

SURVEY/By Sally J. Schmidt

State of Law Firm Marketing Activity

WHEN LAWYERS talk about marketing, inevitably one of their first questions is, "What are other law firms doing?" While the strategies and activities of other firms should be adopted unthinkingly, there are several reasons why it can be very useful to know what other firms are doing in marketing. First, it is helpful for a firm to evaluate its level of marketing enlightenment by judging its own application of marketing principles against that of others. Second, it is useful to know which tools law firms are finding effective and which are less effective.

"The State of Law Firm Marketing: 1992," a survey with responses from more than 400 law firms of various sizes, practice areas, and geographic locations, reveals a great deal about the marketing activity of law firms. Some of the findings are summarized below.

Activities Undertaken

The number one marketing activity presently being undertaken by law firms is the development of a marketing database or mailing list: 61 percent of firms engaged in marketing are trying to develop this marketing tool. Qualitative and anecdotal evidence supports this finding. At conferences and among vendors, the emphasis clearly is on organizing marketing information to support marketing efforts by the firm and its individual lawyers. Means to do so range from developing a mailing list to analyzing client-related information such as industry data or sources of business, to producing attorney-related reports on outside activities, areas expertise, and the like. Because law firm software and computer systems typically were designed only to provide time and billing information, firms are finding it difficult to modify their current systems. The next most popular marketing activities are sending announcements and developing resumes or biographies about the lawyers; 59 percent of the surveyed firms do each. The only surprising fact about the 59 percent utilization of announcements about new lawyers, mergers, office relocations, etc. is that the rate is not 100 percent. At one time, announcements were more or less the only

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permissible means for firms to "market" their services. Many lawyers still cling to the notion of sending announcements about firm activities and news, with little consideration as to their advisability or efficacy. Many firms develop attorney resumes and biographies to supplement brochures; to support proposals for new business; and to reinforce the reality that clients hire lawyers, not law firms.

Other Popular Activities

The survey shows that approximately half of the surveyed firms engage in other activities. Fifty-eight percent sponsor seminars; 55 percent advertise in the Yellow Pages. The same percentage provide firm-sponsored tickets to events and functions. Fifty-two percent produce a newsletter for the clients; the percentage is the same for developing brochures for the firm as a whole, and only slightly greater than sponsoring events, functions, and open houses (51 percent). Forty-eight percent of surveyed firms develop cross-selling programs and write proposals for new business. Last year, engaging in mergers or lateral hires to develop new areas of practice was a technique used by more than one-third of respondents; this year, just one-fourth of the respondents are engaged in mergers or lateral hiring. The difference probably stems from changes in the general economic environment. Most law firms are not expanding their ranks.

Marketing planning has dropped in importance. Last year, developing marketing plans for the firm as a whole and for departments/practice areas both appeared in the Top Ten activities being undertaken. This year, they fell from the list. Have the firms all completed their plans? It is highly unlikely. Even so, planning is an ongoing—at least annual—exercise. Probably a better explanation is that this year's Top Ten activities are more tactical (i.e., immediate and action-oriented), in contrast to the strategic nature of planning. Lawyers' expectations for results become decidedly more short-term in a sluggish economy.

Planned Marketing Activities

More than half of the survey respondents really don't know where future marketing initiatives will take law firms. The highest percentage plan to do more seminars. The second most popular planned activity is marketing training for the firm's attorneys. Forty-one percent plan to do this in the future, although

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only 21 percent of firms engaged in marketing claim to have ever done marketing training, and only 30 percent are providing it now. This increased attention to training is well deserved: lawyers' individual marketing skills are paramount to the successful development of business.

Other Activities

Other activities planned by about a third of survey respondents include client surveys/audits; marketing plans for individual lawyers, practice areas, or the entire firm; client newsletters; marketing databases/ mailing lists; functions and events; and brochures for the firm as a whole. Thirty-eight percent of survey

respondents anticipate assessing their clients' needs or levels of satisfaction. It is reassuring to see the increased emphasis on this activity: effective marketing efforts begin with research, and start with the existing clients.

Today, law firms seem to be content to restrict their marketing initiatives to activities which are more additional and "comfortable." There are many very important and strategic marketing activities that still rank low in priority among law firms. For instance, much more could be done in conducting market research, introducing innovative pricing techniques, advertising; designing ways to package services; and diversifying with non-legal timekeepers or services. Perhaps some enlightened law firms will recognize the opportunity to be leaders in these areas.