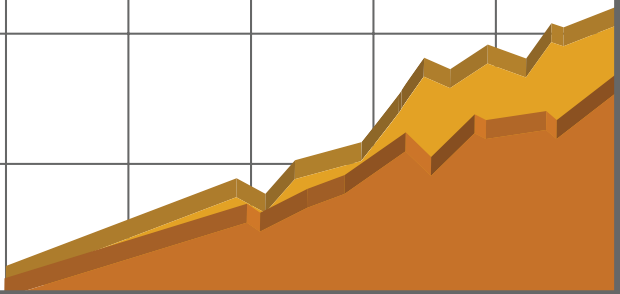


MARKETING

S M T W T F S



MARKETING MONDAYS

Marketing ideas and insight for tax and accounting professionals.

By Jack LaRue



THOMSON REUTERS



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MARKETING MONDAYS

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You're a marketer. I'm a marketer.
How Marketing Mondays came to be.

Marketing is like breathing. It's something that we do every day, even if we aren't always aware of it. The essence of marketing, after all, is showing someone that you have something that can help them. And if you're in business—just about any business—there's nothing more basic than that.

So, as a dyed-in-the-wool marketer, you can imagine my surprise when I joined the accounting profession 17 years ago and found that marketing was a foreign concept to many tax and accounting professionals. Many who I talked to said they just didn't need it. That they didn't have time for it. Or worse, that it somehow felt a little dishonest.

Ever since then, I've been telling anyone who will listen how marketing can help accountants grow their firms, provide better service to existing customers and attract new ones. In fact, if you're reading this, there's a good chance that I've tried to bend your ear and extol the virtues of marketing at tradeshow or a conference.

Marketing Mondays has been a natural extension of that, a way for tax and accounting professionals to get usable bits of marketing expertise without having to pay a professional marketer, and without having to take too much time out of their busy day. You'll find a new entry every Monday morning at CS.ThomsonReuters.com. In the meantime, I hope you'll enjoy the past entries I've collected here.

Sincerely,



Jack LaRue

Senior Vice President, myPay Solutions
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THE FIRM

4 STAGES OF MATURITY FOR AN ACCOUNTING FIRM



I've been discussing the four stages of maturity with accountants at trade shows, seminars, and conferences for so long that I'm not quite sure where I originally heard about them. They've stuck in my mind for all these years mostly because they're fun to talk about. But I've found that they can also be a useful way to think about your business. What stage are you at right now? Where would you like to be?

Stage 1 – I will do business with anybody.

This is where most new firms start out. Hungry to get work from any clients (and in some cases, just plain hungry), you'll take work from anybody, under any conditions.

Stage 2 – I will only do business with clients that actually pay me.

Armed with the experience you gained in Stage 1, you are now able to look at potential clients and assess their ability to actually pay you for your work. Instead of asking "How can I get this client to work with me?" you're asking "Can I make money by working with this client?" This is the first step towards creating a sustainable firm, and it's the most important stage to progress to, if not through.

Stage 3 – I will only take on new clients that operate in my preferred business method.

At this point, you're becoming an expert at determining what kinds of work your firm does best and how to run your business for maximum profit. And because you have a relatively stable client base, you can be a little more selective about which new business you choose to take on.

Is there a certain software system you prefer your clients use? Do you like to bundle services in a certain way? Do you prefer clients who will work with you via online portal? At this stage, you can use your experience as leverage to move new clients to your way of doing business. It might sound a little presumptuous, but it often results in better service to the client, less hassle for you, and higher profits.

Stage 4 – I will only do business with clients that operate in my preferred business method.

Though many firms never make it to Stage 4, it's a great place to be. You have a strong client roster. You're a respected expert in your field. And perhaps most importantly, the business model you established in Stage 3 is working like a well-oiled machine.

Still, you probably have a few rogue clients hanging around from Stages 1 and 2. They don't fit your business model and you're dedicating a disproportionate amount of time to serving them. This is the time where you begin asking yourself whether it's worth keeping them around.

You may be able to bring them around to your business model—chances are they'll be happier in the long run. But if they won't adapt, it might be time to end the relationship. You probably know a few firms in Stages 1 and 2 that would love to have the business.

There you have the four stages of maturity for an accounting firm. Getting to Stage 3 or possibly to Stage 4 can make life a lot easier and more enjoyable, but knowing all the stages can make it easier for you to think about the growth of your firm as you consider the types of clients you would like to attract and your stage of firm maturity. Not to mention giving you something fun to talk about at conferences and cocktail parties.

MAX YOUR TAX ORGANIZERS

How to get maximum ROI from your annual tax organizers.



Every year, tax and accounting firms start printing and mailing their annual tax organizers. And every year, some of them question whether it's worth the time and expense.

If you are going to go through the effort of printing and distributing tax organizers, there are a few steps that you can take to ensure that you are getting the maximum benefit from them:

Consider Going Online

First, consider using a web-based organizer. In 2008, the completion rate of the UltraTax CS® web-based organizer was over 34%, compared to a completion rate of around 10%-15% for paper organizers. (based on what I've heard from accountants I've talked with).

In addition to their higher completion rates, web-based organizers are cheaper to create and distribute, and the data (once it's verified by the preparer) can flow into the tax return without rekeying. And many clients find them more convenient than paper.

Make it Easy

Consider going with a short-form organizer rather than a full-length version. In addition to being less costly to print and mail, they are often less intimidating to clients. This should increase participation.

Remember, tax organizers are an important point of interaction with your customers, especially 1040 clients who you may not see very often. So it's important to make the instructions easy to follow and do everything you can to make your organizers user-friendly.

Customize Questions to Help Grow Your Practice

Many client organizers allow you to add questions. Consider asking a question or two that can help you communicate additional services you offer and generate additional business during a slower time of year. Here are some examples:

- Would you like to learn more about our financial planning [or whatever] services?
- Are you interested in learning about our web-based services?

Don't overdo it—just a question or two. It's easy and it can pay dividends later in the year.

Say Thanks

Let the customers who complete their organizers know that you appreciate the effort. Nobody likes to work on something and not even hear whether the work was ever used. A thank you can help ensure continued completion.

Preparing, printing, and distributing annual tax organizers represents a sizeable investment. So why not take a few steps up front to try to maximize your ROI?

IT ENDS AS IT BEGINS

Business lessons culled from the shark tank.

I was watching the TV show "Shark Tank" recently when a line was said that really struck a chord with me. For those not familiar with the show, entrepreneurs pitch venture capitalists (the sharks) for funding in exchange for a share of the business. And sometimes, the exchange gets a little "bloody."

In a recent episode, one of the sharks asked the business owner a couple of straightforward questions. The owner was evasive, trying to sidestep the question and steer the conversation toward another topic. This happened a couple of times. The shark grew frustrated with the convoluted responses and withdrew consideration from any funding, saying "The way the relationship begins is the way the relationship will end."

I have found this to be very true in dealings with potential customers, employees, even business partners. First impressions are often right on.

We have all experienced potential customers who can't quite accept our standard business model and try to change minute details, and prospects who feel the need to negotiate price on every level of service. We don't want to turn down the business, so we accept it under less than ideal terms, hoping that things will get better as the relationship progresses. But that almost never happens. Problem prospects simply turn into problem customers. And the frustrations continue over the life of the customer, until finally we can't take it anymore. The relationship ends the same way it began.

I have heard similar stories about interviewing potential employees or considering partnering relationships with other businesses or business people. Minor annoyances early in the relationship are overlooked because the person has the skills, expertise, or contacts we desire. But those minor annoyances almost never go away, and we become increasingly weary of dealing with them.

Over time, I have learned that it is wise to "trust your gut" when it comes to building new potential relationships, be it with new customers, employees, or business partners. When red flags go up early, when little annoyances crop up, remember that these things seldom get better. It is more likely that they will get worse as patience erodes. In the words of the shark, "The way the relationship begins is the way the relationship will end."



