

How Clients Buy:

2009 Benchmark Report on Professional Services Marketing & Selling from the Client Perspective

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Research Excerpt: Top 5 Ways Buyers Identify
Professional Services Providers

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Letter from Erica Stritch, General Manager, RainToday.com

Welcome to the 2009 edition of *How Clients Buy: Benchmark Report on Professional Services Marketing and Selling from the Client Perspective*, where we take an in-depth look at the purchasing process used by professional services buyers when evaluating service providers before doing business with them.



This report provides data from more than 200 buyers of accounting and financial consulting, architecture, engineering, and construction services, human resources consulting, IT consulting and services, legal services, management consulting, marketing, advertising, and PR, and training services. Collectively, these buyers are responsible for more than \$1.7 billion in professional services purchased in the past year.

Our goal is to not only provide you with data analysis, but to give you ideas on how to act on that data with commentary and recommendations. *How Clients Buy* provides you with the knowledge you need to:

- **Understand buyers' purchasing tendencies** from where they go to find service providers to the factors that influence their ultimate decision to choose one firm over another.
- **Identify areas for improvement** in your own marketing and sales processes that will have the greatest impact on your ability to win new clients.
- **Paint a picture of the service purchasing landscape in 2009-2010** from service spending outlook to client satisfaction levels (including how client satisfaction affects a buyer's propensity to switch to new providers).

In addition to results from newly gathered data, we also identify and highlight trends and significant changes compared to the 2005 *How Clients Buy Benchmark Report*.

This report is appropriate for firms that sell to large and small organizations, and for large and small firms. We analyzed the data from a number of perspectives to identify differences across industries, firm size, organization size, buyer industry, satisfaction, and more. The data is largely applicable as-is to all firms; we noted differences where found.

If, by chance, you are looking for something in this report and you don't find it, send me an email and we'll see how we can help.

Best wishes for growth in the coming years... And remember, RainToday...Dark by Midnight.

A handwritten signature in blue ink that reads "Erica M. Stritch".

Erica Stritch
General Manager, RainToday.com
estritch@raintoday.com

Top 5 Ways Buyers Identify Professional Services Providers

We asked buyers:

In general, when you are searching for potential providers of consulting and professional services, how likely are you to use the following methods to identify and learn more about them?

Their responses reinforce the critical importance of referrals and awareness (i.e., brand)—with 73-79% of decision makers reporting they are “somewhat” to “very” likely to use referrals and awareness methods to identify providers.

Analysis & Commentary:

Power of the Referral

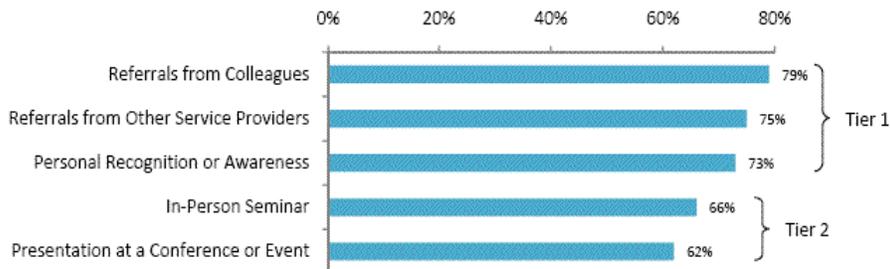
While all referrals are great, not all referrals are equal. The relative strength of the referral depends upon the level of trust that already exists between the person giving the referral and the prospective client.

A service provider benefiting from a referral is able to draw upon this pre-established or “transferred” trust. Since referrals are such a top-tier marketing method it is clearly worth providers’ time to:

- Deliver services worthy of glowing referrals; and
- Cultivate word-of-mouth ambassadors in their existing clients and contacts through proactive referral programs.

Still, for most service providers, while referrals are a necessary and helpful source of new business, they’re no longer sufficient in-and-of themselves to fuel firm growth.

Top 5 Methods Buyers are “Very / Somewhat Likely” to Use to Initially Identify and Learn More about Professional Service Providers



Other methods that buyers use to initially identify and learn more about professional service providers include:

- Articles/ News Stories about the Provider
- Articles Written by the Provider
- Blog
- Books
- Case Studies
- Conference/Trade Shows
- Email Sent from the Provider
- Exhibit at Conference or Event
- Industry Website Article or Story
- Internet Search
- Mail
- Newsletter (Print or Electronic) from Provider
- Online Advertisement
- Podcast
- Print Advertisement
- Radio Advertising
- Social Media/Online Communities
- Telephone Call from Rep. of Service Firm
- Trade Magazine Article or Story
- Webinar (Online Seminar)
- Website
- White Papers

Learn how each of these tactics stack up in the complete [How Client Buy: 2009 Benchmark Report](#).

