

# The Secret of Service Marketing

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It was years ago, but I haven't forgotten what a managing partner of an accounting firm said to me. We had been asked to audit the marketing PR of the firm's New York office and to recommend a plan. The office had two PR people who answered press queries when they came in, arranged events and wrote releases. Its marketing head was an accountant who didn't know what to do, and there was no plan. Professionals spent hundreds of thousands of dollars annually printing brochures to market their practices then left them in closets. Inefficiency was everywhere: Treatment of marketing and PR staff was a step above sub-human.

When I told the managing partner that his office could fund a proper marketing PR program just by managing expenditures on brochures, the partner dismissed me with the words, "As long as they keep revenues growing 15 percent a year, I don't care what they do." That ended the job. It also illustrates why service marketing in professional firms is hard. Service firm marketing departments are often production units with little regard to strategy. PR is hit-and-miss depending on the interest of individual partners. Some practices do well; others sputter. Fiefdoms are everywhere and cooperation absent.

The secret of service firm marketing is no mystery. Successful service marketing takes commitment and consistency, but they are hard to achieve. Firms such as accountants, lawyers, consultants and executive recruiters fail to commit to consistent marketing. Some are structural and some annoyances, but the result is that service marketing fails more often than it succeeds.

## Barriers

Partnerships are inimical to marketing and PR. There are many chiefs, each with an

opinion, and no one to forge agreement. Indians who do the work are left confused and laboring at cross-purposes. When a partner refuses to subscribe to a strategic marketing program or unilaterally changes direction, activities stall and/or lose effectiveness. Consistency of application and persistence disappear. A successful professional with a thriving practice can dominate an office and overshadow other disciplines.

Partners don't know marketing and PR, even if they work with clients on marketing issues. A lawyer may advise on licensing, but not know how to run a licensing program. A consultant may know the market demand for a product or service but not know how to build and fill the need. An accountant auditing books of a marketing firm understands numbers but not the activities that produced them. An executive recruiter may know marketing executives in an industry but not what they do. Marketing is not a primary job for partners even though they bring in new business. Some partners sell and discover a talent for it; Others will not try. There is a reason that professionals who are good at bringing in new business are called "rainmakers."

The structure of a service firm also affects marketing and PR programs. Frequently, service firms are in many businesses, and there is little cohesion among them. This is especially true in consulting, where disciplines often have no relation to one another and no common customer set. While consulting professionals might nod toward an overarching theme or message, they cannot relate it to business they generate in this practice with these clients. Moreover, because there are many businesses, overarching themes are often vague and have little meaning. (These are paeans such as "We hire the best and brightest," or "Our solutions

work,” or “We are a global firm.”) Marketing and PR programs trumpeting such themes are often noise and not orchestration.

A third reason for a failure to commit to marketing and PR programs is the nature of service firm selling. Service marketing is relationship driven. It is individuals you know and who know you and respect your skills. One need never “market” in the sense of buying ads or doing PR as long as one is known by key customers and prospects. Many firms have avoided making a public name for themselves and successfully built business in the shadows. Their professionals are closely connected to business and political leaders: They get access that others envy. Marketing is reserved for firms without access but with a need to sell services. But even in this case, marketing and PR supplement relationship selling: They do not supplant it. Marketing programs raise awareness of the work a firm does and the expertise of its practitioners, but that is all. Sales come from partners working with prospects or clients.

Sales to prospects and clients are most often through response to Requests for Proposals (RFPs) sent by clients and prospects. RFPs often require a great deal of time to prepare. RFP submissions can be thick binders filled with relevant, and sometimes irrelevant materials to convince a prospect that a firm can do the job. One RFP can take dozens of hours to assemble even if most of the material exists in template form. Time spent preparing RFPs often comes straight out of marketing and PR programs. The problem with this is that time spent on developing an RFP for one prospect is time taken from raising the awareness of the firm among many prospects. Marketing and PR help sustain the flow of RFPs.

Yet another reason for a failure to commit to marketing and PR programs is inconsistency. It is not unusual in service firms to have a level of marketing activity that is the inverse of billable hours. When a firm is busy, marketing slack offs and even, disappears. When a firm is in a slump, time devoted to marketing

soars. Unfortunately, service marketing is most effective when continuous rather than sporadic. When a firm has a continuous and consistent message in the marketplace, sooner or later, it becomes identified with the message, which makes relationship selling easier. Clients and prospects know what to expect and can winnow candidates for a job before contacting firms.

A final reason service firms fail to commit to marketing and PR programs is time. Time is money: One sells personal time to clients. Time spent in marketing is time taken from producing revenue. If there is choice between spending time in marketing and spending time earning revenue, service professionals choose revenue. Especially in law firms, professionals are evaluated on the hours they bill and slippage is a cause for discussion. Associates and partners often put in 12 hours a day six days a week and do marketing and PR on top of that. It is little wonder marketing and PR are slighted.

