

CCH-JOURNAL, CPA Practice Management Forum December 2006, Differentiating Your Firm through Branding

By Holly Wehmeyer and Jeff Scurry

Most accounting firm firms look remarkably similar and provide similar services --services that are available from hundreds of other accounting firms. How can you help your firm stand out? The answer is branding.

Although widely accepted as a key business asset among consumer corporations, until recently, branding has been largely unexplored territory for accounting firms. Firms that establish a strong brand with a well-articulated and attractive message will have the advantage in an increasingly competitive environment.

Key Challenges

Lack of Differentiation. Lack of differentiation is the main reason many accounting firms do not stand out from one another and are often virtually indistinguishable. A look at the firm descriptions on some Web sites yields the following results:

- Firm A "an organization of member firms around the world devoted to excellence in providing accounting firm and advice, focused on client service through a global strategy executed locally in nearly 150 countries. With access to the deep intellectual capital of 120,000 people worldwide, [Accounting Firm A] delivers services in four professional areas --audit, tax, consulting and financial advisory services --and serves more than one-half of the world's largest companies, as well as large national enterprises, public institutions, locally important clients and successful, fast-growing global growth companies."
- Firm B "a global network of professional firms providing audit, tax and advisory services. We operate in 144 countries and have over 6,700 partners, 76,000 client service professionals and 21,000 administration and support staff working in member firms around the world."

- Firm C "a national accounting firm providing assurance, tax, financial and risk advisory and consulting services to private and publicly traded businesses. For more than 95 years, we have provided quality service and leadership through the active involvement of our most experienced and committed professionals."

How can a potential client tell the difference between these three firms? Each of them has virtually the same business and operating model, strategies and mission.

The answer is "business differentiation." Robust differentiation strategies are the foundation of real competitive advantage. Most firms know this. Most, however, fail at truly differentiating themselves from their competitors.

Customer segmentation. Another reason accounting firms cannot gain differentiation or widespread brand recognition in their chosen customer segments: They look to consumer product branding and marketing as their guide.

Branding a product is fairly simple because once a tangible product has been researched, designed and manufactured, it goes on a shelf where it can be examined by potential buyers. The result is that one piece of gum is much like another, and the experience of chewing gum remains the same. The gum does not answer back, does not get tired, is never anxious, is always ready to perform, and every piece in the pack tastes the way it is supposed to taste.

The job of accounting firm marketers is not so straightforward. They must spend as much time managing, training and molding their product to be consistent and pleasing to the customer as they do trying to understand and influence those same customers. Consumer marketers spend 75 percent of their time on the customer. This is very different from marketing accounting services. Nevertheless, accounting firm marketers often follow the practices of product marketers.

Roadblocks to, and Benefits of, Building a Brand

An accounting firm that wishes to create and sustain a brand must have courage, money, determination, originality, creativity and an infinite capacity to take pain. This is a rare combination. Yet, according to Jennifer D. Chrzastek of Accenture and Cyndy Reid of Spencer Stuart, marketers

who can overcome these roadblocks can define and market a distinctive brand. This can provide multiple benefits, including:

- (1) A clearer voice in the marketplace because all employees are saying the same thing
- (2) Stronger recognition of the institutional brand to aid individual sales efforts
- (3) Established client qualifiers to assist the sales force in identifying what kinds of opportunities to pursue and which to turn down
- (4) A rallying cry for employees --an increasing acknowledgement of interconnectedness within the organization

Four Steps to Building a Successful Brand

There are four things an accounting firm needs to do to successfully build their brand:

- (1) Determine the internal audience's brand perception.
- (2) Develop the value proposition.
- (3) Live the brand.
- (4) Execute (through an integrated platform).

Step 1: Determine the internal audience's brand perception

To build a brand, accounting firm marketers first need to determine what the internal audience perceives and believes about the brand. "Every brand has at its core a substance that gives it strength. You have to understand it before you can grow it," says Scott Bedbury in his book *A NEW BRAND WORLD*. You must know what the brand is today before you can move it into what it will become tomorrow. Go beyond technical accounting expertise and look for the emotional component, e.g., reliability, personal attention or easy access.

Don Schultz, the godfather of integrated marketing communications suggested, in a 2005 article in *CORPORATE EVENT* magazine, that marketers build a brand platform that contains:

- Brand position, which defines the brand relative to its competitive set.
- Brand promise, or the commitment the brand makes to its customers. Schultz asserts this is the most difficult task for many organizations.
- Brand personality, which defines the appropriate brand behavior at all points of contact.
- Brand value, which is determined by the company's culture and must align with the brand personality and the customers' values.

