

CASE STUDY

How Raedan used Xero and Receipt Bank to triple average fees per client in 3 years

AT A GLANCE



THE FIRM

Raedan, Covent Garden
(London)



THE OPPORTUNITY

Offering cloud migration services to inefficient businesses



THE SOLUTION

Standardise Xero and Receipt Bank for all clients



THE RESULTS

400% growth over 4 years with Receipt Bank and Xero

Raedan describe themselves as “cloud accounting experts for creatives” - using cloud software like Xero and Receipt Bank to make businesses more efficient.

Director and co-founder, Jonathan Bareham, trained at a traditional accountancy firm where it was tough to get technology used. Looking for a change and confident in the potential of new tools, he left in 2010 with no clients and no portfolio.

“When I first started, I had to apologise for being an accountant,” says Jonathan. “Xero and Receipt Bank changed that.”

“Outwardly, accounting is now a much more interesting career. We have a lot to thank them for!”

COMMITTING TO XERO AND RECEIPT BANK 100%

Raedan was one of the earliest Xero users in the UK, having used it since 2010. However, Jonathan explained that they did not use it with all clients at the beginning. They were using it with some spreadsheets and other softwares.

“ I knew I wanted to do things differently, and found Xero from day one. ”

“Looking back, using different pieces of software and spreadsheets lost us a lot of time. After deciding to commit to Xero 100%, we standardised the technology for each team member and client. After this, we saw a real change.”

Raedan began using Receipt Bank in April 2014.

“With Receipt Bank and Xero, over 4 years we increased revenue by just under 400%, profitability by more than 250% and tripled our average fee per client. Now, we’ve forgotten what it was like to do manual data entry.”

“We used the cloud to add in more services, value and profitability. Plus, the enhanced efficiency has meant we can now upsell things like forecasting and advise. Before using Xero and Receipt Bank, we wouldn't have had time to do this.”

MAKING CLIENT BUY-IN EASY

“The thing that's amazing about using Xero and Receipt Bank together is that the Receipt Bank app is so lightweight and simple. It's also easy to get our client buy-in.”

“ We just demo how the Receipt Bank app works in 30 seconds and they get it straight away. Plus, they leave knowing how to use it. ”

“We put all our clients onto Receipt Bank as part of their onboarding with us. Another client actually came in beaming, saying they loved Receipt Bank, and that whenever she got a receipt, she would take a photo of it then pass it back to the shop assistant.”

RECEIPT BANK AND XERO WORKING IN TANDEM

For Raedan, Xero and Receipt Bank go hand in hand.

“Receipt Bank automates your manual data entry, and Xero helps with compliance to make sure things go in the right place, then add-ons help businesses make more data-driven decisions.”

BLENDING COMPASSION AND CLARITY WITH AUTOMATION AND EFFICIENCY

Raedan's core values are compassion, clarity, automation and efficiency.

“Technology provides the tools we need to realise human aspiration. It is all about creating efficiency and

“ The more clients we onboard with Xero and Receipt Bank, the more conversations we have. ”

eliminating the jobs that aren't all that exciting.”

“It doesn't just buy additional profitability or time to do more. It's about buying time to have conversations and interact with clients.”

Jonathan points out that it's easy for accountants to get bogged down in day-to-day data entry. Yet, taking the time to clients saves hours in the long-run.

“The more we talk to clients, the more we can solve problems when they arise instead of three or six months later when it's too late. Plus, with fixed fees and value-based pricing, they are not fearful of being charged. We want them to get in touch all the time to solve problems.”

“We encourage everyone to have conversations with clients, and to move from a once-a-year service doing tax returns to providing advisory services. Questions like “Do I have enough money?” are what our clients really value.”

FOCUSING ON ADVISORY SERVICES

Since 2010, Raedan have gone from strength to strength with cloud accounting.

“In the next 2-3 years, we would like to spend more time giving advice directly to prospects. We want to keep the human element at the centre of our offering and help as many people as we can.”

“Everything is an uncertainty. We want to reduce the difficulty and give businesses more freedom to be creative and grow. And to do this, enhancing efficiency with technology is a must.”