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# Marketing Your Professional Services

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## Introduction



*“How can I make the most of my education, talents, and experience? Should I start my own business? How would I know if it is doable? Where do I start?”*

This course is about answering those questions and a lot more from the same marketing perspective that a new company of any size would have to ask.

However, please understand that this is a primer on the STRATEGY of marketing your unique services, not on the TACTICS of how to do it.

Strategy is about developing a crystal-clear description of how your services will help clients achieve their desired goals. And about identifying your potential clients.

***That description becomes your product and your client description becomes your target market.***

Once you have a product to sell, you look for a marketing service who can *present it to your specific market*. (Marketing tactics – aka techniques, tools, and talents - are evolving so rapidly that a written course on marketing tactics becomes practically obsolete as soon as its published. However, the strategy of preparing your product – especially intangible professional services like yours – is timeless.)

Naturally, since your intangible professional services are the product and not some physical object, there are several steps in a typical marketing plan that would not apply but there ARE many steps that are not always evident to someone who is not familiar with the process. We have adapted the theoretical marketing process taught in the best business schools into one that can help you get closer to answering the questions above.

***Remember, we make no promises that, even if you do everything we describe here, you will find success in starting your own business!*** We are simply trying to help you get closer to the pot of gold that may be waiting at the end of your rainbow.

## Why Do Business Fail?

Before we go any farther, let us take a moment to look at a few common reasons why businesses fail:<sup>i</sup>

**1. They start their business for the wrong reasons such as:**

- a. Make more money on my own (*Where does all the money come from to start the business and keep it going until they get a sustainable cash flow?*)
- b. Be my own boss (*Aren't the customers the "boss"? If they are not happy, they soon go away! You are still taking orders from someone.*)
- c. More family time (*A variation of "be my own boss." If the owner does not put in the long hours needed to get it started, who will? You still do not see your family*)

What do you think are the right reasons for you? (Hint: what is there about you, your work ethic, and your outlook on the world and the people around you that may help you be successful?)

**2. There is no market, or it is too small, too remote, or otherwise inaccessible.**

This goes back to the strategic planning we discussed earlier. Too vague of a market is as bad as no market because you cannot sell professional engineering skills to everyone since not *everyone needs them!*

So this would be a good time to develop your "elevator pitch."<sup>ii</sup> This is a 30-45 second (length of a typical elevator ride) spoken description of your product, your market, and (if time allows) yourself that you would tell someone riding in an elevator with you if they asked.

For example, suppose you were an accountant and someone in an elevator asked, "What do you do?" and you smile and reply "I am an accountant," and that is all you say.

Although that is what you do, it is also what thousands of others do. *In other words, there is nothing special about you that would interest a potential client* and you allow their previous experience with accountants (maybe good, maybe bad) to define you.

But if you said, *“I’m an accountant and I help entrepreneurs realize their financial dreams by optimizing cash flows and reducing taxes,”* you control their perception of you. You have emphasized your focus on clients and their success which is very appealing to other potential clients (...like maybe the person in the elevator with you).

Make sure you have a two-part answer to the what-do-you-do question for maximum effectiveness. The two parts are:

1. “I help (your target market)” (identify your service targets such as the entrepreneurs for the accountant. Remember, *their needs* are your focus.)
2. “... by (doing something such as the accountant optimizes cash flows and reduces taxes.)”

So, if someone in an elevator asks, “What do you do?” is there anything you can add beyond saying, **“I’m an engineer?”** (If you cannot come up with something, don’t give up your current job.)

3. **Poor Management** – Since this is a course about marketing, we will not get distracted with non-marketing comments here.
4. **Insufficient Capital** – Ditto number 3 above.
5. **The Wrong Location** – We are assuming you are a consultant with a great website and marketing tactics working via the internet (i.e., a good cyber location) *after you have developed your elevator pitch*, so a bricks and mortar location does not matter to you like it does for typical businesses. This should not impact you.
6. **Lack of Planning** – As an engineer, planning is something you do naturally. However, just because you can plan an engineering event does not mean you can develop a solid business plan.

Take the time to do some research on putting together a business plan and *build it around your elevator pitch because that should capture the essence of your product and your market.*

Once you have clearly defined what you can uniquely offer and what the market for your uniqueness is, the marketing vendor has a much easier job getting your message out. *After all, if you cannot define what is special about you, your marketer has nothing to sell and will be wasting your money.*

7. **Overexpansion** – While self-evident that you never want to promise more than you can deliver on time and on (under is better) budget, you also do not want to pass on opportunities that may not come by again.

It may be wise to build a stable of trusted and reliable contract resources that you can call on when things ramp up rather than build a full-time staff. Use non-critical small jobs to test the waters for reliable resources you can go back to when things begin to roll. Waiting until you face critical deadlines to audition new talent can be costly to your business and reputation.

8. **No Website and No Social Media Presence** – This is all about the marketing tactics we discussed earlier. Once you can give them a clear description of the product you offer and the market who would need that product, the cyber marketing masters can tell your potential clients all about you.

