending to the Harry Potter series where Draco Malfoy is a spy for the Order of the Phoenix. And she put that on a fan fiction site and it's been downloaded thousands of times and had hundreds of comments.

So, the thing we wanted to investigate was based on the fact that we're huge fans of entertainment, Harry Potter, Grateful Dead, live music, are the same ideas of

developing fans can you use to develop fans with any product, or service, or, idea or association? And the answer is absolutely yes. After talking with thousands of people, hundreds of organizations anybody can grow fans. So, we've spent five years on this project from researching to writing, to struggling to get everything done right. And now the book is about to come out and it's terribly exciting, in our minds, that this idea of fandom is not just for entertainers, it's for everybody.

Chelsea Brasted: So, was there a defining moment for you when you were like, "Oh, I wonder if this could work," and then you started digging into it and you were like, "Oh yeah, this is going to work."

David Meerman Scott: Yeah, there is actually one example that comes to mind that was really powerful for us. And that is, we spoke with a company that sells auto insurance. So Chelsea, do you love auto insurance?

Chelsea Brasted: I'm going to say not as much as I love Harry Potter.

David Meerman Scott: Well, see, the thing is we've asked thousands of people, whether they love auto insurance, everyone says, "No." Everyone hates it. It's a terrible product because not only do people not like to buy auto insurance, they hate to use the product because it means they've crashed their car. So, there's an auto insurance company called Hagerty Insurance and the CEO of Hagerty Insurance, McKeel, Hagerty And I spoke. And he said, "David, I can't sell auto insurance the way everybody else does because it's a product everyone hates. So, what I had to do was look at a different way to sell auto insurance. And I realized that I had to attract fans." And what they focus on is auto insurance for classic cars. And so, they go to hundreds of different classic car events, some of them sponsored by associations actually around the country.

And so, for example, many auto museums have associations and they then create these auto shows. So Hagerty insurance goes there, they run seminars, they provide valuation reports, they provide all kinds of interesting information for the people at the physical events.

The second thing they do is they have a driver's club, 650,000 members. They have a YouTube channel with something like a million subscribers. A million subscribers of a YouTube channel of a product everyone hates. And they've become the largest classic car insurance company in the world. They will grow by 200,000 new customers this year, double digit growth every year. And it's because they didn't do what everyone else does is buy TV ads with geckos, or lizards, or whatever the competitor has. Or they didn't try to compete on price. They competed by becoming the auto insurance company that builds fans. And I'm a fan. I have a 1973 Land Rover, and I'm a fan of Hagerty Insurance, I've been working with them since 2005.

Chelsea Brasted: So, then how did they build that atmosphere and that environment of fandom? Like how do you ...?

David Meerman Scott: Their case, what they did that was really interesting was they turned fans of classic cars that already existed into fans of Hagerty insurance. So, they didn't have to invent the passion for classic cars, they just had to tap into it. But that was something that nobody else was doing. So, that was the strategy they took.

But we looked at something that we found to be really interesting, which was the neuroscience behind what happens when you become a fan. So, I heard you say, you're a Harry Potter fan.

Chelsea Brasted: I am. I connected with your daughter on that.

David Meerman Scott: As is Reiko, my daughter. And what house are you in?

Chelsea Brasted: Oh, I would definitely be a Ravenclaw.

David Meerman Scott: Okay because Reiko's a Gryffindor. And see, what we just did is that's the lingo, that's Harry Potter lingo. It's like when you ask, people know the answer to that question, if they're a fan. And it turns out if we dig really deep into this idea of fandom, boiled down five years of research into a sentence, fandom is about a true personal connection, a human connection. So, when you share your love of Harry Potter with somebody, what house you're in, the inner tribe speak. You're having very, very strong human relations with other people, like-minded people. As am I, if I'm at a classic car show or I'm at a Grateful Dead concert, same thing.

So, we actually spoke with some neuroscientists, what's going on in the brain when this happens? And it turns out that hardwired into our brains, as humans, into our DNA is the concept that the closer you get to someone, the more powerful the human emotion. That's hardwired into us, it's a survival technique because our brains need to know, is this other human that's nearby us a friend, or is this other human that's nearby us a potential enemy? And when they're a friend, the closer they get the more powerful the human emotion. And if they're enemies the closer they get the more powerful the human emotions.

