

EXECUTIVE SUMMARY

In the first quarter of 2015, the Association for Accounting Marketing and the Hinge Research Institute conducted a benchmarking study of marketing spending and organic growth among accounting firms. This report collects the study's findings.

ABOUT THE STUDY

- A total of 67 firms completed the survey. Results are segmented by firm size, market size, and growth rate.
- A standardized set of spending categories was used to ensure compatibility across firms.
- Detailed budget breakdowns are available by firm size and market location.
- Budgeting and spending control practices were also collected.
- A special section compares the spending of High-Growth firms vs. Low-Growth firms.
- This report includes a worksheet for comparing your firm to relevant benchmarks.



HOW REPRESENTATIVE IS THIS DATA?

For perspective, we compared our survey sample with that of *The 2014 Annual INSIDE Public Accounting National Benchmarking Report* of non-Big 4 accounting firms (www.insidepublicaccounting.com). The sample in both reports are very comparable (see page 16 of the Full Report).

OVERALL RESULTS

- Overall marketing spending (including compensation for marketing departments) averages 3.94% of firm revenue. This is an increase over last year's marketing investment.
- On average, firms employed one FTE marketer for every 54 employees.
- Excluding marketing staff salaries, the top five spending categories are:
 - Sponsorships
 - Networking Events, Tradeshows, and Conferences
 - Advertising
 - Professional Association Expenses
 - Website Expenses and SEO

HIGH-GROWTH VS. LOW-GROWTH FIRMS

- High-Growth firms (the fastest growing 20%) were contrasted with Low-Growth firms (the slowest growing 20%). High-Growth firms showed an average annual organic growth rate of 24.15% while Low-Growth firms shrunk by an average of -1.65%.
- High-Growth firms had a higher ratio of marketing staff (1:34 employees) than did their Low-Growth counterparts (1:45 employees).
- While High-Growth firms spend somewhat more of their revenue on marketing (3.20%) vs. Low-Growth counterparts (2.59%), High-Growth firms spend it very differently.
- Consistent with the overall trend, High-Growth firms place a much greater emphasis on online and content marketing.
- High-Growth firms place less emphasis on advertising and sponsorships relative to Low-Growth firms.
- High-Growth firms are also more likely to use outside resources.
- The differences in current spending are largely reflected in future spending priorities as well.



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TO RECEIVE THE RESEARCH REPORT

The FULL REPORT is available for \$300 to AAM members and \$600 for non-members. Contact info@accountingmarketing.org.

Section 1 (Only): Overall Budgeting Benchmarks is available FREE to AAM members. Contact info@accountingmarketing.org.

TO PARTICIPATE IN NEXT YEAR'S STUDY

The FULL REPORT is available FREE to all research participants. If you would like to participate in the next study contact info@hingemarketing.com.



ABOUT

ABOUT HINGE

The Hinge Research Institute is dedicated to helping professional services firms grow and thrive. It publishes groundbreaking studies on all aspects of High-Growth firms and professional services buyers. Hinge Research Institute is a division of Hinge, the leader in branding and marketing for professional services firms. Hinge offers a comprehensive suite of services from research and strategy to award-winning design and implementation for firms that want to become more visible and grow. Learn more at www.hingemarketing.com or call 703-390-8870.

ABOUT AAM

The Association for Accounting Marketing (AAM) is formed specifically to enhance the accounting marketing and practice growth profession through education, networking, and thought leadership. Founded in 1989, the association has more than 750 members, comprised of marketing professionals, business developers, CPAs, consultants, service providers, educators, and students. AAM strives to help its members become more effective and valued practitioners and executive leaders. To learn more about AAM, please call 443-640-1061 or visit www.accountingmarketing.org.

Participate in the next study...

...and receive the Full Report FREE.

Contact info@hingemarketing.com.