HOW YA LOOKIN'?

Is the appearance of your office working for or against your brand?

During tax season, you probably have your highest level of direct customer contact. With that in mind, I have one question for you: How ya lookin'?

I am talking about your physical presence—anything that your clients will see when visiting with you. Let's start with your office location, including the customer reception area, conference or meeting rooms, and any part of the office visible to a client walking to and from these areas. How does it look? Is there a light out in your shop's sign? Not good. Is it the same light that was out last year? Even worse. Are there piles of paper everywhere? You may not even notice them anymore, but prospective clients will. No matter how much you tell your customers that you have an eye for detail, a sloppy office will undermine that message.

Appearances can be especially important if you're positioning your firm as a high-tech operation. What does the furniture in your reception area say about your high-tech image? If it's the same furniture you had when you opened 20 years ago, there's probably a disconnect.

When you've been working in your office for years, it can be hard to see problem areas. So if possible, you might ask your newest employee, or perhaps a friend or spouse, for a little perspective.

How about the appearance of you and your staff? Do you have a dress code? Is it consistent with your firm's desired image? If you are presenting an image as a "friendly firm," business suits and ties probably don't reinforce that image. If your image is "experienced and authoritative," then jeans probably aren't the look you are seeking.

There are no right or wrong answers. But as with other branding efforts, consistency is key. Taking a few minutes to look around and fix what doesn't fit can be an important way to reinforce your firm's image.



WHAT—ME? WORRY?



Do you get stressed out during tax season? Learn how to turn that stress into a positive force.

Tax season is a stressful time for tax and accounting firms. And we've all seen articles about how to eliminate stress from the workplace. But is eliminating stress altogether really a good solution? Is it even possible? I think it may be better to turn negative stress into positive stress.

We all know about negative stress. Negative stress drains energy and hurts performance. It causes anxiety and depression. It's not healthy and can lead to serious physical problems and illness. Negative stress needs to be avoided and eliminated wherever possible. And a good way to do that is often to turn it into positive stress.

Positive stress creates excitement. It energizes and motivates. It can give you and your employees a sense of anticipation and accomplishment. Positive stress actually increases awareness and improves performance.

So the goal isn't to eliminate stress altogether. That's all but impossible during tax season. But there are ways to turn it into a positive force in your firm.

The first step is to make sure that you are organized and in control. One of the leading causes of work related stress is an unreasonable workload and a feeling that you are out of control. Since the "workload" equates to dollars, you won't want to reduce that. So it becomes important to ensure that you and your employees have a sense that things, while challenging, are under control.

From there, most tax and accounting firms have a variety of things that they do to bring some fun into the office. Past ARNE conversations talked about the benefits of special snacks brought into the office. There were also references to pranks, toys, and even the infamous traveling "Poop Moose." (You'll have to search ARNE for that story.) Anything to bring a smile or laugh into the workplace will do wonders to relieve negative stress and increase positive stress (fun).

During tax season, most firms are providing the highest-value service to the most clients, all at the same time. If that's not a reason for some excitement, then perhaps we've picked the wrong career.

ITEMIZED BILL

Do you have clients who complain when they get your bill? Here's a way to remind them what they're paying for.

Each year at this time, we all run into a few clients who complain loudly about how much it costs to have their tax returns prepared professionally. Often, it happens after they do their own taxes with a do-it-yourself program, or even after they complete a tax organizer. These clients always remind me of a story I heard a long time ago. I'd like to share it with you now—maybe it will help you explain your fees should you encounter one of these clients.

As the story goes, a woman found that she had a clogged pipe in her house. It was clogged so badly that water could no longer run through it. So she called a plumber. When the plumber arrived, he examined the pipe carefully, then pulled out his hammer and gave the pipe a single, firm bang. The pipe immediately became unclogged, and water resumed running through the pipe unhindered. He then gave the lady his bill – for \$100.

The lady was very angry about being charged \$100 for a single bang on the pipe. So she demanded an itemized statement from the plumber. "Certainly," said the plumber. He carefully completed an itemized statement and gave it to the woman. It read:

One bang on pipe	\$ 1
Knowing precisely where to bang on pipe	\$ 99
TOTAL	\$100

Occasionally, clients forget that they don't hire you for your labor or your tools – they hire you for your expertise. When they need a little reminding, I hope the story above can help.



DEAR CLIENT: YOU'RE FIRED.

Are there some clients that you'd be better off without?



The end of tax season is a good time to turn a critical eye toward your client base. You probably have a few clients who are a disproportionate drain on your firm's resources. They monopolize your time. They make your staff crazy. And they probably owe you money to boot.

In some cases, you may be better off firing these clients. At the very least, it's probably a good idea to raise their fees; if they choose to stop doing business with you, you're probably better off. And if they don't, well, at least you're being compensated for the aggravation they cause you.

You can probably identify your problem clients off the top of your head. Chances are they fit one of these profiles:

Billy the Bully: Billy may have a great relationship with you, but he takes every opportunity to abuse your support staff. No respect for anyone. Maybe Billy had a bad day, or maybe bullying your staff makes him feel important. Either way, it's an easy call: fire him. Your staff will love you for it, and they'll be more productive as well.

Cheryl the Cheapskate: No matter what the price is, it's too high for Cheryl. She will ask for advice in a 'quick call' or ask you to 'just look something over.' Of course, the thought that she would be charged for these quick favors doesn't even enter her mind. Worse yet, you probably haven't increased prices on Cheryl in hopes that maybe she won't complain. Fat chance. Did I mention that she's also months late paying her bill?

Cliff the Know-It-All: Cliff knows just enough about everything to get him in trouble. He challenges you on tax breaks for which he clearly does not qualify. He lies awake at night wondering why you tell him one thing and TurboTax tells him another. And for the few things he doesn't know, he has a son that just got his law degree. And a nephew who's working on an accounting degree. But he's just trying to help you do your job better.

Needy Edie: Say, do you have a second? Not with Edie around. The report has the right information, but she'd like you to format it a little differently. And she doesn't like the font. She knows you gave her a copy of her tax return, but she lost it. And why look for it when she can just call you for another? And could you also do a simple return for her daughter? And her daughter's three kids? And their church?

Forgetful Freddy: Freddy forgot to bring some information to his interview. If you're lucky, you'll get it three weeks and ten reminders later. And after you're finally able to complete his return, he'll show up with another 1099 that—yes—he forgot about. Pay extra to redo his return? Forget it.

ARE YOU GETTING PAID?

A few simple steps to help you get paid faster.

How are your collections? Are they humming along like a well-oiled machine? Or are the proverbial shoes on the cobbler's son a more apt metaphor?

I am often surprised at the number of tax and accounting firms who say they aren't getting paid quickly enough. Most are advising their clients on ways to increase collections and reduce AR, but they can't quite seem to implement that advice into their own firms. Here are a few suggestions that may help you get paid faster.

First, move toward a pay-up-front or pay-upon-completion model. There is no reason to invoice your tax return preparation. The return shouldn't be filed until it is paid. Remember, you have ultimate leverage before you file your clients' returns, but virtually zero leverage after.

Second, it's a good idea to have a stated policy regarding late payments, finance charges, impact on future service, etc. Include the policy in your engagement letters and adhere to it zealously. If a payment is late, contact your client right away. There's no need to be harsh, a friendly reminder will often suffice. This action tells your clients that you monitor payments closely. On the other hand, if you wait a couple of months before contacting late payers, you're essentially giving them permission to be late.

Third, make it as easy as possible for your clients to pay you. That includes taking credit cards and online payments. There are more ways than ever to do this, many of them easier and less expensive than you think.

Here's a creative way to make it easy for your clients to pay you: If you charge a monthly fee or retainer, and you process their payroll, consider asking permission to collect your accounting fees when you fund their payroll. For example, let's say you have a client who pays you a \$300 monthly retainer and you process their payroll on a semi-monthly basis. With their permission, you could collect \$150 of your accounting fees each time you fund their payroll. This increases your cash flow, and it enables your client to pay your fees in smaller, more frequent payments, which most will find easier. If your client has a service bureau provider doing their payroll, see if they will set you up as a vendor and do this for you.