So, for that reason, if you're with other Harry Potter fans chatting about the books, really positive emotions going on, hardwired into our brain, it's a survival technique. If you're in a crowded elevator, you don't know the people in that elevator, you can't help, but feel nervous. It is a hardwired instinct in us because we don't know whether our fight or flight instinct has to kick in.

And there's a neuroscientist named Edward T. Hall, who identified different levels of proximity. Furthest away being 20 feet, or further that's called public space. Then 20 feet to 4 feet, is called social space. And four feet or closer is called personal

space. And if you are in personal space with someone, that's cocktail party distance, that's the strongest connection that we have. Public space, 20 feet or further, our brains don't really track people. But inside of that, when you get into social space, our brains begin to track people because we need to know if we can trust them.

So, here's what this means for any business, but especially for associations, how can you bring people together? Like-minded people together physically, perhaps more than you're doing right now? Of course, the annual meeting is great, but also local meetings can be really powerful, as well as just monthly's. Or, however, you can bring people together, like-minded people together physically, the more powerful that becomes.

But there's another aspect of neuroscience that we can use because some people have said to us, "Yeah, but I run a virtual business. Or I've got members all over the world, my association, for example, we have members in New Zealand, how can I bring them into the fold in terms of this human connection?" Well, there's another aspect of neuroscience that's really interesting, and it's called mirror neurons. So, mirror neurons are the part of our brains that fire when we see something, our brains firing as if we're doing it ourselves. So, if I do something, my brain fires. If you see me do something, your brain fires too. That's the mirror neurons kicking in. So, I have a lemon and I have a slice of lemon. I have my props here. Chelsea, you didn't expect this did you?

Chelsea Brasted: I'm very excited.

David Meerman Scott: So, if I take a bite of this lemon, wow, my eyes close instinctively, my mouth puckers up, my saliva begins to do its thing. That's really tart on my tongue. I mean, biting into a lemon is a powerful, powerful thing. My brain is firing. I would suggest that perhaps your brain is firing too, feeling a little bit of lemon there on your tongue?

Chelsea Brasted: Yeah.

David Meerman Scott: And anybody who's watching this on video is likely to be feeling a little bit of lemon on your tongue as well. That's from mirror neurons.

Now, here's where this becomes really interesting. It becomes really interesting around how associations use video and photographs effectively. So, right now, we're doing something that's really powerful, Chelsea, what we're doing is we're creating a video where both of us are cropped as if we're in the personal space of one another, within four feet, within cocktail party distance. This is where the most powerful human emotions kick in. Again, hardwired in our brains. We can't help it.

We're having a conversation as friends. And people who are listening in are seeing this. Everybody who's watching this, as well as you and I feel, as if we're actually physically next to one another, within four feet, like I could touch you because of mirror neurons. And that becomes really, really interesting for associations to build

fans because the more you can use video, like we're using now, the more you can use photographs of real people, not of stock photos, but real people cropped as if you're in the personal space, looking directly at the camera, like we're doing, the more powerful the shared emotions are because of mirror neurons. That's one way, using neuroscience as a background, for how anybody can build fans.

Chelsea Brasted: So, I think that's super interesting. And especially in the context of using new technology, using new capabilities, especially a lot of associations have been around for long periods of time, so I think that's one of the things that I find really interesting about the idea of building a fanocracy is how do you do that if you're already established? And it sounds like what you're saying is part of that is utilizing some of what tech is gifting us lately, right,?

David Meerman Scott: Right. I think so because, you're right, many associations have been around a long time. Most associations founded prior to the internet. It was an early way to build a social network before Mark Zuckerberg was even born. And so, in order to utilize some of these tools that are so powerful, like we're using one of the video sharing technologies is really cheap, \$100 a year or something to use. And you can create content, like we're creating right now, to use for your association to drive people in. And it becomes really, really interesting.

You can also use this kind of technology to livestream physical meetings for people who can't actually be there. And that technology exists. It's incredibly powerful. I speak at hundreds and hundreds of conferences. I've spoken in 46 countries around the world at dozens of different association events over the years. And I'm surprised at how few organizations, how few associations are using technologies to livestream physical events. They'll spend a lot of money on a physical event, hundreds of thousands of dollars, even millions for some bigger associations. And there'll be a couple of hundred, or even a couple of thousand people there. But what about the many thousands, or tens of thousands who can't show up? And you either buy a ticket and you attend, or you don't exist.

