

BDP ENVIRONMENT DESIGN GUIDE

Marketing Ecologically Sustainable Design Skills

David Brown

This paper, Gen 5, was originally published in May 1995. It has now been fully reviewed by the author and republished to reflect updates to the topic since original publication.

Summary of

Actions towards Sustainable Outcomes

Environmental Issues/Principal Impacts

- Most design professionals now understand the value of minimising the short and long term consumption and contamination of non-renewable resources. Their growing skills are now applied as much to new buildings as they are to adaptive reuse, urban development and urban design projects. Positive responses to the relationship between clients, building users, the broader community and the natural environment remain fundamental to a practice's success.
- An increasingly aware and responsive market expects that ecologically sustainable design skills will be applied as a matter of course. The practice's challenge is to identify, promote and maintain a distinctive competitive edge to deliver measurable results that benefit its clients and future generations.
- Recent amendments to the Building Code of Australia (Energy Efficiency Provisions 2005, 2006) require all new work (residential and commercial) to provide a minimum energy performance standard that achieves a nominal level of energy efficiency. Additionally there are an increasing number of requirements by local and state authorities to meet environmental standards. A practice must understand these requirements and assist its clients to interpret value and achieve these requirements.
- A practice's competitive strengths, and marketing opportunities, can emerge from being able to go beyond energy efficiency. The recent BCA amendments are minimum practice requirements and ecologically sustainable design should go beyond mandatory minimums. For example, the BCA does not set standards for such things as indoor air quality, materials selection, renewable energy sources and resource efficiency.

Basic Strategies

In many design situations, boundaries and constraints limit the application of cutting EDGe actions. In these circumstances, designers should at least consider the following:

- To enjoy the financial and emotional rewards of success, a practice must understand how it fits into the industry and then plan how best to identify, promote and maintain a distinctive competitive edge in ecologically sustainable design.
- A practice marketing plan should aim to overcome internal weaknesses and build on internal strengths, so its efforts to build its competitive edge are credible and valued by clients and other stakeholders. A marketing plan must also acknowledge the political, social and economic trends that impact on the building industry, the business environment and, as a consequence, the practice.
- In essence, a marketing plan must answer five questions. Firstly, where are we now? Secondly, where do we want to be? Thirdly, how are we going to get there? Fourthly, when do we want to be there? And, finally, how much will it cost (if anything)?
- Careful, honest and long term management of a practice's market image must be supported by continually improving its knowledge, commercially sound innovation, exceptional service delivery and a belief that the built outcome is not great until the budget is met, all the stakeholders satisfied and an environmentally sound legacy is left to the future.

Cutting EDGe Strategies

- Cutting edge practices are achieving their ideological objectives by creatively using their design skills and partnering with their clients to add value at all stages of a project. These practices do not regard each project as a transaction forgotten on completion. Instead, they build successful long-term client relationships and maintain the highest standards of professional conduct.
- Satisfied clients, users and stakeholders voluntarily and enthusiastically promote these leading edge practices so their formal marketing costs are minimised or eliminated.
- The principle of creating enduring relationships extends to the treatment of practice staff. They are treated as a prized resource. Continuing education to improve both personal and practice skills and knowledge in ecologically sustainable design must be actively encouraged and facilitated by the practice.

Synergies and References

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Building design professionals are committed to enhancing the quality and sustainability of the natural and built environments. This commitment reinforces the need for architects and other building design professionals to consider the long term social and environmental impacts of their design decisions. It should also be regarded as an opportunity for them to establish new competitive advantages in the building industry. This note provides an overview of marketing, how a practice might identify the opportunities for its skills, the steps to be taken in developing a Marketing Plan, and some of the useful tools for communicating its ecologically sustainable design skills.

1.0 Introduction

The competitive advantages of a practice are developed through a business planning process and communicated through a marketing program. This involves objectively establishing strengths and weaknesses, and client needs, across all facets of the practice's operations. Opportunities for using established and demonstrable practice skills can then be identified and assessed against threats from competitors or the business environment generally (or a firm's own ignorance). Ecologically sustainable design is one of these skills now expected to be applied in all work.

Communicating and promoting practice advantages to potential clients can take many forms. Traditional *selling* is only one and probably the least efficient. The marketing process requires a practice to carefully identify the potential clients who desire similar outcomes and respect the skills applied to their achievement. People in the practice must also be comfortable with the communication tools to be used. Like everything else in marketing it is a matter of carefully fitting practice skills to market needs.

