Scaling Up Services

Episode 238 - Kevin Perlmutter www.scalingupservices.com/podcast/238-kevin-perlmutter

Kevin Perlmutter, Chief Strategist & Founder, Limbic Brand Evolution

Kevin Perlmutter is Chief Strategist & Founder of Limbic Brand Evolution - a brand strategy & neuromarketing consultancy. He loves working with CMO's, Brand and Business Leaders who have set out to make people's lives better, and who yearn for more people to understand and desire their brand. His Limbic Sparks® approach to brand strategy answers the question, "why should people care about your brand?" and leads to more compelling and loyalty-driving brand messaging, offerings and experiences. It's all about sparking brand desire with emotional intelligence.

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EPISODE TRANSCRIPT

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You're listening to Scaling Up Services where we speak with entrepreneurs, authors, business experts and thought leaders to give you the knowledge and insights you need to scale your service based business faster and easier. And now here is your host business coach Bruce Eckfeldt.

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Welcome everyone. This is Scaling Up Services. I'm Bruce Eckfeldt. I'm your host. Our guest today is Kevin Perlmutter. He is chief strategist and founder at limbic brand evolution. We're having Kevin back on the program he was on very early in this podcast. And we're excited to have him back here how he's doing here how he has been working with clients obviously evolved his process his system, and how his business is going. I always love talking with folks not only about the work that they do with service companies and scaling, but actually being service companies in scaling kind of the get a chance to kind of hear how the dog food has gone in terms of our people using what they preach. So I'm excited for this conversation. Kevin is really an expert on understanding strategy, particularly around customers and what really makes customers tick and how you as a leader inside a service company can better understand your customers who they are, what their needs are, what their drivers are, what their fears are, and use that to better connect with them and provide better products and services and help them in the work that they're doing. So excited for this. Kevin, welcome back to the program.

1:59

I am so thrilled to be back. Yeah, that's it. Thank you. Have

2:01

you yes, no, my pleasure. But before we dive into what you're doing today, let's just go back and kind of remind people your story. How did you get into this? Why branding? Why this particular kind of angle? Give us a little bit of the backstory?

2:14

Yeah, absolutely. Thank you for that. I'm a brand strategy and neuro marketing consultant. And I've had a company called limbic brand evolution for four years. And I got into it, because I recognize that there is a tremendous challenge with what I call typical brand strategy. Typical brand strategy is often not focused on emotion, not focused on emotional insights, as much as it could be brands are often putting themselves out there in ways where they're talking about what they do, and not enough on why people should care. And what I learned in my last couple of roles, is that emotion has tremendous power over our thinking, our subconscious, our feelings, and it correlates strongly, very strongly to actually how we how we behave and how we, what things we bring into our lives and what things we avoid in our lives. And you know, all of this knowledge, and we could talk more about the details of that background. But what it led me to was the notion that typical brand strategy was no longer where brands need to be focused and understanding behavioral science, having deep curiosity, and thinking in terms of neuro marketing is more effective than typical marketing.

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So let's unpack that a little bit. When we talk about like neuro marketing and emotions, like what what are we actually talking about in terms of from a business strategy point of view, we're talking

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about understanding what makes people tick, we're talking about understanding the way people feel and the way they want to feel the needs and desires that they have, whether they're articulated and present, or under the surface, and they don't even realize their needs that they they're they're striving for that they they're not solving as well as they could. And it's a brand's ability to be deeply curious to really understand their customers and the dynamics that their customers are dealing with in their every day. And understand that in such a way where it informs how a brand presents itself, the way a brand puts its product and service offering together to

actually serve those needs. And the way a brand communicates with people such that that person feels like that brand was designed with them in mind.

4:27

Yeah, let's do a little compare and contrast. I mean, what a traditional or a kind of, you know, the typical way that branding works or people approach branding, how does that work? And then how are you different? I mean, give me a little sense of the different approach the different philosophy that you have around this?

