

Five steps for marketing your practice



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FIVE STEPS FOR MARKETING YOUR PRACTICE

What do we mean when we talk about marketing? It's a crucial part of your business, but many accountants are unsure how to start marketing their practice. So let's start with a short definition.

Marketing is the strategic promotion of your products, services and your company. That covers digital advertising, building a website, growing your brand profile, direct sales promotion and even how you use social media. It's about raising awareness of what your business does, what services you offer and putting you at the front of your customers' minds. In a nutshell, it's telling potential clients how you can help them.

Why is marketing important for accountants?

Well, when you're running an accountancy practice, you're no longer just an accountant – you're also a business person. And any practice needs a way to promote itself, find new business and make your brand known in the marketplace. In short, it's a fundamental part of your overall business plan. People who know about your brand are far more likely to be turned into clients. And happy clients are what grow your business.

Our five-step plan guides you through the marketing process with practical hints and tips to help you start making your practice the one that clients come to first. We've also given you an appendix which outlines some of the more common analytical tool used by marketers.

THE BASICS OF MARKETING

Let's start at the beginning. As we've already said, marketing is a vital part of your overall business strategy. You may have a great client base, experienced, diligent staff and offer excellent accounting services. But if you want to expand that client base and grow the practice, then you need to start thinking about your marketing strategy.

That means putting some serious thought into who you aim your services at, how you increase your revenues and how you expand the company. Ask yourself some simple questions:

- What kind of clients do you want to target?
- Which industries are you aiming to break into?
- What services are your clients actually looking for?

By asking these questions, you narrow down your potential market and find a niche. And by having a very clear focus on this niche audience, you can tailor your marketing and your services to fit these particular businesses.

It also means taking a step back from the day-to-day running of the business and applying a more entrepreneurial mindset. By thinking more like a business person, you can analyse what you're good at, what your customers want and what your competitors are doing in the same space. And that means some proper analysis.

FIVE STEPS FOR PROMOTING YOUR PRACTICE

Making time in your busy schedule to think about your marketing strategy is vital. Strategic analysis helps you understand your business and where you could grow, what the potential opportunities may be and how you can make the most of them.

We're going to focus on some practical tips to help you analyse your practice, improve the marketing of your services and grow your client base.

In five steps, we'll take you through how to:

1. Understand your own practice
2. Address your clients needs
3. Make the most of your know-how
4. Get your message out there
5. Stay front of mind

Step 1: Understand your own practice

First and foremost, you need to know yourself (and your practice). This self-awareness will be a major bonus as you tailor your marketing activity to fit the needs of the marketplace.

- **Review your client base for patterns.** Are there certain industries or sectors you work with more often than others? Where are you winning most of your work? Look for patterns that show where your strengths lie.
- **What are your service offerings?** Are there certain services you specialise in? How broad is your service offering? Think about the work you deliver and how it could be bundled together into discrete service packages.
- **What are you passionate about?** Out of everything the practice does, which part of the business gives you the most pleasure? Understand what you like and what you're good at and play to those strengths.

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“It’s about who you target, and how you make their lives better. You need to think about a specific sector, or a specific industry, or even a specific location. One of our clients does a lot of work with bank managers – that’s where he gets his business. After two hours of content strategy discussions with him I said to him, ‘I don’t think you should have a focus market in the industry, I think you should focus on your bank managers and just make their lives better. They’re bringing you 80% of your business, so why wouldn’t you focus on them?’”

– *Karen Reyburn, The Profitable Firm*

Make a decision about who you want to provide your main services to. How are you going to break down your target base in a focused way. Will you focus by:

- **Vertical markets** – aiming at markets where the targets are all in the same sector or industry. For example, aiming a specific service directly at plumbers, or architects. Do you have the specialist accounting skills needed in a sector like farming, for example?
- **Business characteristics** – will you look at the size of the business? Or how mature it is? Or how many locations they operate from? Could you target franchises, or online businesses?
- **Service bundles** – will you put together bundled services that offer different levels for different clients? Which clients will these be? And how do you align the right client with the right bundle?

Deciding on your niche is important. Working a particular service, or a particular sector can really pay dividends. So, what do you do next? You've decided on the types of business you want to work with: now you need to develop a value proposition which caters to them.

Step 2: Address your clients' needs

Understanding your clients is a fundamental part of getting your marketing right. You need to address their issues and speak to their needs. To do this you need to put yourself in your clients' shoes. Think about the challenges they may be facing and how your practice can help them overcome these obstacles.

