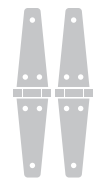




How to Create a Strong Brand to Boost Your Firm's Value

Presented by: Sylvia Montgomery, CPSM
and Michael O'Brien

 RUSK O'BRIEN GIDO
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Chat live on Twitter!

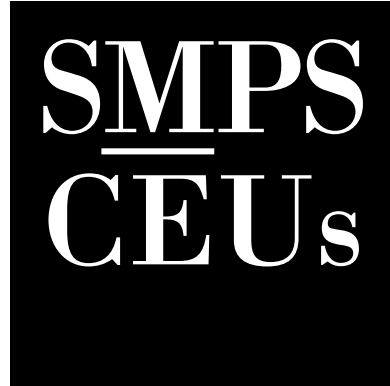
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Today's Speakers



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Agenda

- Key elements of firm value
- Factors that drive value
- Defining a strong brand
- Getting the strategy right
- Top brand building tools





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KEY ELEMENTS OF FIRM VALUE



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Key Elements of Value

Fair Market Value

- Expected future cash flow
- Forward looking
- Requires risk assessment



Key Elements of Value

Book Value – Tangible (Finite)

- What has already has been done
- Backward looking
- Cash
- Accounts Receivable
- Fixed Assets
- Equipment – machinery, computers, software

Key Elements of Value

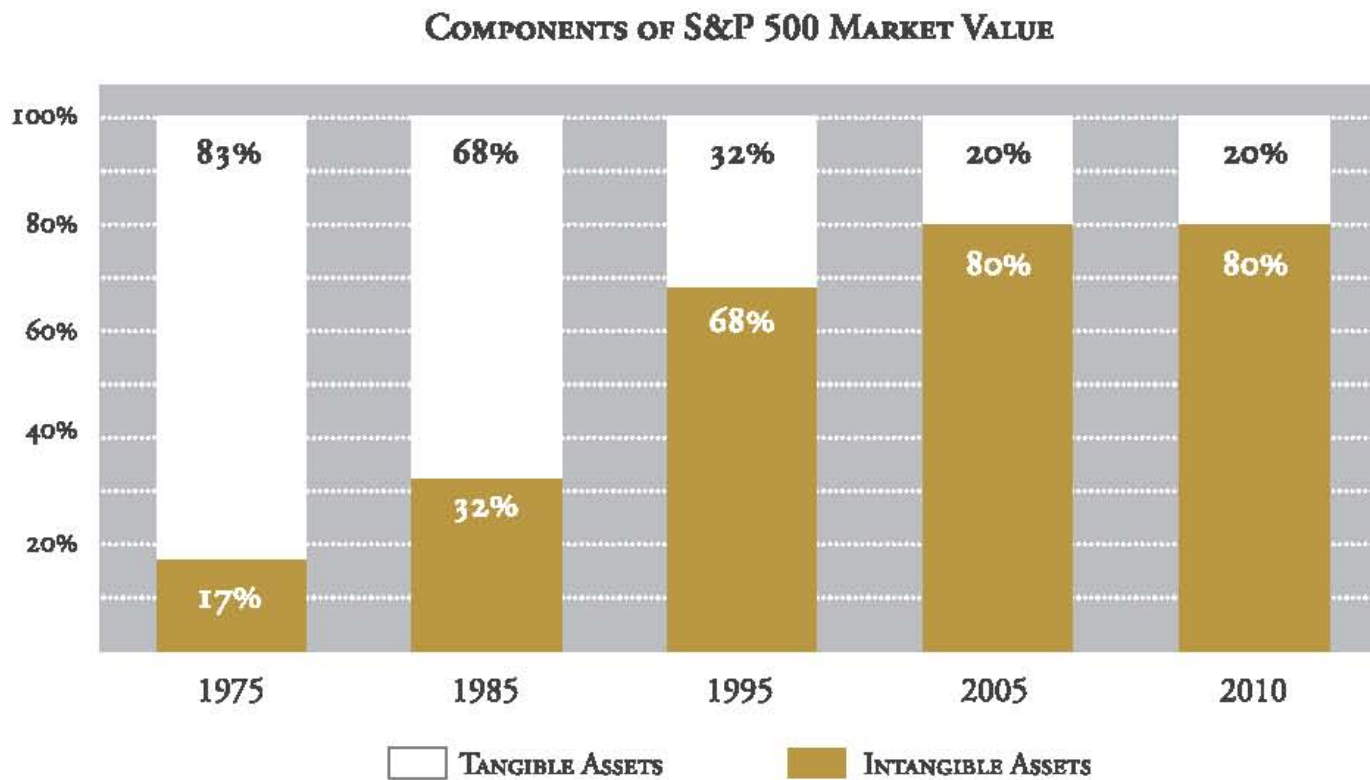
Intangible Value (Indefinite)