***But, if you have not developed your elevator speech first, you would be wasting money here because they cannot define you as well as you can.***

(Author's note: I am listening to some Jimmy Buffet music in the background while updating this course and it struck me what a genius marketer he really is! Think about it... what does Jimmy Buffet offer as a musician that plenty of other singers do not? Others can sing better, they are better looking, and they are younger, etc.

*He helps us experience our dreams of Caribbean beaches, getting away from the monotonous daily grind, or relaxing on a sailboat with a rum drink in our hands through his songs (“A Pirate Looks at 40”), his beer (Landshark), and his Margaritaville Resorts.<sup>iii</sup>*

What would his elevator pitch sound like from a marketing standpoint?)

## What is Marketing?

The American Marketing Association defines marketing as “...the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.”<sup>iv</sup> While that’s the official definition for the profession, I’m not sure that it helps a potential small business get stated.



Maybe this definition from a major Twentieth Century management guru, Peter Drucker, will be more helpful: “The aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits him and **SELLS ITSELF** (emphasis mine). Ideally, marketing should result in a customer who is ready to buy. All that should be needed then is to make the product or service available.”<sup>v</sup> Drucker’s definition is getting us closer to our starting point.

This last reference should help you understand where we are going. It is from an article in the Harvard Business Review from 1960 (but still truly relevant) by Theodore Levitt entitled “Marketing Myopia.” It was about how businesses looked at themselves and their products traditionally and how they should look at them in the future if they want to survive.

One of his primary examples was the railroads.

The railroads did not stop growing because the need for passenger and freight transportation declined. That grew. The railroads are in trouble today not because that need was filled by others (cars, trucks, airplanes, and even telephones) but because it was not filled by the railroads themselves. **They let others take customers away from them because they assumed, they were in the railroad business rather than in the transportation business.** The reason they defined their industry incorrectly was that they were railroad oriented instead of transportation oriented; they were product oriented instead of customer oriented.



That railroad example from 1960 matches well with my mention of Jimmy Buffet a few minutes ago. Unlike other artists, Buffet does not just sell songs, *he sells a means to experience (if only in your mind) your dreams of getting away.* And he keeps singing and smiling all the way to the bank! (How else can you explain the phenomenon of his “Parrot Head” fans?<sup>vi</sup>)

The red emphasis in that railroad statement is mine because that’s the message you have to understand before you begin marketing your professional services to potential customers: **YOU ARE NOT SELLING YOUR PROFESSIONAL SKILLS; YOU ARE SELLING SOLUTIONS TO THEIR PROBLEMS AVAILABLE THROUGH YOU!**

For example, if you are a structural engineer and a municipality hires you to construct a bridge over a local creek. They do not hire you because you are just another structural engineer from the yellow pages among two dozen others they could have just as easily picked: they hire *you because your definition of who you are and how you can help them (your elevator pitch) has led them to believe you are a means to solve their problem!*



FedEx does not sell its delivery capacity, it sells “Business Solutions”<sup>vii</sup>

As we go through this course, we will keep coming back to the basic question of “*why would they want to hire you and not someone else?*” We will help you devise a set of answers to that question that are the best fit for you. Then it is up to you to apply that knowledge to 1.) pass the quiz associated with this course and, 2.) market your services to the largest audience you can handle!

That audience may exist in the market **place**, a physical locale where people see your name on a storefront sign, or in the market **space**, where they find you via your website on the internet.

### ORIENTATIONS TO THE MARKETPLACE

There are several different ways to look at the potential marketplace. Your potential for marketing your services successfully will depend on which one you choose.

- **The Production Concept** – This is an age-old view that believes consumers will prefer products (or services) that are widely available and inexpensive because of mass production.



“Engineering services are a dime a dozen. I’ll go through the yellow pages and see if I can find one that’s hungry enough to take a low price for our job.”

- **The Product Concept** – Consumers will favor those products that offer the most quality, performance, or innovative features. The danger here is the producer will become so enamored with his product that he assumes customers will beat a path to their door because of the very nature of the product. (Remember the fallacy of the railroads from the previous section?)

However, if consumers perceive they can get comparable features in another product that is priced lower, they will flock to that. (Stay focused on the customer!)

- **The Selling Concept** – The idea that consumers, if left alone, will not buy enough of our product (or services) to sustain us: therefore, we must encourage their purchases by selling to them. This is why Coca Cola is so large today. They felt customers would not buy enough product *if left alone to make their own choice*, so they *sold the product to them* to encourage them to make the correct decision.

This concept is also used to sell products that people may not typically be thinking about such as vinyl siding, insurance, or burial plots.

- **The Marketing Concept** – This emerged in the early 1960s – coincidentally with Levitt’s article entitled Marketing Myopia – as businesses become more customer centered by thinking, “*let’s sell what they want*” instead of “*let’s sell what we have.*” Many studies have shown this to be the most successful approach.<sup>viii</sup>
- **Content Marketing** – “*let’s sell what they want*” – evolved from the Marketing Concept as business became more sophisticated in seeing the world through their customers’ eyes.

