



## CHALLENGERS IN CONSTRUCTION

# What can construction marketers learn from technology?



# EXECUTIVE SUMMARY

What does it mean to be a challenger in a slow-moving industry? This is one of the questions JPC set out to answer recently through our own independent research and consultation with a number of industry leaders across the technology, transportation and construction industries, with specific focus on the construction industry. What we found was that while change – like productivity – is slow-moving, construction is one of the industries with the greatest potential for change right now.

And a clear path to the future has emerged, one which draws on perspectives from inside and out of the industry and is based around three core pillars:

## 1. The importance of partnership

Gone are the days of the straightforward supply chain - today's construction businesses need to invest in the creation of supportive partner ecosystems or risk lacking the agility and potential for innovation that today's customers demand.

## 2. Smart marketing

In a world where smart buildings and smart cities are the product of the future, you need to be smart about your sales and marketing too. From learning to apply targeted approaches like ABM (Account Based Marketing), building an authentic, values based business, to taking evidence-based approaches to innovation, there are a number of frontiers for change.



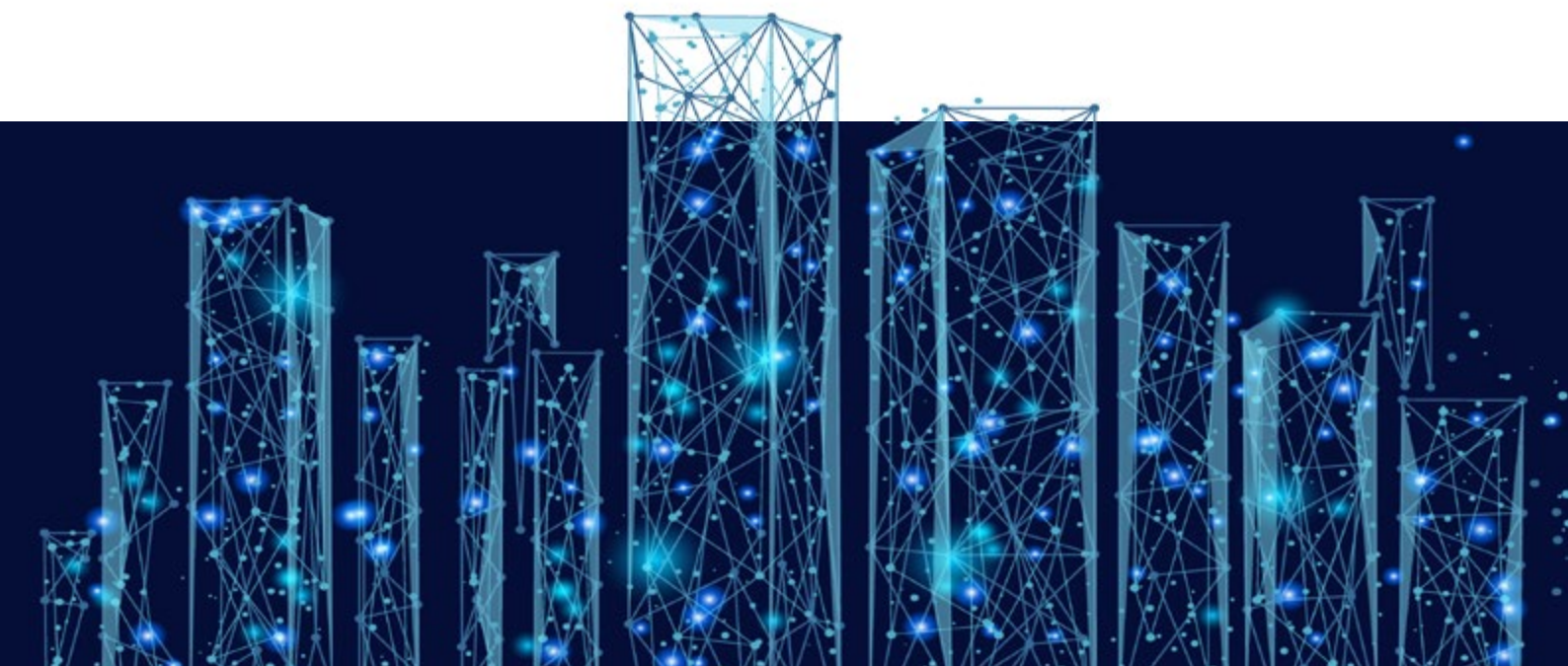
## 3. Experience

Customer experience is no longer optional - it's essential. Rather than building their proposition around costs and products, construction firms need to consider outcomes that are even more closely aligned with the fast evolving end user's needs and aspirations.

**Despite being slow to change, there's no reason for the construction industry to remain on the back foot. Having held back longer than most when it comes to digital transformation, construction firms now have a huge opportunity to take advantage of the learnings of others and leap ahead into a more challenging, future-facing space.**

At the heart of this lie the teams who make up the forward-facing part of every organisation: the sales, marketing, commercial and delivery teams who have their ears to the ground when it comes to understanding the market and customer landscapes as well as end user needs. Because of their forward-looking focus, these teams have a vital role to play in terms of identifying and seizing opportunities to challenge the way things have always been done.

In this white paper, we will explore the implications of digital intelligence for construction companies as well as what it means to be a challenger brand in an industry where the pace is slower and practices more conservative. Drawing on in-depth perspectives from experts around the industry, we look at which aspects of the classic challenger mindset work for businesses in construction. We then examine what sales, marketing and commercial teams within the construction industry can learn from peers in the technology industry. As well as pinpointing where the technology industry excels, we dive into how construction firms can develop and improve their processes for the future and how they can take advantage of key learnings from tech peers to achieve differentiation in a slower-moving market.





