BEYOND REFERRALS:
How Today’s Buyers Check You Out
How do prospective clients evaluate you as a professional services provider?

There used to be a simple answer: referrals and references. Buyers would turn to others in the industry for information on your strengths and weaknesses.

Professional services buyers still seek referrals and check references today and will certainly continue to do so. But the wealth of information available online means that buyers have more options to gain perspective on a firm. The question is, do they use these new resources?

Purpose and Methodology

We wanted to gain a more complete understanding of how buyers check out sellers in today’s rapidly changing professional services marketplace. In order to answer this question, we surveyed 1,028 buyers of professional services as part of a larger original study on the Visible Expert℠, which will be published separately.
Our respondents purchased a wide range of services. The service areas represented included accounting and finance, marketing and communications, legal, technology, management consulting, and architecture, engineering, and construction.

**Figure 1. Types of Professional Services Purchased**

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting/Finance</td>
<td>53.9%</td>
</tr>
<tr>
<td>Marketing and Comm</td>
<td>46.6%</td>
</tr>
<tr>
<td>Legal</td>
<td>39.5%</td>
</tr>
<tr>
<td>Technology</td>
<td>34.7%</td>
</tr>
<tr>
<td>Management Consulting</td>
<td>32.9%</td>
</tr>
<tr>
<td>A/E/C</td>
<td>19.9%</td>
</tr>
</tbody>
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Many buyers purchased multiple types of services — on average, 2.3 service areas per buyer. Accounting and financial services were the most commonly purchased, with 554 of the 1,028 firms surveyed making a purchase in this service area.
We asked buyers, “Before you hire a professional services provider, how do you ‘check them out’?” Their answers are shown in the figure below.

**Figure 2. How Buyers “Check Out” Potential Professional Services Providers**

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>Look at their website</td>
<td>80.8%</td>
</tr>
<tr>
<td>Search online (e.g. “Google” them)</td>
<td>63.2%</td>
</tr>
<tr>
<td>Ask friends or colleagues if they’ve heard of the person or firm</td>
<td>62.4%</td>
</tr>
<tr>
<td>Social Media</td>
<td>59.9%</td>
</tr>
<tr>
<td>Talk to a reference that they provided</td>
<td>55.5%</td>
</tr>
<tr>
<td>I don’t check them out</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

Buyers used an average of 3.2 methods, suggesting that sellers must be accessible in multiple channels.
Websites:
Sellers’ websites are the most commonly used resource for these evaluations. Over 80% of buyers are looking to the web to evaluate you as a potential service provider. Whether sellers are consciously shaping their online presences or not, buyers are looking there for information.

Online search:
The next most common strategy is online search, underscoring the significance of an online brand and the rising importance of search engine optimization. Even when a service provider’s website serves as an effective public face, many buyers will look more deeply at online presence.

Friends and colleagues:
As the third most commonly cited resource, friends and colleagues play an important role. These contacts’ ability to speak to a seller’s expertise will depend in part on the firm’s visibility and its reputation, in short, its brand.

Social media:
On average, buyers consult social media more commonly today than they use formal references. This is a significant paradigm shift — in the next section, we will explore the platforms buyers are using. Social media may be one method by which buyers seek information from friends, contacts, and industry influencers.

References provided by the seller:
References provided by the seller are now the least commonly used resource. They remain important, with over 50% of firms using them, but they are an increasingly supplementary rather than central resource.

One explanation for this turn to the web is the ease of finding information online — in most cases, a buyer can Google your firm, check out your website, and explore conversation about your work on social media in less time than it would take to get in touch with a reference you’ve provided.

3.2 Average number of approaches used.
In Figure 2, we saw that social media is now more commonly used to evaluate providers than formal references. But which platforms do buyers use? Our respondents reported the following usage:

**Figure 3. Social Media Platforms Used**

- **LinkedIn**: 70%
- **Twitter**: 25%
- **Other Social Media (e.g. Google+, Facebook, YouTube, etc.)**: 5%

Among social media platforms, LinkedIn is far and away the most commonly used source of information on service providers. Given the platform’s professional focus, this doesn’t come as a surprise — and sends a clear message as to where sellers should focus their social media efforts. Notably, LinkedIn provides one venue in which buyers may easily turn to for advice.
References have always been important, and will remain so — but they’re not enough. Indeed, they are no longer the heart of a professional service’s reputational universe. Unfortunately, many firms base their marketing efforts on what has worked in the past. Sellers who grow complacent or focus entirely on referrals and references will increasingly lose sales and lose control of their perception in the marketplace.

In order to succeed, a firm’s brand must be strong both online and offline. Buyers are generally seeking to evaluate a seller’s reputation in order to decide whether the provider can solve their particular problem. The web gives them many ways to answer that question quickly and easily. As buyers increasingly look online for solutions, it is more essential than ever that sellers address their online brand. Social and search are no longer optional.

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About the Hinge Research Institute

The Hinge Research Institute is the part of Hinge that is dedicated to monitoring, analyzing and reporting on high-growth professional services firms and their clients. We have identified firms that grow 9X faster and are 50% more profitable, yet spend less than average to get new business.

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We publish revealing and informative studies on high-growth firms and the people that do business with them. We invite you to check out our full library of research reports, books and other publications here: www.hingemarketing.com/library

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Books:

Inside the Buyer’s Brain: How to Turn Buyers into Believers

Online Marketing for Professional Services
www.hingemarketing.com/library/article/online_marketing_for_professional_services

Executive Guides:

Becoming a Visible Expert℠: A Guide for Professional Services Executives
www.hingemarketing.com/library/article/becoming_a_visible_expert_a_guide_for_professional_services_executives

The Website Planning Guide
www.hingemarketing.com/library/article/website_planning_guide

The Brand Building Guide for Professional Services Firms
www.hingemarketing.com/library/article/the_brand_building_guide
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 exceptional individuals become recognized industry leaders.

Online Marketing Program
Designed to deliver higher visibility, boosted traffic, and more qualified leads, the Online Marketing Program leverages your firm’s expertise to draw the right audience of potential buyers to your website — and keep them coming back for more. Our content-based offer strategy helps you nurture qualified traffic into clients the right way.

High Performance Website Program
Bundling a beautiful new site with a powerful suite of online tools, the High Performance Website Program turns your website into a lead-generating machine. Fine-tuned to attract the right visitors from search engines, a high performance site engages and converts qualified leads with finely crafted content strategy, optimizing your online presence increased new traffic and leads.

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