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Building a solid foundation for a new digital business

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ABSTRACT

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The purpose of this thesis was to gather information for the establishment of a new digital accounting business and the creation of services for the digital accounting business. The aim of this thesis was to create a business plan that considers all the relevant factors when establishing a digital accounting business. This thesis was conducted as independent study and is qualitative research. The research problem of this thesis was solving the initial phases of establishing a digital company and lack of a business plan and service packages.

This thesis is qualitative research. The theoretical part of the thesis examines the digitalization in accounting business, starting a digital business, and marketing of professional services. In the research part of the thesis, document analysis and benchmarking were used as a data collecting method. With the help of document analysis different kinds of business plan templates were examined. Benchmarking was used to compare different accounting businesses monthly accounting service packages, concentrating on the content, price, and the value proposition of the service package.

As a result of the research, a ready business plan for a digital accounting business was conducted. The relevant factors for a digital accounting business's business plan were chosen, and the business plan is presented partly in this thesis. Complete business plan is not included in this thesis due to confidentiality.

The results of the benchmarking show what accounting service packages includes, the price range of different accounting companies' service packages, and the value propositions of these service packages. Service packages' contents have several similarities. The service package's monthly price was clearly informed in only one of the benchmarked company's websites. Other benchmarked companies informed starting prices and urged the customer to send an offer request. The value propositions had several similarities. One benchmarked company stood out with the promise of an agreement without a notice time.

The business plan points out there is a need for constant development in business. Especially when the company is operating digitally, the need for development is even more frequent. The business plan conducted by this thesis is a basis when starting a new digital accounting business. The research of service packages is utilized when creating the new digital accounting business' service packages.

Keywords: business plan, digital accounting, digitalization

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1 INTRODUCTION

The purpose of this thesis is to create a business plan for a new business to be established by the author of this thesis. In addition to the business plan, the aim is also to study marketing professional services and accounting businesses monthly accounting service packages. The master's degree which this thesis include in is emphasized on entrepreneurship and the author is inspired to start a new business. After this thesis is done, the goal is to get things going with the author's own company.

Popularity of entrepreneurship is growing. Attitudes towards entrepreneurship have become more positive especially among young people. Entrepreneurship is aimed to be increased in Finland and there has been discussion about investing in entrepreneurship incentives by the Finnish government.

This thesis focuses on the digitalization in accounting business and the customer experience since the nature of accounting business is strongly emphasized on customer relations. Results of this thesis can be beneficial for accounting specialists who are planning to become an entrepreneur in the accounting field. Results can also benefit starting entrepreneurs in other fields of business. This thesis studies what to take into consideration when creating a business plan for a digital business and when marketing professional services.

This thesis is a major part of the journey to starting the business and going towards entrepreneurship. The aim is to have a ready business plan and strong guidelines for a new digital accounting business to be established. Author has earlier work experience in accounting and working in an accounting office. The author is determinate to create accounting services that help entrepreneurs clarify their finances, suit the best the entrepreneurs' needs

and bring peace of mind in their everyday life. The main customer target groups are sole entrepreneurs and starting sole entrepreneurs. An accountant is often a sole entrepreneur's only partner whom they can talk to about their company's financial situation or pricing and profitability of their company's services or products. In accounting businesses, the customer relationships are fundamentally long-term in nature and are heavily based on trust.

As the basis of the business plan, this thesis attempts to delve deeper into digitalization in the accounting industry. On another part of the theory, it is clarified what kind of elements a business plan includes and what to take into consideration when forming a business plan. The theory of a business plan is covered from a starting digital accounting office's point of view. In the development part of this thesis, the business plan is made. Theoretical part on marketing focuses especially on marketing professional services. This thesis surveys what kind of digital service packages are offered by companies operating in the accounting field. The study on service packages will concentrate on the core service of accounting business which is monthly accounting service.

2 PURPOSE AND OBJECTIVES OF THE STUDY AND THEORETICAL FRAMEWORK

This thesis is implemented as an independent project, and it is a research development work. This thesis is made for the use of a starting entrepreneur. The purpose and objectives of this study are presented more specifically in chapter 2.1.

This thesis' development work originated from the need to resolve what should be focused on when starting a digital accounting business. Also, resolving what kind of elements a business plan includes and studying marketing of professional services was intended to be achieved. Researching different kind of business plan templates and the monthly accounting service packages provided by accounting businesses was also sought to be done within this thesis work.

Information about digital accounting business, about starting a new business, and about marketing professional services was gathered. The theoretical framework for this thesis was formed based on the information gathered. The theoretical framework of this thesis is presented in chapter 2.2.

2.1 Purpose and objectives of the study

The purpose of this thesis is to create a comprehensive business plan for a digital accounting company. The aim is to clarify for a starting entrepreneur what is included in a digital accounting company's business plan. In addition, the aim is to study digitalization in the accounting industry and digital accounting services. This thesis focuses on business establishment from the sole entrepreneur's point of view. Due to this point of view, it is important to also study marketing of professional services.

All entrepreneurs must ensure their company's accounting is done correctly and in timely manner. Usually, the entrepreneurs outsource their accounting to accounting business. This thesis aims to create a business plan for a digital accounting business. Accounting businesses provide accounting services for entrepreneurs. Accounting can be challenging and time consuming to do if the entrepreneurs do not have strong know-how in accounting. Entrepreneurs can outsource their companies' accounting and concentrate on their own core businesses. The digitalization in accounting business enables providing location-independent services for entrepreneurs.

This thesis will resolve how a modern and high-quality business plan is compiled. The business plan is made to ensure a strong basis for the new company in different phases of the business' operations. This thesis will pay attention especially in the digital service business point of view and studies marketing of professional services since marketing know-how is essential for an entrepreneur.

The focus is also on digital accounting services. The aim is to study digital accounting companies' content of monthly accounting service packages and also value propositions, and prices of the service packages. The results of the research will give support when compiling the business plan and creating the service packages for the digital accounting business. The main objectives of this thesis are as follows:

- To resolve how to combine a comprehensive business plan for a digital accounting business.
- To create a ready business plan for a digital accounting business.
- To study the marketing theories from marketing of professional services point of view and adapting them to accounting business.
- To form a comprehensive perception of accounting businesses' monthly accounting service packages contents, value proposition and prices.

2.2 Theoretical framework

In addition to a business plan, this thesis concentrates on digitalization in accounting business and marketing of professional services. All these subjects are relevant when building a solid foundation for a digital accounting business.

Digitalization in accounting business is discussed in chapter 3. The chapter introduces digitalization and sole entrepreneurship and technologies of digitalization. In addition, the third chapter discusses digital accounting and customer experience especially from the digitalization's point of view. Digitalization and digital accounting are essential subjects to introduce before familiarizing in making a business plan for a digital accounting business.

The definition of digital accounting has been evolving for several years already. It has had several definitions. Definition has evolved from being paperless accounting more towards automatization of the whole accounting process. In digital accounting, all the data flows are in digital form and handled digitally. Automatization is taken as far as it is possible. (Lahti & Salminen, 2014, pp. 23-24.)

The structure and content of a business plan is viewed in chapter 4. Business plan is a tool, which helps a starting entrepreneur to consider possibilities and threats of a new business. It covers issues regarding planning new or existing businesses operations and how the business is going to succeed. Many different business plan templates with different structures and different emphases can be found. (Hesso, 2015, pp. 10-12.) In this thesis, the author has selected to cover the business plan elements that could be beneficial for starting a digital accounting business. The elements are repeatedly presented in literature about business planning and in business plan templates studied in this thesis.

In chapter 5, marketing professional services is studied. Marketing is an important part for the accounting business of this thesis. When starting a busi-

ness as a sole entrepreneur, segmentation and targeting are important to be planned carefully because it may be more profitable and easier to execute marketing, when the customer segment is well determined.

In the marketing chapter, also the value proposition is covered. Value proposition is an important tool for service firms to differentiate from competitors (Weinstein & Ellison, 2012, p. 57). This thesis studies value propositions of other accounting firms' monthly accounting packages. This study shows how accounting businesses differentiate from each other.

The 7Ps of the marketing mix are covered in chapter 5.3. These 7Ps are *product, price, place, promotion, people, process, and physical evidence*. The first 4Ps of the marketing mix originally focused on the marketing of material goods. Later, the three Ps for the needs of services marketing were added. (Sramkowski, 2021.) From a digital accounting business's point of view, for example, place might be seen as quite irrelevant since the business operates online. Still, the whole marketing mix is adaptable for services, even though the emphasis might vary.

In chapter 5.4, services marketing and special characteristics to consider when marketing services are studied. Accounting businesses' customer relationships are long-term in nature of the business. This chapter concentrates on viewing the service marketing from customer relationship point of view.

3 DIGITALIZATION IN ACCOUNTING BUSINESS

Digitalization in accounting business is wanted to be covered, since the new business to be established is going to be operating digitally. The new accounting business considered in this thesis is going to be sole entrepreneur founded and is going to focus on sole entrepreneur customers. Sole entrepreneurship and digitalization are discussed in chapter 3.1.

Chapter 3.2. discusses about technologies of digitalization. The development of technology is important to take into account when planning a digitally operating business. Digital accounting, accountancy legislation and ethics of digitalization of accountancy are covered in the chapters following the chapter on technologies of digitalization.

Accounting business is a widely digitalized business. The customer experience is different when the business is operating digitally. It is essential to consider how the customer experiences the business when operating digitally. In chapters 3.4, 3.4.1, and 3.4.2, customer experience, digitalization and customer experience, and the four elements of digital age's customer experience are discussed.

3.1 Sole entrepreneurship and digitalization

Changes in the working life sparks a lot of discussion in Finland. During the past twenty years, Finland's business operations have experienced restructuring. The most significant change has been the remarkable growth in the number of sole entrepreneurs. When in the beginning of the 20th century, the number of sole entrepreneurs was approximately 120 000, now the number is almost 200 000 sole entrepreneurs. (Melin, 2020.) Melin's research was done before the covid pandemic, which had a decreasing effect towards the

number of companies in Finland. The number of sole entrepreneurs has nevertheless gone back up despite the crises in the economy and in the operational environment.

Especially digitalization is apt to add to a company's resilience in crisis and flexibility in adjusting to changes in the environment. Finland is a leading country when measuring the exploiting rate of digitalization. Digitalization is changing the markets rapidly. (Lappi, 2022, p. 49.) According to the Finnish Ministry of Employment and the Economy, digitalization of all Finnish companies is an important starting point for the entrepreneurship policy. (Lappi, 2022, p. 52.)

Laurea University of Applied Sciences (2023) presents its course about entrepreneurship as a part of career, on its website. The course introduction includes a statement saying researchers have predicted that 60 percent of the workforce will consist of entrepreneurs or freelancers by the end of the 2030s. Such a big percentage predicts a big change in business activities and in working life. From the accounting office's point of view, it can predict a need and a possibility for developing new types of service packages. Digitalization has been present in the accounting industry for several years already. Current development of Artificial Intelligence (AI) can take the digital development even further as Forbes' council member Barry Pennett states in his Forbes Finance Council article (2023) that AI is accountant's assistant, not their replacement.