- Work Force in Place
- Contracts
- Customer relationships
- Patents
- Trade secrets
- Trademarks
- Copyrights
- Business methodologies
- Trade/Brand Name
- Goodwill



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Key Elements of Value

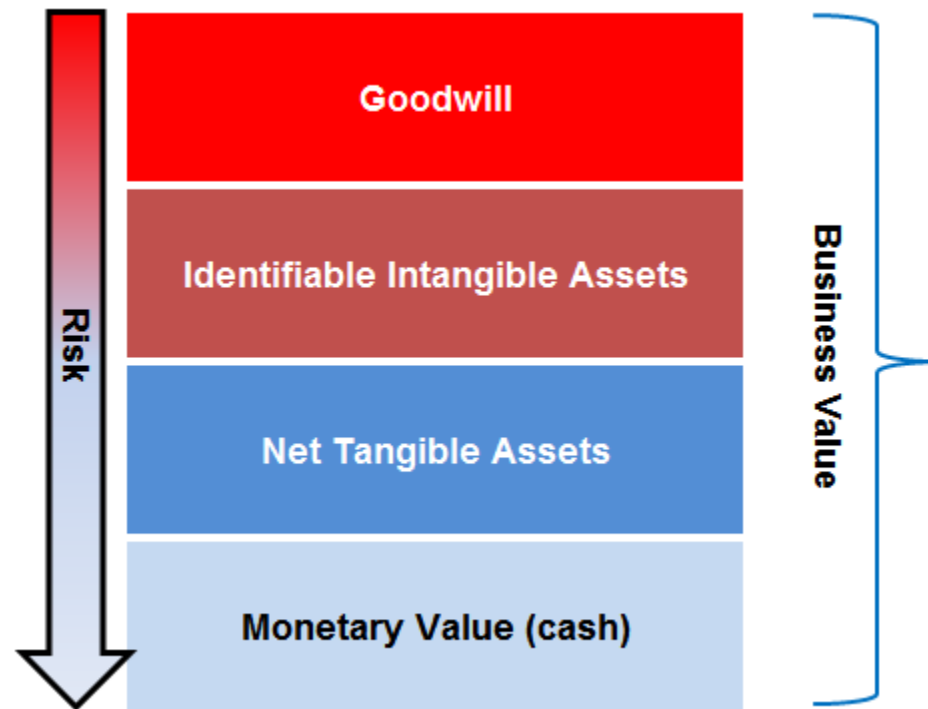


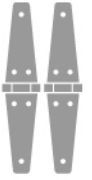
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Key Elements of Value





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FACTORS THAT DRIVE VALUE

Factors That Drive Value

Primary Drivers of Value

- Risk management
- Growth prospect
- Stability in operating performance

$$\text{Value} = \frac{E (1 + g)}{(K - g)}$$

E = Annual expected earnings

g = Long term growth rate

K = Required rate of return, given the risk of growth and expected earnings

Factors That Drive Value

Relationship of Risk, Growth, and Stability

Factor	Issue	Impact to Value	Example
Risk	Increasing	Decreases	Concentration of Customers
Growth	Decreasing	Decreases	Market Sector Concentration
Profit Margin	Volatile	Decreases	High inconsistent profit margins

Question: Will growth decrease risk?



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Factors That Drive Value

How are these factors managed?

- Growth expectation
 - Bottom line focused
 - Market diversification
 - Geography
 - Intra market services
 - Inter market services



Factors that Drive Value

How are these factors managed?

- Consistency
 - Project delivery is ubiquitous
 - Regardless of office location
 - Service is consistent
 - Quality controls procedures are consistent

Factors that Drive Value

How are these factors managed?

