



# How to Charge Your Ecommerce Clients for A2X

**Every accounting practice is unique, and this is no different when it comes to pricing structures.**

We find that some of our accounting partners are fairly set in the software they use for clients. Others are more flexible to the preferences of the clients themselves, and these approaches will affect the ways that services should be charged.

How do you include software costs in your bill? Or do you include it at all?

In this guide, we look at some of the methods accountants use for charging their clients, and the key things to keep in mind for each approach.



## Value-Based Pricing

**Ever heard the story about the engineer who fixed the broken machine with a single tap of his hammer?**

He sent his clients an itemized bill for his work, charging them \$100.

"It took you five minutes, how can you charge me \$100?" the client asked.

"The hammer tap costs \$5, but knowing where to tap it? That's \$95," replied the engineer.

This story is an example of value-based pricing. Not only can you charge for your time and expertise but you can also charge for your speed, effectiveness, and your results.

After all, you have spent years learning and practicing to reach the level you are at and value-based pricing enables you to be compensated fairly for this.

**Value-based pricing is very customer-focused.**

Ultimately, you want to maximize revenue without compromising on the value you deliver to your clients. As an accountant who understands the complexities of ecommerce, you are in a great position to charge using a value-based pricing structure.

Try and think about how you can differentiate your service from the competition.

**For example: [Catching Clouds](#)** have differentiated themselves as accountants who speak fluent "ecommerce", and serve only the larger sellers. They have built a reputation for excellent service and expertise in their field, making themselves valuable to clients as a result.

Ecommerce is an extremely big pie and there are lots of clients to go around who are struggling with their accounting. Which niche are you targeting? Can you think of a way to make your service more desirable to these clients?

## How to set up a value-based pricing structure (including A2X):

First up, do a little research and make sure your structure is in line with the industry and your competitors:

- What are other firms charging?
- What are accountants charging who are not ecommerce specialists? (This will indicate what customers are willing to pay for someone who is not an expert in the field).
- Using the above, set a base rate for your time.
- Set a value for your expertise.
- Set a value to your variable costs (like A2X or other apps and tech).
- Set a value for your speed and efficiency.

**Here's a great example of how to do the above.** It is aimed at another industry, but the steps and advice are just as useful.

This structure can be hard to get your head around, but it's a good way to get paid for more than just the time you spent on a task.

Once you have your figure, you need to include the cost of software on top. Consider plan types and whether your client will need to level-up anytime soon, perhaps agree ahead of time when you might need to increase your bill to account for these changes.

## Hourly Rate Pricing

**As the name suggests, this structure consists of simply charging per hour of your work. To support this structure you'll need to time everything you do for a client's business.**

Charging by the hour can feel a bit more concrete as you know you'll be paid for all the time you actually spend working for your client. It can also help protect you or your client if the scope of your services changes for any reason and more (or less) work is required.

However, it is harder to predict revenue this way, and you might end up working and earning less over time if clients look for ways to save money.

Plus, it doesn't account for the value your work has to a clients' business.

Bookkeeping might only take you a few hours per week or month, but that's due to your extensive understanding of accounts and finances, which is invaluable to a business owner who doesn't have it. You should be able to charge for that too.

And where automation might reduce your time spent on books, it doesn't reduce the value you bring and the outcome. If A2X and apps are going to cut your work day short, you can fill it by offering value in other ways - perhaps strategic or analytical.

If you're thinking of going with an hourly rate, don't sell yourself short. Charge for your expertise and your value to your clients' businesses even if you do use apps to help you.

## Flat Rate Pricing

**A flat rate pricing structure involves charging a client one amount for one project.**

For example, you might charge a flat rate of \$200 for monthly bookkeeping.

Flat rates are rewarding for accountants that work quickly and efficiently, potentially being worth more money than the time they take to complete tasks. Of course the opposite is true for those that take longer to complete projects or make mistakes they need to fix.

Flat rates are good for clients because they know what to expect and can plan for one fixed charge. They can provide you a budget and you can give them a scope of work to match it. You also know what's coming in and can manage your own finances accordingly.

### Things to keep in mind with a flat rate structure

It's important to set a start and end date.

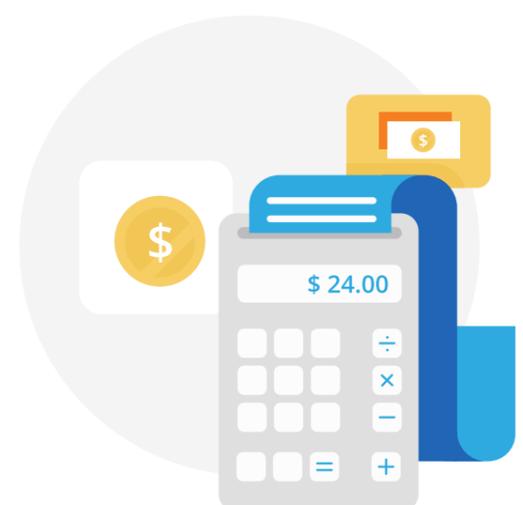
It's also a good idea to have some terms around the fee to protect you if the seller's business evolves and becomes a bigger job. For example, they might expand across other channels, grow quickly and require a lot more work on their bookkeeping.

They might also experience huge seasonal shifts. Perhaps their average monthly sales volume is around 1,000 until summer, where it increases to 10,000. Those workloads are significantly different for you, and that justifies a rate change.

Your original flat rate may suddenly be unreflective of the work you're required to do all the time.

When charging your flat rate, clearly outline what your client can expect. If there are variable costs, go for the higher end of the spectrum to ensure you're not out of pocket. For example, your client might need a lower cost software subscription for some of the year and a more expensive one at other times. Factor this into your costs.

Flat rates can work well for you and your client, but be prepared for change.



## Bundle Pricing

**You'll see this structure often. In travel agents, supermarkets, by insurers - this structure is a great way to offer your clients more for less.**

Price bundling consists of combining several products or services in one package at one rate.

Although at face-value this may seem counterproductive to profits, this isn't always true. You are able to upsell to clients that may not have otherwise hired you for a suite of services.

Plus, if you have good relationships with software suppliers who give you discounts, you can either add extra profit to your bottom line or pass this onto your clients as a perk of doing business with you.

### What to consider when designing a bundle

Products are easy to bundle, but your time and services? That's a little trickier.

You may need to think about one of the pricing structures above first, before you create a package deal.

Think about how customizable you want the packages to be. Will you offer a choice of software apps and integrations, or one fixed stack? What services will offer your client above the software apps and integrations?

Think about your target audience and what their biggest problems might be. These are what you want to solve in your package options.

**We have compiled some useful insights into today's ecommerce clients and what they're looking for in this guide for accountants.**



[Learn more](#)

If you are keen to learn more about today's ecommerce clientele and how you can meet their changing needs, check out some of **our blogs** below:

- [The Ecommerce Accountant's Guide to Attracting Today's Clients](#)
- [How Accountants Can Grow Their Ecommerce Seller Base](#)

## Tiered Pricing

**Tiered pricing is a great way to offer different levels of services to your clients, and encourage them to "level-up" as they grow or want to outsource more of their operations.**

It also works nicely with SaaS (software as a service) models as you can include certain subscriptions within each tier.

Tiers allow clients to choose what they need, want and could do without until a later time. There is flexibility to grow and evolve, whilst being smart and selective with their investment.

Make sure your tiers are clear and that each adds demonstrable value to justify a higher price.

Unsure what to charge? Take a look back at the steps under Value-Based Pricing, and Flat Rate Pricing. Factor your software apps and integrations into each tier so that clients can see what they're paying extra for.