As ecologically sustainable design can encompass a multitude of specialities and client types, the approach taken here focuses on general principles rather than specifics. Individual practices will need to identify, from an objective analysis of their strengths and weakness, the business environment and their potential client base, the strategies and tools fitting their capabilities.

Architects who identify in their potential clients a high level of environmental awareness must, however, be careful not to promote skills they do not have. The difference between promises and reality can be extremely damaging to both the profession and the practice. Part of a marketing plan must therefore consider the need for internal skill development or the acquisition of new qualified staff. The establishment and use of a collaborative network of other practices and professionals with compatible or supplementary ecologically sustainable design skills can be an attractive and flexible alternative.

Successful marketing of ecologically sustainable design skills has two benefits. Firstly, it helps architects fulfil a practice's ethical and moral obligation to promote and deliver environmentally sound solutions. Secondly, it positions it in an increasingly important market.

1.1 Marketing Defined

Peter Drucker (1979) says of marketing:

The aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits and sells itself. Ideally, marketing should result in a customer who is ready to buy.

Drucker defines marketing the building of bridges between a company and the complex, constantly changing needs of its customers.

Marketing, in this context, is clearly not *selling*. It should be seen as the way a practice with specialist knowledge can match its experience and resources with the needs of its clients. In the context of ecologically sustainable design, examples of specialist knowledge could include:

- physical implications of environmental legislation
- green materials
- energy auditing and energy management technology
- waste treatment
- energy efficient design techniques

Effective marketing will allow practices with ecologically sustainable design expertise to establish leadership positions in markets where their skills are increasingly in demand. For others, marketing will help identify where skills need to be improved and more effective services delivered to clients conscious of their environmental responsibilities.

1.2 Environmental Claims in Marketing

In all their marketing efforts, practices should be aware that environmental claims are subject to the Trade Practices Act and Fair Trading Acts which both prohibit misleading or deceptive conduct and specific false or misleading representations. Care should be taken to ensure that any marketing campaign does not make false or misleading environmental claims (see box).

Clearly, there are advantages for firms wishing to market their ecologically sustainable design skills. However, the ethical and legal responsibilities need to be carefully considered. In other words, do not make environmental claims you cannot substantiate and do not promote ecologically sustainable design skills and knowledge which you do not possess.

Guidelines for Environmental Claims

The Trade Practices Commission has established guidelines regarding environmental claims in marketing. Those relevant to architectural practices include:

Unqualified general statements: Avoid using terms such as 'environmentally friendly' or 'environmentally safe' or 'green' as very few products or services could justify a claim that they are totally free of adverse environmental impacts. In addition, these terms will do little to assist a client in making an informed purchasing decision.

Be specific: Environmental claims should refer to specific products and services and explain the benefit (and its significance) using language the average person understands (avoid archi-eco-speak).

Real benefits: The environmental benefit must be real, relevant and not overstated.

Scientific or technical terms: If the target audience lacks a degree of scientific sophistication, scientific and technical terms and symbols should not be used unless they are accompanied by a clear and accurate statement of their meaning.

Effect on performance: Sometimes enhancing the environmental benefits of a product may involve a trade-off which results in some loss of performance – consumers should be informed of this effect.

Product recycling: Claims about the use of recycled materials should differentiate between products made from recycled materials and others, such as materials made from reclaimed waste. Claims about the recyclability of a product should not be made if consumers do not have access to facilities to handle that product.

Endorsements: The Trade Practices Commission warns that where a private organisation is commissioned to assess a product or service for the purposes of endorsement, the following should apply:

- the awarding company should be independent;
- the evaluation process should be no less rigorous or relevant than implied in the promotion of the endorsement;
- the endorsement should not be represented as an official endorsement; and
- the endorsement should be limited to the terms of the evaluation process.

Adapted from: Trade Practices Commission 1992, *Environmental Claims for Marketing – a guideline*, TPC, Canberra.

2.0 The Practice and its Business Environment

To find the most profitable opportunities for its skills, a practice must understand how it fits into the industry and plan how best to exploit its skills. Planning should involve everyone in the practice so they understand and own a plan. If the underlying vision of the plan is not shared, its objectives will not be achieved.

