



Guide to
Marketing and
business development

Practice support

This guide aims to :

- explain marketing and business development and how they can assist legal practices
- provide an overview of key marketing activities, and
- outline how selling techniques and approaches can assist lawyers.

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1. Introduction to marketing and business development

Marketing in professional service firms

Marketing and business development are key to running a successful legal practice. Law firm management, and particularly law firm marketing, is increasingly more ambitious, competitive and aggressive. Practices that do not meet new challenges, such as increased competition among law firms and growing sophistication from buyers of legal services, will find themselves struggling to maintain revenues from areas of work that previously provided a regular stream of income.

The role of marketing and business development in professional service firms has, however, been questioned. Much of the debate has centred on myths about marketing, with many confusing marketing with inappropriate forms of selling or advertising, questioning the cost and return on investment of marketing activities.

Some professionals still seem to have a negative view of marketing. This may be due to a desire to distance themselves from commercialism. This attitude appears to have come from a fear that marketing will devalue their business and have a negative impact on client perceptions of their business and themselves as a professional.

Increasingly, however solicitors are undertaking marketing activities whether they recognise it or not. Lawyers, like many other professionals, have come to realise that they cannot be complacent and hope that work will just come through the door. Rather, they need to be strategic about obtaining and retaining clients if they are to maintain and grow their business in an increasingly competitive environment.

There are still relatively few professionals who proactively seek to develop their marketing or business development skills. Furthermore, many professionals view time spent marketing, rather than on fee-earning work, as wasted time.

Challenges in the current environment

The scope of law firm marketing has revolutionised over the past 20 years. The drivers for this include:

- changes to professional rules on marketing and promotion
- increased competition among law firms and from other professional and commercial service providers
- increasingly demanding and sophisticated buyers of legal services – both domestic and commercial
- the growth of major national law firms
- the arrival of professional services marketing specialists as either consultants or retained in house in law firms
- the development of a professional services marketing industry in the form of books, magazines, events, specialist recruiters and forums leading to a wealth of accumulated knowledge and advice
- the growth of new technologies, and
- regulatory changes.

What is marketing? What is business development?

Essentially marketing is about anticipating and meeting the needs of the client in a manner consistent with the organisation's objectives, such as being profitable. Perhaps the best way to explain the breadth and scope of marketing is to look at the concept of the 7Ps – seven integral components of marketing (sometimes limited to the last four Ps).

People	The profile of potential clients and customers
Planning	Research, analysis, objectives, and strategies
Positioning	The position a product or service should have in the market relative to competing products
Product	The service or product you are selling
Price	The value of the product or service as determined by demand and perceptions of quality and value
Place	Where the product or service is delivered or distributed
Promotion	Techniques used to sell or position the product or service

In recent years, business development has largely replaced marketing as the preferred term to describe the efforts of many organisations, particularly in professional services, to gain business or to profitably identify, anticipate and satisfy customer requirements.

This has led to some confusion, such as:

- Is it just a new term, essentially the same as marketing?
- Is business development part of marketing?
- Is marketing part of business development?

Opinions on the above differ, but many see business development as being more business focused and concentrating on sales management and client development, compared to marketing which many mistakenly believe to be limited to the promotional aspects of advertising, publications and events. The truth is, business development and marketing are two sides of the same coin. It may help to look at both marketing and business development as a process, with the different stages identified below.

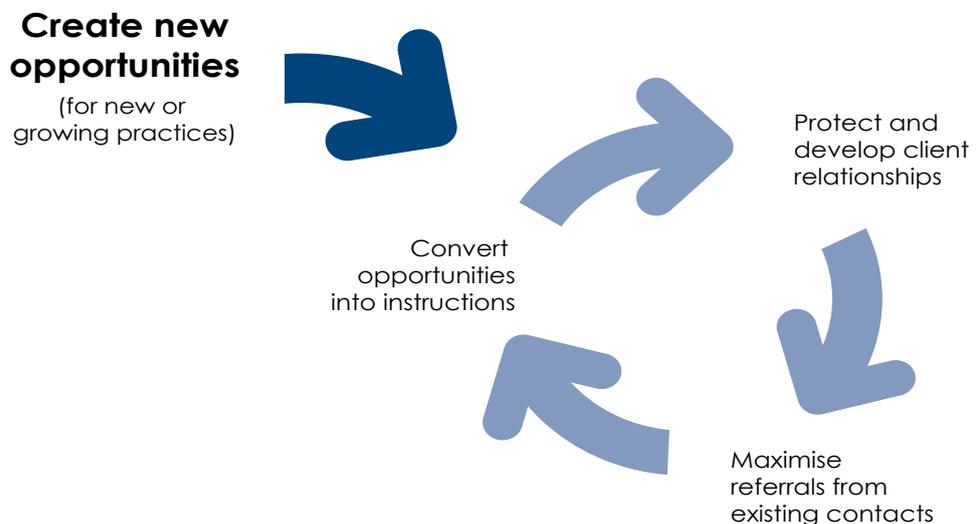
Stage	Promotion: one-to-many	Selling: one-to-one	Relationship management: many-to-one
Stage 1	Organisational profile and values	Define what you're selling	Group clients according to demographics / services used /etc
Stage 2	Branding	Identify buyer behaviour and approach potential leads	Relationship development based on groupings
Stage 3	Broadcast	Convert enquiries	Account management
Stage 4	Gaining new prospects and enquiries	Competitive tendering	Cross-selling
Stage 5	Communication activity	Specifics	Maintaining loyalty

So, which elements should I focus on for my practice?

Priorities for your practice will depend on a number of factors, including:

1. How new or established your practice is
 - New practices should expect to spend relatively more time on promotion, networking and creating new opportunities.
 - More established practices should expect to spend more time on maintaining client relationships and generating referrals.
2. Your competition
 - How do your competitors market themselves?
 - Do you want to compete with a similar strategy, or find a new angle?
 - If you cannot compete with your competitors' marketing budgets, consider investing more time in networking, maintaining client relationships and generating referrals.
3. Your client base
 - How dependent are you on a small number of large clients (leads to greater emphasis of maintaining client relationships)?
 - Are you targeting the general public, large organisations or specific sectors?
4. Your practice area
5. The strengths and weaknesses of individuals within the practice
6. Available time, money and other resources.