Increasing your business doesn't do any good if you don't get paid for it. Begin training your clients to make sure that you are on the top of their list of people to be paid. Even better, train your clients that payments are to be made in advance or upon completion of your work. As the old axiom goes, you won't get what you don't ask for.



TAKE A LOOK BACK

Learn how doing a post-tax season debrief of your marketing efforts can make next year even better.



The entire tax and accounting profession breathes a collective sigh of relief. And most of them also do an operational debrief of the last few months. But it can also be wise to take a look back at your marketing efforts. Take a little time to analyze what went well, what didn't go so well, and what you can do to make your next tax season even better from a marketing standpoint. Try asking yourself the following questions:

1. Where did you get most of your new clients? The answer to this can help you tweak your new business development tactics and tools.
2. Which clients did you enjoy serving the most? Which ones were the most profitable? Knowing this can help you determine which new clients to pursue and which ones might be better left to another firm. It can also show you which of your existing clients are most valuable.
3. What clients were most difficult or least profitable? This is a very important question that many firms never ask. But with a little effort, you can develop a strategy for these clients. Whether it's "firing" them, changing the way you serve them, raising their fees, or something else, a little planning now can make life much easier for you and your staff.
4. Were there any opportunities to grow your practice that you were not able to act upon during tax season because you were too busy? In this business, new opportunities often come along precisely when you are least able to act upon them—unless you prepare in advance. Think about any opportunities that may have presented themselves this past year. What can you do during the summer and fall to be better prepared to act on these or similar opportunities next tax season?

As the year progresses, you can use the answers to these questions to help improve your strategies and tactics and make next year's tax season the best yet.

THE E-MYTH

Are you working on your business or in it?

I recently read Michael Gerber's *The E-Myth Revisited*. And I was struck by how one of the book's main ideas gets right to the heart of what's holding back many small CPA firms: their owners are working in their business instead of on it.

Instead of focusing on goals and devising a plan for directing the business itself, the owner takes on the role of chief worker bee. As a result, he or she feels overworked and trapped on the tactical problems of just getting the work done. Meanwhile, the business itself stagnates, or worse, veers down a path to failure.

Nothing against the one-person or two-person firms that are happy working by themselves, for themselves. If you're happy working in a small business, that's great. But it should be a conscious choice. If your goal is to grow your practice, and you are not progressing as quickly as you would like, it is helpful to think about how much time you are working in your business and how much time you are working on your business.

Gerber argues that for a small business to grow and thrive, the owner needs to hire staff to actually do the work. The owner must balance three different roles: master technician, manager, and entrepreneur. As the most skilled and knowledgeable technician, the owner should focus on designing efficient processes and procedures that can be replicated and enable the business to grow. And as the entrepreneur, the owner must design a plan for the business itself, spending less time working in the business and dedicating more time to working on it, addressing big-picture issues that will enable the business to grow.



THE MEDIA

6 WAYS TO GET MORE ADVERTISING RESULTS FROM FEWER DOLLARS

How to make your ad dollars work harder.

The first question I always ask when a firm comes to me for advice on advertising is “Who is your audience?” And often, the answer I get is “everyone.” This answer is fine—for firms that have an unlimited advertising budget.

But for those of us who have to do business in the real world, targeting a specific audience and delivering a consistent message will get much better results. A rule of thumb is that it takes 3 impressions before recall starts and at least 7 impressions before you can prompt a person to action. Consistency is key.

But what exactly does consistency look like when you’re a small business or accounting firm with a limited marketing and advertising budget? Here are a few actionable tips for bringing consistency to your advertising:

- **Choose lots of small ads over one or two big ones.** It’s better to have multiple contacts over a longer period of time, even if the ads are smaller, than to spend your whole budget on one or two large ads that will quickly be forgotten.
- **Make sure your ads appear at regular intervals.** This will lead people to expect your ads, whether consciously or unconsciously. This can be especially important with email communications. Sending them out on a consistent day and time can dramatically increase readership.
- **Maintain a consistent presence in a single vehicle.** One publication, one radio station, one website. This will pay off much better than spreading your efforts across many vehicles.
- **Get consistent advertising placement.** This can mean the same page of a publication or website or the same part of a radio program.
- **Find a core message and stick with it.** Your key selling points should stay the same, but you need to keep them fresh by finding multiple ways of presenting them. Never diverge from your core message.
- **Extend consistency beyond paid advertising placements.** Whenever a customer sees or hears a reference to your firm, it should have the same “feel.” This is why it’s a good idea to come up with a set of defined logos, colors, and fonts.

Having a flashy ad that runs in big-name publications may sound good at cocktail parties, but communicating the right message frequently and consistently—even to a smaller audience—is far more likely to succeed. It’s kind of the tortoise and hare story of the advertising world.



DO NOT DESIGN YOUR WEBSITE AS A MARKETING TOOL

How designing your website around existing customers can land you more new business.

If you are considering a strategy for refreshing your current website, or perhaps designing your first web site, here is some contrarian advice: Do NOT design it as a marketing tool! Let’s face it, most business people will not select an accountant based on a Google search. Referrals are still the most prolific and effective lead source for accounting firms. So why not design your website around the people doing the referring – your current customers? Here is a simple way to design a world-class website for a tax or accounting firm in 3 simple steps.

First, make it YOUR website.

Include items that are specific and unique to your firm.

- Show pictures of your location and your staff.
- Include imagery of your logo.
- Include a listing of your services.
- Include directions and a map.



Second, make your website a valuable resource for your clients.

Provide information and resources to your customers to help them with business and financial issues.

- **Newsletters and articles** on recent tax changes can be informative.
- **Financial calculators**, such as lease or purchase analysis, mortgage calculators, and retirement target calculators are surprisingly easy to find and add to your site.
- **Links** to agencies that your customers might need to contact are also helpful. These can include the IRS, state and local government and taxing agencies, EEOC, SBA, Department of Labor, etc. If a customer asks your advice on who to contact for an issue, or how to contact a specific agency, add that agency to the Links section of your website.

Third, provide personal, online services to your clients through private, secure portals.

While online services have become a business requirement for banks and investment services, they still offer a strong competitive advantage for accounting services.

- Clients will value the convenience of 24/7 access to their financial statements and tax returns.
- Providing profitable payroll services to your clients is easy and cost-effective, and the Internet makes it easier than ever. Clients enter payroll information and receive PDF copies of paychecks online that they can then print out. It’s more convenient for them and it significantly lowers processing costs for you.
- By aggregating your clients’ investment and financial information into a single secure location that your clients access through your website, you can increase traffic to your site.

So, here’s the ironic twist. By NOT designing your website as a marketing tool and instead focusing on how better to serve your clients, you will increase customer satisfaction. This will most likely result in more referrals, which in essence, will make your website a more effective marketing tool.

MUST-OPEN EMAIL

How to create subject lines that get readers clicking.

The subject line is the most important part of any email. No matter how good everything else is, it all goes unread if you don't pair it with an effective subject line. So, how can you create subject lines that make your audience want to click "open"? Here are some dos and don'ts that I've found to be helpful in the past:

DO:

Let readers know what to expect when they open your email. What's in it for them?

Keep it short—around 35 characters is best.

Ask a relevant question in your subject line, then answer that question in the body of your email.

Lead with specific benefits that you can deliver on.

Consider using numbers to create curiosity. This tried-and-true email tactic can be very effective. "Top 10," "7 tips," etc.

Create a sense of urgency. "Last chance," "You only have three days," etc. You want readers to open your email right now. Would-be readers who postpone reading your message until later may forget about it as it gets pushed toward the bottom of their inbox.

