

CHAPTER 5

Marketing and Public Relations

5.1 Marketing Strategy and Planning

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A strategic approach to marketing—and a plan to attract new business and retain existing clients—will enable an architecture firm to allocate resources to support the growth of its practice.

Marketing is the process of bringing new business to a firm. Marketing involves everything that helps spread the word about a firm, helps the firm communicate with prospective and existing clients, and gets the work in the door—including correspondence, a Web site, the firm's portfolio, and even how the receptionist answers the phone. It is important to approach marketing strategically to allocate resources efficiently and to be as effective as possible in attracting and retaining clients. Regardless of the firm's size or resources, the basic process of defining a strategy and creating a marketing plan is the same for every firm.

MARKETING ARCHITECTURAL SERVICES

Marketing architectural services is different from marketing other services or marketing a product. Architecture involves a complex mix of creative and technical skills, and marketing architectural services calls for convincing prospective clients that the

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professionals in a firm offer creative and problem-solving ability, attention to detail and follow-through, and passion for the project. Because the client or potential client is actually buying the individual expertise and ability of team members, the differentiation of one firm from another occurs on an individual and personal level.

Although it is easy to believe that a prospective client's decision about which firm to hire is rational (that the client will hire the firm that has the best experience, capabilities, and fee), the fact is that the prospective client is a person or group of people, and thus, emotional factors will also play a part in which firm they choose. People tend to select people they like and trust, who they believe will be good to work with and help them achieve their desired results.

In building credibility with prospective clients, the portfolio of the firm's prior work is important, but the portfolio will not win the job on its own. The portfolio lets the prospective client know that the firm has completed appropriate work in the past and is capable of doing it again. The client will also generally look at other factors such as quality of work and fee. But from there, the client will make a personal and emotional decision, based on whom he or she likes, trusts, most wants to work with, and, very often, knows best—in other words, “chemistry.” All the facts about the firm serve to reinforce and justify the decision, but the decision is at its core an emotional one.

While the marketing efforts of many architecture firms are focused on winning work from new clients, it is important not to forget about existing clients. It is generally much easier and less expensive to win new work from an existing client than from a new one. If your firm has worked for a client and has done a good job, why wouldn't the client hire your firm again? A first priority in marketing is to make sure the firm is keeping existing clients happy. Established relationships serve as a springboard to move into new relationships and markets. If existing clients are happy, they will not only hire the firm again, they will recommend the firm to other people they know who may be considering an architectural project. No recommendation is more valuable than the endorsement of a satisfied client.

In marketing, relationships are everything—with clients and other third-party influencers in the marketplace like contractors, consultants, and real estate brokers. Relationships will influence the way that others perceive the individual architect and the firm; positive relationships can help, and negative relationships can hurt. When pursuing work with a new client, it is vital to build a relationship with the individuals involved in making the purchase decision. Without some kind of natural affinity between the architect and the prospective client that helps the client to like and trust the firm, it is unlikely that the firm will prevail in a competitive situation. Unfortunately, if you enter the selection process without an existing relationship with the prospective client, it is probably already too late—one of your competitors is probably ahead of you, and now has the “inside track.”

One often-overlooked factor that can distinguish one firm from another is passion for the project. In marketing their services, architects are selling the promise of future performance and their ability to deliver on that promise, so enthusiasm for a project can make a huge difference in influencing a potential client to hire a firm. In the selection process, the architect needs to find ways to demonstrate how much he or she wants to do the project, in a way that is natural and proportionate to the project. For example, on a very important project, it may be perfectly appropriate to say, “This is the most exciting project that has happened in this city in years, and we are very excited at the opportunity to work with you on it!” If the project is small or not very exciting, “We really want to work with you!” may be all that is needed. In a close race between competitors, the architect's enthusiasm can be the deciding factor.

MARKETING STRATEGY

Marketing efforts will be most successful when they mesh with the vision and operations of a firm. To create an effective plan for improving marketing and building business,

Repeat work from existing clients, referrals, and personal or professional contacts are the three most important sources of new projects for 73 percent of U.S. architecture firms.

2006 AIA Firm Survey

Relationships are everything when it comes to marketing architectural services.

► Firm Identity and Expertise (4.4) discusses how architecture firms can create strong firm identities.

your firm's long-term goals must be clear. This includes setting goals for business growth, as well as goals based on the design aspirations of the firm's principals and staff.

The firm's business plan can provide a good starting point for developing a marketing strategy. A business plan is a high-level discussion of the basis and objectives for beginning a new business venture, and for its overall operations over time. Depending on how your firm has developed its business plan, it may contain some indication of target markets, financial goals, and hiring and staffing strategies.

