



Dare to be Different

It's all about differentiation in the rush for clients and a competitive edge.

By Bridget McCrea

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There was a time when a CPA firm needed little more than a *Yellow Pages* listing to create a steady flow of traffic to its front door. But over the last few years, the Internet and increasingly complex regulations have cultivated a savvier group of consumers—and growing competition from different corners of the business world.

“It used to be that if you had a client, other CPAs wouldn’t necessarily go chasing after him or her if the relationship was going well,” says Thom Singer, author of *Some Assembly Required: How to Make, Grow and Keep Your Business Relationships* (New Year Publishing, 2005). “Nowadays, accountants are working in a much more competitive business, where their best friends from college are chasing down the same business that they are.”

The problem, says Singer, is that most clients don’t differentiate between one accountant and another in terms of his/her knowledge and skill sets. Knowing this, he says the first step in creating an effective marketing campaign is to find your firm’s point (or points) of differentiation within the industry. “Find out what sets you apart,” says Singer, “and capitalize on that point when you’re reaching out to new clients or retaining your existing pipeline.”

A newer firm, for example, might stress its CPAs’ educational accomplishments, while an established firm could use its past experience working within a specific sector (such as past deployments within the manufacturing industry) as a way to court more clients from that particular niche.

However, marketing blitzes can be costly and time-consuming for the small to midsized firm, which faces more than the usual obstacles when trying to get its name in front of new clients.

“It’s key for these companies to develop well-rounded and strategic marketing approaches that increase new business by expanding and reaching out to a greater audience, while at the same time helping to raise the company’s profile in the sectors where they do business,” says Wendy Katz, principal in the Business Consultant and Accountants Service area for SolomonEdwardsGroup, LLC in Chicago.

Also consider your firm’s strengths, and figure out how they stack up to those of your competitors. SolomonEdwardsGroup, for example, prides itself on offering targeted expertise and balanced accounting and finance solutions that its competitors tend to steer clear of. “Our strategy is to partner with our clients and develop a true understanding of their needs, and then be responsive to those needs,” says Katz. **“We don’t direct our clients to use solutions that won’t work for them. Clients come back to us for that reason.”**

Katz also suggests that firms provide tangible take-aways, such as targeted e-newsletters or a facilitated roundtable discussion on the latest accounting and compliance topics.

Communication with clients and prospects is incredibly important, says Christine Hollinden, principal at Hollinden Professional Services Marketing in Houston, who sees e-newsletters, bylined articles and white papers as effective ways to keep a firm’s name in front of its client and/or referral base. Include a good mix

of information, such as business and economic issues, and tax and accounting news, she advises. And focus on targeted industries and hobbies that would be of interest to specific clients. It's all part of the give and take—you're not just asking for business, but providing a knowledge-based service that doubles as push marketing.

“Be willing to share something with your clients that no one else can give them,” says Katz, “and always highlight the ways in which your firm is different than others. There’s a lot of competition out there today, and to continuously draw in new clients, you need to be able to convey those differentiation points as effectively as possible.”

When working with small to mid-sized companies looking to position themselves effectively within the marketplace, Hollinden's first step is to create a marketing strategy that's clearly aligned with business goals. Instead of using “one-off” or sporadic efforts, she suggests sitting down at the start of the fiscal year to figure out where the business should be headed, what resources are available to get it there, and what marketing strategies should be used to steer that course.

“Look at all of the marketing that you plan to do, be it through traditional advertising, online efforts or seminars, and figure out how it ties back into your overall goal for your business,” she says. “Set a plan for the entire year and stick with it, instead of just doing things here and there.”

That plan needn't be elaborate, says Hollinden, who adds that bullet points, timelines and budget numbers come together to serve as the plan's backbone. Share it with all managers and stakeholders, and use their feedback to tweak the plan as needed.

“Emphasize the fact that this isn't about placing an ad and taking people to lunch,” Hollinden explains. “It's about expanding your client base and gaining market share.”

Within the plan itself, she says CPA firms should first develop a positioning statement that answers the question, “Who are we and how do we serve our clients?” “Everyone in the organization should be able to convey the same message about the firm,” she explains. Once that's in place, Hollinden urges firms to seek out cross-selling opportunities based on the interaction between partners, managers, outside vendors, competitors and clients.

“Everyone should get together to run through their contact lists and talk about business issues on a quarterly basis,” she explains. “From that type of interaction, you can come up with some great ways to market your services to untapped client sectors that you may not have thought of before.”

Also take the time to examine your referral networks and enhance them to the fullest extent possible, she advises. Start by drawing a picture of that network to determine just how far the contacts go within a specific market, and consider what other opportunities can be tapped from that 20 percent of customers who bring in 80 percent of your business. If a handful of clients are active members of a local industry group, for example, then common sense tells you that joining that group and maximizing those existing relationships may result in the opportunity to service even more of its members.

In return for these efforts, Hollinden says CPA firms can expect to see a more copious referral stream, and greater clarity when it comes to what the company does and for whom.

“The idea is to clearly articulate exactly what you do,” she says, “and hit the areas of the market that can truly benefit from your services.”