



PURSUING LONG-TERM PROSPECTS

By Sam M. Allred, CPA

For years I headed up the marketing and sales efforts for the consulting division of our CPA firm. I enjoyed the activities associated with finding and pursuing prospective clients and had a good measure of success even though I had much to learn.

When meeting a new prospect, the two things I wanted to know most were the budget and timeline to implement. When a prospective client informed me they were under a tight timeframe and needed to select and implement a new accounting system right away, I immediately moved them to the top of my prospect list. Conversely, when I was informed they were only beginning the search with plans to implement much later, sometimes over a year later, they immediately moved to the bottom of my list.

After I had been in this role awhile, our consulting group met for a planning retreat. During the retreat, we discussed the different levels of clients we were serving. It soon became apparent to us we had some clients everyone enjoyed working with and others no one wanted to serve. Our open discussion led us to identify 10 characteristics our best clients had in common. We began to call these clients, and other prospective clients like them, “A-Level” organizations. The list of A-Level client characteristics did more to help us achieve success than almost any other single thing.

One of the characteristics of A-Level organizations is their belief in a thorough planning process for change. It is not uncommon for staff in an A-Level company to begin the process of identifying a new accounting system a full year or more before they plan to make the change. On the other hand, D-Level clients often fail to follow a thorough planning process for change and find themselves looking for new solutions at the eleventh hour.

Once I realized my current process was elevating D-Level clients to the front of the radar screen and moving A-Level clients out of sight, I began to form a strategy as to how to work with these long-term prospects. First I asked myself the following questions, “Do you want a sale a year from now?” Easy answer . . . yes. “Which of your competitors are willing to pursue this client as much as you are?” Again, an easy answer . . . none of them. I became committed to these long-term prospects. The strategy has paid tremendous dividends over the years, as we have been able to land many quality clients, some of whom we pursued for over a year.

Having laid the foundation for the different decision processes between good and bad clients, I would pose the following question: What time of year are the largest number of D-Level clients brought into a technology consulting organization? Certainly, they could be landed at any time and therefore, we should always follow a defined screening process. However, I would maintain that the largest numbers of bad clients are landed by a technology consulting organization during the last quarter of the calendar year. Many of these types of companies that desire to “go live” with a new system on January 1, begin looking for the system in October or even November.

Firms and consulting organizations that compensate their sales and marketing staff purely with commissions from new sales may be at the greatest risk in landing these D-Level clients. It is very difficult for a sales and marketing employee to walk away from a prospect who has disclosed that they “need to buy a system in the next 30 days”. I have learned from personal experience that the only thing worse than chasing a D-Level client is having the misfortune to land them.

I would encourage you to revisit your sales and marketing strategy to ensure you are giving proper attention to those clients who follow a thorough planning process for change. A-Level organizations are worth the effort and the wait. If you keep and nurture them in the pipeline, you will have a continuous flow of premium work.

You should create a written plan to pursue these long-term prospects to stay at the top of their radar screen through their looking process. Your highest level strategy in this area would be to win the engagement without it even going to the formal proposal stage.