

## EXECUTIVE SUMMARY

# INSIDE THE BUYER'S BRAIN

SECOND  
EDITION

Understand your buyers. Win more business.



**Inside the Buyer's Brain, Second Edition: Understand your buyers. Win more business. | Executive Summary**

Copyright © 2018

**Published by Hinge Research Institute**

1851 Alexander Bell Drive, Suite 350, Reston, Virginia 20191

All rights reserved. Except as permitted under U.S. Copyright Act of 1976, no part of this publication may be reproduced, distributed, or transmitted in any form or by any means, or stored in a database or retrieval system, without the prior written permission of the publisher.

Design by Hinge.

Visit our website at [www.hingemarketing.com](http://www.hingemarketing.com)

# What You'll Learn in this Research Summary

This report will answer questions like:

- > How strong are professional services brands today?
- > What buyer challenges or priorities have shifted over the past five years?
- > Are referrals a sustainable marketing strategy?
- > How are buyers searching for and evaluating professional services firms?
- > What does the competitive landscape look like in professional services?
- > How do you address changes in buyer behavior and engage your critical key audiences?

# About the Study



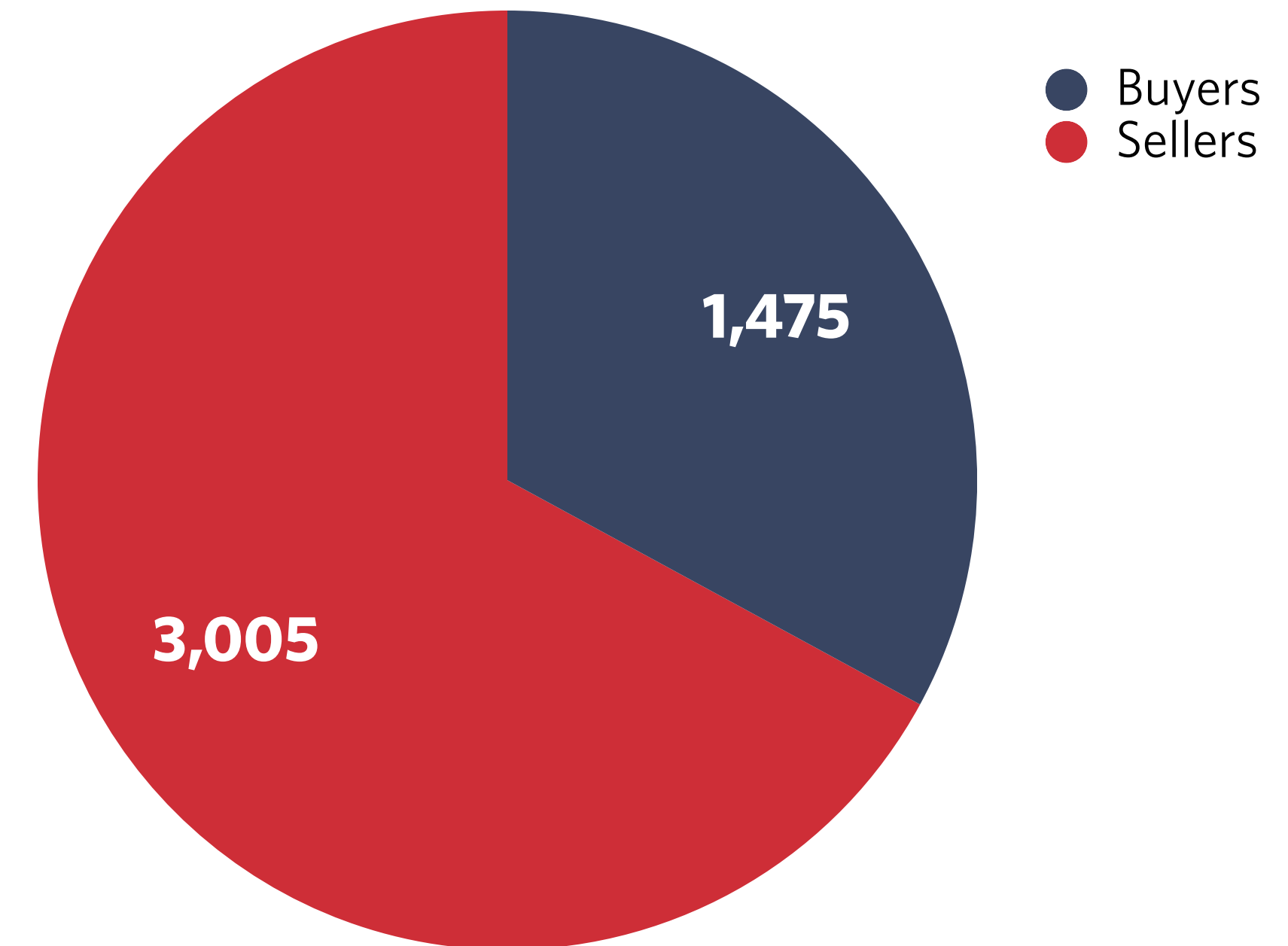
# This study has deep roots

- 2009 — we published our original buyers study in which we interviewed 137 buyers of professional services.
- 2013 — we published [\*Inside the Buyer's Brain: How to Turn Buyers into Believers\*](#), a book based on a new study of 822 buyers and 533 sellers of professional services.
- 2018 — we released this study: [\*Inside the Buyer's Brain: Understand your buyers. Win more business.\*](#) It details the perspectives of 1,475 buyers and 3,005 sellers in a changing marketplace.

For the past decade, we've been hard at work researching professional services buyers.

