



# How to Determine Your Agency's Unique Value Proposition to Stand Out in the Market



In the fast-paced and competitive world of recruitment, it is essential for agencies to establish and communicate their unique value proposition to succeed. After all, recruitment agencies play a pivotal role in connecting talented professionals with organisations seeking their expertise. However, the industry has become increasingly saturated, making it vital for agency owners like yourself to distinguish themselves from the competition. To achieve sustainable growth and establish a reputable brand, understanding and showcasing your agency's value is crucial.

With **75% of job seekers considering a company's reputation before applying for a position**, it's no secret that your agency needs to possess some unique qualities that make you stand out. After all, candidates and clients assess recruitment agencies based on their track record, industry expertise, and the value they bring to the table the exact same way. By highlighting your agency's unique strengths, you can establish credibility and appeal to both clients and candidates.

In this eBook, you'll find:

- Ways to navigate the multifaceted aspects of finding, building, and communicating your agency's value
- Actionable tips to benchmark your agency against others in your niche
- A tool to determine your agency's strengths and weaknesses and construct a growth strategy based on those

... and much more! Let's dive in.

## Defining agency value and its role in your growth strategy

Okay, it's no secret that 'value' is important – after all, it's in the name. But what exactly is value in the context of recruitment agencies, how do you define it, and why should you even bother to do so (especially if you have a ton of urgent tasks on your plate)?

A recruitment agency's value can be understood as the distinctive benefits and expertise it provides to clients and candidates throughout the hiring process. As an intermediary between job seekers and employers, agencies offer a range of invaluable services that streamline talent acquisition, enhance candidate quality, and save time and resources for businesses. Sounds about right?

Well, the crucial part of understanding value – and your agency's value – is knowing that it's subjective. If you're comparing two cars – let's say a Ford Fiesta and an Audi R8 – most people will automatically assume Audi is more valuable. Not necessarily because it has a whole set of amazing features no other car has – after all, they both get you from point A to point B. The true key to why most of us perceive Audi as the better car is the packaging that it comes in. The way it looks, the brand name and prestige that comes with it, the way it's being presented to us in adverts.

But then there's another view – your personal one, meaning what matters and speaks to you as an individual. For example, even if I could, I probably wouldn't buy an Audi. I enjoy driving my electric Mini, because it looks a bit quirky, speaking to my personality, and the fact that it doesn't run on fuel makes me feel like I'm doing something good.

This means that even after improving your overall value, you won't appeal to every single prospective client or candidate – and that's okay. It's crucial to understand what type of people you want to appeal to and what features you want to be known for – and work on that.

But why should you bother with all this?

Recruitment agencies act as trusted advisors, guiding their clients in finding the best-fit talent for their specific requirements. By determining and articulating your agency's value, you instill confidence in prospective clients, assuring them of your ability to deliver exceptional recruitment solutions. **With 90% of companies using staffing firms to gain access to qualified candidates**, the competition is fierce – but so is the demand. You just need to clearly determine the qualities that make your agency stand out and the best fit for your clients' needs. Clearly communicating your agency's value increases the likelihood of being chosen as a preferred partner.

It goes the same for candidates – they are attracted to recruitment agencies that offer tangible value. By clearly communicating your agency's expertise, industry knowledge, and commitment to their career growth, you can captivate top talent. Articulating your agency's value proposition helps you differentiate yourself, attract exceptional candidates, and build a strong talent pool – which you can then leverage when negotiating with clients.

Another thing to think about is leveraging your expertise whilst building your network. Being able to



showcase industry-specific knowledge and deep insights into a specific niche makes you a wanted ally in the recruitment scene – and building strategic partnerships puts you on the map.

Determining and effectively communicating your recruitment agency's value proposition is critical for success in a competitive market. By understanding the unique benefits you offer to clients and candidates, you can position your agency as a reliable partner, attract top talent, and deliver exceptional recruitment solutions.

So how exactly do you go about it?

## Determining your agency's value and USPs

To effectively communicate your recruitment agency's value, it is essential to have a clear understanding of the unique contributions and strengths that set your agency apart from the competition. Here are some key steps to help you determine your agency's value:

### Assess Your Agency's Expertise and Specialisations

Consider the industries, sectors, or job functions in which your agency excels. Assess your team's expertise, knowledge, and experience within these areas. This specialisation allows you to understand the nuances of talent acquisition in specific domains, positioning your agency as a go-to resource for clients and candidates seeking industry-specific expertise.

