Perception Is Reality
Professional services firms should use client perception research to get—and keep—profitable clients

BY SUZANNE LOWE

Another major client lost to the competition. It’s the third one this year. Brian, the CMO of a midsize management consultancy, pounds his desk in frustration. He thought that doing periodic client satisfaction surveys would clue him in to possible defections. Apparently not. In fact, this lost client had given the firm high marks for service delivery in last year’s satisfaction survey.

After some digging, Brian learns that the client decided to make the switch after being impressed with a rival firm that had engaged them in something called “perception research.”

“I’m not even sure what perception research is, never mind why we should do it,” Brian mutters. “I had better do my homework before the rest of the leadership team comes down on my head about this.”

Could perception research have helped Brian’s firm retain its lost clients? Quite likely.

Perception research is a tool that helps professional services firms understand the forces that drive their clients’ needs—and enables them to be in the right place at the right time to meet those needs. In fact, professional services firms that have a formal market research budget said they were two to five times more effective at attracting and retaining clients, according to my research.

Like Brian, many professional services CMOs think that client satisfaction research is enough. Not quite. Satisfaction research is an excellent way for a company to examine its past performance.

Perception research is a different animal altogether. It’s more about sniffing out new opportunities rather than looking back to see how well you’ve done. Perception research can reveal much that is hidden. It can expose a client’s unmet needs and unexpressed thoughts—such as brand-promise expectations. It can reveal a client’s desired price points or attraction to certain services and attributes or illuminate how a client is affected by an industry’s evolution. It can also show a professional services firm where it is positioned versus its competitors in the mind of the client or prospect. Finally, perception research helps a company test strategies that will differentiate it from competitors.

Some companies try to combine satisfaction and perception research—a bad idea unless you like muddy waters. Doing them together makes it hard for clients to give you truly unbiased perceptions. And simply concentrating on clients’ near-term interests (the focus of satisfaction research) fails to gather fodder for more competitive, unique and future-oriented strategies and tactics. Instead, professional services firms should use qualitative and quantitative perception research to target, win business from and provide optimal benefits to their most valuable clients.

Fear Factor
Professional services firms underuse perception research. That’s surprising, since it can deliver a hefty competitive advantage and it’s not that hard to do. There are many tried-and-true research vehicles—telephone inter-
views, focus groups, peer-to-peer group gatherings and even online surveys—that make client perception research reasonably priced and quick to undertake. So what holds firms back?

- **Confusion.** “We already do satisfaction research. That’s the only research we need.”
- **Wimpiness.** “Our clients are busy; let’s not bother them.”
- **Laziness.** “Been there, done that. Don’t want to take the time or spend the money to do it again.”
- **Fear.** “What if the research tells us that we need to make a big strategic change? We’re not ready for that.”
- **Arrogance.** “We know how our clients perceive us. They think we’re great. That’s what they told us in the satisfaction surveys.”
- **Distraction.** “We’re right in the midst of so much internal change. It’d take a miracle to get anyone’s attention to begin a perception research effort.”
- **Unclear ROI.** “Unless it can deliver an immediate return, I doubt our executive committee would fund it.”

Such marketplace myopia simply opens the door to competitors that do make a strong commitment to perception research.

**Doing It Right**

Winstead, Sechrest & Minick, a large law firm in the southwestern United States, is a great example of an organization that used forward-thinking qualitative and quantitative research to study its clients. It wasn’t rocket science. In fact, Winstead used the same kind of research and marketing strategies that corporations have used successfully for years to understand their customers—strategies that many professional services firms all too often don’t use.

The initial challenge was simple. Winstead wanted to create compelling marketing messages for its new website. Anyone can come up with marketing messages that sound good. But Winstead used perception research to craft messages that truly resonated with its audience. The firm accomplished this objective by using the following three qualitative primary research techniques to understand the relative value clients placed on various attributes possessed by competing legal service providers.

**Projective interviewing.** By asking an interviewee questions about a hypothetical situation, you can obtain more genuine responses of their preferences and perceptions. For example: “If your firm could be a famous personality, who would it be? Who could it be in the future? Imagine if your firm were a car, what make would it be, and what could it be in the future?”

**Laddering.** This interviewing technique elicits the attributes the interviewee seeks or avoids and then asks why these attributes are important and the consequences of choosing them. For example, if an interviewee seeks innovation, the interviewer endeavors to understand why this characteristic is important. Questions continue, as though going up a ladder, until the interviewee’s underlying desired values are identified.

**Hierarchical value maps.** All this information is used to graphically illustrate the relationships or links that were identified from the projective interviewing and laddering questions. From this graphic illustration, Winstead visualized why its clients took certain steps toward what they perceived would be favorable consequences, and why they avoided a certain set of undesired consequences.

Winstead’s use of projective interviewing, laddering and hierarchical value maps helped it understand its clients and their reasons for choosing a law firm, and Winstead in particular. Perception research allowed it to identify the client’s real buying criteria in a way that the firm’s client satisfaction interviews had not. The research also revealed that clients who seem, on the surface, to be quite different, may have similar goals.

Winstead learned that senior-level clients—those on the “fast track,” facing high risks and high rewards, and shoulder- ing tremendous responsibilities—needed to feel a sense of control and authority, even though they looked to their attorneys to give them insight and to steer them in the right direction. Middle management clients, however, preferred a more team-oriented role. They enjoyed helping others in the lime-

light; they felt a sense of purpose and satisfaction in actively helping their company to move forward.

From its sophisticated perception research effort, Winstead created an award-winning website that features astutely crafted messages and images that effectively communicate the firm’s brand promise to its primary and secondary targets. The research helped the firm identify a brand image and a message that worked for all of these target audiences: a photograph of a sailboat navigating through rough waters, with members of the sailing team playing the crucial and discreet roles...

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**From Push to Pull**

Marketing leaders at professional services firms constantly have to deal with external pressures like nimble competitors, economic roller coasters and seismic marketplace shifts. Not taking advantage of client perception research simply allows competitors to understand your clients and your marketplace better than you do.

While the thought of undertaking a new form of market research may sound overwhelming, client perception research is nothing to be afraid of. Astute firms that use it will no longer push the wrong solutions to the wrong clients at the wrong price and at the wrong time. Perception research will help them build the most valuable services, offer them at the right time and under the smartest circumstances, and craft the best marketing messages, all specifically designed to “pull in” the most strategically appropriate clients.

Suzanne Lowe is president of Expertise Marketing (www.expertisemarketing.com) and author of *Marketplace Masters: How Professional Service Firms Compete to Win* (Greenwood, 2004). Send comments to cmofeedback@cxo.com.