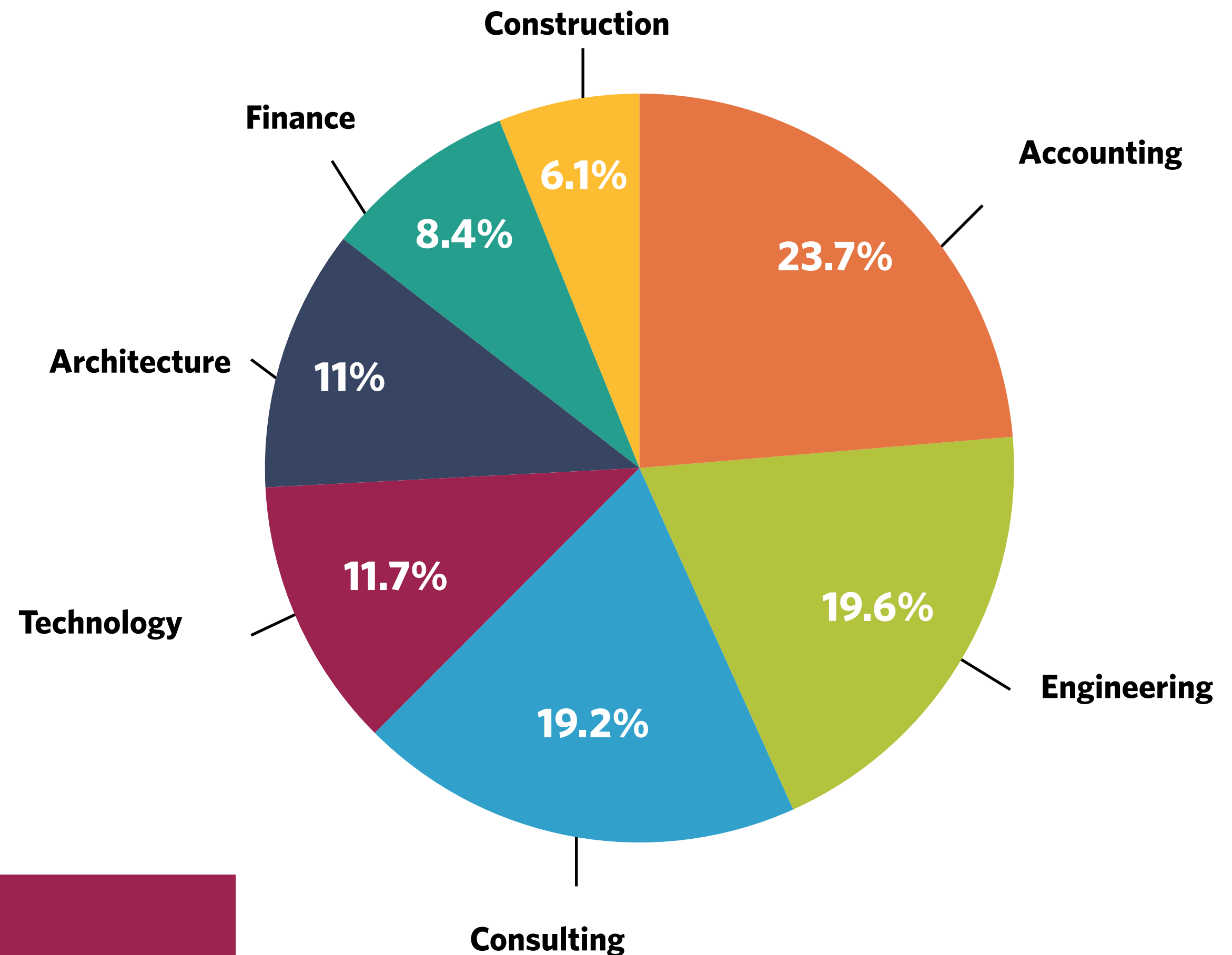
# Sample Composition

- > Using a mix of phone interviews and online surveys, we researched over 1,400 buyers and over 3,000 sellers of professional services — 79% more buyers and nearly 6X more sellers than our 2013 study.
- > We matched buyers to their respective sellers. This allowed us to study both sides of the relationship.



# Industry Representation

- > A broad mix of professional services were represented in the sample.
- > Detailed industry breakdowns of the results are available in the [full report](#).

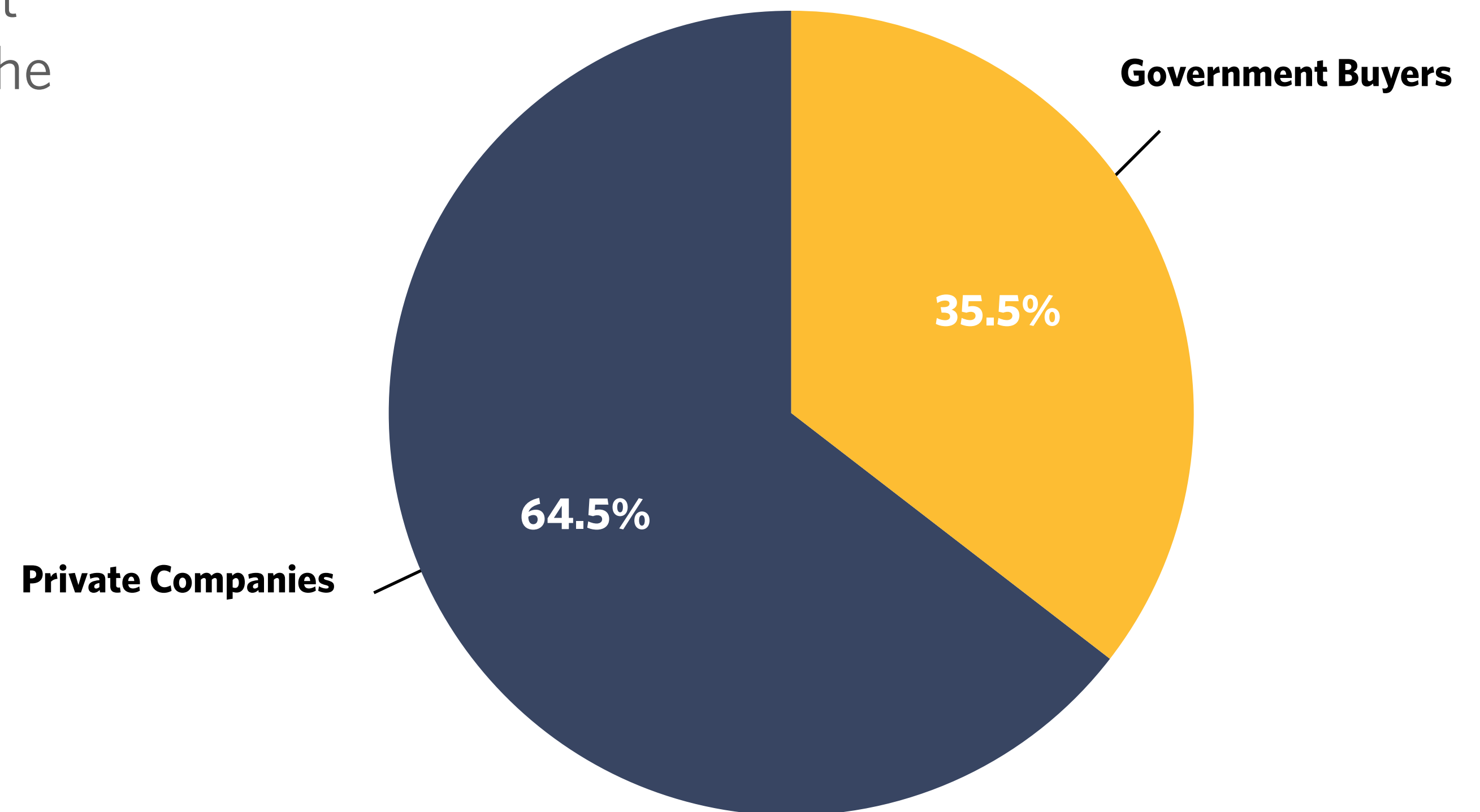


## Want more detail?

See these results broken down by industry.  
[Take me to the full report »](#)

# Government Buyer Representation

- > Many firms in the study sell to government buyers. This important segment was well represented in the sample.
- > Results for government buyers can be found in the [full report](#).





# Result Segmentation

In addition to reporting on the aggregate data, we also looked at the findings from other angles. While we touch on these results at a high level in this executive summary, the **full report** examines five major professional services groups in detail:

- > Accounting & Finance
- > Architecture, Engineering & Construction
- > Consulting
- > Government Contracting
- > Technology

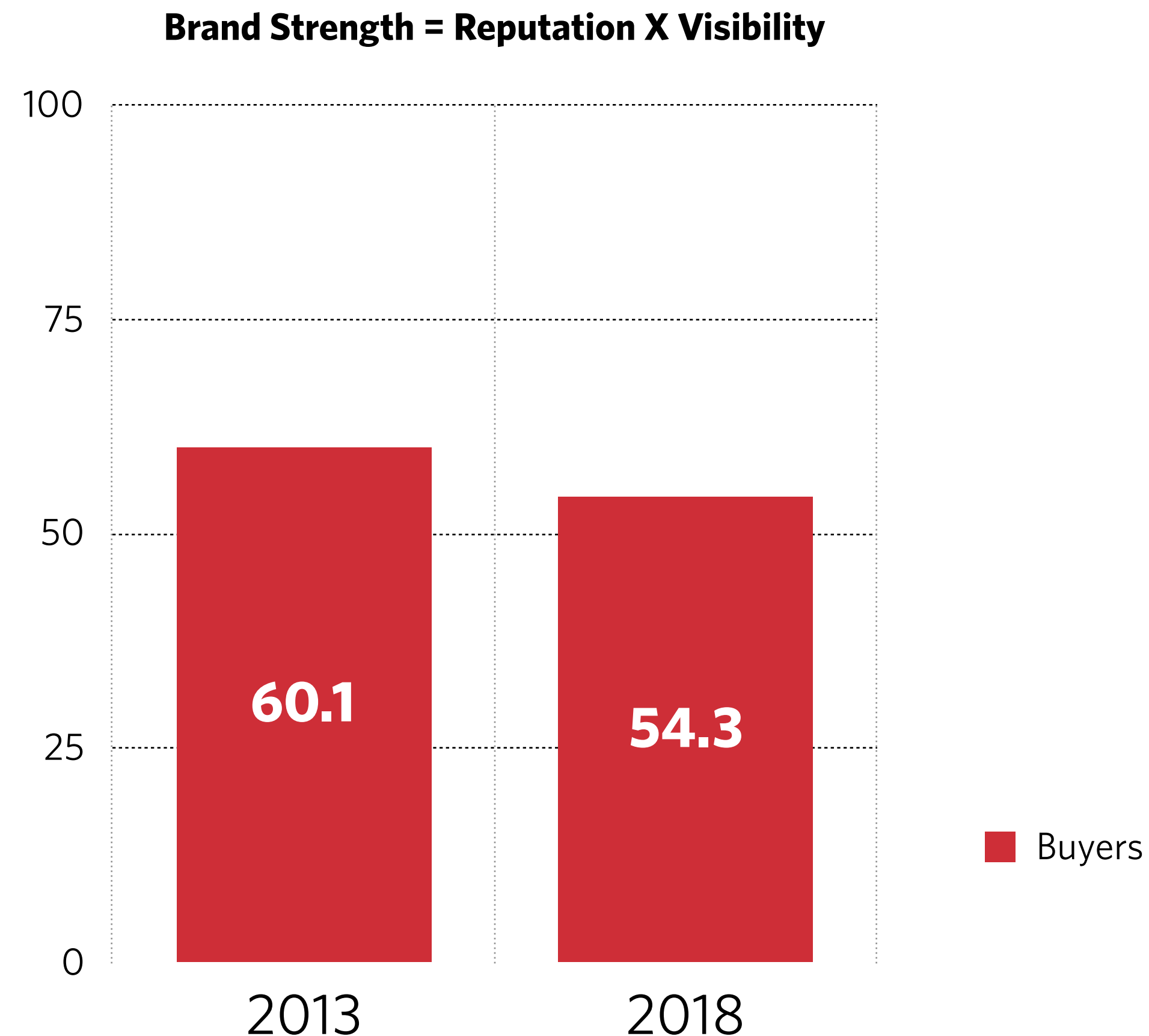
## Want more detail?