Test, test, and re-test. The great thing about email and other online marketing is that it's inexpensive and easy to change. That's why it's so important to test and track results. If a subject line doesn't get the results you'd hoped for, it's easy to try something different in your next communication.

DON'T:

Try to trick or mislead the reader into reading the email. Most people can spot a misleading email a mile away. And the ones that can't? You probably don't want them as customers anyway.

Be too salesy or gimmicky. In this business, you're usually looking for a lasting relationship. And the hard-sell approach is generally not a good way to get one.

Use 'spammy' words like "free," "sale," "money," "discount," etc. Words like these are likely to get noticed by spam filters and no one else.

Type in all caps. It's rude, and it makes your emails harder to read.

Use exclamation points. They're major spam triggers. And I have yet to see a single email subject line that's important enough to warrant one.

Remember, your subject line is the single most important component of your email. Make sure you spend some time creating one that will maximize your open rate.



THE ELEVATOR SPEECH

How to tell prospects everything they need to know in 30 seconds or less.



An elevator speech is a description of your business that you can rattle off in 30 seconds or less—about the amount of time you'd have if you found yourself sharing an elevator with a sales prospect or key decision maker. And no matter who you are, you need a good one.

Your elevator speech is a vital tool for introductions at networking events, cocktail parties, conferences—any time you have an opportunity to talk about your business. It should capture attention quickly, be memorable, and leave your audience open to asking for more information.

You can have a slick web site, a beautiful brochure and an impressive logo, but if you don't have a well-thought out and practiced elevator speech, you are missing one of the most important (and least expensive) sales and marketing tools out there.

Designing a well-crafted elevator speech

Mark Twain once wrote "I didn't have time to write a short letter, so I wrote a long one instead." It is a challenge to write a compelling description of your business and the key benefits you offer in 30 seconds. That's why you need to think it through carefully. Most good elevator speeches are made up of four key components:

1. **Who are you?** This is the easy part. You give your name and the name of your firm.
2. **What service do you provide?** Provide a brief description of the service(s) that you provide. It is important to keep this brief, because it is still about you, and prospects really don't care about you. They really just care about themselves and their business.
3. **Who is your ideal customer?** You may be tempted to say everyone, but you don't serve everyone equally well. You are looking for a descriptor that potential customers can either relate to now or aspire to in the future.
4. **How do your customers benefit from your services?**—This is the most important part of your elevator speech – what is the benefit that your customers get. It must be expressed in the customers' terms.

Here is an example of a reasonably well constructed elevator speech, based on the above:
"I'm John Smith from Smith & Jones Accounting. We provide a full range of accounting and tax services for small and medium-sized businesses that want to grow and increase their profits. We work with our clients to set aggressive but achievable financial goals and meet with them at least quarterly to review their progress. Last year, more than two thirds of our clients fully achieved their financial goals."

Practice, Practice, Practice

Once you have constructed your elevator speech, you need to practice it. You want to ensure that you are very comfortable telling it, that it rolls off your tongue with ease. You want to sound confident and sincere.

Once you have your elevator speech written and rehearsed, try it out. Feel free to tweak it as you see fit. Just make sure you stick to the 30-second maximum time. And remember, if it's only about you, the response will likely be a silent but deadly, "So what?" But if you can talk about the benefits that you deliver to your customers, the response is more likely to be the magical, "Tell me more."

NEW YEAR, NEW IDEAS

A few marketing-themed New Year's Resolutions



The New Year is a great time to take a fresh look at your marketing strategy and think about what's working and what needs a fresh approach. Where do you want to be at this time next year? With that in mind, here are some suggestions for some marketing themed New Year's Resolutions to consider:

What's your marketing strategy?

Do you have a marketing strategy? What do you want prospects and customers to think about your firm? In prior articles, we have addressed concepts such as firm positioning, firm personality, and your elevator speech. Are your various marketing messages working in coordination to communicate a consistent message? Or do you have a series of different messages being communicated by different vehicles?

Develop an online presence

About half of tax and accounting firms still do not have a website. This is a big opportunity, because it means that having a website is an inexpensive yet compelling way to differentiate your firm. You may get most of your new business from referrals, but those referrals need a way to get more information about you. A website is the most powerful and cost-effective way to get that information out there. And, with the many web development tools now available, you can have a professional website registered and implemented in just a few hours.

Already have a website? Take it to the next level

If you do have a website, congratulations—you're ahead of the game. Now is the time to take a good look at your site from your clients' point of view. Is it time for a refresh? A redesign? Maybe it's time to take a look at making your website a more powerful tool with client portals, industry news feeds, or other recent advances. Above all, think about how you can make your site an integral part of your clients' workday. Give them a reason to make repeat visits to your site, and keep the content useful and fresh.

My New Year's marketing resolution – Join the social networking craze

I must confess: I have never felt the need to tweet. I don't even have a Facebook page. It's just not how I choose to interact with friends and family. However, there's no denying that social networking has become a force to be reckoned with. In the business world, it's just too powerful to ignore. So I resolve that 2010 will be the year I begin to participate. As they say, better late than never.

CAUSE MARKETING

Learn how public relations can make your charitable contributions and volunteer work more effective.

Community service, charitable work, and serving the greater good seem to be on the agendas of more and more businesses, including accounting firms. In addition to being the right thing to do, charitable contributions and volunteer work often benefit your organization as well. Publicizing your good works can generate goodwill for your firm, along with publicity—and support—for the causes you're working with. It's a win-win.

But for firms who may not do a lot of public relations, it can be tricky to publicize your good works without seeming self-serving. How do you toe the line of positioning your community service positively? How can you receive the benefits without looking selfish?

My rule of thumb is to make sure you put the cause first and your firm second. If you can say that, then you are probably safe in your positioning. If your efforts focus more on your firm than the cause, then you may come off as self-serving.

It is not that difficult to design a communication from your firm that focuses on the cause. It can be informative—educating the public about the need. It can encourage additional participation. And it can inform the public of the benefits of participation or contribution.

It is good to be active in your community. And there's nothing wrong with letting the public know about it. Making sure that the communication focuses on the cause first and your business second will help make sure that your efforts do the most good, both for you and for your cause.



FREE SAMPLES

Think free samples are only for cereal and toothpaste? Think again.

We've all gotten free samples at one time or another. They're been around just about as long as marketing itself. And I know what you're probably thinking—free samples are for breakfast cereals and toothpaste, not tax and accounting services. But you might be surprised to learn that many firms have been using them successfully for years.

For example, I spoke with a CPA from Massachusetts who tried offering one month of free financial benchmark comparatives to his write-up clients. The next month, he told his clients that he could continue to provide the reports for an additional \$25 per month, or make them available on demand for \$50 each. He said he had about 10 clients sign up for the monthly reports and he produces a few each quarter and about 10 at year-end. That has resulted in over \$5,000 in additional annual revenue for something that requires very little time.

There are plenty of other ways to use free samples. For example:

- Produce a tax planning report and provide it to your clients for free along with their tax return. Offer a special rate for a half-hour or one-hour tax planning consulting session during one of your slower months.
- Along with the standard financial reports, provide your write-up clients with a set of graphs for some of their key financials. Again, provide it for free for the first time, then offer ongoing reports for a nominal fee. You can also use the reports to justify a price increase.
- Set your clients up in a web portal. Have recent copies of their financial statements and/or tax returns available. Then, take them to the portal so that they can see how convenient it is to have their documents available online. Whether you choose to charge for them or not, it should significantly increase portal acceptance by your clients.

The key is, clients often don't see the value of new technology and services until they can actually experience it. They'll appreciate getting something for free. And, like Mikey (of Life Cereal fame), they just might find out that once they tried it, they liked it!



THE BUSY SEASON BUZZ

How to capitalize on tax season media coverage.



For those of us in the tax and accounting profession, the days between January 1 and April 15 are usually the most stressful of the year. They're also the time when the media suddenly take an interest in what we do with a barrage of coverage on tax season and money matters. A lot of us are too busy to realize that this is a great opportunity to get ahead of the competition by generating publicity and marketing buzz.

