

Marketing

Open Minds and Ears: The Keys to Thriving in the Future

SALLY J. SCHMIDT | Sticking strictly within your comfort zone is not the way to build future business. Being curious about new ways to communicate with the market and tapping into the trends affecting current and prospective clients will open up all kinds of going-forward opportunities.

I recently read an intriguing article about trends in advertising. According to forecasts from MAGNA, a division of Interpublic Group, while traditional advertising still dominates ad spending nationally, digital and online advertising is up to more than 10 percent of total ad spending—and it's the only category gaining market share. But even more interesting was the type of online advertising that is emerging. Instead of pop-up ads or banner ads, the growing trend is toward videos and "private label media" or "owned properties," which are more like sponsorships.

It got me thinking about what it takes to stay ahead of the game in the legal industry, and particularly in law firm marketing, given the many changes under way. In my opinion, future success will undoubtedly require two things: keeping an open

mind and listening to the market more attentively.

Being Open to New Things

Too often law firms (and other entities) are guilty of making changes slowly and comfortably, merely applying an old form to a new space. In online advertising, for example, a banner ad is simply an old advertising technique applied to a new medium. On the other hand, using sponsorships that incorporate engagement and video exploits the possibilities that the new medium allows.

Many law firms have responded to the Internet's business development possibilities in similar fashion. Some, for example, have a newsletter that was formerly printed and mailed, which they now distribute electronically in a PDF file attached to an e-mail—new medium, but old technique. Others quickly saw how the new medium offered two-way communication and immediacy and capitalized on that element by launching blogs. This isn't to say that all newsletters are bad and all blogs are good—quite the contrary. But it does demonstrate the value of keeping an open mind.

Social networking sites provide

another good example. The statistics are absolutely dumbfounding. According to a Nielsen report, *Global Faces & Networked Places* (2009), here is how these sites are growing:

- Two-thirds of the global Internet population visit online social networks.
- Visiting social sites is now the fourth most popular online activity (ahead of personal e-mail).
- Time spent on social sites is growing at three times the rate of time spent overall on the Internet.

However, there is clearly a generational issue involved. According to a Leader Networks survey, 54 percent of attorneys (both private practice and corporate counsel) belong to social networking sites. Yet the usage breaks out as follows: 67 percent of those who are 25 to 35 years old; 49 percent of those who are 36 to 45 years old; and 36 percent of those who are 46 or older.

The potential concern? Since most firms are managed by senior lawyers, they may not appreciate the fundamental change that is happening in the way people communicate and the role that social networking now plays in those communications—and how it may expand in the future. So how has your law firm responded to the issue of social networking? Do you encourage it, tolerate it or discourage it? Where your firm falls on this continuum probably says a lot about its culture and how open-minded it is to change and innovation. (I understand there are



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ethical concerns, but many law firms are finding the happy medium.)

Listening to Your Market

Generally, law firms are insular places. Management has a tendency to look backward, not forward; to review internal statistics, not external data; to survey colleagues, not clients. As a result, there is the potential to not only be slow to the dance but to miss the dance entirely!

Staying in the game requires looking outside the firm, both to understand what's happening today and to anticipate what could be coming. One excellent source of information for this, of course, is clients. Law firms should establish methods to regularly extract information on opportunities, concerns, trends and other issues from clients. This can be done through conversations or formal survey instruments, and conducted by lawyers, marketing staff or external parties. But who does it and how it's done matters less than making it a regular, sustained activity to ensure that the firm is constantly apprised of changes.

However, it's not only existing clients who need to be monitored to determine where new opportunities may be mined. I recall a time when I was standing in a long line at a small coffee shop to get my morning coffee. The sole owner/manager/worker at the shop was busy taking orders, making drinks and running the cash register, while in the meantime, several people came by, looked at the line and left. I imagine this harried fellow looks at his books and thinks he can't afford to hire help, but what he doesn't factor in is how much business he is losing by not hiring help. The lesson behind this: You don't know what you don't know.

Similarly, it is critical for law firms to know how they can grow their business

in new ways, which means identifying trends that may affect people and companies with whom the firm is not currently working, or new areas in which it would like to work—gathering information on prospective clients and referral sources, and the market more generally. Thus, firms' external intelligence efforts should monitor factors such as industry trends, competitive activities, market trends, political and economic trends and regulatory or legislative initiatives.

How can this be done? Larger firms can assign this important function to their competitive intelligence or information services (library) staff. Even the smallest firm can take steps, though, including these:

- Visiting clients to talk about the issues and trends affecting them
- Meeting with referral sources and other intermediaries to learn what issues are affecting their businesses and clientele
- Surveying prospective clients or the market more generally
- Attending important trade, industry or professional association meetings to stay abreast of developments

- Monitoring key issues by tracking Web sites and other relevant resources

The Tried-and-True Element

In the quest to develop new business, marketers are sometimes accused of overlooking the importance of the quality of legal services. I agree that legal service quality is paramount and will be necessary to ensure success in the future, including through the following:

- Providing excellence in work product and service
- Providing value to clients
- Identifying and meeting clients' expectations
- Maintaining open and frequent two-way communications

But these factors are related to the *delivery* of the service. In order to have clients to which the services can be delivered, 21st-century firms need to be aware of trends and issues and be curious about the opportunities new developments present. Implementing methods to learn more about the outside world and being open to its possibilities is how firms will leapfrog their competition in the future. LP

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