Below is a simplified version of the recommended business development cycle for either mature or new /growing practices.



Not diminishing the fact that the most appropriate marketing for your practice will depend on factors such as those listed above, recent years have – for most practices – seen a growing focus on maintaining client relationships and personal business development activity (eg networking, cultivating referrals and selling) at the expense of traditional or one-to-many marketing communications such as brochures, advertising, direct mailings and newsletters.

In terms of the focus on maintaining client relationships, legal practices are belatedly accepting long-held marketing rationale that it costs significantly more (in terms of both time and money) to find a new client than it does to retain an existing one. There has also been a growing willingness and ability to leverage existing clients and contacts for future referrals.

As opposed to the one-to-many approach of generic marketing techniques such as brochures and mass market advertising, personal business development activity such as networking, cultivating referrals and selling are seen as more direct, more effective and lower cost (at least in terms of actual dollar spend, although they can be more time consuming).

Although many law firms or individual solicitors are embracing these, many remain reluctant to embark on personal business development activities – either because of the time demands, lack of confidence, or concerns about the perceived 'ethics' or 'professionalism' of such activities.

Marketing and business development in law firms

There are a number of distinctive features of law firms when it comes to marketing. All practices will of course be different in some way, but law firms will be a new culture to many marketers, and certain features of a law firm might be frustrating for an ambitious creative marketer. The law firm marketer will need to be aware of these features and adopt different approaches in order to effectively implement marketing plans and initiatives.

Features of legal practice	Obstacles to business development	Recommended approach
Partnership structure	Most partnerships have a very flat command structure, with many partners sharing in both the profits and the management of the firm. It is often difficult to gain approval or sign-off for certain initiatives because agreement has to be reached among a significant number of partners before proceeding.	<ul style="list-style-type: none"> Find out who has real influence, who the other partners trust on marketing, and get them on-side. Encourage partners to give responsibility to a single pro-marketing partner for approvals and sign-off.
Lawyers' time	Lawyers work long hours, are set demanding billable hour targets, and will often be working to a tight deadline for a client. In these circumstances, many lawyers will find it difficult to spend time on marketing initiatives or discussions.	<ul style="list-style-type: none"> Find out how solicitor colleagues like to communicate (eg via meetings / phone / email). Treat their secretaries with friendly respect – they are your key to getting appointments.
Fee-earning divide and marketing advisers	As fee-earners, many lawyers see marketing as a cost of questionable value that reduces their own earnings. Some lawyers will often have a cynical view of marketing and not appreciate the specialist skills that marketing advisers, or the marketing function, can bring to a law firm.	<ul style="list-style-type: none"> Be assertive and confident. Measure your success and equate this to new business gained (i.e. dollar return). Promote your successes.
Drafting and proofing	Lawyers are highly skilled in the drafting, proofing and editing of legal documents. Because of this, it is second nature to them to cover any draft of marketing materials in red-ink amendments. Many will often put greater emphasis on the technical meanings of words, rather than their marketing impact.	<ul style="list-style-type: none"> Don't take it personally – everyone has their own drafting style. Be confident in explaining why different phrasings might be beneficial. Where possible, limit the number of people required to comment on a draft.

Tips before you start

1. Focus on SMART objectives

Agree what you want to achieve, and then decide how to progress. The business development process starts with “we need to gain more work in other areas from existing corporate clients,” not “let’s advertise here”. All objectives should be specific, measurable, achievable, realistic and time-based (SMART).

2. Get the basics right – good client-care procedures

It costs much more to gain a new client than it does to retain an existing one, and clients are easily lost through simple mistakes in communications and basic client care. For that reason, all practices should look to implement basic but effective client care procedures.

3. Focus on people and relationships

Treat all your clients as valued individuals, not as cash machines. In a competitive industry, the appeal of your services and your firm relies as much on your personal skills as your legal skills.

4. Get everyone involved

Effective business development requires a wide range of skills. It is not all about wacky advertisement ideas or creativity, and different personalities may suit different tasks. Platform speaking, drafting newsletters, courting current and potential clients, pitching and networking all require different skills and may suit different personalities.

5. Keep everyone informed

Whatever marketing is done, a client’s impression of the firm will be heavily influenced by the last person they spoke to. Everyone should, therefore, be aware of the firm’s plans so a consistent, positive message can be sent.

6. More you, less we

Lawyers, quite unfairly, have a reputation of being arrogant, which is a negative for many potential clients. Wherever possible, try to think of a client’s requirements rather than your skills or experience, and phrase things in terms of benefits to the client.

7. Training and development

Do not be afraid of bruising egos. A wide range of business development skills can be improved through training, either through in-house training sessions or external courses.

8. Listen

Seek feedback from your clients, and make improvements accordingly.

9. Assess and learn

All business development initiatives should be assessed on completion and lessons learned. It is rare that something could not be done better next time.

10. Promote your successes

Gain influence and support for future marketing initiatives by demonstrating the value that effective business development adds.

2. Planning and budgeting

Marketing planning is important for a number of reasons:

- It allows you to gain approval for the majority of your marketing efforts throughout the year.
- It will create a visible plan, available to all appropriate contacts, of all of your marketing objectives, strategies and plans for the year.
- It will give you control and direction over all marketing activities for the year, allowing you to be proactive, rather than reacting to ad-hoc opportunities.
- It will provide a point of reference against which all new or potential marketing opportunities can be judged.

Marketing planning process

There are a number of facets to initiating the marketing process, taking your firm from generalised agreement to a strategic marketing plan.