Becoming a local expert on tax and accounting issues can do a lot for your bottom line. Write articles for the local newspaper on overlooked deductions or maximizing your tax refund. Get interviewed on radio programs or even the local TV station. The media has more space to fill and fewer resources than ever, so if you make it easy for them, they may turn to you.

I know what you're thinking—tax season is exactly the time of year when you don't have time to deal with these kinds of things. You're right. But with just a little preparation now, you can be ready next year.

When tax season rolls around, try keeping a log of ideas for future articles or interview topics. Are there questions that customers ask you over and over again? Have you found a good money-saving idea or an interesting opportunity? These can be turned into articles or interview topics later. But for now, just jot them down.

Once tax season is over, you can go back to your notes and begin turning them into articles, interview questions, and topics. Work on them during slower times. Accounting topics tend not to change much from year to year, so once you've written something, you can keep it "in the can" until there's a good opportunity to use it.

Next year, as tax season approaches, take another look at your draft articles and interview questions. Make whatever tweaks you need to bring them up to date. Now, you have interesting and informative content ready for the media.

By taking just a few moments now and investing some time this summer, you can be the local media's tax and accounting expert next tax season, and take advantage of the opportunities that come with it. Most of the work will already be done. And you'll have your competitors wondering how you do it.

DO YOU HAVE A BUSINESS CARD?

Does everyone at your firm have their own business cards? They should.

You get it. You recognize the power of networking. You don't leave your house or office without your business cards because you never know when an opportunity to promote your firm might arise.

But here's a question for you: Does every person in your firm have business cards? Even your receptionist and paraprofessionals? If they don't, they should.

I am surprised at how many accounting firms only provide their partners and professionals with business cards—not their support staff. This is a missed opportunity. These employees have opportunities to promote your firm as well, from businesses they frequent to organizations they are involved in. Even if it's just their friends and family, it's an easy way to get your firm additional exposure. And many times, junior employees place a higher value on having business cards. They're proud to have them and are more likely to distribute them. And it makes them feel more invested in the firm.

At \$10 or so per employee, giving business cards to all of your employees is a very inexpensive marketing tool. It reinforces the idea that everyone in your firm should be looking for ways to grow the business and shows that you view everyone at your firm as a professional. The increase in employee satisfaction alone is worth the minimal investment.



OPT IN

Do you have an in-house email list? Learn how to build one in this week's Marketing Mondays.



Marketing experts agree that the most effective email list you can market to is your own in-house opt-in list. These lists are made up of people who already know your firm, so they're much more effective than just going out and buying a list. Building one may seem like a daunting task, but with a little time and patience, it can be surprisingly easy. And given the value such a list has over time, it is well worth the effort.

An important step in building your opt-in email list is to simply search for ways to get people to opt in. This could include adding an opt-in message to your standard marketing efforts. You have seen the standard check box on emails sent to you: "Would you like us to email you similar information?" Look for opportunities to include a statement like this in your communications.

It might also be worth the effort to design a marketing campaign in which opting in to future communication is the primary goal. Sure, you can include an option for the person to raise their hand for a sale—but the primary goal is to get them to opt in, to build your email list.

A good way to do this is to offer your customers some useful content in return for opting in. For example, you could do an email or direct mail campaign regarding the recent HIRE Act. Your offer might include a free whitepaper explaining the tax credits available with the HIRE Act. When they request the whitepaper, have a simple checkbox for them to opt into future email communication on similar topics. You could also include an offer for a free consultation or another way to signal that they would you to contact them about your services, but the real goal of the campaign is to increase your opt-in email list.

You should also have a way for people to opt in on your website. And when you get a business card at a networking event that includes an email address, send them an email with an opportunity to opt into your newsletter or other communications.

A large opt-in email list will pay dividends for years to come. It is certainly worth the investment to build one or grow the one you have.

THE MESSAGE



FROM ADS TO ACTION

How to create calls to action that get results.

Have you ever read or viewed an ad, direct mail piece, or email and thought, “That was interesting. Now what?” Chances are, you did ... nothing. This is an example of a marketing message with a missing or poorly done call to action. It’s caused countless otherwise well-crafted campaigns to fail. But it doesn’t have to happen to you.

The call to action is the part of a promotional message that directs the audience to take a specific action—make a phone call, go to a website, and so on. It’s not complicated, but crafting a good one takes a little planning and thought. Here are some tips to help make sure you have a good call to action:

- 1. Think carefully about what your call to action should be**
Sure, ultimately you want your audience to agree to do business with you. But that may be too much to expect from a single letter or email. A more reasonable next step may be to have them request a free half-hour consultation, or sign up for your newsletter, or get a free report or whitepaper. Whatever it is, make sure it’s a single, simple, tangible step. Preferably one that your audience can take immediately.
- 2. Make it easy**
Make it as easy as possible for your audience to take the next step. This means choosing a step that doesn’t require a lot of work on their part. Email marketing is great for this, because in most cases, your audience can take the next step immediately with the click of a mouse. If the call to action is to phone your firm, make sure you always include the phone number (I know it sounds obvious, but you’d be surprised). If you want them to mail a response to you, use a business reply envelope or postcard.
- 3. Communicate it clearly**
Be very, very clear about your call to action. Put it in a prominent part of your message or ad so that your audience will notice it even if they’re not paying close attention. This is especially important with emails and online ads. It’s tempting to pile in lots of buttons and links, but it’s much more effective to have one clear, obvious call to action.
- 4. Make it measurable**
A good, measurable call to action makes it much easier to determine whether your campaign is working as planned. So make sure you have a way to measure how many people clicked on your ad, or called to get more information, or sent in a reply card. You can’t increase your effectiveness if you’re not measuring it.



THREE MUST-ANSWER MARKETING QUESTIONS

The three questions you should be able to answer before designing a marketing piece.

People often ask me to take a look at marketing pieces that they're working on. When this happens, I always ask them the same three questions:

1. Who is the audience?
2. What is the purpose?
3. How will it be delivered?



These questions seem pretty simple and straightforward. But it's surprisingly common for people—even professional marketers—to start designing marketing tools without good answers. And those answers are a critical starting point in designing effective marketing tools.

With that in mind, let's take a closer look at them:

1. **Who is the audience?**
Before starting to design any marketing piece, it's important to determine who exactly you are trying to reach. Current customers? Prospects who you've talked to in the past? Prospects that may not know your firm from any other accounting firm? You may be able to leverage your communication across additional audiences, but if nothing else, it's helpful to have one primary audience in mind and make other audiences secondary.
2. **What is the purpose?**
If you are able to successfully reach your target audience, and they actually read, hear, or view your communication, what would you like them to do? Do you want them to call you? Do you want to drive signups for an event? To generate new prospects? To turn prospects into customers? Or just to generate awareness? This is probably the most important question to answer before you invest your time and money into a marketing piece or communication. Be very careful about marketing pieces that have the audience do nothing right now, because that is usually what they accomplish.
3. **How will it be delivered?**
Once you've determined who you're talking to and what you want to accomplish, you can begin to think about the most effective way to get your piece into the hands of your target audience. This is especially important with more expensive media like print.

Will the piece be mailed? Will it stand alone or be inserted in another mailing like a billing statement? Will it be included as part of a pack that contains information from other businesses as well? Perhaps it will simply be placed in a reception area or on a counter as a pick-up piece. Or as a leave-behind following a meeting or discussion. Not thinking through this step of the process can result in expensive missteps.

By thinking through these simple questions before beginning work on the design of your marketing tool or communication, you'll greatly increase its effectiveness. You'll also help ensure that you don't have a beautiful (and expensive) marketing piece just sitting on a shelf somewhere, because you never thought about how it might be used.

THE 40/40/20 RULE

A simple equation that can make your direct marketing efforts more effective.

