

Part

I

**Marketing for
Consultants the
Guerrilla Way**

Chapter 1

Why Consultants Need Guerrilla Marketing

New business will be won only to the extent that the client believes that the professional is interested, cares, and is trying to help.

—DAVID H. MAISTER¹

For decades, consulting seemed like a dream job. The promise of challenging, satisfying work and great compensation attracted legions of smart, talented people to the profession. And consulting grew into a global industry that is forecasted to be a \$159-billion-a-year market by 2005.²

Businesses—inundated by successive waves of new technologies, market shifts, and bold ideas—clamored for independent experts who could help them implement complex strategies to keep up with changes and embark on new ventures. The ranks of consultants swelled, and consulting firms racked up record-setting profits on high fees. Consulting became a serious business with a focus on making big money.

A more recent sign of the times, however, is apparent in the title of a seminar offered by the Institute of Management Consultants: “Management Consulting: Dream Job or Worst Nightmare?” Why might consulting be a nightmare?

Maybe it’s because of several developments that have turned the industry on its ear. They include:

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- ▶ Sluggish growth rates for many consulting firms, declining fees, the unpredictable economy, and the cyclical nature of consulting
- ▶ A market saturated with experts and fierce competition, which has led to aggressive selling wars over even the smallest projects
- ▶ Widespread corporate scandals, consulting firm mergers, practice dissolutions, and trends like outsourcing that have clients scratching their heads about who does what and which consultants are trustworthy
- ▶ Projects that have failed to live up to consultants' promises, leaving clients wary of making further investments
- ▶ New firms that entered the market out of nowhere in search of a fast buck and quickly vaporized

These changes have tarnished the images of all consultants, whether they are individual practitioners or members of larger firms. Consultants are facing nothing less than a crisis in clients' confidence.

WHAT IS A CONSULTANT?

A consultant offers professional advice or services for a fee.

■ CAN CLIENTS HEAR YOU NOW?

Consultants haven't altered their methods for marketing their services in response to these events. In fact, their marketing hasn't changed much in decades except to get slicker and flashier (and more expensive). Although consultants are struggling to get their messages across to clients, they can't break through the babble that is the hallmark of modern marketing.

The time is right for consultants to adopt guerrilla marketing techniques. The battle in consulting is no longer just about vying for projects; it is about competing for relationships with those who award those projects. This book focuses on how to win *profitable* work from a new, more discerning breed of consulting clients.

Guerrilla marketing can overcome the obstacles that many consultants face: clients' growing cynicism, today's new buying environment, and the feast-or-famine syndrome.

■ THE NATIVES ARE RESTLESS

Perhaps the most serious challenge for consultants is to reverse clients' growing dissatisfaction with project results. The fact that only 35 percent of clients are currently satisfied with their consultants is not exactly a ringing endorsement.³

The business analysis firm, Ross McManus, has been warning consultants that even long-term client relationships are at risk. According to Ross McManus principal, Steven Banis, "It doesn't matter what function—information technology, human resources, legal, accounting, or consulting—across the board relationships are being re-examined. In areas where there is frustration, providers are being booted out at an incredible pace."⁴

William Clay Ford Jr., chief executive of Ford Motor Company, said about consultants: "If I never see one again, it will be too soon."⁵ His comment, which can make even seasoned consultants wince, is all the more ominous because for decades his company has had no shortage of consultants working on projects.

Cynicism about consultants isn't new. No doubt, you have heard the old joke that a consultant will steal your watch to tell you what time it is. But clients' skepticism about consultants has soared to new heights as they question whether the results consultants provide are worth the fees they charge. And having a marquee brand name no longer confers the *Good Housekeeping* seal of approval.

■ ROOTS OF SKEPTICISM

Dissatisfaction with consultants' work is not the only explanation for skepticism about the profession. Other legitimate concerns are that the consulting industry is barely organized and is not regulated internally or by any government agency.

Consulting has no real barriers to entry. It is easier to become a consultant than it is to get a fishing license. Anyone with a business card can say, "I'm a consultant," hang out a shingle, solicit, and, most frightening of all, advise clients. As Tom Peters observed, ". . . we are going to become a nation of consultants. Perhaps we already have."⁶

Peters isn't too far off when you realize that such unlikely companies as United Parcel Service, Dell, Hitachi, and General Electric—to name just a few—have made successful inroads into consulting services. No doubt, other companies will add further competition to an oversupplied and skeptical market.

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In these times of heightened sensitivity about ethics, the lack of formal standards governing consultants, absence of regulation, and intensity of competition make it easy to understand the growing cynicism about the value of consultants' offerings. At the same time, clients' expectations of consultants have evolved to a higher plane.

