

Business development guru **Alex Holtum** reveals the secrets behind successfully marketing an independent law firm

THE RIGHT ROUTE TO MARKET



These are nervous times for any business and independent law firms are no exception. There is no immunity from the shock waves of the credit crunch and inevitably marketing plans will come under scrutiny. The firms that choose to review their marketing plans and make them more effective are likely to emerge as the real winners.

So how can an independent firm promote and enhance its profile? Here are the 10 things I most often find myself talking to firms about:

What does the firm do best?

Make a rudimentary analysis of the firm's existing business, with a view to focusing the marketing effort on areas of strength.

Many law firms — particularly those operating in conservative markets — do not feel comfortable doing this.

I have recently been working with a firm that is particularly strong in a number of practice areas and virtually non-existent in others, yet insists on promoting itself as a 'full-service commercial law firm'. The rationale is that it is their professional duty to provide a service to any client who instructs them.

However, firms that concentrate on their strongest areas will both spend their marketing budget more effectively and gain a competitive advantage.

This is particularly true for firms in congested second tier markets, such as Spain and Germany.

Fail to prepare, prepare to fail

Although nearly all firms acknowledge that they should have a marketing plan and budget, it is surprising how many do not.

For many smaller firms, failure to plan is just a matter of resources. The managing partner is the head of marketing, as well as the main fee earner, and just can't do everything.

One error many firms make is to come up with a plan that involves little or no direct cost, but an unrealistically large amount of lawyer time to deliver. Such an approach does not tend to be sustainable.

Take the directory approach

If any firm wants to build its international practice it should ensure it has the best possible rankings in directories such as Chambers and Partners, the Legal 500 and PLC Which lawyer?. These guides really are used by in-house counsel and international law firms, both when trying to find firms in unfamiliar jurisdictions, and as a means of checking out firms that have been suggested to them.

Clients also use the directories to benchmark current advisers, providing them with reassurance that they are independently judged to be among the leading firms.

It is not easy to improve coverage in directories as they are generally well-researched — most firms acknowledge that the rankings are largely accurate. However, markets change and researchers cannot have absolute knowledge, so there is always scope for a firm to improve its position, provided it has the credentials.

Key factors for success in this area include being honest — don't claim to be the jurisdiction's leading firm in every practice area, unless you are — and getting the balance right between sufficient information to support a submission and information overload.

Review the firm's website

One of my lasting memories is of the website of a firm, in the top 10 in its jurisdiction, which featured a picture of the name partner sitting among eight beautiful blondes. On closer analysis it was clear that the ladies didn't work for the firm — the partner just liked the picture.

A less memorable but more frequent experience is clicking on the 'News' page of a firm's website and seeing that the most recent item is a story from 2005.

A key factor in getting the website right is to make it attractive to the international law firm visitor. Perversely, in a world where we are constantly told we must differentiate, this means having a site that looks and feels like that of an international player.

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Then decide whether you want it to be an electronic 'brochure', or a more proactive marketing tool that is regularly refreshed and updated. The latter is far more effective but, if you take that route, be clear how you will resource it.

Legal media products

The following comment from a frustrated managing partner sums up the main issue for independent law firms: "I receive an e-mail or phone call from a publisher at least three times a week (it feels like more) offering me an unmissable opportunity to raise my firm's international profile in their publication. I am sure that sometimes it is true, but I rarely have time to even understand what I am being offered." There is only one key point when it comes to buying legal media products: plan in accordance with your objectives. That way, purchases are aligned with marketing goals.

Network membership

Many firms are members of non-exclusive networks. Those I have seen in action include Meritas, State Capital Group and World Services Group. They can be a key arena for referrals and contacts for the aspiring international law firm, while also offering a valuable support network.

The annual subscription is generally quite low, although to maximise the benefit you must attend the networking meetings. Most firms see membership as a good investment — particularly those that recognise it may take two or three years before they see a regular flow of referrals.

Using brochures or newsletters

Websites have diminished the importance of the printed brochure, although downloadable PDF versions are always useful.

Newsletters can provide an excellent means of building profile and demonstrating expertise to a wider audience — as long as they are relevant and publication is distributed as widely as possible to your target audience. An annual newsletter that reaches 10,000 interested readers is far more effective marketing than a weekly one that reaches 100.

Lawyers are in their comfort zone when drafting legal documents, but often find writing this sort of material to be quite difficult, frequently spending a wholly disproportionate amount of time on newsletters. Much of this work can be outsourced.

Managed contacts and targeted sales

On a broader scale, invest some time maintaining data about clients and key contacts. Very small firms may be able to do this in their heads, but by the time they get much larger than 15 lawyers, a database is required. Be realistic about what information you are going to use and maintain.

Be available

If your marketing effort results in a potential client trying to contact you and they can't, the whole exercise is undermined. Ensure that relevant contact details are displayed on your website and remember to respond to calls and emails.

And finally...

Never forget that your best source of new work is existing clients! ■ Alex Holtum is director of International Law Firm Solutions (www.ilfs.net), a company specialising in helping independent law firms develop the international part of their business.