### Evaluate Your Track Record

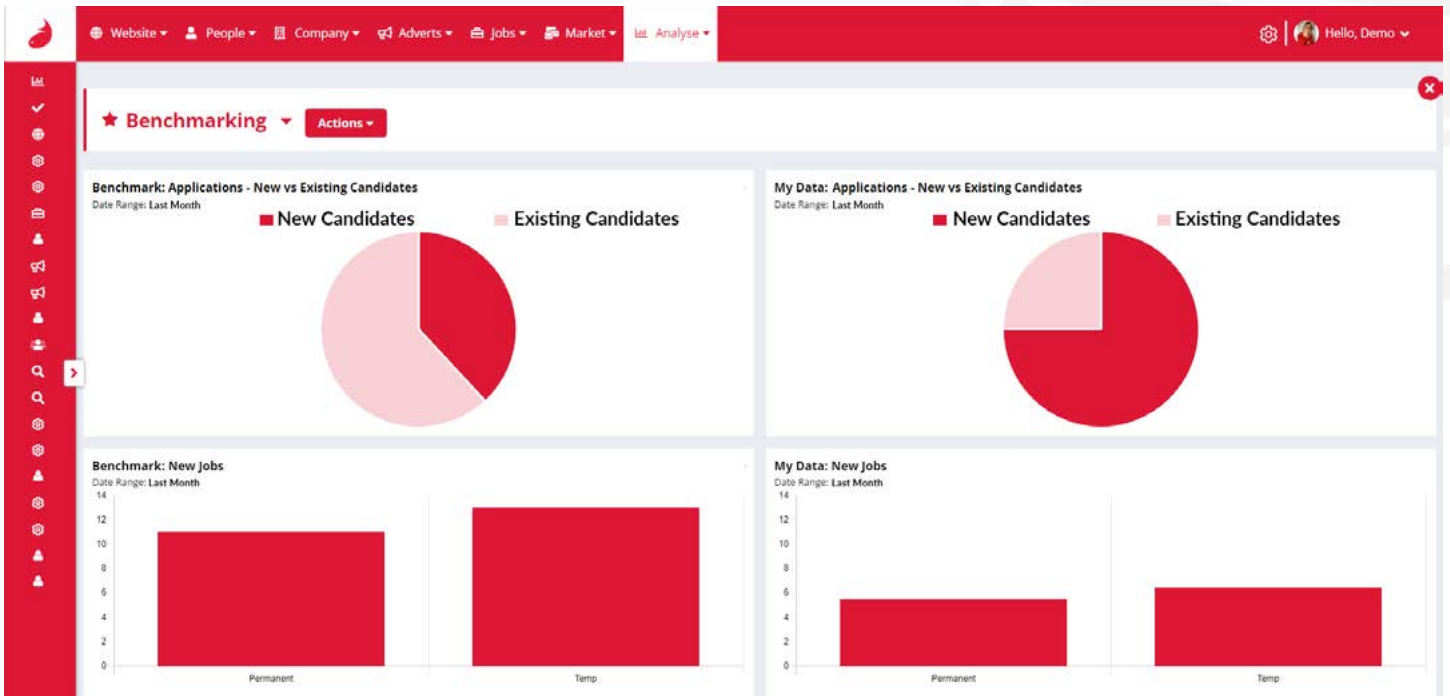
Examine your agency's past successes and accomplishments. Review your placement rates, candidate retention rates, and client satisfaction levels. Gather testimonials and feedback from satisfied clients and candidates – but also those who have some constructive criticism. After all, improvement can only happen after you identify your weaknesses. These metrics provide tangible evidence of your agency's ability to deliver results, reinforcing your value proposition.

### Analyse Your Market Position

A part of conducting a thorough analysis of the market in which your agency operates is also then **identifying your agency's unique selling points and differentiating factors**. Consider the value-added services you offer, such as comprehensive candidate screening, access to passive talent, or specialised recruitment techniques. By understanding your competitive landscape, you can highlight the distinct advantages your agency brings to clients and candidates.