4:43

Certainly. So I'll focus on the b2b space where I'm sure a lot of your audience plays. Yeah, typical b2b Branding is is very corporate speak. It's, it's overcome with jargon and cliches brands. A lot of b2b brands, act as Though they're they're a business talking to a business, and they use terminology that they think is going to be compelling to people to help them grow their business, they use a lot of words like trusted advisor and custom design solutions and integration, and exceeding your expectations. And they use phrases like work smarter, not harder and helping your business thrive. And you're better tomorrow starts today. And this cacophony of business jargon and cliches that's out there, it actually creates distance between your brand and your audience, because they've heard it so many times before. And it's so familiar, and it's so canned, and it's so inauthentic. That it that it doesn't actually feel like something a lot of people want to be a part of. It may be quote, saying the right things, but it's not connecting emotionally. So a lot of what I do with my clients is I help get down to what really matters most, what is it that they're doing in the world to make people's lives better? What are they really like? What real problems are they solving? What's the real specific problem that they are solving for? The people, not the company, but the people who work at that company? And what is it that needs to be said to help those people realize that the solution is going to be right for them. So let me let me give you one or two examples. I worked with a client very recently that has a SaaS based platform. In the healthcare space. What it does is it goes it's a platform, it's an expensive capital infrastructure investment for health care facilities, like nursing homes and post acute care facilities and things of that nature. And what it does is it goes in there and it helps to manage the workforce from in terms of how many staff people you need at any given time, and reporting to the government and all these things. So when you're in a healthcare facility, the number of staff that you need is dependent upon the number of patients in the facility which fluctuates. Also, the medical needs of those patients, somebody with a broken foot needs less attention than someone with a cardiac issue. And the the number and quality and all the details of how much staff you did never give given time is really difficult to manage. And this system actually goes in there. And it gives much more accurate information and predictability of what a company needs. And so many healthcare facilities are doing this manually. And they just, they just, they're, they're not accurate. It's not timely, and it's costing them money. Because if they don't have enough staff, they could get fines from the government. And if they have too much staff, they're paying too much for labor that they don't need at any given time. So I was working with a client, and they were using typical brand strategy when I came to them. And they were, you know, just going about this the way most brands do it and not realizing not realizing why they weren't being as successful at connecting. And actually one of the things that they said to me early on, as they said, you know, our comp product is really complicated. And, you know, we when we get in the room and give them a demo, they're sold. And I'm thinking how many people never get in the room to see a demo. Like, you know, there's so much that happens before you get top executives of the healthcare facility into a room to see a demo, that there's a lot of missed opportunity before that point in the process. And they were you know, they were using some familiar language to try and get the point across that they were helping businesses be more successful. And what we did was we got down to the specifics, we got down to the idea that healthcare C suite people in health care facilities have so much lack of control and visibility of their p&l because of these staffing challenges. And this,

this system radically simplifies their ability to manage their workforce and run their p&I. And their tagline is radically simplified. And that isn't that is the brand idea. What what I think of a brand idea. This is also a little different than typical brand strategy. Brand ideas are typically just like, oh, what's the tagline? What's the what's the brand promise? For me the brand idea is the compelling brand benefit and invitation. It's the door opener to I need to know more about that. Yeah, and we're health and health care facilities here now that this company brings a solution and their their benefit and invitation is radically simplified. Their ears are open.

9:33

Yeah, you know, it's interesting, you talk about emotions, like what are their sort of primary emotions? There are a limited number of primary emotions at the end of the day, you're kind of tweaking to in any given situation or is this like, you know, we are very complicated emotional beings. We have lots of different kinds of emotional kind of trigger is like an each company can really kind of zero in on a really particular kind of emotional trigger that you want to in Vogue and your brand. I'm curious about the kind of the emotional complexity of this. You know, it's

10:03

interesting what your the question you're asking is a question that comes up a lot. And actually, it's, it's a little bit of a misconception that I'm trying to correct and grandest way I can, from, it's not about dialing up or down specific emotions. It's about understanding how you want people to feel. And the fact is that people want to feel happy, they want to feel successful, they want to feel the positive emotions, you know, whatever, however they are, whether it's personal or business, or they want to feel positive emotions, and the way to help them feel positive emotions is to address their needs. So it's not about what emotion do we want to stand got it? It's about how do you want people to feel and the way to get them to feel that way is to convey to them that you are there for them, that you get them you understand them you have a solution that's going to make their life their business tremendously more positive. You know, behaviorally, we we gravitate toward things that make us feel good. And we gravitate away from things that make us feel bad. It's human nature, whether you're in the woods, and it's wild animals, or you're in a retail store that doesn't make you feel good and you decide to walk out before buying anything. It's it's all it's all human nature. Yeah. So if we can attract people through compelling, relevant messaging that makes us feel the promise of a benefit that we're seeking, then we're going to gravitate toward that solution more than something that is ignorable, whether it's bad, or ignorable, or repelling in some way, you know, we're going to gravitate toward that, which makes us feel good. You know, when we work with professional service providers. Sometimes we go through an extensive search for a new professional service provider. And sometimes we're introduced to someone based on a recommendation and we meet them and they seem like really great people. And we make an instantaneous decision to hire them without checking any references or anything. And it's because of the way they made us feel in that conversation and the confidence we got because they were referred.

