

Winning Work from Your Competitors

By Tony Reiss

This article looks at a more rigorous approach of tackling the challenge of winning work in competitive pitches. Clearly there is no simple McDonalds-type formula, guaranteed to lead to success. However there are basic principles that can help.

How clients choose

When clients give you assignments, they have consciously or unconsciously gone through a process evaluating you and your consulting practice against some criteria. Often this is done unconsciously and some clients might even deny that they do it, but they do. The sorts of questions clients consider are:

- Can we do this ourselves, or do we need an outside consultancy to help us?
- Do you have the expertise?
- Will you be too expensive?
- Will my boss think I'm an idiot for appointing you?

The more important the work, the more rigorous this process usually is. Public sector bodies tend to do this review more formally than companies in the private sector. So, if you are a firm trying to win work from competitors, the first part of your challenge is to understand what these important criteria are.

Step 1: Find out what criteria the client is using to select their professional service firm.

Let's look at what some of the criteria might be:

- **Relevant experience** – the prospective client may never have been involved in a project raising finance for investing in a private motorway in Hungary before. So they may find it reassuring to appoint a firm with a good deal of experience in infrastructure projects in Central Europe.
- **Strength in depth** – some clients want to know that you have sufficient numbers of staff available to handle large, complicated or urgent projects.
- **Brand name or credibility** – if you know you're up against other big names on the project, your prospective client may feel more secure with a recognised big name battling for them. Or the client may be more concerned about what their boss would think of their appointment (what used to get referred to as 'no-one ever got fired for appointing IBM').
- **Level of attention** – small or medium size companies can feel uneasy selecting larger firms because they feel that they will not get the attention or speed of service that they would like.

- **Value for money** – this doesn't just mean 'cost', it also includes 'added value'.
- **Personal chemistry** – this is obviously a subjective area but is often the most important, particularly where a client is looking for a long-term relationship. A commercial businessman looking for quick decisions may, for example, be put off by a shy or academic type.

How to find out the selection criteria

The only way I know how to find out what criteria are being used is to ask the client. But it's not as easy as it sounds, because the client, as I've said above, is often going through this process unconsciously. This means that they find it difficult to articulate the process that they go through. It helps if the prospective provider of the service has good questioning and listening skills. Most of us think we have these skills, but the truth is that few of us are good at this.

Also, it helps to find different ways of asking the client what are effectively the same questions. Let me offer you an example. Below is a sample dialogue between a partner and a prospective client:

Consultant: *So, how will you choose which consultants to appoint?*

Client: *I suppose we'll see who offers us the best deal.*

Consultant: *Of course. Are you saying that price is the most important factor?*

Client: *Price will be important but we can't afford to have this one go wrong. Consultants that have done this sort of deal before should mean that we minimise risk. Come to think of it, it should also mean that we should be able to save some time. And that should mean better value for us.*

Consultant: *Absolutely. So you'll be interested in appointing consultants that have got relevant experience and that will be striving to give you the best value.*

Client: *Yes. That's about it!*

Consultant: *You mentioned risk.....what particular concerns do you have....etc*

After the first reference to 'best deal' from the client, some consultants may have mistakenly assumed that the client was going to select the cheapest firm. Some further probing from the consultant was required to discover that having 'relevant experience' was more important, particularly if this meant that the team would need to spend less time on the project. Again, also notice the further invaluable probing that the consultant was doing around the word 'risk'.

Having completed this process of finding out the criteria and how important each of the criteria is, the firm can draw up a list, as follows:

Selection Criteria	Importance (H=high, M=medium, L=low)
Relevant experience	H
Strength in depth	L
Brand name or credibility	H
Level of attention	M
Value for money	M
Personal chemistry	M

Having ascertained the list of criteria, the firm needs to rank its ability against these criteria. Honesty is required at this stage.

Step 2: Honestly appraise the ranking of your firm and the competitor firms against these selection criteria

The position may look like this:

Selection Criteria	Importance (H=high, M=medium, L=low)	Our Firm's Ranking (medium-size firm)	Competitor A Ranking (large firm)	Competitor B Ranking (small firm)
Relevant experience	H	M	H	L
Strength in depth	L	M	H	L
Brand name or credibility	H	M	H	L
Level of attention	M	M	L	H
Value for money	M	M	M	M
Personal chemistry	M	H	M	M

In this hypothetical example, I have assumed that our consultancy is a medium-size firm, with some relevant experience, but perhaps not as much as some other firms. I have also assumed that the *personal chemistry* ranking might be high, perhaps because the person at the prospective client that you would be dealing with on a daily basis used to work at your firm.

