

# THE ROLE OF MARKETING IN PROFESSIONAL SERVICES

We (virtually) sat with **Michael DeCosta** and **Carlos Cata** recently to talk about marketing and branding in professional services. Both have 25 years' experience in executive search and marketing, making this a perfect pairing.



**MICHAEL DECOSTA**



**CARLOS CATA**

**Mike** leads Caldwell's professional services practice and focuses on recruiting senior-level executives for law, management consulting, and accounting firms.

**Carlos** specializes in recruiting impactful senior leaders to help companies build brands and develop relevant customer strategies through emerging technologies in digital and analytics. He previously held leadership positions in companies with iconic brands, including Kraft and Procter & Gamble.

## THE ROLE OF MARKETING IN PROFESSIONAL SERVICES

**MIKE DECOSTA:** Carlos, we've talked quite a bit about the evolution of marketing and business development in professional services. How do you think professional services firms can best market their services, and does that differ from other verticals you've worked in?

**CARLOS CATA:** In professional services it tends to be less about the firm and more about the consultant who brings the expertise to bear. So, you have this conundrum of how to market the person, and whether it's really about the person or the brand? But I think the biggest challenge in professional services marketing is the sea of sameness, as I call it, and the challenge becomes, *how do you differentiate?*

Marketing is really about functional benefits and emotional benefits. Typically what I've seen in this space is that functional benefits are packaged as practice knowledge, specialization, a certain degree of expertise (which a lot of people have) or geographic coverage. The

emotional benefit is always trust - we're *your trusted adviser* - everyone rolls up to trust. So how do you differentiate from that basic construct?

I think there's an opportunity for marketing to tell a different story about how we impact our clients' worlds. A chance to play a part in defining the impact our involvement has on our clients; to tell a story about how our involvement in a particular case or industry dynamic or shift really helped get them to the other side quicker.

I don't think professional services firms do a great job of storytelling - partly on principle, because of client confidentiality, but I think that's an excuse. I mean, you could still tell a compelling story around that aspect of it. I think that's how it can be different, and we can be heard differently. I see a lot of sameness, but I don't see a lot of storytelling.

## MARKETING'S ROLE AS A GROWTH DRIVER

**MIKE:** Good points. I really like your reference to the use of emotional benefits and storytelling to augment functional benefits

McKinsey recently did a survey that found that 83% of global CEOs look to marketing as the significant driver for most of their company's growth plan. Do you believe that holds true in professional services firms as well, where client-facing practitioners have historically been the primary drivers of revenue? So both can touch revenue, but how ultimately does it manifest itself?

**CARLOS:** The short answer is not directly. No one is going to attribute marketing as the reason why we grew 50 percent - it's going to be because we hired a new partner, developed a new practice area or new vertical, etc. But certainly indirectly. An analogy I like to use is that marketing creates the demand and sales fulfills the demand. Or that the practitioners are the ground troops and marketing can be their air support.

I think that gets back to the idea that, in old marketing parlance, effective positioning is about defining your point of difference, and then backing it up with the reasons to believe.

If you apply it to professional services, the practitioner becomes the point of difference – the solution that's delivered to the clients. Marketing can create the platform to equip that partner with the reasons to believe - that they and

their firm can do a better job servicing the client because they have A, B and C. The firm delivers the set of benefits about expertise or skills or commitment - whatever your reasons to believe are – in support of the practitioner. Then you have the collective power of one plus one equals three.

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**MIKE:** That's an interesting viewpoint. So often in the professional services sector I hear that the selling is highly bespoke, customized, consultative - that it's not about features and benefits, as if somehow that's cheap marketing. But you're saying the two can *and should* go hand in hand because that's ultimately the full value proposition. Not only customizing advice, but providing that support to be able to deliver it beyond just a single person. That's an interesting observation I hadn't made before.

## HUMANIZING MARKETING

**MIKE:** Especially during a crisis phase like the one we're in now, how can professional services firms strengthen their commitment to their clients, their people and their communities at large, and how does that have sustainability once we come out on the other side?