To begin the marketing planning process, it is advisable to bring key firm leaders together for a strategy meeting. Below are ten key questions that can form the agenda for a productive strategy meeting, one that results in answers that form a basis for the firm's marketing strategy. It will be helpful to do some research before the meeting to have information handy on the firm's markets, competitors, and clients to help facilitate discussion of each question.

1. *Who are we?* Key firm leaders must agree on their vision for the firm and its basic identity. What kind of practice is it? What do the leaders of the firm believe in? What is the firm known for? Is the firm a design-based practice, known for a signature design style that can be applied to many kinds of projects, or is it a specialist practice, expert in the design of a specific facility type?

There are advantages and disadvantages in being either a generalist or a specialist. A strategy of *generalization*, of pursuing work in a number of markets, can enable a firm to grow by pursuing new kinds of work. This strategy is often more stable, as downturns in one market may be offset by opportunities in others. A strategy of *specialization*, of pursuing work in one or just a few markets, can be incredibly profitable while the targeted market is hot but does not usually enable the same long-term stability as the generalist strategy. When a firm "owns" a market—when it becomes the obvious leader in a given area—a lot less time and money are required to bring in new work, and the firm's profitability can soar. In practice, many firms follow a hybrid strategy that involves specializing in several key markets, ideally providing the firm with some of the stability of a general practice and some of the benefits of a specialist practice.

2. *What markets do we serve?* Key markets should be defined carefully. Markets can be defined by geography, service, client industry, and facility type. Members of a firm could define its market by saying, "We provide architectural and interior design services for academic institutions in the Midwest, with a special emphasis on dormitory projects." There should be a clear distinction between the markets the firm works in now and the markets the firm would like to move into. It is important to have a clear, realistic picture of the firm's position in each desired market, and to consider the competition in each market. Who is your firm competing against? Which firms are the most successful? Make a list of all major competitors, and briefly discuss the strengths and weaknesses of each.
3. *What are our strengths?* What is your firm really good at? The answer could be design, service, or some special knowledge or expertise. In listing a firm's strengths, it is important to emphasize those that are truly unique to the firm. A generic strength such as "We're responsive to clients" is something any service provider in business today should be able to claim, and therefore would not differentiate a firm from others.
4. *What are our weaknesses?* It is vitally important in the marketing strategy process to be honest about liabilities. What are the things that your firm does not do as well as it could? List everything that might affect the firm's performance, or the perception of the firm's performance—both internally and externally. Establishing an understanding of weaknesses is the first step to overcoming them, and it can minimize the amount of time spent chasing opportunities that will be difficult to capture.
5. *What are our opportunities?* Consider each market in which the firm is active and identify opportunities in those markets for growth or for developing greater depth in existing areas. What's changing in these markets? Are there trends that could be

capitalized on to achieve growth? Could the firm offer new services, explore new geographies, or become expert in designing new facility types? It may be helpful to ask, “What will we be doing in ten years that we are not doing now? What opportunities do we need to take advantage of now to get there?”

6. *What threats do we face?* Threats are factors in the marketplace that could hurt a firm’s current position. An honest appraisal of threats is invaluable in planning the firm’s future direction. What are competitors doing that threatens the firm’s position in its existing markets? Is the firm facing new competitors? Are there trends in existing markets that may negatively affect your firm and its business? One way to get at the heart of this subject is to ask, “What keeps us up at night?”
7. *What’s our vision for the firm?* A vision statement is a written expression of the firm’s highest aspirations. This is the place to use superlatives: best, leading, largest, most, finest. What is your firm all about? Design? Innovation? Efficiency? Service? How does the firm’s work improve the lives of its clients? How does the firm change the world for the better with every project? A vision statement could be something like this: “AB&C is a design firm that improves the lives of hospital patients and medical professionals by taking a fresh look at health care design and applying best practices from around the world to our projects.” A vision statement should be as concise as possible. When you are crafting one for the first time, it may help to begin by writing it as long as it needs to be and then to cut out what is not absolutely essential. Try to pare it down to one key idea, if possible. The final statement should be as active and as ambitious as possible.
8. *What’s our mission?* A mission statement is much more directed than the vision statement. It describes where the firm is going. It describes how the firm would like to change its practice in the future. It is important to think big, but at the same time a firm must create a mission that is practical and achievable. A sample mission statement might be, “Our mission is to be the most respected laboratory design firm on the West Coast. We intend to accomplish this by hiring the best staff, rigorously improving the quality and accuracy of our design, and delivering on our promises.” When developing a mission statement, it helps to ask, “Where do we want to go now?” Is there an existing market the firm ought to penetrate further? Is there an area of existing practice the firm could strengthen? Be as specific and focused as possible.
9. *What are our goals?* The next step is to identify goals that will help your firm accomplish its mission. What does your firm need to do to accomplish its mission? Does the firm need to hire new kinds of staff, modify the design process, look for different kinds of work, or make other significant changes in strategy or operations? Discuss how firm members are going to work to achieve these goals. Who will be responsible for following through with each goal? How soon will firm leaders reconvene to evaluate progress?
10. *How do we communicate our strategy?* Everyone in the firm has a role to play in marketing; therefore, it is vital for everyone to understand and participate in the marketing strategy. Consider creating a one-page marketing strategy summary that includes all ten of these questions with brief summaries of the firm’s answers and action plan, and then distributing it to all staff. It is a mistake to have the strategy shared only by the firm’s leaders. The marketing strategy will be most effective if everyone is on board with where the firm is headed and if each person understands his or her role in helping the firm move forward.