3.2 Technologies of digitalization

Technology is rapidly changing a variety of business operating environments. Companies can use digital technology in many ways to enhance the customer experience. Customers already expect the customer experience to progress seamlessly. Development of digital services has been possible since the 1990s due to the Internet, mobile technology has had a significant effect on how we communicate, and the era of Artificial Intelligence and data will

transform society even more powerfully than earlier has been seen. For companies and organizations, digitalization means both unforeseen possibilities and also big challenges. When succeeding in modern technology development projects, a company can gain a significant competitive advantage. When the modern technologies are quite invisible for competitors to copy, to customers these developments show as a more effective service, smoother transactions, and increased understanding of the field. (Gerdt & Eskelinen, 2018, pp. 9-10.)

Despite of the emphasis on digitalization, the basic elements of developing the customer experience remain the same as before. A company's brand, measuring, culture, processes, and internal capabilities are the elements to take into consideration when developing the customer experience. A company's internal processes are expected to be more and more flawless, integrable, and effective. Expertise of the personnel is in large role but the willingness to change is required when the pace of changes is accelerating. (Gerdt & Eskelinen, 2018, p. 14.)

A variety of new technologies for developing customer experience is growing. Every company needs digital communication devices for their internal and external communications. To manage the business operations, every company also needs a business control system and a customer control system, which are used in managing the business operations. (Gerdt & Eskelinen, 2018, p. 17.) The most essential development area in technologies is Artificial Intelligence (AI). It requires special competencies but has the widest application possibilities. With AI technology, the machines quickly learn to recognize text input and react to the received information as desired. (Gerdt & Eskelinen, 2018, p. 21.)

In the accounting business, the development of Artificial Intelligence (AI) influences everyday work. AI tools provide a possibility to strategize large workloads, which ordinarily are performed by a broader team of accountants. The need for human resources in accounting is not replaced by AI but rather, it releases more time for building a strong relationship with customers. With

the growing presence of AI, the accountant can concentrate more on offering advisory services for the customer. (Pennett, 2023.)

3.3 Digital accounting

Accounting is a system the organization uses to track its financial functions. The organization needs the financial information to report about the company's operation to its stakeholders. Accounting can be divided into internal and external accounting. Internal accounting produces financial information for the management of the company and external accounting produces information for the company's external stakeholders. (Lahti & Salminen, 2014, p. 16.)

In digital accounting all the company's financial data is in digital form, and it is transferred and processed with applications or software. Generally, the data is faster and more efficient to process, transfer, store or present when it is in digital form. (Lahti & Salminen, 2014, p. 19.)

In earlier years digital accounting has had several different kinds of definitions. This is because the accounting business has experienced huge changes and rapid development with digitalization during the recent years. The definition has gone through several stages and has earlier been fragmented. Nowadays the definition of digital accounting is stabilized as follows: "Digital accounting means automatization and digitalization of all accounting's data flows and processing phases." Digital accounting can also be referred to as automatic accounting since all the processes of accounting have been automated as much as possible. Digital accounting must integrate into a company's real processes. Digitalization should be considered in all over the limits of the company's stakeholders also. All the accounting's dataflow must be digitalized. (Lahti & Salminen, 2014, pp. 23-24.) For example, e-invoices are required for the definition of digital accounting. It is not enough if supplier sends an invoice via email, and it is manually added in the accounting system. (Lahti & Salminen, 2014, p. 26.)

Digital accounting has various benefits compared to manual processes of accounting. Digital accounting is fast and efficient but also an ecological solution, as the need for archive premises reduces, and operations are more transparent and of higher quality. Digital accounting also reduces human made errors when the operations are automated. Digital accounting is time and place independent and enables for example browsing financial reports from anywhere in the world. The financial reports are always up to date in digital accounting. This enables the company to manage its operations based on real-time information. Company can also react quicker on different things happening in its business. (Lahti & Salminen, 2014, pp. 32-33.)

In accounting business, the digitalization in Finland is in good shape and effective. The effectiveness of performance in accounting has been studied for example, by finding out the hours spent on companies' administration of taxation. According to the World Bank's research, Finnish companies use 90 hours in a year for administration of taxation. This is more than Estonians who spent only 50 hours and Norwegians who spent 79 hours on the same tasks. But Finland's results are better than Sweden's 122 hours, France's 132 hours, or United States' 175 hours. (Fredman, 2021.)

Finland is in the forefront when it comes to the use of cloud computing services in enterprises and utilization of online invoices. In the spring of 2021, the Finnish Entrepreneurs conducted research for small-sized enterprises about their use of accounting offices and utilizing online invoices. 79 percent of the respondents used accounting office services and invoiced at least part of their invoices as online invoices. Acquirements for sending and receiving online invoices were both good. (Fredman, 2021.)

The Treasury and Finnish Economic Association commissioned a survey for accounting offices in the spring of 2021. The objective was to find out about the online invoicing readiness of accounting offices. Results of the survey are only directive since there were only 77 respondents. However, results were well in line with the results of the Finnish Entrepreneur's survey which

strengthens the reliability of the survey. 88 percent of the accounting offices in the survey were offering online invoice processing service for their customers. When the survey was made, the share of customers whose accounting was made digitally was slightly less than a half of all the customers. (Fredman, 2021.)

3.3.1 Accountancy legislation

Entrepreneurs are obligated to arrange their company's accounting and they are responsible of the correctness of the accounting. The law of accounting creates the base for which kind of things should be taken into consideration in accounting. Companies are obligated to keep a record of their incomes, expenditures, assets, and liabilities. Financial statements are made based on accounting. A company needs to pay taxes and correctly made accounting forms a base for how much taxes the company must pay. The size of the business and the form of business are both factors which affect the requirements of accounting and financial statements. (Räsänen, 2022.)

Company's accounting forms a base for many statement obligations the company has. Company's financial statement and the annual report gives an external image of the company. The annual report serves as a brochure of the company. The annual report consists of statutory documents, financial statement, and action report. It also often includes reviews of the CEO and other managers and board members of the company. It describes the company and the company's goals and administration and shows photos of the company and its events. (Leppiniemi & Kykkänen, 2023, p. 17.)

Financial statements and annual reports are important information resources for investors, creditors, competitors and for the press. Financial statements must be able to be interpreted uniformly, and they must be comparable. The financial statements and activity reports have been unified in the EU region with the help of financial statement directives. (Leppiniemi & Kykkänen, 2023, p. 18.)

Accounting materials need to be stored principally at least six to ten years depending on the type of the material. The storing is a part of accounting obligation and is defined by the accounting law. The storing of the material can be done on paper, digitally or combination of these two. In addition to accounting law other legislations can set requirements for the storage time. (Räsänen, 2022.)

Financial statement tells the company's result and the state of company's assets. The accounting law regulates the content of the financial statement and the obligation to prepare it. (Räsänen, 2022.) All the reports, financial statement and the annual report are widely public documents. Publication of these documents is principally arranged by the patent and registration office. (Leppiniemi & Kykkänen, 2023, p. 17.) Financial statement can be done completely digitally in some accounting software. The financial statement needs to be declared to the trade register after it is confirmed. Patent and registration office endorses the financial statement to the company's trade register information. Declaration is statutory. (Finnish patent and registration office, 2023.)

3.3.2 Ethics in digitalization of accountancy

Companies are figuring out what kind of ethical choices they are making in global digitalized business. The rights and wrongs are dependent on religions, cultures, societies, and individuals themselves. The development of technology has delivered threats of robots taking over the earth and people fighting against them for the existence of humanity. These are still a figment of imagination and in general digitalization has raised the visibility of ethical issues. For example, news about unethical operating models is spreading fast on social media and also other customers are empowered to make them public. Companies' supply chains have become more transparent, and deliveries are easier to trace. (Gerdt & Eskelinen, 2018, pp. 60-62.)

Ethical issues concern all of the company's functions. Companies need to take ethical issues into consideration when they are collecting and using data. Responsibility practices should be discussed and created together now when the effect on algorithms is increasing on decision making. Companies can collect data about customers and in return customers are hoping to get improved customer experiences. Data collection should always be done by taking into account the ethical issues. European Union countries have general data protection regulation (GDPR). It guarantees the consumer's personal data is better protected and gives consumers more ways to control the processing of their data. (Gerdt & Eskelinen, 2018, pp. 60-62.)

The Finnish economic administration association has developed guidelines for good accounting practices called TAL-STA. It consists of four different parts. Ethical guidelines are included in this public description which objective is to develop the whole industry's operational environment. Ethical guidelines are written to fit for every person or company operating in accounting. Ethical guidelines were possible to leave as a concise list since there are no severe reliability problems in Finnish business culture. When an actor is following the guidelines of good accounting practices and following the legislation it widely already covers proper operating. This is the first point in the list of ethical guidelines. (Lyytinen, 2020.)

In addition to the above mentioned first point the list of guidelines has seven points more. The second point is acting responsibly and confidentially in a customer relationship and always considering customer's advantage. The third point mentions that the accounting service provider must be financially and otherwise independent. Fourth point says operations must be well-planned, long-term oriented and carefully and professionally executed. Customer's advantage always comes first, and it must be taken into consideration in decision making also. Accounting service provider promotes the appreciation of the industry through its own activities and in part maintains and strengthens good collegial relationships. Public relations and information activities should be handled in a way that inspires confidence. Last point em-

phasizes the importance of welfare and welfare of possible personnel as well as the importance of professional development. (Talouhallintoliitto, n.d.)

All of these above-described points create the quality of customer's experiences. Accounting business is strongly customer service business, and the professional ability, self-valuation, and job satisfaction reflects on the customer experience. It is important to be familiarized with the customer and their operations, as when an accounting service provider knows its customer's business, it can provide relevant financial reports to them. (Lyytinen, 2020.)

3.4 Customer experience

Emotions play a part in our experiences and so they do in customer experience. In corporate life, emotions are often considered to be too unmeasurable even though emotion is what drives significant activity. Companies are often uncomfortable when trying to build in and understand the impact of emotions in their business activities. However, customers interacting with the company also create a feeling for the customer, and it is beneficial to consider the caused feelings seriously. A classic quote of Maya Angelou proclaims: "I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." (Pennington, 2016, pp. 35, 38.)

Emotions are needed to take into account in two levels when considering the customer experience. These levels are reactive and proactive. Company has no control over what kind of emotional state the customer is in when interacting with the company. On the other hand, the company can try to have a positive impact on customer's emotional state by delivering excellent interaction experience for the customer. It is important to understand how customers react and how the company can create emotional reactions from customers. So, when designing the experience, it is essential to have in mind the emotional outcome. (Pennington, 2016, p. 39.)

3.4.1 Digitalization and customer experience

Customer experience is always an individual experience. Customers interpret their feelings and images about the company from their own point of view. The customer's own attitude, competence and price consciousness affects how an individual customer experiences the company. Competencies are a significant factor of customer experience in digital services. Companies should evaluate the level of their customer target group's digital competencies realistically. Price consciousness has remarkable emphasis on customer's purchase decision. It does not mean the customer knows the exact price, but it is rather about the value customer is willing to pay of the product or service. (Filenius, 2015, p. 25.)