- **What are your clients' current pain points?** Are there specific areas which are causing problems, and how could your products and services help them overcome these problems?
- **What challenges are affecting your clients' businesses?** Have there been any changes to the tax system? Have business rates gone up? Is there additional legislation coming in that will add to the client's workload?
- **What trends interest your clients?** Do they have a big interest in cross-border sales in the EU? Are they hoping to export to emerging markets in Asia? Are they very interested in research and development? All of these trends offer different ways for you to understand their current needs.

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“We can make you the prettiest website in the world, but if you don't know who your niche market is then it's not going to do you any good. Your website's got to have a very clear target market. When somebody Googles 'creative agencies London accountant' and goes to your page, if it doesn't have a very clear call to action, like a banner that says 'Three top tips for creative agencies', then they'll leave.”

– **Karen Reyburn, *The Profitable Firm***

With your feet firmly in your clients' shoes, try thinking about what the hot topics will be for a business owner who's looking for accounting advice.

- How can this accountant save me money?
- How can this accountant save me time?
- How can they help me grow my business?

It may sound obvious, but if you understand what your clients want then you can tailor your services to fit these needs.

Step 3: Make the most of your know-how

You might be a new start-up bookkeeper, or an established accountancy practice. But over the years you'll have built up your own very particular collection of accounting know-how. Understanding where you have specific knowledge and then making the most of this resource is a great way to create a USP for your practice.

- **Make the most of your knowledge** – think about where you have specific, technical knowledge and try to factor this into your service offerings.
- **Make the most of your experience** – having technical knowledge is one thing: knowing how to apply it is another. You can't buy experience, and clients want to deal with someone who can bring a career's worth of hand-on financial experience to their business. Bring your experience to the table.
- **Make the most of your solutions** – look at the solutions, services and packages that you offer and try to get the maximum from them. Think about new ways that existing packages could be used to meet the changing needs of your client base.

Producing regular, helpful content is a great way to raise the profile of the practice and build relationships with your clients. Think about topics that will be of interest to these businesses and produce a variety of content that will work across all your marketing, PR, online and social channels.

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“Accountants have a bad habit of saying ‘Oh, that worked for him, so I’ll do it’. So something like the ‘Dancing Accountant’ (check him out on YouTube) works for one person, but you can’t just copy that and be him. You have to be something else; something different and original. You’ve got to differentiate yourself, by being yourself.”

– **Karen Reyburn, *The Profitable Firm***

Try writing content that can be shared through third-party channels. These could be:

- **Small business journals, magazines and website** – anywhere that small businesses might go to look for advice. Sharing your insight and being seen ‘in print’ will really help raise your credentials.
- **Industry-specific e-newsletters** – try to contribute articles and helpful advice for regular industry emails that target your core small business audience. Think about their specific issues and write content that really helps them overcome these challenges.
- **Online business communities** – join groups and forums that are aimed at small business owners. Networking sites like LinkedIn offer a great way to connect with clients and targets and to join related groups. Join in conversations and discussions and become a part of the group – you’ll become a trusted member and it will give you some great credentials when you share your own content.

Step 4: Get your message out there

How you position your practice is very important. Deciding where you should be, how you will market yourself etc. will define the output of your marketing.

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“One thing with online marketing is that people don’t care quite so much where the accountant is located. You could be based anywhere. But saying that, face-to-face meetings do make the whole client relationship a lot more profitable. There’s nothing like being in the same room, and accountants do very well with in-person meetings.”

– **Karen Reyburn, The Profitable Firm**

- **Where’s your target audience?** Do you know where they’re located? Do you know what channels they use?
- **Where are your competitors?** Are there other practices targeting the same small businesses? How are they marketing their services and how does this marketing compare with yours?
- **What channels are you comfortable using?** Should you focus on highly targeted direct mailing and emails? Or is a broader social media marketing approach more appropriate for your practice? Is above-the-line advertising a realistic option? Or would local events be a better way to spend your marketing budget?
- **How much time can you dedicate to marketing?** You may not have a full-time marketer working for the practice. If so, how much time do fee-earning staff spend on marketing content? Do you set regular time

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“Word of mouth is so important. We offer modern, up-to-date business and tax advice and we have many lifelong clients who recommend their friends and business colleagues to us. We also have a strategy to develop new relationships and clients through our marketing and PR activities.”

– **Chris Reid, CloudCo Group Chartered Accountants**

aside for marketing discussions and meetings?