BRANDING

Branding is a familiar concept in the world of products. Think of a few great product brands—Sony, Nike, Mercedes, Apple, Volvo: These names are closely associated with product attributes or even marketing slogans, such as safety for Volvo or “Just Do It” for Nike. Brands are an incredibly effective means of communication between companies

YOUR FIRM NAME

One of the most important tools in a firm's brand communication is its name. It is important to consider the significance a name has to people who hear it, and how it supports the firm's vision and brand. The best names are distinctive and memorable.

Most architecture firms have one of the following types of names:

- *Multiple proper names.* Difficult to remember, and usually shortened to a set of letters that quickly lose their meaning. Examples: HOK, SOM, NBBJ, HLW, KPF, BBB, WATG, P&W.
- *Single name of signature architect or company founder.* Generally calls up the image of a visionary founder. Examples: Polshek, Gensler, Jerde, Rockwell.
- *Anything other than a person's name.* Less ego is implied, but such a name can also seem less personal. Examples: Studios, Morphosis, Pentagram, Arquitectonica.

When choosing a firm name, think about it carefully and objectively. Consider both how it looks on paper and how it sounds when people say it. Is it easy to spell? Is it easy to say? Consider any connotations the name has in your mind and the mind of your audience. Does it sound like anything else? Do you have an emotional response to it? Does it sound like the firm you want to be? If the firm carries a person's name or one combined from several surnames, what associations or connotations do those names have?

and their customers. If a company has a clear and consistent brand, customers will know what to expect and will associate the company with certain key ideas.

Service companies have brands just like products companies do. Many service providers, however, are more comfortable using the word "reputation" than "brand," but both words have essentially the same meaning: what people have in mind when they think of a given firm. Brand is critical in differentiating one firm from another.

A firm's brand is built by every single interaction that people have with the firm. It is the consistency of experiences with the firm and its work that defines its brand. Once a firm decides on a specific brand message, the message should be conveyed to key audiences in a memorable way. If a firm declares it is all about service, for example, and if the firm's staff delivers on this promise so that everything its clients and the public see supports this, the firm will become known for service.

Once a firm has gone through the strategy development process and carefully considered its vision, mission, and identity, the firm can proceed with spreading the word to existing clients, prospective clients, and other audiences. Building a communications plan around your brand is a five-step process:

1. *Define your audiences.* What specific industries or organizations is the firm focusing on? Who are the people at these organizations that the firm is trying to reach? How do these targeted clients interact with the firm now?
2. *Get a clear picture of how your firm is perceived.* This may require some research—asking people in various audiences what they think of the firm. It may be helpful to periodically take current or former clients to lunch and ask them directly to share what they think the firm's strengths and weaknesses are.
3. *Identify the firm's message.* The message should be as simple and clear as possible, and should be a direct reflection of the firm's vision statement. If possible, summarize the message in one keyword, such as "service," or a short phrase.
4. *Determine how to transmit the firm's message.* A firm's audiences can be reached in many ways. Consider your firm's work, staff, logo, office environment, business cards, advertising, proposals, and marketing materials. How can the firm make use of every contact with potential clients to get its message across?
5. *Make sure your firm "walks the talk."* No matter what, the brand must be backed up with action. A brand is empty and hollow if it is not consistent with the service the firm provides and the quality of the firm's work. If there's any fibbing, the staff will know, and before long the clients will, too.

POSITIONING

Positioning is the application of a firm's brand to a specific market. While branding is the process of trying to influence the perception various audiences have of the firm, positioning is the process of packaging the company for a specific target market and determining how to define it relative to the competition in that market. The brand applies to the entire firm, in all markets, and should originate from the firm's vision statement.

The position, however, applies to only one market. When figuring out how to position the firm, you need to ask, “How can we present the firm to this market, and how can we differentiate our firm from the competition?”

The value of market position becomes most apparent when a firm is in pursuit of a specific opportunity. A firm’s position is its starting point and consists of what clients and potential clients think of the firm before they open a proposal or grant an interview. What do they know about the firm? What do they think of its work? How is the firm positioned in this particular market? Is it the leader or the underdog?