The customer's own financial and life situation affects purchase decision. The construction of customer experience is also situational. If customer is in a lot of hurry, the feeling of the customer experience differs from if the situation is calmer. Customer service is difficult to produce with the same level of quality from day to day. In digital services it is even more challenging since the customer experience should have the same quality digitally as in person. On the other hand, when a company manages to create the digital service in a way that gives positive customer experience, the quality is always the same. (Filenius, 2015, pp. 25-26.)

3.4.2 Four elements of digital age's customer experience

It must be noted that the technology itself is not the most important factor when developing digital services. The focus should be on the result where the development is aiming for. The focus of development when considering digital customer experience should be the four elements, including speed of the service, personalization, user friendliness, and well-constructed technology environment to support the other three. (Gerdt & Eskelinen, 2018, pp. 56-57.)

The speed and real time service should be always as automated as possible and always available. Customers are expecting to get answers to their questions immediately. Impatience has grown and people are expecting everything to happen now. Social media is the communication channel where companies are expected to interact with customers in real time and almost every hour. (Gerdt & Eskelinen, 2018, p. 57.)

Objective in customer experience has already for long been personality. Customer experience should literally be personal. Just a feeling of personal customer experience is not enough anymore. Information about the customers is utilized when planning and creating the positive customer experience. For this, companies should be aware what kind of information they are gathering about their customers and take data protection into consideration when collecting and processing data. (Gerdt & Eskelinen, 2018, pp. 57-58.)

The importance of user friendliness has grown since company websites have become more common. The first encounter happens digitally and then the discoverability and accessibility are significant factors to which every company needs to pay attention. According to research the ease of use on user interfaces has a link to high rate of customer loyalty. If customers feel that the transactions with the company are too laborious, they will more easily leave the company. (Gerdt & Eskelinen, 2018, pp. 58-59.)

A proper technology environment is essential when developing the digital customer experience. Nowadays technology is somehow playing a part in every business field. When there is a process which creates a customer experience it usually always includes technology in some part of the process. (Gerdt & Eskelinen, 2018, p. 59.)

4 STARTING A DIGITAL ACCOUNTING BUSINESS

A business plan describes in written form the activities of the company to be established. It represents company's future plans and also contains the most important information about the company and its operations. (Alikoski et al., 2018, p. 25.) A good business plan helps the company to be prepared for a constantly changing operating environment. On the other hand, a business plan points out all the possibilities the company has ahead. When starting a new company or expanding a company's operations the business plan is a required document to present when applying for funding. A business plan covers all the necessary functions the company needs to achieve success. The business succeeds when the goal, the entrepreneurs or company's dream is achieved. The dream is also called a vision in business. Every business plan emphasizes different functions, and the emphasis shows the orientation of the author of the business plan. (Hesso, 2015, pp. 10-12.)

A business plan serves its purpose well when it clearly states how the business is going to make money. To clarify the company's future business structure the business plan needs both the written strategy plan and also calculations and tables. The length of the business plan document can be several pages. The long version should also be captured in just one A4 paper from where anyone can see from first sight what the entrepreneur is going to do in terms of business. With the help of a business plan the entrepreneur can evaluate the chances of success their business has. A business can be seen as successful when it is making profit in the long-term and creates added value for its customers. Especially starting entrepreneurs should clearly define the company's target group in their business plans. When the entrepreneur has the business idea, then it is important to precisely know to whom the product or service is targeted. When the target group is well familiarized the business' marketing is easier to plan. A business can target their market-

ing efforts there where their target group customers are and create demand for the organizations' services or products. (Hesso, 2015, pp. 13-15.)

4.1 Planning a digital business

Access to the Internet has spread widely and it has influenced businesses interactions with their customers and in their business processes. Definition of digital entrepreneurship has changed a lot from what it was in the early days of the Internet. Nowadays, digital entrepreneurship has a much larger meaning than for example only building a website for existing business venture to accommodate the online environment. Development of technologies has made it possible to create digital businesses whose main activities are made using these new digital technologies. Attractiveness of entrepreneurship in a digital environment increased significantly because of the covid pandemic. (Biclesanu et al., 2021.)

In business areas where the digitalization has developed already further it is easier to establish new companies. In the accounting business, digitalization has been developing for several years already but there are still also traditionally operating companies remaining. Digital companies must prove the added value they bring for their customers with their digital services. To be the most popular and recommended service provider, the company must create an overwhelmingly effective and pleasant customer experience. (Ruokonen, 2016, p. 33.)

4.2 Structures of different business plan templates

Several different business plan templates can be found on the Internet. In this thesis, seven different business plan templates were chosen, and presented and compared with each other. The chosen business plan templates are from the websites of Nordea, Osuuspankki, Ukko.fi, Yritystulkki.fi, Yritysespoo.fi, and Loimaa.fi. The website addresses where these business plan templates can be found are listed in Appendix 1.

Nordea's business plan template has eight sections. These sections are summary, business description, target group, competitors, operations, management, sales and marketing, and a summary of financing. All the sections have several clarifying questions about the section's topic. Understandably the financing section includes the most questions. Clarifying questions guide a starting entrepreneur to take into consideration the correct and the essential matters well.

The business plan template made by Osuuspankki is more concise than the one on Nordea's website. It has five sections which are business idea, entrepreneur's strengths, products and services, customers, and practical arrangements. There are not so many clarifying questions on the business plan template of Osuuspankki than there is on Nordea's business plan template. In the beginning of the document is stated that the questions in business plan template are essential for any starting entrepreneur.

The business plan template from the website of Ukko.fi also has five sections which include three to five clarifying questions. The five sections are entrepreneurs' own competence, services, target group, demand and competitions and profitability and assets. The section of entrepreneurs' own competence guides to consider the skills, strengths, and weaknesses an entrepreneur has. In this section is also asked if an entrepreneur has specific areas where help is needed and what are the development plans and possible trainings to participate in.

Yritystulkki.fi website provides a business plan template named Business Oulu. This business plan template is comprehensive and includes eleven different sections (Figure 1). All the sections have either several clarifying questions or comprehensively structured additional sections on the topic of the main section.

BUSINESS PLAN CONTENT

- 1. Operating environment analysis**
- 2. Competitor analysis**
- 3. Operating concept and business idea**
- 4. Marketing and sales plan**
- 5. Production/purchase plan**
- 6. Personnel plan**
- 7. Product development plan**
- 8. Financial plan**
- 9. Risk assessment**
- 10. Vision and main goals**
- 11. Entrepreneurs' personal descriptions and goals as entrepreneurs**

Figure 1. Business plan content of Business Oulu business plan template

The sections in Business Oulu business plan template are operating environment analysis, competitor analysis, operating concept and business idea, marketing and sales plan, production/purchase plan, personnel plan, product development plan, financial plan, risk assessment, vision and main goals, and entrepreneurs' personal descriptions and goals as entrepreneurs.

Business plan template of Yrityssuomi.fi has nine sections. These sections are to whom and why, products and services, how do I operate, operating environment, vision, other considerations, financial calculations, and SWOT-analysis. Sections include clarifying questions which helps an entrepreneur to observe the topics as accurately as possible.

The business plan template from Loimaa.fi website has six sections. These sections are competence, product/service, customers/market, competitor, your own company and accounting and finance planning. Every section has clarifying questions.

4.3 Elements included in a business plan

The business plan created in this thesis consisted around the following areas: business idea, vision, and values, operating environment, competition, and competitors, SWOT-analysis, finances, and calculations, risks, and insurances. The selection of these elements is formed by the author of this thesis based on the literature about business planning and on the business plan templates studied. These elements are defined as important parts of a business plan in literature about business plans for example by Hesso (2015) in his book which discusses good business plans. These areas were also repeatedly found in business plan templates examined in this thesis.

Business idea, vision, and values

Every business plan starts from a business idea. It is an unrefined product or service which leads to starting a business and the business plan refines it into a functioning business. (Alikoski et al., 2018, p. 28.) Business ideas need to be summarized in a business plan within a few sentences. The questions to be answered in the summarizing are what, how and, to whom. The service or products are to be explained clearly, preliminary strategy explained briefly and, the customer target group defined so that the business stands out from the crowd. (Hesso, 2015, pp. 24-25.)

The goals of the business operations need to be clarified for the customers and other stakeholders of the company. The entrepreneur may have a clear vision of what the business is heading toward but anyone else cannot know it without clarification from the entrepreneur. Vision is the goal which gives power for everyday working. (Hesso, 2015, p. 27.) It describes where the business wants to be in the future and what it wants to achieve. Vision defines the direction for the business operations. Starting businesses can first envision a strong place in their chosen markets and after that expand their goals further. After the vision is defined, the company can start to plan and build the structure of its processes and subprocesses. (Alikoski et al. 2018, pp. 50-51.)

The company's values are important guidelines to follow when pursuing the defined goals. They create the ground rules for the continuous creation of added value and the hard work. Both internal and external stakeholders of the company are monitoring if the company is operating according to its values. If the company does not operate according to the company's values, it can cause loss of employees and customers. Companies are a big part of society and not many want to be involved with companies who operate in unethical ways. (Hesso, 2015, pp. 28-29.)

Operating environment

The business idea is possible to develop based on the company's operating environment. Operating environment is a changing environment, and the company needs to be prepared for these changes by analyzing the environment precisely. The demand and competition lay on the environment where the company operates. The company needs to follow the characteristics of quality requirements and sustainable development which its operating environment requires. The company is also tied up in technology available in its operating environment. (Alikoski et al., 2018, p. 32.)

Companies should evaluate internal and external environments to succeed in planning and implementing their strategy. The factors of competitive advantage originate from internal and external environments. The company can create added value for the customer by utilizing these factors. In addition to environmental awareness and technological environment the company also needs to analyze political, economic, legal, and social environments. Also, the customer and competitor analyses are included in internal environment analyses. (Hesso, 2015, pp. 34-35.)

Competition and competitors

Competition and competitors of the company's field play a significant role in terms of the company's success. An essential part of a competition strategy

is how the company's operations are compared to its competitors. When composing the business plan, it is crucially important to know well the competitive situation in the company's operating field. Competition is considered an advantage for everyone since it forces companies to take care of the quality, development, and price competitiveness. Competitive companies have started to network together and have noticed they need each other to succeed with their own business. (Alikoski et al., 2018, pp. 35-37.)

SWOT-analysis

SWOT analysis identifies a company's strengths, weaknesses, opportunities, and threats. It has been used in corporate planning for decades and is a traditional approach to getting a visual snapshot of the current stage of the business and market. When evaluating the business with SWOT it is important to look at all the primary areas of the business. (Pennington, 2022.)

SWOT analysis is not meant to be just a list of things. When conducting the SWOT analysis properly it includes considerations of solutions based on the analysis. Conclusions are drawn from the analysis. It is important that these conclusions and solutions are compatible with the business strategy which guides the achievement of the vision. (Hesso, 2015, p. 72.)

Strengths and weaknesses are internal areas in SWOT analysis. Strengths are the factors which form the success of the business. They stand out and give advantage to the company. (Pennington, 2022.) These could be for example products, customer relationships, personnels education and professional skills, location, machinery, and equipment. Weaknesses are the areas which need to be addressed. They are the areas where the business is lacking something and needs development. After addressing the weaknesses, the entrepreneur has the knowledge about where the company needs to focus its development efforts. (Alikoski et al., 2018, p. 44.)