Activity	Action
Agreeing the team	Agree who should be involved in the planning process, and what their responsibilities will be. Ideally, this should be a fairly limited number of people, since planning becomes cumbersome if too many are involved.
Researching and analysing	<ul style="list-style-type: none"> • Include a review of the following: <ul style="list-style-type: none"> • your current work, clients and sources <ul style="list-style-type: none"> – where does your current work come from? – how much comes from existing clients? – how much comes from referrals? Networking? Advertising? PR ? • effectiveness of current marketing activities • your skills, staff and services • your competitors • market trends, and • last year's marketing activities. <p>Research and analysis will be covered in more detail in another chapter.</p>
Setting objectives	<p>Identify objectives via:</p> <ul style="list-style-type: none"> • research and analysis • your firm's vision statement or business plan, and • partner meetings. <p>All objectives should be specific, measurable, achievable, realistic and time-based (SMART).</p>
Agreeing to strategy	Determine how the objectives are to be met
Agreeing to budget	Specify the costs of marketing activities
Developing the marketing plan	Develop the marketing plan. This should be the result of a planning process and should be made available to all relevant contacts.
Developing an action plan	Set out timings and responsibilities for marketing activities.
Monitoring results and return on investment	Decide at the outset how you will gauge success.

Components of a typical marketing plan (for a firm, office or practice group)

There are a number of different ways of formatting or presenting a marketing plan, but the following is a summary of the main parts of most marketing plans. See appendices for plans and templates.

Element of plan	Description
Analyses of current situation	<ul style="list-style-type: none"> • Where does your current work come from? • Consider your firm's strengths, weaknesses, opportunities, and threats. • What is your geographic breadth? • What products and services do you currently /plan to offer? • Who are your main competitors? • What is your gross fee income and how do you want this to grow?
Objectives	<ul style="list-style-type: none"> • Overriding objectives (between two and five) taken from a firm's vision or parent company's business plan.
Specific objectives	<ul style="list-style-type: none"> • In simple terms, what you want to achieve <ul style="list-style-type: none"> – Set specific objectives for your particular office or practice group that are consistent with the overriding objectives. – These should be specific, measurable, achievable, realistic and time-based (SMART).
Strategies	<ul style="list-style-type: none"> • How you are going to achieve your objectives? <ul style="list-style-type: none"> – This is the core of any marketing plan and needs to be quite focused. – Strategies should outline how you will meet each of the specific objectives you have agreed.
Action plans	<ul style="list-style-type: none"> • Should outline the main activities (tactics) arising from your stated strategies. • All tasks should be given time limits and team members assigned responsibility for achieving tasks.
Budgets	<ul style="list-style-type: none"> • Summarise the money allocated to each marketing activity or campaign.
Key messages	<ul style="list-style-type: none"> • In a nutshell, the three sentences you would use to describe your product /service /initiative. <ul style="list-style-type: none"> – Bolstered by supporting statements. – Used for consistent communication throughout your firm.

Some marketing plans may also include the following:

Element of plan	Description
Success measurement	<ul style="list-style-type: none"> • A summary of how you are going to measure the success of each stated objective.
Clients' information	<ul style="list-style-type: none"> • A summary of clients in different 'groupings'. <ul style="list-style-type: none"> – This could be further broken down into key clients, clients for development, referrers, targets or other target audiences. – Further information could be added such as contact partner, main client contact, and client-related billing information.
Separate key account or Client Relationship Management (CRM) plan	<ul style="list-style-type: none"> • Clients you can leverage for business development /marketing opportunities. <ul style="list-style-type: none"> – See chapter 12 on customer relationship management (CRM).
Separate media plan	<ul style="list-style-type: none"> • Target publications and proposed media releases /features. • Media release list and journalists' details. • Responsibilities for writing releases /articles. • Plans to meet or entertain journalists.
Events calendar	<ul style="list-style-type: none"> • List of events, seminars, conferences and client group activities.

Budgeting

Budgets are useful, not only for managing costs, but also for turning marketing objectives into something more tangible. The majority of marketing budgets are for 12 month periods, but the budgeting process should consider future requirements. Some initiatives will need to be sustained longer than a year to be effective, or require outlays for more than 12 months. Similarly, if your marketing plan covers more than a year, perhaps your budget should too.

The best time to start the budgeting process is towards the end of a financial year, when you will have a good idea of not only the firm's ability to meet objectives under existing budgets, but also an indication of the possible budget that might be available in the coming year. Marketing budgets can be set in a number of ways, or can consider a number of different factors or techniques. Usually, marketing budgets are decided through a mix of the following.

Objectives -based budgeting

This is the 'bottom-up' method, whereby the firm (either through senior management, different practice groups or through a marketing department) identify and cost the resources required to meet the objectives and fund the campaigns set out in the business or marketing plan. This has the key advantage of linking the budget directly to the marketing strategy.

What your firm can afford

The 'top-down' approach. All firms have cost pressures, so there will inevitably be an upper limit on how much a firm can spend on marketing. With limited funds available, marketing will often be in competition with competing areas such as the IT, facilities or training budgets, and those presenting the marketing case will need strong arguments and evidence of a return on investment for their budget bid to be successful. Firms should also be encouraged to question upper limits on marketing spend, as in a competitive industry, a more relevant question might be, "can we afford not to spend \$x on marketing".

Variation on previous year

The previous year's budget is often the most influential factor in setting marketing budgets, because it's seen as the obvious place to start, and roughly the 'right' amount. This may fluctuate depending on the previous year's spend, perceived or actual success and changes to products /services /initiatives as per the firm's business plan.

Share of fee income

In recent years, there has been a lot of research on how much law firms spend on marketing, and many firms will choose to spend a similar amount to equivalent firms. One international survey found that marketing overheads – as a percentage of total income – ranged from an average of 0.9 per cent for smaller firms to 2.4 per cent for the largest firms, so this should give you an idea of how much your firm might plan to spend.