In their landmark book *Positioning: The Battle for Your Mind* (McGraw-Hill, 2000), Al Ries and Jack Trout describe positioning in terms of ladders in the audience’s mind: Each ladder is a market, and each rung is a brand. Where a brand fits on the ladder is its positioning. For example, imagine what the positioning ladder looks like for cola drinks: rung 1: Coca-Cola, rung 2: Pepsi-Cola, rung 3: RC Cola, rung 4: everybody else.

Once the arrangement of a ladder has been set in the mind of the public, it is very tough for a brand to move up the ladder. Even though Pepsi generally wins in blind taste tests, it cannot knock Coke out of its position at the top. In another example, if an architecture firm is competing against HOK Sport in the sports arena market, it may be able to beat the firm on one project, but it will be very difficult to knock it off the top rung of the ladder. HOK is probably the first firm a prospective client thinks of for sports arena design, and there is not much other firms can do about that.

The challenge is to define each market (that is, each ladder) as specifically and concisely as possible so that people can accept it as a unique market, remember it, and associate your firm with it. It is vitally important to define your markets carefully. What does your firm offer this market? Why should the firm pursue the market, and how will it become a leader in it? Much as the vision statement describes the firm’s aspirations, the positioning statement sums up a specific market and the firm’s position in it. For example, a positioning statement might read, “JKL is the leader in the design of intermodal transportation facilities. We are different from the competition because we have a thorough understanding of the complex circulation issues of people, trains, buses, and cars.”

Developing a positioning statement is a four-step process that includes considering and answering the following questions:

1. *What is the market?* The market is defined by service, facility type, client industry, and/or geography. It can be any area that could have a marketable specialization and any permutation of those four factors. For example, a market could be the interior design (service) of retail locations (facility type) for fashion companies (industry) in the western United States (geography). Or a market could be only one or two of those factors, for example, real estate developers in Boston.
2. *What does the market need?* An assessment of the needs of the market requires input from clients and prospective clients. Find out what they would like to do differently but so far have not been able to. Find out what their hot issues are. Find out what the trends are. Identify any unsatisfied opportunities in the market. Then determine if your firm can fulfill any of these needs better than your competitors.
3. *Who is the competition?* To position a firm within a market, it is essential to know as much as possible about the competition. What other architects work in this market? How are they perceived? What is their positioning? Is another firm the clear leader in the market? (If so, you may want to redefine the market and try a new “ladder.”) Are there any weaknesses in the competition against which a firm could position itself? For example, “We’re just as good as RST, but we are cheaper!”
4. *What do we offer?* Most important to determining your firm’s positioning is zeroing in on what the firm can bring to this market that none of the competitors can match. What experience, capabilities, or attributes does the firm offer that are truly unique? Why would a prospective client in this market be foolish to hire the competition?

Answers to these questions will help a firm put together a clear positioning statement, such as, “PQR is the leader in designing mini storage facilities in the Midwest. We can design and deliver a mini storage facility faster than anyone.” Once the statement has been crafted, the next step is to spread the word in every communication the firm has with the identified market, and to back up the positioning by delivering on its promises.

THE MARKETING PLAN

A marketing plan provides structure to marketing efforts on a continuing basis. Where there is a plan, there is a common understanding of marketing goals and objectives and what actions the firm will take to build its business. It is a measuring stick that guides decision making. When any kind of opportunity arises—whether a project or publicity or joint venture—the marketing plan provides a context for evaluating the opportunity and determining how to proceed.

Most firms create marketing plans in an attempt to expand their practice, whether in overall size, profitability, or the types of opportunities for which the firm can compete. Without a plan, a firm can probably win work and sustain client relationships, but it will be difficult to penetrate new markets or significantly increase market share in existing markets.

Developing a Marketing Plan

A firm should aim to have a marketing plan for each of its markets. If the firm does some retail work, some residential work, and some academic work, it should have a marketing plan for each. A marketing plan should be no more than a page long, if possible. A short and simple plan is most likely to be read and followed. The following is a short outline for what should go into a one-page marketing plan.

The market. Define the market as precisely as possible in terms of geography, service, industry, and facility type.

The mission. What do we want to accomplish? Describe specifically the impact the firm would like to have in this market. What is the major goal of this marketing plan? What do you want your firm’s position in this market to be?

Current position and client base. Who are our current clients in this market? Describe where the firm is right now in this market. Is the firm a veteran, an underdog, or a newcomer?

As part of the planning process, consider carefully how much emphasis to place on new clients and how much to place on existing clients. The mix will vary depending on the firm’s focus, current position in the market, and goals. Existing clients make great references for potential clients to talk to, and can also recommend your firm to their friends and business associates.