12:10

Yeah, I've always kind of had this philosophy that people sort of make decisions emotionally and justify them rationally. Yeah,

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definitely, definitely, when the large majority of the of what happens in our brain is that the instinctive emotional level, and we are making a lot of decisions in milliseconds that we don't recognize. And every once in a while some of those decisions get kicked to our conscious. And then we think a little bit more about it. But you know, we will decide to go with something based on our gut, and then go a little further to to justify that if need be.

And I recognize by the way, I recognize that in b2b spaces, it's it's not as simple because you've got layers and layers of people in organizations who need to approve things, people's jobs are on the line when they make big recommendations. And the company spends a lot of money on something. There's lots and lots of aspects to it. But at the end of the day, you're talking about a human being who is trying to get another human being to do something in their favor. And if it makes their lives easier, that's going to go a long way. I want to give you one more example. If I can, yeah, please. I worked recently with a company called Scratch event DJs. And scratch event. DJs is the largest corporate DJ booking service in the world. They have they've done 1000s and 1000s of events over the last 20 years. And they can put a DJ in every, every every location of a retail store across the country on the same day on the same hour, and orchestrate all of these events. They're amazing. They recently worked with me to evolve their brand messaging. And before they met me, they were thinking very, you know, like most brands do very rationally about it. You know, like, Hey, I worked in the music business before I started. Before I started my brand consultancy, I was a strategist in the music business. And I know the same statistics that they were saying to their clients, that when you use music in an environment, it has an ROI, a positive ROI impact that music will draw people in music will get people to spend more musical people get to linger more like they were using all of the accurate, rational proof points for why having music with a DJ at your event is going to be positive for your business and probably pay for itself. Absolutely true. I've been there. But here's the thing when I interviewed their customers, and I understood why their customers use this company over and over again, it's because they have to put on very complex events, and there are a million moving parts. And the last thing they need our things to go wrong and they know that when they work with Scratch, that they're going to get the best DJs the right DJ for their event and for the vibe that they want to create. They're gonna show up on time that there's another DJ standing by if there if something goes wrong, that it's just easy. It's one less thing that they have to worry about. And we evolved their tagline. I'm trying to remember what their original tagline was, I think it was growth through music. I think that's what they were saying originally. And now their tagline their brand idea, the compelling brand benefit and invitation is curated, DJs, anytime, anywhere. Yeah. And they use a line on their website that I helped them write called, experiences that keep people coming back for more. And that has the double meaning of experiences that keep guests coming back for more, but also experiences that will keep you as an event manager coming back for more.

15:45

Yeah, and I get it is nice. Do you find that the powerful ones powerful kind of positionings brands invoke positive feelings or prevent negative feelings? You know, does that mean that, you know, psychologically, we tend to overweight, negative more than positive, right? If I'm going to feel bad about losing \$100? Much more than I'm going to feel good about. So loss aversion.

16:09

Yeah. Yeah. cognitive bias. Yeah, it's absolutely true that that negative that demonstrating the negative consequences is going to create some level of concern and, and compel you to want to potentially bring that brand on to prevent it all. I'll give you one example that I think is and I'm not a there's a time and place for that for sure. And using some loss aversion type tactics and your messaging, I think is, you know, fine on occasion, if used in a way that is not some big fear tactic. But my approach to brand strategy and brand development is one of positivity, and it's about helping people feel good about what they're walking into not scaring them into walking into something and I'll be honest with you there's a commercial on television right now that I I'm just almost like to me it's like sick. It's it's an allstate commercial where, where somebody I guess a student is like prom posing or something to his girlfriend on the lawn, and he lines the whole lawn with candles. And all of a sudden, like the bushes in the house catch fire. And I'm just like, Are you kidding me? Dislike does like all state

really need to suggest that a teenager just burned down his girlfriend's house to sell people insurance? Is this really what we've come to? Like, there's not a more positive way to sell insurance than a teenager accidentally burning down his girlfriend's house. I'm like, I'm appalled by it, I can't even believe it. So no, I'm not really for using negative and scare tactics in the upfront of how you present your brand. I think a brand should evoke positivity and how it's going to help your life be better and should make you feel good, not not scare you into using them.

17:52

Yeah, it was the process. How do you when you're working with a company? Like how do you get at these insights? Are you? Is there some kind of psychological archaeology that you go through? Do you you know, find brain samples of potential clients? Look, yeah, look at their neuron structure.

