

Marketing Consulting Services

RAZAK JAIYEOLA
CHIEF CONSULTANT

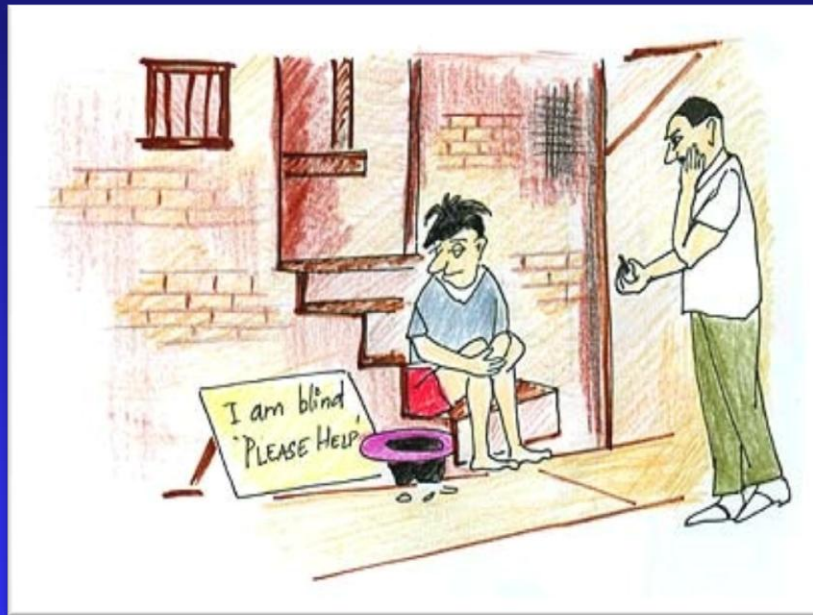


Presentation Outline

- Introduction
- Who is a Consultant?
- Objectives of Consulting Services
- Purpose of Business Plans
- General Principles
- Business Plan Contents
- Marketing Strategy
- List of Consulting Services
- Sources of Consulting Business
- Personal Qualities of a Consultant
- Recommendations & Conclusion



A blind boy sat on the steps of a building with a hat by his feet. He held up a sign which said: "I am blind, please help." There were only a few coins in the hat.



A man was walking by. He took a few coins from his pocket and dropped them into the hat. He then took the sign, turned it around, and wrote some words. He put the sign back so that everyone who walked by would see the new words.



Soon the hat began to fill up. A lot more people were giving money to the blind boy. That afternoon the man who had changed the sign came to see how things were. The boy recognized his footsteps and asked, "Were you the one who changed my sign this morning? What did you write?"



The man said, "I only wrote the truth. I said what you said but in a different way."

I wrote: "Today is a beautiful day but I cannot see it."



Introduction

- Today's Business Challenges include
 - ◆ Need to focus on core competencies
 - ◆ Operating globally (Globalization)
 - ◆ Convergence
 - ◆ Economic Meltdown
 - ◆ Reporting performance
- Consultants are needed by organizations to
 - ◆ Manage through the Economic Downturn
 - ◆ Make smarter risk-based decisions
 - ◆ Strengthen governance & regulatory compliance
 - ◆ Appropriate use of Technology
 - ◆ Be a market Leader
- Opportunities for accountants as Business advisers and consultants to make out successful careers as consultants.



Attributes of a Consultant

- Consultants do many things alone –
 - ◆ Sales generation (finding projects),
 - ◆ Marketing
 - ◆ Finance and management.
- Need to know if Consulting is right for you
 - ◆ High Self Discipline
 - ◆ Entrepreneurial Spirit
 - ◆ Highly Organized
 - ◆ Ability to learn from mistakes
 - ◆ Integrity
 - ◆ Understanding Spouse
- Other personal qualities are dealt with in detail later in the paper.



Objective of Consulting Services

- Primary Objective is meeting Client Needs
- Approach to assignments determine continued patronage
- Critical success factor is setting Goals & achieving Objectives
- Objectives may be
 - ◆ Identify and optimize core competencies,
 - ◆ Increase gross margins,
 - ◆ Reduce operation expenses,
 - ◆ Hire the right executive team,
 - ◆ Improve market share,
 - ◆ Create positive Free Cash Flow,
 - ◆ Increase profit levels and
 - ◆ Generally Improve the Business



Objectives of Preparing a Business Plan

■ 2 Primary Objectives

- ◆ External - To obtain funding that is essential for the development and growth of the business.
- ◆ Internal - To provide a plan for early strategic and corporate development.

- Guides an organization towards meeting its objectives
 - ◆ By keeping the business entrepreneur and all its decision-makers headed in a predetermined direction, and by setting out how the company will be run for the next two to three years.