### **The Secret**

Commitment and consistency to service marketing do not require swinging for home runs with a high strikeout average. It is punching singles, occasional doubles and triples and perhaps, once a season, a home run. Presence over a prolonged period establishes one as an expert more than brilliant insight or salesmanship. Few people ever have earth-shaking insights and those who do usually cannot sustain deep thinking for prolonged periods. “Star players” who bring home giant projects are rare, and they burn out quickly. Committed and consistent service, counsel and marketing establish one for the long term.

Service businesses are often shortsighted about consistency, and there is a reason for myopia. One big account can sop a firm’s billable hours quickly, and one big account is usually easier to administer than many small ones. But, the percentage of big-account wins is low. And, big accounts can extract steep rate cuts as a condition of staying put, or they go away before a service firm can recover the

investment in winning the business. In the worst-case scenario, they do both. They extract deep rate cuts and go away quickly anyway.

The question is how to establish consistency in an inconsistent environment. One answer is to accept the environment as it is. Learn to adapt. There have been many attempts to change how service businesses and service professionals market. Few are successful. Nattering at professionals to pay attention to marketing, endless marketing meetings, numerous marketing plans all go down in time as useless expense producing little revenue or earnings. Advertising and promotion programs that avoid input from service professionals increase awareness but just as often add to noise. (Professionals view them with suspicion as well.) But, it is understandable why marketers resort to advertising and promotion. They give up trying to herd professionals into marketing. Giving up doesn't solve the marketing problem: It papers it over with largely unproductive media.

The secret of consistency is to develop programs that fit a service professional's work, schedules and culture and gain the professional's commitment. This requires analyzing an individual's business and behavior to find things the professional can implement regularly with minimal impact on billable hours.

Simple programs are best. Simplicity is the time it takes to complete a marketing cycle and the amount of work required from a professional. Ideally, both are close to zero. Simple programs place nearly all production into staff supporting the professional. The professional audits what is being done and provides approval. This is especially true of writing. Professionals rarely have time to write articles that position themselves and their practices at the leading edge of their industries. It takes individuals below the professional to turn the professional's insights into copy. The downside to this approach is that skilled support staff are often not

available in service-marketing departments. Professionals, not wanting to spend the money, use marketers who are good in tactics, such as sales brochure and video development, but not in the service business itself. Writers who understand a business discipline and can write about it in depth are rare, expensive and often in consulting themselves. Hence, marketing ends in a stalemate. Marketers want to help but don't know how, and professionals want help but are not convinced they can get it.

One way to avoid the stalemate and to achieve consistency is to ration the use of expensive talent. Start by developing one event/study that defines a firm and/or practice. Use this event/study to gain recognition that can be solidified throughout the year in little events, articles and interviews. The key to an event/study is to find something that the marketplace needs to know but doesn't or would like to do, but isn't. This requires research into what competitors have done or are doing. With the Internet, it is easier to track what is being said in an industry and to generate ideas that can advance industry knowledge. Expensive talent performs initial research, generates useful ideas and implements one or a few over a period of years until the study/event are established. A study/event turns into a positioning vehicle when prospects and clients start asking for it regularly.

The downside to this approach is that in any competitive marketplace, high-profile studies, such as compensation surveys, have been taken and often are the subject of copycat surveys. It requires adroit use of a firm's intellectual capital to find a different approach. The greatest value is usually found in what a firm does day-in and day-out. (Use existing intellectual capital first before creating new intellectual capital.) If clients pay the firm to perform studies, what is the information that clients are most interested in and why? How can the firm exploit the information it produces without giving away proprietary data? Intellectual capital is an integral part of service marketing and should be an annually

renewable product targeted sharply to practices. Avoid one-off essays and studies that waste time. Concentrate on longitudinal studies and build a franchise with the media, prospects and clients.

A downside to one event is that in a competitive marketplace, high-profile events have been taken. Industry trade shows, conferences, golf and tennis outings, box seats for football and baseball, awards dinners are common and often viewed by clients and prospects as little more than giveaways. Finding or developing an event with the right mix of positioning and cachet takes hard work. The AT&T Pebble Beach Open is an event, which consistently draws clients year after year, as well as The Ryder Cup matches every two years. Both existed before corporate sponsors associated themselves with them. Unfortunately, they are expensive. Only the largest firms can invest the millions required. Smaller firms need creative solutions that seize opportunities likely to grow in recognition.

As a rule of thumb, it is better to fund one big event than many smaller ones, each of which wastes resources in planning and execution. However, some clients don't like sports or theater or waterside parties. Choosing what to do begins with finding things that clients and prospects are eager to attend. It is not easy and it may take the help of a consultant. It is also important to remember that events are for clients and not professionals who tend to pick events they want to attend.

Events are opportunities to deepen relationships with clients and prospects. They should not be giveaways or perquisites, nor should clients or others attend an event unaccompanied by a professional. It is in an informal environment that one often gains insights into a client or prospect that facilitates the sale of new business or deepening of existing business. Insights are often chance or off-hand remarks that shine light on an issue about which the service professional is unaware. This is why it is important to "work the room" at events.

Working a room is hard work: Some are good at it and some not. Professionals who can do it should be assigned to meet specific guests not otherwise covered by professional staff. This means breaking down a guest list in advance with assignments to each professional. Some will rebel against this, and they should be asked to learn more about clients they serve. But, one should not be surprised that some professionals cannot, or will not, even do that.

