

PracticeWeb

What do SMEs want from accountants?



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Foreword

We at PracticeWeb know there is a great deal of power in making an emotional connection with clients and prospects alike.

Solving their specific problems helps drive new business but, of course, that only makes up half the picture.

A survey by Google, Gartner and Motista of 3,000 business-to-business (B2B) buyers found that more than 50% wanted an emotional connection during the buying process.

Connecting with prospects on an emotional level – answering the questions: ‘Is this a company that shares similar values to mine? Does it understand me and my business?’ speaks to their heart. And it’s what will set your practice apart from the competition.

In our latest research we set out to help shed light on what making an emotional connection means to SMEs by understanding what they value in an accounting firm.

This insight report draws conclusions based on a blend of qualitative, person-to-person research and quantitative survey data, to help shape the way you might go about communicating to deliver maximum return on investment from your marketing budget.

We hope you find it insightful.

Mike Crook
Managing Director, PracticeWeb

SME attitudes to accountancy

Your clients want professionalism. When they find it, you'll be rewarded with their loyalty. And they're happy to pay for good service, too.

In June 2019 PracticeWeb surveyed a hundred owners of small and medium-sized businesses in the UK.

This was supported by a series of more detailed, discursive interviews with individual SME owners and operators based on the same question set.

We wanted to find out what they thought of their accountants and what they value most in the relationship.

The results were fascinating and sometimes surprising.

They offer insight into how you as accountants, and we as communicators on behalf of accountancy practices, ought to be going about making those vital connections with clients and prospects.

This report summarises the most interesting discoveries, drawing through-lines between responses to different questions and pulling in supporting evidence from elsewhere.

Throughout the paper, we've made concrete suggestions for ways you can act on this insight – what should this make you consider doing differently?

And, because we know accountants are busy people, we've also flagged ways we can help share the load.

If there's anything in the report about which you'd like to know more, do get in touch – we'd be happy to talk through the results in more detail.

Email: hello@practiceweb.co.uk

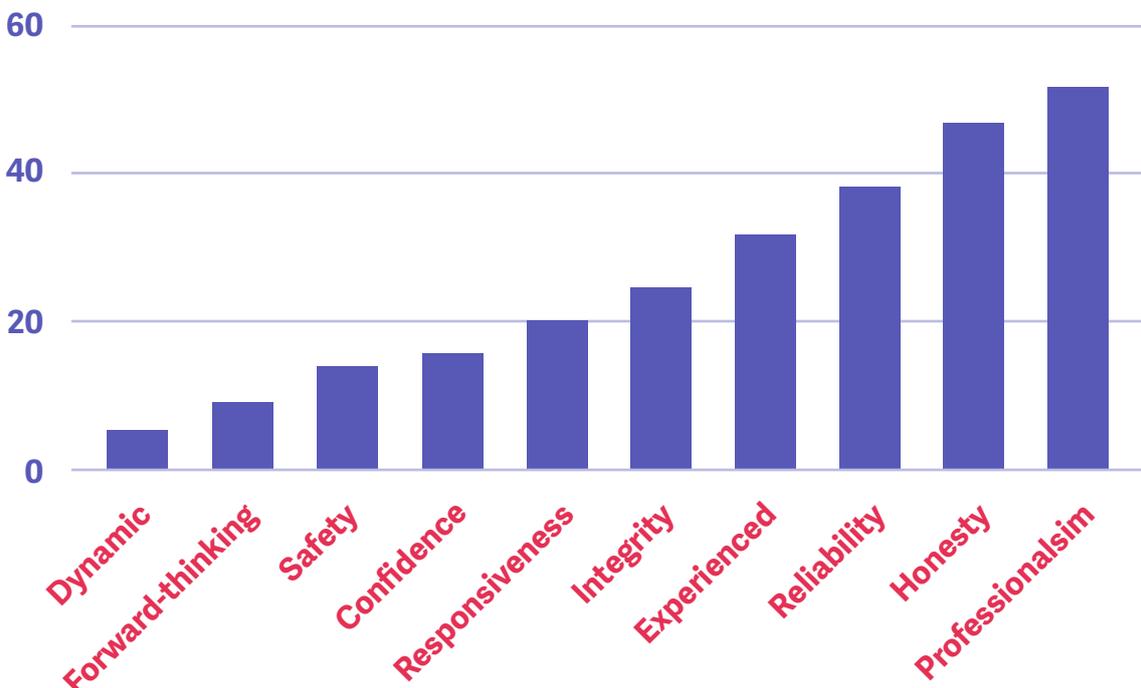
Phone: 0117 915 0420

Professionalism matters

We asked our SME research group ‘What do you value most in an accountant?’ By far the most important quality, selected by 52% of respondents, was professionalism.