Purposes of Business Plans

- A well developed business plan serves the following four primary purposes:
 - ◆ To serve as an Action Plan – for the next 12 months
 - ◆ Breaking down setup tasks into smaller and less intimidating tasks, each assigned a due date, person(s) responsible, and detailed action plans
 - ◆ To serve as a Roadmap – for the next two to three years
 - ◆ Help keep you on track and moving in the direction you want to go
 - ◆ To serve as a Performance Tool – on an ongoing basis
 - ◆ Provide a basis for evaluating and controlling the organization's performance in the future
 - ◆ To serve as a Business Promotions Tool
 - ◆ Persuade investors or lenders to finance business



Critical Success Factors (CSF)

- Keys to success or critical success factors are the fundamental issues that you absolutely and positively have to satisfy if you want to win in the marketplace.
- The following are a list of critical success factors that you can identify ahead of time:
 - ◆ Adopting new technologies
 - ◆ Hiring human resources
 - ◆ Strategic location
 - ◆ Distribution channels and marketing strategies
 - ◆ Government regulation
 - ◆ Improving services or customer focus
 - ◆ Enhancing operations towards best practice



Management Profiles

- Provide resumes that include the following information:
 - ◆ Name
 - ◆ Position
 - ◆ Primary responsibilities and authority
 - ◆ Education
 - ◆ Unique experience and skills
 - ◆ Prior employment
 - ◆ Past track record
 - ◆ Industry recognition
 - ◆ Community involvement
 - ◆ Number of years with company
 - ◆ Compensation basis and levels



Industry Analysis

- Analyze your Business Environment
- Do a Strengths, Weaknesses, Opportunities, Threats (“SWOT”) Analysis
- Environmental factors internal to the organization usually can be classified as strengths (S) or weaknesses (W), and those external to the organization can be classified as opportunities (O) or threats (T).
- Several factors enhance the quality of the material:
 - ◆ Relate strengths and weaknesses, wherever possible, to critical success factors.
 - ◆ Strengths and weaknesses should also be stated in competitive terms Statements should be specific
 - ◆ Analysis should distinguish between where the company wishes to be and where is it now. The gap should be realistic.
 - ◆ It is important to be realistic about the strengths and weaknesses of one’s own and competitive organizations.



Sample SWOT Analysis ♦ A.J SILICON ♦

STRENGTHS	WEAKNESSES
• Economies of scale	• Lack of marketing expertise
• Specialist marketing expertise	• Undifferentiated products and service
• Exclusive access to natural resources	
• Patents	• Poor location of your business
• New, innovative product or service	• Weak distribution channels
• Strategic location	• Poor quality goods or services
• Cost advantages through proprietary know-how	• Weak brand name and reputation in market
• Strong distribution networks	
• Strong brand names with solid reputation	• Lack of patent protection
	• High cost structure
OPPORTUNITIES	THREATS
• Developing and expanding your market	• A new competitor in your home market
• Mergers, joint ventures or strategic alliances	• Price war
• Moving into new attractive market segments	• Competitor has a new, innovative, substitute product or service
• A new-found market	
• Loosening of rules and regulations	• New regulations
• Removal of international trade barriers	• Increased trade barriers
• A market led by a weak competitor	• Taxation may be introduced on your
• Unfulfilled needs and wants	product or service
• New technologies	



Business' Products or Services

- Describe your business's products or services.
- Elaborate on the benefits that it can bring to potential and current customers.
- Focus on the areas where you have a distinct advantage.
- Identify the problems in your target market that might be beneficial to potential consumers, such as lack of product features, lack of variety and choice, etc., and explain how your business's products or services would address those problems



Market Analysis

■ Identify your Target Market

- ◆ Distinguishing Characteristics of the Market
- ◆ Size of the primary target market
- ◆ Determine market size percentage
- ◆ Define your pricing and gross margin strategies
- ◆ Media you will use to reach target audience
- ◆ Trends and Potential changes which may impact target market
- ◆ Purchasing cycle of your potential customers

■ Market segmentation – Five Basic Questions

- ◆ Who buys your product or service?
- ◆ What do they buy?
- ◆ Why do they buy?
- ◆ Where do they buy?
- ◆ When do they buy?



Marketing Strategy

- **The 4 Ps of Marketing Strategy**
- This section outlines your intended marketing strategies.
 - ◆ Product - anything that can be offered to a market to satisfy a want or need.
 - ◆ Price - how much is charge for your products.
 - ◆ Promotion - a means of promoting and creating awareness of the product in the marketplace.
 - ◆ Place (distribution) - a means of bringing the product to the marketplace.