See the results broken down by industry.  
[Take me to the full report »](#)

# Research Summary

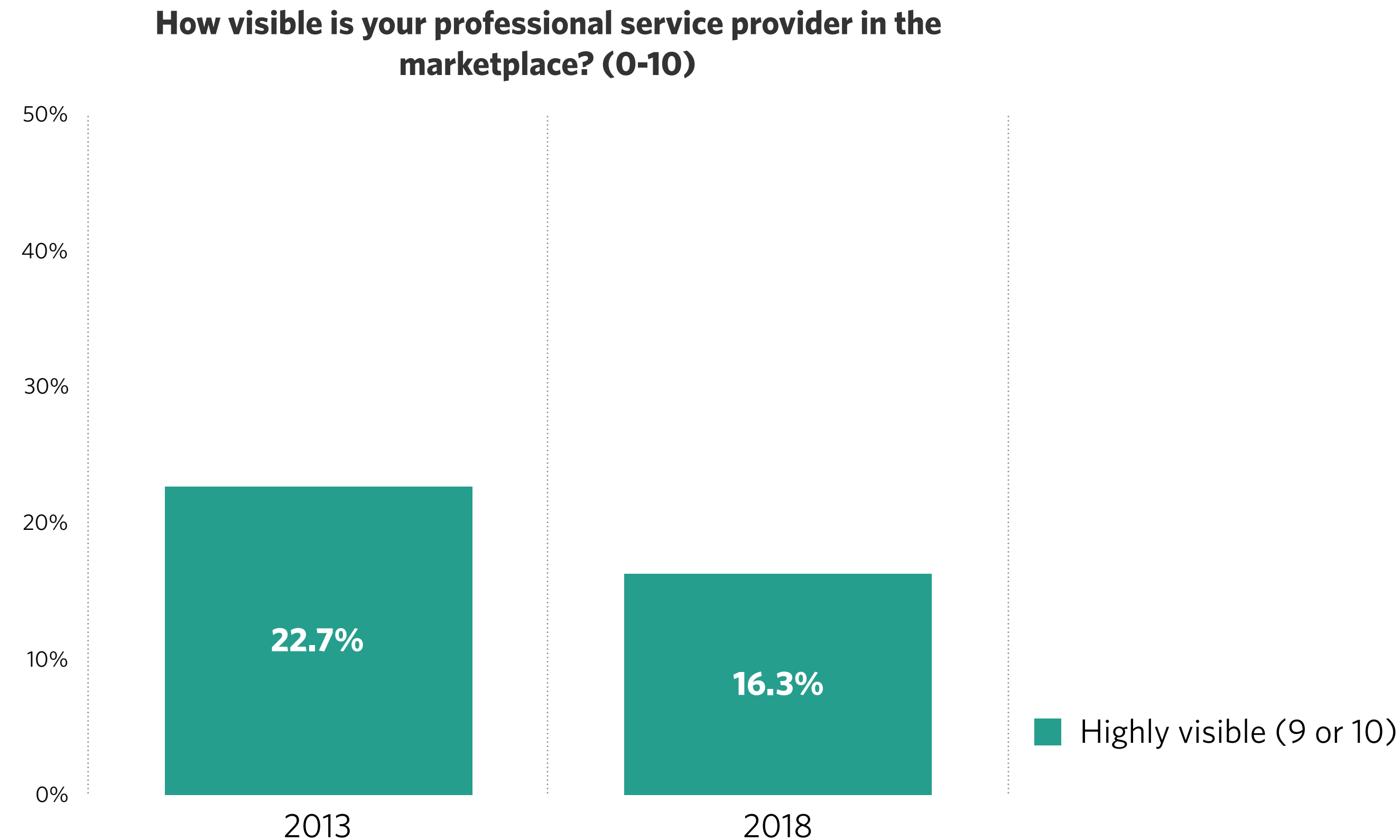


# The average professional services brand is weakening



- > In the professional services, a firm's brand can be measured as the product of its reputation and visibility.
- > Ranging from 0 to 100, Hinge's **Brand Strength Index** is a tool firms use to benchmark their brand strength against industry standards.
- > With a decline in both reputation and visibility, the average Brand Strength Index of professional services firms dropped from 60.1 in 2013 to 54.3 today.
- > Firm brands built on a foundation of specialized expertise are in a better position to maintain their brand strength. (See page [20](#).)