Take a moment to think about what you are asking potential clients to do. You want them to give you a TANGIBLE OBJECT (a bag of hard-earned money) for an INTANGIBLE PROMISE (your future professional efforts). This requires a lot of faith – ***why would you expect someone to do that?***

This question is what makes Drucker’s statement back on page 8 (“*Ideally, marketing should result in a customer who is ready to buy. All that should be needed then is to make the product or service available.*”<sup>ix</sup>) so powerful.

They are not buying your services; they are buying the opportunity to end up with what they want. (Just like people are not buying Jimmy Buffet’s music, they are buying an imaginary escape to the islands for a little while as he paints musical word pictures for them as they sip on boat drinks.)



You want the customer thinking, “*By hiring you, I am more likely to achieve what I want than by trying to do it myself or hiring anyone else offering your basic services.*”

The customer-centered approach morphed into ***relationship marketing*** where providers of goods and services (you, we hope) realize the value of developing long-term relationships with customers, suppliers, distributors, vendors, and anyone else with whom you come into contact.

There is a key element of success here: **Build an effective network of relationships with key stakeholders (others who gain as you have success) and profits will follow.**

Let's apply this to you.

If you are thinking about marketing your services, who could be your potential:

- Customers
- Suppliers
- Sub-contractors
- Distributors (how would you spread your name?)
- Vendors
- Who else could benefit from an association with you?

## Defining Your Marketing Strategy



A successful marketing plan for someone wanting to sell professional services begins with defining the **target market**. As a new business, you must realize that you can't be all things to all people. At some point, you must define your limitations (temporary ones, we hope) so that you don't overextend and lose all credibility.

After defining your market, you must determine how you will allocate resources to penetrate it. What are the things I must do or should not do? Should I advertise there? Why or why not?

The sum of all these decisions is called the "**marketing mix**" – a combination of marketing factors and your decisions that is best for your current situation.

This illustration represents all the factors facing a new business manufacturing a product. Since you will provide services and not a product, we will discuss only the relevant ones.

## SELECTING YOUR TARGET MARKET

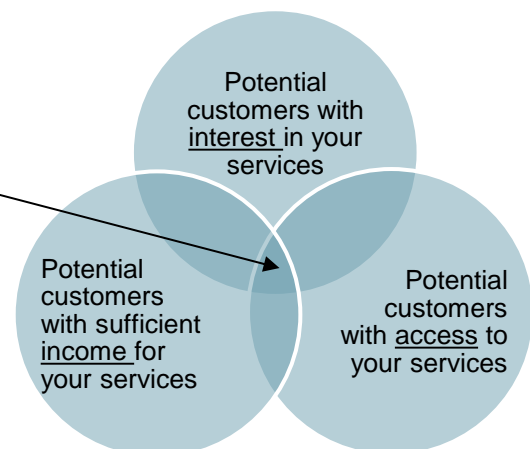
You may think your target (or potential) market is “everyone who needs the solutions that I can provide for their problems!” In theory, you would be right but in the light of harsh reality, there is more to consider. Just because some may have a need for your professional services does not mean they have **sufficient income, interest, and access** to them.

Let’s go back to our earlier example assuming that you offer professional Structural Engineering services in your town. This morning’s paper includes an article about the mayor’s statement at the last council meeting that there is growing traffic congestion along one of the main roads and that a bridge constructed across a ravine would ease the traffic flow for that area. *(Think about this for a moment. The town needs traffic flow relief - not necessarily a bridge. If something magically eliminated half of the cars in town, the need for a bridge goes away. The “solution approach” cannot be emphasised too much.)*

They have a problem and you have a solution but **what access do they have to you?** Do they know you exist? Even if they did know about you and would consider you, does their council have some special requirements for considering consultants such as a percentage being a minority or that they must be a local resident for a period of years (you can see I’m really stretching here for limitations!)

If they could have access to you, could they afford you? This means more than just meeting your price – would they have the money in the budget even if they thought your price was reasonable?

Your large **potential market** is reduced in size by the amount of potential consumers with **sufficient interest, income and access** to your services. Therefore, your **target audience** is the convergence of all three circles in this diagram.