Opportunities and threats are the external areas in the market or environment affecting the business from the outside. Opportunities can describe the future

version of the industry in which the business operates. Companies must be aware of and consider how to utilize the opportunities in the market. They can be for example things like environmental issues, such as, sustainable development, development of networking or utilizing new technologies. Threats represents things which are a danger to a company's operations, for example, tightening competition, decrease of demand or lack of skilled labour force. A company needs to identify these threats so it can prepare, prevent, or avoid them as well as possible. (Alikoski et al., 2018, p. 44.)

Finances and calculations

With the help of calculations and budgets the entrepreneur must mold the business idea into a profitable business. When starting a new business money is usually needed before the company is making any profit yet. These expenses are, for example, fixed costs, loan costs, investments, and establishment costs, including fees for authorities and experts. The costs which originate before the company is profitable must be defined and listed by making a cash requirement calculation. After the required amount of cash is resolved it needs to be considered where the company will get the needed amount of cash. Entrepreneurs can apply for a loan for the company or search for investors who want to invest in the company. Also, public authorities can provide different kinds of subsidies and grants for companies. (Alikoski et al., 2018, p. 124.)

Calculations and budgets are an essential part of a good business plan. With the calculations the entrepreneur can clarify how much invoicing the company must have to make the business profitable. Critical point tells in which point the business becomes profitable. It is important to learn to recognize the division of fixed and variable costs and how the costs can be reduced if the situation requires it. In the long-term, the business' ability to grow is dependent on the profitability of the business. (Hesso, 2015, pp. 166-168.)

A business' future can be planned with a performance budget. It is a realistic and flexible draft of how the profitable business is executed. Performance

budget consists of several partial budgets. Performance budget is made for a specific period. Budgeting can also be made as rolling, checkable and sliding budgets. These budgets can change and shape faster than traditional budgets which are tied to specific periods of time. Cash flow calculations are done to show how much money comes in the company and leaves out of the company. External funding is needed if money does not cover the desired growth functions. Entrepreneurs must take into account the price of external funding. Cash flow calculations show how much the company's liquidity is and is it enough for example during the summer holiday season. (Hesso, 2015, pp. 170-172.)

Risks

There are risks in every business area and the business plan must pay attention to them. Entrepreneurs must recognize, prepare for, and analyze the possible risks. When the risks are evaluated precisely, companies can minimize possible effects their realization would have for the company. Risks can be divided into business risks and a risk of damage. When there is competition in the market there is always a risk. Business risk varies depending on the circumstances. Realization of a business risk can be prepared for by creating a comprehensive business plan. Typical business risks are for example happenings in the economic environment, supplier delivery difficulties, sudden decline in profitability, actions of competitors or customers' financial difficulties. Realization of risk of damage is targeted to the area of the company's operations. Bearing some risk is always part of entrepreneurship. However, for a fee entrepreneurs can transfer a share of the risk to an insurance company or a collection agency. Well done risk analysis tells which risks are too expensive if realized and which ones are worth paying someone else to bear them. (Hesso, 2015, pp. 180-181.)

In the accounting business, digitalization, although it has made it possible to improve efficiency, has also increased the risk of data leakages. Data protection legislations have tightened which causes the accounting company to be liable for damages in case something happens. These risks can be controlled

with contracts, routines, and insurances. To reduce the risk a company can, prepare for example by acquiring adequate firewalls and antivirus software. An essential risk management method in the accounting business is making contracts. Carefully drafted contracts reduce the risk of unforeseen financial losses. Contracts should clearly describe which kinds of liabilities there are for each party and what are the responsibilities when problems arise. (Halme, 2019.)

Insurances

Most entrepreneurs in Finland must take YEL insurance which guarantees livelihood for the entrepreneur when they retire. YEL insurance is mandatory for entrepreneurs a company has been operating over four months, a company's estimated income is at least 8 575,45 euro per year (2023), an entrepreneur is 18-67 years old and is not working in an employment or official relationship. (Eläketurvakeskus, 2023.)

YEL insurance must be taken during the first six months of a company's beginning. The price of the YEL insurance is determined by the work income of the insured. Accident insurance and joining as a member on unemployment fund are voluntary for the entrepreneur. (Alikoski et al., 2018, p. 148.)

Risks in business can be transferred to insurance companies for a fee. In the accounting business, considered insurances are, for example, asset liability insurance, operational liability insurance, information security insurance, and legal protection insurance. In case if the accounting office causes to customers financial damage by making mistakes, the asset liability insurance compensates these damages. The contracts made have a remarkable significance when processing compensation of liability damages. Information security insurance reduces the financial damages of an accounting company in case of data leakage. An accounting business can operate entirely remotely and more essential in terms of continuity is to make sure the accounting software is secured. Companies may randomly be attacked by hackers and then the customer information stored in cloud systems are in danger of leak-

ing. Some insurances can include 24/7 information security service which provides expert help in case of data security breach. (Halme, 2019.)

5 CUSTOMER-DRIVEN MARKETING OF PROFESSIONAL SERVICES

In this chapter, marketing theory is discussed. Precise market segmentation and targeting are important to define before starting the marketing. Market segmentation and targeting is covered closely in chapter 5.1. A value proposition should be defined accurately and clearly for customers. Value proposition is discussed in chapter 5.2. Especially in service business a value proposition is important to be shape as understandable and compelling as possible. Unlike a physical product, a service is intangible which is one of the characteristics discussed in chapter 5.4 about services marketing. The marketing mix theory originally created by E. Jerome McCarthy is discussed in chapter 5.3. Marketing mix includes 7Ps which are product, price, place, promotion, people, process, and physical evidence. All these 7Ps are covered in chapter 5.3.

5.1 Market segmentation and targeting

Customer is in the centre when aiming to build profitable customer relationships. The overall goal is to produce value for the customer. To reach the goal, a company needs to create customer-driven marketing strategy. Important first step when starting to create the marketing strategy, is to define which customers it will serve. One company usually cannot please customers of the whole market. Or if they try, it is difficult to make profitable business since customers' needs are different, and they need different kinds of solutions. Companies need to divide the whole market into smaller segments. Then they choose the customer segments they believe to be the most profitable for their business and sets their focus on these customers. (Kotler et al., 2013, pp. 50-51.)

Market segmentation means the process of dividing a market into smaller groups. Customers are divided based on their different needs, behaviours, or characteristics. Customers can also be divided into distinct groups based on geographic, demographic, psychographic and behavioural factors. Customers who respond in a similar way to a given marketing effort forms a market segment. Some customers might not care about the price if the quality and other factors in the service or product match their needs. Other customers might care mainly about the price of the service or product. It would not be profitable for a company to create a service or a product which would satisfy both customers. (Kotler et al., 2013, p. 51.)

Also, when a company tries to match its message to fit everyone it becomes vague and uninspiring. If the message is meant for everyone it is not especially for anyone. Customers do not bear to notice messages which are flavourless. (Parantainen, 2005, p. 76.)

After market segmentation, the company chooses the most optimal segment or segments to enter. The company evaluates the attractiveness of each market segment. The targeted segment should consist of customers to whom the company can profitably create the greatest customer value and sustain it over time. Companies can choose to serve only one or a few special customer segments or several related segments. Some companies start with only one segment and over time expands the business to more segments. (Kotler et al., 2013, pp. 51-52.)

By precisely targeting one customer segment, it is easier to solve exactly these customers' problems with the product or the service. If the company is trying to please everyone, the service will be average or below to each customer. When the focus is on specific customer group, the company's resources are not spreading too wide. Each customer will receive excellent service when the company's time is targeted for the most profitable customers. (Parantainen, 2007, pp. 143-144.)

The company should get familiar with its target customer group's life, attitudes, ways of thinking, work, and values. When the company has properly studied one customer group, it can more easily recognize its customer's needs and problems. The amount of information nowadays is huge, and everyone has developed their own ways of filtering the flood of information. When the company has familiarized itself with its target customers, it can personally direct its message to them. Personally directed messages are more effective than generally oriented messages. (Parantainen, 2007, pp. 145-146.)

At least in the beginning it can be beneficial for a sole entrepreneur to target the services quite precisely and narrowly. This way services are easier to market when there is a precise audience for the marketing. Also producing the service is more effective. In digital accounting business, the main target group can be other digitally operating companies. However, customer segment can be divided into smaller segments based on the businesses field and based on the size of the customer company. Services of an accounting business in this thesis are targeted for sole entrepreneurs.

5.2 Value proposition

After choosing its target customers, the company must decide how it will differentiate and position itself in the market. Value proposition describes the values and the benefits the company promises to bring for the customers with its product or service to satisfy customers' needs. Strong value proposition makes customers choose to buy from the company and it differentiates the company's product or service from those of its competitors'. (Kotler et al., 2013, p. 9.)

Value propositions should be easy for the customers to understand. The value they will receive after buying the product or service should be well clarified. Value proposition should be formed by taking into account the customer's point of view. Value proposition tells the customer how the company is

going to solve the customer's problems. (Apunen & Parantainen, 2011, pp. 59-61.)

The customers construct their perception of the products or services based on their own experiences and expectations. All the interactions and communications between the company and the customers influence the customers perception of the value on the product or service. When customers see the company's products or services as high value, they will return to buy the company's products or services again and again. These kinds of customers are valuable for the company. (Tuulaniemi, 2011, p. 33.)

In accounting business, the customer relationships are long-term in nature and the service is repeated monthly unless the customer cancels the service. Accounting business can still offer for example extra services in addition to monthly accounting. When customers experience that the basic services bring high value to them, they can be more willing to buy also additional services.

Buying professional services should be done as easy as possible for the customer. Every service provider promises to offer reliable, quality, and proficient services. These kinds of attributes are pointless to use since none of the service providers ever say anything the opposite. When every service provider is advertising itself in the same way, it is difficult for the customer to choose and differentiate which service provider to use. (Parantainen, 2007, pp. 39-41.)

When buying a service is easy for customers it can also be a value adding factor (Tuulaniemi, 2011, p. 36). For example, in digital accounting business when the customer can buy the service online or with one call it saves time from travelling.

The company can clarify and ease the customer's purchase decision by comparing itself to its competitors. Customers can get confused when every service provider is selling its product or service with the same attributes. It is beneficial for the company to position and differentiate itself compared to its

competitors. When a company can separate its product or service from its competitors it professionally serves the confused customer. However, it is not necessary to point out competitors' weaknesses. More beneficial is to compile a proper competitor comparison based on facts. (Parantainen, 2007, pp. 42-43.)

Clarifying a customer's purchase decision alone does not guarantee the company is getting a lot of sales. The product or service itself needs to be overpowering, to generate better profit than the average. In an ideal situation a company manages to serve a product or service, which is unique and not available from anywhere else. The product or service creates concrete value for the customer, and the company has a good story or image. When all these factors are in shape, the company can manage to get a better margin than average. (Parantainen, 2007, p. 68.) In accounting business, especially when operating as a sole entrepreneur, the person who the customer interacts with has a high influence. The customer may want to cooperate with a specific person.

