

REPLACING
- THE -
RAINMAKER

WORKSHOPS

NICHE PLAN

This workbook accompanies the audio workshop. It includes speaker's notes, which summarize the content covered in the workshop. It also includes activities, which you'll complete during the workshop, and a continuing education assignment, which you'll complete after the workshop. The continuing education assignment gives you a chance to apply the theory you learned in a practical setting. At the end, there's a quiz to test what you've learned as well as space to make notes and information on where to go to learn more.

SPEAKER'S NOTES

Learning outcomes

- You'll learn about the purpose of having a niche plan.
- You'll learn what to include in a niche plan.
- You'll learn what a niche plan looks like.

Building a niche

- A niche plan is a short business development plan that will guide your activities as you build your niche.
- Think of a niche plan as a blueprint for business development success in your chosen niche.
- If you're going to succeed in your niche, you need to have a plan and understand the investment required.

What is a niche?

- Serving a niche allows you to cater to a specific set of clients interested in a particular suite of products or services.
- A niche can be a service, in which case your firm would focus on a single service that appeals to multiple industries.
- A niche can also be an industry, in which case your firm would offer an array of services to clients in a specific industry.

Why niche

- When firms offer only generalist services, clients decide based on price.
- Niches separate you from your competition.
- They help you make your value proposition clear.

How to niche

- Analyze your strengths, the market opportunities, the competition and your client base to choose your niche.
- Create niche levels to help you launch and grow your niche.
- Put specific strategies in place to help you succeed in your niche.

A sense of purpose

- A niche plan is similar to a firm-wide business development plan.
- The simpler and more streamlined your niche plan is, the more achievable it will ultimately be.
- Drafting a niche plan creates a sense of purpose and a belief that the vision is attainable.

State your services

- Your final niche plan should be about three to five pages long.
- Succinctly state what services you plan to provide in your niche.
- Choose services that match up with what your niche clients will need.

Define the market

- Define your target market, including important demographics such as size or geographic location.
- Conduct research to determine how much demand exists for the services you'll be offering.
- Defining your target market is part of narrowing down the pool of possible clients.

Identify trends

- Identify any relevant industry trends.
- You don't want to go into this blind.
- Research whether there's been major growth or decline in a specific industry within your market.

Identify trends

- Research whether the industry's fortunes correlate with other economic indicators.
- Research whether any regulations are expected that would impact the industry.
- Research how profit margins are expected to change.

List your current clients

- List any clients you currently have who fall within your chosen niche.
- Use an "A", "B" and "C" classification system to rank your clients.
- "A" clients will be the ones who bring in the most work and produce the most referrals.

List your prospective clients and referral sources

- Do the same with your prospective clients and referral sources.
- "A" referral sources will be those who refer multiple ideal clients annually.
- The goal is to lay out the current assets you have in your niche.

Map your network

- Accountants who are developing a niche will have to bring in new business through their referral network.
- A center of influence is someone who regularly comes into contact with your ideal client as part of their job.
- A wheel of influence is a professional service person who already works with your existing clients.

Know who to network

- Determine whether you already have any referral contacts in your chosen niche.
- These referral sources are going to skyrocket in importance.
- They'll be able to help you make connections with prospective niche clients and new referral sources.

Define your goals

- Define up to three business development goals.
- Setting a laundry list of goals will be overwhelming and won't help you focus your efforts.
- Each of your goals should be specific and measurable.

Lay out your strategies

- Lay out the strategies you'll utilize to realize your goals.
- Choose no more than three strategies and no more than three sub-strategies per strategy.
- You want to create a focused plan, not one that will pull you in too many directions.

Strategic, not tactical

- Your strategies should be broad in nature.
- You'll outline your tactical plan later.
- Make sure your strategies are measurable.

Plan your marketing

- Any marketing strategy should address the four P's of marketing: product, price, placement and promotion.
- Offer products that match up with the needs of your prospective clients.
- Establish the value you provide for the cost you charge.

The four P's

- Part of marketing around price is knowing what the competition is charging.
- Decide where you'll place your services to make them visible to your target market.
- Options include social media, collateral, events and B2B groups.