18:10

I take brain samples, and I look under a microscope now. I know my approach. So I've created an approach to brand strategy that is the that I call the limbic sparks approach to brand strategy. And for those who are listening, who aren't aware of my company is limbic brand evolution, this, the approach is called the limbic sparks approach. The limbic part of our brain is the part of our brain that operates at the subconscious level and promotes controls, emotion, motivation, behavior, and memory. So I've named my company and I've built my approach around the behavioral science understanding and the three things that I do with my clients, I help them focus, connect and evolve. So focus, focus is about insights, discovery, it's about having conversations with my client to understand deeply what they do in the world to make people's lives better. It's about understanding their motivations. It's understanding, you know, what they really care about as people who are out in the world selling offerings. It's also about understanding their consumers and what makes them tick. As I mentioned, with Scratch and others, I have one on one conversations with my clients, customers, I understand why they choose this brand over another brand, and what are the real reasons why they keep coming back for more, I do have this theory that if you can find loyal customers and understand why they keep coming back for more, there are probably a lot of other people out there who would want those same benefits. And the brand should want to tell people those benefits, not necessarily the things they might have been saying in the past that they thought were compelling benefits. So focus is about discovering the core motivations that your brand has in common with the people you serve. And the deliverable for that is what I call the limbic sparks insight or the shared emotional motivation. It's the thing meaning that you share with your customers with Scratch, it was experiences that keep people coming back for more, it's usually a double meaning statement. And it means something special to both sides. Connect is the second part of the process. And that's about strengthening connections. By standing for the benefits that people care about the most. The deliverable is a brand idea, this compelling brand benefit and invitation, it could be a longer form positioning statement to give a little bit more context to who you serve, and why they should care. It could be it includes the brand personality and voice traits, which guide how your brand presents itself through personality traits, does your brand come off, as you know, very serious, or does it come off as very playful, and you know, lots we come up with words that guide visual and verbal expression of the brand. Yeah, and then the last piece of it is the Evolve phase. And Evolve is actually going to work and applying that brand strategy. It's evolving the brand messaging, it might be evolving, evolving, how you present your offerings, and, and how you create experiences for your customers. And all of that is designed to reflect how you want people to feel. So when you think about offerings, I've had clients who have presented their offerings, I had one client who works in a b2b space, selling marketing services to clients. And they were presenting their offerings by department, we have strategists who do this, we have designers who do this, but what we realized is that their clients are coming to them not because they're concerned, they don't have strategists and designers, it's because they they can address specific needs, this happens to be a

company that creates mobile apps. So we designed their offering descriptions around the things that their clients instinctively need, they need to drive transactions and engagement with their product. They need someone who understands the mobile landscape intimately and can provide them with solutions and opportunities that they didn't know existed. And they often need speed to market and better ROI than they can do in house. So if you present your offering based on those three things, their potential clients are going Wow, you really get us as opposed to wow, you have designers. Yeah, it's it's it's it's all about. So focus, connect and evolve, is how I approach the work. And I'm using a lot of behavioral science techniques to get to the heart of what people care about. And those could be done quantitatively or qualitatively. Often. It's qualitative. It's asking questions, it's having discussions, I have some clients where I, you know, I help them invest in the right research techniques to go deeper for broader audiences and highly reliable data. But the qualitative q&a that I do as part of my process is usually sufficient with most clients.

22:56

Yeah. And how? I'm just kind of curious from a if you're a service company, yeah, I guess I, I always find it's different. Or it's somewhat challenging as a service company, when you're sort of selling these intangibles for the most part versus you know, a product company, it's like, I can touch I feel it, I can see it, I go, I use it, I can put on my hand or like, you know, or a product that I have a subscription to, like there's a thing that I'm doing versus, you know, services can be very kind of ephemeral and intangible, like, how, how does this play out? Or how do you approach this for service companies?

23:29

You know, one of the things that I find most often with service companies, and a lot of service companies are kind of commodities, right? Because there's other companies that do the same thing all over the place. What I often find is, it's this style of service that sets them apart. It's the reason why people use them over a competitor that has the same services. Yeah, the style of service means a lot to people, I was working with one, one company, it's a small business owner in Westchester, New York, and he does it it's called service bite, and they do it support out for a retainer based IT support for small businesses. So they they manage their servers and their websites and, and make sure that everything's secure and help them with their email and, and what we realized is that the services that he offers have certainly are are commodity to those of neighboring companies, literally neighbors, but the style of service the people that he has on his team, the the way that they they help their clients, and the way that clients feel about the experiences that they have, from how accommodating they are to how nice they are, to how smart they are, to how proactive they are. All of these things are what makes this company stand apart. And it was interesting when we were redesigning their website I brought on I worked with some people I like I did all the strategy. I did all the copywriting I brought on designer To lay out his new website in a flat form, and then we brought on a developer to bring it into WordPress. And the developer came in toward the end. And really that person whose job was to paint by numbers and just put the website up as we designed it. And he says, I think there's a mistake. And I said, Well, what's the mistake? He says, Well, this, the services that he offers are not on the homepage. The services are another page, and the homepage has all this information about being accommodating. And, you know, it just doesn't seem like it seems like if somebody's going to this kind of website, they're going to want to see the services. I said, Well, no, that's not at all a mistake. The services are a commodity. Yeah, what we're putting on the homepage is what sets this business apart nutritionally. And he got it after it all came together. And so that's just an example of I think it answers your question.