You may, of course, not know which firms you are up against. Sometimes, even if clients don't give you actual names, they are prepared to tell you which type of firm you are competing with (eg niche, local, regional, international, American, big 5 etc) and this is helpful. Even if you do not have information on competitors, to make the most persuasive case for the client to choose you, you should assume you are competing against firms that might appear to have a competitive advantage over you in the eyes of the client.

As a rule, clients other than the major multinationals tend to view the larger firms as being stronger in terms of *relevant experience*, *strength in depth* and, usually, *brand name*, but weaker in terms of *level of attention*. *Value for money* and *personal chemistry* as aspects of service are not necessarily seen to be related to size.

From this analysis it is clear that it is difficult for small or medium size firms to be seen as more attractive than larger firms on quite a few criteria. The main sources of competitive advantage for smaller firms is in delivering the impression to the client that they will provide a higher standard of service because the client will be more important to them than they would be to a larger firm.

So, according to our analysis, you are looking weak compared to the larger competitor on *relevant experience* and *brand name* and looking weak compared to the smaller firm in terms of *level of attention*. You are looking unnecessarily strong on *strength in depth* and *personal chemistry*. The question now is how can we persuade the client that we match what they are looking for, when we clearly are not a perfect fit. The answer is that we try to move the goalposts!

Step 3: Find ways of influencing the client to change their perception of you or your competitors or change the weighting of their criteria

This sounds impossible but the really skilled practitioners find ways of doing this.

Your first option is to change their perception of your consultancy. Maybe you sense they are judging you to be relatively weak on relevant experience. This may be a harsh judgement because you have recently hired a team to strengthen this area, but the client was unaware of this. This is clearly a relatively easy aspect to address.

Your second option is to change their perception of a key competitor. This is trickier, because any direct attempt to criticise a competitor will usually backfire. Again, if we choose the criterion of relevant experience, it may be that the competitor is seen as having the best experience, but that this experience does not exactly match what the client is looking for. For example, for a project to establish the viability of a private motorway in Hungary, the client might judge that experience in viability studies on lots of motorways in Britain and Western Europe might be most valuable. If your firm has less experience it may be valid to enhance in the client's mind the relative importance of experience in similar viability studies (eg other infrastructure projects, such as ports) in Central Europe.

The final strategy is to get the client to change their weighting of selection criteria. This sounds rather sneaky but I think it is entirely fair. After all, the client has usually not thought about the criteria in the first place and usually welcomes thoughts from potential service providers as to what is and is not important. Also, the other consultancies in the frame are probably doing the same. However, you must believe you are fully competent to carry out the work for the client and not mislead the client about your competence.

Using the example above, if it was possible to influence the client so that *personal chemistry* was seen as an important factor, then your firm would be in a better position to be given the work. This might be achieved using the following tactics:

- Emphasising the benefits of a fast learning curve (eg cost benefits or work being done faster)
- Pointing out the potential problems of not having good chemistry (eg misunderstandings that might lead to mistakes or work having to be repeated)
- Making clear how much more enjoyable it is to work with people that you get on with)

Step 4: Develop a proposition that makes it easier to win work from competitors

Finally, if a systematic approach can be taken to evaluate what your clients are looking for and how your firm ranks against key competitors, you can start to develop an improved proposition. Most firms do not appreciate the value of the information that can be obtained from adopting a more rigorous approach to analysing client perceptions.

If we take the example of a firm that has a poor track record of winning e-commerce related work, it may be because the firm has a too traditional brand to be seen as credible working with polo-shirted IT types. The firm could then go about adapting its brand proposition via a special web site or through marketing initiatives in e-commerce trade journals.

Summary

The four steps for winning work from competitors are:

Step 1:	Find out what criteria the client is using to select their consultants
Step 2:	Honestly appraise the ranking of your firm and the competitor firms against these selection criteria

Step 3:	Find ways of influencing the client to change their perception of you or your competitors or change the weighting of their criteria
Step 4:	Develop a proposition that makes it easier to win work from competitors

Consultancies may see the benefits of this approach when competing against others in pitches. The really go-ahead firms use this approach as part of the Customer Relationship Management efforts to win the work without a formal pitch.

Can you afford not to be using this technique?

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