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Going Global

*How to Get There,
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EXPORTING EXPERTISE:

A Conversation with Howard J. Wolff, Senior Vice President and Worldwide Director of Marketing, WATG

BY RANDLE POLLOCK, FSMPS

In the June 2003 Marketer, we published a “Flying with Eagles” interview with the CEO of Wimberly Allison Tong & Goo, now known simply as WATG, when international work was a growing part of the firm’s mix. In 2010, 93% of WATG’s revenue came from outside the United States. The firm has done work in 160 countries on 6 continents. Here’s the back story.



“While we remain a niche firm, we have carved that niche with a bulldozer.”

Marketer (M): What proportion of WATG’s revenue comes from clients outside the United States?

Howard Wolff (HW): We do more work outside of our home country than any other US-based architecture and design firm, according to *ENR*.

M: When did WATG first decide to export?

HW: As early as the 1950s, WATG was doing work in the Asia-Pacific region.

M: How did WATG get started? What was your initial strategy?

HW: George “Pete” Wimberly founded the firm in 1945, and one of his very first projects that year was the renovation of the Royal Hawaiian Hotel in Waikiki. Pete made an early decision to specialize in hospitality design, and that one project helped to crystallize the firm’s reputation and create the demand for our expertise.

We aligned ourselves with the travel and tourism industry and, more specifically, followed the expansion of Pan Am Airlines into the Pacific. Our belief was that travelers would seek a different hotel experience in Tahiti than they would in Toledo, and we set about to design destinations with a unique sense of place. Our first such projects outside of Hawaii were in American Samoa, Pago Pago, and French Polynesia.

M: Why did WATG think it would be able to win business in the South Pacific?

HW: The hotel design expertise that we offered was not available in these locations. In each case, however, we partnered with a local architect who was familiar with the customs and codes of that locale.

M: How did WATG change its strategy so that it could serve customers across the globe?

HW: We determined early on that you have to be two things to do work around the world: nimble enough to go where the action is and humble enough to listen once you get there.

M: Into what countries has WATG expanded globally since that first decision to export?

HW: Following WATG’s first completed international project—Hotel Tahiti, which opened in 1958—we designed Hotel Bora Bora, which debuted in 1960. Throughout the 1960s



PHOTO: CHRISTIAN HORAN

Viceroy Anguilla Resort & Residences, Meads Bay, Anguilla, British West Indies. WATG: Architectural Design (Architect of Design and Architect of Record)



PHOTO: MARKUS GORTZ

On page 18 and above: Shangri-La’s Villingili Resort & Spa, Villingili Island, Maldives. WATG: Architectural Design



PHOTO: PETER MEALIN

The Oceanfront at Sentosa Cove, Sentosa, Singapore. WATG: Architectural Design



PHOTO: MARKUS GORTZ

*Shangri-La Boracay Resort & Spa, Boracay, Philippines.
WATG: Planning and Architectural Design*



PHOTO: HEINZ TROLL

*Grecotel Amirandes, Crete, Greece. WATG: Architectural
and Interior Design*

we were doing work in the South Pacific and expanded into Asia in the 1970s, with projects like the Shangri-La Garden Wing in Singapore. In the '80s we did a good bit of work in Australia and New Zealand, as well as Malaysia, Indonesia, Thailand, Philippines, and Japan. In the 1990s, we expanded into Latin America, Europe, Africa, and the Middle East.

The Palace of the Lost City, in South Africa, opened in 1992. Some of WATG's other more notable international projects include Disney hotels in Paris, Tokyo, and Hong Kong; Four Seasons hotels in Mauritius, Mexico, and Moscow; Ritz-Carltons in Bali and Bangalore; Atlantis Resorts in the Bahamas and Dubai; and the Emirates Palace in Abu Dhabi.

To date, we've done work in 160 countries on 6 continents. (Nothing yet in Antarctica.) We have more than 300 people providing services worldwide from 6 offices around the globe.

M: How has WATG changed its approach to exporting to new countries in recent years?