25:47

Yeah. Let's talk a little bit about your business. Right? You're a service company, like what have you learned over the last couple of years in terms of how you have, you know, found your kind of niche and like the companies that your work with your target customer, you know, companies that really get it and benefit from your services and how you've grown and scaled. Give us some insights.

26:06

Yeah, I mean, I've honestly, running your own brand is among the hardest things to do even for a brand strategist. I mean, it's like because you're emotionally involved, and you think, you know, all the answers. And I've really, over the years had to take my own medicine, and I had to put myself out there not based on what I do, but based on why, why people should care. And and I've really found I've learned a lot about myself and the way I think about these things, but you know, the clients I work with, I found are believers, they're they're believers, that brand purpose includes making their brand purpose includes making people's lives better, that they they become believers that deep customer insights should guide brand evolution, and that addressing what matters most to people will ultimately drive you know, growth in revenue and customer loyalty. And so I've learned a lot about just how to put myself out there in a way that is as emotionally compelling as I would give advice to any any client of mine. The other thing that I've learned is that, you know, going it alone is sometimes tough. When we first met three years ago, I was I was I was trying to get all my clients myself and, you know, you know, I was bringing, sometimes I bring, bring a freelancer in to work with me like a designer. And I still do that. But in the last couple of years, I've actually grown my business a lot through collaborations, and now I'm being brought to the table by others. So like I work with creative services firms that don't have strategy at the table. So if a brand needs to be developed, and a client usually comes looking for the solution, not the process, and unfortunately, sometimes strategy is part of a process. So if a company is looking for, hey, we need better messaging, and a new website, you know, it's not like they're looking for a strategy firm, they're looking for a company that could do a website and those messaging. So what I found is that the way I'm scaling My business is by having good relationships with and doing collaborations with folks that sometimes are where clients go first. But they realize that, you know, that I could be part of the process along the way. So I have collaborators who will call me in and say, Hey, we're gonna go after this piece of business that we got contacted by, would you like to come in and front strategy and copywriting and will ultimately do the visual identity and the, and the website. And it's these brands are doing this because they reckon my collaborators are doing this, you know, they're, you know, we are a service based business like like a spurs, you know, we want to make sure our price is as competitive as possible. And we don't want to introduce things that are going to increase the price and potentially cause us to lose the business. But I've recognized, I've been recognized for the value that I bring, because I have collaborators who are willing to put me into the scope, sometimes doubling the cost of a project before it gets presented to a client, because not only is it right for the job, but they recognize that their work will be infinitely better if I'm a part of it. Because the strategy that I create, and the writing that I do leads to the final execution of visual and website that is necessary for the brand to be successful.

29:15

Interesting. Yeah, no, I I'm always fascinated by companies who are you know, folks that are running service companies and then serving service companies and kind of the self referential challenge that you have of eating your own dog food and stuff? Exactly. Yeah. Given this has been a pleasure. If people want to find out more about you more about the work that you do, what's the best way to get that information?

29:34

Yeah, so my website is LimbicBrandEvolution.com, limbicbrandevolution.com. I'm Kevin Perlmutter P e r I m u t t e r, so you can reach me on LinkedIn, Kevin Perlmutter on my website. There's ways to get in touch with me there's a meet with Kevin link to schedule time. There's a an emotional intelligence blog where I've written lots of art articles that have been published that were that talks about many aspects of this topic that I've been talking about here. I even have my own podcast. Let's Talk Limbic Sparks. And there are 25 episodes posted on my website, where I've been doing this for a couple of years, one a month. So, lots lots of information on my website. And I appreciate anyone who checks it out. And I'm happy to talk with anyone who wants to have a chat.

30:24

Awesome. And then I'll make sure that all the information and links and everything are on the show notes so people can get that. It's been a pleasure. Thank you so much for taking the time today.

30:30

Thank you, Bruce. I'm so glad to be back with you and to have had this conversation. Really appreciate it.

30:35

Thank you for tuning in to today's episode, be sure to subscribe using your favorite podcast app so you don't miss our future episodes. See you next time.

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