■ THE EMERGENCE OF THE GUERRILLA CLIENT

Decades of learning from consultants and other experts plus the impact of technology-fueled approaches to business have made clients more sophisticated. Consulting has entered the era of guerrilla clients—buyers who have a wealth of information at their fingertips and use it. Guerrilla clients have many options to choose from and pose tough questions about the value that consultants can add to their businesses. The balance of power in the relationship has shifted to clients.

Guerrilla clients not only tend to be less satisfied with consultants, they are less loyal and more results-oriented. They are hard to impress, demand more for less, and are outraged by the prices that some consultants charge. And they don't believe consultants' marketing claims. You can imagine them displaying the bumper sticker: "So Many Consultants, So Few Results."

■ THE NEW BUYING ENVIRONMENT

In *The Anatomy of Buzz*, Emanuel Rosen⁷ refers to the "invisible networks" that connect us all. According to Rosen, people evaluate and buy goods and services on the basis of comments by friends and family members, hallway conversations with colleagues, e-mail, and Internet research and discussion groups. These nonstop exchanges are all part of the buzz that helps people cut through the chaos of marketing to find what they need.

Rosen points out, "In order to compete, companies must understand that they are selling not to individual customers but rather to *networks* of customers." Guerrilla marketing recognizes this new buying environment and the power of guerrilla clients. It takes into account that guerrilla clients find out about consultants' services in many ways that have nothing to do with the consultants' sales pitches.

Since clients are more apt to act on the opinions of people they trust, consultants must build their marketing programs around

champions who will create positive buzz throughout the invisible networks that are filled with potential clients.

■ BRANDING IS IN A COMA

Consultants and other service providers have done a lousy job of branding themselves, or fixing what their firms represent, in their clients' minds. In fact, the concept of branding for consultants is in a virtual coma. As Ellen Lewis of the *Financial Times* put it, "If the professional services sector sold its wares on a supermarket shelf, the aisles would be stacked with white logos on dark backgrounds carrying the same buzzwords—excellence, teamwork, and unique culture. It is hard to think of an industry whose members or products would be more difficult to tell apart."⁸

According to an old saying, "You can't get fired for hiring IBM." Well, those days are long gone. Today, clients make the best choices, not the best-known choices. The name on your business card may get you in the door, but today's clients are seeking talent, not firm names. The competition for new work is not between firms, but between people and their ideas. Your marketing must convey more than buzzwords; it must tell the full story of the talents and potential benefits you can offer clients.

■ WHAT'S THE BIG IDEA?

Some analysts claim that we are on the downside of the business innovation cycle, and that the lack of new big ideas has led to a decline in the demand for consulting services. That conclusion is as insightful as the 1943 statement attributed to Thomas Watson, founder of IBM: that the world market for computers would consist of five machines.⁹

Without question, big ideas induce clients to seek outside help. Recent big ideas—outsourcing, reengineering, and the Web-based business model—have definitely kept brand-name consultants busy making tons of money. Big ideas have prompted the largest consulting firms to field armies of consultants outfitted with the latest strategies and technologies. When the big guys throw their considerable resources into the fray, competition is difficult for all firms.

Whatever the size of your practice, the presence or absence of a big idea is irrelevant. Clients *always* need expert assistance. Guerrilla

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marketing focuses your communication to the market on *all* ideas that can help clients achieve their goals.

■ FEAST OR FAMINE

Consultants can run into long successful or losing streaks that have nothing to do with either economic or business innovation cycles. They ride the roller coaster between feast and famine.

GUERRILLA INTELLIGENCE: FEAST OR FAMINE

	<i>Feast</i>	<i>Famine</i>
Sales leads	Rolling in	Trickling in
Sales backlog	Full	Running on fumes
Revenue	Record breaking	Stagnating
Profits	Exceed expectations	What profits?
Pricing	Consultant-driven	Highly negotiable
Mindset	Life is good	Sense of urgency
Forecast	Sunny	Stormy

During feasts and business booms, consultants are often so busy serving clients that they can spare no time for anything else. Marketing is at the bottom of their priority list.

When consultants don't actively market their services, they unwittingly sow the seeds of famine. If a consultant's market visibility ebbs, the result is a dwindling sales pipeline and eventual famine. Guerrilla marketing provides the cure for this destructive syndrome and enables consultants to sustain the feast and forestall the famine.

■ WHAT YOU WILL GET

For consultants who understand the challenges of this emerging, new business environment, this can be a golden moment. The right guerrilla weapons can level the playing field, and *any* firm can win.

Guerrilla marketing is a strategy that can help all consultants to:

- ▶ Learn how and why clients buy services.
- ▶ Overcome and capitalize on clients' skepticism.

- Compete for client relationships, not just projects.
- Demonstrate what clients want—results.
- Use the stockpile of their ideas—their intellectual assets—to their advantage.
- Wield the right mix of marketing tactics to build and sustain a profitable consulting practice.

Consultants who understand and take full advantage of guerrilla marketing tactics will prosper. Guerrilla marketing will show you the way.