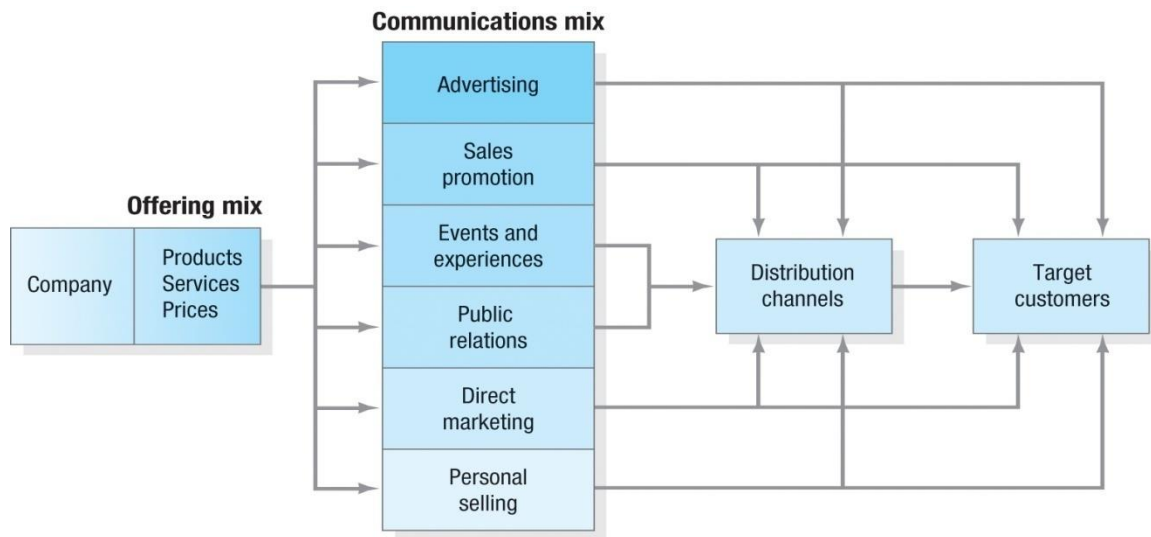


Once you have defined your target market, you develop your **marketing mix** so you can convert that targeted group into a revenue-producing **penetrated market**.

### DEVELOPING YOUR UNIQUE MARKETING MIX

After you have developed a feel for your target market (this can change as your capabilities change and you evolve as an entrepreneur), the next step is to develop your “marketing mix” – the combination of efforts and activities you undertake to reach your targeted market.

The marketing mix, your comprehensive effort to sell professional services, can be broken down further into the “offering mix” (what you have to offer – starts on page 18) and your “communications mix” - how you will let potential customers know about you.



Just a few brief comments about the elements of communication shown above:

- Advertising is self-evident
- Sales promotion is probably not part of your plan because this is about prompting a tangible product via coupons, contests, and campaigns such as “This is March Madness time at our dealership and the first 100 customers get a free \_\_\_\_\_.”
- Events, experiences, and public relations can be papers that you deliver at professional conferences (if potential clients attend), serving on local community



boards, donating your services for a local non-profit, getting a hole-in-one at a local golf course and getting it written up, etc.

This is a good place to talk about **Public Service Announcements (PSAs)** and how they can help your business FOR FREE! This strategy takes some finesse and writing skills and can be very effective once you get used to it. Here's how it works.



Suppose you designed the structures for a neighborhood playground and acted as the PM using parent volunteers to get it built.

Then you take pictures and send them to the local paper and neighborhood social media source with a little write-up

attached.

*“The kids of the Midtown Commons area have new playground equipment designed to be ‘kid-proof’ and provide a safe family-oriented environment for years of use. This was paid for with various community fund raisers and constructed courtesy of hardworking parents and design and project management donated by Berkeley Engineering Services..”*

The finesse is about making the kids and the community benefits the focus of the story and Berkeley Engineering is mentioned in passing to assure taxpayers very little was spent but we received a professionally-designed product. Make the announcement about the community (not about you) and you'll probably get it published.

If it were written with Berkeley as the focus instead of the kids and community, the media may consider it as advertising and want you to pay for publishing.

- Direct marketing and personal selling depends on how you want your potential clients to view you. Sending flyers in the mail to names on a selected mailing list is an example of direct marketing.

We touch briefly on “Distribution channels” on page 24.

### FROM THE SELLER’S PERSPECTIVE

The seller (you) breaks their total offering package into categories of product, price, place, and promotion – the illustration on page 13

That diagram shows us the four Ps representing your view of the market: **PRODUCT, PRICE, PLACE, AND PROMOTION**. After we look at the market from your perspective, we will view it from the four Cs of the customer: **(CUSTOMER) SOLUTION, COST, CONVENIENCE, AND COMMUNICATION**.

### PRODUCT

- **Product variety** – what combination of services will you provide personally or be able to locate and provide? (For example, if you are a Civil Engineer, you may provide the engineering services yourself but can locate and provide – for a finder’s fee, of course – any surveying and soil testing required.)
- **Quality** – not only the quality of work that you do, can you provide some quality standards for the whole project?
- **Design & Features** – are there any unique characteristics of your services that can give you an advantage? These can include language skills or a particular background or specialty that other competitors may not have.

**Note:** Let’s stop to talk about product features and benefits. A product’s features are tangible, part of the product, and exist for every potential customer. *The benefits of the feature are what that feature means to a potential customer but maybe not all customers.*

Suppose two people are considering buying this SUV. One is a man who enjoys fishing and camping with his family and the other is the typical “soccer mom.”



Features of the vehicle include large cargo capacity and four-wheel drive. The large cargo capacity feature is a benefit to both for carrying family plus camping gear as well as most of a soccer team. The four-wheel drive feature is *not a benefit* for the mom because she stays on city streets but it is a feature for the camping family that goes off-road to their favorite camp site.

The point here is that emphasis on the four-wheel drive feature won't mean anything to the mom but it will to the camping dad. So if the sales person tries to push it a lot, the mom will realize there is more focus on selling the SUV than on her situation which may cause her to look for another dealer that sells that same vehicle.