A great way to understand exactly where you stand on the market is to benchmark your agency's key performance indicators to determine if you are above or below average in your specialist niche. For example, here are some of the key areas that you could start to benchmark per role type:

- Engaged candidates
- Supply on active candidates
- Number of successful placements
- Flow of Applications by new/existing candidates



Analysing these key stats, you can easily create an overview of where exactly your agency stands in comparison to others. This allows you to identify not only your overall position on the market, but also the unique features that make you stand out from the crowd. Chances are, you won't be the best at everything – but if you can brag about your success in the number of successful placements in your top key job roles being higher than the industry average (or higher than any of your competitors!), you've got a really strong USP in the bag. This process will also show you areas you need to work on to improve and achieve effective growth in your business.

Apart from data, make sure you keep track of how your brand is perceived by your current clients. Engage with your existing clients and candidates to gather insights into their experiences with your agency. Conduct surveys or interviews to understand the specific value they have derived from your services and identify common themes or patterns in their feedback, which can help you pinpoint your agency's key strengths and areas for improvement.

Remember, determining your agency's value is an ongoing process. Continually reassess your value proposition to stay relevant and aligned with market dynamics and evolving client and candidate needs. By doing that, you can effectively communicate your distinct advantages and establish a strong market presence.

## Key areas of providing value

Apart from knowing the value of different aspects of your agency, you also need to think about whom you want to provide the value to – because each of the possible ‘takers’ will have different needs. Generally, there are 5 main areas you should consider when evaluating your agency’s value:

- ① The value you bring to your clients – so anything that makes your agency stand out to prospects and makes them want to work with you.
- ② The value you bring to your candidates – aspects of your agency that appeal to prospective candidates and make them want to be represented by your agency.
- ③ The value you bring to your employees – yes, let’s not forget those! After all, they’re the very heart of your business. What makes people want to work for you?
- ④ The value you bring to your stakeholders – how can you please the people who invest in your business and show them you’re worth the risk?
- ⑤ The value you bring to your partners – anyone who wants to collaborate with you needs to have a reason to do so. Strategic partnerships are key to getting your name out there and building a strong, sustainable position on the market. Always make sure you have something to offer your partners, so the partnership doesn’t just benefit you – but most importantly, them.

Being able to present your agency’s value to each of those groups helps you build a strong name for yourself. Reaching out to anyone with a request to work together is never the way to go – after all, would you want to get involved with someone who can’t name a single benefit you’d get out of the arrangement? Why should you pick that specific person or business over others who might help your agency grow?

The rule for your agency is exactly the same – whether you’re trying to speak to clients, candidates, prospective partners, or stakeholders, you always need to lead with something you can offer them (preferably something they can’t get anywhere else).

Remember – delivery also matters. The way you communicate your value to others is half of the success. After all, do you think that sending an email with a Word document attached, stating that your agency is great at innovation, will fool anyone? Make sure you practice what you preach – so if you’re suggesting that your agency is one of the most innovative on the market, the way you communicate it should reflect that innovation. Whether it’s by a unique design or delivery channel, make sure it always backs what you’re trying to tell them. Act like the business you want to be, not the one you are. If you want to get bigger clients and higher value candidates, you need to present yourself as an agency that can deal with them in the right way.

Okay, we know whom to communicate value to, how to do it best, and that different groups of people find different aspects of your business valuable. But how exactly can you determine your agency’s strengths and weaknesses to present to those people – and preferably have proof or data to back it up?



## How to run a value audit for your agency

Now that you know some of the key areas you should keep an eye on and the people you want to communicate your value to, it's crucial to have a set structure for auditing your agency's progress as you grow – preferably every 6 months to a year. This way you'll have a clear comparison of your improvements and areas that still need work, which then allows you to adjust your strategy and redirect your focus when needed. These elements come together to determine your agency's Enterprise Value.