The four P's

- Provide a general overview of how you intend to promote your services.
- Establish what you'll do to build your brand.
Identify which channels you think will be most promising.

Market yourself

- You might position yourself as a boutique, value-added firm, not as the lowest-cost provider.
- You might focus on joining trade organizations, writing white papers and seeking out guest speaking appearances.
- You might focus on marketing through networking at regular meetups.

State your competitive advantage

- State your competitive advantage in your niche.
- Your competitive advantage is what you do better than the rest.
- Your competitive advantage is made up of three claims that identify areas where you deliver superior service.

Issue-solution-benefit

- Connect your competitive advantage claims to your clients' most common issues.
- Articulate your solution to each common client issue.
- Identify the benefits your clients will realize as a result of your solution.

See your strengths

- Honestly assess your own strengths and weaknesses.
- Start by making a list of your strengths.
- You'll want to play to your strengths when you start trying to bring in new business.

Recognize your weaknesses

- Make a list of your weaknesses.
- You'll have to address these weaknesses with prospective clients.
- The better you can minimize these liabilities, the stronger your position will be.

Overcome your weaknesses

- Include strategies to overcome your weaknesses.
- If you lack name recognition, you could promote your firm through networking events and speaking engagements.
- Make sure any strategies you lay out in this section connect with the strategies you've laid out elsewhere.

I spy the competition

- Identify your top three competitors.
- Be realistic when choosing them — this shouldn't be a pie in the sky exercise.
- Study their website, their competitive advantage and their claims.

Anticipate your expenses

- Project your expected revenues and expenses per year.
- Include any mission or vision statements to help guide your efforts.
- Identify monthly tactics and determine how those tactics fit into your yearly plan.

List the contributors

- List any members of the niche team.
- Your team should include a niche champion who corrals the group and sets targets.
- Niche team members should bring a cross-section of experience to the team.

All planned out

- Your niche plan lays out what you're facing and where you're going.
- Developing a niche plan will help you be more successful in building your niche.
- Successfully building a niche means you'll close more business, command higher prices and face less competition.

Summary

- A niche plan is a short business development plan that guides your activities.
- A niche plan lists your services, goals, strategies and any relevant analysis.
- The best niche plans are streamlined and don't overwhelm the process by including too many strategies or goals.

ACTIVITIES

If you're completing these activities on your own, please write down your answers in your workbook. If you're completing these activities in a group, please write down your answers individually. Then share your responses with up to two other people. Look for commonalities among everyone's responses and discuss any differences.

Activity 1

Choose a niche that your firm currently touts expertise in. Using the "X factor exercise" form located in the top right corner of your screen, score your firm on a scale of 1 to 10 in each of the categories listed.

Activity 2

For the niche you selected in activity 1, use the "Niche plan" form located in the top right corner of your screen to complete a cursory analysis of your competition and to assess your firm's strengths, weaknesses and value proposition in that niche.

CONTINUING EDUCATION

Use the "Niche plan" form to complete a niche plan for an industry or service you believe it would be advantageous for your firm to pursue.

QUIZ

1. Niches help you separate yourself from your competition. They help you make your value proposition clear.
2. As with any plan, the simpler and more streamlined your niche plan is, the more achievable it will ultimately be.
3. When classifying niche clients as "A", "B" or "C" clients, you should use factors such as annual fees, realization rate, average billing rate, payment history, probability of increasing fees, probability of generating business referrals, niche relevance, business success and intangibles, such as willingness to follow advice.
4. Setting a laundry list of goals will be overwhelming and won't help you focus your efforts.
5. Your strategies should be very specific in nature.
6. The four P's of marketing are produce, price, position and promotion.
7. You have a competitive advantage in areas where you provide your clients with a greater value, even at a higher price, or the same value at a lower price.
8. It's important to have a niche champion who corrals the group, sets targets and makes sure everyone stays on topic.
9. A niche team should include a mix of staff accountants, senior accountants, supervisors, managers, senior managers, directors and partners.
10. Building a niche isn't easy. It helps to know what you're getting into and to approach it with a well thought-out plan.

NOTES

FOR MORE INFORMATION

For more information about additional workshops, or other Replacing the Rainmaker products and services, please visit ReplacingTheRainmaker.com.