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**SELL
SELL
SELL**

Practitioners' Attitudes Toward Sell, Sell, Sell

By Jerry G. Kreuze and Deborah D. Payne

Since the ban on advertising and solicitation by accountants was lifted in 1978, marketing has become a way of life for many accountants. In fact, up to 50% of the accounting firms represented at the June 1988 National Marketing Conference of the American Institute of Certified Public Accountants (AICPA) have marketing directors or coordinators. Moreover, 86% of the AICPA members responding to a recent Strategic Planning Survey felt a national advertising campaign by the AICPA would be an important member benefit.

Are these positive attitudes toward advertising and solicitation shared by all accountants? How do the majority of CPAs feel about advertising and solicitation in the accounting profession? This

article presents the results of a survey designed to: (1) assess practitioners' attitudes toward advertising and solicitation; and (2) investigate whether attitudes toward advertising and solicitation are related to a practitioner's age, sex, or form of practice (national/international, regional, or local CPA firm).

Data Collection

A questionnaire was mailed to 425 practitioners randomly selected from the *1988 Membership Directory* of the Michigan Association of Certified Public Accountants. (The directory contains the names of accountants practicing in 38 states and 4 foreign countries.) The response rate was 36%.

The majority of respondents (68%) believe it is proper for accountants to advertise . . .

The survey instrument included 41 statements pertaining to advertising and solicitation. Respondents were asked to indicate their opinion of each statement using a five-point scale, ranging from "strongly agree" to "strongly disagree." The scale also contained a "no opinion" response so respondents were not forced to commit themselves to an opinion when they had none.

Several categories of questions related to advertising were included in the questionnaire:

- attitudes toward advertising in general
- consumer benefits of advertising
- benefits of advertising to an accounting firm

- appropriate information for advertising copy
- appropriate forms of advertising and solicitations

Demographic questions were asked in order to investigate whether attitudes toward advertising and solicitation are associated with age, sex, or form of practice. A profile of the respondents is shown below.

Findings

The responses to each statement in the survey instrument were tabulated and then expressed as percentages. To determine whether attitudes were associated with age, sex, or form of practice, the .05 level was chosen for testing for significant differences. In tabulating the results and computing the percentages, the responses "strongly agree" and "agree" were combined as were the responses "strongly disagree" and "disagree."

Attitudes Toward Advertising in General

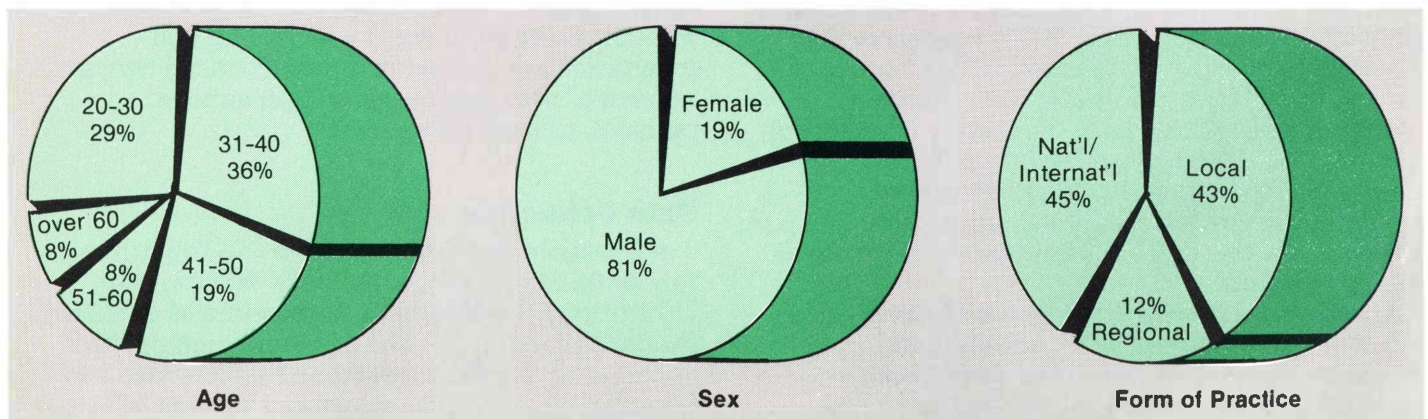
The first eight statements

Almost 60% of the respondents felt that advertising has been tastefully used by the accounting profession

...

assessed the attitudes of practitioners toward advertising in general. The majority of respondents (68%) believed it is proper for accountants to advertise while only 22% disagreed. Moreover, the younger the respondent, the greater the belief that it is proper for accountants to advertise. The majority of respondents also felt that advertising does not lower the credibility of an accountant, the dignity of the accounting profession, or the quality of accounting services, nor does it lessen the ability of CPAs to remain independent. Again, younger respondents, compared to their older colleagues, felt that

The Respondents



advertising does not lower an accountant's credibility, the quality of accounting services, or a CPA's independence. Female respondents believed more strongly than their male colleagues that advertising does not impair a CPA's independence.