Offering a product or service which is only slightly different from competitors, is not necessarily enough. Companies should offer a quality or a module of service as the only one in their field. It is also crucially important to manage to communicate the uniqueness of the service to the customers clearly. Even though the differences compared to competitors' services might seem obvious, it necessarily does not seem that way to the customers. A company must master how to communicate its competence and expertise to its customer candidates. (Parantainen, 2007, pp. 69-70.)

Parantainen (2007, p. 73) urges to give customers an outrageous value proposition. According to Parantainen this kind of proper value proposition should make the customer curious and even disbelieved, is easily measured, differs from competitors' value propositions, and attracts customers to buy. Assertive value proposition can raise the brave attitude inside the company. It also challenges the whole company's performance. A company's development department can take the challenge and speed up their rate.

The value proposition is easily measurable when the customer can clearly note if the proposition came true. This is why good value propositions are, for example propositions bound to time. If the value proposition is based on factors like quality, customers can have contradictory assessments of the outputs. (Parantainen, 2007, p. 74.)

A well-formed value proposition is unique and stands out from its competitors' value propositions. The most unique value proposition is something that competitors would not be able to promise to their customers. Memorable value propositions are something that appeal to emotions. When the value proposition is carefully targeted the right target group will recognize the message is for them. (Parantainen, 2007, p. 74.)

The value proposition should not be left too light. If the company is not ready to make proper value propositions and take the responsibility of delivering them, the braver competitors will conquer the market. There might come situations where the promises made to the customer cannot be kept. In these situations, the company can turn the crises in to wins. The company must prepare in advance how it will handle exceptional situations. Preparing and handling the exceptional situations remarkably well can make a great and memorable impact on a customer. (Parantainen, 2007, p. 75.)

5.3 Marketing mix

Marketing mix is a marketing tool, which was traditionally limited to the 4Ps of *product, price, place, and promotion*. As the times have changed this tool has had additions which are nowadays recommended to be taken into account in a company's marketing. Three additional elements are *people, process, and physical evidence*. Blending these seven elements, the company aims to produce the response it wants in the target market. (Allen, 2020.)

The 4Ps was originally created by E. Jerome McCarthy in 1960. Three new elements were added to the marketing mix by Booms & Bitner in 1981. The original marketing mix's 4Ps mainly concentrate on marketing of material goods. The extended marketing mix 7Ps model helps marketers to better meet the challenges also when marketing services. (Sramkowski, 2021.)

Product is what meets the core need of the customer and what the company produces, whether it is goods or services, or a combination of both. Companies need to keep up with the development and develop the product when new opportunities arise, customers need a change or competitors' race ahead. (Allen, 2020.) When improving the product, things to consider are quality, design, features, brand name, packaging, and additional services (Kotler et al., 2013, p. 53).

The core service in accounting business is monthly accounting which is also the service examined in this thesis. In addition, accounting business can develop several extra services. For example, establishment of a company or different kinds of financial advisory services.

Customers have different needs and capabilities to consume professional services. Professional services are worth packaging in different kinds of service packages. Different service packages have different kinds of qualities and benefits. When the services are packaged, it is made easier for the customers since they do not have to select every needed service quality separately. When creating the service packages, the company should define the lightest possible service package, and the most outrageous value proposition the company dares to give. In between these, there are usually one or two medium sized service packages. (Apunen, 2020, pp. 112-113.) The content of the monthly accounting service packages is studied in this thesis.

Price is the one element which generates revenue for the company. Other marketing activities create costs, so it is important to set the price right to make profit. Competitors' prices, desired positioning in the market, and what

range customers are willing to pay are matters to keep in mind when setting the price. (Allen, 2020.)

The value of professional services is often difficult to determine in specific results or content of delivery. To succeed on pricing, the company must clarify what are the values and benefits the customer receives from the company's services. The price should not be too low, compared to the profit the professional service provides. Although, if the benefit the customer receives from the service is less than the price of the service, it probably would not sell well. (Apunen, 2020, p. 164.)

If the company wants to offer the cheapest price on the market, there is always room for only one company in that position. The customers who specifically value the cheap price, would not choose the second cheapest price offering company's services. However, if the company is selling services at more expensive prices, it does not matter if the price is not the highest one on the market. (Parantainen, 2007, p. 180.)

Setting a higher price than competitors' is possible when the company's reputation is good. The company's services might also have qualities, which the competitors are not able to provide. In these cases, the customers might be willing to pay remarkable extra price as long as the benefit gained of the service is also high value. In every case, however, it is always important to count the production costs. The prices must always be high enough to generate profit. (Parantainen, 2007, p. 180.) The price of a monthly accounting service packages is studied in this thesis. The price range discovered in this thesis gives a direction for pricing the monthly accounting service packages.

Place includes activities which make the product available for its target market. Some companies have physical premises, and some companies make the product or service available for the customer online. In this marketing mix element, the company needs to consider which intermediaries need to be involved in the distribution chain. It also covers logistics, including storage and transportation how the product or service gets to the end customer. (Al-

len, 2020.) The accounting business in this thesis is planned to operate digitally. Services are completely online so any physical storage or transportation is not needed.

Promotion covers advertising, personal selling, sales promotion, and public relations. Companies need to communicate about their product or service to reach their target customers and get them to buy it. (Kotler et al., 2013, p. 53.) The important aspect to consider is the tool used on raising awareness, interest or desire for the company's product or service. This is defined by the target customer where they are easiest to reach. (Allen, 2020.) Since the accounting business in this thesis is planned to operate digitally the communication channels to use in marketing are online.

A company's *people* present the "face" of the company. They interact with the customer throughout the customer journey. How the people in the company know about the company's products and services, access to relevant information and how is their everyday approach and attitude. The company needs to train, empower, and motivate its people. It can have differentiated competitive advantage in a crowded market when it succeeds on building valuable customer relationships. (Allen, 2020.) A sole entrepreneur is always the "face" of the company. Although, if the plan is to grow the business in the future, it might be challenging if the company's image relies too much on just one person.

Every company wants the customer to experience the whole buying journey to be as smooth and pleasurable as possible. This requires the company's internal and external *processes* to be in good shape and functioning well. It needs precise review of the whole set of processes the company needs for delivering a positive buying experience for the customer. (Allen, 2020.)

Physical evidence gives a concrete example of the quality of the company's products or service. It is especially important when a customer is expected to pay before a service is delivered or when the customer is new and might need some reassurance before the purchase decision. It can be for example

reviews of the restaurant's food or feedback on the website from testimonials using company's services. (Allen, 2020.)

5.4 Services marketing

Every business is based on the customer relationships. Especially in the service business, service's production may require several contacts between the customer and the service provider. The service process is long-term, all the way from the beginning to when the service is produced and consumed. During the process, the customer and the service provider forms a customer relationship. Interaction between the customer and the service provider plays a big part in if the customer is willing to continue the relationship further. In case a customer experiences difficulties, when interacting with the service provider, the customer relationship can cease to exist. (Grönroos, 2015, pp. 48-49.)

The company operating in service business needs to consider relationship marketing. The process thinking is important when planning and executing relationship marketing. In order to be profitable, all of the company's functions should bring more value for the customers. The company's processes should proceed fluently without complexities. (Grönroos, 2015, p. 57.)

As mentioned before, the nature of customer relationships in accounting business is long-term. The process of accounting services needs to be smooth, and customers need to experience that they are getting value out of the service. This way customer relationships are on a strong foundation and customers stay using the company's services.

Companies who compete sometimes benefit from cooperating. Especially in the service business and in the industrial field, companies have noticed they are not able to fully satisfy customers' needs on their own. Acquisition of all the needed resources and knowledge would become too expensive. More effective would be to find a companion with whom the company can provide

the entire offer for the customer. Both parties included in the companionship benefit. An important factor in these kinds of companionships is mutual trust. (Grönroos, 2015, p. 58.) Accounting businesses cooperate, for example, with legal offices and auditing companies.

In relationship marketing the company must get to know its customers particularly well. The customer relationship management system is an essential tool for creating knowledge about the customers. If there is no database about the customers, the customer relationship is only partly relationship oriented. (Grönroos, 2015, p. 59.)

When the customers have found a reliable relationship companion, they usually are not tempted to seek other options. In the customers' experiences, they are benefitting from continuous companionship. Companies and customer's relationship generate benefits for the customer as certainty, social benefits, and special treatment. A customer's experience and feeling of trustworthiness towards the service provider increases when the relationship is familiar. The customer's and company's employees know each other, and the interactions are fluent. When the customer is long-term, the company can offer extra services and prices in priority for the customer. (Grönroos, 2015, p. 65.)

In accounting business, the process of the monthly accounting service should run smoothly from customers point of view. In this case the customer will most likely continue the customer relationship. Customers should experience they can trust the accountant they are interacting with.

When customers have their own contact person, it creates trust and a sense of certainty towards the company. The company should promote the sense of connection between the customer and its employees. However, every customer does not necessarily value the customer relationship as highly as others. In the end the customer relationship should always bring financial benefit for the customer. A customer's financial profit can be improved with well-functioning customer relationship. These financial profits are often difficult to

show when negotiating. They should still be counted and learned to clearly show to negotiation partners how they are financially benefiting from the company's services. (Grönroos, 2015, pp. 66-67.)

In practise building a close relationship with the customer takes time. The focus is not so much on what is happening right now, it is more on looking at the relationship in long-term. Relationship marketing takes time and energy when investing in relationships with the customers. There are still many benefits the company can gain when investing its time and energy in relationship marketing. (Bowling, 2023.) In accounting business, the start can be a lot of work when building the strong foundations for the customer relationships.

By getting to know the customers, the company can save money in the long-term in marketing expenses. Well satisfied customers are usually happy to give the company good reviews if they feel the company has invested in them. These good reviews can give a great boost for the company. By collecting valuable feedback, the company can strengthen its services, to better fit its target customers. (Bowling, 2023.)

Retaining loyal customers can increase the company's profits better than only sourcing for new customers. With relationship marketing the company strengthens the customer relationships and builds a foundation of trust. The company can also differentiate itself with relationship marketing. The competitors are not able to copy this kind of differentiation. (Bowling, 2023.) When monthly accounting service is running smoothly also from the accounting businesses point of view it is profitable for the company.

Services have four special characteristics which need to be taken into consideration when planning the marketing of the services. These characteristics are *intangibility*, *inseparability*, *variability*, and *perishability*. (Kotler et al., 2013, p. 252.)

Intangibility means customers cannot see, taste, feel, hear, or smell the service before buying it. For example, when buying an airline ticket, all you have

is the ticket and a promise from the airline, they will transport you to your destination. The customer tries to find signal which proves the service is beneficial to buy. This is why the service provider must send the right kind of signals about the quality of the service. The customer will draw a conclusion about the quality of the service from other factors such as people, price, place, equipment, and communication from the company. (Kotler et al., 2013, p. 252.)

Service *inseparability* means the service cannot be separated from the service provider like a product can. Both, the customer, and the service provider are present when the service is produced. The service outcome is affected by both, the customer, and the service provider. (Kotler et al., 2013, p. 252.)

Service *variability* means the service is always an outcome of that person's energy and abilities who is providing the service. Even though large companies may have a reputation of excellent service, the quality of service can vary depending on the people who are serving. (Kotler et al., 2013, p. 253.)

