



Clients Pressuring You on Fees? Get the Value You Deserve

By John Doerr, Contributing Editor

I just had the most disturbing conversation with one of the CEOs with whom I work.

CEO: "Our largest client just told us that they want a 20% cut in our fees."

[Communicate the Value of Your Services to Clients](#)

Me: "What services don't they want you to provide anymore?"

[Breakthrough Strategies for Developing Clients for Life](#)

CEO: "Oh, they still want everything we've always done. Just for less money."

[How to Communicate the Value of Your Services](#)

Me: "So, let's figure out the strategy to deal with this."

[Inviting Prospects In: How to Provide Value and Build Trust in the Sales Cycle](#)

CEO: "Ah, a little late. I already told them we would do it. But once the economy bounces back..."

Random act of seller-on-buyer violence? I think not. This frightening trend has exploded into a full-fledged social epidemic. But why?

Maybe it is because so many professional services firms are struggling for new clients or simply trying to hang on to existing ones. Maybe it is a seismic shift in the dynamics of the client/service provider power matrix (i.e., the economy). Or maybe we have all lost confidence in the true value we provide for our clients. Whatever the case, we shouldn't allow it to come down to this humorous (yet, sadly, very close to the mark for professional service firms) depiction I came across recently:

Developing New Client Relationships

There is no such thing as a first-time, low-ball, trial price that ever becomes a higher fee. If you want to get the value you deserve, start by asking yourself a few questions:

- Is this the right client? Will they appreciate the value we provide? Do I really want them as a client?
- If so, do I truly know what is of value to this prospect? Did I listen?
- Have I done the best job I can in articulating and demonstrating the value the prospect will receive?
- Did I discover how important this assignment is to the prospect and his company? In other words, do I know the impact of this assignment on the prospect?
- And last, but not least, do we (everyone in our firm) understand and believe that we do provide a service that offers more value to our clients? Can each of us articulate it? Are we really selling the filet or just tacos? After all, it is just cow, right? (Watch the video.)

Maintaining Existing Clients

Unfortunately, we too often take existing clients for granted. We assume that because we have worked with them for months or even years, they understand the value we provide. But ask yourself:

- Do I truly know what my client thinks of the value I provide to him? When was the last time I asked? Is there a legitimate service hiccup?
- Have I sat down with my client to walk through what we are doing? Have I made it clear how we are adding value?
- Is there a missing man (CEO, CIO, CFO) who is looking only at my invoices and does not feel or see my value? How can I be certain he is getting the full picture before fees show up on his desk?
- Is there a new dynamic that has developed since I began working with the client, e.g. a new, cheaper competitor?
- Am I doing only the work that needs to be done? Are there activities, tasks, or parts of the project that made sense three months ago, but no longer are what is best for the client?

In the end, whether we are talking about a new client or an existing one, it all comes down to this: "If I were the client, would I pay my fees based on the value I am providing?"

I sure hope so.

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