

# Accountants & Marketing

## Focus your marketing on your accounting clients

The key to successfully marketing financial services is to ensure you spend your time and money on initiatives that will generate high quality prospects i.e. people who already have the need for financial advice and who are likely to act on that advice. For most accountants, this means focusing your efforts on your own accounting clients – because these clients already know and trust you, and are therefore most likely to adopt your advice on financial services (either directly or via a referral to an external specialist).

Marketing can take two forms. The first is 'Air Cover' or creating awareness – this is designed to result in the client asking the accountant for advice on financial issues. The second is the direct generation of leads – this is where the accountant pro-actively offers the client advice on financial services. Both forms can be employed effectively, though the most important is direct lead generation, and most of your marketing efforts should be directed to that end.



# Accountancy plus

How to establish a profitable financial services practice.

BY ELISE MICHELMORE

Most good accountancy practices have the potential to be *great* financial services practices. That's because they already have a client base to market to, they already have the trust of those clients, and many of those clients already have the need for – and may be already looking for – financial services. So it's a little surprising that a significant number of accountancy practices fail when they attempt to set up a financial services capability in their practice.

Financial services can include financial planning, investments, risk insurance for individuals and business owners, and mortgage and finance broking. Below are some tips to help ensure your financial services practice is successful.

## Seven steps to success

1. If you don't have anyone in your practice who is experienced in financial services, you should either hire someone who is or you should outsource your financial services to external professionals who will fee-share with you. Don't run the risk of ruining your firm's reputation by sitting an inexperienced financial adviser in front of your clients. And don't under-estimate how long it takes to learn the ins and outs of financial services from scratch and to then become proficient in their delivery to clients.

Obtaining the basic education level (the RG146 certificate) is just the start of what is, for most

people, a long formal and informal education process. Plus there's the requirement for 30 or so CPD hours a year just to retain the authority to dispense financial advice.

2. Find a licensee that is flexible enough to enable you to provide your clients with financial services in-house and/or by referring your clients to their professionals.

You also need to be confident they have a full service offering for accountants, including technical and investment education, back office support, paraplanning, marketing, compliance, a client education program, and a prudent approach to financial advice. The key is that the licensee has enough people with enough experience to guide you every step of the way in setting up your financial services practice and running it.

3. Restrict your marketing efforts to creating awareness and leads within your existing client base. Until you have exhausted the potential in your filing cabinets, it is a waste of time and money 'fishing' elsewhere. In fact, you would be better off spending your marketing dollars to recruit more accounting clients, and then convert those clients into financial services clients.

Your marketing of financial services to existing clients would typically include promoting the new service via letters or email, client newsletters, your website, distributing client educational material, new signage and perhaps a launch event.

You should also strongly consider asking all clients to complete a financial services questionnaire next time they meet with you so you can determine which clients need your assistance.



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4. Ensure your staff understand the importance of your financial services offering and how it can help your clients. You also need to teach your staff how and when to introduce your new service to clients, and how to refer clients to your financial adviser.

5. Appoint someone as general manager of your financial services offering to ensure it is given the resources and priority it needs within your practice, is properly promoted to clients, and is seen as a 'value add' by clients.

6. Get easy wins early by initially introducing your new offering to those clients who you know already have a strong need for financial services. The most effective way to do that is to invite these clients in for a consultation, or to raise it with them next time they meet with you or call you.

7. Make sure your fee model, for the services you provide in-house, is appropriate for the provision of financial services and properly compensates your practice not only for the time involved but also for all the ancillary expenses incurred in providing the service – licensee costs, compliance, adviser education (time and costs), marketing, research and so on. A fee model would typically include an upfront fee and an annual fee for financial planning, and would be fee-for-service based on asset value. This model helps align the fee with the interests of the client because if the client's portfolio rises in value, so does your annual fee, and vice-versa. ▀



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