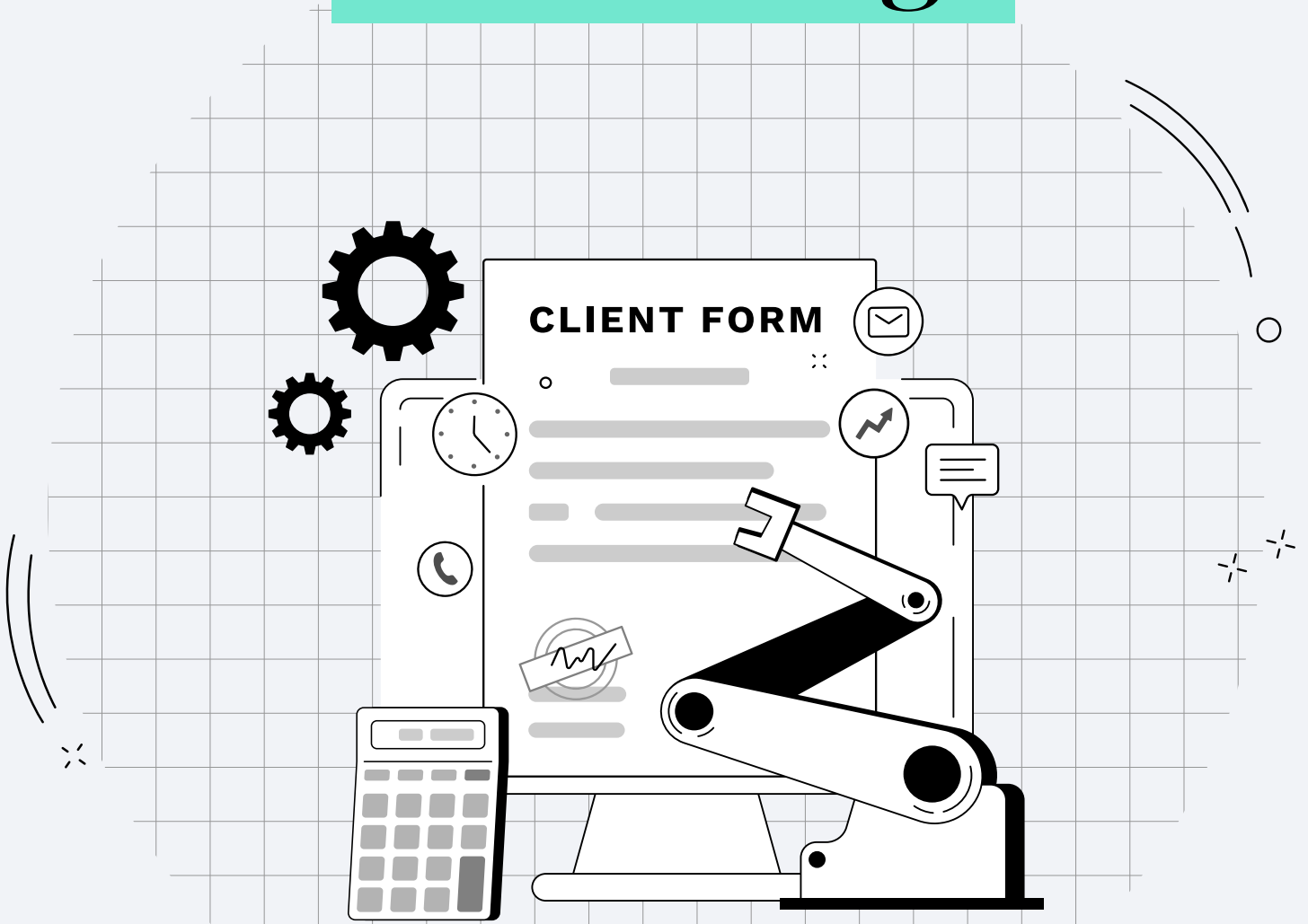




Transforming Client Relationships with Tech-first Accounting



WHAT IS CLIENT-CENTRIC ACCOUNTING?

Simply put, client-centric accounting is putting time, energy, and resources towards improving the [experience of your clients](#). [Forty-nine percent of customers](#) who abandoned a brand in 2023 did so due to subpar customer experience. Even if your “brand” lacks a flashy logo or prime-time commercial, it is still heavily influenced by the client experience.