# Visibility is becoming harder to maintain

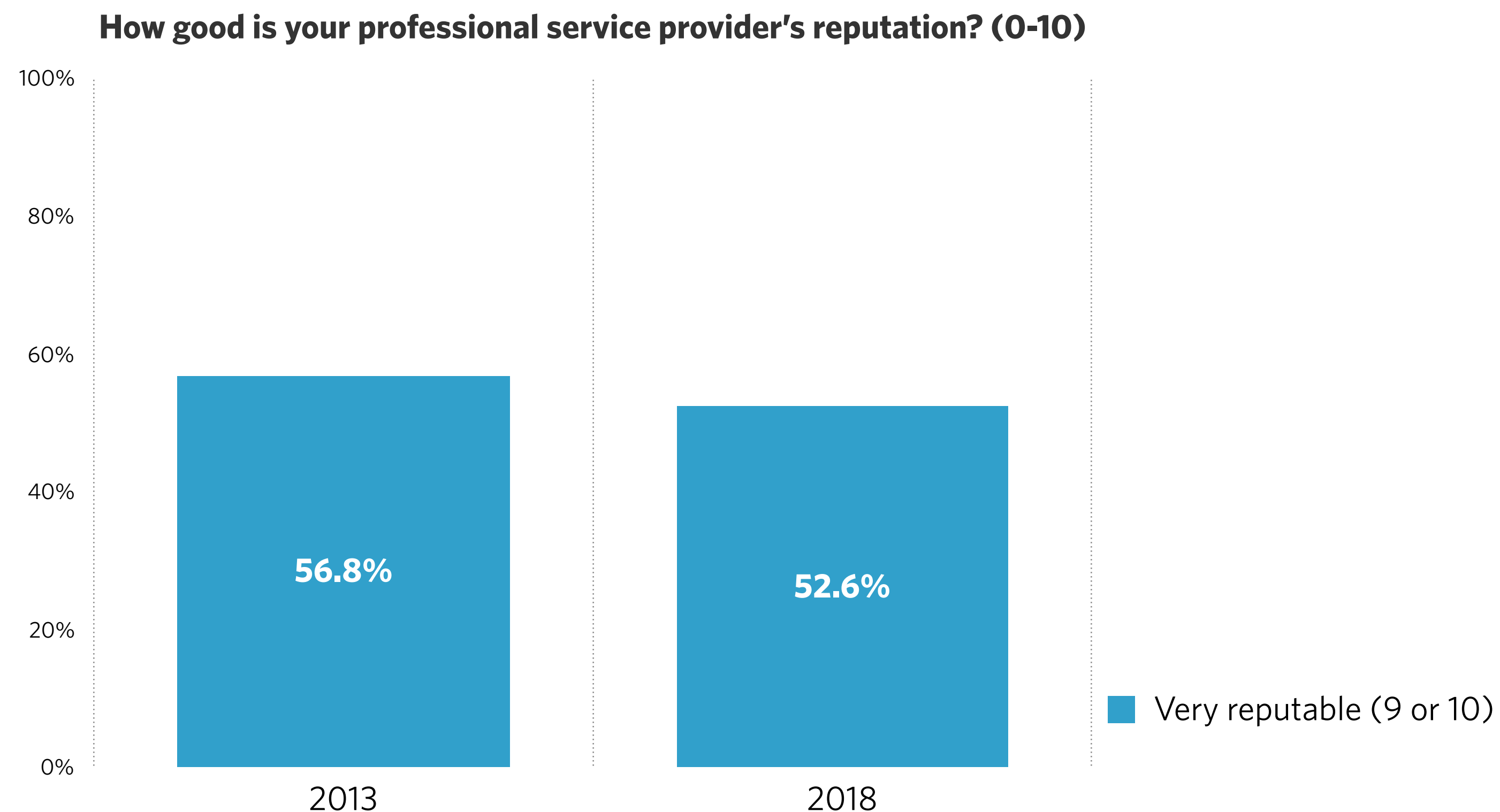


- > Today, 16% of buyers think their service provider is highly visible in the marketplace — a more than 25% decrease from the 2013 study.
- > This decline suggests that a firm's reputation and relevance to solving client challenges are likely to be high priorities in the near future. In fact, our [High Growth Study](#) found these to be the top marketing priorities among professional services firms.

## Want more detail?

See visibility ratings broken down by industry.  
[Take me to the full report »](#)

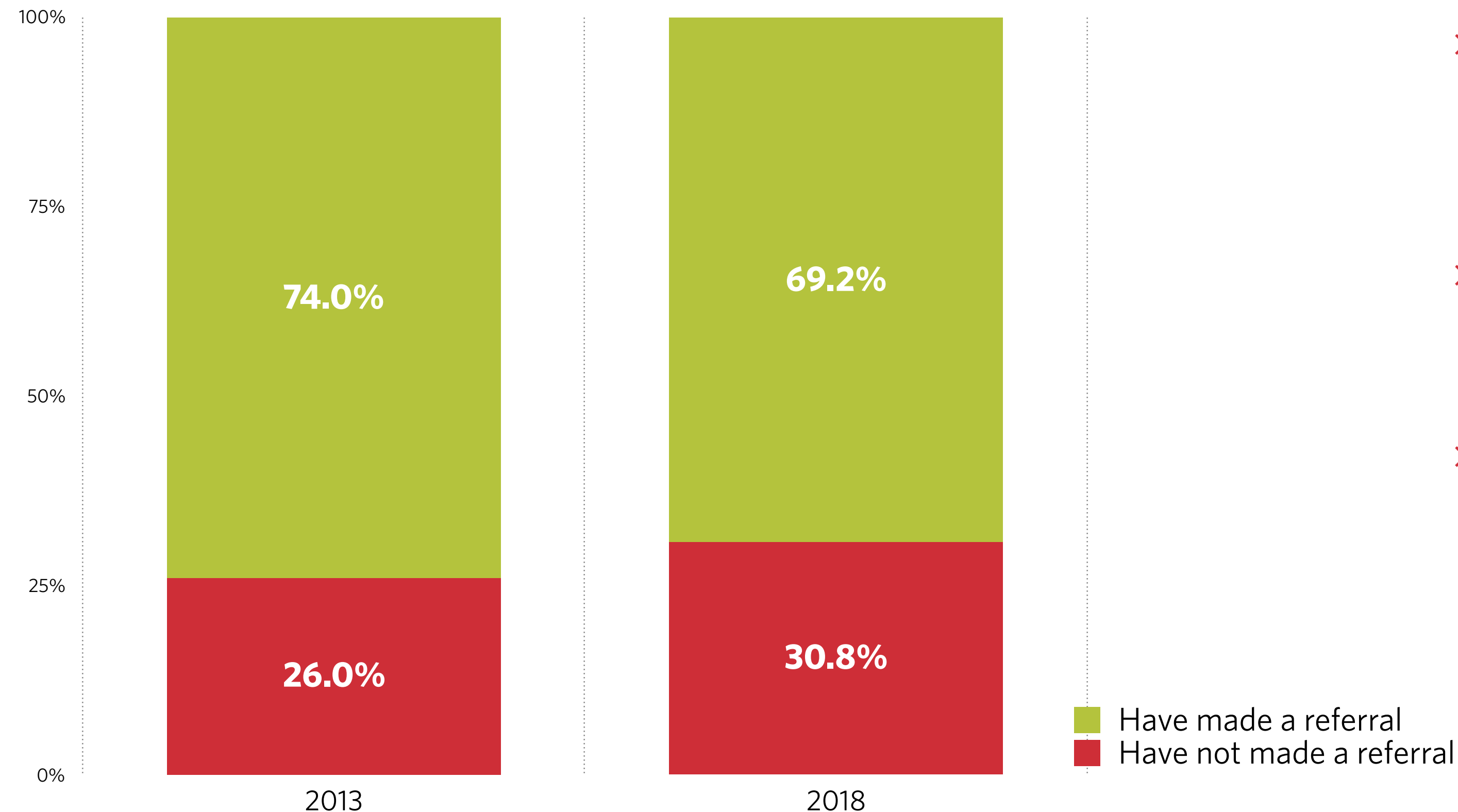
# General marketplace reputation in professional services is beginning to erode



- > 53% of buyers believed their professional service provider had a very good general reputation in the marketplace — down slightly since 2013.
- > Possible reasons for this decline include firms' greater transparency in today's digital world and a widespread cultural questioning of expert opinion.
- > However, firms with strong relevance can remain highly valued by exhibiting specific expertise. (See pages [15](#) and [21](#).)

# Relying on referrals alone is becoming a risky marketing strategy

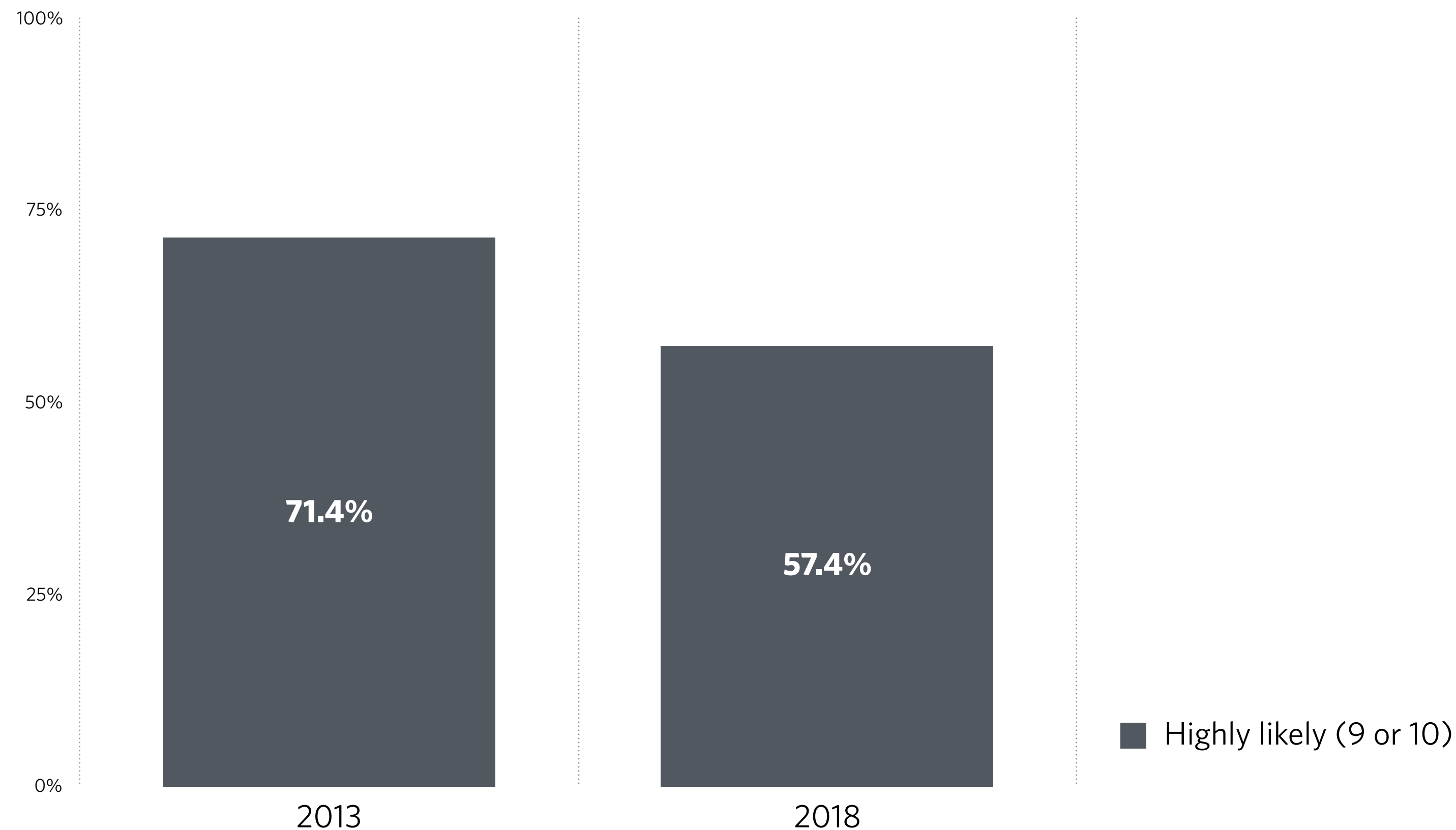
What proportion of buyers have made a referral?