► **PART 1.**

# **TRANSFORMING THE CONSTRUCTION LANDSCAPE**



# WELCOME TO THE ERA OF DIGITAL INTELLIGENCE.

The industrial age is over, we are now entering the digital age, the age of the mind. Technology has turned every interaction into an experience: immediate, meaningful and personal, putting pressure on all businesses - but especially those with more tangible offerings - to change the way they take themselves to market and engage with key stakeholders.

Embracing digital intelligence means learning to make more natural connections between tangible deliverables and intelligence-driven consultancy services. This requires a greater focus on evidence-based approaches as well as the experience they deliver to partners, to stakeholders and to end customers.

**Companies like Apple, Google and Amazon have  
PIONEERED SMARTER WAYS  
OF WORKING AND BETTER  
WAYS OF COMMUNICATING  
to set a new standard for businesses across all industries.**



Traditionally, the construction industry has lagged behind when it comes to embracing the digital age - and is missing out on opportunities to work smarter. As Angela Ashworth, Commercial Director, Skanska, says “Our industry can benefit hugely by taking a lead from sectors which have embraced the digital revolution. Construction has an opportunity to greatly increase productivity. Reacting more quickly to change will enable us to catch up with other industries, rather than dragging behind.”

Another key driver construction has been slow to respond to is the ever more complex stakeholder ecosystems involved in most large contracts. Nick Pearce, Strategy Director, JPC says: “Community and stakeholder engagement is a hugely important part of the construction process, but for the most part the execution has been tokenistic. Companies often struggle to reach all the relevant stakeholders or to make them feel they are part of the process and this can lead to problems

and backlash later on.” As the industry as a whole faces the need to engage and consult with an ever more complex ecosystem of stakeholders, the processes around stakeholder management and community engagement need to change. Once again, this is an area where the technology industry has led the way; not only by creating tools that enable greater engagement, but by providing clear models for communication and outreach that make it work.



### **An inappropriate challenge?**

**But is it truly realistic for construction companies to look towards technology for inspiration? At first glance, it might seem not.**

**Technology firms are often positioned as challengers. At its heart, the ethos of the tech challenger is designed for speed and relentless change. It is built around business models that are quick, often delivered in an amortised service model, agile and designed to appeal to venture capitalists at each new funding round.**

This mindset might seem to be at odds with the long-term stability needed to deliver construction projects. However, as the world around them becomes ever more digital, few industries are invulnerable to disruption. A quick glance at many larger, established and more traditional tech infrastructure giants, reveals that even these have found ways to respond to digital transformation. Companies in most sectors have had to in order to remain competitive and relevant in such a fast changing landscape. Construction firms cannot fail to ignore the fact that they too need to become more agile and find new ways of differentiating themselves to achieve competitive advantage.

Nick Pearce says: “Construction has traditionally concerned itself with legacy concepts that speak to stability, with a nod to the future. What’s different now is that they need to combine that stability with vision, innovation and communication. They need to align themselves with society’s preoccupation with what’s new, what’s next and do a lot more to embrace society’s idea of how things will be and how they will feel in the future. Smart buildings, smart cities – technology is changing our expectations forever

in the sense that we now know amazing things are possible and we know the speed at which things can evolve. Even 24 months ago, I didn't quite believe the concept that money as we know it would disappear – but now I do. People want to know how, if you're a construction company, you are driving things forward. They want to know what your position is in the age of digital intelligence and how your construction strategy and ethos is embracing what we know - and all that we still yet don't."

**IN AN INDUSTRY  
WHERE SLOW AND  
STEADY IS NORMAL,  
IT'S EASY NOT TO  
EXPECT CHANGE.**



**Some of the more innovative players in the construction industry are already grasping this need for change as an opportunity, repositioning themselves for this new, smarter reality.**

Skanska itself has built a strong - values based brand in its 'building for a better society' positioning - recognising the importance of creating a connection between its work and the social impact its projects will inevitably leave. Similarly, Mace have repositioned themselves as "Industrial consultancy and construction" partners, placing their business firmly in an entrepreneurial and humanistic space. As this kind of approach becomes the new norm across industries, we may see gaps starting to emerge in a similar way to the technology industry, where early adopters gain a competitive advantage that competitors then struggle to make up.



► **PART 2.**

# LEARNING FROM TECHNOLOGY PEERS





It's no surprise that technology firms are more mature than peers in other industries when it comes to digital transformation – after all, they built the landscape on which it is based. It's easy therefore to dismiss some of their characteristics as transferable to other industries, but we've identified four key learnings that can be applied to achieve equal impact in construction.

## 1. Greater agility

Technology companies are characterised by their agility - fast sprints, rapid times to market and quick results. In contrast, the construction industry is stagnant. While it might sound impressive to say that construction accounts for 13% of world output, according to McKinsey, growth in construction averaged only 1 percent a year over the past two decades, compared with growth of 2.8 percent for the total world economy and 3.6 percent in manufacturing<sup>[1]</sup>. In fact, if construction's productivity growth had matched that of manufacturing in the past 20 years, the world would be \$1.6trn better off each year<sup>[2]</sup>.

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**THE WORLD WOULD BE**

**\$1.6TRN**

**BETTER OFF EACH YEAR**



Angela Ashworth comments: "Our industry needs to be more fleet of foot to avoid missing out on opportunities or exposing ourselves to greater risks. We need to show the value of changing the way of working. The 'if it's not broke don't fix it' mentality is holding the industry back. A big piece of this is the fact that the industry needs to embrace innovation." Change is needed – and increased agility could help drive this and break the cycle of stagnation that grips the industry.