2.1 Identifying Strengths and Weaknesses

Obviously, a practice should pursue marketing strategies which build on its strengths in ecologically sustainable design and avoid, or overcome, its weaknesses. A starting point is to objectively analyse the strengths and weaknesses of the practice, in particular:

- reputation, image, skills and quality of service as it is perceived by the potential clients who might have a need for specialist skills in the many environmental issues companies, and even other architects, need to face
- promotions, communications and project control procedures and their relevance and value to potential clients of the practice
- current financial position and the value of its accounting system as a source of management information
- employee productivity, management skills and technical knowledge of environmental legislation, design trends, materials and energy efficiency
- relationships with external consultants and suppliers who might become part of a network capable of delivering exceptional levels of service and knowledge to potential clients

A marketing plan should aim to overcome any weaknesses that may jeopardise efforts to build a reputation for skills in ecologically sustainable design.

2.2 Identifying Opportunities and Threats

Professional judgement must be used to define threats and opportunities, enabling attention to be focussed on the highest priorities. These priorities need to be carefully related to the practice's internal strengths and weaknesses.

An effective, successful practice must have a close fit with its external business environment. While few elements of the external environment can be controlled, trends outside the practice will be seen as threats, others as opportunities.

- A *threat* is an unfavourable trend which, if ignored, could lead to problems.
- An *opportunity* is a favourable trend which, if acted upon, could improve practice performance.

For example, ignorance of, or non-compliance with, environmental legislation will create a threat, through negligence actions or penalties. For practices that understand such legislation, and can competently advise their clients on its design implications, a great opportunity exists to benefit from their skills.

Assessment of the opportunities and threats should take into account the political, social and economic trends that will have an impact on legislation, the community, the building industry and the business environment generally.

2.3 Practice Competitive Advantages

Competitive advantage is the *value* a practice's clients believe, or know, they will receive from its services and skills. It is therefore the principal means by which a practice differentiates itself from its competitors.

There are three basic approaches to developing a competitive advantage. A practice:

- can have a *cost advantage* by having lower costs than its competitors and remaining profitable
- can *differentiate* itself from its competitors if it has unique skills and services which are valued by its clients
- can find a specialised *niche* in the market and focus on the specific needs of clients to achieve a leadership position

Skills in ecologically sustainable design are a point of difference but need to be considered in terms of their real value to potential clients and an increasing level of similar skills in the profession. More competitors are emerging as architects, and others, identify specific client needs their skills can meet. The market for energy efficient housing, providing consultancy services to other architects, or advising local government on environmental issues, are examples of market niches.

Competitive advantages are formulated after examining the size and potential of a particular market segment, competitors working in the segment and the skills and experience of the practice.

2.4 Determining Objectives

Objectives are what the practice wants to achieve. They need to:

- be clearly defined, quantified and time related, as well as attainable, motivating and challenging
- take into account the expectations of all those people who have an interest in the practice, not just the principals and employees
- recognise the financial capabilities of the practice
- give priority to opportunities appropriate to the practice's skills

Objectives should cover:

- key financial indicators such as profitability, productivity or efficiency
- skills and services to be provided to potential clients
- building types or projects to be undertaken and the clients who commission the type of work the practice wants
- working methods and systems necessary for the objectives to be achieved

Poorly defined objectives will be characterised by short-term shifts and ad hoc decision making. A lack of clear directions will seriously diminish the likelihood of success of any marketing strategy.

2.5 Developing Marketing Strategies and Action Plans

Strategies express how objectives are to be achieved. They should indicate how the services to be offered to specific client groups will be delivered and how each will benefit both the practice and its clients.

A strategy is useless if it is not translated into action. Actions required include:

- key tasks to be undertaken, priorities, responsibilities and monitoring and evaluation systems must be thought through
- the necessary financial, technical and human resources should be identified and developed
- a detailed schedule of activities should be created

2.6 Monitoring and Evaluation

The business environment is turbulent so it is highly likely adjustments to a marketing plan will be needed to maximise the chance of meeting its objectives. It is wise, therefore, to review marketing plans on a regular basis, once a year at a minimum. Reviews will help the practice make decisions about which services and market segments to drop, the promotion activities to change, the training programs to be developed and the personnel to be rewarded for outstanding effort.

3.0 Promoting the Practice

Marketing an architectural practice with ecologically sustainable design demands more than just knowledge, innovative approaches and the delivery of exceptional service. A practice must also manage its *image* in the market and control, as much as possible, the messages received by potential clients. Promotional activities must have a consistent theme and language. They must clearly explain the benefits clients will obtain. They must also be carefully targeted to maximise their effectiveness.