This won't come as a surprise to most accountants: in our work with them we consistently find that 'professional' is one of the key qualities they ask us to convey in the design of their website and the drafting of content.

Q17. What do you value most in an accountant?



Other important qualities were **honesty** (47%), **reliability** (39%) **experience** (32%) and **integrity** (25%).

Dynamism and **forward-thinking** were relatively less valued at 5% and 9% respectively.

Some will no doubt feel relieved at that result – the pressure is off to be ‘funky’ and cutting-edge, and traditional values still matter.

Digging a little deeper, however, there’s evidence of an opportunity to be seized: those respondents who did value dynamism and forward-thinking tended to be from SMEs with turnover above £1m per year.

So, if you want to capture those clients with the greatest potential lifetime value you might consider finding ways to reflect their energy.

As ever, this highlights the importance of understanding what your firm’s target clients look like and building your marketing strategy around buyer personas.

On a related note, we also asked our participants how important it is for them that their accountant is a member of a **professional body or institute**. The vast majority (78%) felt it was important to some degree with a full 50% considering it **very important**.

This view echoes what we heard in our interview project in April 2018. “Chartered status matters – there are cowboys out there,” as one of the SME owners we spoke to put it.

With that in mind, **display your credentials with pride** – they might make the difference between a potential client picking up the phone, or not.

How PracticeWeb can help

Does your digital presence meet the professionalism test?

An up-to-date website with consistent branding and tone of voice is a key way to signal credibility.

We build websites for accountants that are designed and developed with you and your customers in mind. We can help you position yourself with a strategy that is relevant to your clients’ needs, wherever they are along the customer journey.

Clients are loyal

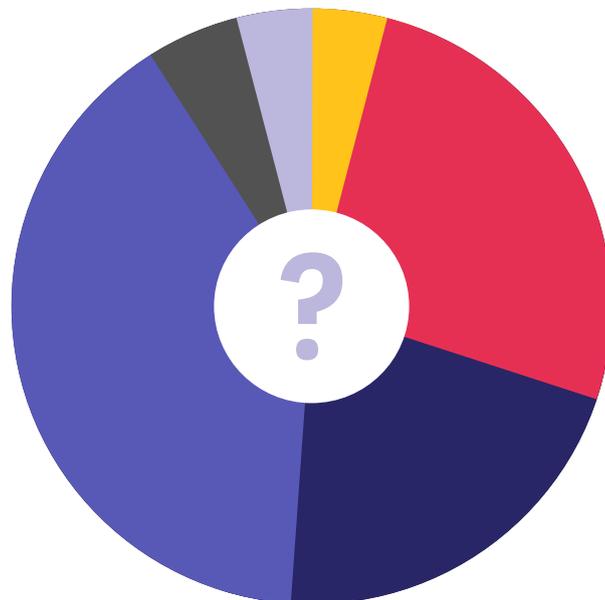
Our research shows that people tend to stick with an accountant when they've found the right firm.

Anecdotally, we know this is partly down to inertia – changing accountants is harder work than giving your current provider just one more year, year after year – but also because there is value attached to the knowledge of your business an accountant develops over the course of a relationship.

In April 2019, we conducted a series of in-depth interviews with individual SME owners and operators based on the same question set as our quantitative survey. "We would prefer to find an accountant that adapts with us as we grow so we can stay with them forever," one SME owner told us.

Q7. How long have you had your current accountant?

- 9+ years - 40.0%
- 5-8 years - 21.0%
- 2-4 years - 26.0%
- Don't have one - 5.0%
- Don't know - 4.0%
- 0-1 years - 4.0%



Of those who responded, 61% told us they'd been with their current accountant for **more than five years**. Most – 40% – had been with the same practice for more than **nine years**.

This might be reassuring, or it might represent a challenge – how are you going to acquire desirable clients from your competitors if they never switch?