Enhancing customer experience (CX) goes beyond the realm of accounting; it serves as a fundamental element for any enterprise aiming for consistent growth. According to a study by Cision, [81% of organizations](#) identified CX as a key competitive advantage. Businesses that excel in customer experience are statistically more inclined to attain a minimum of [10% revenue growth annually](#) compared to those neglecting CX.

The landscape of client expectations has shifted dramatically over recent years. A survey found that [82% of accountants](#) say clients are more demanding, expecting better and faster service without paying higher rates. This heightened demand for efficiency and quality has pushed accounting firms to adapt and innovate continually.

And while one client isn't going to make or break your business model, improving client retention by just [5%](#) can lead to an increase in profits by [25-95%](#).





The backbone of client-centric accounting boils down to:

Personalization:

Tailoring services to meet the specific needs and preferences of each client.

Proactive Communication:

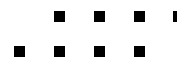
Regularly engaging with clients to understand their needs and provide timely advice.

Holistic Services:

Offering a comprehensive range of services **beyond basic compliance**, such as advisory and financial planning.

Ethical Practices:

Studies show that companies who behave more ethically win and retain more customers. Additionally, customers are **49% more likely to make a purchase** with a brand they feel they can trust and that behaves ethically.



BENEFITS OF CLIENT-CENTRIC ACCOUNTING

1. Increased Client Loyalty:

Clients who feel valued and understood are more likely to remain with the firm. This loyalty translates into stable, recurring revenue and reduced costs associated with acquiring new clients.

2. Enhanced Reputation and Referrals:

Satisfied clients are more likely to refer others to the firm, enhancing its reputation and attracting new business. Word-of-mouth referrals are a powerful source of growth, often leading to higher-quality clients.

3. Improved Business Performance:

Firms that focus on client-centric practices often see improved financial performance. This includes higher retention rates, increased revenue from upselling and cross-selling services, and greater operational efficiency through the use of technology.

4. Higher Profit Margins:

Retaining existing clients is more cost-effective than acquiring new ones. Upselling to retained clients requires fewer resources and can lead to higher profit margins over time.

5. Competitive Advantage:

Firms that prioritize client-centric practices can differentiate themselves in a crowded market. This competitive advantage can lead to increased market share and long-term success.

The importance of client-centric accounting cannot be overstated. By focusing on the needs and satisfaction of clients, accounting firms can enhance their reputation, improve retention rates, and achieve greater financial success. Embracing technology and innovative practices is key to delivering the personalized, proactive service that today's clients demand.





EVOLUTION OF CLIENT EXPECTATIONS

Client Demands

The landscape of client expectations has shifted dramatically over recent years. A survey found that [82% of accountants](#) say clients are more demanding, expecting better and faster service without paying higher rates. This heightened demand for efficiency and quality has pushed accounting firms to adapt and innovate continually.

Current Trends

Desire for Personalized Service: Clients today seek personalized services tailored to their unique business needs and goals. They expect their accountants to have a deep understanding of their industry and specific challenges, providing customized solutions rather than one-size-fits-all approaches.

Firms that [specialize](#) in particular industries or services tend to have [5-10% higher](#) retention rates compared to generalist firms, and clients who receive personalized, proactive service are [more likely to stay loyal](#) and refer new clients, which can lead to substantial growth and profitability for the firm.

Demand for Real-Time Access to Information: With the rise of digital technologies, clients now expect real-time access to their financial data. They want the ability to view their financial status at any time, from anywhere, and expect their accounting firms to use technology that facilitates this level of transparency.

Expectation of Proactive Advice and Insights: Modern clients expect their accountants to be more than just number-crunchers; they look for proactive advisors who can provide strategic insights and guidance. This includes anticipating potential financial challenges, offering tax-saving strategies, and helping clients make informed business decisions.

The evolution of client expectations reflects a broader trend towards greater service quality, transparency, and proactive engagement. Accounting firms that can adapt to these changing demands by leveraging technology and focusing on personalized, real-time, and advisory services are more likely to retain clients and thrive in a competitive landscape.