In your case, if being bi-lingual is a feature of your service, take time to find out enough about the client's situation to determine whether or not it is relevant. If you say, “Another advantage of hiring me is that I speak Spanish”, you'll sound foolish if that ability has absolutely no bearing on the project and no subsequent value to the customer.

- **Brand name** – If you are just beginning a business, it will not have the history needed to create a brand name unless you can figure some way to use it without running into legal problems. (*Apple iPod Engineering Services* may be a recognizable name but it will cause you more problems than it's worth.)

However, that's not to say that there isn't something about *you personally* that can capitalize on the brand name concept. If you are a graduate of a prestigious engineering school or gained experience as part of a well-known organization like NASA, then that is an aspect of product branding that may be helpful.

- **Packaging** – Are your services part of a complete, one-stop shopping solution package such as a Civil Engineer who can also arrange for surveying and soil testing or are you a specialist that only does your particular job? The one-stop shopping

solution is often called “service blending.” Take a moment to see how FedEx explains what they offer <https://www.fedex.com/en-dj/shipping/benefits.html>

- **Sizes** - Are there limits to the size of your “product?” If so, be sure to define them.
- **Services (solutions?)** – When listing these, remember the problem the railroads had with their perception of themselves in relation to the market. They should have been selling ‘cross-county transportation services” instead of railroad access. The Structural Engineer is not selling his/her bridge building skills; they are selling a “creek crossing solution capability.”
- **Warranties** – I’ll leave that up to you to define from the customer’s perspective.
- **Returns** – This isn’t applicable unless you frame it as customer satisfaction.

#### **PRICE**

- **List Price, Discounts, and Allowances** – Before you decide on a specific pricing scheme, consider looking at the world of retail – specifically Wal-Mart. They have become the nation’s (and possibly the world’s) biggest retailer with a very clever pricing strategy. They are known as the lowest-price sellers on many specific items that they advertise or feature at the entry point of their various departments. But what a lot of people don’t know is that once inside that department, many prices of goods are a *little higher* than competitors in the area. Wal-Mart correctly assumes that customers will perceive that SOME low prices mean ALL low prices! And that isn’t the case.

Your pricing for one set of services may be low (and well-advertised) but that doesn’t mean all of your services have to be at rock bottom.

Another suggestion here is to avoid line item details about your charges as much as possible for (at least) two reasons:

1. If you are new to the consulting profession itself, you may not know how many hours it will take to complete the sub-tasks needed to finish the large task thus

making it difficult to come up with a credible detailed estimate. Using the largest credible number gives you latitude to multi-task or if it takes longer/shorter time than anticipated for sub-tasks and still get done on time.

2. In my experience of consulting in Organizational Development, a lump sum price for the completed project is easier for me to sell and for the client to consider. For example, if I were hired to write a course like this, my experience tells me it will probably take two weeks and I would charge \$XXXXX.00: that is what my proposal would say.

But, if I broke it down listing 10 days of work @ 8 hours/day based on \$XX/hour, the client may be tempted to ask things like:

- “\$XX/hour? Isn’t that a little high?” “Is that a full 60 minutes/hour or do you take regular breaks?”
- “Suppose you work 10 hours/day, can I get it quicker?”
- “How about working for \$Y/hour instead? Would that work?”

In others words, don’t give them any more information than necessary to close the deal. Too much, and they may feel compelled to start questioning it just to show you they are paying attention.

- ***Payment period & credit terms*** – I would suggest some kind of payment schedule here agreed upon as part of your contract. Always get a binder amount upfront and then fractional payments at milestones along the way.

### PROMOTION

- **Sales Promotion** – Since you're selling problem solutions and not tangible products, you won't be developing discount coupons, grand openings (although an announcement of your new business would be under advertising), or giveaways at community events.
- **Advertising** – This is about telling the world you are ready to help them solve their problems and making it easy for them to find you. There are many good books and e-links on internet advertising and networking that can help you get the most out of your advertising dollars.

Before you think about advertising, though, you must carefully construct your message. What will you tell them about you in the fewest words (advertising space is expensive) that will convey the most valuable message? Remember your elevator pitch.

Think about the saying, "A picture speaks a thousand words." Your logo, mission statement, company name, etc. should say more about you than just the meanings of each individual word within them. That way, they can convince themselves of your value to them.

"*The world on time*" is written on FedEx vehicles. Those four simple words convey mental images of packages going anywhere in the world and getting there on time. That tells me they are big, reliable, and aware of my business needs as an international customer.

(Suppose you were starting a business about 30 years ago and didn't know about FedEx. You had to get a proposal to a potential client in Germany within two days. Then you see a FedEx truck go by with "The world on time" logo. Suddenly, you mentally picture yourself at home, relaxed as your proposal flies to a quaint little village in the Alps where the client has his office overlooking an Alpine Valley. The FedEx guy hands the package to your client who smiles and thinks, "I like the way this American does business.")

Another classic understatement that conveyed a much larger message was from an American WWII sub-hunter pilot. His after-action report ended with the claim, “Sighted sub, sank same.” Imagine the mental images those four simple words gave to American newspaper readers after that message was printed.