- > Historically, professional services firms have relied heavily on referrals to generate new business. And in 2018, nearly 70% of buyers made a referral for their service provider.
- > Even though buyers today believe themselves to be more likely to refer, the rate of actually making a referral is down slightly from 74% in 2013.
- > Clients are more willing to be referral sources, yet they're actually making fewer referrals. This suggests that prospects are using other methods to find service providers rather than asking a friend or a colleague for a referral.

# Buyers are becoming less loyal to their service providers

**How likely are buyers to stay with the same service provider in 2-3 years?**

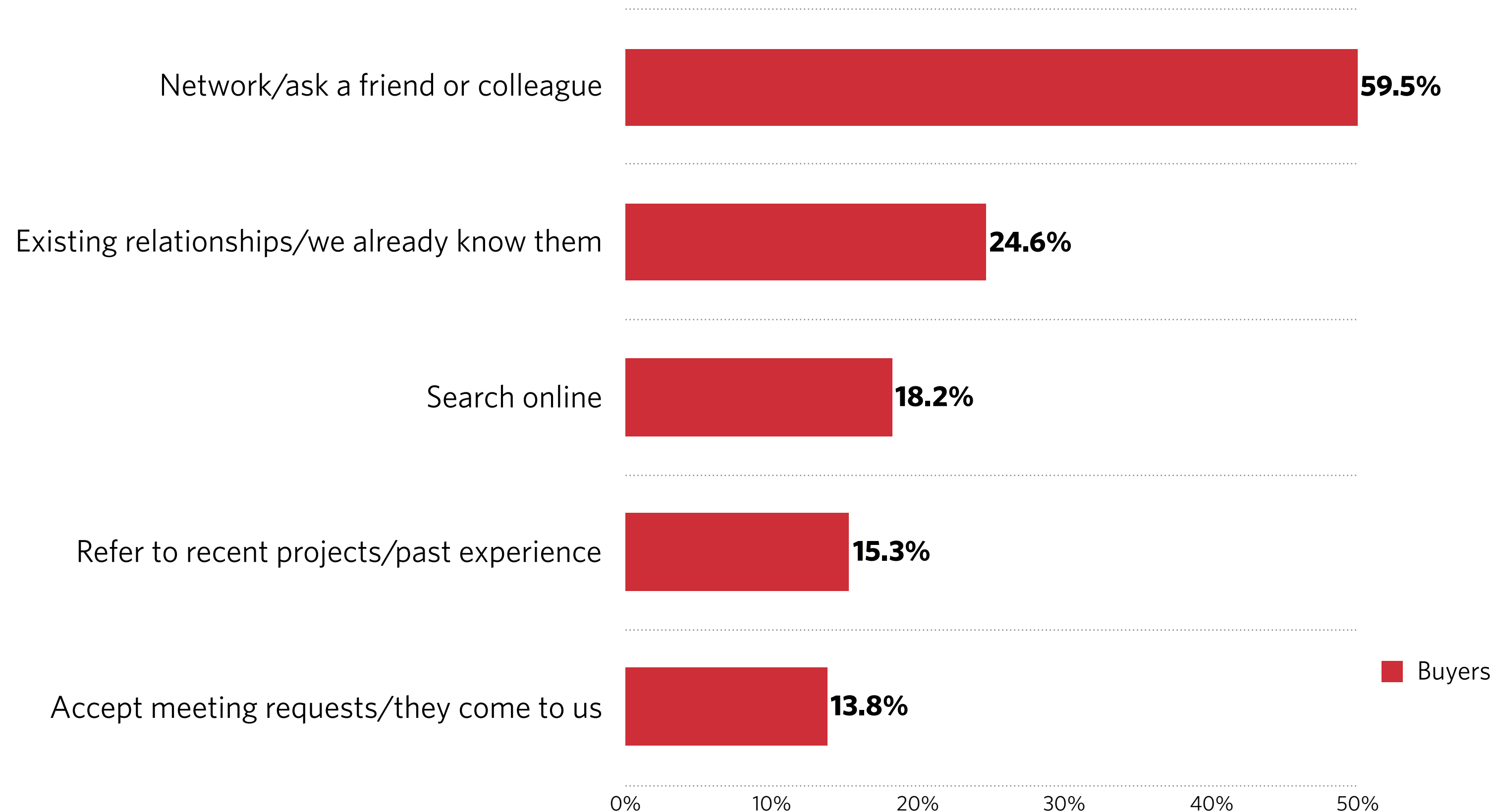


- > Buyer loyalty was measured in a window of 2-3 years.
- > 57% of buyers studied were highly likely to retain their professional service provider in 2-3 years — a nearly 20% decrease from 2013.
- > Over the past five years, maintaining client loyalty has become a bigger challenge. This suggests the need for ongoing research into evolving client needs and robust client-focused communication initiatives.



