

As You Start, Re-Start or Review Your Marketing and Business Development, Where Do You Begin?

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Marketing and business development have become much more sophisticated in today's law firms, including market and marketing research, strategy development, client services and service strategies, implementation tactics and techniques, advertising (or not), website design and maximization, use of social media, promotions, and many subsidiary disciplines. But even with the increasing scope and sophistication of law firm marketing and business development, some axioms hold true. As you start, re-start, or review your marketing and business development efforts, consider these fundamentals first:

1. Begin with your Existing Clients and Existing Legal Services

One hundred percent of your current revenues are coming from current clients, and one hundred percent of your current revenues are coming from current legal services (barring exceptions created by old receivables, or similar phenomena, which is a different article).

This applies at the law firm, Practice Group/Specialty and individual planning levels!

2. Understand Your Current Clients and Client Base

You can achieve greater understanding with both quantitative and qualitative analysis.

Revenue

For a quantitative review, start by tracking your revenues: by client, by client business unit, and/or by types of legal services. It might be helpful to track revenues and trends annually; by time of year if there might be seasonality; or to discover if there is seasonality.

Volumes

Other basics might include tracking and review of average volumes of matters annually or for other logical time periods; average size and/or size ranges of particular matters, measured in terms of personnel utilized, dollars, or time units; total duration of matters (average and lowest to highest); and, for large matters, duration of various components of matters.

Matter types

Another quantitative assessment (that may also include some qualitative features) would involve categorizing your work as large, complex and/or key client types of transactions; smaller standard types of matters; and, other matters that are somewhere in-between or have elements of both.

Matter frequency

Do you have frequently recurring matters, and if yes, are they frequently recurring matters from the same clients? Alternatively, are the matters more occasionally recurring? Or are they 'once in a lifetime' events?

Profitability

Consider the profitability of your matters or overall client relationships: by client or by type of client; by type of legal matters; and, by the frequency with which they arise.

3. Understand How Your Current Clients and Legal Business Come in

Identifying how your current clients and legal business come into the firm puts emphasis on your clients' behaviors and actions, as well as your marketing strategies and business development activities. It also might well provide insights on the effectiveness of referral sources and strategies, advertising, promotions, firm and lawyer visibility, and other factors. When client companies retain the firm for different types of legal services, it is also important to consider how the legal business comes in, since it could originate from different sources within the client or outside the client.

It can be helpful to start discussions more generally, and build up to identifying specific sources or strategies; for example, consider all current and potential referral sources first, and only then identify a specific type of referral source, such as accountants, that has been most effective. Starting more generally might also help to identify new strategies and activities.

Business sources to discuss:

- Direct contact from clients
- External referral sources
- Expansion of existing clients
- Internal referrals
- Getting out there - Networking, joining and attending certain organizations
- Showcasing expertise - Writing, presentations, etc.

If you have identified *Direct contact from clients* as a main element of how current clients come in, then in-depth discussions can lead to programs designed as direct-to-client contact and re-contact strategies; to networking and referral source strategies directed toward clients; and possibly to targeted advertising and promotion programs.

Identifying *Expansion of existing clients* as a main element highlights client service strategies, maximizing use of work teams, cross-selling, annual client meetings, and other Key Client-types of strategies.

Internal referrals as a primary business driver probably speaks well of your firm's current cross-selling propensity. But can it be improved? Can it be more consistent?

Another way to think about the use of *Internal referrals* is as a method to develop associates and other lawyers on the way up. These lawyers can focus on *treating partners as their clients* from a client service perspective, including timeliness, responsiveness, asking questions early in a project or task, etc. Many associates will be serving and developing their internal client base first, which can then help to fuel referrals, including, over time, direct referrals of clients/legal work.

4. Expanding Beyond the Current Base

Finally, after reviewing and evaluating your existing client base and existing legal services, you might ultimately conclude that your firm, groups or individual lawyers need to expand, diversify or augment their services or clients. This can lead to an informed discussion of potential new legal service offerings, beginning with the most incremental and realistic options, or those most wanted by current clients.

Through careful analysis of your current portfolio of legal business, you will be well equipped for a discussion of what is most important to your clients, other key drivers of clients' hiring decisions, and how you can build win-win relationships with clients for the long-term.

Conclusion

These axioms should provide you with a practical framework to get started with a marketing program and business development activities. They will lead both to objective analysis and toward strategy development. If you are re-starting an individual, group/specialty or law firm program, beginning with existing clients and legal services is still an important and valid approach to help ensure the basics are being covered and are not lost or taken for granted. Even with sophisticated and complex marketing programs, focusing on a formal, objective status review first will provide practical touchstones to assess and reinforce existing plans and programs, and simultaneously identify areas for diversification or new approaches.

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