Competitor-based budgeting

Many marketing budgets are decided on the basis of what competitors spend on marketing. If you are in close competition with other firms, and they have spent money on highly effective marketing campaigns, it is a tempting try and match them.

Internal politics and gaining support

When competing for limited resources, internal politics will always be an issue. It is therefore important that those advocating any increase in marketing spend can influence and gain support from a firm's key decision makers.

What should be included in a marketing budget?

There are a number of items that might or might not be included in a marketing or business development budget such as client hospitality, general stationery, postage, website development and maintenance, catering and the Christmas party. Although many people think it does not matter where such items are budgeted for, decisions on whether to include 'borderline' items that may be considered general corporate overheads such as the above can have a number of effects.

- Including borderline items leads to higher headline spend for marketing, and as such can lead to a questioning of the value of the marketing function.
- Whatever is placed in the marketing budget means that the marketing function will be seen to take ownership of these items. This might not only place an undue burden on the marketing department, it might also lead some people to question the value of the marketing function if its most expensive or high-profile initiative is the Christmas party.
- For effective planning and budgeting, spend needs to be controlled, so firms should seek to avoid allocating items to the marketing budget, that the marketing function is unable to control, for example, general stationery.
- The primary purpose of the marketing budget should be to meet the objectives and implement the initiatives outlined in the firm's business and marketing plans, and, as such, the marketing budget should avoid including borderline matters that form no part of the firm's marketing objectives.
- The marketing budget should aim to control all marketing spend, so it will often be worthwhile to include items such as corporate hospitality (as long as this can be controlled), and to focus people's minds on whether this is a better use of marketing funds than some other promotional initiatives.

Return on investment

“Half the money I spend on advertising is wasted; the trouble is I don't know which half,” said John Wanamaker, a 19th century US businessman.

Return on marketing investment is a challenging subject and one that has prompted a lot of discussion in recent years. It is particularly important in professional services organisations where the 'fee-earner divide' is evident and partners may query the investment in marketing.

Measuring marketing effectiveness and return on investment (ROI) has the following benefits:

- effective allocation of marketing resources
- improving a marketing departments' ability to compare different initiatives to see which are effective, and to foster continual improvement
- consideration of possible marketing initiatives by forcing people to ask “What are we going to get out of this?” and “How can we justify this?”, and
- demonstrating return and justifying continued marketing expenditure.

Measuring ROI, however, is notoriously difficult and marketing departments may struggle to provide the kind of measures that finance departments require.

What can be measured?

It would be great if marketing could claim absolute credit for every new client or new piece of work, but of course it is not that simple. What a marketing department can do is measure and promote its effectiveness in the various activities it undertakes in order to give its firm opportunity for new or additional work, such as:

- number of referrals
- pitch success rate
- number of short-listings
- number of invitations to tender received
- number of leads converted to meetings
- specific leads generated from activities, for example, response rates to direct marketing
- advertising response rates
- number of practice areas known to key clients
- client progress along the customer relationship management (CRM) arrow (see chapter 12)
- seminar and event attendance
- quantity and quality of media coverage, and
- number and seniority of contacts in clients and prospects.

Capturing data

Having identified certain measures, capturing the data to provide figures can also be problematic. Certain measures can be relatively simple to capture, such as the number of people attending seminars. Databases and IT tools might help with other information, such as the number of fee-earners known to a client. It is likely that some information will only be gathered through regular contact with fee-earners, or through practice team meetings. This will also require the support of the fee-earners to ensure that appropriate information is communicated, and vigilance from the marketing department. Once data is captured, it should be centrally stored and available to use at further planning and budgeting meetings.

A final word – don't overdo it

While planning, budgeting and measuring effectiveness are all important, these should not compromise a team's ability to actually implement its plan. It is possible for teams and individuals to get overburdened with planning and measurement, especially in a large complex organisation or when implementing a multi-faceted marketing plan.

Part of the planning process, therefore, should be the setting of a limit on how much time should be spent on planning and measurement compared to hands-on marketing.

3. Smaller practices

For the purposes of this chapter, it is assumed that smaller practices will be either a sole practitioner or a practice made up of five or less fee-earners. Smaller legal practices face a number of different challenges, compared to larger practices, when it comes to marketing and business development.

In spite of these difficulties, it must be remembered that business development is as important as it is for the larger firms. Work still needs to be generated and the business allowed to expand into the foreseeable future. Challenges faced by smaller practices include:

- **Greater reliance on you**
In larger firms, individual solicitors might expect that some work will roll in as a result of the marketing efforts of colleagues. If you have fewer colleagues or are a sole practitioner, you carry a greater responsibility for business development.
- **Limited money**
You are unlikely to have a large marketing budget and any money you do spend on marketing will have a bigger proportional effect on your profits.
- **Limited time**
You are forced to become something of an all-rounder, taking on some of the responsibilities that might be the role of a practice manager or specialist in larger firms. This in turn puts pressure on your ability to dedicate time to fee-earning and, as a result, business development rarely becomes a top priority.

Get the basics right

One comment that can often be heard from successful sole practitioners, consultants or people in similar roles is: "I don't need to do any marketing". This statement usually comes from their belief that they generate work from a loyal client base, strong reputation, good client care, and word-of-mouth referrals. This might be so, but that does not mean that they are not marketing, or developing their business, just that they do not define these things as marketing.

As has been emphasised elsewhere in this guide, getting the basics right is vital for business development – especially if it is difficult to dedicate time and money to the more tangible, obvious marketing activities such as literature and events. Below are some tactics for polishing up on the basics.

Tactic	What you can do
Client care	<ul style="list-style-type: none">• Gain an in-depth understanding of your client's concerns and reassure them on what you will be doing.• Ensure you give accurate cost and time information.• Communicate with your client and give regular updates.• Conduct customer satisfaction research -see how you are performing and identify areas for improvement.• Give personal service – many people will choose a smaller practice because they expect a more personal service. Make the most of this advantage.• See separate chapter on client care (chapter 12, page 65).
Quality of work	<ul style="list-style-type: none">• The better your work is, the more referrals and recommendations you can expect.
Efficient sales and conversion of leads	<ul style="list-style-type: none">• It is vital you maximise all opportunities that arise. A confident, structured approach to closing sales can often significantly raise your conversion rate.• This does not mean you have to be a pushy salesperson – see separate chapter on sales and sales management (chapter 9, page 40).