*You must be able to paint word pictures about your services that potential customers can construct in their minds as they fit these pictures around their problems.*

- **Sales Force** – At first, this will be you but it doesn’t have to be only you! If you build a solid network of peers, clients, friends, vendors, and suppliers, they can also drive sales your way. Do not underestimate the value of a solid social and professional network.
- **Public Relations** – This is self-evident and doesn’t require a lot of discussion. Suffice it to say it is a variation of networking for the small business consultant. Here is a website that contains a lot of free information from people who have ‘been there – done that’ in the world of e-marketing <http://ezinearticles.com/>

Do not feel that self-promotion is beneath you because if you aren’t confident in the value you can bring to clients, why should anyone else be? Obviously there is smart and tasteful self-promotion and the shameless kind that we see on so many reality shows and the internet. Here’s one site that may offer some ideas: <http://blog.penelopetrunk.com/2007/07/25/5-ways-to-be-better-at-self-promotion/>

- **Direct marketing** – typically this direct mail ads or flyers to targeted customers. I doubt this would be very useful to an engineer selling professional services.

#### **PLACE**

- **Channels** – The traditional marketing of products includes three types of marketing channels:
  1. **Communication channels** – The process of delivering and receiving messages from targeted buyers. In the past, these were primarily one-way to the customer such as newspaper ads, flyers, coupons, radio, and television.

Currently, these are becoming more two-way with the use of internet blogging on a vendor's site or via SIGs (special interest groups) sites on the internet.

This is a SIG for a brand of sailboat owners <http://hunter.sailboatowners.com/>  
A company can learn a lot about customer experiences by reading comments on boards like these.

You could check to see if there are sites like these associated with your engineering specialty to network or look for sites that may contain people having problems in need of your solutions. If your skills could provide solutions to people on this site, <http://landscaping.about.com/b/2006/09/26/tips-for-lawn-drainage-problems.htm>, without sounding like you're selling something, it could generate some interest.

2. **Distribution channels** – The method used to get the products and services to the customers. Traditionally, this would be the distributors, wholesalers, retailers, and agents. Since you do not have a product that would move from one to the next in the chain, the networking concept we covered earlier would be the distribution channel for you.
3. **Service channel** – These help facilitate the transactions with potential buyers. If you are selling tangible products, these would include warehouses to stock your products, transportation companies to move them; insurance companies to insure them, and banks to finance them.

The insurance company and a banker would be useful for someone selling professional services as you will.

- **Coverage, Assortments, Locations, Inventory, and Transport** – These are purely related to producing products and have no relation to professional services.

Your “Target Market” (the Venn diagram on page 15) is the focus of all the efforts we have described over the past few pages.



## FROM THE CUSTOMER'S PERSPECTIVE

We have been making the point that marketing success comes from a focus on what the customer needs, not on what you have to sell. These four Cs are the customer's view of the four Ps we covered earlier. (*Look back at "From the Seller's Perspective" starting on page 16.*)

### **CUSTOMER SOLUTION**

The author of this course had the good fortune to spend a portion of his career as a training manager in the Operations division of a large bank. This division was a major source of bank profits for many quarters because every penny saved in operations goes immediately to the bottom line.

We were led by a senior vice president whose philosophy ran counter to that of many other traditional division heads – who never made the profit numbers like we did - who put the bank and its shareholders first. Our senior VP's philosophy was, "*We make it easy to bank at [our bank]*" and every decision that a leader within it made used that as a reference. If you wanted to buy new equipment, the first question was, "How will this make it easier to bank with us?"

The easier we made it to bank with us via customer interactions with customer service, making bank statements easier to read, etc. brought us increased relationships (in banking jargon, a relationship is a checking, savings, investment, credit card account or a loan) with our existing base and brought in more as others transferred from other banks more focused on pleasing their stockholders. *The truth is, since we were more profitable, our stockholders did better because we focused on pleasing the source of our income.* In short, if you take care of your customers, they will take care of you.

This is a good time to broaden your perspective on the skills you can offer. We have been talking about professional engineering skills which is all about the *technical aspect* of your discipline, i.e. electrical, mechanical, structural, civil, etc.

But as a successful engineer, you probably have other potentially revenue-producing skills beyond your specific discipline. For example, you may have project management, public speaking, writing, teaching, marketing, musical, etc. skills *that make up the unique package of YOU!*

Do not get so focused on marketing your technical discipline skills that you forget the whole package of multiple skills that make up you!

**MAKE IT EASY FOR CUSTOMERS TO FIND YOU, HIRE YOU, PAY YOU,  
AND RECOMMEND YOU TO OTHERS!**

### ***CUSTOMER COST***

Cost is not always about the actual price of something, it is more about the perceived value it brings to the buyer. When you quote a price for professional services, the customer may not always understand the value they are getting for it.

Think back to the SUV's features and benefits section on page 19. In addition to those we mentioned, there is also the safety value of sitting high enough traffic so that you can see (and be seen) in the traffic around you. Although the cost of the vehicle is more than a car, the safety value to the family is worth more than just "a few more dollars a month in car payments."