**Agility is not just about focusing the short term either. One of the things technology firms have demonstrated - particularly when it comes to the way they position themselves and build partnerships - is that there is value in knowing when to take the longer term view.**

Jonny Cowlin, Managing Director Integrated Sales EMEA, Experian feels that construction companies could learn a lot by adopting a similarly balanced view: “Construction firms are used to thinking long term in some contexts – for example the way they buy land is extremely long term. What they need to develop is the flexibility to take that long-term approach and apply it to improving things like their supply chain and bid process.”

This advice is especially valid when it comes to thinking about the way they invest in projects as Cowlin goes on to explain: “Construction firms have a tendency to cut short term costs and think they are saving money. But actually if they invested a little bit more in the early stages, it would benefit them later on. I’m thinking specifically of investing in technology infrastructure upfront as part of a build project rather than leaving it until the end. The benefits of that could be huge – extending way beyond marketing to impact the entire business.”

**“Construction has an opportunity to greatly increase productivity. Reacting more quickly to change will enable us to catch up with other industries, rather than dragging behind.”**

Discovering ways to become more efficient and defining the areas that require the most work is built into the fabric of most agile technology companies – but it is something that has only really come to the construction industry in the last few years. Angela Ashworth says: “For a long time, efficiency used to be about prefabrication and pre-build. Firms are now thinking about simplifying processes beyond physical construction, addressing the issues around document control and things like that.” But as with everything, this has proved to be a slow process for many.

Given the significant difference that exists, is there really value in teaching the construction industry to be agile? Gary Sharp, Ex VP of Business Development, BT Global Services and former VP of Global Sales for Brightstar Corporation, sees some clear benefits to a more agile approach: “I can see agility playing a critical role when it comes to bids. Often an RFP is a moment in time for both the customer and the supplier and what finally gets delivered is completely different to what was responded to in the RFP. Being agile in your response empowers you to say ‘This is a framework. We know at this moment in time we haven’t got all the answers, but we are agile enough to deliver what you need even if it isn’t what you think you want now’. You’ve got to give the customer the confidence that you are the right people to work with at that point in time and that you are setting an appropriate framework for that.”

## 2. Value-based marketing

Smarter approaches to marketing are another hallmark of the tech industry - especially in a B2B context. Technology firms have consistently pushed boundaries in this sphere by marketing to an end consumer that is ever more present: more cynical, more demanding, and more outspoken about their needs. Tech firms have responded by creating communities around their businesses based on an understanding of how aligning their core values to customer expectations can contribute to customer experience.

Gary Sharp sees some commonalities with the telecoms industry: “I’ve spent the last 20 years in the telecoms industry and the way we sell and market to customers has turned on its head from a very product-focused approach to becoming more about the adoption and use of a service. It’s about helping customers see the business benefit and appreciate how technology is a differentiator in the way they use those services.”



**This approach has changed the way the telecoms industry engages with customers, helping them forge direct relationships with end users rather than just the IT department.**

This has proved beneficial since end users often have deeper insight into business requirements. Sharp says: “They know exactly what they need - which gives you a better opportunity to deliver it. These days, too, the user has become more tech savvy, so you are engaging with a knowledgeable audience who can appreciate what you have to offer.”

For construction firms, this is still a lesson to be learned. While investments in stakeholder and community engagement programmes are a huge part of their work, end user focus is often absent elsewhere. Jonny Cowlin says: “The construction industry is not currently end customer focused. It’s still concentrated on getting through those build cycles rather than creating an experience, and that can undermine things like the engagement process.” What technology teaches us is that you start with the end user first.

### 3. Better innovation

Innovation is high on every industry's agenda and construction is no different, with McKinsey's MGI Construction Productivity Survey finding that 70% of respondents were planning to increase their adoption of digital technology by 2020<sup>[3]</sup> – a big change, but one that is coming later than in other industries, many of which are deep into their transformation process.

What's more, to really achieve the benefit of their investment in innovation, construction firms need to change their perception of technology from a cost item to an enabler. This is a journey that many industries have already been on over the past decade. For some firms, this process is already under way. Angela Ashworth says: "Digital tech is coming, especially when it comes to planning and modelling processes. Right now, we are mainly looking at how we can use technology as an enabler for that. So, for example, using iPads to integrate with office systems instead of traditional notebooks. This is starting to make things easier and faster for us. Ultimately, our aim is to make our business more agile and integrated when it comes to technology."



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This approach is also transforming the way people work. Angela Ashworth describes how this is happening at Skanska: "We've implemented lots of different technical solutions across our projects and offices to transform how we work. For example, we're using BIM to take construction forward in terms of resource planning, programme management and logistics to reduce cost, deliver quicker and work more safely. We're also using technology such as 3D concrete printing to minimise defects and improve quality, while site surveys are being undertaken by drones to capture greater levels of detail in shorter timeframes."

Having embraced this approach, construction firms can start making the fundamental shifts in positioning that will bring them firmly into the digital age. Nick Pearce feels that technology can help construction firms bring their humanity to the forefront: "Construction is carried out by people - it's an industry that has people embedded in it. And while it's easy to think of technology as something that eradicates people, it can also help to make things more personal through better communication and ways of working, and I think that for construction companies this is where tech can help position them as more human businesses."



## 4. Stronger partnerships

Another area that has seen technology firms set the standard is partnership, with tech giants like Microsoft gaining a reputation for building vast ecosystems of partners with people, processes and innovation at their core. Gary Sharp believes: “In the telecoms industry it’s very common to have partner technology firms embedded into the organisation in a way that means both sides get the best out of the partnership, because that partner understands what is happening within the business they’ve embedded with, but they also get to bring that outside innovation and outside perspective with them.”



