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Meet the MasterMinds: Mark Stevens on Why *Your Marketing Sucks*

Mark Stevens is the president of the marketing firm, MSCO, and the author of [Your marketing sucks](#). He is also the author of the bestsellers, *The Big Eight* and *Extreme Management*. Stevens joins us to talk about why he thinks the marketing of most consultants is a complete waste of time and money and what they can do about it.

MCNews: You say in your book that most marketing sucks. How would you rate the marketing of consultants and other professional service providers?

Stevens: Most of their marketing is based on follower-ship as opposed to leadership. And consultants should know that there's not a high premium on being a follower in the marketplace. Leadership—the ability to do your own thinking and develop customized solutions—is the real value of a professional service.

Instead, consultants' marketing tends to mirror that of other consultants. And that's true for accounting firms, law firms and other service providers as well. When it comes to marketing, their first thought is, let's look at what the other firms in our field are doing.

There's a fear of commanding the attention of the marketplace in an effective way. In fact, they are afraid to market. Whether a firm has a marketing budget of \$50 million or \$50,000, they say we'll spend this budget, but we won't really market.

MCNews: What holds them back from marketing their services?

Stevens: They're afraid of being unprofessional. People in service firms believe that they have to stay in a polite and overly dignified box with everyone else. They prefer to follow other professionals because it's safe.

The problem is that it's hard for a firm to get the attention of the market that way unless it has an enormously powerful name. But even big-name firms can find it difficult, for example when they are introducing a new service, to make a case for why clients should turn to them when all the firms look alike.

MCNews: What about the pitch some firms use that “we bring more value than the other firms?”

Stevens: Well, do you believe it when you hear it? Not only is it not believable, value is not what clients want to buy. They want to buy great ideas. That's what the consulting business is all

about. If you have great ideas and you can implement them well, clients will pay whatever you charge.

Once you market on value, you are in the commodity game. You're just another person with a briefcase and a meaningless pitch that doesn't motivate clients to do anything except try to beat down your fees.

Consulting firms must figure out how to bring powerful ideas to the marketplace, and then protect and sell those ideas. You don't need to say value because, if it's there, clients will perceive it for themselves. And they will stand in line to work with you.

MCNews: So are marketing departments leading service firms astray?

Stevens: Most marketing directors at consulting firms don't know what they're doing or what they're talking about. They play with newsletters and Web sites that nobody goes to and with nonsense like "brand guardianship." The consultants don't respect them because they don't understand the business.

Marketing is not just about creating press releases or ad campaigns. A firm will say let's do some marketing—let's get an ad out there—and then spend enormous sums of money doing that. They need to understand that often there is an inverse relationship between the amount of money you spend and the results you achieve. Throwing dollars at the marketplace doesn't get the attention you need to bring clients to your firm.

MCNews: So what should service firms do differently?

Stevens: The CEOs and managing partners of service firms have to be the chief marketing officers. The people who run the firms have to step up and act most forcefully to market them. They have many other duties, but if they don't stand in front of the firm and say to the market we are the experts in X and drive their firms to develop new ideas, then nobody will do it.

I feel that CEOs and Boards of Directors have a fiduciary responsibility to monitor the millions of dollars being squandered by marketing departments and advertising agencies to make sure they are doing more than just trying to win Clio awards. The reasoning seems to be let's pay huge sums of money to entertain the public with outrageous stuff. It goes unchallenged.

Actually, I see a great opportunity for consulting firms to create a new service to monitor the relationship between advertising and sales—to measure the effectiveness of advertising programs. A few firms have emerged that are starting to "audit" the work of advertising agencies and what companies spends versus the sales they generate on that spending. It's a good idea particularly now because there is a lot of business media attention being paid to this.

MCNews: What other changes would make marketing more effective?

Stevens: Consulting firms tell all their partners they have to be business generators. But most of them can't sell anything to anybody, and they don't want to sell. There are many programs that try to teach partners and consultants how to sell, but you can't teach anybody how to sell.

Instead of beating people over the head because they can't sell, leave them alone and let them dream up ideas. The few people who are rainmakers—the ones who can sell—let them do it.

Allow consultants to do what they're best at. Those who go into hiding when you talk about selling will never be comfortable with it anyway, so stop wasting money on tapes and training programs for selling. Instead, tell them to go develop some ideas for the firm. Then the people who know how to sell will sell them.

Professional service firms should have somebody paid just to think because all they sell is ideas.

MCNews: Do you think it's a myth that we don't need marketing in professional services because we're in the relationship business, which is based on networks and referrals?

Stevens: I don't think referral-source marketing is very effective. Right now around the world, hundreds of thousands of consultants are having breakfast or lunch or dinner with referral sources. They exchange business cards and nothing comes from the effort. It's a waste.