# Online search is becoming a more common way to find a service provider

Top 5 Search Methods for Professional Services Firms

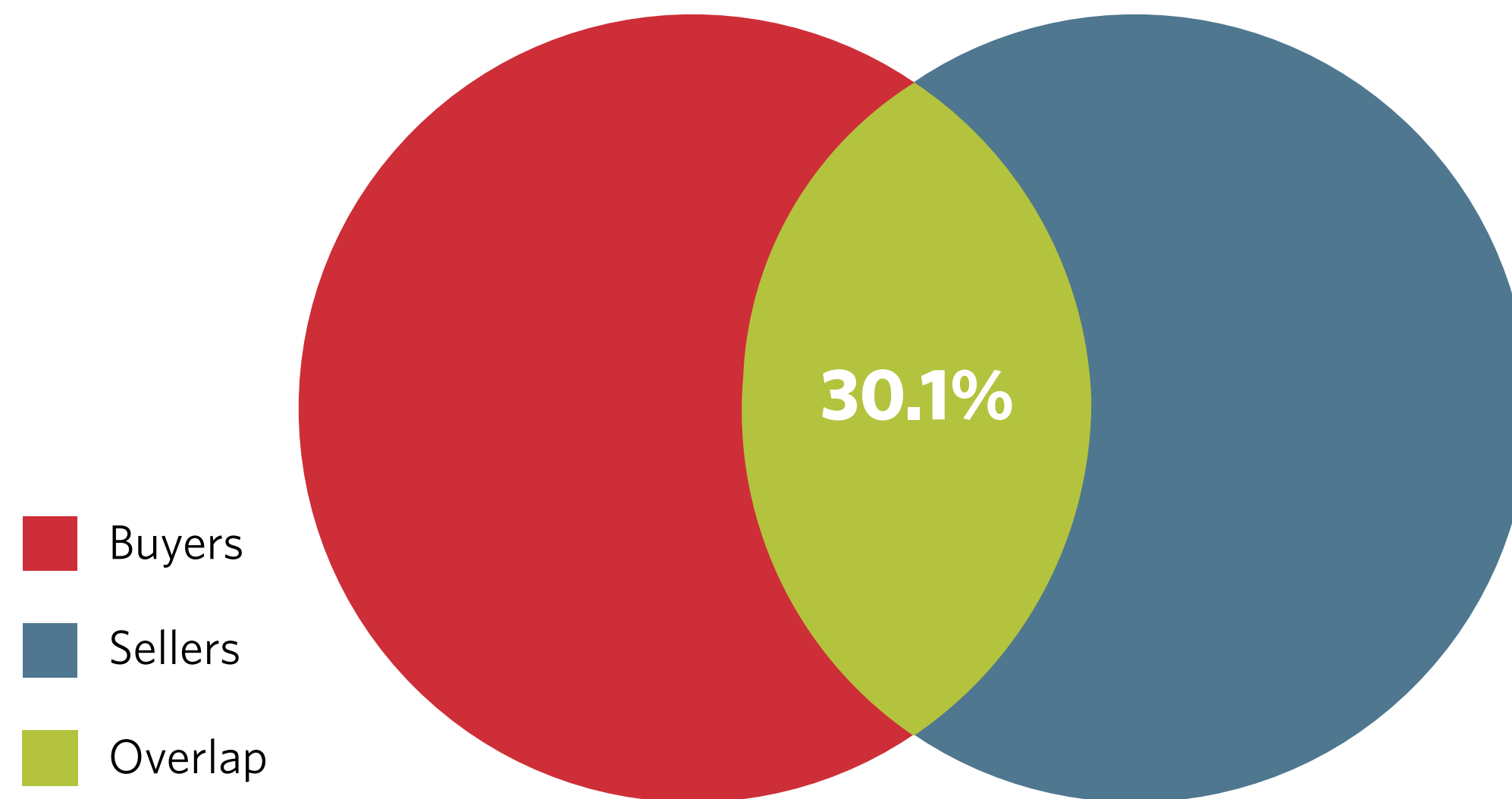


- > In 2013, more than 70% of buyers reported turning to their network when they needed a new service provider. While referrals remain the top search method, less than 60% of today's buyers ask for referrals — a 15% decrease.
- > While referrals are still the primary search method of professional services buyers, online search has become more widely adopted. Up from 11% in 2013, online search is used by nearly 1 in 5 buyers today.
- > With [visibility levels decreasing](#) across professional services firms, it's becoming more important for firms to maintain a visible online presence.



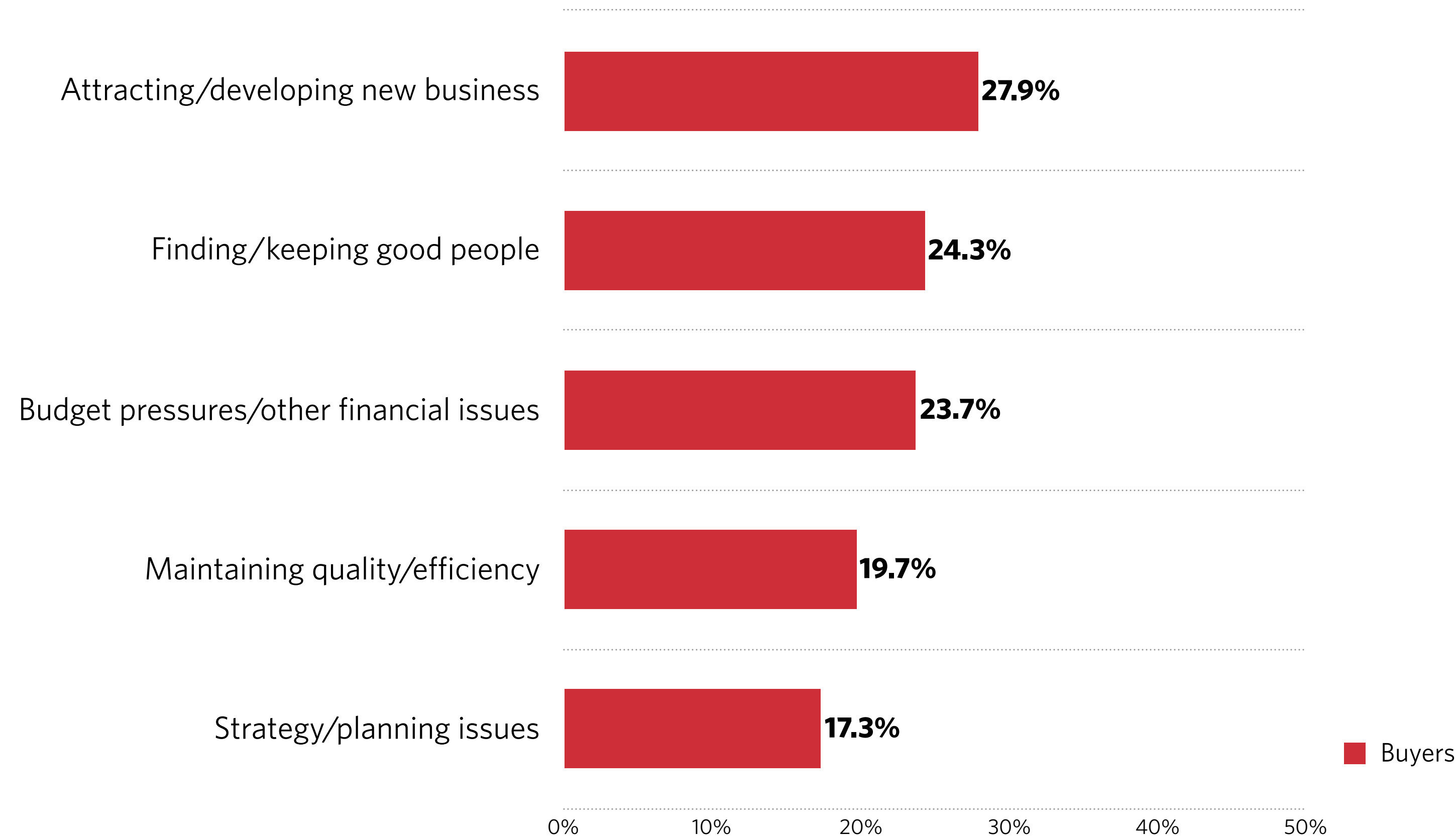
# Firms are slightly more aware of competitors, but the landscape is still unclear.

**Buyers and Sellers Competitor Overlap**



- > Buyers and sellers of professional services differ in whom they view as competitors. On average, there is only a 30.1% overlap in identified competitors — up from 25% in 2013.
- > Consulting firms saw the least amount of overlap (22.5%), while accounting & financial service providers were the most aware of competitors, demonstrating a 37.1% overlap.
- > In our recent [High Growth Study](#), we found that researching the competition was a top marketing priority of professional services firms. Firms that understand their true competitors can see opportunities in the marketplace and position themselves to stand apart.