Managing limited resources

After working on the basics, you will have to decide how much marketing you want, or need, to do, how much time and money you can allocate to marketing, and in which activities you want to invest.

Considerations	Food for thought
How much marketing do I need to do?	<ul style="list-style-type: none"> • A good way to assess how much marketing you need to do is to analyse where your work comes from. Does it come from ongoing marketing initiatives? Existing clients? Referrals? Street custom? • What are your targets for new business for the coming year? Will these be met by existing levels of marketing?
What sort of marketing should I do?	<ul style="list-style-type: none"> • This will depend on your objectives, targets, client base and the success of any earlier marketing. • Always try to measure the success of your marketing campaigns, so you are better able to decide whether to repeat them. Even if you cannot calculate a \$/prospect figure, you should have a feeling for whether something was successful or not. • See below and the promotional mix chapter (chapter 8, page 35) for more information on what promotional methods could be considered. • Develop a brief marketing plan including specific, measurable, achievable, realistic and time-based (SMART) objectives and regularly check progress against this.
Who should I be marketing to?	<ul style="list-style-type: none"> • Define your target market: <ul style="list-style-type: none"> – Employers or employees? Local or national? Domestic or consumer? Specialised? • Unless you are going through a major business change, the most successful marketing campaigns normally target people as similar to an existing, proven client base as possible.
Budget	<ul style="list-style-type: none"> • It is vital you allocate an annual budget for marketing and give some structure to your marketing activities. If you do not do this, you will either never have money when you need it, spend it in an undisciplined, inefficient way, or simply never do any marketing. • Try to give yourself a monthly figure for marketing expenses (eg networking and entertaining), as well as an annual figure for campaign expenditure such as advertising. • Monitor your spending. If you are either overspending or underspending, you will have to make changes. • See chapter on planning and budgeting (chapter 2, page 9).
Managing your time	<ul style="list-style-type: none"> • Similar to budgeting of costs, you will have to put some time aside for marketing. • Again, there should be some weekly or monthly activities, and some that are either one-offs or regular. • If you do not do this, there might never be enough time for marketing. • Be realistic. Solicitors can suffer from feast and famine conditions – some weeks are busy fee-earning weeks while others are quiet. This is not ideal, but you should prepare: do not plan weekly marketing activities if you will be unable to fulfil them in two weeks out of three.

Marketing priorities for the smaller practice

There are many different types of smaller practice, and similarly a large number of marketing activities. Below are some hints that might help those practices that are short on time or money for business development.

Marketing activity	Description
Referrals and recommendations	<ul style="list-style-type: none"> • Try to maximise the potential number of people or organisations who recommend you or refer business to you. • Maintain excellent standards of client service. • Analyse where referrals come from and keep good relationships with referrers. • Target other people or organisations that might be in a position to refer work, including banks and building societies, accountants, estate agents, financial advisers, other legal firms (perhaps in other practice areas) and law centres. • Consider reciprocal arrangements with some of them to maximise referrals. • Before entering into any referral arrangements, check the Legal Profession (Solicitors) Rules 2007.
Networking	<ul style="list-style-type: none"> • Try to raise your profile in as many different social or business settings as possible, such as local business or charity groups, golf clubs, local professional groupings, church activities and trade meetings. • Follow-up. If you have met someone who has indicated some interest in your services, consider following up with a call or letter.
Advertising	<ul style="list-style-type: none"> • Consider whether your advertisements will stand out, and if not, question the merits of advertising in the same places as everyone else. • Ongoing advertising in permanent reference sources like directories will almost always be more effective than one-off advertising in newspapers and magazines that have a limited shelf-life. • Consider advertising where there is not so much competition, and where your ad will stand out more, such as regional business directories, trade journals and football programs. • Depending on your practice areas, there might be some directories or other places to advertise in. If this is the case, check the renewal dates in advance to ensure you don't miss your opportunity and try to be as creative as possible with your advertisements.
Media relations	<ul style="list-style-type: none"> • Does your local paper have a regular legal advice column? Even if they do, they might still be interested in other articles. • It is also worth contacting local business magazines, trade magazines, unions or trade associations to see if there are opportunities to speak or write an article. • Do not limit your scope: everyone has a newsletter now: clubs, charities, schools, churches – can you write something for them? • Always ensure you write on broad subject matter and include a disclaimer that content should not be taken for legal advice.

Marketing activity	Description
Get a website	<ul style="list-style-type: none"> • Although a website is unlikely to generate new leads by itself, people will often check it for more information if they have heard a name or seen an advertisement. Information on a website might reassure potential clients of your professionalism and increase the chances of them contacting you. • Websites are now very simple and relatively cheap to develop. • Ensure your website design is clean and professional and content is regularly updated.
Free advice	<ul style="list-style-type: none"> • Consider any initiatives that might help to get people through the door. Offering a free half-hour consultation can be very effective as it directly addresses people's fears about costs and cost information. • Offering some free advice to individuals, organisations or groups that might ultimately lead to work for local businesses, unions or community groups and others. • You could even set up a temporary 'office' at community events, offering free consultations.

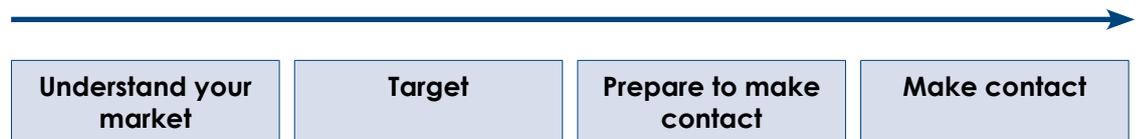
4. Creating new opportunities

Creating new opportunities through your existing contacts

Most practices generate the majority of their new opportunities through existing clients and contacts by cultivating referrals. All practices generate some referrals, but the number of these can be significantly increased if practices take a focused, systematic approach to client service and development, and the active cultivation of relationships.