While many construction firms - especially in the upper tiers - have the scale to adopt this approach, they frequently lack the mindset. Jonny Cowlin gives his perspective: “One of the issues I’ve observed with partnerships in the construction industry is that they aren’t always meaningful. If you are a big Tier 1 firm and you’re trying to squeeze as much out of those margins as you can, then there are going to be contracts where you are not delivering 99% of the work because it’s cheaper to get lots of small players to do it at a lower cost. But those relationships aren’t strategic. If that is your ecosystem, it becomes difficult to manage quality and to provide accountability when things go wrong. Whereas if you have a carefully curated ecosystem of strategic partners who understand each other, you can be clear about roles and responsibilities and accountability.”

What some firms fail to realise is that partnership also has a bearing on innovation. In many cases, innovation is more likely to come from partners’ products and services as it is to come from purchased technology. In a world that is undergoing such radical and constant change, construction companies need to embrace the ‘flattened thinking’ described by Thomas L. Friedman, author of ‘The World is Flat: The Globalised World’ in the Twenty-First Century, who says “knowledge pools and resources have connected all over the planet, levelling the playing field as never before.” To ensure they are in the same game as everyone else, construction firms would be well-advised to take heed of the benefits of this approach.

► **PART 3.**

# **TRANSFORMING ASPIRATIONS IN THE CONSTRUCTION INDUSTRY**



**Of course, digital transformation is not just about technology - it is about aspiration too. This is a fundamental understanding which businesses across many industries have yet to grasp, leading them to invest in transformational technologies without first addressing the strategy and mindset that lies beneath.**

In general, more established technology firms - think Apple - have proved successful when it comes to radically reframing their approach to the products and services they take to market. Gary Sharp adds: "IT used to be all about features and prices. Over time, providers have had to evolve their way of thinking - and not only rethink how they sell, but also revolutionise how they develop products and influence how their customers buy so that now the focus is on business benefits."

## **What does it mean to be a challenger?**

We all know what a typical tech challenger looks like: informally dressed, fresh out of college and with at least \$1 billion of start up funding in their back pocket. But how does the challenger concept translate to construction? Here's a few examples of firms that are doing things differently.



## **mace**

Mace is one of the few construction companies who act more like a challenger brand. The company has adopted a warm, worldly human-first feel that takes advantage of terminology commonly used in the tech industry to speak to the era of the mind. This is very much in the spirit of technology firms who no longer sell hard drives and component circuits, instead focusing on the benefits derived by end users, whether that is joy, efficiency or ease.

Mace are also offering the personal touch through their consultancy arm, promising services free from bureaucracy with 'easy access to the board' and a large focus on personalisation and flexibility.



BAM Nuttall is taking advantage of strategic partnerships with start-ups<sup>[4]</sup> to infuse fresh perspectives into the industry and build agility into its approach to innovation. One such partnership is with founders of a start-up who have a physics background, not construction. This has enabled experimentation with the use of sensors to gather valuable data and take a more evidence-based approach on the use of concrete. In particular understanding when a desired concrete strength has been reached, which can save valuable time and resource on site. This is a key example of how firms can challenge the way things have always been done by inviting people from outside the industry to develop solutions that disrupt and improve existing processes.



Lendlease demonstrated true innovation in 2007 when they established their not for profit arm - Be Onsite - dedicated to providing training and job opportunities that ultimately lead to sustained employment for some of the hardest to reach groups in society. As an authentic and living embodiment of their inspirational founder Dick Dusseldorp vision on safety, innovation and sustainability, Be Onsite has gone on to win awards for its achievements since its foundation. Continuing the theme of looking forwards, with the help of JPC, Be Onsite are now undergoing a refresh of their brand and value proposition to better personify and humanise their vision of enabling the positive potential of people, in and beyond the communities in which Lendlease builds.