Marketing Methods Favored by Buyers to Initially Identify Providers

Top Tier: Referrals and Awareness

No surprise: The most common ways buyers initially identify and learn about service providers include referrals from colleagues or other service providers (both at least a “somewhat likely” method for at least 75% of respondents) and personal recognition or awareness of the provider, or the provider's “brand.”

Tier 2: Face-to-Face

Overall, 62-66% of buyers were at least “somewhat likely” to identify and learn about service providers via in-person seminars and presentations at conferences or events, both of which offer the chance for buyers to evaluate providers face-to-face and interact with them.

Analysis & Commentary:

In-Person Impression Power

While seeing a service provider deliver at an event and brand recognition seem somewhat unrelated, a closer look reveals a strong linkage. Many people (product and service providers alike) equate “brand” with logos, taglines, and advertising. But, what product marketers are trying to do is get you to recognize a product, to identify what it is or does, remember it when you have the purchasing need, and then, when you’re going to make a purchase, prefer their product to a competitor’s.

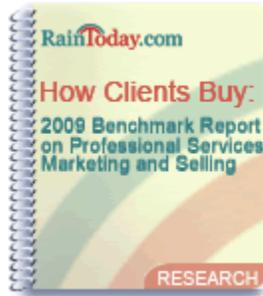
For service providers, the way to make the most lasting impression on a decision maker is to actually deliver services for them. For most service providers, delivering their content or sharing their expertise in a non-sales setting such as a conference speech or a seminar delivery is the next best thing. It takes a lot of marketing messages through tactics such as advertisements, phone calls, publicity, and direct mail to get a buyer to remember a service provider. And it’s likely that with just these marketing methods a buyer may remember the service provider, but without some type of in-depth interaction the buyer will not have formed a definitive impression or a preference for the service.

It only takes one strong seminar or conference delivery to make a lasting and memorable impression, and due to the highly interactive person-to-person nature of these events, it is *almost unavoidable* that the decision maker will form an opinion as to whether they might prefer to work with this provider.

What Buyers Say:

“Send me information that is pertinent to how my business can be improved by using your services.”

“Need to hear/read positive experiences from other clients that may include people I already know.”



Now Available! How Clients Buy: 2009 Benchmark Report on Professional Services Marketing and Selling from the Client Perspective

To be successful in growing your service business, it is not enough to know how to market and sell; you have to understand how *your clients buy*.

The value you provide is not always easy to communicate to potential new clients. It's hard to discover who needs your service, how to reach them, how to approach them and what they really think of you, for better or worse.

To help you demystify the professional services purchasing process, we asked more than 200 buyers of 8 service areas (accounting and financial consulting; architecture, engineering, and construction services; human resources consulting; IT consulting and services; legal services; management consulting; marketing, advertising, and PR; and training services) how they find out about potential service providers and what factors influence their decision to choose one provider over another.

***How Clients Buy* will provide you with the answers to these questions and many more...**

- What is the professional services spending outlook in your service area for 2009 - 2010?
- How has the purchasing (and selling) environment for professional services evolved since 2005?
- Which methods - referrals, cold calls, print advertisements, direct mail, seminars, etc. - are buyers most likely to use to identify professional service providers?
- What factors go into buyers' ultimate purchasing decisions? Which factors have a greater influence on decision making processes now than in 2005?
- What are the most common problems buyers experience during the sales process, and which ones, if improved, have the biggest impact on winning new clients?

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Wellesley Hills Group is a management consulting, marketing, and lead generation firm dedicated to helping professional services companies generate leads and increase revenue, prices, and profits.

Wellesley Hills Group helps client in three core areas:

- **Strategy and Brand Development:** Service firms are often at a loss for how to grow. They don't know what strategies or tactics will work, and when they do, they often don't know how to make them most effective. We understand the distinct challenges of growing, branding, and managing a service business. Our core strategy and brand development services include helping our clients develop strategies for growth, craft marketing and business development plans, and research their clients and their markets.
- **Marketing and Lead Generation:** Lead generation for business to business services is different than most other industries. We understand the unique dynamics of service businesses and know what tactics will be most effective to help you generate the leads, the revenue, the relationships, and the brand you need to grow. Our core services include helping our clients generate and nurture leads with our *Services in Demand*SM program, craft and execute brands and core marketing messages, build and execute website and Internet marketing strategies, and become thought leaders through thought leadership development, marketing, and PR.
- **Sales Training and Performance Improvement:** Making the transition from service provider to Rainmaker, balancing your responsibility between delivering services and selling services, and creating a culture of business development at your service firm are all challenging tasks. We work with leaders, professionals, business developers, and marketers to help you create a business development culture while giving you and your team the sales skills and tools you need to succeed. Professional services firms turn to our *Rainmaker Development Program*SM to help their professionals develop the skills and get the coaching and support they need to become leaders in new business and client development.

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