We also asked our survey group how often they reviewed or changed their accountant – a subtly different question. A full 40% said **never**.

Finding ways to stand out from the crowd – to present yourself as a clear upgrade – would be a good starting point.

How PracticeWeb can help

Without ongoing content, your website is static. Content marketing is a great way to keep clients engaged.

We can provide website copy, white-label content, tailored blog posts, content strategy and more, giving life to your website and providing opportunities to start conversations with potential clients.

A hard-working content plan can build traffic to, and engagement with, your website.



Get in touch

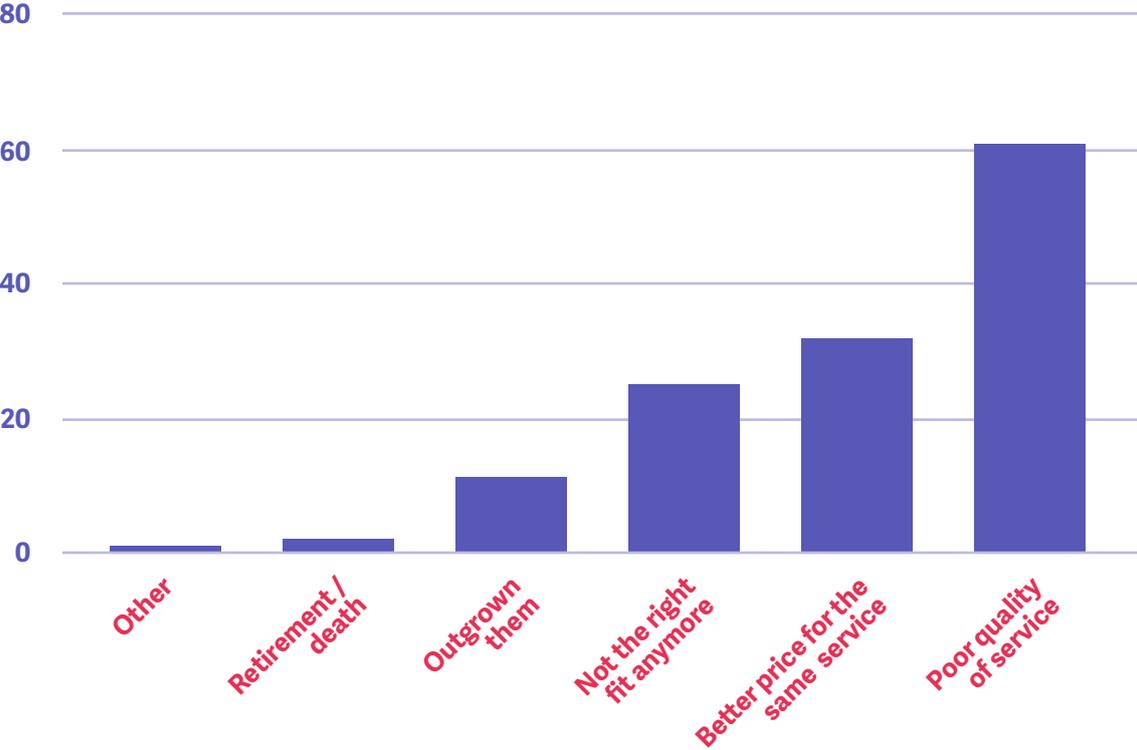
If you're looking for support with your content, we'd love to hear from you: hello@practiceweb.co.uk

Service quality is vital

We asked our survey group what might make them change accountants and the message was unambiguous: the quality of the service they receive is vital.

Out of 100 respondents 61 respondents selected poor quality of service as the most likely to prompt a change, with price a secondary consideration.

Q13. What would make you switch your current accountant?



Price vs. value

Responses to the above question show that a sizeable chunk of clients (32%) would consider switching accountant if offered the same level of service at a lower price

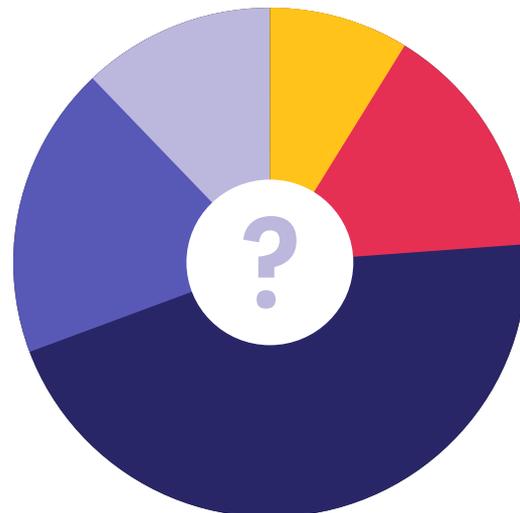
The responses to a related question – “How important is getting the lowest price available from your accountant?” – underline the relatively low importance of cost in choosing an accountant.