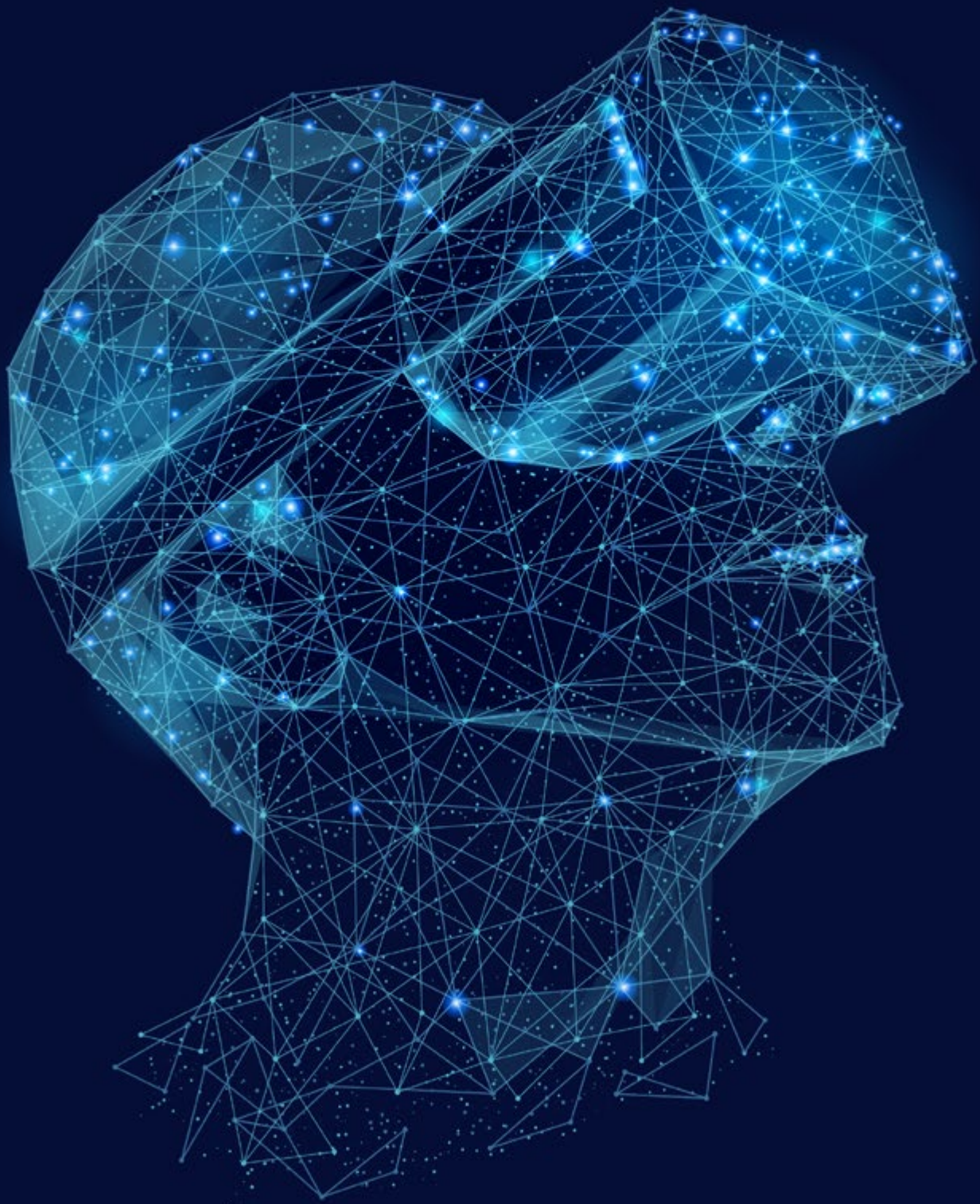
## SKANSKA

Skanska has reacted proactively to the ever increasing visibility of construction projects in the public eye; building a culture that is single mindedly driven by the desire to leave a positive legacy. A brave approach in an industry in which cynicism can be rife and one that therefore demands authenticity, which is why Skanska have carried it through to every individual within their team through their 'We Are Skanska' campaign. A simple, personal approach that brings to life stories through the eyes and mouths of their own people.



► **PART 4.**

# **TRANSFORMING WAYS OF WORKING**



As construction firms start to transform themselves, they can look to other businesses not only for inspiration, but also for support. In this section, we've mapped out the key contributions that commercial, sales and marketing teams can make to help transform the way construction firms operate in key areas.

## **COMMERCIAL TEAMS: EMBEDDING MEANINGFUL PARTNERSHIPS**

As we have already identified, partnership is vital to transformation, and has a core role to play when it comes to driving agility, innovation and, to an extent, experience.

To tap into its value, construction firms will need to make fundamental changes to the way they approach the partner ecosystem. Even the use of terms such as 'supply chains' and 'supplier networks' reveal a clinical, transactional approach to partnership that is unlikely to foster innovation or lend itself to 'flattened earth' thinking.

Commercial teams are best positioned to change this since they are responsible for engaging partners and can influence the value of these crucial relationships. We've identified two vital steps to transforming your supply chain into a shared value ecosystem.

### **1. Invest in your partners**

McKinsey's Global Purchasing Excellence Survey<sup>[5]</sup> ranks the construction industry among the lowest performers and there are clear reasons for this. Rob McGinn, Chief Commercial Officer, Addison Lee, has over 20 years of experience in the tech/telco industry in business development and sales roles, including working as BT's Vice President for Energy and Infrastructure, where he partnered with many of the UK's leading construction firms. His perspective is that construction firms have a lot to learn when it comes to investing in partnerships and tapping into the experience and knowledge those partners have in order to make more informed decisions: "For some larger construction firms, partner relationships are still extremely transactional in their approach - but breaking everything down into line items and quantities of things is not going to get anyone anywhere. In that sort of environment, people often find themselves held back by processes which strip out everything they want to do that has any value."

From Rob McGinn's perspective, this attitude to partnership has a significant effect on firms' ability to deliver for the end customer: "If you focus on cost, you end up in a cycle of very good procurement from the pounds, shillings and pence point of view, but pretty poor in terms of alignment with end customer value."

## SO WHAT MAKES A SUCCESSFUL PARTNERSHIP?

In the context of technology, a successful partnership is often one where partners invest upfront in understanding what each partner brings to the relationship, including the scope of the outcomes they can deliver and the sort of expectations they have. Aligning values is key to this understanding, enabling partners to pull together when difficult moments arise. As Nick Pearce puts it, ‘if your supply chain are often the more visible representation of your brand, then you need to be super clear on your vision and values in order that they understand, trust and align with them - or what you say in your marketing and what is therefore felt by people closest to your projects - will be two very different things.’



## 2. Learn from each other

Rob McGinn says: “A good partnership is one where everyone involved is comfortable sharing the problems they’re facing and working together to define needs and create an end to end solution. And to achieve that, you need a relationship based on trust, because sometimes the only way to achieve a solution that works is for one party to put themselves on the line. And you need a good long-term partnership to empower that.”

Technology is not the only source of inspiration - construction companies can also look to their own ecosystem. Angela Ashworth says: “I think the supply chain companies are really becoming innovative as they have had to move faster to keep up with the rapid pace of change.