We put together a set of the most crucial features and aspects you should think about when evaluating your agency:

firefish SOFTWARE Capability Layers	Managing Staff	Innovation	Managing your Money	Structure	Equity Value	New Products Services	Marketing	Sales Conversion	Revenue Per Recruiter	Loyalty of Client Base	Account Management	Culture	Lifestyle Balance	Decision Making	Management Team	Recruitment	Communication	Training	Systems	Key Metrics		
	Concept	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Strategy		x	x			x	x	x	x	x		x	x	x	x	x	x	x	x	x	x	?/20
Implementation						x	x					x	x		x	x	x	x	x	x	x	?/20
Value																x		x		x		?/20
Leverage																						?/20
	Infrastructure					Revenue						Growth										
Score	?/25					?/30						?/45									?/100	

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As you can see, we divided the aspects to consider into 3 main categories:

- Infrastructure, so all the things surrounding managing your agency, such as staff management, innovation, or money management.
- Revenue, so all the aspects that bring you money, such as marketing, existing client loyalty, and sales conversions.
- Growth, including all the parts of your business that influence your development, such as culture, internal recruitment, and training.

Each of the individual aspects of your business can then be scored by the level of accomplishment you achieved in them. We divided them into 5 stages:

- **Concept:** This is when you have the very first idea of what something should look like, the creative space, and vision.
- **Strategy:** Once you have an idea, it's time to create a path to achieving it. This is the layer of research, planning, and testing to create the perfect road toward your goal.
- **Implementation:** If you have both the concept and strategy in place, it's time to get to work. How well are you able to implement your ideas and bring them to life? Most agencies circle around those first three layers, and once they get to implementation, they swiftly move to the next idea (concept) – but that's not how you create value within your agency!
- **Value:** Now is the time to start working on creating actual value – because being able to implement a concept once isn't enough to make your agency stand out on the market or bring stable streams of revenue. The actions need to become repetitive – so whoever was driving the initial project has to mentor another person within the business to do the same. Once you know for sure that the whole process can be repeated by various members of the team, you can start talking about your agency having consistent value.
- **Leverage:** The key to having visible and consistent value is to release your learnings and value you've built not just within the business, but also across the business. How can you now leverage your strengths in the industry? Would people be willing to pay for this specific process, and if so, how much? Think about how you can present the new aspect you've built so you get a good ROI.

Make sure you're marking each of the aspects mentioned above honestly – and ask for feedback from your recruiters when needed. For example, your agency might have a great marketing team. They have a strong concept and strategy, a really good way of implementing it, and it becomes one of the stronger parts of your business, being perceived by others as valuable. Now you can probably leverage that value whilst negotiating – or perhaps you already are, because you know that it's a strong argument that sometimes sways the prospects in your favour.

Let's now say that innovation, however, isn't your strongest suit – so, you might have an idea of how you could bring your agency to the next level and innovate your processes, but you've not moved on to creating an actionable plan.

After marking each of the aspects, you can then count the points in 2 ways: First, find out how many things are in each of the layers (stages) of your value journey. How many are in the concept stage, and how many in the implementation? Now you can clearly see where most of your ideas or processes get stuck – and can start working towards changing it.

Then, you can judge which of the three main areas needs the most work. Do you get stuck in the Growth area, or perhaps the Revenue part isn't the strongest? It's a lot easier to notice patterns and track



progress when you're basing your judgment on a clear set of variables.