**CARLOS:** So much of professional services marketing is about putting forth an expert archetype - *this person is the expert...the smartest person in the firm who's going to solve your problem*. Inside of that expertise is a lot of stuff, like the fact that you charge a premium because you bring something the client doesn't have internally, or that you have authority and can talk to their CEO in a way that they will listen to you because you're objective and have a different perspective.

I think there's another side to it, though. You can be an expert, but you can also be human, and I think that more than anything else, companies are looking for humanity in the firms they deal with. Consistent values in terms of how they treat their teams, how they treat each other, how they treat their community. It's great to focus on being the expert with all the right answers, but if you can deliver it in a way that highlights your humanity it creates stickiness.

I think for a long time, professional services said it doesn't matter if you're likable; what matters is that you're good. I think there's an element now of looking for expertise and values that can make firms stronger.

**MIKE:** It's true. Several years back a client of mine did a major rebrand that started with an extensive research project. They spoke to more than 400 clients, prospects, partners, alumni, and industry experts about attributes they value in a lawyer. And while you might expect that expertise and results were at the top of the list, they weren't. What clients and prospects most looked for was engagement and values because the skills, knowledge and expertise were already expected.

**CARLOS:** So, for them it became all about the emotional connection. It comes back to the idea of the emotional benefit, but it takes it way beyond just trust.

**MIKE:** We've hit the point where expertise, global reach, and all the various resources a firm has are now table stakes. Corporations are putting criteria in their professional services RFPs that ask about value, likability, and how **you** reflect who **they** are as an organization. The traditional benefits are table stakes - *you're world class professionals at world class firms, but*

**We've hit the point where the traditional benefits are table stakes. Corporations are looking at how you reflect who they are as a company. Ultimately, they are also looking for a certain level of empathy and respect from their outside advisers.**

*what is your diversity policy? What's your staffing model?* Ultimately, they are also looking for a certain level of empathy and respect from their outside advisors.

That's where C-suite marketing executives come in – they can help partners articulate that message.

**CARLOS:** In your example, they've done it by virtue of necessity - they're being told to do it because someone's asking a question that they need to answer. Imagine the ones that were doing that a priori - who were doing that because they believe in it, and it's the right thing to do. How'd that blow people away? It's a culture shift.

## ATTRACTING TOP MARKETING TALENT

**MIKE:** Absolutely. Unlike the consumer packaged goods industry, which has historically attracted tremendous creative types whose product campaigns drive sales and success... this is different. The chief marketing officer is there as a *supporter* of the pursuit of revenue, but maybe not a *converter* of it. It's a different type of leadership.

What do you think the professional services industry needs to do to market itself to great marketers? How do they attract themselves to bring in world-class marketers?

**CARLOS:** A couple of decades or so ago, professional services firms knew they needed this thing called marketing, but they didn't really understand how to fully use the talents that person would bring. They weren't ready for (*big M*) Marketing... they were probably ready for (*little m*) marketing and would come out the other end kind of disappointed.

I think that's changed. It first starts with understanding the definition of what you're looking for in a CMO. For the most part, professional services has a basic understanding

of marketing - they think about it as advertising and big brands; they think about commercials and McDonald's, Samsung and Apple. B2B marketing is a very different thing - it's not about brand, and with the rise of digital marketing, it's become even less about advertising.

Professional services firms can attract really good marketers, because there are a lot of them out there who aren't looking for the big sexy brands and advertising budgets. They want to know that they can impact the business, help move the needle and have an effect by telling a better story or augmenting a reputation. If professional services firms can articulate a story in which this person's skills - not through advertising or brand management, but through great, solid marketing - makes a real impact, then I think they could attract an A-player. Someone whose remit is not *build my brand*; it's *help me tell your story*; *help me increase our reputation*; *help me make our partners better*. Then suddenly that's an attractive play for a marketing leader.



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