

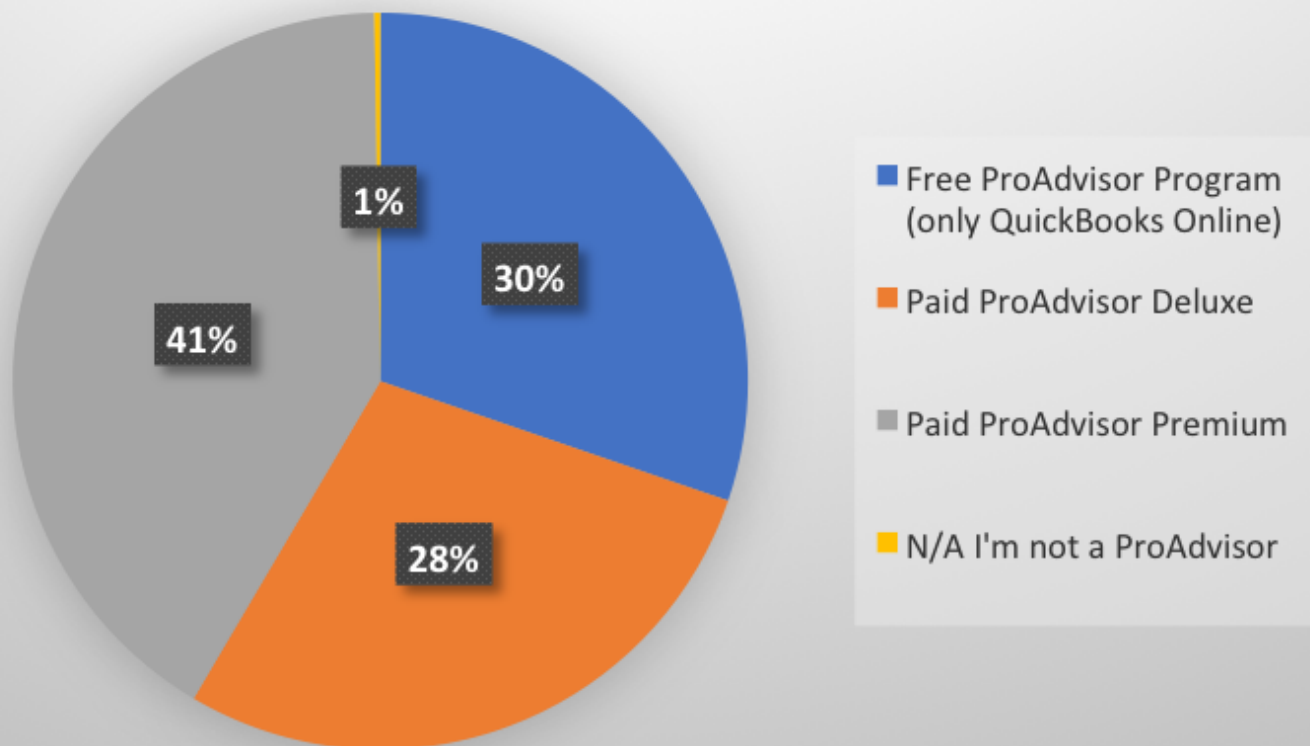
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Aug. 21, 2018

Participation in the ProAdvisor Program



The results are in from the 2018 Intuit Rate Survey. They not only indicate shifts in how accountants and bookkeepers bill clients but also hint at new, emerging methods for finding new clients. The Intuit Rate Survey takes an in-depth look at trends affecting accounting professionals, from technology adoption to billing rates, value pricing, credentials & certifications, and more. The survey was done with Intuit partners, Michelle Long, CPA, and Heather Satterley, EA, and asked more than

1,000 participants from around the world questions about their practice, use of

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Value pricing is based on the maximum amount a given client is willing to pay for a service, typically set before the work begins. Conversely, value billing is usually marking up – or more frequently marking down – the invoice to the client after the work has been performed. While the survey confirmed the ongoing trend among accounting and bookkeeping professionals is toward fixed and value pricing/billing, and away from hourly billing, the service tenured, does impact the billing method used. According to the survey, fixed fee pricing was the most popular method to bill clients for payroll (55 percent), individual (57 percent) and corporate (54 percent) tax preparation services, but hourly billing remained the most popular for advisory services (70 percent) and technology consulting (72 percent).

Other interesting findings around billing focus on the impact of certification and credentials. Satterly noted, “It’s profound the difference that investing in education makes.” As you’d expect, the higher the certification or credential, the more an accountant professional charges. For example, the survey found that while a bookkeeper charges on average \$64/hour, and CPA charges on average \$88/hour. This trend holds true for Intuit certifications as well, with the break down as follows:

- Non-certified accountants and bookkeepers – \$56/hour
- Core certification for QuickBooks Desktop or Online – \$66/hour
- Advanced certification for QuickBooks Desktop or Online – \$82/hour

Rates by Region

In addition to certification levels, the region in which an accounting professional lives also has a strong impact on their rates. The survey found that the areas with the highest hourly rates were the Atlantic and the northern regions, while the lowest rates seemed to vary depending on the type of service. The central region was lowest for accounting/bookkeeping and QuickBooks troubleshooting, and the southwest

region was lowest for third-party app consulting, IT consulting, training and other

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things for our clients. I want to try things out before I expose my clients to it. The practitioners that are recommending cloud to clients went there first.”

She continued, “Successful consultants are leveraging technology and billing, which makes firms profitable and ready to scale.”

Best Sources for New Clients

Finally, the survey asked accounting professionals where and how they scale and source new clients. Not surprisingly, referrals were overwhelmingly the best source of new clients for survey participants. Percentages edged up over 2016 for referrals from existing clients, peers, and others. Social media referrals fell by half, but local networking groups jumped, while local chamber of commerce meetings edged up slightly. Direct mail, radio, and print ads only slightly register as sources for new clients.

Counterintuitively, participants gleaned more new clients from Facebook than LinkedIn, despite the business-to-business focus of the latter. Twitter and Instagram barely registered as sources for new clients, and although new clients were gained in 2016 from YouTube, Google+, and Yelp, the channels did not generate any new clients among survey participants in 2018.

Demographics and Methodology

Demographically, 54% of survey respondents were from single-person firms, followed by 32% comprising firms of 5 employees or less. Almost every respondent was a member of the QuickBooks ProAdvisor program: 30% belong to the free QuickBooks Online program, 28% subscribe to the ProAdvisor Deluxe program, and 41% opt for the ProAdvisor Premium level.

The survey is part of Intuit's Firm of the Future initiative that is designed to help

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