



Setting up a tax practice

A useful guide

11. Getting clients

In growing your client base some tips to bear in mind include the following:

- 1 Find out what your prospective client service requirements are
- 2 Identify the correct person to speak to and determine if that person is the decision maker
- 3 Communicate why your service offering can meet your client's needs
- 4 If your client wants to proceed and receive advice, agree a fee in advance of commencing any work.

While you may be inclined to take on low quality and unprofitable work initially to generate fees, this will distract you and waste time that should be spent on developing and selling the services that will be profitable. You should continuously assess your client base and be prepared to reassess clients who do not generate good recoveries. Remember the 80:20 rule i.e. 80% of your income is generated by 20% of your clients. You should agree fees in advance to avoid surprises and subsequent write off's.

The ultimate goal of marketing is to advise your target customers of the existence of your business and what services you are offering. Before undertaking a marketing programme it would be helpful to consider who your target market is and what aspects of your service offering you want to create an awareness of. Whatever medium is used to advertise your business, consideration should be given to the market penetration and readership profile that is likely to be achieved.

Other tips for growing a client base:

- Get involved with the local Chamber of Commerce. This will provide excellent networking opportunities and potential clients for your new firm.
- Target local media for press coverage. Most local papers will include editorial if you advertise. However, it may lead to an opportunity to provide expert advice or commentary on a regular basis. This will help to raise your profile.