Service *perishability* means there is no possibility to store the service for later sale or use. When the service is booked for a specific time, the value of the service exists only at that point in time. If the demand fluctuates a lot, the service providers will have difficult problems. The challenge for service companies is to create strategy to match demand and supply as well as possible. (Kotler et al., 2013, p. 253.)

Monthly accounting should always be done on a specific time of the month by the accountant. It is done once a month. Customers are not usually present when the accounting is done, although they participate on the service by providing the documents needed in accounting.

6 RESEARCH STRATEGY AND METHODOLOGY

Research-based development is usually done because of the need for development inside the organization or for a desire to achieve changes. The goal is to solve occurring problems and create new knowledge about the practices in the working life by emphasizing research orientation in the development projects. Research orientation is an important and comprehensive approach to working life problems. It creates the kind of competence which is beneficial in the working life. The most prominent quality in the research-based development process is the need to proceed systematically, analytically, and critically. (Moilanen et al., 2022, Chapter 2.1.)

When selecting the approach to the work it is important to first get familiar with different approaches. The research is then easier to connect to the development work. Most central approaches are, for example, case study, constructive research, service design and action research. In different approaches, the same research methods can be used. (Moilanen et al., 2022, Chapter 2.2.)

6.1 Qualitative research method

After selecting the approach to the research development work the researcher needs to choose which methods to use in the work. Several different research methods can be used in the same research, and it is recommended. Research methods are divided into quantitative and qualitative methods. Quantitative methods can give a sample of a certain target population. It can, for example, be a survey where the same matters are asked in the same way from a large group. Then the collected data is analyzed with statistical methods and the results are generalized to the whole population. (Moilanen et al., 2022, Chapter 4.1.)

Qualitative research aims to illustrate real life and from the qualitative research point of view the reality is seen as diverse. In qualitative research, the objective is to examine the subject as comprehensive as possible. (Hirsjärvi et al., 2007, p. 157.) Typically, the data is collected in natural and realistic settings. The data is collected comprehensively, and the target group is chosen adequately. In qualitative research it is typical that the data is examined in detail and multilaterally. (Hirsjärvi et al., 2007, p. 160.) Various data collection techniques are used to study qualitative research's participants' meanings and the relationships between them. Numbers are not used in qualitative research, but meanings are deduced from words and images. To remain the possibility for questions, procedures and focus to alter or emerge qualitative research uses unstructured or semi-structured methods. (Saunders, 2019, p. 179.)

This thesis has a qualitative research approach since the objective is to resolve how to combine a comprehensive business plan for a digital accounting business and how to create a ready business plan for a digital accounting business. The objective is also to study the marketing theory from marketing of professional services point of view and adapting them to accounting business' marketing. The aim of this thesis is also to form a comprehensive perception of accounting businesses' monthly accounting service packages. The information gained can give help when creating new accounting business' service packages.

The data of this thesis is going to be from many different sources. The objective of this thesis is to gain a comprehensive understanding of the cases examined. As a data collection method this thesis is familiarized in existing documents and in websites of other accounting businesses. This thesis also learns about and compares different business planning templates from different sources.

6.2 Document analysis

Document analysis aims to analyze several documents systematically to draw conclusions about the research subject. Documents include all spoken, written, and visually described material on the research subject. The analysis of these documents is aimed to create a concise written data which can be used as a reliable information source. (Moilanen et al., 2022, Chapter 4.5.)

Document analysis as a research method is an option for collecting the material for example with surveys or interviews. In some cases, it is justified to use ready material for the research. It can be easier with certain topics and when collecting new material might not be financially possible. If the topic is something which has a lot of interviews, articles, or statistics already available, document analysis can be a good research method to choose. (Anttila, n.d.)

Researchers divide document materials in two different ways. Either the materials can be divided to primary and secondary sources or according to the degree of accessibility. The source is primary when it is an original piece, and authenticity is evident. Secondary source is repeating the original document. There can even be tertiary sources, which originate from more than one source. In this kind of case, it is important to be careful with source criticism. Dividing document materials according to the degree of accessibility is done through four categories. The categories are closed material, limited availability material, open archived material, and open published material. All the material in document analysis is formed earlier and for different purposes which is seen as a weakness of this research method. (Anttila, n.d.)

When collecting materials for document analysis, the researcher should focus on how to find the most essential material. The challenge in document analysis is finding the exact right kind of information from the abundance of all the information. In the reliability review of the analysis, source criticism is indispensable to consider. (Anttila, n.d.)

For this thesis, the author collects and examines different kinds of business plan templates, and the needed information is chosen through author's observations. Business plan templates are collected for example from different banks' websites. Also, Oma Yritys-Suomi has a website presenting a tool for creating a comprehensive business plan and profitability calculations. This information will provide the basis for compiling the business plan.

6.3 Benchmarking

Benchmarking is a research method based on examining and tracking others' operations. The comparison organizations' operations are noted to work well, and the organization is succeeding in its field. The aim is to learn about organization's operations and find reasons for its success. Benchmarking is most appropriate to use when there is a possibility to clearly define the target that needs developing. (Moilanen et al., 2022, Chapter 4.8.)

The idea is not to copy others but to learn from succeeding organizations in a way that is systematic and continuous. The purpose is to apply what others do to one's own organization's operations. Benchmarking can be used to solve a specific problem, or it can be targeted to a certain part of the business' operations. (Vuorinen, 2013, pp. 158-159.) Benchmarking results provide ready-made models for operating although they do not guarantee the same kind of success for every operator (Hilliaho & Puolitaival, 2015, p. 168).

Market and different operators can be better perceived with the help of benchmarking (Tuulaniemi, 2011, p. 138). There are different implementation alternatives on benchmarking. Alternatives are divided in to four main lines which are internal, competitor, functional and business sector benchmarking. In competitor benchmarking the company searches comparison partners for company's specific development target. (Vuorinen, 2013, pp. 159-160.)

A lot of information about competitor companies is public and can be obtained from the Internet. For example, companies' websites, news articles,

patent and registration office's websites, and companies' annual reports provides public information. When the information reviewed is only from public sources or remains at the level of numbers, the question is rather about analysis of the competitors or the market. Benchmarking requires confidential cooperation between the competitor companies. Cooperation should benefit and strengthen both parties. (Vuorinen, 2013, p.159.)

Benchmarking is implemented based on public information. In the benchmarking done for this thesis, there were no concrete contact with other accounting businesses. With the help of benchmarking, information about services of other accounting office's operating in accounting business is sought to be collect in this thesis. The aim is to find out if the data collected would be benefitting when designing the service packages for the digital accounting business. The more specific aspects which were wanted to be discovered about the competitors' services by this thesis were defined.

The matters examined in benchmarking have been selected from the 7Ps of marketing mix. These matters are product (service) and price. This thesis studies with the help of benchmarking the content of the monthly accounting service package and the price of the monthly accounting service package. Value proposition was also selected for benchmarking. These three matters were considered to be the most important for the new accounting business when planning the new services for the very first time. These three matters were selected because they were seen as necessary to examine before starting a new accounting business and before creating a new service package for a starting business. The marketing mix is covered as a whole for further benchmarking in the future. Benchmarking is used to find out following matters:

- The content of the monthly accounting service packages.
- The price of the monthly accounting service packages.
- The value proposition of the monthly accounting service packages.

The information about the services provided by accounting offices is gathered from the internet. This way is also clarified how much information about the services are available for the potential customers who are searching accounting services directly through the internet search. Most likely potential customers are searching for accounting business services through the Internet.

7 IMPLEMENTATION OF THE RESEARCH

The literature review of making a business plan already gave a strong insight into developing a business plan. The theory part concentrates mainly on the content of every element of the business plan. Document analysis helps to clarify the structure of this exact accounting company's business plan, and which are the main points included in the business plan. The aim of the document analysis was to have ready business plan for the new digital accounting business.

Qualitative research was conducted, to form a comprehensive perception of accounting businesses' monthly accounting service packages contents, value proposition and prices. This was done through benchmarking. The objective was to examine and compare content, price, and value proposition of competitors' service packages. With the help of the chosen research method, it was hoped to achieve the knowledge base needed to start developing new service packages. The aim was to find out what the competitors service packages include, the price of the service packages and the value proposition of the service packages. The service concentrated on monthly accounting.

Benchmarking was executed in June 2023. The business plan for a new digital accounting company was almost ready before the benchmarking. Due to the author's earlier work experience in the accounting business, it was already quite clear what kind of services accounting offices are usually offering. Still, with this study it was wanted to strengthen the knowledge about service packages in the accounting business. Benchmarking process gave good guidelines and a basis for forming the new service packages and also gave direction on pricing the service packages.

7.1 Implementation of document analysis

Different kinds of business plan templates from different sources were familiarized in the process of the document analysis. For example, banks have ready business plan templates on their websites for starting entrepreneurs. Also, the invoicing service company Ukko.fi has added business plan templates on its website. There is also a business plan template for light entrepreneurs who often use an invoicing service company's services.

For document analysis, there was also a business plan template picked from Oma Yritys-Suomi.fi website. Oma Yritys-Suomi.fi website has a template for a business plan, and it is possible to fill out online. After the business plan is ready it can be sent as an appendix with start-up grant application to authorities straight from the website. Start-up grant applicants have to sign into the website with bank credentials to get to make the business plan and send the application.

The templates on the websites were usually possible to download, fill out and save on the computer. These business plan templates had several similarities. However, they still differed from one another. Oma Yritys-Suomi.fi website's business plan template helps a start-up grant applicant to take into consideration all of the needed factors when starting a new business and applying a start-up grant.

All the business plan documents reviewed for this study, can be found from the websites listed on Appendix 1. These websites contain links for the business plan templates for downloading separately to pdf-documents or they contain a list and explanations of the points which should be included in a business plan. Exception is the business plan template on Oma Yritys-Suomi.fi website where every user must log in with one's own credentials before the business plan template is visible.

As mentioned before, the business plan templates have several similarities. Some are more concise than others, but all the business plan templates include the basic information about the new company to be established.

Every business plan template request to explain the business idea and who it is for. Also, entrepreneur's own competence and knowledge about the business field in question is required to define in the business plan. How the business is managed in practice should be explained. Assessment of the competitor's, and the operational environment are important to consider in the business plan.

Nordea's business plan template asks to first present the business idea in a nutshell and how is the future of the business seen. It asks a summary of the idea, mission, vision, and purpose. Also, in the beginning of Osuuspankki's business plan template there is asked to describe the business idea and who is it for and how. When these two business plan templates concentrate first on the business idea, Loimaa.fi and Ukko.fi business plans' focus is first on entrepreneurs' skills, education, strengths, and weaknesses.

Business Oulu business plan template starts by precisely defining the operating environment. It asks to define the customers, number of customers and their purchase decision criteria. It also challenges to discuss about how loyal the defined customers are and where the customers are buying the product/service now. It is also asked to evaluate the possible changes in customers purchasing behaviours in the future.

Every business plan template requires a new entrepreneur to evaluate the market and competitors. Competitors strengths and weaknesses should be listed. In many of the business plan templates is asked to define the key competitive advantage the new entrepreneur has compared to competitors.

