

JULY 2008

Is It Time to Start Marketing Again?

What kind of marketing is your firm doing? Passage of the Sarbanes-Oxley Act created a new layer of compliance concerns for clients, and a related focus on internal control and corporate governance issues. As a result of those developments, and a stronger economy early in the decade, CPA firms of all sizes began to experience tremendous demand for a wide variety of services. As firms enjoyed strong growth, in many cases proactive marketing shifted to the back burner.

Is that still good policy, with new reports of economic hardship every day? Will the slowdown that is affecting many parts of the economy eventually hinder the profession as well? This month's PCPS Brief will consider these issues.

Quick Links:

[No Signs of Slowdown](#)

[Tailor Your Approach](#)

[The Right Starting Point](#)

No Signs of Slowdown

The immediate answer to the last question above appears to be no. There were 500 marketers at the recent Association for Accounting Marketing conference, and association president Neil Fauerbach didn't hear any talk of slowdown. "People seem to be busy," he reported. "There's still a lot of compliance work to be done. You would expect some areas, such as the construction industry, to slow down, but we haven't seen it in our practice."

That doesn't mean firms should neglect marketing, even in a strong economy. At the very least, he recommends that firms make an effort to keep their name visible in their market. For example, his firm, 100-person Smith & Gesteland LLP in Madison, Wisconsin, chooses targeted advertising rather than mass marketing efforts such as brochures, Yellow Page ads or billboards. Instead, the firm relies on one-to-one targeted selling with individuals or groups of companies. "It's never a good idea to take your foot off the marketing pedal. It always pays to keep your name out there," says Fauerbach, who is the firm's director of business development and marketing.

Another step is to make sure your referral sources are aware of your current services and offerings. His firm is often approached by attorneys, bankers and brokers who want to network with the partners and managers. So, the firm sets aside every other Tuesday from 7.30 am to 9 am for these meetings. Setting regular meeting times makes it easier to fit them into firm members' schedules and ensures ongoing contact with referral sources.

[Back to Top](#)

Tailor Your Approach

Even if firms have not experienced any declines in demand, that doesn't mean that the cooling economy has not affected their market. As a result, Fauerbach emphasizes that if firm members have not made an active marketing effort in a while, they should not simply return to the same old approaches that were used in the past. That's because clients' needs will have changed in an uncertain economy. "In a slowdown, they're less likely to spend money on special projects," he notes. Many clients also will be looking for ways to rein in spending and enhance efficiency. At Fauerbach's firm, for example, a customer of one client has experienced massive layoffs because of a drop in demand from the construction industry. His firm has been working with the client to cut costs, streamline processes and focus their services on their strongest customers and products.

"Listen to your clients," he advises, before launching any marketing efforts. "Find out what their problems are and package services to address issues such as cash flow, market penetration and competitiveness." The firm is conducting a series of interviews with its top tier clients to learn where their businesses are headed and how the firm can help. This is good policy during any type of economy, but in uncertain times it will help firms target the services clients truly need.

[Back to Top](#)

The Right Starting Point

The summer months are a good time to take stock of the firm's practice development efforts. It may be difficult to revive a marketing mindset, but the first step is to understand where the practice stands now. For example, Fauerbach's firm has circulated a questionnaire to firm members to learn which boards and associations they belong to and about their involvement in them. With this information in hand, the firm can determine gaps in its representation and fill them, guaranteeing that the practice will remain active with important groups in the community. With that foundation, practitioners can decide what their next best marketing steps should be.

This publication has not been approved, disapproved or otherwise acted upon by any senior technical committees of, and does not represent an official position of, the American Institute of Certified Public Accountants. It is distributed with the understanding that the contributing authors and editors, and the publisher, are not rendering legal, accounting, or other professional services in this publication. The views expressed are those of the authors and not the publisher. If legal advice or other expert assistance is required, the services of a competent professional should be sought.

[Back to Top](#)