### ***CONVENIENCE***

This is more about tangible products or locations that a retail outlet may have. Regarding professional services, it's about the convenience of access to you when they have questions or concerns.

### ***COMMUNICATION***

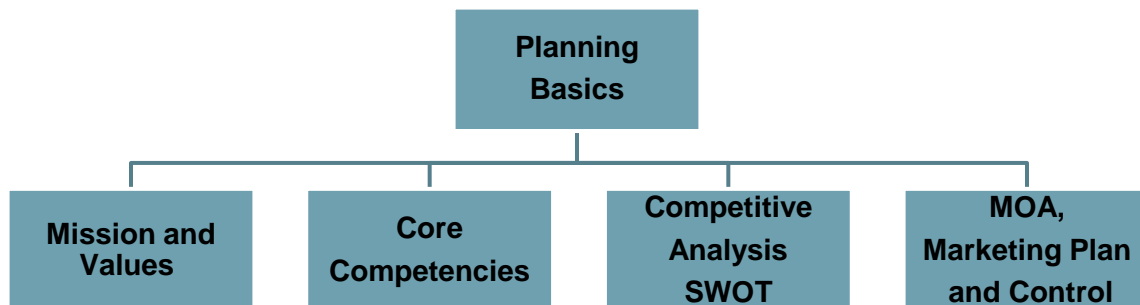
In today's high-tech world with endless options for communication, make sure it is easy for you and your customers to have a dialogue. This can be written in emails or spoken via cell phones. Whatever your method of choice, the easier you make it, the stronger will be the relationship.

## Developing Your Marketing Strategy

We will use the diagram below as a road map to help you understand how all of these next concepts fit together. Our work to this point has been to help you gain a foundation for understanding the art and science of marketing. Now we will build on that to help you develop a strategy to get your business off to the best start possible.

This is the big picture going forward:

- **Planning** is deciding today what to do tomorrow to reduce the potential for wasteful rework and missteps
- **Strategic planning** is for growth of your business
- **Operational planning** is for execution to make sure the growth occurs as planned



### MISSION AND VALUES

The value of a mission statement is much like the value of a compass (or GPS today) when wandering through the woods: *it helps you stay on your path when distractions come up*. It helps you address (and remember) the questions of “what is my business, who are my customers, what do the customers value, am I providing that value, and how do I know it?”

- A mission statement helps set the course. It sets out the organization’s basic purpose for being. (Remember Fedex – “The World on Time”)
- The whole firm should work toward the same objectives.
- Company objectives provide the larger framework for setting marketing objectives.

- Top management myopia, or tunnel vision, may straight-jacket marketing.
  - » Marketing objectives should be set for each marketing strategy.
  - » They should be as detailed as possible.
- Objectives should be explicit--quantified and related to time deadlines.

This is what Rubber Maid states:

*“OUR VISION IS TO BE THE GLOBAL MARKET SHARE LEADER IN EACH OF THE MARKETS WE SERVE. WE WILL EARN THIS LEADERSHIP POSITION BY PROVIDING TO OUR DISTRIBUTOR AND END-USER CUSTOMERS INNOVATIVE, HIGH-QUALITY, COST-EFFECTIVE, AND ENVIRONMENTALLY RESPONSIBLE PRODUCTS. WE WILL ADD VALUE TO THESE PRODUCTS BY PROVIDING LEGENDARY CUSTOMER SERVICE THROUGH OUR UNCOMPROMISING COMMITMENT TO CUSTOMER SATISFACTION.”*

If you decide your primary business is offering Structural Engineering consultation and you have identified your target market, you are less prone to diffusing valuable resources chasing what-appear-to-be-good opportunities but do not fit well with your mission. (Go back and look at your Venn Diagram’s target audience to stay focused.)

The values portion of this refers to your values, not the customers. Can you identify your values that are constant and non-negotiable? What are the things that you will not do regardless of how you may benefit? Before you can begin to define your business plans, you must make sure you have a solid foundation upon which to build it.

#### CORE COMPETENCIES

The core competencies of your business go beyond the fundamental professional skills you possess: that is the least you must have. Core competencies must include:

- A description of the competitive advantage you anticipate having in your market. (Maybe yours is the only consulting firm employing a former rocket scientist with NASA or you have been written up in a nationally recognized publication as an expert in your field.)
- How your services would apply in a wide variety of markets (The greater your potential market application means the wider you can cast your net for business)

- How your services are difficult to imitate by your competitors. (If there are several consultants offering what you have in my market, then, as a potential customer, I may have some room to negotiate price or some other advantage for me.)