Other business plan template directed to do the SWOT-analysis except Ukko.fi's, Osuuspankki's and Loimaa.fi's business plan templates. Those three business plan templates did consider strengths, weaknesses, and fu-

ture visions on some level but not so thoroughly. Other business plan templates had clear space for entrepreneurs' considerations about the company's weaknesses, strengths, possibilities, and threats.

Business plan templates of Business Oulu, Yritysuomi.fi and Nordea considered sales and marketing thoroughly. Those business plan templates include questions about marketing budget, channels, marketing strategy and plan. Business plan template of Loimaa.fi asks which marketing channels are going to be used. Ukko.fi's business plan template asks how competitors are executing their marketing and how much money company is going to invest in marketing. Osuuspankki's business plan template does not consider marketing.

Questions about financial situation, financial investments and profitability are considered in every business plan template at least on some level. In Business Oulu business plan template, the financial calculations are in separate attachment. Risks are thoroughly evaluated in Business Oulu's and Oma Yritysuomi.fi's business plan templates. These two business plan templates are the most comprehensive overall.

7.2 Implementation of benchmarking

This thesis is qualitative research and the method used is benchmarking. Benchmarking was conducted by acquiring information about monthly accounting service packages. The information was researched from the websites of the accounting companies. A good overall picture of the service packages was gained by observing, comparing, and analysing the service packages on these websites. By comparing the service packages and collecting information about them, the aim was to get a comprehensive perception of monthly accounting service packages for a new digital accounting business. The data collected with benchmarking will be utilized when forming monthly accounting service package for new accounting business.

The process plan was composed before starting the benchmarking process. The process plan included different stages of the benchmarking process. In this thesis, accounting companies, which have been operating for at least three years in the accounting business, were chosen. All the companies chosen for benchmarking also had to have been profitable during the last three years.

The accounting companies chosen for benchmarking vary between personnel size from 1 to 40 persons. The sales revenue for benchmarking companies varies between 61 000 euros to 4,6 million euros. The exact sales revenues and personnel sizes for benchmarked companies are presented in Table 1.

Table 1. Benchmark companies' sales revenue and personnel sizes (Kaupalehti, 2023)

	Accounting company 1	Accounting company 2	Accounting company 3	Accounting company 4	Accounting company 5
Sales revenue, year 2022	4 600 000 €	86 000 €	544 000 €	61 000 €	374 000 €
Number of personnel, year 2022	40	2	4	1	3

This thesis aimed to study especially three factors of the service packages. These three factors were the content, price, and the value proposition of the monthly accounting service package. The study concentrated on the core business of accounting business which is monthly accounting. Companies did have additional services available. This study only researches the content, price, and value proposition of monthly accounting service packages.

The companies chosen for this study benchmarking were found from Google search, searching for digitally operating accounting companies. Also, companies offering accounting services especially for sole entrepreneurs were searched. These companies were found mainly from Holvi.com partner accounting company list. All the benchmark companies had their own website.

In this thesis, five accounting companies' service packages were studied with the help of benchmarking. The three factors considered were service packages content, price, and the value proposition. The first factor was content of the monthly accounting service package and results are reviewed in Table 2.

Table 2. Benchmarking – Service package content

Benchmark companies	The content of the service packages?
Accounting company 1	Own contact person, a team familiar with the industry, financial management software, monthly accounting, and official declarations, recording of purchase and travel invoices, 1/2 an hour of financial consulting, reporting services, allocating the payments, payment of purchase invoices, financial statement meeting
Accounting company 2	Statutory accounting, monitoring of advance taxes, value added tax (VAT) declarations, financial statement, tax return, basic level consulting and guidance, software and document fees, financial statement meeting.
Accounting company 3	Starting meeting with the accountant, personal accountant, guidance of accounting, VAT declarations, tax returns, financial statement, registering of financial statement for patent and registration office, applying for VAT time limit mitigation, checking of advance taxes, calculation of tax reduced dividends
Accounting company 4	Monthly accounting, VAT declarations, reports, personal accountant, and guidance services.
Accounting company 5	Digital accounting monthly, official declarations.

The content of service packages was quite easy to find from companies' websites. Some websites had a lot of text on them whereas other websites were more clarified and concise. Every company's service package included monthly accounting and official declaration. Three of the companies informed on their websites that the service package included an own contact person for the customer. Every company also had additional services. This thesis concentrates on studying the core service package of accounting business, monthly accounting.

The second factor researched in this thesis with benchmarking was the price of the service packages. The prices of the service packages are reviewed in Table 3.

Table 3. Benchmarking – The price of the service package

Benchmark companies	The price of the service package?
Accounting company 1	No price information on the website. New customer companies can send an offer request from the website.
Accounting company 2	<p>Small: sales revenue under 100 000 e, documents 10-20 pcs/month 169 €/month</p> <p>Basic: sales revenue under 200 000 e, documents 30-50 pcs/month, 369 €/month</p> <p>Mega: sales revenue under 400 000 e, documents 60-90 pcs/month, 569 €/month</p> <p>Super: sales revenue under 800 000 e, documents 100-140 pcs/month, 769 €</p> <p>Hyper: sales revenue over 800 000 e, documents over 150 pcs/month, 1069 €</p>
Accounting company 3	<p>Sole trader from 69 €/month</p> <p>Limited company from 99 €/month</p> <p>Monthly cost is always agreed case-by-case basis.</p>
Accounting company 4	<p>Sole trader 120 €/month (30 documents)</p> <p>Limited company 150 €/month (30 documents)</p>
Accounting company 5	<p>Sole trader from 100 €/month (10 documents and monthly official declarations)</p> <p>Limited company from 150 €/month (10 documents and monthly official declarations)</p>

The largest company from sales revenue and personnel did not inform on their website any price range for their service packages. New customer com-

panies must send an offer request to find out the price for their company's accounting. Other companies informed the starting price and the number of documents in a month for the starting price. Every company separately requests an offer for accounting.

The third factor benchmarked in this thesis was the value proposition. Value propositions of every benchmark company are collected and reviewed in Table 4.

Table 4. Benchmarking – Value propositions

Benchmark companies	Value proposition?
Accounting company 1	Everything a small-sized company can hope for from financial management. Effective processes and clear reports. Minimize stress and free up time for developing the business.
Accounting company 2	Comprehensive financial management for growth-oriented companies. Digitalization of customer's financial management and support for digitalization.
Accounting company 3	Smooth accounting for small enterprises. Cost effectiveness without stress. Own dedicated accountant. Satisfaction guaranteed without notice time.
Accounting company 4	Investing in personal service, guidance, communication, and digitalization. High-quality accounting services.
Accounting company 5	Effective financial management with a reasonable price. Comprehensive financial management partner. Support for all kinds of business and taxation situations.

Two of the benchmarked companies emphasized the comprehensiveness of their service package. Personal service and guidance were also frequently mentioned in the value propositions. Two of the benchmark companies targeted their service package distinctly for small companies. Two of the benchmarked companies promised to reduce the entrepreneurs' stress in their value proposition. Effectiveness and smoothness of the accounting pro-

cesses were emphasized in three of the benchmarked companies' value propositions.

8 RESULTS OF THE RESEARCH

In the business plan made, the theory part of this thesis was utilized as well as the document analysis made. After going through the business plan further this chapter includes the results of benchmarking the service packages of different accounting companies. The business plan is an important part of establishing a new business. It is mandatory for example when applying for the start-up grant which is government's support for a new entrepreneur. By making a business plan the new entrepreneur ensures all the needed matters are taken into account.

In the beginning of this chapter, the business plan's table of contents is presented. All the chosen elements for the business plan are discussed briefly. The business plan is not presented in its entirety.

8.1 Business plan table of contents

Business plan's table of contents is formed based on the literature studied and on the document analysis of business plan templates. Due to confidentiality the whole business plan is not presented in this thesis. Certain elements of the business plan chosen by the author are briefly gone through in this chapter. The business plan is formed by the author by adapting the elements and documents studied in this thesis. Table of contents of the business plan made by the author of this thesis is presented in Figure 2.

BUSINESS PLAN

TABLE OF CONTENTS

1. Summary
 - Business idea
 - Vision
 - Competence
2. Operating environment
 - Competitors
 - Cooperation partners
 - Networks
3. Customers
4. SWOT-analysis
5. Services
6. Sales and marketing
7. Finances and calculations
8. Insurances
9. Risks

Figure 2. Table of contents of the business plan

The business plan starts with a summary of the new business. This was shown in Nordea's business plan template, and it covers the business idea and vision. In the first chapter was also added space for competence. Competence was in a big part in the beginning of Loimaa.fi's and Ukko.fi's business plan templates. These elements in the beginning of the business plan clearly defines the business which is planned.

Next in the business plan, the environment where the business operates is reviewed. This includes competitors, cooperation partners and entrepreneur's networks. It is important to familiarize to the operating environment when planning a new business. Operating environment was considered in varying extents in almost every business plan template studied.

Third section was dedicated on defining customers. Defining the customer precisely makes it easier to target the marketing and develop the services to fit for the target group. They are such an essential part of the business that they needed their own section. This was not the case in every business plan template reviewed. Especially in business plan templates of Ukko.fi, Osuus-

pankki and Nordea, there were own specific section for customers. However, for example, in Business Oulu's business plan template, customers were included in when considering the operating environment.

SWOT-analysis appeared in almost every business plan template analyzed. It was considered to be an important tool also in the business plan in this thesis. Both the entrepreneur's and the company's strengths, weaknesses, opportunities, and threats were evaluated.

Next section plans and defines the services of the new digital accounting business. In this section, what kind of services the company provides, how the service packages constructs, and what do they include is defined. In every business plan template reviewed services or products were considered on its own section.

The business plan template of Business Oulu included thorough sections for sales and marketing. They were separated in the business plan template to two separate sections. In this thesis' business plan template, sales and marketing were chosen to be combined into the same section. This was how the sales and marketing were processed in the business plan template of Nordea.

In the business plan template of Yritysuomi.fi the finances and calculations were the most comprehensively considered. Profitability calculations were possible to be done by entering the prices of the services and estimations of the number of services sold in a month. All the estimated costs were also possible to be entered in the calculations.

Insurances were reviewed in one section since it is important for the accounting office to take all the right kind of insurances. There is also discussion on the YEL-insurance which is usually mandatory for entrepreneurs. Insurances were not covered in most of the business plan templates studied. However, in the business plan template of Yritysuomi.fi insurances were brought up. Risks were discussed in Yritysuomi.fi's and in Business Oulu's business

plan templates. In this thesis' business plan the risks were discussed to better prepare for the future.

Sections included in the business plan structure were seen beneficial when starting an accounting business. The business plan's structure qualifies also as a business plan structure for other service businesses. This thesis' business plan leaves out elements such as production of goods or use of separate business' premises.

8.2 Business plan utilizing the research

Business idea and vision

The business idea is to produce digital accounting services. The main target customer groups are sole entrepreneurs and starting sole entrepreneurs. Customers get a reliable accountant for their company. The monthly accounting, VAT declarations, financial statement and tax returns are taken care of.

For the customers, easy and clarified completely digital accounting service packages are offered. The communication with the accountant is quick and easy. Messages do not go through several parties and the decisions in the company are made by one person, the entrepreneur.