## Conclusion

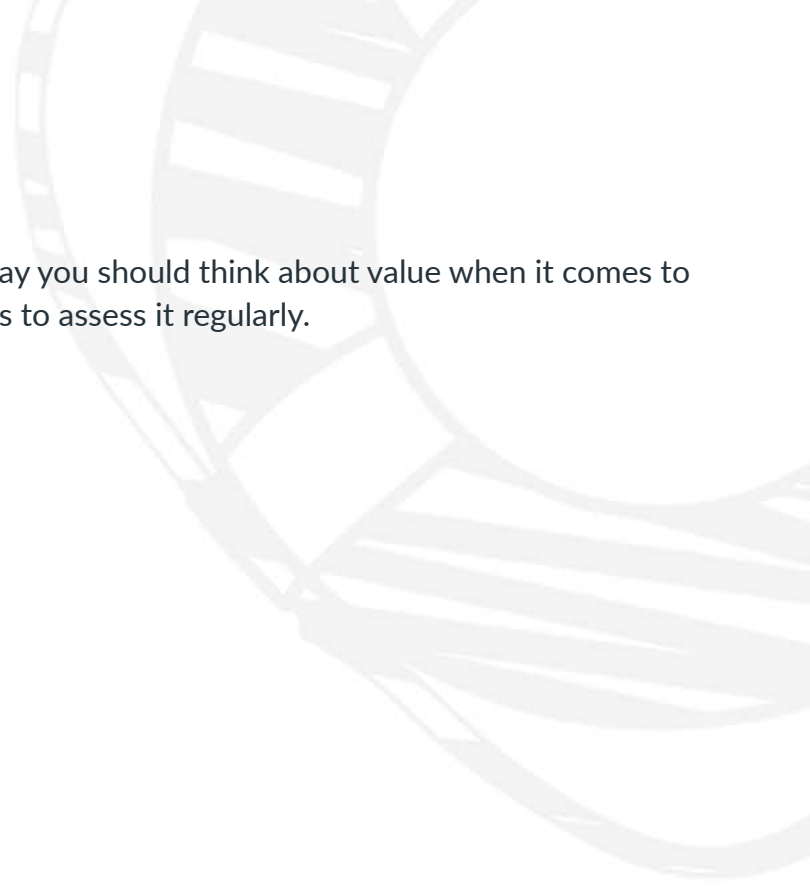
Knowing whether your agency can provide value to the desired groups of people is key when building your position in the market. The things you're able to provide and offer others are what makes or breaks your business – they can either make you stand out and become a go-to source for specific things, or disappear behind better, more structured, and more valuable competitors. But assessing value isn't just for others – it's also for you. Knowing the areas where there is room for improvement is crucial to creating a strategic plan for growth that is actually based on data and allows you to track your progress regularly.

Key things to remember when thinking about your agency's value:

- These days, 90% of businesses use staffing companies to help with recruitment – which means the need for your services is huge, but so is the competition. If you don't have any valuable assets that you can present to prospects and that make you stand out from those competitors, your agency will sink.
- The first steps to assessing your agency's value are analysing your USPs and expertise, evaluating your track record, and benchmarking your agency against others in your niche.
- To benchmark your agency against competitors, you should take 4 main aspects into consideration: Applications by new/existing candidates, new Job Positions, number of placements, sales revenue, sales revenue by user, contractors' out run rate, and candidate engagement. Basing your comparison on data helps you draw reliable conclusions.
- It's not enough to know your agency's strongest attributes – you should also think about which of those matter to which groups of people you come across. Each group you get involved with will look at different areas – whether it's clients, candidates, stakeholders, partners, or your employees, think about what matters to each of them.
- Remember about the right way of presenting and communicating your value – the way you talk about your strengths should always reflect them. Explore the best ways to show each of your strengths.
- When evaluating the overall value of your business, make sure you look at key business areas: Infrastructure, Revenue, and Growth, and look at each point from the view of different layers. Concept, Strategy, and Implementation aren't enough to win – think about Value and Leverage. Are they considered areas seen as valuable by others? Are you able to leverage them and get a high ROI?
- Keep assessing your progress every year to ensure your agency continues to grow and get better, as well as be able to adjust your strategy based on clear results.



We hope this eBook helped you understand the way you should think about value when it comes to your agency – and why it's crucial for your business to assess it regularly.





# To dive in even deeper...

Here are some resources surrounding the topic of successful business development strategies that elaborate on the points included in this eBook!

## How to Differentiate Your Agency in the Market

When the market is tough, it's those recruitment businesses that have a strategy for staying visible that will continue to win business.

How can you expect to get noticed when you're doing and saying the same things as every other agency on the market?



## How to Empower Your Recruiters to Drive Agency Growth

Current predictions for the industry are that between Q4 of 2022 and Q2 of 2024 we might experience a tougher period without many growth opportunities. One of the biggest challenges that recruitment agency owners face is managing their teams and growing their business – especially in a tougher market. So if you've been growing your agency based solely on market opportunities, you need a plan - and you need it fast!



## Steps to Building a Winning Recruitment Agency Business Development Plan

Providing a great candidate experience isn't just good practice – it's the only way to compete for top talent nowadays. If you're going to turn job applicants into placements before your competitors, you need to do everything you can to make your candidate journey seamless.