Price Analysis

- In price analysis, there are four main steps in the process:
 - ◆ Analyze competitors' pricing - consider other factors that will influence their buying choice such as quality, performance and service levels.
 - ◆ Establish pricing objectives - Different products will require different pricing objectives.
 - ◆ Consider competitors and their product life cycle - consider competitors' reactions to your pricing and the actions that they had previously taken.
 - ◆ Set prices - Price setting can then be analyzed in the context of the customer and value-for-money considerations



Promotional Plan

- There are many ways you can market and they include:
 - ◆ **Direct mail** – This method involves sending of letters, brochures and flyers to potential customers
 - ◆ **Advertising** – advertisements in the press, magazines or trade journals.
 - ◆ **Press release** – Editorial coverage in the press is free, and often carries more credibility than advertising.
 - ◆ **Exhibition and trade shows** – Some products and services can be exhibited at tradeshow targeted at a specific industry. **Image** – Business name & logo presents perception or impression about your business's products and services
 - ◆ **Packaging and labeling** – Packaging and labeling of your business's products can be used as a marketing tool to communicate a clear message about your business.



Web Marketing Channels ◆ A.J SILICON ◆

- Web marketing channels include
 - ◆ Database (your contacts, business cards collected) Marketing
 - ◆ email marketing and SMS Bulk Messaging.
- Follow – up required as Nigerians don't reply to correspondence automatically like Britons
- Good idea to design a simple, functional and cost-effective website
 - ◆ Does not guarantee traffic to your site and sales.
 - ◆ Need to design marketing techniques to realize benefits from your investments on the Internet.



Domain Name Registration

- Domain name & web address for your company
 - ◆ "www.yourcompanyname.com" much easier to find and presents a more professional image
 - ◆ e-mail address like info@xyz.com is better than xyzco@yahoo.com.
- The cost to register your domain name is minimal, and many ISPs will host your site under that name for a small fee. Talk to your ISP about how to do this.



List of Consulting Services

- Accounting Services
- Audit and Financial Reporting
- Tax Compliance and Planning (including VAT Services)
- Government Tax consulting - Accelerated revenue growth
- Business Consulting & Advisory services
- Business Valuation
- Profitability & Performance Improvement
- IT Consulting (Systems Implementation & Integration)
- Recruitment & Training
- Public Sector –Liaison and Relationship Management
- Wealth Management
- Forensic Accounting
- Insolvency, Mergers and Acquisitions
- Operational Risk & Compliance



Sources of Consulting Business

- The sources of information for consulting business include:
 - ◆ Government Ministries, Parastatals and Agencies
 - ◆ Government Gazette
 - ◆ National & International Newspapers
 - ◆ Business Journals
 - ◆ Multinational Corporations (Shell, NNPC, Chevron etc)
 - ◆ Multilateral Organizations (UNIDO, UNDP, WHO, World Bank etc)
 - ◆ Internet



Key Personal Qualities ◆ A.J SILICON ◆

- Being self-employed, consultant's survival lies in their ability to find work, which involves promoting skills amongst peers and the individuals' network.
- **Centres of influence are essential.**
- Centres of influence are people in authority and who are well respected in their field, who recommend an individual to others. Their influence is such that when they recommend someone, that person instantly has credibility.

Others call these "referrers", and they are, but the key is to convert a referrer into a centre of influence. Choose these people wisely and treat them with great respect.



AREAS TO CONSIDER FOR EFFECTIVE MARKETING

- The Client
- Sourcing
- Focus
- Product
- Marketing Proper



THE CLIENT

To start with, the practice would attempt to consciously identify its clients.

A brief review of the economic history of Nigeria will assist you to Choose your current or prospective clients by industry. You can easily deduce the industries which have continued to thrive in the country inspite of prevailing economic changes and decide on those you want to serve.

Other avenues from which you can identify clients include;

- Parastatal
- International Agencies
- Foreign Mission
- Sub Regional and Regional Economic Bodies
- NGOs
- Governments
- Others



SOURCING

Now that you have scanned the environment and have industries which you want to serve you should develop avenues for sourcing consultancy assignments

Some of the avenue include the following:

- Newspaper Advert
- Annual Report of Companies
- Business News
- Friends and Old Colleagues
- Budget of the Government – *Federal State and Local Government*
- Seminars and Symposium
- Aluminum Associations



FOCUS

The beauty about making efforts to identify your clients is that you can gainfully concentrate efforts on making enquires about their needs and serving them what they want.

As professional outfit, you should also go further and serve them what they need.

To do this, you have to be able to **“Think the Client”**

In order that you may be so placed you would;

1. Identify the decision makers of the various clients;
2. Become familiar with the influential personnel of companies
3. Establish a close personal relationship with top representatives of the governments;
4. Gather information about failings of competitors
5. Develop personal relationship with 1 – 3 above for the purpose of getting insiders' view of the problems of the organisation
6. Obtaining insiders buy-in of your suggested solutions; and
7. Develop personnel involvement to include reward, PR and others



CONTACTS

To create a special market for the services of your firm, focusing on influential personnel may not be enough. There is need to establish rapporteur of contacts, formal or informal who will be of immense assistance to you in securing consultancy engagements and may also assist you in getting your bills settled.