I think there's a middle ground. And I think the middle ground is live streaming. I think another middle ground is sharing on social networks, Twitter and others, and using photos and sharing videos is where these mirror neurons things kick in. So, that people's brains who aren't there are actually firing as if they were there. And besides that, it helps to sell tickets for next year because people are like, "Oh my God, what would I miss? Geez, what am I doing? I should be there."

Chelsea Brasted: So, from your research, do you have a good example of an organization, or a business, or an association, or whatever that has been able to turn that corner, a long established organization that was able to develop a fandom?

David Meerman Scott: Yeah. There's a couple that I would cite that are really interesting, that come to mind just because, to me, they're surprising. The first one,

because it's so surprising, is a government agency, a US government agency, they're a government agency with over 50 million fans. And you think to yourself, "What? A government agency with over 50 million fans?" Yeah. This particular government agency, you can be walking down a city street in any city in the world. I was in the Seychelles on the Eastern Coast of Africa, just above Madagascar two weeks ago, and I saw somebody walking down the street with a NASA logo t-shirt. There are 50 million followers on the NASA Instagram. There are so many fans of NASA because they've done a fabulous job doing the kinds of things that I talk about in my book, Fanocracy.

And so much so I've been geeking out about NASA and what they're doing that I was invited to present to NASA, the head of NASA, Jim Bridenstine runs the entire organization, he's got 20,000 people that work for him, invited me to Washington DC to present on these ideas because he's like, "David, yeah, we've got fans, but we've got to do more." So, I think what's interesting with NASA is they were founded 60 years ago, and their heyday was 50 years ago. The Apollo 11 lunar landing, the first humans to land on the surface of the moon happened in July of 1969, that's 50 1/2 years ago. And many people believe those were their best days.

But what NASA's been able to do is cultivate fans, even now, even when NASA themselves is no longer sending humans into space. That's actually a Russian spacecraft that sends humans into space, now. Even American astronauts have to hitch a ride on the Russians. And so, to me, that becomes really, really interesting that even a government agency ... and I'll cite one more example, which I find fascinating, and that's the, the RV Industry Association, Recreational Vehicle Industry Association. They were in deep, deep trouble, 10 years ago.

In 2007, before the financial crisis, they sold approximately 350,000 RVs in the United States. However, in 2008, they only sold 200,000 RVs. So, it was almost half the number they sold the year before. RV companies were going bankrupt. It was a really, really difficult situation. And starting after that the entire association got together and said, "We need to figure out how we can build fans because we need fans in order to grow out of this terrible recession and get people more interested in the RV lifestyle."

So, they created an initiative called Go RVing. And it was specifically designed to attract fans, but particularly among your generation, millennials, because what they learned is that the average person who enjoys camping in RVs, either they own one or they rent one, are typically older, they're baby boomers, typically baby boomers. And they tend to camp in family units, mom, dad, kids, or even the grandparents and the kids, and the grandkids. And the RV Industry Association did their research and recognized that millennials love to camp in friend units.

So, in other words, a campground designed for baby boomers is going to have one campsite with one fire pit, and a picnic table designed for a family. But to attract millennials what you'll need is a communal fire pit, a communal set of picnic tables, and four, or five, or six different RV spots where people can set up multiple tents, or RVs around a communal area.

And so, Kampgrounds of America KOA, we spoke with Toby who's the president of KOA got together with the RV Association to figure out, okay, how do we attract millennials? They're completely different. And they've done a fabulous job at working through the entire association to create this initiative that goes all the way down to building campsites that are appropriate to this millennial form of camping, taking photographs of millennials camping, and showing that they're in groups of 10, or 15, or 20 of their friends together. Not just a typical family shot that had been used before. And it's done a fabulous job for them.

They went from roughly 350,000 RVs down to 200,000 RVs sold in 2008. The last year, for which I have data, it's over 400,000 RVs, double of what they sold during the recession. And they're doing so well there's backlogs at almost all the manufacturers. You have to wait months to get an RV if you place an order. So, I think it's really interesting. And to get that data, we interviewed people from the RV Industry Association, as well as people from Kampgrounds of America, and we looked at a bunch of data. And it turns out that this idea of fandom worked really well for the RV Association. And I think it can work for any organization.