Relationships are very important for the organic growth of firms, but they must be proactively integrated into marketing. If you have an idea or a new service, tell your existing client base immediately. You should schedule time to see as many of them as you can. Send all of them an e-mail and send all of them snail mail. And make sure your idea is visible to them in the media.

Publicity is the most effective marketing tool for service firms. If you have new idea or you've dressed up an old idea, the media will take your idea to market for you. It would be a good test for a managing partner to say to consultants, "What are our new ideas? I want to get them on the front page of the *Wall Street Journal*."

MCNews: Let's say a firm has this great new idea and a competitor is the incumbent consultant with deep relationships in a client's organization. Do you think that idea and the demonstrated ability to execute it will trump the incumbent's relationships?

Stevens: Yes, the firm with the new idea will take those relationships away from the incumbent; the client will switch horses immediately. If you think clients are in love with you forever—forget it.

MCNews: Are any consulting firms successfully differentiating their services with the new idea approach you are describing?

Stevens: As I said earlier, it's a mistake to look at what other consulting firms are doing. If you want to find innovation, look at product companies. They have to continue to develop newer and better products, even if the improvement is incremental. Most service firms don't have that drive to innovate.

But look what happened to IBM's Global Services when Louis Gerstner—a product guy—took over. He brought a product perspective and a commitment to innovation that transformed a troubled company into a huge success. The business community is always interested in new developments, and Gerstner wasn't afraid to be "commercial" about new service lines.

I would add that the great consulting firms got to be great because they generated new ideas at some point. They wouldn't be here today if they hadn't.

MCNews: Well, the tax departments of the big firms certainly generate very creative ideas. And they sell millions in services on the strength of those ideas.

Stevens: Exactly. But those great ideas are, for the most part, trapped inside the firms. What's being marketed is the brand name as opposed to the ideas. I believe that every time professionals go to see clients they should bring a new idea. If consultants did that, they'd have exponentially greater results.

Getting back to the fear of marketing, the reaction to the title of my book is a good example. When I told executives within my own firm that I wanted to call the book *Your marketing sucks*, you can imagine the responses—it's inappropriate; it's disgusting; people will be pissed off, and so on. I said, no, no, I want to get attention to make a point and that's the title I'm going with. The book has been a great success for our business.

If being provocative represents a powerful idea for service firms, then that's what they should use in their marketing. Say something that gets the attention of people who are busy with e-mail, voice mail, work, newspapers and magazines and everybody making pitches at them. You want the response to be, "wait a minute—that's something I've got to hear." So tell the marketing directors with their newsletters and their brand guardianship that they can just go take a vacation.

MCNews: What do you think of consultants using celebrity advertising?

Stevens: It's not as powerful as getting a free, front page story in the *Wall Street Journal* announcing that you have a brand new idea or an old idea you can implement better than anyone else. The only way to judge the effective use of marketing dollars is not whether you think an ad is cool or features someone famous, but is it growing the business?

There are ways to draw a straight line from your marketing budget to a measurable response. And you have to do that. The most successful company in the world, Wal-Mart, has the least creative marketing. The company has a great idea—low price leader—and it executes better than anybody else. That's all Wal-Mart's marketing says.

MCNews: What do you think about the use of direct mail by consultants as a marketing tool?

Stevens: I don't have a problem with direct mail as long it's done right. What's the message? Who is it sent to and is it coordinated with publicity, with e-mail and with a phone call? Direct mail can play an important role, but it has to be woven into an integrated marketing plan. You are much more likely to get a response if a client reads about a big idea in the *Journal* and then gets a direct mail piece either before or soon after.

The effectiveness of direct mail also depends on how it's written. Often, particularly with service firms, the powerful part of the message is stuck in the fourth paragraph instead of in the opening line where it belongs. If you say upfront, "We have a way to help your company reduce its taxes by no less than 10%," people are going to respond to that, especially if it's from a firm or a name they trust.

MCNews: Last question: What are you reading these days?

Stevens: I'm just finishing up *Flyboys* by James Bradley, which has some great business lessons. The best business books aren't necessarily about business, but about life and history. The book is really about the development of what Bradley calls the third dimension, which is air power, and how that came to be a force in war.

It's also about the fight within the American military establishment about the use of air power. The traditional approach was to put the entire military budget into the navy and the army, and there was great resistance to change. It took a very strong and progressive President, Franklin Roosevelt, to insist on building the third dimension, which was a major factor in the Allies winning WWII. That's a business story to me, and Roosevelt was a business leader.

MCNews: Thanks for your time today.

Find out more about Mark Stevens and his company and services at www.msco.com.