This is possibly one of the biggest changes we have to deal with. As an industry, we need to be talking to the companies who have already transformed - we cannot do this on our own. Partnering with organisations within more advanced industries will help us on this journey. We bring together expertise from our global operations and through collaborations with academia and organisations inside and outside the sector. This network has helped us reduce the time and risk involved in innovating.”

## **ARE YOU A BRAND OR A BUSINESS?**

Innovation in the supply chain can be a huge point of difference that construction firms can build on in terms of marketing and positioning as well as product and delivery. This approach to partners could prove vital in helping companies transform from businesses who carry out transactions into inspiring brands with a clear set of values, vision and a track record for delivering outcomes.



## **MARKETING TEAMS: BRINGING INNOVATION TO ENGAGEMENT**

Marketing teams might not seem like the most obvious candidates when it comes to driving transformation – but they have a vital role to play as they - along with your sales people - are the eyes, ears and mouthpiece of the business. One area where this is particularly important is community and stakeholder engagement. Both are vitally important to the success of any construction project, but there are significant opportunities for them to evolve their approach. What’s more, this is an area where marketers generally are taking the lead: according to EpiServer, 80% of marketers plan to take complete control of their companies’ customer experience initiatives over the next two years<sup>[6]</sup>.



## 1. Embrace account based marketing

Account based marketing, a proven laser-focused approach based on communicating with individual prospects or specific customer accounts, is an unknown territory for many construction firms – giving it huge potential as a differentiator. Nick Pearce, says: “Construction companies have traditionally pursued large contracts through complex procurement-led bids, but if you’re taking a more outcome-focused approach you need to start offering high value insights and thought leadership that resonates at a very personal, individual level way in advance of any RFP being issued, to build relationships; particularly when you consider how many more decision makers are involved in the average construction contract. Add to that the cold reality that something like 97% of RFPs are issued with a preferred vendor in mind - and you can see why such a laser focused man-marking approach is so critical. And it works – according to Marketo, nearly 85% of marketers said ABM provided significant benefits to retain and expand existing client relationships<sup>[7]</sup>.

This can be done through longer term marketing programmes tailored directly to meet and satisfy specific stakeholders’ particular points of interest. Crucially, this sort of activity happens a lot earlier on in the sales process - sometimes over a year before an RFP opportunity. Mirroring approaches seen in the tech industry, ABM campaigns are carefully tailored to each decision maker’s vested interest. In simplistic terms, a CCO may like and require visual and data insight, a CFO data and cost benefit analysis and a CEO may want assurance of how the proposal aligns with their vision.

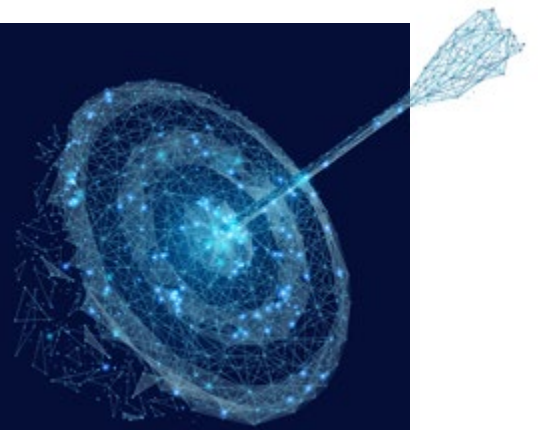


**This user-focused way of thinking equally applies when we look at the seemingly more impersonal world of RFPs. Gary Sharp says: “From a straight marketing point of view, taking a very traditional approach to bids and tenders can make you seem old fashioned and lacking in innovation.”**

Nick Pearce says: “In other industry sectors we have been known to produce different bid formats for different core decision makers based on our insight into what they will respond best to - and ironically while the tech industry may often be regarded as replacing humans, when it comes to sales and marketing it’s very intuitive in how it seeks to nurture and influence decision makers through ABM programmes.” This can even extend into granular detail such as knowing how certain decision makers prefer to consume information, for example CTO’s tend to prefer podcast format over other mediums.

## THE PRICE-LESS APPROACH

To make an ABM approach successful, construction companies must take a step back from price-driven responses to focus on value-driven capabilities. This can include your ability to shape the customer's view of what is coming down the line, or your understanding of what end users' are - and will - demand. Laying out how you as a construction business can answer these considerations is a key technique when it comes to standing out as a brand not a number.



## 2. Be a consultant to your stakeholders

Embracing the role of a challenger means becoming more consultative. And since construction traditionally operates within very complex stakeholder environments, this means developing strategies that encompass the needs of audiences as diverse as councils and other local government organisations as well as the communities, investors and businesses who will take ownership of the eventual space.

Evolving the sales approach to focus on consultation and thought leadership will help construction firms build their reputation for innovation. Gary Sharp says: “The way in which you approach and engage your customers is different if you are focused on innovation. It's very much around a consultative engagement. Fundamentally customers don't want to be sold to, what they want is to be supported and helped and for you to really understand what their opportunities and their challenges are rather than simply trying to sell your product.”

Sharp also sees a clear path for construction firms to become more consultative in the way they bring diverse stakeholders together: “There's huge value in being that third party who has put a process together to really get underneath what it is each stakeholder needs and translate that into a set of requirements that everyone is happy with. Having a partner to do that can also be helpful, they can bring a fresher perspective, perhaps more innovative practices, they can help you apply processes that work to get that experience out.”

Nick Pearce agrees that partnerships are vital here: “The key element of engaging stakeholders is that you need to be highly relevant and engaging.