HW: Our clients are getting quite sophisticated. Today, we find that titles are less important to them than they once were. They want to meet our design team and are less interested in having us send the president or chairman. Our Asian clients—and this is true around the world—now want to know who will work on their project. They want knowledge, expertise, creativity, and connectivity.

Technology has enabled us to share work between offices effectively. In some cases, due to time zone differences, we are literally able to work around the clock to meet tight deadlines and get a client's project opened ahead of schedule.

Environmental sensitivity has been a core value of WATG's for decades. We are delighted that clients are now embracing it, as well. Interestingly, we did not see a diminishment of interest in sustainable design during the recession. On the contrary, owners now realize that going green not only is the right thing to do for the planet but also makes sense in terms of return on investment.

M: Looking back, what has WATG done right when it comes to exporting?

HW: We realize that imposing ideas from the outside doesn't work. Instead, we immerse ourselves in the culture of a specific place, looking and listening for time-tested answers to particular questions regarding appropriate design. Often we are able to provide a contemporary twist to a traditional design aesthetic, while making sure that how the building functions is just as important as how it looks.

We have taken advantage of our worldwide reputation and third-party endorsements. It helps to have people say nice things about us. Four out of five current projects are with repeat clients or were secured through referrals by repeat clients.

M: What strategies have not worked as well?

HW: Associating with universities. One of our partners was teaching at the University of Hawaii, and we thought that leveraging his reputation would gain us exposure in collaboration with other academic institutions in places like China. The arena proved to be too academic and did not have much influence in the private sector. We tried it for about a year. The effort generated relationships but little return on investment dollars.

“We determined early on that you have to be two things to do work around the world: nimble enough to go where the action is and humble enough to listen once you get there.”

Design competitions are a mixed bag. In some cases, even the winning firm does not receive a commission. We have found that in many countries developers use competitions to get some good ideas at a nominal cost and/or to generate interest in their project by showing how many high-profile firms are willing to compete for the design. Many times the sponsor does not have project financing or even the means to reward the design firm for its efforts. We always try to talk a client out of a competition.

M: What lessons has WATG learned about export success from its experience?


HW: In the course of WATG's history and throughout the recent downturn, we have remained focused on serving the hospitality industry and exporting specialized expertise. While we remain a niche firm, we have carved that niche with a bulldozer—adding services, expanding to new locations, and designing closely-related building types (including retail, dining and entertainment facilities, theatres and performing arts centers, conference and convention centers, resort and urban residential communities, casinos, spas, and assisted-living facilities, for example).

M: What advice would WATG offer a first-time exporter on how to avoid the pitfalls and capture the opportunities of exporting?

HW: First, you've got to have something that people want to buy. Otherwise, you'll waste a lot of money and find yourself competing solely on the basis of fee. There is no way that a U.S. firm can win at being the low-cost provider.

Other advice, based on lessons we've learned:

- Focus your energy and your resources. No matter how big your company, you can't be everywhere. Do your homework, and invest strategically.
- Develop strong relationships with trusted advisors. Follow existing clients into new geographic areas. Let them pave the way for you.
- Get on an airplane...often. You can't expect to develop relationships or build a business by making one trip or even a handful. We have several people who spend 50% of their time away from home.

- Having a multicultural, multilingual staff can help you enter new geographic territories while minimizing your risk.
- Determine whether to open an office once you've done your homework. Models for success include moving someone with seniority, moving someone with local knowledge, hiring locally, associating with a firm, and/or acquiring a firm. (WATG has employed a combination of all five of these strategies.) 

About the Interviewee



Howard J. Wolff, FSMPS, is senior vice president and worldwide director of marketing for WATG (www.watg.com). Based in Honolulu, HI, he is also the founder of Full-Height Advice, LLC, offering strategic marketing consulting services. A recipient of the 1999 SMPS Marketing Achievement Award, Howard can be reached at hwolff@watg.com.

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THE BOTTOM LINE

On August 25, Howard Wolff will moderate a panel of distinguished international clients discussing overseas opportunities for A/E/C firms during **BUILD BUSINESS: THE BOTTOM LINE**, the 2011 SMPS National Conference, in Chicago. For more information about the conference and to register, visit www.buildbusiness.org.

