



Why firms with the leading industry reputations win

One of the big trends we have seen across the professions over recent years has been for firms changing their 'go to market strategy' from an internal product focus (expertise/ service line/ practice group) to a client centric view of the world (industry sector/ market).

And the benefit is clear, as the 2016 *beatonbenchmarks*TM research shows that firms with the strongest industry reputations are winning more work, because this is a key driver of choice across law, accounting, engineering and management consulting professions.

Why industry experience and reputation wins work

The purchase cycle has the following steps:

1. Awareness
2. Consideration
3. Purchase and usage
4. Service experience
5. a) Repeat purchase or b) switch (start again at step 2)

Consideration is the key measure for brand perception, marketing and reputation. The consideration set is the list of firms which spontaneously enter the client's mind when they are thinking who they could brief on the next piece of work. If you are not on the list, you are not in the game.

When we interrogate the research to unpack the what drives buyer behaviour across the purchase cycle, the top drivers of consideration, in order of priority are:

1. Expertise in our area of need
2. Understanding my business and industry
3. Commerciality of advice

What clients are saying is that when they are selecting which firm they want to work with, they want firms and practitioners who can demonstrate that they have expertise in the client's area of need, based on a deep understanding of their business and the industry in which they operate and compete. Because clients know that this will lead to the most commercial advice.

Clients want professionals and firms who have proven experience of working on similar jobs for the client's competitors and know the key success and risk factors. They want to know the international trends and leading edge practice – and how these can be related to their business needs.

Therefore, industry experience is more valued by clients than pure technical expertise, and when clients are considering which firm to use they select the firms with the leading reputation in their own industry. Our research clearly shows that the firm with the leading reputation in an industry is perceived to have the strongest understanding of that industry and achieves the highest level of consideration.

Typically if a firm can achieve a top 3 industry reputation, they will be on the consideration list and be invited to pitch.

The role of BD and marketing is to demonstrate and amplify your firm's industry experience to maximise reputation relative to competitors. No firms can afford to rest on their laurels, and any that do soon find a negative gap between perception and reality

Successful industry strategies - What do you want to be famous for?

Some firms are developing and executing industry strategies with greater success than others. Here is why.

An industry strategy means selecting a small number of industries to build a preeminent reputation. This means prioritization of investment and resources to build strength in these industries and consequently it also means deprioritizing the others. To be clear if you have more than five or six industries on your list, that is exactly what it is – a list, not a strategy.

The starting point is to define the right sector strategy for your firm. The most successful firms select their priority industry sectors by assessing them against the following criteria:

- Attractiveness:
 - Industry size and rate of growth
 - \$ value of potential relevant work
 - Fit with firm footprint
 - Competitive dynamics

- How strongly the firm is positioned in that industry:
 - Firm's industry experience and reputation locally and internationally
 - Strength of established relationships with key clients
 - Relative competitive position

So what does this mean for your firm's industry strategy?

1. Industry reputation is now a vital part of brand and growth strategy– which industry/s do you want to be famous for?
2. What is your market reputation in your priority industries benchmarked against your competitors?
3. What strategies and investments are planned to achieve a top 3 market reputation in your priority industries?
4. How will you measure ROI?

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