

Marketing matters

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New rules for relationships

Around the world, business services professionals are altering the way they build business relationships. With budget cuts to corporate entertainment, cynicism about marketing and an increasing number of time-poor business people, companies are moving away from social settings and into the business environment to develop relationships with clients.

From discussions with professional firms in London, corporate entertainment budgets that once seemed bottomless are being slashed. Previously, potential clients were wooed with tickets to shows in the West End and hours were spent playing golf or cricket or sailing. The trend is to forgo these time-consuming activities and head to the boardroom for some serious relationship-building. Potential clients are invited to corporate seminars, information sessions and networking evenings, often where firms can showcase the expertise of staff at their corporate offices.

In Dubai, family connections have always been an important part of introducing new clients to the business and this trend hasn't changed. What has changed is that relationship-building between professionals and clients no longer involves big financial and time investments.

In India, companies still have to make substantial time investments, usually up to 12 months, to win big new clients. There, firms depend mostly on family connections, business associates and other contacts to set up meetings with target clients to develop relationships with key staff.

The difference between the services offered by competitive professional companies is at best negligible so the next logical point of difference is price. Rather than compete in a price war, progressive companies are building relationships to win business. Employing the logic that businesses don't purchase services from other businesses – rather, that people buy from people – relationship marketing is gaining global popularity.

These developments have led to welcome changes to the nature of business relationships. Conversations focus on business needs rather than family holidays and pets. With relationships grounded so firmly within the confines of the business environment, the advice offered to clients is more objective and without the impediments of personal feelings.

While some accountants and lawyers argue that the personal touch is slipping, this isn't a bad thing. The nature of a business relationship is to keep clients satisfied with a company's services – practitioners need not feel they have to invite clients around for a barbecue to build a strong relationship and keep them coming back for more consulting services.

Accountants in particular will argue that showing a personal interest in their clients is vital to their business and therefore worth their time. However, successful companies in overseas markets are finding their time is better utilised in active marketing for the goal of bringing in new sales.

Companies in Australia could do more to build relationships with potential clients. They need to be wooed before they will bring their business on board. Practitioners would do well to spend time focusing on a specific audience then becoming acquainted with individuals in that group by hosting seminars and information sessions, and by encouraging satisfied clients to act as a source of referrals to that particular group.

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