- Quality of product
 - Price focused
 - Solution focused
 - Service focused

Question: Can you implement all three?

Factors that Drive Value

Creating consistency with your messaging

- What is your company's vision statement?
- What is your company's mission statement?

Understanding why your company exists, will assist you in creating a theme for all communications.

*"I am sorry I didn't have time to write a short letter,
so I wrote a long one instead." -Mark Twain*

- Valuable firms are deliberate in how they communicate



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BUILDING YOUR BRAND



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Brand Defined

Your brand is the totality of how your audience sees, talks about, and experiences your firm.

How Strong is Your Brand?

Brand Strength = Reputation x Visibility

The better and more focused the reputation and the greater the visibility within the target client group,
the more valuable the brand.



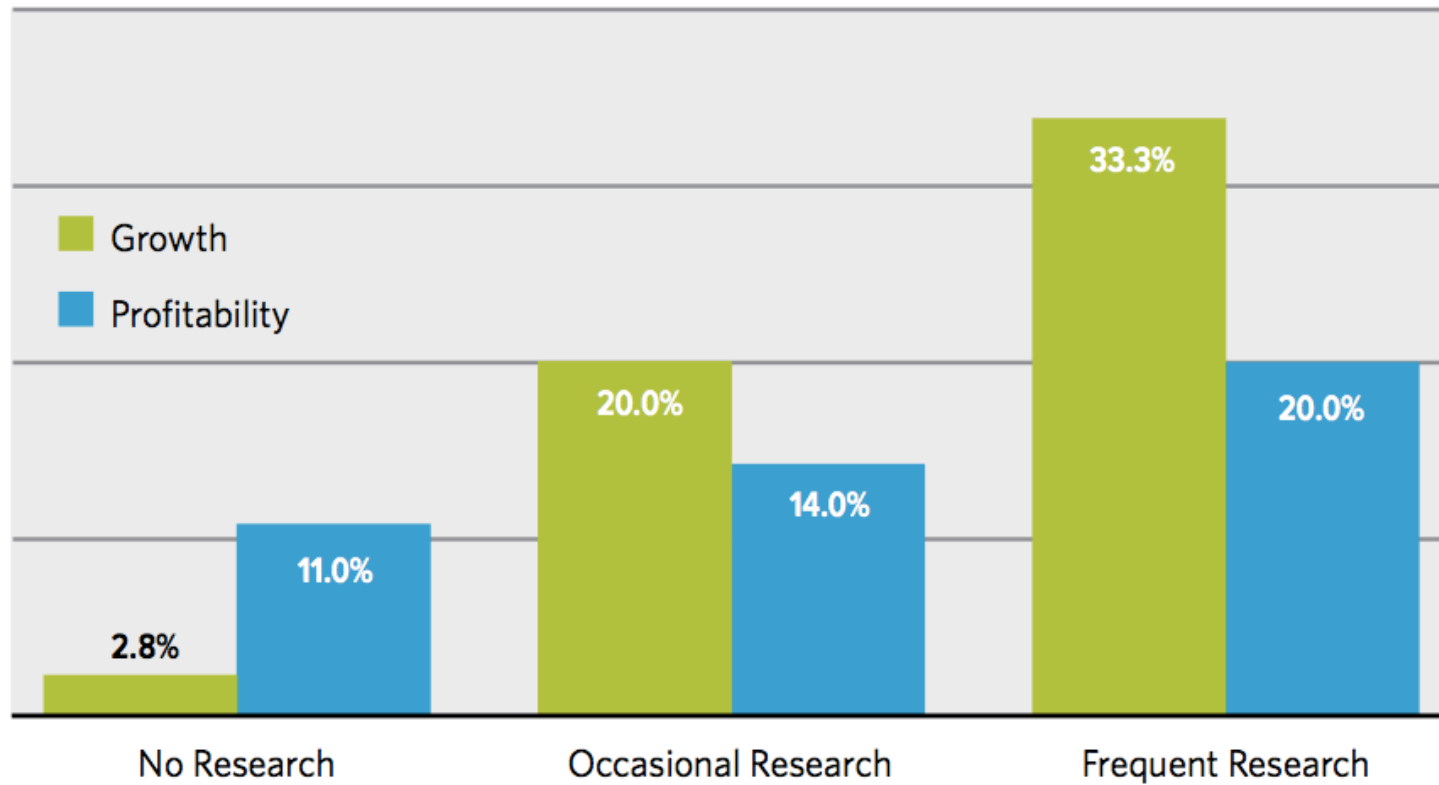
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GET THE STRATEGY RIGHT