So, you've decided that you want to do a marketing communication, direct mail or email. The normal tendency is to immediately start thinking about a clever message. Or perhaps you are visualizing an impactful graphic image or presentation. Uh oh—you're already in trouble. You don't understand the 40/40/20 rule of direct marketing.

The 40/40/20 rule says that 40% of the success of your campaign will depend on your list selection, 40% on your offer, and only 20% of your success will be attributed to your creative execution. Guess where most marketers spend 80% or more of their time? Yep—on the creative—because that's the fun part. But that's not where your success will be determined.

Your List (Audience) is King

As stated above, 40% of your success will be determined by the list that you mail or email to. If you are communicating with current customers or prospects that already know you, then you have an excellent list. But if you are trying to grow your practice beyond those audiences, you need to ensure that you're talking to good prospects who are likely to be interested in your services.

So how do you do that? A good way to start is to look for a current list of potential clients that have something in common. It could be a type of business you specialize in (vertical market). Perhaps a list of newer businesses that have opened in your area or new homeowners. Once you've determined a profile, you can put together (or often purchase) a list of new prospects that fit that profile. This enables you to craft a message that is designed specifically for that audience, which can help maximize the success of your campaign.

It's All About the Offer

What's in it for me? That's what your audience will be asking themselves. A marketing communication that speaks only about your firm might make you feel good, but it will likely fail to deliver the results you are seeking.

Offering a discount is certainly an option, but it isn't the only one, and it may not be the most effective. What else can you offer a prospect as a reward for taking the next step? It could be a free half-hour consultation, or a whitepaper dealing with a tax or financial issue that could be impacting your audience. This is related to the call to action that we talked about a few weeks ago. What, specifically, do you want the prospect to do? And what reward will they receive for doing it?

Now You Can Start the Creative

Only after you have determined your audience and your offer should you start working on the creative. The understanding you gained during the first two steps will help you and/or your marketing folks craft a much more effective communication. At this point, you are executing a plan. You know who you are talking to and what you want them to do. That knowledge will make it much easier for you to craft a message that drives to the specific action that you are seeking. And that will ultimately improve the effectiveness of your campaign.

Designing a marketing communication around a clever idea or presentation can be fun. But remember the 40/40/20 rule. Give careful thought to who your audience is and what you would like them to do, then give them a compelling reason to take the action you want. This will maximize the effectiveness of your campaign and the return on your marketing investment.

SHUT UP AND CLOSE THE SALE

How to sell more by talking less.



So, you finally got the meeting with that key prospect you've been courting for so long. Now you're preparing for the meeting, thinking of what you're going to say to convince them to hire your firm as their accountant.

Here's the rub: Your chance of closing the sale is inversely related to the amount of time you spend talking about your firm. The simple fact is that prospects, even if they're already your customers, don't really care about your firm. They care about their business. The only thing they want to know about your firm is what it can do to help their business achieve its goals.

I'm sure you've been on the other end of this situation many times—stuck with a sales representative who tends to 'over-talk.' They address every imaginable point, service, and feature to make sure they cover everything. But most of it is irrelevant to you, so you tune out.

When you're the salesperson, make sure you don't fall into the same trap. Instead, get the prospect to talk about their business and their goals. Then, after careful listening and understanding, you can talk specifically about how your firm can help them achieve those goals. The key word here is 'specifically.'

I've talked with many sales people who, upon hearing why they lost a sale, responded "But we can do that. I told them ..." The issue is that while the sales person may have mentioned a particular feature or service, they did not talk specifically about how it would meet the needs or goals of the prospect. They left it to the prospect to connect the dots, and the prospect didn't connect them properly.

So, do some research into the prospect's business before your next meeting. Check their website for clues. Think of the key questions you will ask about their business. What are key goals they have for their business? Growth? Retention? Reducing costs? What prompted them to consider another accounting firm?

Anticipate their potential answers and think of ways to be specific about how your firm can help their business. If possible, prepare a set of reports and graphs specifically for the type of business the client is in.

Keep in mind, the more time you spend talking about your firm, the less chance you have of winning the account. The more time you and your prospect spend talking about his/her business, the greater chance you have of winning the account.

JUST TELL 'EM

Selling new services to your clients might be simpler than you think.

A couple of years back, I was talking with an accountant who was really excited about portals for his clients. But he wasn't sure how to "sell" them. So he asked me how he should convince his clients. My response surprised him. I told him that he shouldn't try to convince his clients. That the next time he talks with a client, he should just tell him about his new portal offering and ask "Would you be interested?" It's that simple. The client will either say "Yes" or "No."

This episode has repeated itself many times over the years. An accountant falls short on implementing a new service because he or she can't think of the right way to "sell" it to clients. This is just making the situation more complicated than it needs to be. You often don't need to "sell" to your clients, you simply want to make sure that they are aware of the services you offer.

Use Your Standard Communication Tools

How do you make your clients aware of all the services you offer? Obviously, you want to make sure that your standard communication tools include all the new services you provide. This includes your website, brochures, and any other promotional material about your firm. If you have a newsletter, include an article on your new service. And, as suggested above, simply ask your clients if there is any interest at the conclusion of meetings and phone calls. No pressure. Just ask.

Consider These Alternative Communication Methods

Anytime you "touch" customers with a communication, it is an excellent opportunity to see if they have interest in other services that you offer. You can place a teaser line on the invoices you mail out: "Please let us know if you would be interested in our payroll (or whatever) service."

You can also add a question to your client tax organizer to identify interest in a current service or to gauge interest in a potential new service. Consider questions like: "Would you like to learn more about our online services?" or "If we offered financial planning (or whatever) services, would you be interested?"

Don't Sell 'Em—Just Tell 'Em

There's a reason you don't feel comfortable selling new services to clients. It's because people don't want to be sold. So don't do it. Just make sure that your clients know what you have to offer. Ask them if they are interested. You may be surprised by how many say yes.





WHAT DID YOU EXPECT?

Managing your customers' expectations is the key to exceeding them.

Consider this scenario. It's Saturday night and you go out to dinner. At the restaurant, you have to wait 20 minutes to get a table. How does that make you feel? Your answer probably depends largely on what the greeter told you when you first arrived. If you were told "It'll be just a few minutes," you were probably pretty frustrated. However, if you were told "The current wait is 30-40 minutes, but I'll try to get you in earlier," you were probably feeling pretty good. The wait itself was identical. The only thing that changed was the expectation. It's a classic example of the common mantra "under-promise and over-deliver."

We've all heard this, but have you ever thought about how contrary it is to our standard behavior? It's not that any of us purposely want to mislead our customers. But most of us are optimists. We want to communicate what we hope to deliver, and we often fear that under promising could disappoint a customer. None of us want to do that. So, with the best of intentions in mind, we over-promise, setting us up to under-perform.

The first step to exceeding customer expectations is to truly understand those expectations. This requires getting feedback from customers, as well as the ability to look at things from their perspective. It doesn't have to be complicated—just ask the customer what they expect. The better you understand your customers' expectations, the better chance you have of exceeding them.

Next, make sure that you and your employees are setting the right expectations in the first place. This means having the data and experience to know what's possible and what isn't. If employees are just offering personal opinions about a deadline (also known as "guessing"), they are much more likely to fall victim to the optimism and conflict avoidance that can lead to over-promising. Don't be afraid to ask your employees exactly what they need to set more appropriate expectations.

If you want to improve customer satisfaction and loyalty, start by thinking about what your customer really expects from your services. Then think about how you and or your staff might be influencing those expectations, or how they could influence them. With that understanding, you will be in better shape to actually exceed those expectations—and enjoy happier, more satisfied clients.

WHO ARE YOUR REAL COMPETITORS?

Do you have competitors you've never even considered?

When I ask a tax or accounting firm to name their most important competition, they almost always name another tax or accounting firm operating in the same vicinity, providing the same or similar services. It's the obvious answer, and it's often at least partially correct. But limiting your frame of reference to other accounting firms can cause you to overlook what might be your strongest competitors—the ones who aren't accounting firms at all. It all depends on your definition of who a competitor is.