Market size and trends. How big is the market? What is changing? This may be the time to do some research to learn more about the market. How many projects are there each year in this market? How profitable are they? What trends in this market can your firm take advantage of?

Competitors. Which firms is your firm competing against? What are their strengths and weaknesses? Prospective clients will compare your credentials with those of other firms. What other firms will your firm be positioning itself against?

Positioning. Where do you want your firm to stand in this market? Have you defined the market in such a way that your firm can be the leader in it?

Objectives. Break down your firm’s mission into smaller pieces. What can you do to achieve your mission? Do you need to do more business development, reach out to existing clients more, or work on media relations? Be as specific as possible here. If there is anywhere in the plan to add additional detail, it is here. This is the heart of the marketing plan—what firm leaders and staff members intend to do to fulfill the identified mission.

Responsibilities. It is important to assign specific responsibilities to individuals to make sure the objectives can be accomplished. Spread around responsibility. Everyone involved in this market should share in the responsibility of fulfilling the plan.

Schedule. Make it very clear in the plan when firm leaders will check on progress. By what date is each person named supposed to have accomplished his or her objective? Give them a time frame. If this is a one-year plan, it may make sense to review the plan every month or two to check progress, update the plan, and make new assignments.

Budget. The budget should quote a specific dollar amount for the firm's marketing efforts in this market. It should include hard costs (printing, networking expenses, etc.) and soft costs (staff time). Consider breaking out big-ticket items, such as a new brochure or attendance at a trade show.

Determining the Marketing Budget

Budgeting can be a difficult process. It is tough to put dollar values on expenses that have not appeared yet and expect to live by them for the lifespan of the budget. It is probably impossible to predict how many award submissions the firm will complete, or how many presentations will be made over the course of a year. This is why a budget is so important—it is a guideline for determining whether an opportunity is reasonable in terms of its cost.

To prepare a budget, start by developing broad categories for expenses. This may include marketing materials, photography, market research, public relations, business development, proposals, and presentations. Then make a rough guess at a reasonable amount for each category over the course of the next year, using any existing historical data as a benchmark. The first budget will be the most difficult to prepare; in subsequent years, as expenses are tracked, the firm will have more perspective on what is reasonable and which areas require investment of more resources.

A Living Document

The best marketing plans are living documents. The marketing plan should not be filed away, but kept close at hand for reference and revisions. Over the life of the plan, unanticipated opportunities will come up. There may be serious setbacks for one reason or another, or the market may change dramatically. Whenever market conditions change, the plan should be updated accordingly. A plan that is not able to change over time runs the risk of becoming obsolete or irrelevant. When opportunities arise that had not been envisioned, the response should be carefully considered. An opportunity can be outside the parameters of the plan and still serve the mission—the spirit of the plan. The following questions will help determine how to evaluate a new opportunity:

- Does this opportunity serve the mission?
- What is the potential benefit?

SAMPLE ONE-PAGE MARKETING PLAN

The market: Architectural design of garages for shopping centers in Florida.

The mission: We want to be the leading designer of garages for shopping centers in Florida. We want to double our revenue in this market in the next year.

Current position and client base: We have designed three multistory garages for shopping centers in the last year for three different clients. However, we are often thought of as a designer of garages for corporate offices, not shopping centers.

Market size and trends: Ten to twenty new shopping centers are built in Florida each year. In addition, older shopping centers are being reclaimed as corporate offices (five to ten last year). There may be an opportunity to leverage our corporate office parking garage experience to expertise in shopping centers.

Competitors: VWX designs shopping centers and parking garages. RST designs parking garages and lots, mostly for sports arenas and amusement parks. CDE designs anything, anywhere.

Positioning: We are the leading firm in designing parking garages for shopping centers. Unlike our competitors, we are specialists in this project type. We have deep experience in parking garage design, not only for shopping centers, but also for corporate offices.

Objectives: We intend to

- Build our network of shopping center developers.
- Redesign our marketing materials.
- Conduct a direct mail campaign.
- Get articles placed in trade publications.
- Be more aggressive in closing the deal.

Responsibilities: [Put at least one name next to every item on your objectives list.]

Schedule: The time frame of this plan is one year. We will check on progress next month.

Budget: Our marketing budget for the year is \$20,000. Of this, \$5,000 will be for printing new marketing materials and the rest for networking and pursuing specific opportunities.



Firms typically spend 9.5 to 11 percent of their fee revenue on marketing, although small firms of two to four people and sole practitioners spend less (8.5 and 5.5 percent, respectively).