While it would be wrong to suggest that this does not involve time and effort, the generation of referrals through existing clients and contacts is the most cost-effective way of creating new opportunities.

As with many other aspects of marketing and development, the key to developing leads and opportunities lies in a simple process:



Understand your market	<ul style="list-style-type: none"> • What is your market? • How is your market segmented? • Which segments are attractive in terms of potential growth, profitability and competition? • What social, economic, political or technological facts affect your market? • What issues are involved in buying legal services for each segment?
Target	<ul style="list-style-type: none"> • Where is your niche? • Are there gaps in the market? • Where is your expertise / experience? • Match your strengths to the needs of different segments. • Get specific and detail target sectors, companies, departments, locations and individuals.
Prepare to make contact	<ul style="list-style-type: none"> • Do your homework in relation to issues, companies and individuals. • Be professional – this includes your appearance and attitude, your office, staff department and your service offering and outputs. • What do you do? Prepare three key messages about how you can help people. • Develop your skills – sales, speaking, writing, networking, writing. • What contacts do you have in your chosen segment? • Who are the key decision makers? • What events do they go to? • What publications do they read?

Make contact

- Use existing contacts first – for work, for referrals, for information.
- Target key referrers such as professionals, unions, insurers or financiers.
- Meet people through networking – industry events, conferences, charity work and school or church activities.
- Write articles or advertise in target publications.
- Speak at industry events.

And lastly, keep at it. Creating new opportunities requires long-term effort, so do not give up if your efforts don't immediately bring new instructions. It takes time to raise your profile, so a steady, sustainable approach is best. Plan how much time and money you can commit to generating new opportunities and follow through on your plan.

5. Referrals

Why referrals?

What percentage of your new clients comes to you from referrals?

For most mature practices, the percentage is very high: some research studies show that 70-80 per cent of clients choose their professional advisors primarily on the basis of a recommendation or referral.

Generating opportunities through referrals and recommendations has obvious benefits:

- Marketing costs are reduced (although this does not mean that referrals can be generated without time or effort)
- Increased credibility and trust – the fact that someone has recommended you means the client already has more confidence in you than if they were contacting you cold. This has benefits in terms of:
 - increasing your chances of converting the opportunity into an instruction
 - reducing the time and effort needed to convert the opportunity, and
 - increasing the level of trust, confidence and openness throughout the matter, making prospects more receptive to you.
- Referrals also give you an opportunity to help a referrer – if the relationship works you help to reinforce the trust a client has in a referrer. Referrals that work well can be a win /win /win for everyone.
- Referrals are easy to track, so you know how you are doing and when you need to increase your efforts.

Referrals and recommendations can be generated from a number of different sources, but to help you focus on increasing your referrals, it helps to split sources into two areas:

- reciprocal institutional /practice referral arrangements, and
- personal fee-earner referrals.

Reciprocal institutional / Practice referral arrangements

Depending on your area of practice, a high number (again up to 80 per cent) of your referrals or recommendations will come from another professional or from a recognised organisation, such as Queensland Law Society.

While many practices recognise this, they often fail to take the necessary actions to protect and develop mutually beneficial (reciprocal) relationships with key institutional referrers, with the result that the relationship eventually ceases, as do the referrals. Below are some tips for maximising the effectiveness of a reciprocal organisational referral arrangement.

Pick your partners carefully

- You will not be able to establish formal referral agreements with many other organisations: one partner keeps it simple and three should be your maximum – more than that and you will not have enough time or focus to manage the relationship.
- What type of organisation will give you the most referrals? This will depend on your main practice area, but common candidates are professional associations, accountants, financial advisors, other solicitors, insurers and unions.
- Consider all possibilities. Do not limit your options to people or organisations you already know. If there is an organisation you believe could be a good partner for you, approach them, get to know them, and ask them if they would be open to discussing a mutually beneficial referral arrangement.

- Are they a good choice of partner:
 - do you have similar or complementary client bases?
 - do they look after their clients?
 - would you be happy to refer your clients to them?
 - will you be able to develop good individual relationships with their people?
 - do they have a similar culture to your organisation?
 - can you trust them to keep their side of the deal?

Formalise the relationship

- Once you believe you have identified a good potential referral partner, ask them if they would be willing to discuss setting up a more formal arrangement and arrange a meeting.
- Discuss how the arrangement might work, including:
 - realistic expectations of the number of referrals or recommendations that can be generated by each side a month
 - the nature of these referrals: the passing on of information to a client (at all times? at appropriate times?) and the passing of client contact information to the other organisation (with consent)
 - expected actions by each side
 - training and support to be provided by each side for the other, and
 - the need for client disclosure as to the nature of the referral arrangement.
- If, and only if, a broad agreement can be found on the above, move towards some sort of formal agreement such as a memorandum of understanding. Even if the agreement is only for a trial period, without a formal plan and a signature behind it, arrangements are unlikely to be successful.

Train and support your referral partners

- You cannot expect your partners to confidently refer clients to you if they do not understand you and your business.
- Arrange training for all individuals within the partner organisation and provide them with support information / documentation, so they can confidently talk to their clients about how you can help them, and answer any questions their clients might have.
- Provide update training on a regular basis – including when you are introducing any new people or services to your practice.

Do the follow-up marketing to their clients

- You cannot expect your referral partner to do all the marketing work for you.
 - Ensure the referral partner has enough of your literature.
 - Seek further information as required from the referrer contact.
 - Promptly follow-up on any opportunities.