Almost 60% of the respondents felt that advertising has been tastefully used by the accounting profession, with younger accountants believing more strongly than older

accountants. However, over 70% believed that the advertising of fees lowers the public's image of accountants. Finally, 78% felt that it is very difficult to advertise competence and quality of services in the accounting profession. These results suggest that practitioners believe advertising is proper and can be tastefully done, but that advertisements emphasizing competence and quality of services are not easily produced. This assessment has implications for both CPA firms and the advertising industry, particularly public relations agencies.

Benefits of Advertising for Consumers

Only 51% of the respondents felt that advertising is a valuable way to communicate to consumers. However, this rate was higher among younger accountants and those accountants practicing in

national/international CPA firms. The majority of respondents believed that advertising neither allows consumers to make more intelligent selections of accountants nor lowers accounting fees for consumers, although younger accountants were more uncertain of these beliefs. The respondents were almost evenly divided on whether advertising makes the public more aware of the qualifications of an accountant. Female respondents, however, felt more strongly that advertising can make the public more aware of these qualifications.

Benefits to an Accounting Firm

Respondents agreed that advertising has increased competition among accountants, attracts new clients, eases the entrance of new accounting firms into the existing market, and helps in personnel recruiting efforts. Interestingly, younger respondents believed more strongly than older respondents that advertising helps in personnel recruiting efforts. Thus, CPA firms may want to reconsider the benefits of advertising in recruiting personnel, especially since these younger respondents were recently

recruited. Furthermore, female respondents felt more strongly that advertising helps in personnel recruiting efforts than did their male counterparts. This may suggest that advertising is especially effective in recruiting young, female accountants.

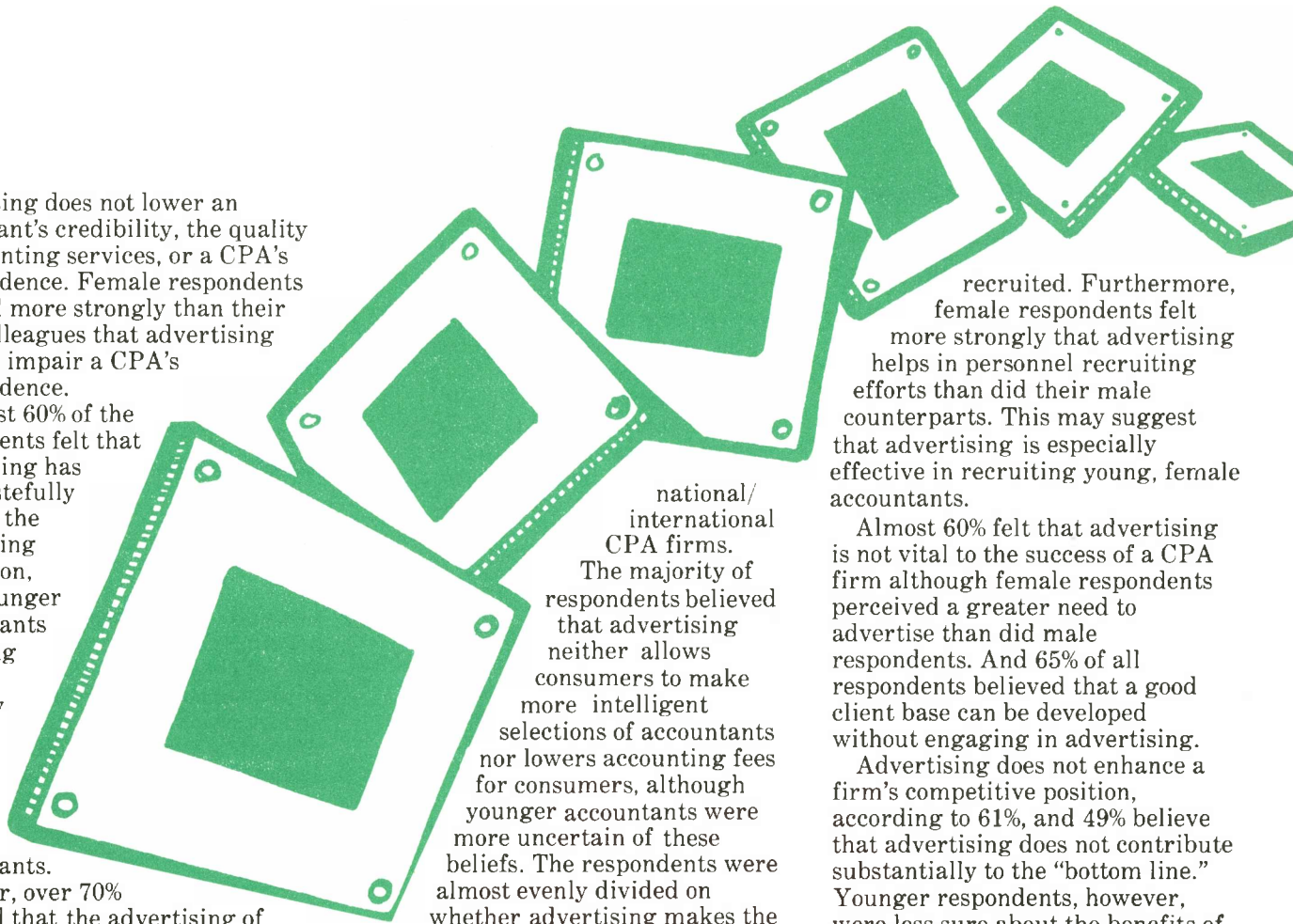
Almost 60% felt that advertising is not vital to the success of a CPA firm although female respondents perceived a greater need to advertise than did male respondents. And 65% of all respondents believed that a good client base can be developed without engaging in advertising.