Step 2: Develop the value proposition

What makes your firm different? What drives the business? Successfully branded accounting firms base their brand on a core position that is uniquely "ownable" and represents a distinct attribute or capability. This clear definition should be supported and reinforced by everything the firm does --requiring all professionals and staff to live the brand every day. This internal dimension of branding is critical.

The key to developing a strong platform is understanding and developing a distinct value proposition --a clear statement of the tangible results a customer gets from using your products or services. The more specific your value proposition, the better.

Most business have weak value propositions. Accounting firms are no better. Often the value proposition is no more than a description of the firm's features or capabilities. Worse yet are value propositions filled with vague or willfully self-aggrandizing statements such as:

- "Quality service and leadership through the active involvement of our most experienced and committed professionals."
- "Pursue the highest levels of integrity, quality and professionalism to provide clients with a broad array of services."
- "A corporate culture centered on the core values of professionalism, fairness, integrity, respect, trust, client service, diversity, entrepreneurship, excellence and teamwork."

"So what?" That is exactly what most prospects and clients think when they read value propositions like this. Firms need to have a strong value proposition to break through the clutter and get attention. That means telling prospects and clients what's in it for them and speaking to their issues and needs. Strong value propositions deliver tangible results such as:

- Increased revenues
- Faster time to market
- Decreased costs
- Improved operational efficiency
- Increased market share
- Decreased employee turnover
- Improved customer retention levels

Review all marketing materials and the language used to get the customers' attention. If this still does not address tangible results, keep asking, "So what?" By asking this question over and over again, marketers will get much closer to the real value their company brings to customers.

Existing customers are the best resource. Tell them the company needs their help in understanding the real value of its service offerings and ask to learn their perspective. Most firms are afraid to ask customers for their opinions, but their feedback can be a real eye-opener. Not only will it change the value proposition, but it may also re-direct service offerings and even self-perception.

Without any differentiators or a tangible value proposition, a firm is doomed to mediocrity. Such a company will need to find a way to operate, align people or deliver services differently.

Step 3: Live the brand

The staff of the firm must truly understand, believe in and live the brand. This means that all employees must be educated about the brand and inspired to act in ways that are consistent with its promise. When

employees understand the rationale and emotional components of the brand and are given the tools necessary to facilitate day-to-day decision-making, they will start to develop a lasting connection to the brand.

This kind of commitment starts with the CEO. The firm's chief executive must champion the message that the brand is the responsibility of the entire organization and demonstrate a clear and consistent commitment to the brand. Senior management must then embrace and support that message and make sure it filters through the entire organization, from top to bottom. You will see this type of commitment pay off when it creates not just a stronger brand, but a stronger business.

Step 4: Execute

A key challenge facing accounting organizations is how to project a consistent, coherent and compelling brand identity using an expanding list of offline and online communication tools. Such firms are faced with coordinating brand messages across different communication functions and venues (advertising, public relations, trade exhibits, sales literature, online efforts, *etc.*) and must ensure that messages from different levels and divisions portray the brand appropriately and consistently.

Increasingly, smart marketers are not stopping at communicating the brand's values and attributes only to customers and prospects. Rather, they are recognizing the importance of internal brand communication. They align the promises to customers with the internal policies and procedures that enable employees to meet their commitments.

Accounting firm marketers should take advantage of the impact of an integrated campaign using multiple channels. Communication channels deal with the medium more than the message --it's the powerful combination of how and when you talk to your prospects, coupled with what you tell them. Even though there are many channels to choose from, not all channels should be used equally. The marketing objective should dictate the communication strategy and appropriate channels.

Conclusion

By determining what the internal audience thinks of the brand, developing the value proposition, living the brand and executing a consistent message, firms can rise above their competition.

About the authors: Holly Wehmeyer is a senior writer with the tax marketing team at Grant Thornton LLP, providing writing and editorial support to the tax services practice. Previously, she was an executive editor with the American Bar Association's Book Publishing group, working on property, estate planning, general practice, franchising, and elder law books. She received her bachelor of arts in literature and communications from Benedictine University.

Jeff Scurry leads Grant Thornton's National Proposal Center and has a very keen interest in all facets of professional services marketing. Prior to Grant Thornton, Jeff was with KPMG Corporate Finance LLC. He received his bachelor of science in organizational behavior from Northwestern University.

NON: PMF01 JOUR-STORY200612-2

[http://tax.cchgroup.com/network&JA=LK&fNoSplash=Y&&LKQ=GUID%3Af c2b32f2-73fa-3c1e-8017-f249286bd690&KT=L&fNoLFN=TRUE& PMF01 #336 \[PMF01 \]](http://tax.cchgroup.com/network&JA=LK&fNoSplash=Y&&LKQ=GUID%3Af c2b32f2-73fa-3c1e-8017-f249286bd690&KT=L&fNoLFN=TRUE& PMF01 #336 [PMF01])