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# STRATEGIC MARKETING FOR CONSULTANCY MARKETING

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## Introduction

When you are at the crossroads.

When you need to know which the better road to profits is.

When you need to know the milestones to your destination.

Then you need a person to keep you on the right path. So that person who provides you an advice for a particular fee is called as **CONSULTANT** and the place where the advice is provided is called **CONSULTANCY**

Thus the process of providing the right information to the right person in the right time and in the right place is called **CONSULTANCY MANAGEMENT**.

## HISTORY

Management consulting grew with the rise of management as a unique field of study. The first management consulting firm was Arthur D. Little, founded in 1886 by the MIT professor of the same name. Though Arthur D. Little later became a general management consultancy, it originally specialized in technical research. Booz & Company was founded by Edwin G. Booz, a graduate of the Kellogg School of Management at Northwestern University, in 1914 as a management consultancy and the first to serve both industry and government clients.

After World War II, a number of new management consulting firms formed, most notably Boston Consulting Group, founded in 1963, which brought a rigorous analytical approach to the study of management and strategy. Work done at Boston Consulting Group, McKinsey, Booz & Company, and the Harvard Business School during the 1960s and 70s developed the tools and approaches that would define the new field of strategic, setting the groundwork for many consulting firms to follow. In

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1983, Harvard Business School's influence on the industry continued with the founding of Monitor Group by six professors.

One of the reasons why management consulting grew first in the USA is because of deep cultural factors: it was accepted there, (contrary to say, Europe), that management and boards alike might not be competent in all circumstances; therefore, buying external competency was seen as a normal way to solve a business problem. This is referred to as a "contractual" relation to management. By contrast, in Europe, management is connected with emotional and cultural dimensions, where the manager is bound to be competent at all times. This is referred to as the "pater familias" pattern. Therefore seeking (and paying for) external advice was seen as inappropriate.

However, it is sometimes argued that in those days the average level of education of the executives was significantly lower in the USA than in Europe, where managers were Grandes Ecoles graduates (France) or "Doktor" (Germany), though this is very difficult to quantify given the vastly differing management structures in American and European businesses. It was only after World War II, in the wake of the development of the international trade led by the USA, that management consulting emerged in Europe. The current trend in the market is a clear segmentation of management consulting firms.

Another branch of management consulting is Human Resource consulting. Such firms provide advice to their clients regarding the financial and retirement security, health, productivity, and employment relationships of their global workforce

### **CURRENT STATE OF THE INDUSTRY**

Management consulting has grown quickly, with growth rates of the industry exceeding 20% in the 1980s and 1990s. As a business service, consulting remains highly cyclical and linked to overall economic conditions. The consulting industry shrank during the 2001-2003 period, but has been experiencing slowly increasing growth since. In 2007, total global revenues for management consulting are expected to exceed the \$300 billion mark.

Currently, there are four main types of consulting firms:

1. Large, diversified organizations that offer a range of services, including information technology consulting, in addition to a strategy consulting practice . Some very large IT service providers have moved into consultancy as well and are also developing strategy practices (e.g. Wipro, Tata Consultancy Services, Infosys)
2. Medium-sized information technology consultancies, which blend boutique style with some of the same services and technologies bigger players, offer their clients (e.g. IDS Scheer, arinso).
3. Large management and strategic consulting specialists that offer primarily strategy consulting but are not specialized in any specific industry (e.g. Bain & Company, Booz & Company, McKinsey & Company, and the Boston Consulting Group).
4. Boutique firms, often quite small, which have focused areas of consulting expertise in specific industries, functional areas or technologies. Most of the boutiques were founded by famous business theorists. Small firms with less than 50 employees are often referred to as niche consultancies. If they have a unique concept and market it successfully, they often grow out of this segment very fast or are bought by larger players interested in their know-how.

A fifth type that is emerging is the sourcing advisory firm, that advise buyers on sourcing choices related to insourcing, outsourcing, vendor selection, and contract negotiations. The top 10 sourcing advisors (as ranked by the Black Book of Outsourcing) were TPI, Gartner, Hackett Group, Everest Group, PwC, Avasant, PA Consulting, and EquaTerra. Although a fast growing sector, the largest sourcing advisory practices would likely be classified as boutiques when considering the management consulting industry as a whole - with one of the largest players, TPI, for example, citing 2006 revenues of less than US\$150M during its acquisition by ISG.

#### **ADVANTAGES**

There are several potential benefits of internal consultants to those who employ them:

- If properly managed and empowered, internal consulting groups evaluate engagement on projects in light of the corporation's strategic and tactical objectives.
- Often, the internal consultant requires less ramp up time on a project due to familiarity with the corporation, and is able to guide a project through to implementation—a step that would be too costly if an external consultant were used.
- Internal relationship provides opportunities to keep certain corporate information private.
- It is likely that the time and materials cost of internal consultants is significantly less than external consultants operating in the same capacity.
- Internal consultants are often uniquely suited to
  1. Lead external consulting project teams, or
  2. Act as organizational subject matter experts 'embedded' with external consulting teams under the direction of organizational management.

A group of internal consultants can closely monitor and work with external consulting firm. This would ensure better delivery, quality, and overall operating relationship.

