

Re-thinking the “Value Proposition”: Insight for Owners, Selling Partners and Rainmakers in Professional Services Firms

We invest our time in helping B2B professional services firm owners and partners find effective ways to grow their business. We help them get new clients, get more business from current clients, and create the “curb appeal” to make their business more attractive to buyers of their type of services. Because we’re thinking (24/7) about the challenges and roadblocks that frequently impede growth for professional services providers, we’re able to spot “trouble spots” many of which occur in the selling arena. This briefing focuses one of those “troubles”. It is intended to help the reluctant seller of professional services – which means most business owners and partners we know!

Leaders in professional service firms are caught in a catch-22: the “Oh my, I have to sell” one. After investing years to become proficient – even masterful – in technical and content matters that are their mainstay expertise, such as lean manufacturing, GAAP, international law, program management or C++ for instance, they discover that the path to success is based on selling; getting and keeping clients. Being downright brilliant in their field of expertise lands them in a position to be very successful – to earn the big rewards – if they become effective sellers, that is. Since universities of advanced learning where professionals learn their subject matter do not offer selling skills training (*heaven forbid the topic even comes up*), it is easy to understand how the selling catch-22 occurs.

Over the past twenty plus years, we’ve observed that few sales training resources are particularly effective at helping B2B professional service firm owners and partners to become consistent sellers. This phenomenon falls into the “sad but true” category. Our observation is that many tried and true sales techniques were honed to perfection for products - not services – especially sophisticated services largely based on intellectual assets and masterful degrees of know-how. It’s a case of a misfit between resource and requirement.

We have an example to this very difficulty when it comes to the misfit between traditional sales tactics developed for products and their application to professional services selling. Specifically, we are examining the oft-touted value proposition – a proven element of successful product selling.

We often come across the dazed and reluctant rainmaker (owner, partner, practice leader) in a professional services firm who is completely at wit's end about creating an effective value proposition. They have been told often enough that "you have to know your value proposition" to sell your services. On the surface that sounds right. After all, the value proposition has been around as a hard-core and successful element of sales training for at least the past twenty years.

On the face of it, a value proposition seems like a helpful thing – and it can be in the right circumstances. It's a way of succinctly expressing how a seller can help a buyer. As an example, "If you buy our Super-Widget for \$X, you can expect a return of \$10X over the next five years. And, we hold the exclusive patent on the Super-Widget." Well, that says a lot in a few words. It draws from data, it's analytical and it's logical.

Using the traditional value proposition model, sales trainers everywhere coach their students to develop their own unique value proposition. But, we suggest that the value proposition - as it is commonly understood - is not quite right for the professional services seller.

We know that it is essential to understand the nature of the relationship between a professional service provider and the client. First, the relationship *per se* is paramount. Being accepted by a client as a provider of services, and often on a long-term and/or on-going basis, means factors such as trust, dependability, sense of partnership and overall "fit-and chemistry" truly matter. The core of the relationship is built early on from the fabric of human emotions and preference responses. It is a case of services buyers making an emotional decision and then justifying it with logic.

We have enjoyed the work of experts like Robert Cialdini, who authored Influence: The Psychology of Persuasion. His work – and that of others like it - brings tremendous insight to our point of view through their research and publications. For instance, Cialdini talks about six key *influence factors* in his book on that topic. Not one of the factors are data, or rational argumentation, or anything that sounds like a traditional "value proposition" as defined by successful sales trainers and product sellers.

Professional Service firm owners, partners and rainmakers are, then, taught a wrong thing as it were. They are coached into an idea and a model - the value proposition – that is wrong for their selling situation. It makes the job of getting business from new and current clients even more difficult for our reluctant sellers.

We have also observed that most great professional service providers fall into the "helper" profile. Their personalities, style and drive are biased toward helping a client accomplish their mission and they draw a sense of accomplishment and psychic reward from doing it. It's fundamental to who they are how they act in the business world. This quality of action is important to clients, too. Given this essential truth about professional services buyers and sellers, let's reconsider the value proposition.

As we re-think the value proposition for professional services, let's reflect on the types of things clients often say when they refer a provider to a colleague or friend. Typical expressions will revolve around the qualities of the relationship such as:

- "These guys saved us; they are smart, fast and flexible"
- "They knew how to fit in with our team and fix the problem";

- “They really care about our business and I trust them”;
- “The quality of their work is exceptional and they are so easy to work with”.

Why not take a lesson right from the client. *They care about the qualities that are hallmarks of the relationship and the service experience.* So, help a potential buyer of your services understand what they want to know e.g., what is it like to work with you/your firm? What will it be like to interact with you and your staff? How will it impact them to have you/your staff around? What will change? How can you manage the change so that it is a good one? How will you/your people behave as team members, trusted colleagues and partners in their success?

Based on what is most important to buyers, perhaps the “right value proposition” will sound more like this example: “You can outsource the problem to us and solve it faster. Clients tell us they like our service because we work as hard as they do. We make communication simple and convenient. We become a transparent part of your team and care about ensuring your success. We encourage you to talk to some our clients and let them tell you about us”.

What are the qualities - *the emotional satisfiers* – that your clients tout about your services and your firm? What do they say when they recommend your services to someone else? What are they saying to express the value you provide? Find out – and check often so that you have the “raw material” to develop and constantly fine-tune your value proposition; a value proposition that is “just right” for your business.

We would never diminish the importance of facts, data, logic and analysis that are the core of the product seller’s value proposition. But, we suggest that you not depend on any of these factors when you are developing an effective value proposition for your professional services firm. Re-think the value proposition as it best fits your buyers, clients and your style of doing business and make it “just right” for you.

About Marketplace Partners

For more than a decade we have successfully served B2B Professional Services organizations in the greater Chicago area. Our business consulting and marketing services are designed specifically for business owners and executive teams committed to accelerating the profitable growth of their firm. Leveraging our proprietary and on-going research with C-level buyers of services, we propel our clients into new services, new markets, more revenue, better margins and timely results. We assist our clients in closing the gap between their business plan and the strategic marketing and practical performance required to effectively grow a professional services business in a competitive market.