2006 AIA Firm Survey

BUDGETING MATRIX

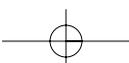
This sample budget matrix has columns for different markets (in this case, academic, labs, and offices) to break down the budget by market sector. The top portion of this budget covers soft costs (principal, staff, and marketing time—probably the biggest dollar-value item on your budget). The bottom portion itemizes specific hard costs, such as project photography, brochure printing, and so on.

SAMPLE BUDGET MATRIX

SOFT COSTS: STAFF TIME	ACADEMIC	LABS	OFFICES
PRINCIPAL TIME			
STAFF TIME			
MARKETING STAFF			
HARD COSTS: EXPENSES			
PHOTOGRAPHY			
BROCHURES			
REPRINTS			
DIRECT MAIL			
AWARD ENTRIES			
PUBLICITY			
TRADE SHOWS			
SHORT-RUN PRINTING			
RESEARCH			
TRAVEL			
NETWORKING			
MEMBERSHIPS			
TRAINING			

- What is the total cost?
- Does it fit the budget?
- What is the risk?
- Is it worth it?

If the opportunity supports the mission, the plan can be changed to encompass the new opportunity. Otherwise, it makes sense to defer to the existing plan and decline the opportunity.



BUSINESS DEVELOPMENT AND SALES

The word “sales” can suggest an uphill battle of convincing someone to buy something he or she does not really want or need. Nobody likes to be “sold.” Fortunately, the process of winning new business does not have to be about “selling.” An architect needs to communicate that his or her firm is the right one for the project by making a personal and compelling case to the client that the firm has the best solution for the client’s needs. Professionals win business by being truthful, competent, and personal. People who are hiring an architect generally seek to hire someone they like and trust—not someone who has “sold” them something.

The business development process can be approached in a number of ways. Many established firms are reactive in their approach: Clients and potential clients who know about a firm through prior experience or reputation send requests for proposals (RFPs) to the firm, which responds, hopefully winning a satisfactory portion of work to sustain its business. A proactive approach to business development is one in which a firm carefully selects the individuals and organizations it wants to work for and pursues them. A proactive approach gives a firm more control over whom it works for and the kinds of work it will take on, and can open up significant new opportunities and areas of growth. This approach can require considerable work, but it can also be highly rewarding.

Whatever approach is followed, relationships are critical to the process of winning new work. In an ideal situation, a firm will already have a strong relationship with the project decision makers when they begin the process of selecting an architect. Even if your firm has to compete to satisfy additional stakeholders (a board of directors or a public agency’s purchasing policies), if you have a strong relationship, the firm will have an advocate in the decision-making group and will be able to get more accurate information from the potential client as to the real issues guiding the selection process.

If the firm’s relationship with the potential client is not strong, or the firm does not have any relationship at all at the start of the process, it can be much harder to compete or even to have a sense of how the competitive process is going to unfold. All you can do is listen carefully to potential clients and try to figure out who they are and where they are coming from, consider their objectives and priorities carefully, and respond with your qualifications and proposal, tailored to your understanding of the potential client and project.

Networking

Networking is vital to the marketing success of business-to-business services like architecture. A good network can make the difference between a flourishing practice and one that is struggling to survive.

Many people think of a network as a set of artificial relationships, a social convention that exists to fulfill a business purpose—sharing and trading information. But a professional network is essentially a circle of friends. The relationships in the network are real; they are based on authentic interpersonal connections.

An architect builds his or her network the same way that an individual looks for new friends. Potentially beneficial contacts can be found in social situations—industry events, parties, and even on projects—or anywhere there are people with whom an individual feels a natural connection and where there is the possibility of a mutually beneficial relationship. What each side offers the other can be almost anything: industry information, connections, a good laugh, knowledge of the local community, gossip. All that is important is that the friendship is real and that each party has something to offer the other.

There are many different ways to build a network. Some people seem as if they want to know everybody, while others try to build tight bonds with a limited number of people. There is not a right or wrong way to build a network; you could build a great

► Effective public relations reinforces marketing and business development. Public Relations (5.3) discusses how to create a public relations plan, conduct PR campaigns, and deal with the trade press and public media.

Networking is an ongoing process; it should not happen just when the firm is pursuing work.

network with five friends (if the relationships are strong and they have information and connections) or with 600. Either way, the network needs constant attention to grow and evolve.

If an architect has built a strong network of people in related disciplines (engineers, contractors, real estate brokers, developers, and consultants), they can share information on upcoming projects. Initially, with newer contacts, the sharing may be more guarded and exploratory: “Have you heard anything about this new project?” With more established contacts, professional acquaintances will be thinking of projects for each other: “I heard about a new project that would be perfect for your firm.”

