

PAIN POINT 1: BILLING PRESSURES

# Pricing: building MRR with value-based services

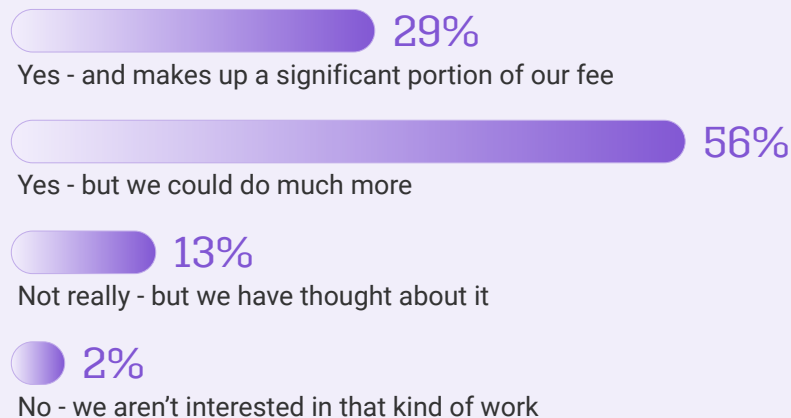
The accounting profession was built on the concept of charging for time, at hourly rates set according to each team members' level of experience.

However, according to recent research, adjusting "pricing structures" is listed as one of the 5 biggest challenges accountancy firms are facing.

Value-billing is becoming the norm. When feasible, a monthly recurring revenue ("MRR") model is preferred by accounting practice leaders and clients.

## Firms are wanting to offer more advisory services

Spotlight reporting asked accounting firms: "Do you provide management reporting, mentoring, forecasting, or similar work?"



## Moving to the MRR model

Using set monthly fees, your firm can allow clients to budget for their fees more easily, whilst bringing operational efficiencies for you as an accountancy practice.



**Predictable cash flow** - automated monthly invoicing can eliminate manual processes and avoid the month-end decision about how much to bill, how much to write-off.



**Combine with efficiency to build margins** - all sectors, accountancy and the small businesses we serve, are under cost pressures and must prioritise safeguarding margins.



**Reduce negotiations on fees** - accountants can leverage technology to offer convenient online payment options, simplifying the fee settlement process for clients

## How other firms have succeeded

To recover billable time and increase MRR, our accounting partners have focused on:

- Digital onboarding of clients
- Formalising pricing packages
- Implementing processes

With the right tools, monthly value can justify implementing these proposals for your clients.

42% of firms are looking to grow future revenues from advisory services to make up more than 50% of their fees.

Strategic implementation of advisory services on funding and credit tools significantly enhances client's:

- ✓ Understanding of their business
- ✓ Engagement
- ✓ Perception of value

Just like us, firms seek out clients who value their expertise, vision and comprehensive advisory services.

“For us it’s about giving a better client service. With Capitalise we can give a greater offering and help clients grow and develop with additional funding and support”



MICHAEL MANN, VALUED ACCOUNTANCY

## Services to maximise client value and increase your firm's MRR

1. Help clients get access to better business finance rates and terms, saving them money in the long run, also enabling you to charge for it.	→	Earn commission for non-audit clients and build upon trusted relationships with audit clients.
2. Educate clients about the importance of credit scores, their own and their customers in this world of data-powered decision making by stakeholders.	→	Earn exclusive returns by reselling Capitalise for Business licenses to accountants working with Capitalise.
3. Carry out an annual Credit Review to ensure their credit score reflects their true position, even if they don't publicly file full financial statements.	→	Builds upon your relationship throughout the year, maximising your clients' 0% internal working capital.
4. Monitor risks ahead of time, prevent surprises, and track customers' evolving credit scores for those offering credit terms.	→	System advice, including credit control processes, drives impactful commercial influence on businesses.
5. Complement compliance services like auditing or accounts preparation and increase your touchpoints using other advisory services.	→	Helps clients understand the importance of having timely accounting data as it effects other public data sources.

**Implementing these services can add £1,000 - 3,000 per year per client served of value-based MRR**



### Offer value-based services with tools from Capitalise

Find out how integration with our platform can help your firm earn more, bringing efficiencies and increased perceived value to your client interactions.

**Contact us →**