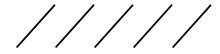


ENHANCED SERVICE DELIVERY THROUGH TECHNOLOGY

The rapid evolution of technology, including cloud computing, data analytics, and AI, has revolutionized the accounting industry, projected to reach a [\\$16.07 billion AI market by 2028](#). Firms leveraging these technologies can better meet client demands with efficient, accurate, and personalized services, as [78% of accounting professionals](#) acknowledge technology's critical role in managing customer expectations.

Tools like Canopy provide real-time financial data access, enhancing collaboration, while automated billing systems ensure accurate payments and reduce administrative burdens. AI and machine learning automate routine tasks, enabling accountants to deliver strategic insights and [personalized advice](#), thus boosting client satisfaction.





9 TECH TOOLS EVERY ACCOUNTANT NEEDS



CUSTOMER RELATIONSHIP MANAGEMENT (CRM) SOFTWARE:

A [robust CRM system](#) helps accounting firms manage and analyze client interactions and data throughout the client lifecycle. This technology enables firms to improve customer service relationships, retain clients, and drive sales growth.



AUTOMATED BILLING AND INVOICING:

Streamline the invoicing process, automate billing tasks, and ensure timely payments. This reduces the administrative burden and improves the client experience by providing [clear and accurate billing](#).



CLIENT PORTALS:

Secure [client portals](#), such as those offered by Canopy, provide clients with 24/7 access to their documents, financial statements, and other important information. This enhances transparency and convenience.



DATA ANALYTICS TOOLS:

Implementing [data analytics](#) can help firms analyze large volumes of data to uncover trends, forecast future performance, and make data-driven decisions. This can lead to more strategic advice for clients.



COMMUNICATION AND COLLABORATION TOOLS:

Canopy supports better [communication and collaboration](#) both within the firm and with clients through its integrated communication features. These tools include messaging and file sharing, making it easier to maintain strong client relationships remotely.



DOCUMENT MANAGEMENT SYSTEMS (DMS):

A [DMS](#) helps in storing, managing, and tracking electronic documents and images of paper-based information. This ensures that client documents are organized, secure, and easily retrievable.



WORKFLOW AUTOMATION TOOLS:

Tools that help [streamline and automate workflow](#) processes, reducing the time spent on repetitive tasks and improving overall efficiency. These tools also provide clear visibility into project status and deadlines.



CLOUD-BASED ACCOUNTING SOFTWARE:

[Cloud-based solutions](#) offer several advantages, including remote accessibility, real-time data updates, and enhanced collaboration. Accountants and clients can access financial information from anywhere at any time, facilitating timely decision-making and improving transparency. Cloud-based software also supports scalability, making it easier for firms to grow and adapt to changing client needs.



ARTIFICIAL INTELLIGENCE AND MACHINE LEARNING:

The adoption of [AI](#) and advanced technologies is transforming CX. [Seventy-two percent](#) of consumers trust AI to improve their customer experiences to some extent. Moreover, [77% of businesses](#) are either using or exploring AI to enhance their customer service.

AI and machine learning technologies enhance various aspects of accounting, from automating complex processes to providing advanced analytics. AI can assist in fraud detection, risk assessment, and compliance management, ensuring greater accuracy and security. Machine learning algorithms can analyze historical data to predict future trends and client needs, enabling accountants to offer more strategic and forward-looking advice.



GOOD TECH = GOOD CX

According to a survey by Sage, [57% of accountants](#) believe that technology literacy is the most critical skill for future employees, indicating that continuous investment in technology is essential for maintaining high service standards. Here's our list of tech that your firm should equip themselves with for a better client experience:

Client interaction technologies

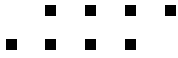
Gone are the days of clients coming into the office with a stack of papers or a floppy disc in hand to work with you. We've already come so far, and technology can continue to improve client interactions.

Client portal — With a branded, professional space you share with your clients, you can share and collect documents (complete with eSignature requests), easily share reminders and notifications and make payment processing simple. Your clients will have a one-stop digital space to interact securely with you.

Email integration — With your email integrated into your CRM system, you can share email interactions with everyone in the firm who needs access and quickly respond to your clients. This makes tracking conversations over time extremely simple and enables all the staff working with the client to jump swiftly into client work.

