

Marketing

Tips for Using Competitive Intelligence in Your Marketing Efforts

SALLY J. SCHMIDT | There's a lot of talk about competitive intelligence these days, especially as law firms seek to find new sources of business. In response, companies are offering lawyers products and services that identify information for use in their marketing. But if you don't really know how you want to use the data, the result can be simple information overload.

From internal client retention data to information on prospective clients' litigation matters to trends in targeted industries and beyond, competitive intelligence resources have clearly become more plentiful and more focused in recent years. What is less clear for many law firms is precisely how to use the information.

While competitive intelligence can be factored into firm strategy and guide decision making in a range of areas, one of the most common and best uses in law firms comes in the area of marketing. Here's a review of some sources for that purpose, along with ways to use the information that can contribute to more effective marketing and business development efforts.



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Main Types of Information

Generally, information can be defined in the following ways:

1. Internal (i.e., generated by the law firm) or external (i.e., generated by outside parties); and
2. Primary (developed by the firm for a specific purpose) or secondary (already available from other sources).

The chart on the opposite page outlines some examples.

To facilitate collecting and reporting internal data, there are many varied and increasingly helpful software packages available to firms, from time-and-billing tracking applications to business intelligence products like Redwood Analytics.

Likewise, external data and information are available through an ever-growing platform of sources, including some vendors with long-standing relationships with law firms (such as Thomson West and Lexis-Nexis), numerous generally available sources (like the U.S. Department of Commerce and other government agencies), and other providers fairly

new to the industry. Let's match some sources with marketing uses next.

Researching Prospective Clients

From a business development standpoint, the most valuable information is often that which provides insights on prospective clients, to assist in making a pitch or a proposal for business. Some of the more popular external information sources for company information include these:

- Companies' annual reports and Web sites
- BNAConvergence
- Datamonitor
- Hoover's
- LexisNexis products, including Company Dossier, CourtLink and atVantage
- Thomson West products, including Firm360 and Westlaw Business
- Google products
- Government departments and agencies (like state labor department employee data for private companies)

Sorting through the sometimes voluminous results from a company search can be time-consuming and difficult—especially for a busy lawyer who doesn't have time to pour through a 3-inch binder of company data just hours before a meeting with a prospect, for example. So, whether the synthesizing is done by the firm's library staff, the marketing department or a firm associate, it makes sense to develop a snapshot of the most

salient issues and information for the requesting lawyer. This might include:

- Company overview (with office locations, number of employees, company products and services and the like)
- Company contacts (including officers, board of director members and key management personnel)
- Relevant company relationships (such as key customers, legal counsel and the company's accounting firm)
- Profile of current legal work (if available through external resources)
- Recent company news (such as press releases and other information provided to the public)

Of course, the responsible lawyer should also check the firm's client database or CRM system to learn

news and changes as they are posted.

The firm might set up a process whereby its marketing department or library regularly gathers information on key clients, too. This could be distributed in a weekly client-specific report to all members of the client team (lawyers and staff) to keep them apprised of changes and other updates. In many cases, these nuggets of information provide opportunities to contact clients about additional services.

Some firms also set up procedures for monitoring case filings. Then lawyers can immediately contact a client when, for example, it's being sued in the firm's state—giving the client a heads up that the firm is aware of this development and offering assistance in obtaining a

companies or individuals. Conversely, that information could be turned into a marketing tool, by pushing it out externally in an alert to target companies as a value-added service.

■ **Researching the competition.** Lastly, many information tools can be used to identify the firm's competition or answer questions about who's doing what in the legal industry. For example, when targeting a particular prospect for litigation work, the firm can identify which other law firms have handled cases for that company in various practice areas. This allows the firm to strengthen its pitches by distinguishing itself from known competitors.

In addition, firms can usually benefit from monitoring legal industry trends when developing a range of initiatives. Say, for example, that your firm is considering putting together a "green" marketing initiative. By searching the Web sites of law firms with similar programs, you can learn what they call their groups, which substantive practices are involved, in what activities they are engaged and a host of other information to help your group avoid reinventing the wheel.

Overall, competitive intelligence research tools have come a long way in law firms. Still, the biggest challenge is often finding ways to use the results to enhance marketing efforts and make those efforts more efficient. The key is to remember that any investment in such research needs to be coupled with a facility to analyze, synthesize and make the data useful for the firm's lawyers. LP

► For more on how to put competitive intelligence to use, see these articles in the March 2008 *Law Practice*: "How to Create and Use Competitive Intelligence: 45 Tips for Law Firms" by Ann Lee Gibson and "Competitive Intelligence Roundtable: Tactics, Tools and Lessons to Be Learned," moderated by Dennis Kennedy.

	INTERNAL	EXTERNAL
PRIMARY	Conducting an in-house survey of the firm's lawyers to identify or solicit targets for new business in the area of infrastructure projects	Having an outside company survey firm clients in the energy field to assess their satisfaction with the firm and identify needs for additional services
SECONDARY	Checking HR and alumni databases to determine whether any lawyers or staff went to the same school as a prospective client	Having research done on <i>Chambers and Partners</i> and related sources to identify top competitors in a particular practice niche

whether the firm has additional contacts at the prospective client company, and then contact any colleagues having relationships to get information and perhaps assistance in the pitch.

Doing More: Other Research Uses

In addition to applying it for new business development, competitive intelligence research can be used to promote and strengthen your marketing efforts in the following ways.

■ **Providing information updates on existing clients.** The firm's lawyers can set up Google Alerts to be informed immediately of developments pertaining to their key clients. Also, if the client company's Web site offers an RSS feed, the lawyer can sign up for it to receive

copy of the filing or handling the suit.

In addition, client-specific reports that have been generated for pitches, proposals or other uses can (and should) be stored on the firm's document system or intranet so other firm lawyers can review them as needed.

■ **Tracking industry developments.** Here, the firm's library or marketing department can set up internal feeds or conduct periodic research on developments in the particular industries the firm serves (like biotechnology, nursing homes or so on).

This information can then be pushed out internally or externally. For example, lawyers in the firm's technology practice group might receive a weekly update on news involving key