If you’re a construction company, that’s an important part of your business but it isn’t your core business. And people expect that when you are engaging with them it is going to be personal, it’s got to be tailored to them. Amazon can personalise to the level of knowing which book genres you’re likely to read next and what price you are willing to pay, and this has caused our expectations to rise whether we like it or not. So having a partner on hand where it is their core business to communicate and engage communities and people, where they are committed to building those communities, those relationships for everyone in your stakeholder ecosystem can be invaluable.”

Becoming more innovative in the way they engage audiences and looking beyond traditional surveys and consultation processes plays a huge part. Gary Sharp recommends co-creational approaches: “In the past, I’ve used methods like hot-houses which are very powerful ways of engaging the end users in the process rather than theorising with them. You get unexpected results from trials which you wouldn’t get from market research.”

## THE VALUE OF BEING EARLY

In a price-driven market, the only way to stand out from the crowd is to differentiate on something other than price. As we’ve highlighted 97%<sup>[8]</sup> of bids are issued with preferred partners in mind, and the win rate for those not involved in defining bid requirements is very weak, dropping to between 1-5%<sup>[9]</sup> - which means firms have to engage customers much earlier than they are doing.



## MARKETING TEAMS: EMBRACING THE EXPERIENCE

In a build-focused industry, experience is often left behind. However, as experience becomes ever more intrinsically woven into how people live, work and decide, it is becoming hard for even the most tangible industries to ignore the fact that it must become a part of their business model. And many of the more innovative industries are making it a primary focus. Rob McGinn says:

**“At Addison Lee, our focus is on trying to impact and improve the experience of the end user of our service and product. We spend a lot of time understanding how people are choosing to interact with ground transportation, how can we simplify the process for them to interact with us? It’s about putting the end user experience first rather than the cost per item.”**

Prioritising experience is one thing - but creating them is another, especially when the experience-led mindset is a novelty. For Gary Sharp, the most important step towards creating effective experiences is to start thinking beyond products and sales: “Experience is about helping the customer see beyond the product, so you have to think beyond the product to create that experience. When I worked at BT, we used the innovation showcase environment not to sell things, but to provide thought leadership. You can show the technology anytime, what they’re interested in is the adoption of the technology, how effective it was, how it gave them differentiation. They’re really looking for a form of inspiration and the experience enables that.”

For Nick Pearce, stakeholder and community engagement is where experience really comes into its own to deliver value: “Imagine a future where you can know exactly what your community stakeholders want because you have already taken them there through virtual technology. You can then build in the confidence that you have a solid mandate from the community and all stakeholder groups. That’s the kind of experience construction firms should be aiming for - one where you have reached everyone, captured their views, offered them the virtual experience and are co-building in real time with the end users’ changing needs continually at the very heart of the development.”



Seemingly futuristic experiences like this are already in the pipeline, with tools like CityZenith's SmartWorld simulator leading the way with a digital 'twin city' that allows planners, designers and engineers to experience in an instance the real impact of small changes in even just one aspect of their proposed design or approach.

## **SALES TEAMS: MORE EXPERIENCE, LESS PRODUCT**

An area that cannot fail to be affected by the move towards experience is sales. Once experience comes into the equation, a sales process based around products and costs start to feel old fashioned and out of place whilst tailored, specific outcomes become more the norm. Here are two ways that sales teams can ensure they stay relevant.



### **1. Aligning with the end user**

Gary Sharp can already see construction having to take a more end user focused approach: "In the construction business it is getting closer to the end user, the way in which the building is going to be used in to whether that's a residential or business building, they might look at the overall service of the building rather than simply the cost of the bricks and the mortar and the time to build it. And ultimately, the more you understand how that space is going to be used, the more you're likely be able to design and get the right service/solution first time."

Aligning with end users in this way can be a challenge. Gathering customer requirements isn't always easy - especially since not every customer knows how to articulate them. Increasingly, players in more innovative industries are addressing this challenge by looking at requirements through the eyes of the end customer and bringing these to life through techniques such as Day in the Life scenarios. Even things as simple as using the customer's own language to show an understanding of the world their customers inhabit can help them to think a different way.

This more flexible approach is pushing the boundaries of the traditional buying and selling relationship. Rob McGinn says: “From a customer point of view it comes back to the good old fashioned sales cycle... engaging with customers before they enter a decision making process, investing in customers before they start making decisions, giving them resource and insight, having conversations with customers where you are giving them some value.

Giving them stuff that is going to help them make the right decision that they won't get from anyone else is the most valuable thing you can do in the current environment, perhaps developing some unique data to share with these customers and building that trust.”

## 2. Teaching the customer how to buy

**The most common barrier to winning business is more often than not cited as cost. That is a given. Or is it?**

As Nick Pearce pointed out “Price is given as the single reason on 50% of losing bids, yet on only 30% of winning bids - so 70% of successful bids are for reasons other than cost”. And it is via these ‘other’ areas that companies can leverage to educate, inspire, excite, and challenge existing thinking, adding value to both the procurement process and greater insight into who, and what, to ‘buy’.

Rob McGinn admits that things are difficult in the industry because of the way in which people traditionally buy construction services. He suggests that construction firms can play a bigger role in influencing how their customers buy: “A lot of people don't know how to buy. So some of the onus falls on the person doing the selling, firstly to have done the background work so they know they have something that is relevant to that user or business and also to communicate that to them.”



► **PART 5.**

# **CONSTRUCTING FOR A DIGITALLY- FOCUSED FUTURE**



## So why is now the right moment for construction firms to be looking to technology? To start with, disruption is already on its way.

Gary Sharp says: “Technology is becoming a positive disruptor in the market right across the whole value chain of construction and back to the supplies right at the start, right the way through to the user coming into the building/the homeowner coming into their home... it’s very exciting but also very challenging for the construction industry and they have to get ready for it.”

