

Marketing consulting firms in the new decade

A Source report,
sponsored by Dow Jones

The consulting market is in a state of flux. Economic volatility, the relentless pressure of commoditisation and clients who are rewriting the rules by which they engage consultants, all contribute to a sense that the only certainty at the moment is change. Consulting firms are responding in as many different ways as they're being affected but there's a broad consensus around one thing: marketing is becoming more important.

Based on an extensive survey of consulting firms, our new report is the definitive guide to the state of marketing within consulting firms at the outset of the new decade. It provides a compelling case for changing the marketing paradigm as well as information about:

- ① **How business development budgets are currently allocated**
- ① **Where marketing resources go, and where they should go**
- ① **Which marketing activities are the most effective**
- ① **What the biggest external and internal marketing challenges are**
- ① **The role of consultants in marketing**
- ① **How marketing changes as firms grow**



If you would like to purchase a copy of 'Marketing consulting firms in the new decade', a new 28 page report published by Sourceforconsulting.com, in association with Dow Jones, please contact julie.cleasby@sourceforconsulting.com or telephone 0845 293 0992.

Printed copies are available at £295 plus VAT and an electronic copy for company wide distribution is £495 plus VAT.

Sample pages from this report ...



Foreword

Relationships with clients have brought the consulting industry a long way, but today's market is not the benign one it used to be. That's not to suggest that looking after clients shouldn't still be a consulting firm's highest priority, or that sticking close to trusted sources of knowledge isn't, in itself, an eminently sensible strategy. It's more that what has worked in the past might not work now.



Effective marketing is one solution to that problem and Dow Jones is delighted to be associated with this report on the subject. The picture it paints of how marketing currently works is as fascinating as its vision of the future is compelling. Supporting marketing, and acting as another solution to the broader issues facing consulting firms, must be effective sources of information about existing and potential clients, and the markets in which they operate. That will help firms, in the lexicon of this report, to move upstream: to be armed with information that allows them to suggest, rather than simply react, to clients. To create opportunity.

It seems strange to suggest that sticking close to trusted sources of knowledge is so important when information is everywhere now. But too much information, presented in the wrong way, can be counterproductive. For consulting firms it means having to spend precious time searching for the information they know they need to know whilst missing the things they don't know they need to know. Dow Jones Consultant is our answer to that problem. It's a new service that brings together 28,000 sources of actionable information – about clients and markets – and provides you with a range of intelligent filters to help you get to the information you need as quickly as possible. That means you can be more proactive in the way you market, sell and deliver your services. We'd be delighted to talk to you about it.

Ken Sickles
Director of Product, Dow Jones

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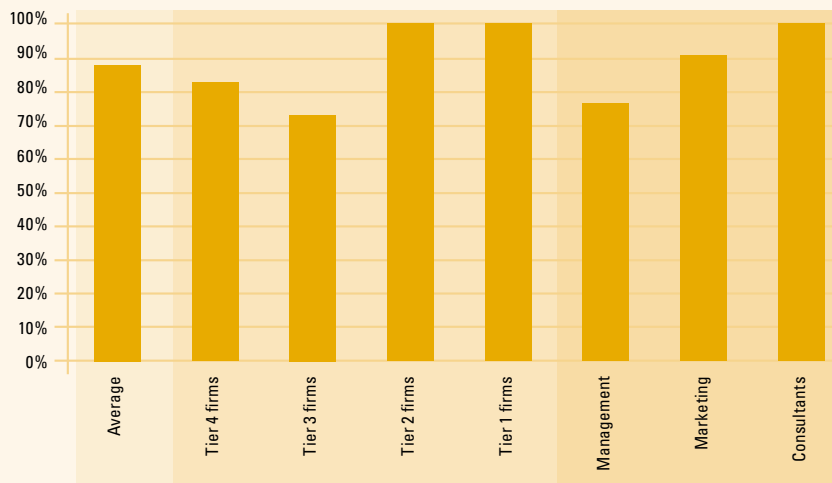
Information: a key marketing tool

Even if consulting firms are just going to shore up their defences against changing market conditions and the threat of increased competition in shrinking markets, it's hard to see how information isn't going to play a pivotal role. If they're going to go one step further and open up new opportunities it surely becomes critical. Which makes it all the more curious that client and market research are not something that marketing teams spend much time at all doing now.

What is clear is that information is important: 88% of respondents said they believed that information resources were important to their marketing team.