The vision is to establish a strong place amongst other service providers offering accounting services for sole entrepreneurs. The vision is to be encouraging financial advisor for sole entrepreneurs and be the one accounting company, the sole entrepreneur turns to when establishing a business.

Customers and operating environment

The most important customers are sole entrepreneurs and starting sole entrepreneurs. Accounting services are completely digital services and meetings can also be arranged online. This makes it possible to serve customers

all over Finland or even around the world, as long as the data connections are working.

The popularity of remote working from abroad has increased. However, there are several matters to take into consideration, when working from abroad for a longer period. Matters concerning, for example, entrepreneurs' social security, taxes, and insurances. The purpose is to specialize and give guidance on these matters for the customers working remotely from abroad or planning to do so.

SWOT-analysis

The SWOT-analysis analyzes the company's current situation. It is described in figure 3. accounting company's SWOT-analysis from the business plan. The SWOT-analysis is done by the author of this thesis based on the theory part of the SWOT-analysis.



Figure 3. SWOT-analysis of the company

The company's strength is the entrepreneur's education and work experience in financial management and accounting. A well targeted customer group and strong digitalization are also the company's strengths. When starting the new accounting business, one of the weaknesses is that, the company is totally new and does not have many customers yet. When a company is

established by only one person and does not have any employees the company is vulnerable.

In the future there are good possibilities to expand the company's services, for example in financial coaching for entrepreneurs. New companies are established all the time, and the popularity of entrepreneurship is growing. Furthermore, accounting is statutory for every company. The threat is if the company does not get customers fast enough. Threats can also be if an entrepreneur gets into an accident or gets sick.

Finances and calculations

Starting an accounting office does not need large capital in the beginning. The largest investment in the beginning is a laptop. The aim is to start the business with the entrepreneur's own investment for the company. Entrepreneur also applies for the start-up grant which helps to cover personal costs in the beginning of the entrepreneurship.

Financial and profitability calculations for the company are made separately. Financial information of the company has not been opened in this thesis.

Insurances and risks

In the beginning, the new accounting company has a risk of not getting customers fast enough. In this case, there is a need to invest in marketing. Customer's financial difficulties are also a risk, which can be prepared by outsourcing collection.

In digital operating environment, changes can happen very quickly. For example, financial management software is under constant development. Also, artificial intelligence is being utilized more and more nowadays. The developments change the whole industry. In marketing, the social media channels are also under constant change. Risks in a digital operating environment are

viruses and server attacks. For these, the company prepares with adequate firewalls.

Almost every entrepreneur must take entrepreneur's pension insurance. Accounting company also needs general operational insurance and property liability insurance.

8.3 A service package utilizing the research

Services of accounting company include the monthly accounting and, income statement and, balance sheet reports, official declarations, guidance on financial matters, financial statements, and tax returns. Benchmarking was used to compare different accounting companies monthly accounting service packages. Benchmarking was a great tool for planning the monthly accounting service packages for the new accounting business. Five different accounting companies were examined through benchmarking for planning a monthly accounting service package.

Companies were chosen through Google search, searching for accounting companies operating digitally. The new accounting company to be established is operating only digitally and this is why it was important to conduct the benchmarking with companies also operating digitally. Another criterion for benchmarking companies were to be targeting only or also on sole entrepreneurs. All the benchmarked companies had been operating at least three years and were profitable companies during that period.

The benchmarking companies' service packages were examined especially on the content of the service package, the price of the service package and the value proposition. The service package examined were monthly accounting since it is the core service of an accounting company. Accounting companies can also have other service packages which were not included in this research.

8.3.1 The content of the service package

Some of the benchmarking companies had listed on their websites comprehensively the content of their monthly accounting service package. Others had only briefly explained what the service package includes. The service packages should be clear and easy to understand. If the service package content is informed very well detailed, it might be too confusing for the customer. Though, the customer needs to know what the service package includes.

Almost every benchmarking company's service package included its own personal contact person for the customer. Every monthly accounting service package included the monthly accounting and the monthly official declarations. Only two of the benchmarking companies' monthly accounting service packages also included the software fees. The software fee is important to take into consideration when entrepreneur is calculating the monthly costs of accounting.

8.3.2 The price of the service package

Only one of the benchmarking companies had informed the exact price of the monthly accounting service on their website. The price was based on the sales revenue and on the number of monthly documents of the customer company. One of the benchmarking companies did not have any price information. They had only the possibility to request an offer through their website. Other companies did give some direction for the price of their service package, though they did also mention every monthly cost is agreed to on case-by-case basis.

The starting price range for the monthly accounting was from 69 euros to 169 euros. The highest price 169 euros service package did also include the financial statement and the monthly software fee. So, it is not the most expensive price for accounting when comparing the yearly costs. Some of the benchmarking companies had priced their service packages based on the

company form. Limited company's accounting requires more work, so their accounting costs were slightly higher than sole trader's accounting costs. Three of the benchmarking companies had defined how many documents the price included.

8.3.3 Value proposition

The value propositions did not remarkably differentiate from one another. Effectiveness and personal service were the most frequent values proposed on the benchmarked companies' websites. One accounting company did have one different promise which was about the trust working in both ways. The satisfaction of the service was guaranteed in practice by offering the agreement without notice time, which usually in accounting companies is two to three months.

Stress is often associated with managing financial matters. Two of the benchmarked companies promised to reduce customer's stress. Digitalization was also mentioned in two of the benchmarked companies' value propositions.

8.4 Credibility and ethical considerations

Part of the scientific research work is assessment of credibility of the research. Credibility of the research is better when the validity and reliability of the research have been taken into consideration when choosing the research methodology. Questions regarding the credibility of the research, should be considered in the planning phase of the research process. After the research is done the credibility cannot be improved anymore. When the credibility of the research is weak the research can fail. (Kananen, 2014, pp. 145-147.)

In scientific research, reliability describes the stability of the results and validity is researching the correct matters. The stability of the research means that if the research is done again, the results of the research should stay the

same. Validity assesses if the research method is measuring what it is expected to measure. All the material collected for the research should be adequate and real. (Kananen, 2014, p. 147.)

The credibility of qualitative research can be strengthened by explaining accurately what kind of process the researcher executes when doing the research. Research process' every phase should be reported precisely. The circumstances when producing the material for the research should be clarified honestly. For example, when interviewing someone the place, the time, possible distractions, and misinterpretations during the interview should be brought to notice. Researchers should also make self-assessment of the situation. (Hirsjärvi et al., 2007, p. 227.)

Documentation is one of the most important matters when doing the research. It creates a lot of credibility for the research. Researchers should be able to justify every solution made during the research writing process. Qualitative research can also use saturation to strengthen the reliability of the research. Verification of saturation requires analyzing the material continuously. Saturation means the results from different sources start to repeat. (Kananen, 2014, p. 153.)

This research's purpose was to collect for this thesis' company's founder reliable information about starting a business and making a business plan. The purpose was also gathering information for creating functional service packages for a new digital accounting business. The purpose was to gather information so that other persons planning to start a business could also benefit from the research. If the business plan made according to this thesis would be done repeatedly, it would most likely have quite same kind of content than the one made.

When gathering the material for the research it was noticed to concentrate on relevant information. The information gathered must produce added value for the business plan or for creating the service packages. The research process is carefully documented. This confirms the credibility of the research and

eased the writing of conclusions. All the materials were chosen carefully, and they are not made by the researcher herself. The theory part of the thesis defines the central concepts discussed on this thesis.

When viewing the credibility of this research, the challenge is that the researcher has such a strong link to the objective of the research. The objective is to gain information benefitting the business. When the researcher and the starting entrepreneur are the same person, the point of view can sometimes be too much from the starting entrepreneur's perspective. When viewing the credibility of the research this should not be the case.

As a weakness of this research may be that the results cannot be generalized because of the narrow use of research methods. Every entrepreneur makes their own kind of business plan. Others do not necessarily want to include same things in their business plan than someone else. When the business plans are made in different years, they will probably also differ from each other due to the different timeframe.

9 CONCLUSIONS AND DISCUSSION

The idea of establishing a company originated gradually during the author's master's studies of business management and entrepreneurship. The author of this thesis has worked in accounting office and has extensive education in the field of accounting and financial administration. From these bases arise an idea to do development research related to starting a digital accounting business as a thesis. In the early spring of 2023, the author of this thesis decided to start pursuing the idea forward by writing a new thesis plan.

The objective of this thesis was to create a ready business plan for a new accounting business and to study marketing professional services and accounting businesses monthly accounting service packages. The aim was to resolve what a business plan includes concentrating on relevant information when starting a digital accounting business. From several business plan templates, the aim was to compile a business plan for this thesis' accounting business. In addition, in this thesis the aim was to examine other accounting companies' monthly accounting service packages. Through benchmarking the aim was to find suitable ways to create service packages for the new accounting business.

The theory part of this thesis gave a good base for compiling a business plan for digital accounting business and for creating the perception of the service packages for a digital accounting business. The digitalization, digital accounting and the customer's experience were covered in the theory part of this thesis. The marketing theory part gave an important basis when planning and implementing the benchmarking of other accounting companies' service packages.

Documentation analysis and benchmarking were suitable research methods for achieving the objectives of this thesis. Several business plan templates were examined and based on them the business plan for the new digital accounting business was formed. More depth to the research would have been obtained by using more accounting companies in benchmarking.

Different sources were utilized in this thesis when compiling the information about business planning. In many parts of the material information were coincided with each other. As a result of this thesis the author got a ready business plan for the digital accounting business.

Other accounting companies' service packages were also examined and benchmarked. The benchmarking gave a good overview on what kind of service packages succeeding accounting company offers for their customers.

The need for changes in this thesis' plan and structure happened during the writing process of this thesis. The original schedule changed a few times during the thesis process. The estimated schedule was at first too tight.

During this thesis process the author's knowledge on starting a business and marketing services increased a lot. The business plan is useful for the author when starting the new business. Discovering the information is not needed to start from the beginning. This business plan will be of use when applying for the start-up grant for the new business. The study of monthly accounting service packages by this thesis will be helpful when forming the first service packages for the new digital accounting businesses customers.

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APPENDIX 1: BUSINESS PLAN TEMPLATES

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<https://oma.yrityssuomi.fi/liiketoimintasuunnitelma/taloustiedot/myyntibudjetti>

<https://www.nordea.fi/yritysassiakkaat/yrityksesi/yrityksen-perustaminen/lataa-valmiit-pohjat.html>

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[6c640b92244e?opside=opmedia%3Ayritysel%C3%A4m%C3%A4%3A%2Fyrittajyys%2Fnain-laadit-liiketoimintasuunnitelman%2F](https://www.op.fi/documents/20556/66071/Liiketoimintasuunnitelma_yritystoin_aloittaminen/fc098e4e-581a-438b-82cf-6c640b92244e?opside=opmedia%3Ayritysel%C3%A4m%C3%A4%3A%2Fyrittajyys%2Fnain-laadit-liiketoimintasuunnitelman%2F)

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[yrittaja/suunnittelu/liiketoimintasuunnitelmat/](https://www.yritystulkki.fi/fi/alue/oulu/aloittava-yrittaja/suunnittelu/liiketoimintasuunnitelmat/)