3.1 Promotion Objectives

Promotion activities should aim to create an image of credibility, responsibility and acceptance for the practice while recognising that new business will rarely be a direct result.

The general objectives of promotional activities are to:

- build awareness of, and interest in, the practice and its services
- differentiate the practice from competitors
- communicate and exemplify benefits clients obtain from the services
- build and maintain the overall image and reputation of the practice and individual employees

In establishing promotional programs it should be recognised that a large or diverse market is expensive to reach. Knowing the market and carefully targeting promotional activity to individuals, selected organisations or an industry group is therefore critical.

3.2 Indirect Promotions

The indirect promotion techniques outlined below can make selling more effective and rewarding and can help establish a practice, or its principals, as an authority in specific areas of ecologically sustainable design. They become far easier when the speaker or writer has an intimate knowledge of the subject matter and can communicate it with enthusiasm.

Environmental commitment and genuine participation in local environmental events and membership of environmental action groups demonstrates a personal commitment and practical expression of an environmental ethic. It provides valuable opportunities for networking with individuals and groups with a common interest and an appreciation of ecologically sustainable design. Of course, participation in these groups for the wrong or insincere reasons can be counterproductive.

Speaking opportunities are one of the most effective ways to inform or attract potential clients. Prospective clients can be impressed with a good performance long after they have forgotten what was said or written, what they recall, or who did the speaking or writing. If you have the knowledge and expertise, make yourself available to give professional comment on issues raised in the local media, or to address local environmental organisations.

Civic and professional organisations, through membership alone, are an opportunity to contact potential clients and increase knowledge about current trends, applications and strategies.

Newsletters are effective, high level marketing devices, providing the news is relevant and highly interesting to the reader.

Publishing articles provides valuable exposure and recognition, however articles must be placed with the right periodicals or papers. Consider submitting articles or case studies to specialist environmental journals and magazines.

Letters to the editor in appropriate newspapers and journals have far more impact than people think. Enter into debate on local environmental or planning issues.

Publicity is essentially an exercise in *image management*. A good publicity program aims to project the desired image to both the general public and potential clients. As with other elements of a marketing plan, publicity objectives must be identified, results measured, resources allocated and the program implemented in a planned manner. Target audiences should be specified and each communication should be in language they will understand, and feel comfortable with.

These techniques establish a personal, professional relationship – they obtain some basic knowledge of the practice and its area of expertise. This helps reduce the fears about a practice potential clients may have when contacted cold.

The key to successful indirect promotions is to ensure the right decision-makers receive the messages. Substantiate any claims made, particularly about specialist ecologically sustainable design skills, to ensure that the publicity generated about the practice is positive.

3.3 Direct Promotions

The effectiveness of indirect low cost marketing techniques may tempt a practice to ignore direct promotional techniques. These include direct mail, brochures, advertising and other types of direct promotion and all have their place in a marketing plan.

The use of ecologically sustainable products and practices in a publicity campaign can be an important message in itself.

Direct mail can be a letter, brochure, newsletter or a copy of an article written by a practice. The message must get to the right people and the information must be relevant to their needs or interests.

Advertising is paid space in the media. It is expensive and may not be cost effective when compared to the free media space and publicity achieved through a successful public relations campaign.

The office brochure goes to the essence of the practice, and needs to show both design abilities and business reliability to prospective clients. It is the accepted way of communicating information by making the prospective client aware of the practice's existence, its work and services, and the benefits clients obtain from those services.

Visual communication aids can be more effective in a number of situations. However, many clients are sceptical about elaborate productions and prefer face-to-face communications.

Architectural practice almost always involves individualised selling to convert potential clients into fee paying ones. Promotion activity is therefore designed to create an inquiry, not a sale.

4.0 Personal Selling

A number of techniques make selling more comfortable, less of *hype* and more likely to be done. They include:

- maintaining and demonstrating *high standards* of professional conduct and performing in an honest, friendly and patient manner because clients who receive extraordinary standards of service remember and make recommendations to others
- taking opportunities to *inform clients* of work that demonstrates practice skills and experience but they may not be using
- taking opportunities to *question clients* and demonstrate a keen interest in their interests and activities
- *rewarding and encouraging* the effort of employees

Considerable personal control, discipline and awareness are needed. It requires time to be spent reviewing marketing strategies, planning calls, rehearsing presentations and approaching personal selling in an effective manner. Luck is not a substitute for a sustained, controlled effort.