This echoes what we heard from multiple SME owners during a piece of qualitative interview-based research in spring 2018 – to paraphrase:

“ Price doesn’t matter – you get what you pay for. ”

Q9a. How important is getting the lowest price available from your accountant?

- Neutral - 45.0%
- Important - 19.0%
- Not especially important - 15.0%
- Very important - 12.0%
- Not at all important - 9.0%



Digging deeper, however, reveals that larger businesses (those with a turnover of £1m p.a. or more) are more sensitive to price with 37% of that category rating it as either important or very important, compared to 25% of smaller firms.

It's clearly important to think about the value you're offering, especially if you want to secure clients with more spending power overall.

Are there ways you can reward loyalty, improve your service and expand your offer?

Or it might simply be a matter of communicating more powerfully to your clients what their fees are buying.

How PracticeWeb can help

Video is a powerful way of providing added value to your clients and quickly delivering your key messages. Easy-to-understand bite-sized explainers can cut through in a way text can't.

Talk to us about how our video production service can liven up your website, social media and newsletters and engage your website visitors.



Get in touch

If you're looking for support with video production, we'd love to hear from you: hello@practiceweb.co.uk

Location and access

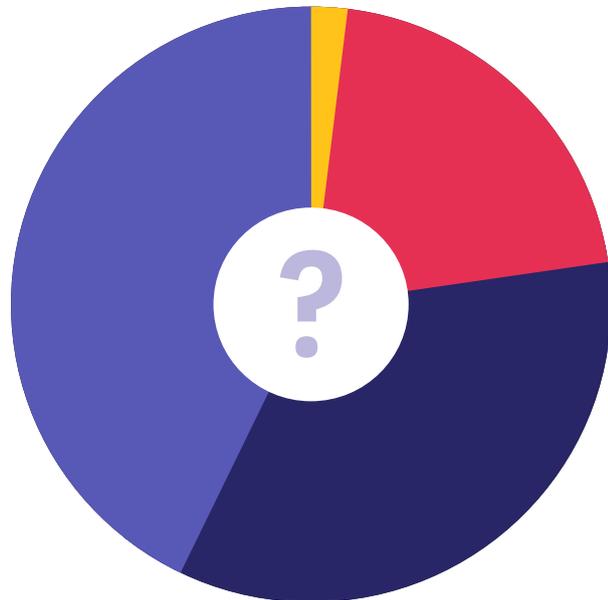
It can be tempting to try to expand your customer base by aiming for a national market – a bold move that some firms have pulled off.

But our research shows that for the majority of SMEs (60%) it is to some degree important that their accountant is **local**.

That might tie into a strong desire among survey participants for their accountant to be **responsive** – 77% selected ‘important’ or ‘very important’ when asked about this.

Q9f. How important is it that an accountant is responsive to your questions?

- **Very important** - 43.0%
- **Important** - 34.0%
- **Neutral** - 21.0%
- **Not at all important** - 2.0%