And remember, the best (and the cheapest) kind of marketing is a word-of-mouth referral from an existing customer. If you keep your clients happy, they’ll tell other businesses about your practice – and that endorsement is something money can’t buy.

Step 5: Stay front of mind

Planning your marketing strategy alongside a timeline will help immensely. Take a look at your business calendar and work out the best times to run your campaigns and hold your events. If you get this right, you'll have more impact and your clients and targets will keep you front of mind. Regular, well-planned content will raise the practice's profile and increase awareness of your brand.

- **Track your business/sales cycle** – when are you planning on releasing new service bundles? When are you starting new campaigns to target new tax clients? Make sure you know when your main activity is happening.
- **Outline the seasonality of your workload** – look at when you're busiest, when you have new service bundles and when you have the most resources at hand. There's no point planning a big event if it clashes with a busy tax season.
- **Identify key dates for marketing campaigns** – put together a marketing diary that's shared with the whole practice. Make sure everyone knows when your core marketing campaigns and events are happening.
- **Integrate marketing efforts** – make sure all areas of the practice work together on promoting the business. Work as a team and make sure there's complete transparency around all marketing activity. You'll produce better content if you all work together.

Creating separate schedules for your different client groups will help you to tailor the timings and the content to the clients' needs.

- Tailor to each channel
- Use a calendar
- Set reminders

USING SOCIAL MEDIA AS PART OF YOUR MARKETING MIX

In the online world, social media channels and online blogs are making it easier and cheaper to have direct, personal, two-way interactions with your clients. And that's a great way to start building relationships with target businesses – relationships which are vital if you're going to grow your client base and expand your accounting practice.

We're talking about websites and apps like LinkedIn, Twitter and Facebook – sites where you create a personal or business profile and then build up a network of contacts. And this network becomes a ready made audience for your marketing content.

But how do you make the most of your social media profiles? And what content should you be posting to really drive better client relationships and create those all important opportunities?

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“A lot of accountants don’t understand social media. They think that they need someone to manage their social media. But you don’t, you just need a good content strategy aimed at niche markets so you can then share your content via the blog, your website, your video and your social channels. Social media is just one of many ways you can tell the world what you’re doing.”

– **Karen Reyburn, The Profitable Firm**

To really get the most from social media and blogging:

- Choose the social media channels that will work for your particular practice and audience
- Create profiles which summarise your practice, skills and services, with links to your website
- Connect with your clients and start building a professional network
- Post useful updates, videos, photos and links to content on your website or blog
- Follow people, groups and forums that focus on accountancy – and listen to their conversations for potential opportunities
- Write insightful, opinion pieces for your blog that help your clients and raise your profile and credentials
- Listen to the comments and feedback you get – take them on board
- Tailor your services and your content in line with your client’s feedback – keep your clients happy
- Keep your content topical, insightful and helpful – raise your brand profile as trusted business advisers

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“We have two websites to explain ourselves and what we can do for clients. Advertising and press are outmoded. We use Twitter and LinkedIn to connect to our online followers as we’re attracting modern, forward-thinking businesses to our services.”

– **Chris Reid, Cloudco Group Chartered Accountants**

Once you’ve starting connecting with your clients through social media, you won’t look back. As an approach, it’s fast, it’s direct and – crucially – it’s a valuable two-way channel with your customers.

You can find out more about using social channels in our Xero practice guide, *Promoting your practice with social media and blogging*.

PUTTING IT ALL INTO PRACTICE

So let's recap and think about how you put all this newly acquired marketing knowledge into practice.

Then, armed with the results of your analysis, you can start honing your business and marketing strategies to make the most of the potential opportunities.

Understand your own practice – think about what your practice is good at, where your skills lie and where your clients are grouped. In short, get a handle on where your strengths lie – find your particular niche.

Address your clients' needs – put yourself in your clients' shoes and think about what issues they're facing, what financial advice they need and how you can help them grow their business. Then base your marketing campaigns around these issues and solutions.

Make the most of your know-how – work out where your specific knowledge and experience lies. And tailor your services to make the most of that know-how. That's your practice's USP and it's going to differentiate you in the marketplace.

Get your message out – consider how you place your practice in the marketplace. Who are your clients and how will they access your services? What are your competitors doing to reach these same businesses? Make sure you promote your practice in the right place at the right time with the right message.