Marketing *hype* and an insincere or superficial manner may be inconsistent with promotion based on an

environmental ethic. Be aware of the values, ethics and personal attributes clients often associate with the promotion of environmental qualities.

4.1 Understanding Client Needs

Understanding client needs and determining the services needed for their satisfaction is critical to the development of a successful marketing strategy. A practice seeking to clearly understand client needs in ecologically sustainable design should ask the following questions:

- What challenges are faced by individuals and organisations seeking to be more responsive to the issues of ecological and social sustainability?
- What services and skills are needed to meet these challenges?
- Does the practice have a demonstrable record and leading edge experience appropriate to these challenges?
- When are these services likely to be needed?
- What is the likely value of any potential project and how will it be funded?
- Who might be competing for the project?
- Who makes the decisions and who will they listen to?
- What are the likely goals, constraints and opportunities for prospective clients – from their point of view?

At issue is how to locate and contact the decision makers and demonstrate that the practice understands their needs, has the right skills and has competitive advantages that benefit prospective clients.

A study of consumer behaviour in relation to the adoption of energy efficient appliances expected the target market to consist of young, family-oriented, media-conscious professionals (Corkindale, 1995). Instead, it found *behaviour* rather than *demographics* better predicted likely adopters of these products. They already owned energy-efficient appliances, practiced conservationist behaviours, such as composting, belonged to organisations, such as the Australian Conservation Foundation and Greenpeace and watched science-related programs. While this study relates to appliances, it provides some clues to assist in identifying the target market mindset for *ecologically sustainable* architectural services.

4.2 Communications Skills

4.2.1 Written Communication

The written word is used to convince others to agree to, support or buy ideas, beliefs, products or services. Written communications, particularly letters, can be a powerful marketing tool for a practice. Letters should be clear and concise, and should target the client's needs (and the benefits they will receive). Proposals should also be clear and concise and should articulate the problems critical to the client – linking client needs to practice capabilities on issues the client sees as relevant.

4.2.2 Interpersonal Communication

Communication is a two way process which occurs when an idea transferred from one person is understood by another. Communications can be improved by helping the listener – organising the message, visual aids etc – listening effectively, questioning, and seeking feedback to confirm the message.

The most critical part of *personal selling* communications – indeed the most critical part of marketing – is to ensure the client or prospective client understands the benefits they will obtain from a practice's services.

4.3 Client Education as a Marketing Tool

For practices seeking a market for ecologically sustainable design skills, it is not only a matter of identifying clients willing to utilise these skills – willing clients can also be created through education. Practitioners can apply their specialist knowledge and skills to increasing client awareness and understanding of ecologically sustainable design, and the environmental, social and economic benefits of this approach for the client and the wider community.

5.0 Conclusion

Marketing is not a *hard sell* of practice skills. It is all about understanding client needs and building strong relationships that directly or indirectly generate work.

To do this consistently requires accurate information. A practice has to research constantly, continually learn and listen to the people who are, or some day will be, its clients. This knowledge enables services to be tailored to meet specific needs and the benefits to be communicated in language the market understands.

Understanding what motivates clients gives a practice the ability to drive itself towards them. They will not come to the practice voluntarily – they have too much choice in a competitive environment. Their decision will depend almost entirely on:

- the practice's understanding of clients' physical, emotional and financial needs
- whether its services offer the greatest reduction of uncertainty in what is, to most clients, an uncertain and anxious time
- the professionalism the practice and its people demonstrates

Ultimately, the best marketing technique is to provide a standard of service that exceeds the expectations of every client. Satisfied clients mean repeat and referral business.

There are no quick fixes or easy paths in a client-driven, market-oriented, service-driven world. The planning and development of better marketing practices takes time and can cost money. But, if the investment is not made, practices with skills in the many aspects of ecologically sustainable design will not realise their full potential.

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Biography

David Brown FRAIA is an architect with over 25 years experience in marketing and how it can be used to improve business performance. His company, Wentworth Brown Pty Ltd, provides marketing and business planning consultancy services to the building industry. He is now a Project Director in the Urban Development and Property Division of APP Corporation, one of Australia's leading project management organisations.

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