Engagements/proposals — Outline the deliverables you'll provide throughout an engagement to manage scope creep with your clients effectively. Send out branded, detailed engagement letters at the outset of every engagement to keep your firm and clients on the same page.

Client SLAs — When you bring on a new client or set expectations with existing clients, setting your Service Level Agreements (SLAs) with them is essential. Outline how long it will take to respond to phone calls and emails so that you can manage expectations.



Payment collection

Your firm needs money to exist and operate, which means promptly collecting client payments. The easier you make the process for your clients, the more likely you'll be to collect payment while keeping them happy.

Payment options — Make payment easy with click-to-pay links and Apple Pay that clients can process straight from their phones. You can also offer multiple payment types, including credit card and ACH, to fit your client's needs.

Customized invoices — Make sure your client's accounts payable team knows what they're paying for. Clearly outline the services provided in your invoices in a way that makes sense.

Record for the future

Keeping immaculate records improves the client experience both by showcasing your long-term vision and by never having to reach out to ask for a document to be re-submitted.

Keep records — Record every interaction with your clients in your CRM system so that when another person in the firm covers an account, they can pick up exactly where the last person left off.

Document storage — Keep your clients' historical documents electronically so that you can easily reference documents from the past as needed and never have to ask again for another document that's already been provided to you.





Answering questions before they're asked

One of the pinnacles of customer service is bringing answers before there are questions. With the right systems in place, you can do just that for your clients to show them that you're already operating in the future.

[Reporting and data analytics](#) — Implementing data analytics can help firms analyze large volumes of data to uncover trends, forecast future performance, and make data-driven decisions. This can lead to more strategic advice for clients.

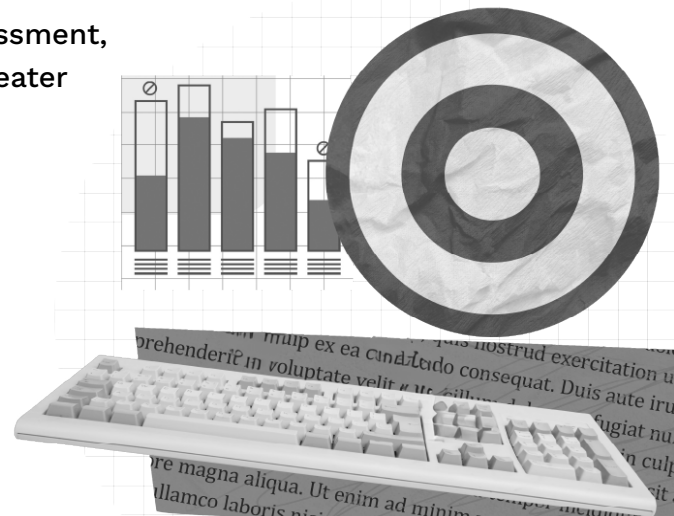
[Transcripts & notices](#) — You can sign up to receive transcripts and notices from the IRS when they are first sent, so you'll call your clients before they get the letter from the IRS. This solves the problem as soon as the snail mail hits the mailbox.

Hit every deadline

[Manage workload and workflow](#) — With strong workflow software, you can easily estimate the time it will take to finish a project for a client and know with certainty that you can meet that time.

[Let AI shoulder some work](#) — Adopting AI and advanced technologies is transforming CX. [Seventy-two percent](#) of consumers trust AI to improve their customer experiences to some extent. Moreover, [77% of businesses](#) use or explore AI to enhance their customer service. AI and machine learning technologies enhance various aspects of accounting, from automating complex processes to providing advanced analytics.

AI can assist in fraud detection, risk assessment, and compliance management, ensuring greater accuracy and security. Machine learning algorithms can analyze historical data to predict future trends and client needs, enabling accountants to offer more strategic and forward-looking advice.





Embracing client-centric accounting is not just a strategic choice; it is a necessity for firms aiming to thrive in today's dynamic business environment. By focusing on client needs, leveraging cutting-edge technologies such as cloud computing, data analytics, and artificial intelligence, and fostering a culture of continuous improvement, accounting firms can enhance their service delivery, build stronger client relationships, and achieve sustained success. Modern clients demand personalized service, real-time access to information, and proactive advice, and meeting these expectations is crucial for differentiating your firm in a competitive market.