Stay front of mind – think about creating regular marketing activity and planning your campaigns and events to get the most impact. Look at when you and your clients are most busy, create a marketing calendar and plan your activity carefully.

Promote your practice with social media – use social media channels to post helpful content that your clients find useful. Create two-way conversations and build long-lasting relationships with clients and targets.

Marketing is a central part of your overall business strategy. And as you learn and grow, you'll find out what works best with your particular clients. Applying our five steps, and adding social media to the mix, will give you a solid foundation to base your marketing on. It's a great starting point for raising your brand profile and attracting new business clients.

You can find out more about the benefits of cloud-based accounting in our series of Xero guides:

- Moving your practice to the cloud
- Managing a cloud-based practice
- Becoming a Virtual FD
- The benefits of value-based pricing
- Phasing in value-based pricing
- Growing your practice with an entrepreneurial mindset
- Promoting your practice with social media and blogging

If you'd like to find out more about how Xero can support your cloud-based practice, please do get in touch. You can find us at www.xero.com or drop us an email at partnerteam@xero.com

APPENDIX – DIGGING DEEPER INTO THE THEORY

We've stressed the importance of strategic analysis – thinking about your practice, your market and your clients and analysing them to drive your marketing plan.

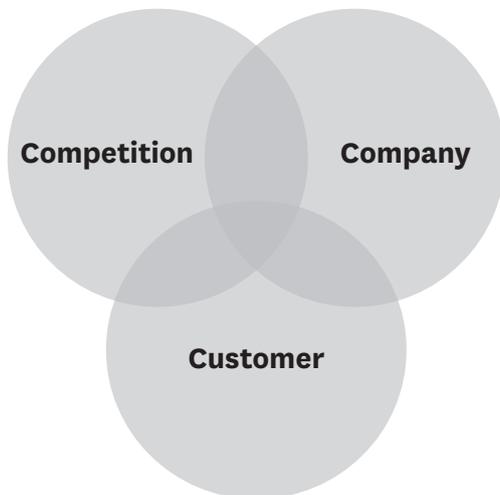
In this appendix we've given you a brief overview of some common analytical models that marketers use to break down their objectives, strategy and aims for the business.

- The Three Cs – Customer, Competition and Company
- SWOT analysis – Strengths, Weaknesses, Opportunities and Threats
- The Four Ps – Product, Pricing, Promotion and Place

The three Cs

Developed by corporate strategist, Kenichi Ohmae, the 3Cs model helps you to look strategically at your business and assess the factors needed for success.

There are three main factors you need to think about when you're putting together your business strategy: Customer, Competition and Company.



If you want to find your niche audience and create a sustained, competitive advantage in the market then you need to think about all three of these factors.

Customer: your clients have certain needs when they engage you as an accountant. What are the core benefits they want from your services? What are their expectations of your delivery of these services? By thinking through these questions you (the company) can tailor a basic product that meets these customer needs. That's your base level service.

Competition: your clients have an entire marketplace from which to choose their accountant. There will be other practices who offer similar services and a similar client experience. You need to keep on top of this competitor activity and have a good awareness of what they're doing in the marketing space.

So, once you've looked at this competitor activity, how do you make your practice stand out from the crowd? How do you create that differentiation? By thinking about your unique selling points (USPs) you can create expanded service packages that offer something the competition doesn't. That's your expanded, or augmented level service.

Company: you've thought about the needs of your client and how to meet them. And you've thought about how to differentiate your practice in a highly competitive marketplace. But can you, as a company, deliver what's needed? Do you have the right staff levels? Do you have the budget? Do you have the right expertise for the services that are most sought after? These are all elements that need to be in place if you're going to deliver your service, meet the required quality of delivery and create that USP that makes you the accountant of choice.

As a starting point, the 3Cs model gives you a foundation that will drive your overall marketing strategy. You'll know what your clients need, how you can differentiate yourself from your competitors and how you set up the core infrastructure of your practice to deliver your basic and augmented services.

SWOT analysis

Getting your marketing right means understanding yourself, as a practice, and the opportunities that are out there in the marketplace. A great way to improve this strategic understanding is to carry out a SWOT analysis.

- Strengths
- Weaknesses
- Opportunities
- Threats

Strengths: This is about assessing where your practice has its core strengths. Think about what you're good at. Where do you have the most knowledge? What are your main areas of expertise? Where do you get great feedback from your clients?

Weaknesses: And this is the flipside: where is your practice weak and where could it improve? Think about areas where you know more experience is needed, or where you're lacking the right people. Where are you susceptible to your competitors and what can you do to strengthen this position?