Targeting Clients

Firms that are proactive in their business development efforts are much more likely to win projects that members of the firm are truly interested in, from individuals and organizations they want to work for. Being proactive means deciding which organizations you would like to work with, researching them, getting to know the decision makers, building relationships, and eventually pursuing and winning work from them. It can be a long process, but it is very important to building a business and taking it in new directions.

Start by identifying prospective clients with whom you would like to do business. Survey the markets your firm is currently working in (defined by industry, facility type, service, or geography). Are there organizations the firm has not worked for in these markets that would make attractive clients? Make a list of ten to twenty prospective clients to target.

Be realistic. Each potential client on the list must be an achievable target for the firm. Do not consider organizations for which there are serious roadblocks, such as those that only work with firms that are very different from yours, or organizations for whose projects your firm has no relevant experience.

Once you have assembled a list of ideal clients, begin to research them. Go online and find out everything you can. Ask people about them. Most important, try to connect with the key decision makers in these organizations. Who are they? What are their backgrounds? Who do you know who knows them? How can you meet them? What can be your pretext for approaching them and getting to know them? Pursue the top targets aggressively, and try to make connections and build networks that get you closer to the decision makers.

Of course, you will not be able to get a meeting with every ideal client on the list right away. Simply having a list of target clients, and keeping up-to-date with their businesses and ongoing projects will prepare the firm to act on an opportunity when it appears.

Developing Leads

A lead on a potential project can come from practically anywhere—a friend, a work associate, a client, a family member, or even the newspaper. The more people who are familiar with the work an architecture firm does, the greater the likelihood someone will think of the firm when they hear about appropriate new projects. When a lead to a potential new project comes along, the following questions should be asked:

- *What is the project?* How big is it? Where is it? What is the budget?
- *What is driving the project?* Why is it happening now? What is changing in the potential client’s business that necessitates this project? What objective is the potential client trying to achieve by undertaking this project?
- *Is it right for your firm?* Is this project not just something the firm *can* do, but something it is truly qualified to do, experienced in doing, and passionate about?

- *Who is the competition?* Which other firms will be considered for this project? If the answer is “none,” great! If the answer is “an open field of 50 or 100 firms,” not so great.
- *Does your firm have an existing relationship?* Does the firm have any connection to the people who are involved with this project? Whom can you meet? How can you connect yourself to the decision makers?
- *What is the timing?* If word about the project has hit the street (or if the project has been publicly announced), it may be too late—there are probably other firms already lined up to do the project. If the project is still being planned, there may be time to help the potential client with the process of defining the project and position the firm for the work.
- *Can you win the job?* Realistically, given the potential client and the project, and an assessment of the firm’s experience, relationships, and competition, what are the chances of winning this project?
- *What should you do next?* Given everything that is known about the client and the opportunity, what is the best first step to pursuing this project?

COLD CALLS

No matter how hard you try, there are times when you cannot find a connection to the decision makers on a project, or to anyone who knows them. When all other possibilities for contact have been exhausted, your alternatives are reduced to two: Pick up the phone and call “cold,” or forget about the lead.

Cold calling is not a particularly effective means for bringing in work, so it should be your absolute last resort, after you have exhausted your network but still want the project and believe it is right for your firm. Relationships, more than any other factor, are what win work, and trying to build a relationship from a cold call is very difficult. In such calls, the person you are calling has no idea who you are—which is why it’s called a “cold” call. Any warmth that arises from the situation will have to be your own. Even a warm call is better—when the person you are calling has heard about you or your firm before.

Despite its difficulties, if you are honestly interested in a project and believe your firm is qualified, a cold call may be worth a shot. Following are a few basic rules to follow:

Know whom you are calling. Know as many details as you can about the person you want to talk to. Know his or her name, title, role in the project, history, and anything else you can find out before you pick up the phone. The

goal of the call is to get a personal meeting. Personal relationships are not built over the phone. Have a strong hook (something in your portfolio the person you are calling will want to see) that will get you the meeting.

Rehearse what you are going to say. When you get on the phone with the person, you may not have much time to break through his or her “sales filter” and convince him or her it would be valuable to meet you. Plan it, write it down, and rehearse it.

Be specific and direct. You are calling to talk about a specific project. Ask about it. Do not be shy about why you are on the phone.

Ask questions. Prepare good questions to ask about the project to show you have thought about the project—not just about the selection process. Ask questions the person you are talking to may not have considered.

Be yourself. Your goal is to build a relationship with the person on the other end of the phone line. Strike a balance between being as professional as possible while still letting your energy, enthusiasm, and personality shine through.

Send information, and always follow up. As a follow-up to your call, always send some information about your firm. Make it as specific to the project as possible. It should not be just your standard brochure; it should be specific information that will be interesting to the contact.

