The Legal Intelligencer

ALM Properties, Inc.
Page printed from: *The Legal Intelligencer*

Back to Article

Measuring Legal Marketing Results: How Firms Miss the Boat

For many law firms, the function of marketing is the proverbial 800-pound gorilla in the room. It's the can best kicked down the road for another time or, even better, kicked to another individual or committee.

Les Altenberg

2013-02-26 12:00:00 AM

For many law firms, the function of marketing is the proverbial 800-pound gorilla in the room. It's the can best kicked down the road for another time or, even better, kicked to another individual or committee.

Part of the reason for this may be a discomfort attorneys have when it comes to making decisions on matters with which they may be unfamiliar. But perhaps far greater is a perception that some marketing activities aren't working and are not worth implementing simply because no direct linkage can be made between the dollars allocated and the revenue generated. Further, because of this, the responsibility for promoting the firm is susceptible not just to risk, but also to Monday morning quarterbacking.

This perception is not true. And it is not true for two reasons. First, quite simply, many marketing activities are, in fact, quite measurable. Direct marketing, pay-per-click (PPC) and seminars are some examples of initiatives that can be readily tracked and measured for their ability to generate return on investment (ROI). We know how much we spent to put on and promote a seminar. We know how many people attended the event. And, over time, we can determine how many of these attendees became clients of the firm and how much revenue they brought in. The same can be said for direct marketing and PPC campaigns, though the latter also often requires tracking more complex data such as the number of impressions, the click-through rate and the relative cost of each such click.

So for some marketing tools, we can, fairly easily, determine ROI and payout.

Unfortunately, while some law practices will implement the occasional seminar, few will engage in any kind of direct marketing effort or track and analyze their PPC campaigns from an ROI perspective. Often, the only metric scrutinized (and this goes for search engine optimization as well) is the firm's ranking on the search engine directories. This leaves a broad range of marketing and business development tools for which assessing the direct revenue generated is more difficult.

The second reason why misperceptions exist is more serious. Too often, marketing decision-makers make the mistake of assuming that all marketing initiatives can be (a) tracked on an activity-by-activity basis and (b) that all such initiatives must generate firm revenue. These assumptions fail to recognize the holistic nature of marketing and the disparate roles different marketing tools play in the marketing process.

Let's consider a situation in which a law firm decides to run a seminar. It sends out press releases announcing the seminar, posts on various social media sites, places a few ads promoting the event and perhaps even sends out an email blast encouraging current clients to attend. Unfortunately, attendance at the seminar is less than what the firm had anticipated. Twelve people register and only 10 actually show up, none of whom came up to the attorney speaker after the presentation and none of whom contacted the firm in the weeks following the event. The seminar is deemed a failure and the firm's marketing committee determines that the budget allocated to promote and put on the seminar was a waste. There may even be talk of seminars not being a particularly effective way for promoting the firm or for generating new revenue.

Two weeks later, a few things happen. First, as a result of the firm's promoting its seminar, a reporter calls seeking to interview an attorney regarding the subject presented. He proceeds to write a lengthy piece that appears in a major industry publication that (a) generates a call from an individual seeking counsel on the topic covered and (b) is posted on the publication's website with a direct link to the firm's site, thereby boosting the firm SEO efforts. The firm's website is linked to its blog, where a number of individuals attest to having the same kind of legal issue and perhaps contact the firm as well. At the same time, the firm is visited by a prospect who never actually registered or attended the seminar, but who saw the ad and understood the area of law covered to be one in which the firm had a particular depth of understanding. Here, not one client was generated directly by the seminar, but several generated through activities related to the seminar. The new clients who did contract with the firm brought in revenue that exceeded the marketing investment. Provided with this information, the marketing committee must again address the question of whether or not the seminar was a failure.

The key piece missing in that question is not whether the seminar itself was a success or failure, but whether all of the elements associated with that seminar had effectively worked together to produce a tangible result. Marketing does not exist in a vacuum and prospects are usually exposed to a firm through more than one means. Another way to look at this is to ask why a well-recognized law practice would inevitably attract more attendees than would a lesser-known firm allocating the same promotional dollars to the exact same mix of marketing activities? The answer lies in the up-front, image-building, reputation-managing, credibility-developing activities the firm did well before the idea of a seminar was ever even considered.

Another example: A law firm is trying to determine whether to invest in a new website. The current firm site was developed more than a decade ago, is somewhat dated in its appearance and, despite the firm's fairly large size, is still rather skimpy, with only five or six pages of content. It is pointed out that almost no clients have ever come through the website and that the firm has enjoyed healthy growth mostly through networking and word-of-mouth marketing. It is decided that the investment for which the marketing vendor is asking could be better allocated elsewhere.

A month later, one of the attorneys attends a networking event in which he meets a potential client and engages in a long and very positive conversation. This prospect goes back to the office and looks up the firm website. The site is unimpressive, but what particularly concerns the prospect is that there is virtually no mention of the specific legal topic that he and the attorney had discussed. There are no articles on the subject, no references to it and even the "Practice Areas" page fails to mention it. Although the prospect had been impressed with the attorney, he is no longer convinced that the specific area of the law in which he is interested is a particular strength of the firm. The attorney, on the other hand, views the lack of further contact as a personal failure and assumes the initial conversation did not go as well as he had thought. Had there been a decision to invest in a new website, the net result might have been very different.

The lesson learned from the above should be that different marketing tools serve different functions. There are some activities that are, in fact, especially effective at generating new clients. Some vehicles, on the other hand, do more to build the credibility of the firm or its attorneys, reducing the perceived risk of hiring them and providing an initial feel-good experience about the firm even before any work has actually been initiated. Still others are all about client conversion.

To further underscore this, consider a situation in which a vendor is asked for a sales brochure, a folder or even a business card and states that he has none. The seriousness with which this vendor is treated would undoubtedly be severely compromised.

Consider also the amount of time, money and thought that goes into how the ?firm's offices appear. Are they designed to convey a modern, state-of-the-art image or are they more staid and traditional, communicating a more established impression. One can make the case that investing in ?the proper décor for the office is a critical element in making an impression on prospects and clients. But one would have a difficult time in claiming that investment will ever yield any direct revenue whatsoever. Does not the same hold true for ?many of the marketing activities in which firms engage?

The truth is that measuring ROI on an activity-by-activity basis is worthwhile only when it is augmented by an ROI analysis of the marketing function as a whole. When total revenue and profitability are compared to the previous year or the previous several years, we can get a pretty good handle on how effective the firm's marketing efforts have been.

Even in this day of instant metrics and detailed analytics, it is imperative that ?legal marketers take the time to view ?promotional matters holistically, because that advertising campaign that was a "waste of money" may have been more instrumental to the firm's success than anyone is really aware.

Les Altenberg *is president of A.L.T. Legal Professionals Marketing Group, an agency he founded in 1993. The agency provides marketing counsel and services to law firms throughout the country. An avid writer and speaker on legal marketing, he can be reached at 856-810-0400 or* *laltenberg@legalprofessionalsmarketing.com*