If you know your practice's strengths and weaknesses, you're in a much better position to make those all-important strategic decisions.

Opportunities: So, having looked at your own strengths and weaknesses, what opportunities are out there that you can focus on? What accounting services are clients asking for? Are there changes to tax law or HMRC legislation that have created a potential need in the market? Are there new

locations or industries you could be targeting?

Getting a clear outline of the opportunities that are on the table will help to guide your marketing focus. This is where using a more entrepreneurial mindset comes into play. Make some informed decisions, take some calculated risks and focus on the market opportunities that are most likely to pay dividends. You can read more about thinking like an entrepreneur in our practice guide Growing your practice with an entrepreneurial mindset.

Threats: You’ve got a great idea of where the opportunities are. But what’s going to stop you turning these opportunities into wins? Assessing any potential threats and obstacles is a vital step in the process. Without it you’re not making an informed, strategic decision – you can’t win the race if you don’t know how many hurdles lie between you and the finishing line.

So, you need to think about things like competitor awareness. Are other practices targeting the same industries and businesses? Do you have enough staff to meet the extra demand if your proposition is a success? Will your new service offering bring in the right amount of revenue? Do you have enough investment in the business to grow at the speed you’re hoping for?

Once you’ve completed your SWOT analysis, you’ll have a really informed, realistic viewpoint of your practice’s place in the marketplace and the possible opportunities that you can target.

The four Ps

The four Ps is a classic approach to formulating your marketing.

As an accountancy practice, you’re probably not used to thinking about ‘products’ in the literal sense. When we talk about product, we’re more used to thinking about tangible items like a can of soft drink, or a new sports car – things you can touch, feel and see with your own eyes. But the accounting services you offer, the packages you create and the work you deliver are your products. As an accountant, product = service.

This is important, as ‘product’ is one of the cornerstones of the four Ps.



Product

So, you've looked at your overall strategy with the 3 Cs and a SWOT analysis. And now you're ready to think about what service to create for your client base.

You need to think about what your product, i.e. service, will be. Will it be a basic bookkeeping service? Will it be a more in-depth management accountant package? Will it be an additional package that offers tax advice to existing clients. Your strategic analysis will guide you towards the right product. And once you've decided on the correct package, you then need to think about how you'll price it.

Price

Getting the pricing of your package right is critical. If the price is wrong, or if you position it in the wrong price bundle, your package won't sell. And no sales = no revenue.

So, firstly, you need to decide where this package sits in your existing product and service range. Is it a basic package, like bookkeeping, or is it a premium package where you act more like a virtual FD to your client? Will there be any discounts for existing clients? How will the client be charge? Will it be a monthly fee, or a one-off payment? Will you charge an hourly rate, or will the fee be based on the perceived value you're adding for your client? – you can find about more about pricing in our Xero practice guides, The benefits of value-based pricing and Phasing in value-based pricing.

Once you've worked out the best price and pricing model, you can be more sure about the revenue that will be brought in, and the money you'll have to spend to promote this new package.

Promotion

In very basic terms, promotion is all about letting people know that your product or service exists. If your client isn't aware of the new service, they can't buy it. So promoting your product is a vital part of making it a success.

Of the four Ps that make up this model, promotion is the one that the average person in the street will probably most associate with the concept of marketing. We're talking about areas like advertising, direct sales, social media, PR and publicity – channels that you can use to tell the world why your accounting package is the one to choose: and why.

Increasingly, accountancy practices are making the most of social media and social networking to raise the profile of their brand and to highlight any new services. You can read more about using social in our Xero practice guide, Promoting your practice with social media and blogging.

Place

You've decided on the right product, you've worked out the pricing and you've promoted this new package to your target audience. Now you need to think about the place – the where and how of delivering this service.

How you deliver the service, and the logistics of this, are the final element in this model. Getting this right will make a big difference – your target

audience need to be in the right location and you need to be able to deliver to meet their expectations. If you're promoting your services online through your website, or through your social media channels, then you may want to work with your clients in the cloud.

The cloud removes the geographical boundaries and allows you to collaborate with and advise clients that are spread across the country, or even the world. You can read more about the benefits of cloud accounting in our Xero practice guide, *Moving your practice to the cloud*.

If you'd like to find out more about how Xero can support your cloud-based practice, please do get in touch. You can find us at www.xero.com or drop us an email at partnerteam@xero.com