Keep your side of the bargain

- Do not expect a free ride. Referral relationships work best when there is a genuine reciprocal benefit for both partners.
- If you fail to generate opportunities for your partners, their commitment to referring clients to you will fall, and the relationship will implode.
- Make sure you monitor your own actions and keep to your side of the bargain. Develop measures of your activity and communicate this to your referral partners.

Consider joint marketing initiatives

If the relationship is going well, and you are both actively seeking opportunities from the same client types, consider joint marketing campaigns that can save costs and maximise opportunities.

Regularly review the relationship

Establish regular meetings to review referral activity, and discuss how the relationship can be maintained and developed.

Personal referrals

In addition to practice referral arrangements, all fee-earners should be encouraged to cultivate their own network of potential referrers. Here are some tips to maximise individual referrals.

Excellent client service

- The first step to generating referrals is providing excellent client service.
- Aim to exceed client expectations in all your matters.
- See the chapter on client service (chapter 13, page 69) for more information.

What do you do?

- Referrals can often come from the most unlikely of sources – people you know socially who you do not expect business referrals from, but who know what you do, and who can tell others.
- Have a simple key message, preferably memorable, that you can tell people about what you do.
 - E.g. I help take the pain out of property deals / I help small business handle the compliance burden.
- This is different from your job title. Don't say "I'm a property lawyer" – tell people how you can help them.

Build a database

- Make lists of potential referrers, whether these are existing clients, past clients, business contacts, family friends or others.
- 'A' referrers:
 - big fans of yours who have referred people in the past and who you could potentially expect many more referrals from
 - limit the numbers: 10? 20? You will need to pay these people some attention by keeping in regular contact.
 - 'B' referrers (or possibly 'C' referrers as well):
 - people who might be willing to refer you in the right circumstances, if you keep in touch
 - only include people who you know, who know you and who respect your business.

Stay in touch and remind people of what you do

- Your aim should be to ensure that your contacts think of you and recommend you when they meet somebody that could potentially use your services.
- Regular personalised contact with your 'A' referrers
 - coffee catch-ups, phone calls, personalised notes or emails
 - discuss your recent work / how you helped people.
- Consistent but less regular or personalised contact with 'B' referrers
 - newsletters or group emails.
- Develop a monthly plan of meetings, calls, newsletters and emails to 'stay in front of' potential referrers.

Give to get

- Many referrals are reciprocal.
- Think of ways that you can help somebody else – through a referral, an introduction, a business suggestion or similar.
- The more you help others, the more they will be willing to refer work back to you.

Mention you are a referrals-based business

- Mentioning that you get most of your business from referrals acts to subtly suggest the possibility that contacts could refer more people to you.
- It also suggests to both potential clients and potential referrers that you must be good at what you do – and gives people some reassurance that they would be safe in referring others to you.
- Consider mentioning that you are a referrals-based business in your communications and marketing: your brochures, newsletters, website, and business cards – even your stationery.

Identify referrals

- Make sure you identify when somebody has been referred to you.
- Ask the question, “How did you hear of us?” or “Why have you chosen to come to us?” in an initial interview, in a form, or when gathering initial contact information.
- This information is vital to determine how many referrals you are generating, and so that you can thank the referrer.

Thank referrers and keep in touch

- Thanking referrers will generate more referrals.
- Develop systematic arrangements for thanking referrers – whether by a phone call, personalised note, or small gift.
- A referral conveys significant trust on the part of the referrer: if a client is unhappy with your service after a referral, it reflects badly on the referrer. For this reason, stay in touch with the referrer and let them know how the relationship is going.

Respond to positive feedback

- Seeking client feedback is vital for a number of reasons (see chapter on client care).
- If you receive favourable comments from one of your clients, thank them for their comments, and ask them to pass on their feedback to others who they think could benefit from your services.
- Emphasise how important referrals are to your business.

Asking for referrals

- Most referrals and recommendations work best when they are unforced and in response to the needs of others – when the referrer recognises someone's need for advice and is happy to recommend you.
- Asking minor clients to proactively tell all their contacts about you can be seen as a bit pushy, and can harm your relationship with a client or potential referrer.
- If, however, you have a very strong relationship with someone who has referred others to you, and you know of a specific client you are confident you could help, it might be appropriate to ask for a referral.

- If you do ask for a referral:
 - ask at a relaxed moment, when the relationship is very strong
 - thank them for their business and any past referrals, and emphasise how important referrals are to you
 - ask if you can ask them for a favour (this sets the scene and essentially gives you permission to ask for a referral)
 - tell them what referral or referrals could specifically help your business, and ask if they could help (by recommending you or in some circumstances, even introducing you).
- Only ask for referrals once.

Referrals, payment, disclosure and professional rules

One of the reasons some practitioners are cautious about cultivating referrals are the professional rules that govern referrals and referral fees.

The Legal Profession (Solicitors) Rules 2007 state the following:

- 32 Referral fees – taking unfair advantage of potential clients – commissions
 - 32.1 In the conduct or promotion of a solicitor's practice, the solicitor must not:
 - 32.1.1 accept a retainer to provide legal services to a person, who has been introduced or referred to the solicitor by a third party to whom the solicitor has given or offered to provide a fee, benefit or reward for the referral of clients or potential clients, unless the solicitor has first disclosed to the person referred the solicitor's arrangement with the third party; or
 - 32.1.2 seek a retainer for the provision of legal services in a manner likely to oppress or harass a person who, by reason of some recent trauma or injury, or other circumstances, is, or might reasonably be expected to be, at a significant disadvantage in dealing with the solicitor at the time when the retainer is sought.
 - 32.2 A solicitor must not act for a client in any dealing with a third party from whom the solicitor may receive, directly or indirectly, any fee, benefit or reward in respect of that dealing unless:
 - 32.2.1 the solicitor is able to advise and, in fact, advises the client free of any constraint or influence which might be imposed on the solicitor by the third party;
 - 32.2.2 the solicitor's advice is fair and free of any bias caused by the solicitor's relationship with the third party; and
 - 32.2.3 the nature and value of any fee, benefit, or reward, which may be received by the solicitor, are:
 - (a) fair and reasonable, having regard to objective commercial standards; and
 - (b) are disclosed fully in writing to the client before the dealing is commenced.