5G is poised to change the way in which construction firms engage with and sell to their customers completely, bringing with it the ability to bring the end customer much closer to the build and design process. Jonny Cowlin feels this will be a turning point for the industry: “5G will be game changing for construction. It will speed up their working processes and change the long process of walking around on site, the updating and changing drawings with experts from headquarters. With 5G that sort of work can happen on the fly - and it will become more of an experience.”

Beyond this, Rob McGinn sees an opportunity for construction companies to solve one of their most enduring problems and derive real direct commercial benefit:



“One of the biggest opportunities I see here - and one which is absolutely vital to the construction industry is retention of margin. If you can demonstrate value and return to the customer, then you can sell at a price that makes sense to you and retain your amount margin, reducing risk.”

Not to mention that by taking this approach you gain a better appreciation of where your business can be successful, where you’re making a difference and where your value lies.”

From Nick Pearce’s perspective, construction companies should already be thinking ahead to the next phase: “What we’re talking about in terms of learning from technology is really a matter of getting up to speed with other industries. And the next step is to start taking more of a lead by embracing change, innovation and putting it at the heart of a construction company’s proposition and offer. There are so many ‘opportunities’ and ‘firsts’ to be grabbed when industries are disrupted by a new era such as technology, and it is a land-grab that is happening now”. Many construction firms are doing significant and groundbreaking work in key areas of interest such as sustainability, environmental safety and modular design. In an outcome-focused, communication-led future for construction industries, these are achievements that could be ‘grabbed’ and harnessed to help them better communicate and differentiate themselves to set new standards that other industries - perhaps even technology - may one day wish to follow.





## ▶ PART 6. JPC

JPC is a strategic B2B marketing and creative communications agency, specialising in helping complex global organisations to identify, pursue and win major contracts, and also to win hearts and minds through powerful community and audience engagement programmes.



**80%**  
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**20  
YEARS**  
proven track  
record in winning  
bids & tenders



**£1.5<sub>B</sub>**  
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Please contact [Claire Ellis](#) or visit [www.thinkjpc.com](http://www.thinkjpc.com) for more information.



## ▶ PART 7.

# ABOUT THE CONTRIBUTORS



**Nick Pearce**  
Co-founder and Strategy Director, JPC

A highly experienced and capable B2B communications expert.

Business owner, brand strategist and - most importantly - a contrarian challenger, Nick draws on more than 20 years' experience to bring audiences fresh, new perspectives on business strategy, ABM, business/brand re-positioning, and disruptive high value Bid/Deal pursuit. All underpinned by his restless nature to search for the compelling competitive advantage on behalf of his clients. Nick works with the likes of Experian, Battersea Power Station, Tata Communications, Dimension Data, Lendlease, Shaftesbury plc, BT, Addison Lee, PA Consulting and Brightstar. Nick is also co-founder of the award-winning UGLI business campus in White City, West London - a partnership with Imperial University and BBC.



## **Robert McGinn**

**Chief Commercial Officer, Addison Lee Group**

Robert joined Addison Lee in 2016 from Experian where he held the position of Sales Director for EMEA. During his time at Experian, Robert returned the region to top-line growth with revenues of over \$200m. Prior to this role, Robert worked in senior strategic commercial roles for BT Global Services and Verizon.

An experienced commercial leader with a strong track record in delivering revenue growth and organisational change. Robert creates high-performance environments by managing stakeholders, engaging teams, simplifying processes and developing timely, relevant customer propositions.

Innovating process and aligning teams to prioritise revenue growth levers: win more business, reduce sales cycle time, improve client retention and profitable participation and exploit new markets.



## **Jonny Cowlin**

**Commercial Director, Experian**

Jonny Cowlin joined Experian as their EMEA Commercial Director in 2016, in this role he leads the sales and commercial functions across the region which spans 11 major markets and over 25 countries. Jonny's responsibility includes the go to market strategy, accelerating business growth and driving higher levels of service experience for Experian's clients in the EMEA region.

Jonny has 18 years of global sales and commercial experience having worked for companies such as Orange Business Services, AT&T Global Business and BT Global Services. Most recently he served in BTGS as Vice-President – Energy, Infrastructure & Manufacturing.



## **Gary Sharp**

**Business Development & Sales Transformation Specialist**

Gary Sharp is an innovation-led market disruptor with a long history of developing disruptive 'go to market strategies' that reverse traditional product centric channel models to focus on end user experience.

With over 20 years sales leadership experience in the global IT market, his experience

spans market leaders in the UK, US, Asia and Europe and includes transforming market strategies for businesses exceeding targets of £1bn contract value in the Telecoms sector. He is adept at driving growth in new customers and existing accounts using innovation, developing market winning sector propositions.



**Angela Ashworth**  
Commercial Director, Skanska

A RICS chartered Quantity Surveyor, Angela is a highly respected Commercial Director who has worked on a number of prestige construction projects. In the past fifteen years, she has worked on Chelsea's Imperial Wharf development, managed the close-out on the Candy Brothers' super-prime residential projects and spent seven years with main contractor Knight Harwood. In the past four years at Skanska, Angela has led the Commercial and Procurement teams on projects like the £1.5B Battersea Power Station Phase 2.

From luxury apartments to commercial, retail, leisure and boutique hotels, she has built a reputation for financial discipline and for achieving positive consensus and collaborative partnership through lasting relationships across stakeholder communities, including clients, technical specialists and the supply chain.

She is an ambassador for women in construction, and along with press activity (she has appeared in RICS' Modus Magazine), she is an active STEM Ambassador, volunteer mentor and a member National Association of Women in Construction.

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## ▶ **PART 8.** **REFERENCES**

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