To really define what constitutes a competitor, think about the services you offer. Now think about all the options that your potential customers have for getting those things done, whether they're accounting firms or not. It may help to ask yourself the following questions:

1. What is their current method for handling the service you are attempting to win?
2. What alternatives are they considering besides you and the status quo?

A good way to approach this question is to think of your last several new clients. How were they handling their tax and/or accounting prior to coming on board with your firm? Were they being served by another similar tax and accounting firm in town? Or were they doing things manually? In their decision making process, were they actively considering the services of multiple firms? Or was it just your firm against the status quo?

When you consider who your firm was truly competing with in your clients' decision making process, you might be surprised. You may never have considered software systems such as QuickBooks or TurboTax, storefront chains, or nothing at all as competitors. But if that is who prospective clients are comparing you to, that's who you're competing with.

Once you have broadened your concept of who your real competitors are, you can look at your firm's marketing messages and make sure that they are addressing the competitive advantages that your firm has over them – from the customer's viewpoint. This can help you craft more effective messages for attracting new business, by focusing on the specific benefits the customer will receive by changing from the status quo.

Certainly, the more you know about your competitors, the stronger your position is. But you may find it interesting to see who your customers and prospects consider to be your competitors, if not by asking them, by looking at their actions. After all, who is it you and your competitors are competing for?



MAXIMIZE YOUR VALUE

Do your clients know how much money you're really saving them?

We've all seen the ads. "These windows will save you so much in energy costs they will pay for themselves." "These tires will save you so much in gas they will pay for your vacation." It is a common marketing strategy to make relatively small savings seem more impressive by multiplying them over time.

You may not bother to do this because the savings you provide your client are often significant and immediate. But before you dismiss this concept entirely, think about how best to communicate the full impact of your work; another instance where more clearly spelling out the benefit of your services can work to your advantage.

When you discover a new strategy or technique that will save your client money, think about whether it is a one-time savings, or a savings that will continue over multiple time periods. For example, let's say you've discovered a way for your client to save \$1,500 in taxes this year. Most tax and accounting firms will proudly communicate this to their clients. But, in many cases, those savings recur over several years. So instead of telling your client you've saved them \$1,500 on this year's tax return, why not tell them that you'll save them \$7,500 in taxes over the next five years?

Whether it's a tax savings, the cash flow impact of addressing receivables more effectively, the benefit of a quicker turn on inventory, or the outsourcing of administrative tasks, don't just point out the current period savings. Make sure that you point out the total savings over an appropriate period of time for your clients. Don't expect your clients to do the math; you need to do it for them.

You can determine the appropriate time period to extend it out on a case-by-case basis. You don't need to be ridiculous in your extension, but don't minimize the impact of your services either. This will help maximize the value that you are delivering to your client, and maximize the value that they place on your services.



WHAT COLOR IS YOUR FIRM?

Color is one of the most powerful, most versatile marketing tools there is.

It has long been known that colors bring out thoughts and emotions in people, and that those emotions can be helpful in marketing. Just about any big company you can think of has a color that they "own" in their market. IBM is blue. Coca-cola is red and white, as is Target. Verizon is red, while AT&T is blue. Hertz is yellow, Avis is red, and Enterprise and National are green. Home Depot is orange, while Lowe's is blue. I am sure you can come up with many more examples.

These big companies use color for a reason: it can create powerful and immediate associations with your company and your brand. When used properly and consistently, color can be a very versatile tool. And even if you're not an IBM or a Verizon, there's no reason why you can't use it to brand your firm.

As you think about the desired image you would like for your firm, and the many ways you go about reinforcing that image, think about whether color can play a role.

The effects that different colors can have on our emotions is well documented. For example:

Blue is a calming color, it also communicates trust. It is the color most people say is their favorite color.

Black communicates strength and stability.

Green is a calming color. It is the color of nature – and money.

Red commands attention. It communicates energy sometimes danger and risk. Because it also communicates negative numbers, it is probably not a good color for an accounting firm.

Yellow is a happy color. It communicates optimism.

Purple is the color of royalty. People generally feel more strongly about purple than any other color. They tend to love it or hate it.

Gold is the color of wealth. It communicates prestige.

Orange is the color of energy, something new. It's a playful color.

Once you choose your corporate color, you can increase its effectiveness by using it consistently in your logo, your website, any print marketing, even your letterhead and your invoices. It can be a simple way to build consistency and make your brand more powerful.

WE FIX \$6 HAIRCUTS

Are you getting undercut by bargain-priced competitors?
Then we've got a TV commercial you should see.



You might remember the Office Depot commercial that features a small barber shop owner, Dan, looking out across the street where a large chain is opening, advertising \$6 haircuts. Dan doesn't think he can compete with a \$6 haircut. But then he has an idea. He goes to Office Depot and buys a large sign to hang outside his barbershop: "WE FIX \$6 HAIRCUTS". The large chain closes five months later.

I really like this ad. The initial thought of many people faced with a competitor reducing prices is 'match the price or lose the sale.' But most times that's a sucker bet. By matching price, you concede that quality is the same (or close enough). Dropping prices will surely eat into your profit, and you might find yourself lowering quality to compensate. It's a slippery slope that can do significant damage to your reputation.

But Dan the barber was smart. He didn't succumb to the temptation to compete on price. He decided to compete on the area that he excelled in – quality. It reinforced his business and his pricing and painted his competitor into a corner. After all, we all know you get what you pay for.

Like most businesses, you are faced with increased competition every day, whether it is do-it-yourself software, a storefront operation, or perhaps a new accounting firm just opening up. And those who have nothing else to compete with often choose to compete on price. That might be a bit tempting for some of your customers, particularly during a time when money is so tight.

Don't be lured into playing that game. Instead, you need to figure out a way to change the game and compete on your terms. Reinforce your core positioning and force your competitors to react to you.

ARE YOU LISTENING?

Your customers may be telling you how to grow your practice. Are you listening?

Most firms have more customer contact right now—during tax season—than at any other time. And in all that back-and-forth, there's probably some useful information about new opportunities for growth. Unfortunately, tax season is also the time when a lot of us don't have time to recognize these opportunities. We're just too busy doing taxes.

Most of us do a pretty good job of answering the specific question that the customer asks. But because we're so busy, we may not see that what seems like a small question often points to an opportunity—or a different question that the customer should be asking.

For example, your customer may ask you a simple question about a potential deduction or other tax policy. You and your staff may do an excellent job of answering the customer's specific question factually and accurately. But is there a bigger question or opportunity behind the specific question that is being asked? Maybe they would benefit from a tax planning consultation after tax season. Maybe they need help setting up a trust. Maybe their business should consider restructuring under a different entity type.

These questions don't have to be addressed immediately. But they may be opportunities for additional business later in the year, during a slower time. Your client may not even understand what the real issues are, but with careful listening, you may pick up clues regarding what question your client should be asking.

Again, you may not need to do anything right now. But make a note and capture the question. Circle back to the customer after tax season and ask them for clarification. You may very well discover opportunities to provide additional services to your clients. At the very least, your follow-up shows your customers that you listen to them carefully, and that is a good thing in itself.



THEY'RE NOT BUYING YOUR CREDENTIALS

You've got plenty of credentials. But is your marketing message MIA?

When I see advertisements or promotions for accounting firms, they are often followed by an alphabet soup: CPA, EA, CITP, MST, CFP, CFE, CMA, ABA, even CIA. After this, there's often an impressive statement like "More than 25 years' experience," "Representing before the IRS for more than 20 years," and the like. Credentials like these can be impressive. But they are a means to an end, not the end itself. And they shouldn't be your primary marketing message.

Don't get me wrong. Certification, credentials, experience, and expertise are all important. But when clients come to you, they're not buying credentials. In fact, they really don't care about you. They care about themselves. What's in it for them?