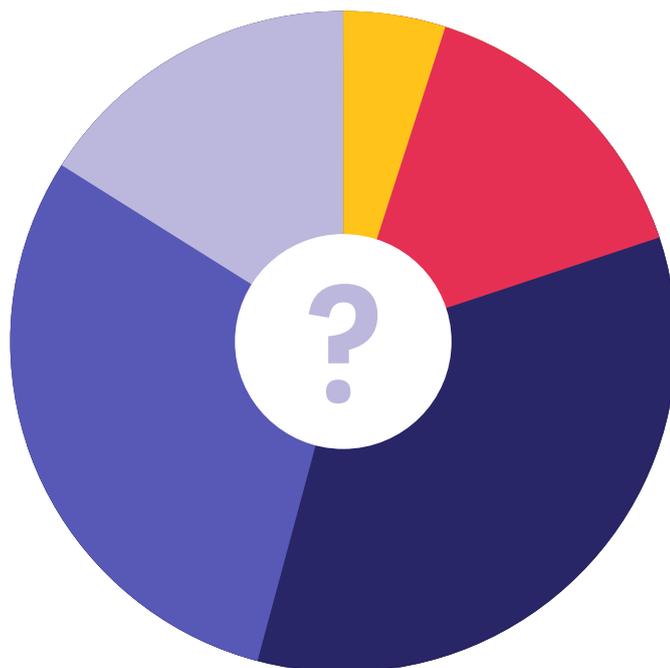


It might also be a reflection of a lingering preference for **face-to-face contact** – 57% of respondents said they communicated with their accountant that way, second only to email (70%). Other forms of contact such as phone, email, text message, WhatsApp and video calls fell far behind.

This ties into what we know from other sources: that many SMEs continue to be resistant to getting online. The Office for National Statistics published its annual report into e-commerce and ICT use among UK firms late in November 2018. It revealed that **54% of businesses in the UK have no website**. Even among those with 10 or more employees the number remained as high as 18%.

Q9b. How important is it that they get the job done with minimal contact?

- **Neutral** - 34.0%
- **Important** - 30.0%
- **Very Important** - 16.0%
- **Not especially important** - 15.0%
- **Not at all important** - 5.0%



We also asked how important it is for a firm's accountant to get the job done with **minimal contact**. Though most respondents were neutral or thought it unimportant, a substantial 46% said this was important or very important.

Responses to a related question – "Q12. How frequently do you want to be contacted by your accountant?" – indicated that 62% of SMEs would **rather not hear from their accountant more than once a month**. A full 36% would rather it was even less than that.

So, if you're going to get in touch with your clients, through an email newsletter or by some other method, you'd better make sure it's more helpful than irritating, and has real, topical value.

How PracticeWeb can help

We can help you create lead generation strategies that work, generating meaningful return-on-investment (ROI).

Our search engine optimisation (SEO) service gives our clients the personalised guidance they need to acquire organic search traffic for their town, city or region. And the pay-per-click (PPC) campaigns we run offer an alternative way to grab the attention of potential clients.



Get in touch

If you're looking for support with your SEO we'd love to hear from you: hello@practiceweb.co.uk

Know your strengths

When we asked our survey group “How important is it that your accountant knows your sector?” 71% of them said it was important or very important.

Accountants are specialists in terms of skills but often sector neutral. For their clients, though, industry-specific knowledge matters.

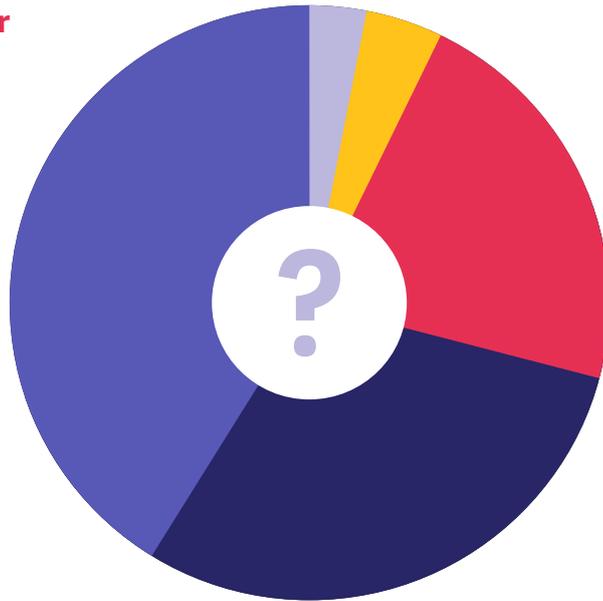
That’s a challenging message. We know from talking to the practices we support that specialising can feel like closing down opportunities and narrowing the range of available options.

Although we do generally advise accountants to focus on key prospect groups as part of any marketing and communications strategy, that doesn’t have to mean excluding potential clients.

If you can genuinely demonstrate expertise and experience in multiple sectors then there’s no reason you can’t use your website and content to showcase that knowledge and nudge potential clients a step further along the buyer journey.

Q9d. How important is it that your accountant knows your sector?

