

Differentiating Yourself

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By Andrew Sobel

A client of mine—a senior partner in a large professional firm—recently voiced the following frustration to me:

"We are unique in the way that we work with clients, and we offer a clearly superior service. But clients don't seem to recognize this. We should have even more than our share of business."

"Well," I responded (probably somewhat unsympathetically), "Unfortunately your clients just don't perceive that differentiation. They don't see you as being particularly different compared to your competitors." I challenged him to really explore how his firm was different and whether this actually translated into a perceptibly differentiated and more valuable experience for the client.

Most professionals have experienced this dilemma. We believe our firms are unique and different and better, but clients don't always share that warm feeling. It gets worse when you're pitching for new business. If you're one of five major investment banks competing for a major deal, and you don't know the client very well, it can feel like a brutal, uphill struggle. How do you demonstrate that you really are different?

Differentiation in services businesses, more often than not, occurs through the cumulative impact of many small actions. Whereas a product can have demonstrably superior technology and design features—think Audi's Quattro four wheel drive system, or Apple's integrated multimedia software—such a clear advantage is harder to achieve and demonstrate for a firm or consulting firm that sells services rather than physical products.

So how can you differentiate yourself and your firm? Clearly, the challenge is a bit different depending on whether you are trying to win a client over for the first time or have already established a working relationship. Here is an initial list of ideas for you:

When you are first getting to know the client:

- Communicating a demonstrated track record of having solved the client's problem many times before.
- Thoughtful questions which implicitly demonstrate your knowledge of the issues.
- Thorough, in-depth preparation. This sounds pretty basic, but you'd be surprised at how many clients have mentioned this to me as a negative—i.e., they see a lot of outside professionals who come unprepared to their meetings.
- Good client examples—"reference cases" that clearly illustrate the client problem, the solution you developed and the results.
- Speed and responsiveness. This could be demonstrated by something as simple as getting a set of thoughtful discussion notes back to the client on the same day as the meeting.
- By adding value in the conversation. For example, by:
 - Asking questions that really make the client think about the issues

- Challenging assumptions or problem definitions
 - Sharing best practices and ideas that relate to the client's issue
 - Introducing interesting market and competitive information
 - Suggesting novel or counter-intuitive courses of action and implementation approaches
 - Asking questions that no one else is askingâ€”e.g., "Is your organization truly convinced that you need to bring in an outside resource for this?"
 - Overall, helping to clarify a client's thinking about the issue at hand
- By association: That is, talking about clients and other relationships with people and companies that the client respects.
 - By rapidly establishing rapport (identifying things you have in common, empathizing, discovering shared avocations or interests, using humor, etc.)
 - Through high levels of energy, enthusiasm, and passion. (Do you enjoy people who are low energy, bored by what they do, and lack emotion? I didn't think so).
 - By offering something very tangible that other competitors just don't have. For example: an investment bank might extend credit (use its balance sheet) in order to win a deal when others are unwilling to do so; you might have proprietary databases, software tools, or other products that accompany your services; by taking on risk; etc.
 - Through values, culture, and organizational factors such as public versus private ownership. Values and culture can be articulated to clients, and, most importantly, demonstrated through your behavior and interactions.

Once you have established a relationship:

- The quality and impact of your work.
- The depth of the relationships you build.
- By helping *both* the institution and the client executives you are working withâ€”by adding multiple layers of *real* (core, personal, surprise).
- By the way in which you manage the client relationship. What kind of an experience do you create for the client? How much transparency is there? What is frequency and quality of interactions? Have you used technology to better connect with the client and create ongoing knowledge transfer?
- Through follow-up and systematic client listening (e.g., always meet with the client three months after a project is over to discuss the results).

This is by no means an exhaustive list, but it should give you some food for thought. Remember: Show that you are different through the experience you communicate, the quality of your thinking, and the depth of your personal interactions, not by simply *saying* you are better on a Powerpoint slide or in a brochure. If you can give your clients a few good ideas or advance their understanding of their issues in your initial conversations, then they will have proof positive that you are differentâ€”or at least more valuable thanâ€”the competition.

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