The contacts would include:

- Family Friends
- Political Associates
- Professional Colleagues
- Clubs
- Religious Organisations.
- Opinion Leaders
- Captains of Industries



FAMILY

Consultancy as a profession or business is dynamic and demanding. To develop consultancy products, constant updates and reviews may be required or an outright replacement may become necessary in time.

To develop consultancy Products/ Services the following process should be given attention;

- Business Retreat
- Dreaming Consulting
- Borrowing a Leaf from Competitors
- Explore Client's Facilities
- Actions of Governments
- Research and Development



PRODUCT PACKAGING

Packaging is an integral part of a consulting product. The best product, presented poorly or improperly may not be accepted in the market place.

Packaging a product will begin with research and development and involves the following;

- ❖ Product/ Service survey
- ❖ Development of Questionnaires
- ❖ Discussions wit Existing and Prospective Clients
- ❖ Clients Satisfactory Survey
- ❖ Taking advantage of existing assignment to discuss ideas of a new product/service with engagement sponsors and key staff



Consultancy firms which are sister companies to or part of an audit firm, advertising and marketing of products and services can be a little difficult because of the ethics of the profession; even then some subtle marketing can still take place.

The consultancy practice, depending on its dispensation may among others:

1. Offer free presentation/demonstration on any product it wants to put into the market. This may comprise demonstration of
 - ✓ Sound Knowledge and Experience of the Subject Matter Process.
 - ✓ Approach
 - ✓ Deliverables
 - ✓ Benefits
 - ✓ Workplan



- ✓ Timing
 - ✓ Staffing Capability
 - ✓ Cost saving or expected profit to result from consulting firm handling of the assignment if awarded the you.
2. Pricing structure (*low level fee to get in aiming at cost recovery at implentation*)
 3. Public Relations
 4. Product Promotion Marketing Letters



Selling Skills Requirements

■ Selling Skills are Needed by all Consultants

- ◆ To be a successful salesperson there is a set of skills required. Some of these skills are also required by a consultant, and include being able to quickly establish rapport, the ability to listen, to empathize, and to quickly develop trust.
- ◆ If a person cannot talk to everyone in an organization from the receptionist to the Managing Director, if they are uncomfortable in meeting new people, or if they talk and do not listen then they will fail as a consultant.



People Skills Requirements

■ A Consultant Needs People Skills

- ◆ This is the ability to interact with people in a respectful, relaxed manner.

The key word here is respect. Many intelligent people lack people skills, and hence do not know when to be tactful, when to just stop talking and listen, when to voice their ideas and when not to.

- ◆ Put simply, people skills encompass the ability to interact with others in a manner that makes them feel comfortable and secure, and where they know their opinions and ideas are important. Without people skills, a person cannot be a leader, and a consultant needs to lead.



Leadership Qualities in Consulting

- The qualities of leadership required as a consultant are:
 - ◆ Assertiveness
 - ◆ Knowledge
 - ◆ Experience
 - ◆ Empathy
- **Assertiveness** is not being dictatorial. Assertiveness is being able to vocalize an opinion and ideas in a confident and commanding manner. This is essential otherwise others are unlikely to believe what a consultant says.



Empathy

- **Knowledge and experience** are intertwined. Knowledge is needed to acquire experience, and experience in itself brings knowledge.
- **Empathy** is the ability to "put yourself in the other person's shoes". To see an issue from all angles and viewpoints is necessary in order to develop and implement key strategies. If a person is unable to exhibit empathy, and take into account the needs, fears and expectations of all staff then their client will not implement the necessary changes they have recommended.



Recommendations

- Create a dynamic business plan (Attention to Marketing Strategy)
- Learn how to write proposals
- Carefully price your services & position your practice
- Start with colleagues, friends and clients in previous employment.
- Network among past and current customers, other consultants and other business acquaintances
- Attend & Participate in industry seminars and trade shows
- Attend ICAN seminars and conferences and be involved in committees
- Advertise in community newspapers
- Participate in accounting software forums
- Form alliances and franchises with software firms and
- Use web marketing channels



Conclusion

- Growing market for corporate and independent management consultants in Nigeria.
- Be sure that you have the nerves and the qualities required before you venture to become a consultant, despite being a qualified chartered accountant.
- Key attributes required by a consultant are objectivity and the ability to be aware of all the issues facing each stakeholder in the business.
- To be successful in this, a consultant requires sales skills, people skills, leadership qualities and the ability to articulate all of these skills assertively.



QUESTIONS & COMMENTS ?

RAZAK JAIYEOLA
CHIEF CONSULTANT

08034020754, 08055272046

01-8985715

info@ajsilicon.com