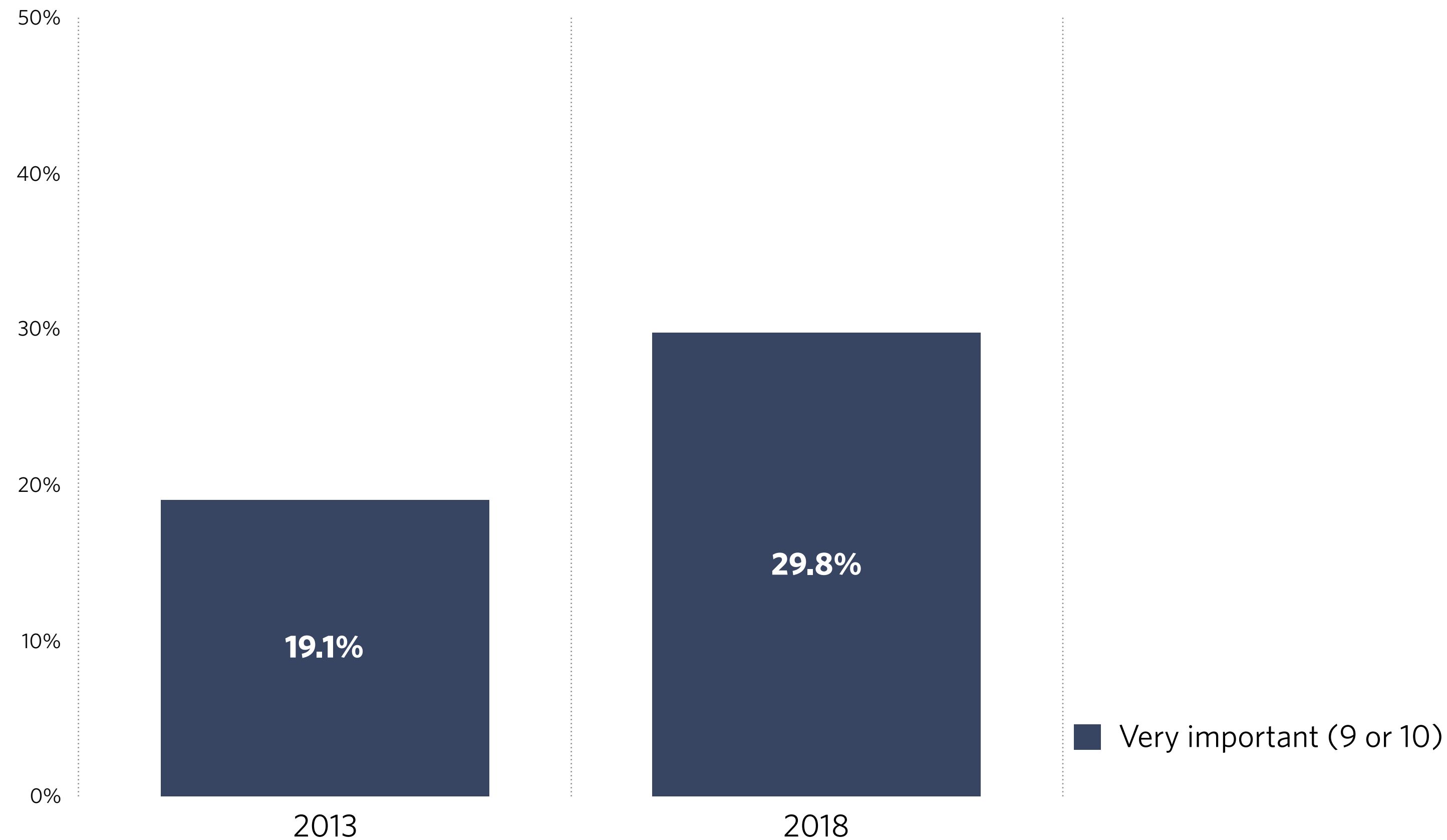
# The top challenges of professional services buyers have changed



- > Attracting and developing new business is the top challenge facing buyers of professional services.
- > Budget pressures and other financial issues are less of a challenge today (24%) than in 2013, when they were identified by 34% of buyers.
- > In 2013, dealing with a difficult economy and competitive marketplace was the top challenge facing professional services firms. Today, it didn't make the top five.
- > To remain relevant in the minds of their buyers, professional services firms should research target audiences to stay aware of their shifting concerns.

# Buyers are seeing service providers as more relevant

How important are the services your firm provides to addressing client challenges? (0-10)



- > In 2013, 19% of buyers viewed their service provider as highly important to solving their challenges. Today, buyers are seeing their service providers as more relevant.
- > Because other service providers are gaining relevance in today's marketplace, it's important for firms to make sure their services are positioned as highly relevant to prospective client business concerns.

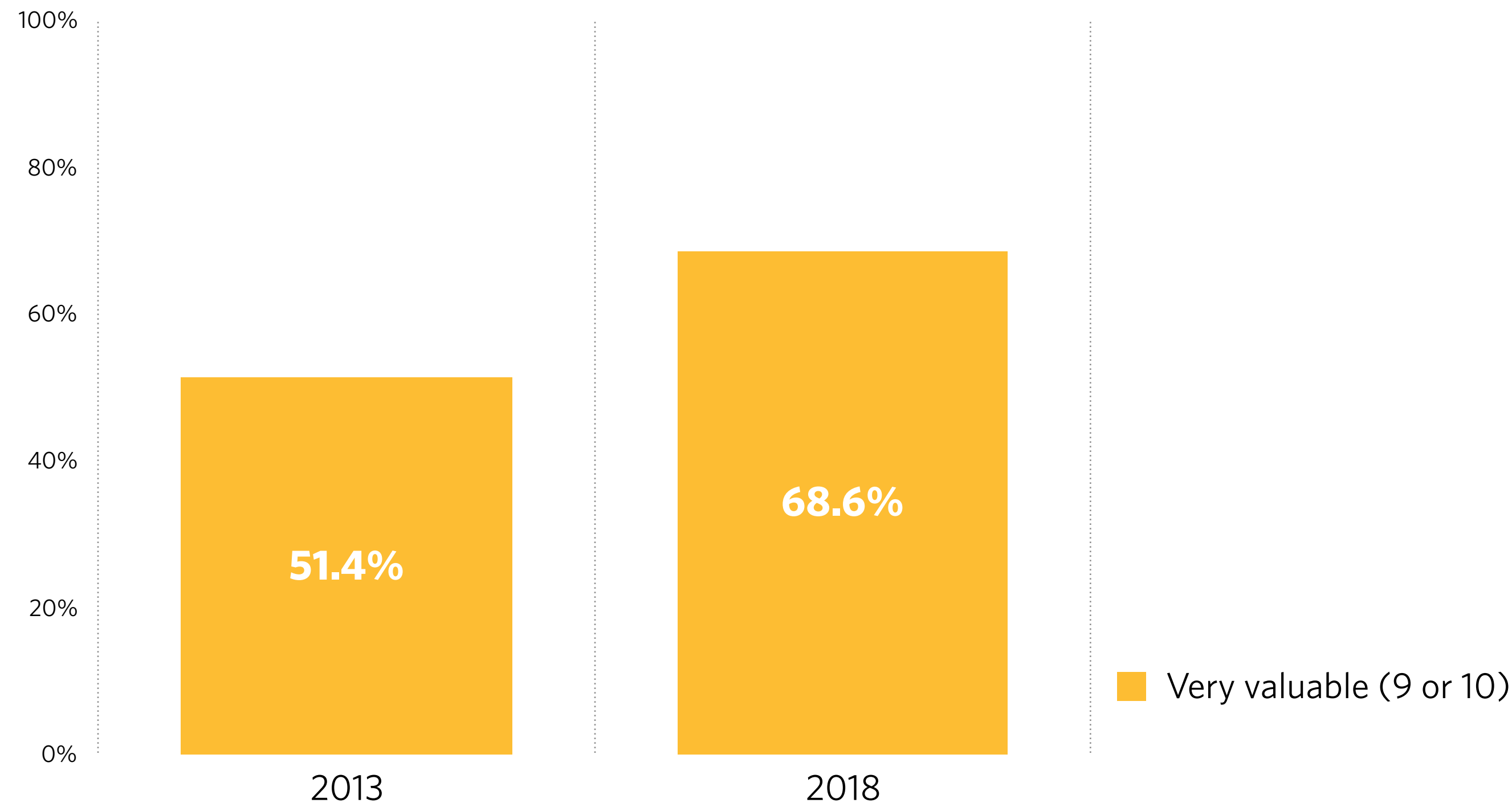
# Buyers are placing a higher importance on expertise



- > When evaluating a professional service provider, buyers are most likely to look at past performance (35%). In a firm’s marketing, this experience can take the form of project portfolios, client testimonials, references and case studies, to name a few.
- > Team expertise and skills was a close second, on the minds of 33% of buyers on average. This expertise can be demonstrated a variety of ways in a firm’s marketing.
- > The top selection criteria of buyers are becoming more focused on specific firm expertise. This has changed since 2013, when a good general marketplace reputation, price and cultural fit were the top three selection criteria.

# Professional services firms are seen as more valuable today

How valuable is your professional service provider? (0-10)



- > Since 2013, we've observed an increase in the average perceived value rating. In other words, buyers value their professional services firms 33% more today.
- > We believe that the increase in perceived value is related to the heightened relevance of firms' services to their clients' key business issues. (See page [15](#).)
- > Firms should make sure their brand positioning and messaging communicate their relevance and boost their perceived value.