They're looking to save time, save money, increase profitability, make their lives easier. And you need a marketing message that speaks in those terms. What will you do for them? How will they benefit by hiring you as their business advisor, accountant, or tax preparer versus any other alternative?

I know what you're thinking—someone with more credentials can provide more benefit. That may be true. But you can't expect clients to connect the dots. You have to clearly communicate the benefit you can deliver to the client, and communicate it in their value terms. Then your credentials and experience work for you to increase clients' confidence that you can actually deliver on those benefits. And that's something that your clients will buy.



"WHY SHOULD I DO BUSINESS WITH YOU?"

Learn how to answer the most important question in marketing.



"Why should I do business with you instead of somebody else?" This might be the most important question in marketing. And the answer is one of the most useful tools in marketing—your differentiator. It's the one thing that sets your firm apart from all the others out there, an essential element that can set the direction of all your marketing and branding efforts. Does your firm have one?

When I ask firms whether they have a differentiator, most say they do. But unfortunately, almost everyone I talk to uses the same one: "We provide excellent customer service." This might have been a good differentiator at one time. But these days, so many firms use it that it has ceased to be effective.

The good news is that if everyone else is using the same positioning, it's easy for you to stand out. Just give a little thought to exactly what it is that allows you to offer such good customer service. Are you friendlier than most firms? More tech-savvy? Maybe you're particularly knowledgeable about tax issues. Or perhaps you specialize in a certain sized business or industry. Your choices are endless. Just find something that speaks more precisely to the expertise or personality of your firm.

One way to help decide on your firm's positioning is to imagine yourself at a networking event. You overhear someone talking about your firm. They say, "ABC Accounting Firm. Yes, they are the [blank] firm." Now, fill in the blank. What is the one thing, top of mind, that you want people to think about your firm? That's your differentiator.

An important thing to remember about your differentiator is that it essentially amounts to a promise between you and prospective customers. You want to make sure you're able to deliver on that promise after you get the business. So be sure that your differentiator makes a true, meaningful statement about the way you do business.

YOUR FIRM'S PERSONALITY

Your firm has a personality. Do you know what it is?

In past Marketing Mondays entries, we've talked about differentiators—the one thing that sets you apart from your competitors. Identifying your differentiator and distilling it down to its essence is an important step in marketing your firm. But it's just the beginning. Once you've selected your differentiator, how do you make sure you're communicating it effectively?

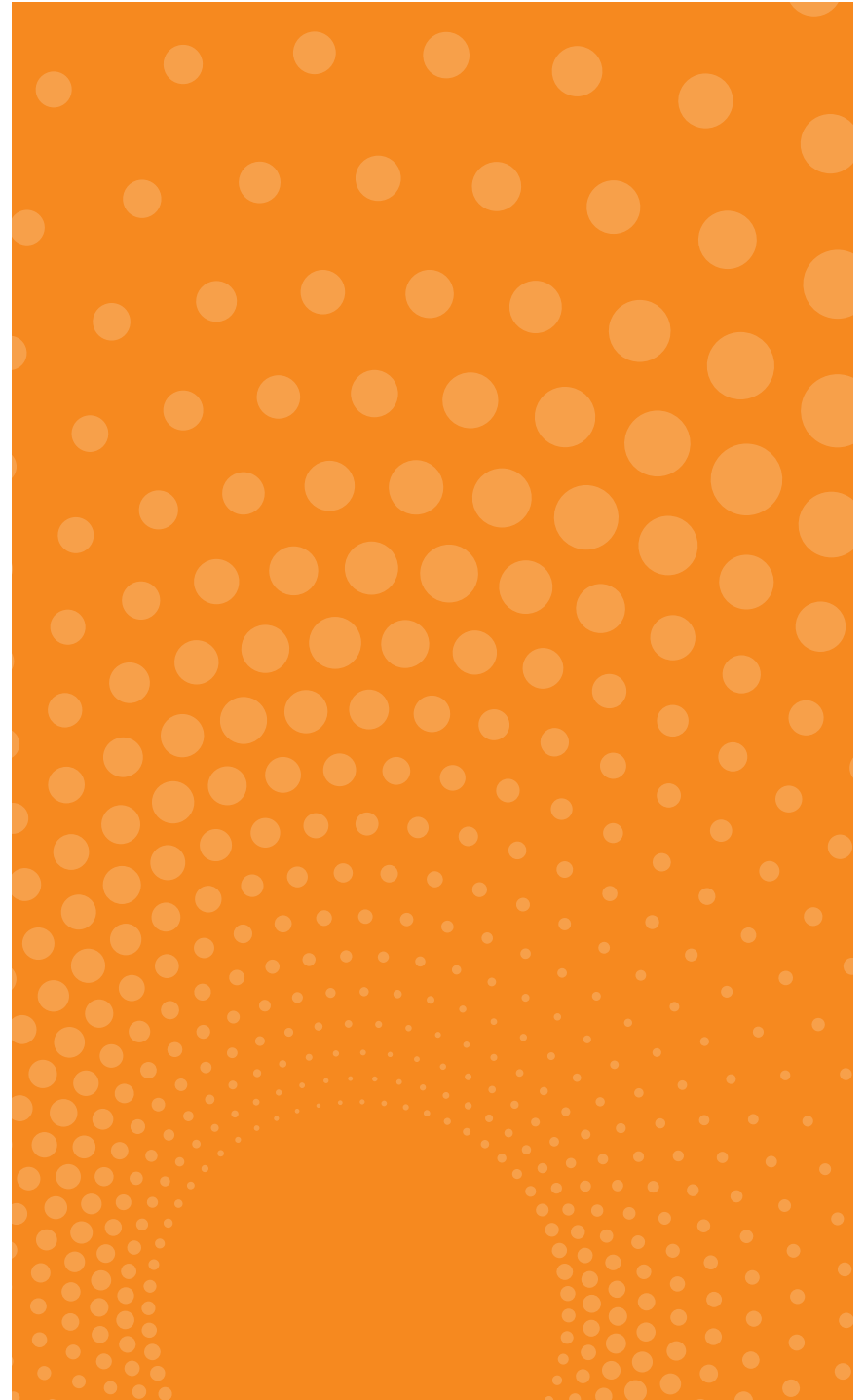
One thing to keep in mind is that you don't need to spell out your differentiator in every (or any) communication. It's often better to think of it as an image, a "look and feel" that you strive for in your various marketing tools. The design of your logo, the tone of your web site, even the colors and fonts you choose are all tools that can reinforce your firm's image. These subtle tools, acting in coordination, can transform your differentiator from just a sentence on paper to an image that's deeply ingrained in your business.

A great example of this comes from Rob Carmines of Carmines, Robbins & Company, who I recently spoke with at our Users' Conference in Orlando. Rob positions his firm as a little friendlier and a little less formal than the average firm. But you won't find any big boasts about it on his website or in his other marketing communications.

Rob's web site, advertising, and direct mail tout his firm's excellent service and solid experience, just like other firms. But they also mention the firm's "great coffee." It doesn't sound like a big thing. But let's think for a moment about what "great coffee" says about Carmines, Robbins & Company. It suggests that they pay attention to detail. That they want their firm to be a place where people can sit down and talk. And that they don't take themselves too seriously. In short, it's a much more convincing way of showing people that they're friendly and informal than coming right out and saying "We're friendly and informal."

And it seems to be working. Rob tells me that many of his new customers were attracted to his firm because of the reference to their great coffee. It makes his firm stand out, makes it memorable, and causes some prospects to think, "That is the type of accounting firm I want to work with." And it didn't cost a dime. Just a blurb on the website and perhaps a little extra attention at the coffee pot.

Take a few moments to think about your differentiator and the image you want your firm to present. Then make sure that all your marketing tools are working to reinforce it. While your marketing messages and advertising may change, your firm's image and differentiator should not. If you are consistent with your positioning across the years, you can build a very powerful image. You can own a space in mind of your customers and potential customers. Sometimes, simply because you were the only firm to lay claim to that space.



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