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Impact of Research on Growth and Profitability



Potential Groups to Conduct Research On

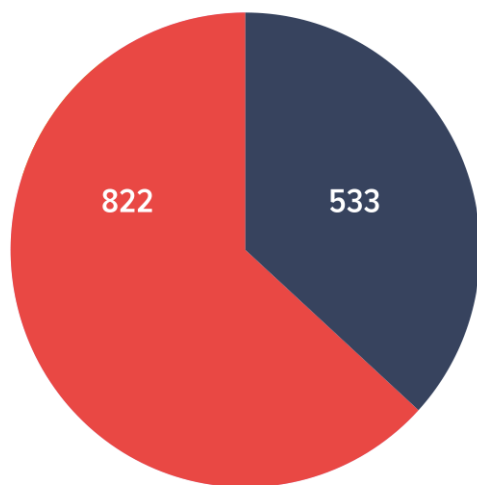
Conduct research on your target audiences to help frame your firm's positioning and messaging:

- Current clients
- Former clients
- Prospects
- Lost prospects



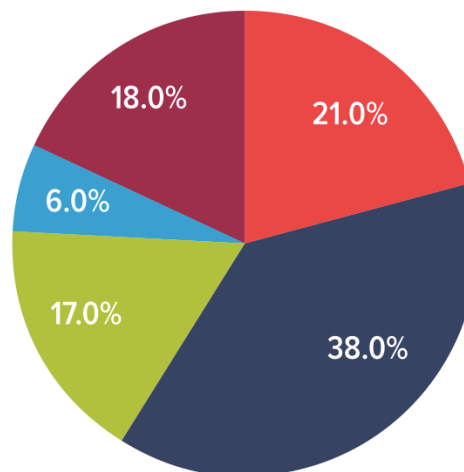
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Research: Buyers vs. Sellers



Buyers

Sellers



% of Sample

Accounting/Finance

Architecture/Engineering/
Construction

Management Consulting

Legal

Technology

Research: Winners vs. Runners-Up

- Rain Group: 700 complex B-to-B sales
- Buyers responsible for \$3.1 billion in annual purchases
- Compared winner to 2nd place finisher





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Winners vs. Runners-Up

Educated Me with
New Ideas or Perspectives

#1

Winners!

Educated Me with
New Ideas or Perspectives

#42

Runners-Up



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Winners vs. Runners-Up

Collaborated with me

#2

Winners!

Collaborated with me

#26

Runners-Up



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Winners vs. Runners-Up

Persuaded me

#3

Winners!

Persuaded me

#41

Runners-Up



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Create a Positioning Statement

An internal document that lays out your brand in a few sentences and provides guidance for your messaging.