# Key Takeaways

***While the specific implications of this research vary by industry, several trends have emerged that have broad impact across professional services.***

- Increased competition in the marketplace has eroded the brand strength of many professional services firms. Visibility is harder to come by and clients are less loyal. For firms trying to grow in this environment, relying on referrals does not appear to be a sustainable marketing strategy.
- Although clients are satisfied and willing to make referrals, this good will is turning into actual referral less often. Instead, buyers are increasingly shifting to online channels and are searching for expertise that is relevant to their specific challenges.
- Some buyers' challenges and organizational priorities have changed in the past five years. Dealing with a difficult economy and budget pressures are less of a concern today. Others — like recruiting and attracting new business — remain top of mind.
- Despite lower levels of loyalty and visibility, there are bright spots. Professional services firms are seen as more relevant and more valuable today. Those that make their expertise visible to prospective clients in the right channels stand to win more business and enjoy higher fees.





FREE CONSULTATION

# What do your buyers think of your firm?

By now, you have a good idea of how professional services buyers have changed. But the only way to truly understand **your** buyers is to conduct your own research.

## Here is just some of what you can learn:

- > How your buyers really see you
- > How you stack up against competitors
- > How you can differentiate your firm
- > Why your best clients choose you
- > Why your “got-aways” chose other firms

## Ask for a Free Consultation Today.

And learn how research can drive greater growth and revenues.

[Request a Free Consultation](#)



# Over 100 detailed breakdowns by industry available in the full report

## All Professional Services

- › Top challenges of professional services buyers
- › Relevancy ratings of professional services firms
- › Top search methods of professional services buyers
- › Evaluation criteria of professional services buyers
- › Top concerns of professional services buyers
- › Factors that tip the scale for professional services buyers
- › Competitor overlap in professional services
- › Value ratings of professional services firms
- › Benefits of working with professional services firms
- › Delivery ratings of professional services firms
- › Loyalty ratings of professional services firms
- › Awareness ratings of professional services firms
- › Recommendation ratings for professional services firms
- › Net Promoter Scores of professional services firms
- › Referral generation for professional services buyers
- › Reputation ratings for professional services firms
- › Visibility ratings for professional services firms
- › Brand Strength Index for professional services firms

## Accounting & Financial Services

- › Top challenges of accounting & financial services buyers
- › Relevancy ratings of accounting & financial services firms
- › Top search methods of accounting & financial services buyers
- › Evaluation criteria of accounting & financial services buyers
- › Top concerns of accounting & financial services buyers
- › Factors that tip the scale for accounting & financial services buyers
- › Competitor overlap in accounting & financial services
- › Value ratings of accounting & financial services firms
- › Benefits of working with accounting & financial services firms
- › Delivery ratings of accounting & financial services firms
- › Loyalty ratings of accounting & financial services firms
- › Awareness ratings of accounting & financial services firms
- › Recommendation ratings for accounting & financial services firms
- › Net Promoter Scores of accounting & financial services firms
- › Referral generation for accounting & financial services buyers
- › Reputation ratings for accounting & financial services firms
- › Visibility ratings for accounting & financial services firms
- › Brand Strength Index for accounting & financial services firms

## Architecture, Engineering & Construction

- › Top challenges of AEC buyers
- › Relevancy ratings of AEC firms
- › Top search methods of AEC buyers
- › Evaluation criteria of AEC buyers
- › Top concerns of AEC buyers
- › Factors that tip the scale for AEC buyers
- › Competitor overlap in AEC
- › Value ratings of AEC firms
- › Benefits of working with AEC firms
- › Delivery ratings of AEC firms
- › Loyalty ratings of AEC firms
- › Awareness ratings of AEC firms
- › Recommendation ratings for AEC firms
- › Net Promoter Scores of AEC firms
- › Referral generation for AEC buyers
- › Reputation ratings for AEC firms
- › Visibility ratings for AEC firms
- › Brand Strength Index for AEC firms

## Consulting Services

- › Top challenges of consulting buyers
- › Relevancy ratings of consulting firms
- › Top search methods of consulting buyers
- › Evaluation criteria of consulting buyers
- › Top concerns of consulting buyers
- › Factors that tip the scale for consulting buyers
- › Competitor overlap in consulting
- › Value ratings of consulting firms
- › Benefits of working with consulting firms
- › Delivery ratings of consulting firms
- › Loyalty ratings of consulting firms
- › Awareness ratings of consulting firms
- › Recommendation ratings for consulting firms
- › Net Promoter Scores of consulting firms
- › Referral generation for consulting buyers
- › Reputation ratings for consulting firms
- › Visibility ratings for consulting firms
- › Brand Strength Index for consulting firms

## Technology Services

- › Top challenges of technology buyers
- › Relevancy ratings of technology firms
- › Top search methods of technology buyers
- › Evaluation criteria of technology buyers
- › Top concerns of technology buyers
- › Factors that tip the scale for technology buyers
- › Competitor overlap in technology services
- › Value ratings of technology firms
- › Benefits of working with technology firms
- › Delivery ratings of technology firms
- › Loyalty ratings of technology firms
- › Awareness ratings of technology firms
- › Recommendation ratings for technology firms
- › Net Promoter Scores of technology firms
- › Referral generation for technology buyers
- › Reputation ratings for technology firms
- › Visibility ratings for technology firms
- › Brand Strength Index for technology firms

## Government Contracting

- › Top challenges of government buyers
- › Relevancy ratings of government firms
- › Top search methods of government buyers
- › Evaluation criteria of government buyers
- › Top concerns of government buyers
- › Factors that tip the scale for government buyers
- › Competitor overlap in government contracting
- › Value ratings of government firms
- › Benefits of working with government firms
- › Delivery ratings of government firms
- › Loyalty ratings of government firms
- › Awareness ratings of government firms
- › Recommendation ratings for government firms
- › Net Promoter Scores of government firms
- › Referral generation for government buyers
- › Reputation ratings for government firms
- › Visibility ratings for government firms
- › Brand Strength Index for government firms



# About Hinge



# About Hinge



**Hinge is the leading branding and marketing firm for professional services.**

Our ongoing research into high-growth firms is changing the way firms go to market. Our services include everything a firm needs to become a market leader—from research and strategy to visual brands and marketing implementation.

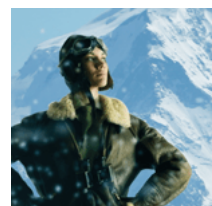
[www.hingemarketing.com](http://www.hingemarketing.com)

# How Hinge Can Help



## Visible Firm® Program

Designed to deliver more referrals, higher profits, and faster growth, the Visible Firm® Program will build a powerful marketing platform to engage your audiences and build your visibility. Based on the most extensive research into high-growth firms ever conducted, the Visible Firm® Program will ground your marketing in science and leverage your firm's expertise to draw in the right audiences.



## Visible Expert® Program

Designed to help individuals cultivate an authoritative online presence in their area of expertise, the Visible Expert® Program delivers the tools and strategy required to build personal reputation and visibility in the marketplace. Based on extensive research, the Visible Expert® Program helps experts become recognized industry leaders.



## Branding Program

Our Branding Program is designed to carry your firm's reputation confidently into the marketplace by giving you a suite of powerful branding tools. Based on extensive research and analysis, our branding strategies increase your firm's credibility and visibility in your industry. The services will also differentiate your firm and provide clear, compelling messages for each of your target audiences.



## High Performance Website Program

The High Performance Website Program makes your website into a lead generating machine — bundling a beautiful new site with a suite of powerful online tools. Designed from the ground up to attract the right visitors from search engines, a high performance site uses educational content, smart offers and custom features to engage and convert qualified leads.

For more information, call 703 391 8870 or email us at [info@hingemarketing.com](mailto:info@hingemarketing.com).



# About Hinge Research Institute



The Hinge Research Institute is a division of Hinge dedicated to studying high-growth professional services firms and their clients. We collect data and analyze marketplace trends to discover why some firms grow much faster than average while often spending less on marketing. Our mission is to share this knowledge so that every professional services firm can prosper.

We invite you to explore our full library of research reports, books, and other publications at:

[www.hingemarketing.com/library](http://www.hingemarketing.com/library)

For more information about the Hinge Research Institute, please contact:

**Lee W. Frederiksen, Ph.D.**

*Research Director*

[lfrederiksen@hingemarketing.com](mailto:lfrederiksen@hingemarketing.com)

703 391 8870