Figure 25:

Proportion of respondents saying they believe information resources are important or very important to their marketing team



Tier 4: <50 Consultants

Tier 3: 50-100 Consultants

Tier 2: 200-1000 Consultants

Tier 1: >1000 Consultants

Figure 26:

How information is gathered for business development purposes (% of respondents selecting each option)

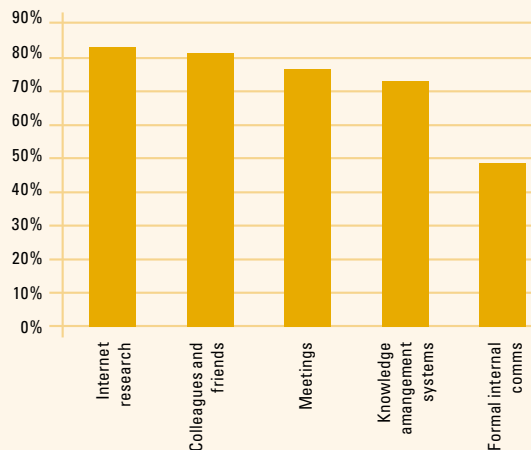
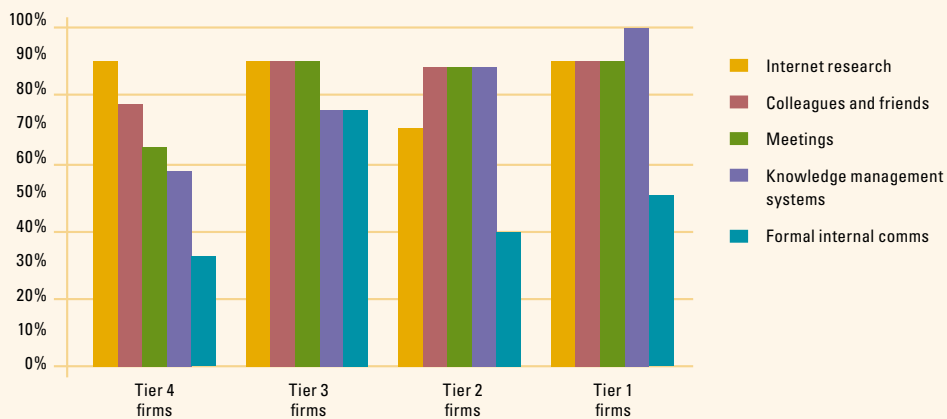


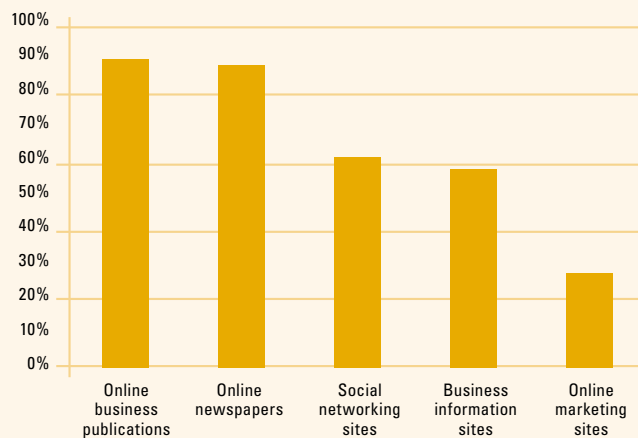
Figure 27:
How information is gathered for business development purposes: by firm size (% of respondents selecting each option)



Of those internet based resources, online versions of traditional offline media are most used, while social networking websites appear to be growing in popularity. Online marketing sites such as pearlfinders.com fare less well.

Do these information resources deliver? The answer would appear to be that they do. 42% of respondents to our survey agreed with the statement 'information resources of this type have helped us to win new business' against just 11% who disagreed. But there appears to be a hunger for more: 56% agreed with the more general statement 'we could do a lot more if we had better information tools' while only 10% disagreed.

Figure 28:
Most used online information resources (% saying they used each resource)



The way forward

How priorities are changing

If different sizes of firms are allocating their resources very differently today then there's a surprising degree of consensus amongst them about how priorities will change in future.

The greatest part of the consensus is around online content – which all barring Tier 2 firms saw as being the area they expect to grow more than any other in future.

That's not to say it's there yet: asked if they agreed with a statement that 'online marketing is now more important for

consulting firms than conventional marketing', the balance of opinion from respondents to our survey suggests it isn't.

The list of things people expect to do more of is much bigger than the list people expect to do less of

Consultants may beg to differ, and in the smaller pool of overall marketing activity amongst Tier 3 and Tier 4 firms online marketing already makes a bigger splash than it does elsewhere; but on average only about a third of people think online is already the dominant form of marketing.

At the other end of the scale, and presumably as a direct consequence of the growing focus on online content, everyone agreed that developing brochures and other marketing collateral was the activity most likely to suffer in future. Everyone, curiously, except consultants, who not only felt that there would be a greater focus on brochures but also that there would be more advertising.

Other than that anomaly the consensus across different roles and different firm sizes about what will happen in future is very striking. As is one other message that comes across clearly: the list of things that people expect to do more of is much bigger than the list people expect to do less of. Which means more marketing.

Figure 29:
How consulting firms expect priorities to change in future

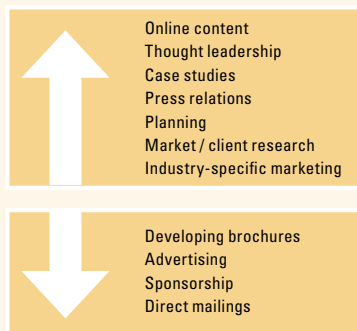


Figure 30:
Proportion agreeing with the statement 'online marketing is now more important for consulting firms than conventional marketing'