- **Very Important** - 41.0%
- **Important** - 30.0%
- **Neutral** - 22.0%
- **Not especially important** - 4.0%
- **Not at all important** - 3.0%



Sector knowledge was even **more important for larger business**: 80% of respondents with turnover above £1m p.a. said this was important compared to 60% of smaller firms.

How PracticeWeb can help

Deeply understanding your clients' needs and challenges, and how your brand answers them, will make sure they identify strongly with your business.

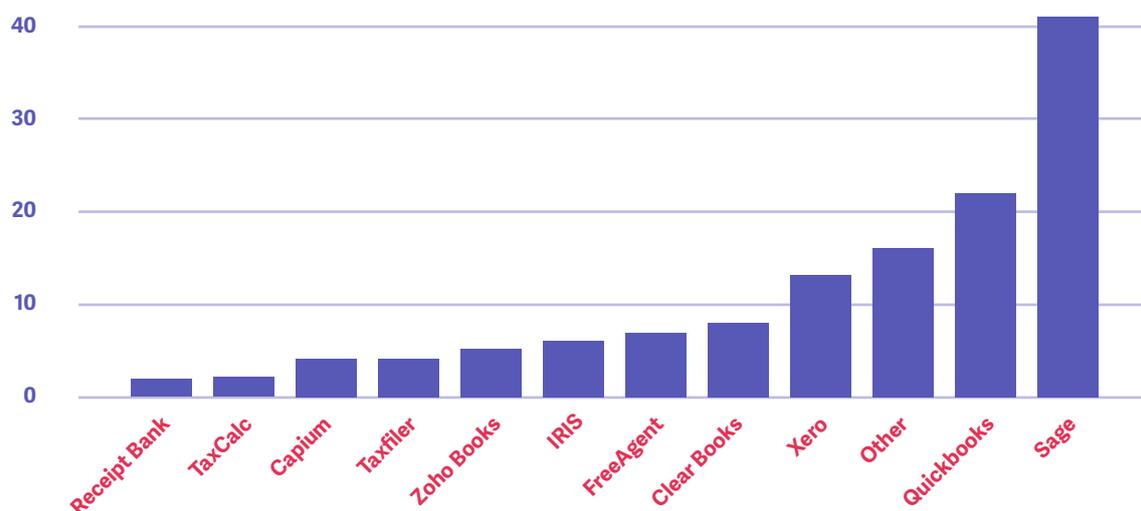
If you've got the ambition to target specific lucrative market sectors, we can help you devise a targeted brand and marketing strategy, supported by content designed to prove your specialist expertise.

Grow your firm and improve marketing results with our strategy workshops.

Accounting software

The SMEs that took part in our research had a clear preference for Sage, an established player in the accountancy software market.

Q18. What accounting software do you use?



The most popular package by far was Sage, chosen by 41% of respondents. Quickbooks was a distant second at 22%.

The accounting software market is crowded with lots of disruptors, startups and legacy products in the mix so it's no surprise to see the ever-popular other in third position at 16%.

Xero appears in fourth place, chosen by 13% of participants.

Closer analysis, however, shows that those under 45 were more likely to use Xero – a full 20%, as opposed to 6% of over 45s.

We also asked a related question: where do SMEs turn for **recommendations on accounting software**? A full 60% said their accountant was the first port of call for guidance. There is clearly an opportunity for accountants to take the lead.

One further item of intelligence: in the interviews we undertook in April 2019 one SME owner told us that they used Xero and wouldn't sign up with an accountant that didn't.

If clients are choosing software first, then as their accountant, you need to make sure you're sending the right signals, loud and clear, about which packages you support.

And it's no good simply listing all of them to be on the safe side – they'll want evidence of your expertise, too.

In a sense, evidence of software partnerships is becoming as important as institute membership. **If you have those credentials, display them.**

How PracticeWeb can help

Compelling calls-to-actions and engaging content is a must for engaging your audience but it is also important to establish trust through your website.

Our websites are built to allow you to showcase your software partnerships, helping potential clients find you whichever package or applications you are most expert with.

As well as highlighting your software partnerships, our websites also integrate with practice management software, customer relationship management systems, email marketing services and chat-bots.

The PracticeWeb approach

This report epitomises our way of working – a relentless focus on end users, our clients’ clients, the people who actually buy services from ambitious accountancy practices.

If you’d like to tap into this attitude and expertise, our team is ready to help your firm start making valuable connections with potential clients through:



Strategy - brand, content and lead generation.



