

# Marketing

## The Whys and Hows of Industry Marketing

**SALLY J. SCHMIDT** | Many law firms continue to categorize their services à la the law school curriculum. In other words, they organize their internal structures as well as their external marketing efforts around substantive practice areas—tax, litigation, corporate, estate planning and the like. Savvy firms, though, increasingly realize the benefits of an industry approach.

There are, of course, many clients who seek expertise in a particular area of the law. A growing number of business clients, however, want a lawyer who has more than a knowledge of the law—they want a lawyer who also knows their industry, product or business needs.

Other professions have known the value of marketing to industries or niches for many years. In today's extremely competitive environment, more and more law firms are taking a market- and client-driven industry approach, too, by focusing around areas such as energy, life sciences, financial services, health care, telecommunications, hospitality, or media and entertainment, to name examples. To help you determine



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whether this approach might suit your firm, let's look at some pros, cons and how-tos of industry marketing.

### Benefits of Industry Marketing

Business clients typically need a broad range of services, so focusing marketing efforts on their particular industries generally means a cross-disciplinary approach. Done right, it results in these paybacks:

- Since most client matters will benefit from (if not require) knowledge of more than one legal discipline, an industry focus brings together varying areas of substantive expertise and builds the lawyers' knowledge of the client's issues. This results in better client service and improved client retention rates.

- By participating in a cross-disciplinary effort, lawyers become more attuned to additional business opportunities and clients become more aware of the firm's range of services. Along with the enhanced potential

for cross-selling, this can also result in opportunities to better mentor young people across disciplines.

- In many cases, because industry efforts are still untapped in law firms, simply having an industry focus, especially if it's very narrow (such as equine law), will give a firm a distinct advantage in that market. Think in terms of increased name recognition and branding. According to McKinsey & Company research, the top three firms in a market niche get the opportunity to "sell" 70 percent of the time; the opportunity for the fourth place firm drops below 40 percent.

Overall, the industry approach results in more effective marketing—and the potential for improved profitability in these tough economic times. To illustrate the possibilities, a study of the accounting firms that showed double-digit growth in both *Public Accounting Report* and *Bowman's Accounting Report* found that "development of niche markets" was the most consistent marketing initiative of these successful firms. (Source: "Double-Digit Growth: Tools From Top Firms," American Institute of Certified Public Accountants.)

### Challenges of Industry Marketing

Unfortunately, implementing industry marketing efforts isn't always easy in law firms. There are several common obstacles. First, many lawyers are reluctant to commit their practice to an industry,