Chelsea Brasted: With your daughter's example of writing the fan fiction, there has to be this sense of mutual respect, and understanding, and trust, really, between an organization, or person, or whatever that bigger entity is and the fans themselves that this is going to be something that goes back and forth. And I think this is another thing that associations may struggle with because they've been around for so long, which is how do you get around that feeling of, in a sense, it feels like the fanocracy world is built for almost mutual mass communication, in a sense. And we're coming from a world where that mass communication was one direction. So, how do you start to open the flood gates, I guess?

David Meerman Scott: That's a really, really perceptive question. And you're absolutely right that for a very long period of time there were the entities that had the power and the information, and then they delivered that power and information to the masses. I mean, I'll give you just an obvious example. 30 years ago, or even 20 years ago, if you were to go buy a car the power was all in the hands of the dealer that you, as a consumer, you couldn't get ratings on those cars, maybe consumer reports magazines, but you couldn't go online and find what people have to say about that car. You couldn't go online and find out what people paid for that car. You couldn't go to blogs and other places to learn about that car. Now, it's completely the opposite, the consumer is in charge. You walk in there, you know exactly how much you're going to pay. It's a really different kind of transaction.

So, what we learned as the really interesting way to think about this idea, we call it losing control, is once you put your product, or your service, or your idea out into the marketplace it's no longer yours. And every company, every person, every organization, every association needs to be thinking that way. Once your ideas are out in the marketplace they're no longer yours. So, what does that mean in the

association world? It means you can provide interesting information and advice, but you're not the only expert. Everybody who's a member is an expert, and you push your ideas out there, but then they're no longer yours. The members need to take over.

I'll give you two examples that we love to cite based on some organizations that we encountered. So, first of all, Adobe. Adobe makes Photoshop software, among many other products. And Reiko is a really big fan of doing art using Photoshop. And she's got a bunch of friends who also do art using Photoshop, who she's met at various blogs, and forums, and chat rooms, and other places online. And they constantly share ideas about how to do better art using Adobe Photoshop. And what kind of brush techniques are you using? And how are you using this particular color scheme? And so on. And they all laugh at Adobe.

They laugh at Adobe for two reasons. Number one, Adobe doesn't like individual people who create art because they believe that they're only selling to large organizations. So, they ignore at best, or dismiss at worst this type of customer. The second thing they do is they tell those fan art people how to use the name, Adobe Photoshop. They say, "You cannot say that you photoshopped something. You must say that you manipulated something using Adobe, trademark circle R, Photoshop, trademark circle R, software. And Reiko laughed. She was like, "This is ridiculous. All my friends laugh at Adobe because they're trying to tell us things to say that sound like a robot. And here we are their fans and they're not letting us talk the way we want to talk."

And I'll contrast that with another company iRobot. iRobot makes the Roomba vacuum cleaner, the robotic vacuum cleaner. And there's a whole subculture of people who love to take videos of their pets riding on the Roomba. I don't know if you've seen any of those, but they're hysterical. So, just go to Google and check it out. I mean, sorry, go to YouTube and check it out. I mean, there's dogs and cats, and even some other animals riding on the top of a Roomba, it's hysterical, right?

Chelsea Brasted: I wish my dog would ride on it, he just wants to eat it instead.

David Meerman Scott: Oh really? Chase it around and bark at it?

Chelsea Brasted: It's bad.

David Meerman Scott: And those videos, I mean, tens of millions of views of those videos. And what iRobot, the company that makes Roomba, could do is say, "That's not a proper use of our product. You must take those videos down," but they don't. They let the fans take over. And those videos are cool, let the subculture do its thing. That's pretty awesome. And so, I think the lesson here for anybody, for associations, for anybody is let your tribe takeover, let your tribe do with it what they see best. And don't try to control that.

Chelsea Brasted: So, what role can staffers play in that, building that relationship? How important is it that a staffer is a fan as much as the fans are fans?

David Meerman Scott: So, what we found is really, really interesting. And boil down a whole chapter to one sentence or three words actually, passion is infectious. Passion is infectious. So, the more passion staffers have the more that passion rubs off onto members.