

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Jan. 01, 2008

From the 2008 [Tax Season Survival Guide](#)

Today's contemporary firms manage their practice with a different focus and vision than what the accounting profession deployed in the past. Traditionally in the past, firms would rely on quality service and referrals as almost their exclusive method of winning new business. Now, a large number of firms use "old school" marketing and sales techniques, and nurture business development strategies as well as advertising to attract new clients.

Three aspects are needed to take your firm to its highest potential:

Branding

This area addresses the image of your firm. You can conduct an acid test to review your literature, website, letterhead and logo. Ask yourself two questions. First, do these items reflect the services as they are today and tell your firm's story? Second, if you were a prospect or referral source, would these items impress you enough to take action? Outdated and low-quality materials will put your firm in weaker bargaining position or may completely eliminate you from consideration. Image is a huge element that many firms let slide or overlook completely. They get comfortable relying on referrals and devalue the impact their image may be having on their profitability.

Marketing

Many firms blend marketing and business development into one function. Over the last decade, it has become common for firms to hire a Marketing Director. The marketing function is a vital role, but it requires different skills than a business developer brings to the table. A firm's marketing function centers on branding, client retention, increased awareness in the community with seminars, coordination of advertising, and helping shape the strategic

direction for the practice. This leaves a limited amount of time for the Marketing

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

to as a Sales Executive outside of our profession, is probably one of the hottest trends in the accounting profession.

If your firm is experiencing staffing issues, don't stop marketing, push hard. That's when you have the opportunity to open doors and steal the next tier of clients from firms that are also facing staffing and service issues. Many firms are understaffed and overworked, but even the busiest of firms should be continually marketing and conducting business development to attract the highest possible level of clients. The way to impact profitability and increase the value of a firm is to have high-margin, high-profile clients. The goal of a continuous marketing effort is to target those high-end prospects that bring "name recognition" and value service quality. When your efforts are successful, and if staffing is still a concern, then increase the fees on the less profitable clients until they leave or begin to pay the fees you feel are best for your practice.

Different strategies should be used based on your firm's objectives.

A firm's first step in its marketing and business development efforts should be to identify what type of service the firm really wants to sell. What makes a firm profitable can be completely different in each practice. Here is how we approach getting new business based for each different type of service:

Individual tax work

Advertise. By far this is the most cost-effective method of attracting clients.

Individual tax return prospects are either new to the area, seeking a new provider due to poor service, or they are fee sensitive. If they are looking, they will have many accountants from which to choose so advertising is the most effective way to stand out from the pack in this group.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

concentrating

on write-up and tax for small medical clinics, but they wrap a specialized analytical process centered around the physician's practice performance that sets them apart from other accountants. They charge a premium for their services, and find it much easier to open doors for new prospects with this approach. Telemarketing is effective here because there is a differentiating reason to talk with the firm.

Financial services or investments

Network, speak and write. The financial services profession is a trust-oriented business. People of wealth are risk adverse, seek assistance through their other professional advisors, and educate themselves on how to select a financial advisor. Speaking engagements provide the opportunity for an individual to form an opinion on your abilities, and published articles provide instant credibility.

Mid to large entity tax and audit engagements

Unless you are targeting publicly traded companies, it is difficult to separate the tax work from the audit function. They come in one bundled package for most businesses. For this type of client, you need to use nurture marketing and networking techniques. Advertising is not that effective when targeting bigger prospects. Create a nurture program by mailing to a select group of prospects quarterly, and conducting professional, executive calling to follow-up on each prospect. Most likely, you will be targeting the CFO or Controller, and hiring a caller qualified to handle those communications is a tough task. An effective caller engages these executives into a conversation instead of reading from a script. The goal of an executive nurture effort should be to get them aware of your firm, and ready to accept a phone call from a Partner to take their conversation to the next level.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

development. Branding is an integral part of winning the mid to large business client and selling specialty services. Although fees are always important, the larger the prospect, the more risk adverse they become and realize that quality is their first objective. The CFO of a 20 million dollar entity does not want to lose their job because they cut service audit fees to the point where the may have endangered the quality of their audited financial statements by using a less qualified firm. Your image is a factor in their decision.

Marketing cuts through all of the areas discussed above. Regardless of whether you are seeking a 1040 client or a 100 million dollar construction company, you need a marketing plan — one that defines the number of prospects to pursue backed by the level of support materials required to win the business. And you need well-written communications to get your messages read by prospects.

Business development, also known as sales, begins to creep in at the higher end of the write-up business. Finding qualified callers and direct sales people is a difficult process. In addition, these are labor-intensive tasks. A letter can be sent to a thousand prospects with relative ease. It may take a few hours to print, fold and stuff the pieces, but to call a thousand prospects just once will take at least 50 to 75 hours (or more). Business developers should be focused on select target groups and supported by a patient firm management group. Your firm's "A" clients will not break a long-standing relationship with your firm because someone cold-called them. The business developer should be nurturing prospects, waiting for the opportunity to create a relationship, and be the one that is ready to replace the incumbent firm when they stumble.

If you follow these guidelines, you will increase your chance of long-term success.

Bob Lewis is the Managing Partner of Visionary Marketing, which is 100 percent

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

© 2024 Firmworks, LLC. All rights reserved