External firms providing consulting services have a dichotomy in priority. The health of the external firm is in aggregate more important than the health of the client organization. (Client objectives are ultimately secondary to that of the strategic goals of the external firm)

Again assuming proper management, internal consulting groups are less likely to have a dichotomy in priority. The health of the client organization is in aggregate more important than the health of the internal consulting group. (Put the company objectives first)

#### **DISADVANTAGES**

- The internal consultant may not bring the objectivity to the consulting relationship that an external firm can.

- An internal consultant also may not bring to the table best practices from other corporations. A way to mitigate this issue is to recruit experience into the group and/or proactively provide diverse training to internal consultants.
- Where the consulting industry is strong and consulting compensation high, it can be difficult to recruit candidates.
- It is often difficult to accurately measure the true costs and benefits of an internal consulting group.
- When financial times get tough, internal consulting groups that have not effectively demonstrated economic value (costs vs. benefits) are likely to face size reductions or reassignment.

## **MARKETING OF CONSULTANCY**

### **Marketing Plan**

Initial marketing will be to spend four hours per day on sales calls to local merchants who are not engaged in E-commerce. Take initial assignments at reduced fees in order to establish a growing portfolio of successful users. The time spend on personal calls will outperform other means of marketing. Also plan to promote and conduct free seminars that are addressed to local business owners. From these seminars they would make follow-up calls to seek out clients.

### **Advertising and Promotion Plans**

The initial advertising budget will be limited to expenses connected with seminars including room expense, local newspaper advertising and other expenses connected with seminar programming.

### **Purchasing and Inventory Control**

Since this will be dealing entirely with intellectual property, expenses connected with inventory and problems associated with purchasing goods will be eliminated

### **The Competition**

As covered in Section 10 of this plan, the principal competitors will be either moonlight operators or established firms.

## How to Plan to Take Advantage of Competitors Weak Points

The emphasis will be to remove from competition by furnishing ongoing marketing advice, equipment upgrades, and new market opportunities to clients. The goal will be to establish, in effect, an ongoing consulting service to clients to keep them on the cutting edge of not only technology but in e-commerce marketing techniques. They will be collaborating with team of advisors. And attorney to be furnishing ongoing business insights as well as pitfalls to avoid.



### Effective Strategic Marketing Plan<sup>1</sup>

#### Integrated Marketing Strategy into Your Marketing Programs

Unlike traditional consulting processes, strategic marketing consulting approach integrates marketing strategy directly into day-to-day marketing programs. Integration ensures that each market segment receives an appropriate, consistent, and targeted marketing message that leads buyers to a purchase.

Marketing strategy consulting service provides marketing executives with:

- **Custom Strategic Marketing Plan** - Marketing strategy and marketing programs (marcom and sales) tailored to market position
- **Personalized Guidance** - Training for each marketing manager to apply core marketing strategy to their marketing programs (marcom, sales, partnering and customer service)

- **Interactive Planning Tool** - Everyone on marketing team can use this tool to adapt strategic and program plans to optimize future changes.

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### INTRODUCTION

Microfinance was started approximately 27 years ago with the origination of Grameenbank in Bangladesh by Prof. Muhammad Yunus, an economist who later won Noble Prize for peace in 2006. The UN Year of Microcredit in 2005, was a turning point for microfinance as private sector banks began to take more interest in microfinance. Today microfinance is widely accepted miracle cure for eradication of poverty. Studies reveal that microfinance now reaches about 80 million families in the context of our country.

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13	<b>GLOBAL MARKETING OF SURROGACY SERVICES</b>	<b>83</b>
	- Dr. Anjaneyulu Goli	
14	<b>MARKETING OF TOURISM SERVICES</b>	<b>85</b>
	- B. Jaya Prakash and	
	- Mds. Rahaman	
15	<b>ADVERTISING SERVICES MARKETING</b>	<b>92</b>
	- Dr.P.Venkateswara Rao.	
	- Y.Sridevi and	
	- B. Chinmayi	
16	<b>LOGISTICS SERVICES MARKETING – NUCLEUS IN GLOBALIZATION</b>	<b>100</b>
	- B.Lalithananda Prasad	
17	<b>TOURISM MARKETING</b>	<b>103</b>
	- D.Padnuranga Rao and	
	- K.V.D Ramarao	
18	<b>STRATEGIC MARKETING FOR CONSULTANCY MARKETING</b>	<b>109</b>
	- Dr.P.Venkateswara Rao	
	- B.Chinmayi and	
	- Y. Sri Devi	
19	<b>MICROFINANCE IN INDIA STATUS AND CHALLENGES</b>	<b>116</b>
	- B. Ratnavalli and	
	- P. Rizwana parveen	
20	<b>PERFORMANCE OF GLOBALLY MOST VALUED SERVICE BRANDS-AN EMPIRICAL ANALYSIS &amp; REVIEW</b>	<b>121</b>
	- R. Satyanarayana	
21	<b>SERVICE STRATEGIES OF LOW COST AIRLINES: A REVIEW</b>	<b>128</b>
	- S. Manikanta	
22	<b>INCREDIBLE INDIA – THE NEW MANTRA OF INDIAN TOURISM</b>	<b>134</b>
	- T.N.Nirmala Rani and	
	- K.Soujanya	
23	<b>ADVERTISING SERVICES MARKETING</b>	<b>143</b>
	- Kiran Challa	
24	<b>MARKETING OF SUPPLY CHAIN MANAGEMENT FOR B-SCHOOLS</b>	<b>151</b>
	- Prof.M.S.Narayana	
	- S. Sivasankara Rao	
	- K.P. Kaushik and	
	- B. Amarnath Reddy	