Answering these questions puts a firm in a much better position to evaluate the lead and determine the appropriate level of investment. Many people hear about a lead and rush headlong into the pursuit, but it is much better to step back, evaluate the lead objectively, and then determine how high a priority this lead is and the proper course of action.

An important part of the process of pursuing leads is having a system for tracking them. If an architect is working alone to track a few leads, the system can be fairly simple—a notebook or a simple spreadsheet. But if the information needs to be shared with others within an organization, the firm may want to invest in a more robust lead-tracking database system. Generally, there's far more to be gained by sharing, as colleagues can help if they know someone related to the project. There is no one-size-fits-all system for tracking leads in the architecture business, however. Each firm has to find the system that works best.

THE CASE FOR MARKETING STRATEGICALLY

Many leading design firms have achieved success somewhat accidentally, through the personalities, connections, and panache of their founders. It is a rare firm that looks at marketing as an ongoing strategic process that is integrated into the operations of the firm. For those that do, the benefits are immense, including sustaining the firm, expanding its business, earning higher fees, and gaining access to preferred types of clients and projects.

Professionals who ignore marketing and do not develop their marketing and strategic thinking skills will have the terms of their work life—type of client, type of work, and even compensation—determined by someone else. The better an architect or architecture firm is at marketing, and the more strategically focused, the more likely the sole practitioner or firm will be able to work on truly interesting, profitable projects.

For More Information

In *Selling the Invisible: A Field Guide to Modern Marketing* (Texere, 2001), Harry Beckwith, a leading writer and speaker on marketing for service firms, provides great perspective and insight into marketing services. Also recommended are Beckwith's later books, *The Invisible Touch: The Four Keys to Modern Marketing* (Texere, 2001) and *What Clients Love: A Field Guide to Growing Your Business* (Warner Books, 2003).

Ford Harding's *Rainmaking: The Professional's Guide to Attracting New Clients* (Adams Media Corporation, 1994) is a classic. Even though the book is not specific to architecture firms, Harding's experience as a marketing director for a leading architecture firm gives him a strong grasp of marketing and business development issues for architects.

Architect's Essentials of Marketing (Wiley, 2005) by David Koren is one of the few books on marketing written specifically for architects.

Marketing Professional Services (Prentice Hall Press, 2002) by Philip Kotler, Paul Bloom, and Thomas Hayes is frequently used as a textbook for classes pertaining to marketing services. Although academic in its approach, it covers a broad range of topics in the field of marketing.

Al Ries and Jack Trout's *Positioning: The Battle for Your Mind* (McGraw-Hill, 2001) is a detailed discussion of positioning as a component in the branding and marketing process. The ideas in the book apply to firms of every type in every industry.

The Marketing Handbook for the Design & Construction Professional (BNI Publications, 2000) is the authoritative reference on marketing from the Society for Marketing Professional Services (SMPS), the leading source of marketing knowledge and

education for architecture, engineering, construction, and related consulting firms. Educational programs offered by SMPS, both at a national level and through local chapters, can be found on its Web site. (www.smeps.org)

5.2 Seeking the Project

Howard J. Wolff

More than one well-known architect has said that the first job is to get the job. In a world of sophisticated owners and many qualified architecture firms, getting the job can be a challenge.

More than an activity, seeking the project—sales—is a managed process. Typically, the selling process includes the following ten stages:

- Finding leads
- Screening prospects
- Courting prospects
- Making the go/no-go decision
- Expressing interest
- Planning your approach
- Writing the proposal
- Making the presentation
- Closing the sale
- Debriefing

The above stages are not necessarily linear. Courting prospects may have begun months or even years earlier and will likely continue through all of the steps outlined. Some clients do not require the submission of detailed qualifications until proposals for services are requested. When a firm has a long-standing relationship with a client, the activities listed may happen all at once, in a single meeting, or in a phone call confirming the architect's selection.

FINDING LEADS

Sources of leads are all around you. The easiest and cheapest sources of leads—and often the most fruitful—are your current and recent clients. They know you, your firm, and your capabilities. Do not be afraid to ask these questions: “What else do you have coming up that we can help with?” “Who else should I be talking to?” “May I use you as a reference?”

These questions are an opportunity to think beyond a narrow definition of architecture services. As you discover a client's needs, think of yourself as a consultant who can help solve problems. By reframing how you view your business, you expand the ways you can help your client. For instance, architects can offer a range of expanded services, which

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Here is a handy short list of lead sources:

Accountants
 Alumni associations
 Attorneys
 Bankers
Commerce Business Daily
 Community service clubs
 Consultants
 Contractors
 Employees
 Existing clients
 Friends
 Lead-finding services
 Lead-swapping networks
 News media
 Other architects
 Past clients
 Realtors
 Receptionists
 Religious institutions
 Secretaries
 Services
 Trade associations
 Trade publications
 Vendors