Content - website copy, blogging, news and commentary.



Websites - beautiful websites at starter, pro and tailored levels.



SEO - dedicated support with monthly reports and actions.



Pay-per-click - targeted lead-generation campaigns.



Find out more

To find out more get in touch by **phone on 0117 915 0420**
or by **email via hello@practiceweb.co.uk**

And in the meantime, there's a wealth of guidance based on our experience and insight available for free at practiceweb.co.uk – complete guides, webinars, eBooks and easy-to-digest blog posts designed to help you get the most out of your website and content.

Methodology

Our research team selected a group of 100 participants from a pool of verified SME owners and managers, aiming for a mix of different sized businesses (with 2-249 employees) in a range of sectors, across the UK.

They also aimed for an even age distribution. Respondents who were themselves accountants, or in closely related professions, were discounted.

The data collection exercise was carried out online by an independent agency in line with best practice. Results were screened for completeness and quality before analysis.

The raw data was compiled into a single document enabling cross-referencing and filtering.

This was supported by ten in-depth telephone interviews with individual SME operators and owners based on the same question set.

Additional facts and figures

- There are 2.67 million businesses VAT-registered in UK, c.71% as companies and corporations. ([ONS](#), 2018)
- More than half of UK startups don't make it to their third year – a consistent figure since the late 1990s. ([Enterprise Research Centre](#), 2019)
- The UK's small and medium-sized firms turned over more than £2 trillion combined in 2018 - 52% of all private sector turnover. ([UK Government](#), 2018)
- Only 1.9% of startups go on to achieve £1m or more in annual revenue in their first three years. ([Enterprise Research Centre](#), 2018)
- More than 99% of businesses are small or medium-sized, eg employing up to 249 people. ([UK Government](#), 2017)
- The North West of England has the highest amount of new businesses (15.9%); London has the highest death-rate, at 14.2%. ([ONS](#), 2018)
- 96% of all businesses in the UK employ fewer than nine workers, and are classed as microbusinesses. ([UK Government](#), 2018)
- Around 232,000 or 9.8% of small and medium-sized firms exported goods around the world in 2017. ([ONS](#), 2018)
- 75% of businesses, amounting to 4.3 million firms, did not employ anyone apart from the owner or owners. ([UK Government](#), 2018)
- 85% of claims to the R&D SME Scheme in 2016/17 came from small businesses. ([UK Government](#), 2018)
- Small and medium-sized businesses employ 16.3 million people in the UK, 60% of all private sector employment. ([UK Government](#), 2018)

Full question set

- In which of the following areas of your company are you involved in the decision to purchase products or services? (Multiple choice.)
- Which of the following best describes the number of employees working at your company? (Multiple choice.)
- How long have you been established? (Multiple choice.)
- What is your company's turnover? (Multiple choice.)
- What age bracket do you fit into? (Multiple choice.)
- How long have you had your current accountant? (Multiple choice.)
- How often do you review or change your accountant? (Multiple choice.)
- How important is getting the lowest price available from your accountant? (Multiple choice, sliding scale.)
- How important is it that they get the job done with minimal contact? (Multiple choice, sliding scale.)
- How important is it that your accountant is local to you? (Multiple choice, sliding scale.)
- How important is your accountant's knowledge of your industry/sector? (Multiple choice, sliding scale.)
- How important is it that your accountant offers a range of business advice? (Multiple choice, sliding scale.)
- How important is it that an accountant is responsive to your questions? (Multiple choice, sliding scale.)
- How important is your accountant's customer service? (Multiple choice, sliding scale.)
- How important is it that they are members of an accounting body? (Multiple choice, sliding scale.)
- What services do you use your account for? (Multiple choice.)
- Of those services which of these is most important? (Multiple choice.)
- How frequently do you want to be contacted by your accountant? (Multiple choice.)

- Please select which types of communication channels you use with your accountant. (Multiple choice.)
 - What would make you switch your current accountant? (Multiple choice.)
 - How do you like to keep up-to-date on industry news and content? (Multiple choice.)
 - What words best describe your accountant? (Multiple choice.)
 - What do you value the most in an accountant? (Multiple choice.)
 - What accounting software(s) do you use? (Multiple choice.)
 - Who recommends your accounting software? (Multiple choice.)
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for accountants**