



BY FELDA CHAY

STANDING OUT

Differentiation is key to clinching a deal, and it need not be difficult, say branding consultants

OUR cables are simply longer. This was the tag line that a cable manufacturer was initially reluctant to introduce to all its business pitches despite the recommendation of its consultant who wanted to dramatise the idea that the firm's products were cheaper than its competitors, and quality was just as good.

The cable manufacturer was worried that the word "longer" may carry sexual connotations. It may also give an inaccurate impression to clients, who will get exactly the length that they ask for – and no longer or shorter than that.

Business consultants here say that they often face such resistance from clients to jazz up a business proposal, and that many small and medium-sized enterprises (SMEs) prefer to take a more conservative approach when they make a pitch. Some fail to realise that the soft and seemingly insignificant aspects – which extend as far as the hairstyle, language skills of the individual making the pitch and even the way that a copy of the business proposal looks – wield significant power in turning their pitch into a winner.

Unlike big firms, SMEs often do not have a designated marketing team working on how to stand out, says Ang Ser-Keng, director at the UOB-SMU Asian Enterprise Institute, which runs an SME consulting programme under which Singapore Management University students help local firms with their business consultancy projects.

Jacky Tai, principal consultant of StrategiCom, a business-to-business brand consultancy firm, lays out the mindset of many SMEs: "They think that if the price is right, the quality is good and they are sincere, that is all it takes to secure the deal. So most of the time, we find that when they make a proposal, it looks no different from their competitors'. They all say the same thing and propose the same thing, their specifications are all the same, and the price is within a narrow range from each other, because some of them have ways of finding out what their competitors are proposing. So everybody looks the same and sounds the same. It's not differentiated."

The result is that companies often award deals based on how familiar they are with the other party, or go with the cheapest.

Differentiation, therefore, is key to clinching a deal. Dominic Mason, managing director at branding consultancy Sedgwick Richardson, puts it simply. He says: "The strategy of differentiation is a path to growth. There is nothing wrong with providing a quality product or service. But when everyone else is striving for the same thing, what makes an offer stand out?"

Standing out need not be difficult. Differentiation can come in the form of a catchy, dramatic tag line that sums up the company's selling point. In the case of the cable manufacturer, it ultimately decided to adopt the tag line, which was dreamed up

by StrategiCom.

And while it is hard to attribute all of its growth thereafter to that one liner, the company has definitely seen its business grow in the four years since it included the catchy line in all sales pitches. In fact, revenue has more than doubled from before. Says Mr Tai, who shared the example: "Before, the brand wasn't seen as highly differentiated and it wasn't communicated in a dramatic and clear fashion. Now it is."

"Two years before they did this branding project, they went to an expo in Dubai and came home with 17 name cards. When they went again after the project, they came back with 154 name cards because everybody wanted to know what they meant when they said that their cables were simply longer. So everybody came to talk to them, asked them for a proposal. It generated a lot more sales leads for the company."

Apart from tag lines, having a mascot also helps in some cases, particularly if the client that you are trying to woo is not another corporation, but housewives shopping at the supermarket, kids in tow.

It definitely did in the case of wholesale seafood supplier, Seagift Food, which merely had a plain logo – two blue lines at a slant, followed by its name – as part of its packaging. The uninspired packaging made it no different from its frozen seafood competitors in the market, so it was hard for it to fight for market share. The company approached the UOB-SMU Asian Enterprise Institute, which came up with the idea of having mascots for the firm.

The mascots, which are now featured on its packaging, were designed with the help of design students from a local design college, and are seafood cartoon characters such as a fish, prawn, squid and scallop. They are all smiling on the product package – some are also winking – as they ride a wave. The cartoons have helped the company's products to stand out. Says Mr Ang from the UOB-SMU Asian Enterprise Institute: "The proprietor told me, 'Your project has helped to increase my sales.'"

Product packaging aside, personal appearance matters a lot too. Says StrategiCom's Mr Tai: "We often have to tell our clients that they need to change the people who make the pitch, or change the way they communicate. In a really severe case, we actually told a CEO that he had to do the pitch himself because there was no one on his team who could do it."

The general rule of thumb, he says, is for hair to look neat and "doesn't make you look like a refugee". He adds: "Some of our clients really don't care. I mean, they go out for meetings with hair that looks like Albert Einstein's on a really bad day. And some of my colleagues will ask me, 'How do we tell this boss that he needs a haircut?'"

So Mr Tai sometimes has had to take clients out for coffee and gently broach the subject. His advice on looking presentable

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for a pitch is not too difficult to achieve: "Make sure your hair looks neat. If you want to keep a beard, that's fine, but make sure it is trimmed and looks neat. If you wear glasses, make sure it doesn't look too outdated.

"For clothes, put on business wear and make sure the clothes fit. Many of our clients wear shirts that are two sizes too big, and the hem of their trousers is like an inch-and-a-half too long." Old clothes are also out, he adds.

Then there is language. A business pitch is all about convincing a potential client, so speaking well helps, he says.

Apart from efforts targeting external parties, a successful business pitch also involves internal branding. Says Luke Lim, CEO of brand consultancy AS Louken: "Whether a potential vendor's employees are able to put ideas or a proposal together is something that clients will look out for, to see if the vendor is a customer-oriented organisation. This is because it will show whether or not the vendor is able to service the account well."

And whether or not staff are able to articulate a firm's core values and selling point, and show that they are customer-centric, depends on good internal branding so that employees know, very clearly, what they are selling and what they represent, adds Mr Lim.

Companies that have embarked on projects to bridge this internal branding gap show that this is true, he says. One example is a transportation company that AS Louken worked with. The firm in recent years added other services to its business, and employees across its different divisions began to see greater collaboration with each other as the

firm sought to offer total logistic solutions to customers.

As a result, staff began to feel a little lost, and did not know what was expected of them. The problem surfaced after the company decided to carry out an internal branding project. It realised that there were communication gaps between the management and staff.

To bridge the gaps, the management came up with a tag line "We Move Together", which represents the firm's desire for both employees and management to work and grow together as a family. It also spoke of the company's mission to be partners with its customers by providing highly efficient services. The group also introduced a set of core values for employees to adopt, and chose from among staff individuals who embody these values, to become its value ambassadors.

Part of its internal branding project also saw the firm introduce family days for employees and their families to bond with each other. Each department in the company has since also been given a budget of \$50 per person per quarter to organise outings.

"The branding exercise has improved our attitude. For example, when we see our trucks on the roads, we can go 'Yeah, I work for that company,'" says one of the employees.

The bottom line is this, says StrategiCom's Mr Tai. "In many industries, companies and their products are, whether they like it or not, actually very similar. So every little bit helps." ■

DO IT RIGHT

What else should SMEs take into consideration when making a business proposal? Samir Dixit, managing director of Brand Finance Asia Pacific, provides more advice:

- Do regular customer and stakeholder research – and don't do it yourself through your staff. Engage a third party research agency.
- Do a market sizing exercise each year to understand how the audience mix has changed, or shifted over the years.
- Know everything there is to know about the competition. Know them like their customers would know them.
- Stay on top of market growth drivers. Know your market growth numbers and market growth factors, etc.
- Understand the fundamentals of market sizing and forecasting, and make it a business practice.
- Have a non-cost based approach for pricing.
- Do a forecast (financial and operational) for the next five years, and not just for one or two years, and track it.
- Have clearly defined business key performance indicators across all aspects of business, especially in the customer and competitors area.
- Know your business value and what the key contributors are to the value, as well as how to manage the value drivers.

