**How to Offer Value to Clients in Tough Times**

Whilst our workload may have initially increased due to the pandemic, we may find that some of our clients are already massively impacted financially and we are wondering if we will be paid for our time.

Many are questioning now whether we should be reducing fees, doing work for free or giving discounts. We are not going to give you a definitive answer on this, as it is an important decision you each need to make for your own business situation, in accordance with your own values and what you are comfortable with. However, we will give you some essential ideas to consider!

When clients are facing tough times, they will often appeal to us for a reduction in fees. It’s not an easy decision and there is no single right answer.

Each client’s situation must be considered. Sometimes you will agree to reduce fees and sometimes you won’t.

Accounting technicians and BAS agents are running a business just like our clients are; we have overheads, subscriptions, registrations, professional development, hardware and website costs, not to mention our own superannuation and income tax expenses.

We are in the business of ascertaining and advising on government taxes and liabilities, business compliance, financial reporting and in some cases cash flow management and budgeting. These are vital services at this time of massive change to business. Many of our clients rely on us to give them excellent advice and that reliance has only increased in recent times.

Over the last ten years our industry has made great advances with increasing our standing in the accounting and tax practitioner world. It’s important not to erode the professional standing we have gained by reducing fees unnecessarily. We now have more BAS agents charging appropriately for the work we do as tax professionals.

It is also important that we do not devalue the importance of our services, even if we do decide to reduce our fees in some way. When you have a conversation with your clients about your next bill, keep all these points in mind as you negotiate.

Instead of reducing fees, there are other possibilities you can discuss with your clients.

**Ways to Offer Value**

* Think about “discounts” before you offer them. Offering discounts can be a way of devaluing your services as if they were a cheap supermarket commodity. Instead talk about your services value and offer “savings”.
* Talk about what tasks the business can do themselves to reduce your bill. This way you don’t reduce your hourly or fixed fees, nor do you reduce the value of what you do provide, but the overall bill to the client is reduced by you doing less for them.
* Can you offer a certain amount of reduced cost or free training to the client as a way of helping them?
* You could offer a temporary reduction in your fee while the client is navigating their way out of a tough time, but make it clear that it will be revised at an agreed date. Offer this reduction on the understanding that fees will return to your usual rate at some point.
* Can you exchange services? If so, make it a formal barter arrangement. Check the [ATO barter and trade exchanges](https://www.ato.gov.au/Business/GST/In-detail/Rules-for-specific-transactions/Barter-and-trade-exchanges/) webpage.
* Can you offer advisory services that you would usually charge top consulting rates, for at a lower rate for a fixed period, to encourage clients to take advantage of cash flow planning and budgeting?
* You could offer payment plans for your services but keep your fees the same as always. This way you are helping your client with cash flow but not reducing your value or fees.
* Another idea could be that you offer a discount for payment in full by a certain date, or the amount reverts to the usual fee.
* Keep your fees as they are but offer something extra, for example, you could provide certain financial reports or a weekly phone call for no extra charge as a way of helping them out of the difficult period.

We offer the above list as some ideas to think about before you have potentially difficult conversations with your clients. If you can decide where you stand on reduced fees before you speak with clients, then actually having the conversation is that much easier.

**Negotiation Suggestions**

* Don’t start explaining why and how you charge what you do. Don’t let the client pick apart the value of different things you offer—you are the one who decides the value of what you offer. You are offering professional services and no single service or task is necessarily more or less valuable than any other unless you decide it.
* Don’t dismiss any protests at your fees, be polite and acknowledge the concern and continue to try to work something out that suits BOTH parties. “What could you commit to?” Or “What would you be comfortable with paying for my professional services?”
* Always try to find a solution that works for both you and the client.
* Don’t be forced into reducing fees if you are not comfortable with it. This will generate resentment over time. Better to let them go and make space for new clients if you can’t find a solution to help them and look after your own business at the same time.
* Remember – talk about savings not discounts! And stay professional in your communications.

AAT Marketing in Tough Times