

Marketing

SALLY J. SCHMIDT ■ SOLUTIONS YOU CAN USE

Measuring Your Marketing ROI

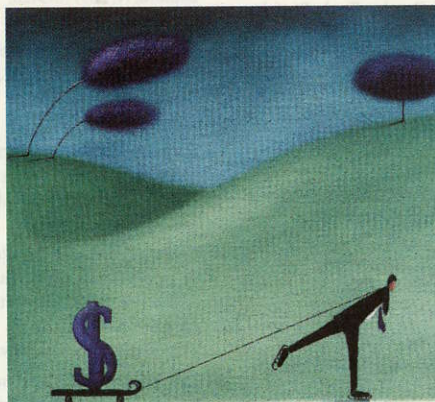
Even as law firms increase their investments in marketing activities, they seem to do little to measure the effects of their initiatives. Firms will spend thousands of dollars on public radio sponsorships and tens of thousands on marketing programs to build a particular practice area. Later, some partners will ask the question, “So, what did we get from that?” And, amazingly, few involved in the initiative are prepared to provide objective data.

Despite claims to the contrary, it is possible to measure the return on your marketing investments. To do so, however, the firm must establish reasonable objectives for its initiatives and then be willing to set and measure key metrics. The following outlines the process and provides specific examples of how it works.

The Process of Measuring Results

Measuring your firm’s marketing ROI requires a three-step process:

1. Establishing objectives for the activity, program, project or initiative being undertaken
2. Establishing benchmarks or determining metrics—in other words, what will be measured
3. Tracking and measuring, to determine changes or improvements in the metrics



Perhaps the most important point in the process is establishing reasonable and measurable objectives. This means understanding that not every marketing activity will result in new business. Consider some common activities.

Seminars. A firm seminar can be an excellent tool for developing a perception of expertise in a substantive area, getting the firm on the radar screens of prospective clients, providing value-added services, cross-selling to existing clients and developing new contacts. Yet the odds of a prospect engaging a firm lawyer after attending just one program are low (although, yes, it can happen).

Newsletters. A newsletter is a great vehicle for keeping the firm “top of mind” in a particular area, while showcasing results and building perceptions of expertise. It’s another example of a value-added service for clients and contacts. It does nothing, however, to build relationships because it’s a passive method of communication. Thus, it rarely produces business per se.

Web sites. Client decision makers

typically consult a law firm Web site after learning about the firm through other means. In other words, a firm Web site is an important source of information on lawyer credentials. But if contacts then call the firm, it usually isn’t because the site alone attracted them; it’s because the site does a good job of confirming the firm’s expertise in an area.

So, given those factors, what might you measure in terms of some typical marketing activities?

Marketing Activities for a Seminar ROI

- A survey that measures attendees’ satisfaction with the program
- Number of non-client attendees
- Quality of the companies attending (e.g., percentage of the top 25 in the targeted industry)
- Number of existing clients in attendance who do not currently use the featured practice area

Measurement Activities for a Cross-selling Program ROI

- Number of existing clients currently using a particular service or office
- Average number of services or offices used per client
- Client feedback on a survey asking them to identify firm services with which they are familiar

EXAMPLE 1: Goals and Metrics of a Specific Project

Let’s say your firm is sponsoring a program on public radio and intends to include its tagline, “The law firm