- What defines you
- Who you serve
- What you offer
- How you see yourself

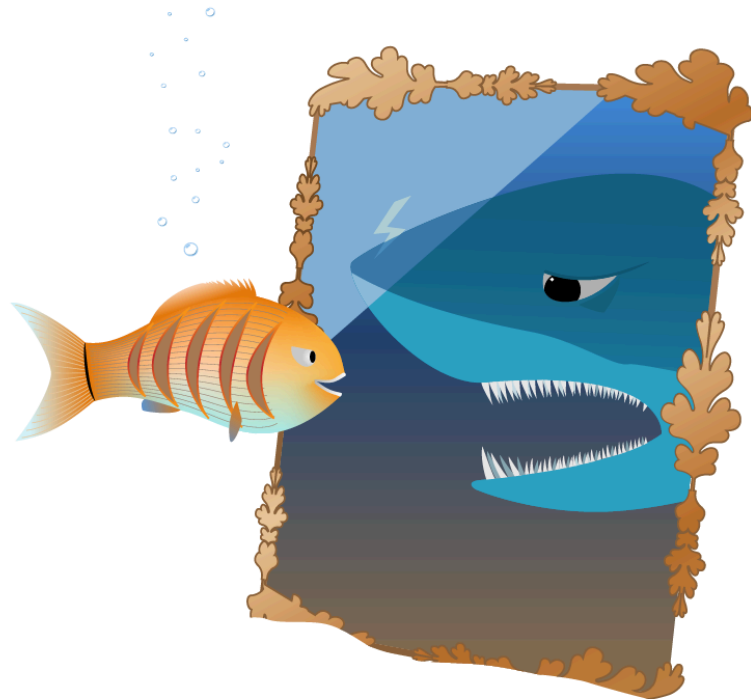
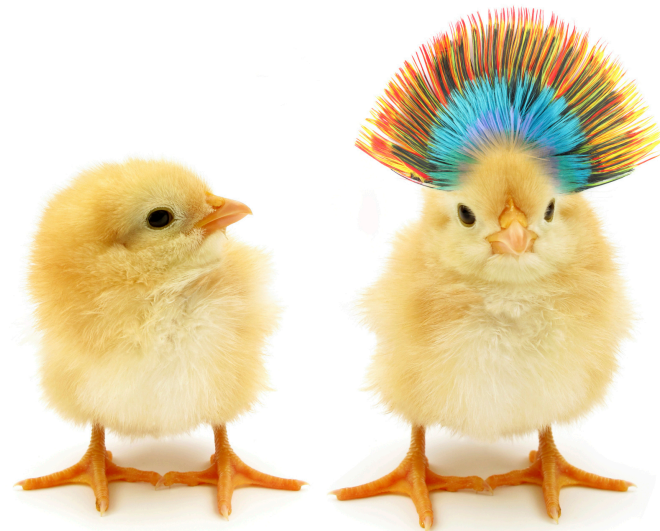


Figure Out What Your Differentiators Are

- They must be true.
- They must be provable.
- They must be important to the client.

Differentiators That Will Never Work

- “Our people are better”
- “Our process is better”
- “We’re committed to excellence”
- “We offer better service”
- “We’re different”
- “Trusted Advisor”



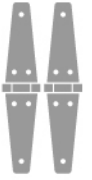
Develop Your Messaging Architecture

A document that identifies your target audiences and tailors your message specifically to each.

Should include 3 parts:

- Key messages
- Objections
- Counter-arguments





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CRAFT YOUR BRANDING TOOLS

Top Tools to Build Your Brand

- Write the definitive book on your signature topic.
- Produce a signature-quality video.
- Develop a must-read industry blog.
- Publish a provocative industry newsletter.
- Organize a specialized industry conference.



Top Tools to Build Your Brand

- Conduct a groundbreaking research project.
- Initiate an awards program.
- Start an industry index.
- Cultivate more Visible Experts.
- Create a high-profile interview series.



Branding Blunders to Avoid

- Having no differentiators.
- Trying to be everything to everyone.
- Failing to understand what a brand is.
- Not realizing that your brand is your most important asset.
- Branding in a blindfold.



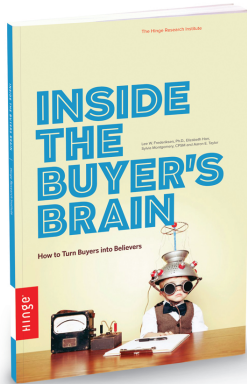
Branding Blunders to Avoid

- Making brand development a battleground for other issues.
- Aiming too low.
- Making a promise you can't keep.
- Forgetting online branding.
- The “me too” mistake.



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Free Resources from Hinge



**Inside the
Buyer's Brain**



**The Brand Building Guide for
Professional Service Firms**



**How Buyers Buy:
A/E/C Services**

www.hingemarketing.com/library



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Resources from ROG + Partners



Library

www.rog-partners.com/perspectives-2

**New A/E Business
Valuation and M&A
Transaction Study**

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Free Differentiation Consultation

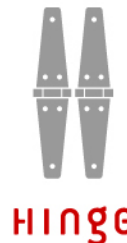
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We'll discuss:

- Target audiences and opportunities
- Differentiation opportunities
- Positioning and messaging

To sign up, simply respond to our follow-up email.





Thank you! Questions?

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