Advertising does not enhance a firm's competitive position, according to 61%, and 49% believe that advertising does not contribute substantially to the "bottom line." Younger respondents, however, were less sure about the benefits of advertising in contributing to the "bottom line."

The majority believed that the ability to promote oneself is not directly related to one's ability to practice good accounting. Finally, 49% felt that lawsuits directed against accountants have not increased, due to advertising although another 42% were uncertain.

Information Appropriate to be Contained in Ads

The majority of practitioners felt that appropriate information to be contained in ads includes: (1) accounting services available; (2) areas of specialization; (3) professional qualifications and credentials; (4) founding date of firm; and (5) changes in personnel, location, hours, etc. Younger respondents were more in



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... nearly three-fourths ... felt that in-person solicitation is more effective for obtaining clients than advertising ...

agreement that the above information is more appropriate than were older respondents. Nearly three-fourths of the respondents felt that to advertise fees charged for services is not appropriate.

Forms Advertising and Solicitation Should Take

Practitioners favored social and internal communication over mass media advertising. The social and internal communication tools listed were client-public seminars, executive speeches, employee participation in community events, and client newsletters. All these forms of advertising and solicitation were considered appropriate by over 90% of the respondents.

Of the mass media tools, only newspapers, magazines, and telephone yellow pages were considered appropriate by the majority of respondents. Younger respondents believed more strongly than other respondents that newspapers and magazines are appropriate. Moreover, respondents from local CPA firms believed magazines to be less appropriate than respondents from national/international or regional

CPA firms. Interestingly, the respondents were quite evenly split on the appropriateness of direct mail advertising.

Respondents from national/international CPA firms viewed in-person solicitation as more favorable than did those respondents from regional and local CPA firms. Nevertheless, nearly three-fourths of all responding practitioners felt that in-person solicitation is more effective for obtaining clients than advertising, and 64% believed that in-person solicitation is not more deceptive to consumers than most other forms of advertising.

Summary

The survey results indicate that many practitioners believe advertising is proper and can be

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... advertisements emphasizing competence and quality of services are not easily produced.

tastefully done. The perceived benefits of advertising, however, are not clear. That is, the majority of respondents do not believe that advertising benefits consumers through lower fees, better knowledge, improved communication, or more intelligent choices between accountants. Respondents did agree, however, that advertising has increased competition among accountants, attracts new clients, eases the entrance of new accounting firms into the existing market, and helps in personnel recruiting efforts. Although respondents perceive advertising as being useful, they do not believe it substantially enhances the firm's success, profitability, or competitive position.

Younger, female respondents had more favorable attitudes toward certain aspect of advertising than did their older, male counterparts. As these younger CPAs move into higher level management positions within firms, there may be a greater evidence of advertising within the profession. Finally, respondents from national/international CPA firms believe in-person solicitation to be more effective and acceptable than respondents from regional and local CPA firms. ■