The challenge of learning about clients is what to do with the marketing data to maintain consistent communications. Professionals often carry vital details about clients in their heads or in their Personal Digital Assistants. The details never reach a central source where it can be put to use. While service firms have improved in discovering and centralizing information about clients and prospects, database systems need care and maintenance. That is not a job for professionals. They're too busy. Some service firms leave this task to professionals anyway and suffer the consequences of inconsistent and incomplete lists of clients and prospects, sporadic and dated information and duplication of names from one professional to the next. Customer relationship management systems are available for service firms and even if they are used for the lowest common denominator, list management, they are better than misdirected communications and mailings that waste marketing budgets.

Also for consistency sake, it is better to take materials distribution duties away from professionals. They don't know how to do it and they often do a bad job. Marketing should prepare mailings: Professionals should sign letters and/or scribble notes and no more. In the best of all cases, the professionals pre-approve a letter that is sent for them with notice to the professional that it was done. Marketing also should handle response to communications unless there is a request for a visit or presentation that involves a professional. Routing this kind of communication through a central source can

be risky when marketing is bureaucratic and out of touch with professionals on a day-to-day basis. It requires vigilance to maintain close contact with professionals.

Keeping professionals out of customer and prospect marketing contact is not the best way to operate but it is better than suffering marketing inconsistencies that plague service firms. Ideally, professionals should be interested and involved in marketing and supportive of marketers, but this is not always the case. And, it is not uncommon that when a professional is interested, the individual is unskilled and naïve. (In fact, these individuals can prove more troublesome to marketers than professionals who discount marketing.)

Web sites are a particular instance where naïve professionals can do great damage to marketing consistency. Some service firms know what to do with the Web, but most don't. Many web sites are for recruiting only and not for marketing. They are exercises in fancy design, but empty of content and if they have content, it is poorly structured and hard to find. In fairness to service firms like the law, consulting, accounting and tax, there may be little one can offer on a Web site that is of use to clients and prospects. On the other hand, newsletters that firms publish with updated court decisions and tax advice could be transferred easily to the Web with greater timeliness and updating. Some firms have done this, and ultimately, all firms will probably go that way because it is better client service and less expensive.

What Web sites need most of all is a marketing strategy that balances the needs of the service firm in content, structure and presentations. One part of the site could be oriented to recruiting and a second part to clients and prospects with hyperlinks to common data such as the firm's history and professional's bios. Strategy should be consistent with the overall marketing thrust of the firm, and it should allow for interactivity with clients and prospects that is mutually beneficial. Site updating should be the duty of a Web editor whose sole job it is to develop

and refresh content because web sites age quickly. A service firm, even of modest size, should have a Web editor who builds and maintains a library of content that is aggressively merchandised to clients and media. A service firm should have questions and answers about its areas of expertise that are simple and clear explanations useful to the media and others with contact information for finding out more.

Another good way for service firms to produce consistent marketing is to maintain relationships with professionals who leave the firm for corporate positions. Some firms are brilliant in building alumni networks: Other firms can't get started. Depending on service professionals to get this job done rarely works. Marketers should develop and send regular communications to alumni, to keep them updated on the firm's activities and to open doors for them to contact the firm for assistance. In fact, it is probably better if marketers do not depend on professionals to inform them when someone has left. It should be reported directly from the HR department, and it should be the marketer's task to contact professionals to determine how an individual should be handled as an alumnus or alumna.

Advertising and PR have roles in maintaining consistent marketing. Advertising raises awareness of a firm's name and can be powerful if a firm has a compelling differentiation. PR can raise awareness and establishes a firm's expertise. Both advertising and PR require access to a firm's intellectual property in order to fashion it into effective communications vehicles.

Most firms develop in-house experts as resources for media, but it is not enough. The experts must be willing to talk to the media and have something to say. Further, they must say it well. Media training is an essential element in establishing a PR program. Service marketers should not be surprised when their most knowledgeable professionals are the least articulate in media interviews. Some cannot express themselves simply and clearly: Others are adept. Here too,

marketers work with the talent they have. They may have little choice, especially when politics intrude. For example, an associate professional is excellent in interviews, but a senior professional won't let the person speak.

## Summary

The secret of service marketing is no secret at all. It is sticking with a process until one breaks through: It is commitment more than creativity. The job of PR practitioners and marketers is to find the processes that individuals are comfortable doing and to fit programs to them without dissipating overall strategy. This is difficult but achievable. It requires flexibility and firmness to adapt processes without compromising messages. Across-the-board consistency is achieved one professional at a time. One starts where he or she is allowed to begin and builds over a period of years. This resolves as well a bane of service marketing departments. They can become centralized units functioning autonomously out of view of professionals who don't trust them. When marketers are out of sight, they are out of mind. Service marketers should remain in the line of sight of professionals they serve and attached to departments or practices where they see first-hand what works and what doesn't. The marketing head coordinates their efforts –an easier job today, even with multi-office firms.

Service marketing is like the old miner who ripped the heart out of a mountain with a pick and a mule. The miner's secret was that he went to work everyday and did the same job over and over and over.

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