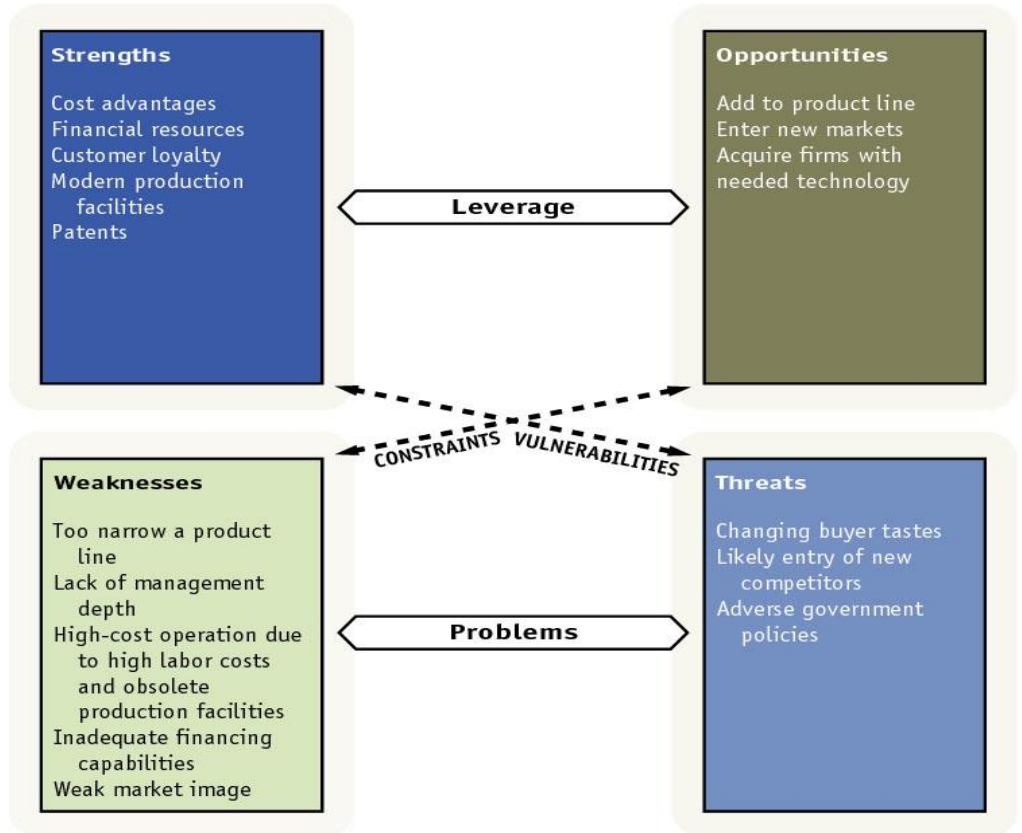
**COMPETITIVE ANALYSIS - SWOT**

After you have identified your mission statement and core competencies, it is time to begin considering the competition. We begin by looking closely internally at the strengths (the “S” in SWOT) and weaknesses (“W”) we have as an organization (or just you if it’s a one-person shop). After that, we look outwardly at the threats (“T”) and opportunities (“O”) we will face

As you can see, the combination of our strengths and the opportunities in the market play to our advantage while our weaknesses are magnified by the threats awaiting us.

If you will take a few minutes to review the topics within each box to the right, it will

become apparent why businesses are constantly reviewing their mission and analyzing the market and their competitors to make sure they stay competitive and can evolve as necessary without violating any of their core values.



### MARKET OPPORTUNITY ANALYSIS (MOA)

Clearly, a key element of marketing your professional services is taking time to learn about your target market and to identify the competition you will face within it.

Some questions you should ask include:

- *Can the benefits involved in the opportunity be defined into a defined target market that we can reach?*
- *Can the target market be located and reached with cost-effective media and trade channels?*
- *Do we have access to the critical capabilities and resources needed to deliver the customer benefits? (There is a big difference between the customer benefits you want to deliver and the benefits you can deliver.)*
- *Can we deliver the benefits better than any actual or potential competitors? How do we know? What's the potential for this advantage to evaporate? What would make it change? Could we stop it? If it changed, what would we do to compensate for it?*
- *Will the financial rate of return meet or exceed our required threshold for investment?*  
This also means you as an investor in yourself. Will you be able to take a salary and provide your family the health and retirement benefits you may be getting now with your current employer if you go out on your own?

## Your Marketing Worksheet

Use this worksheet to pull together everything we covered and apply it toward marketing your professional skills.

1. Using the railroad lesson on page 8, what business would you be in?
2. What could you start doing to create a professional network for yourself? (Or, if you have an existing one, what can you do to expand it?)
3. Fill out the text box on page 13.
4. What would be your targeted market (page 15). Try to define it as closely as you can by including specific names of companies or organizations
5. How would you describe your offering mix? (Page 18)
6. Write your mission statement.
7. What is your elevator pitch? “I am an engineer who \_\_\_\_\_”
8. What would be your core competencies? (Page 29)
9. What would be your strengths?
10. What would be your weaknesses?
11. What would be potential target market opportunities?
12. What would be potential market threats?
13. Answer the MOA questions on page 31.



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- vi <https://en.wikipedia.org/wiki/Parrothead>
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- viii Narver & Slater, *Market Orientation, Customer Value, and Superior Performance*, Business Horizons, (March-April 1994), pp. 22-28
- ix Peter Drucker, *Management: Tasks, Responsibilities, Practices* (New York: Harper & Row, 1973), pp. 64-65
- x [https://en.wikipedia.org/wiki/Sighted\\_sub,\\_sank\\_same](https://en.wikipedia.org/wiki/Sighted_sub,_sank_same)