6. Networking

Networking is one of the most valuable skills and activities for both senior and junior solicitors, but many feel uncomfortable with it – often because they believe networking requires natural people skills that they do not possess, or alternatively because they feel awkward, embarrassed or transparently ‘salesy’ and pushy.

Effective networking is simply a process or a series of steps that can be learned and followed. Although some people might appear ‘natural’ networkers (relaxed and sociable in meeting new people), introverts are often actually more effective in networking. Confidence can quickly be built up by both learning the key steps in the process and by gaining experience. A key thing to remember is that, while networking might sometimes feel unnatural or like hard work, everyone is in the same boat, and simply recognising this can help prevent feelings of self-consciousness.

At its simplest, networking can be broken down to a simple three-stage process: prepare; engage; and follow-up, which the table below expands on.

Prepare	Engage	Follow-up
<ul style="list-style-type: none"> • Check the event • Target individuals • Prepare conversation • Give to get. 	<ul style="list-style-type: none"> • Target your targets • Engage • Develop rapport • Talk business • Low commitment follow-up • Make notes. 	<ul style="list-style-type: none"> • Keep commitments • Record data • Research • Follow-up the follow-up.

Prepare	
Check the event	<ul style="list-style-type: none"> • Will you benefit from attending the event?
Target individuals	<ul style="list-style-type: none"> • Who else is attending? • Who do you want to meet? • What are your objectives for each of your targets? • Can introductions be arranged from people you know who are also attending?
Prepare your conversation	<ul style="list-style-type: none"> • Do not be lost for words. Prepare different conversation elements, so you are ready to use them, eg <ul style="list-style-type: none"> – who you are and what you do. “Hi, I’m X from Aus Lease Law, and I specialise in leasing commercial property” – joining a group and making positive comments about the event or host – meeting a target, “I was hoping to meet you so I could ask...” – interesting questions.
Have some ‘give to gets’ ready	<ul style="list-style-type: none"> • Think of something you could give to others, or some way you can help others as a way of building a relationship and trust. This could be offering to send an article or introducing someone to somebody else. By ‘paying it forward’ like this, you create goodwill that you can draw on as required.

Engage	
Target your targets	<ul style="list-style-type: none"> • Are any of your targets there and approachable? • Can anyone introduce you to one of your targets? • Go to people who don't know you: talking to people you already know will not increase your circle of contacts. • Are there any singles you want to talk to? Pick peers rather than people who are noticeably more senior or junior to you – these are the people you are most likely to develop mutually beneficial relationships with. • In approaching a group, pick one that is likely to be welcoming to newcomers: <ul style="list-style-type: none"> – group is in relaxed rather than intense conversation – with groups of 3 or more, you are less likely to interrupt private or personal conversations.
Engage	<ul style="list-style-type: none"> • Individuals: be confident and ready with a smile and an opening line – direct /casual /superficial – whatever the circumstances suit. • Groups: go to the fringes of the group, smile and listen silently until you have the opportunity to contribute and introduce yourself.
Say who you are and what you do (briefly)	<ul style="list-style-type: none"> • Have a key message that describes what you do (not merely your job title). Consider finding a line that says how you help people. Keep it brief and leave people to ask follow-up questions only if they are genuinely interested.
Develop rapport	<ul style="list-style-type: none"> • Listen. • Ask interesting questions. • Be focused on who you're speaking to. • Find areas of common interest. • Get people talking about themselves. • Be positive and memorable.
Talk business	<ul style="list-style-type: none"> • Find out what other people do, and move the conversation to business matters. • Hand over your business card and obtain theirs.
Give to get / Ask for a low-commitment follow-up	<ul style="list-style-type: none"> • Giving is a great way to develop a new relationship. Offering to introduce someone to someone else, or send useful articles or contact details provides a reason to get their details and stay in contact. Asking for a meeting or appointment on the basis of a brief chat can be seen as too pushy – asking if you can stay in touch so as you can help someone is much more effective.
Notes	<ul style="list-style-type: none"> • If you have had a good conversation with someone, when the conversation ends, retire to a lobby or washroom and subtly make some brief notes. Without notes, you will often forget what was discussed, and miss the opportunity to benefit from the meeting.
Follow-up	
Keep commitments	<ul style="list-style-type: none"> • Action anything you promised to do – eg sending the article or arranging the introduction. Do not delay, or else it might be difficult to make the most of the opportunity. • Do not neglect to keep your commitments, as it will harm your reputation.
Record the data	<ul style="list-style-type: none"> • Enter information in a database of contacts with any appropriate notes.

Follow-up continued	
Research	<ul style="list-style-type: none"> Do some light research on anyone you met (eg check their website). Do they have the potential to be a useful contact?
Follow-up the follow-up	<ul style="list-style-type: none"> Ten days after the event, if you have helped someone, or have earned enough goodwill, ask for a slightly higher commitment, such as a brief coffee. You should still be aware of not being too pushy – don't ask for a formal meeting or lunch date if you have not earned it. If someone has helped you, send a thank you note. This makes it more likely that they will help you again.

Hints and tips

Hunt in packs

- Networking is more effective if done in pairs or groups. This means you are rarely isolated or distant and makes it easier to join other groups.
- By complementing each other, you can promote each other without appearing to brag. You can also use the introduction of your colleague as a way to move onto other people.

Beware of food or alcohol

- Watch what and how you eat that you don't appear inelegant.
- Limit your alcohol intake – if you drink too much you might miss opportunities, forget useful information or even embarrass yourself.

Be brief

- Be wary of boring others, imposing yourself or taking up too much of their time.
- Make contact, establish a rapport, exchange information and move on.

Advice

- Don't give advice unless someone specifically asks for it – it risks offending.

Don't brag

- Do not be too pushy or 'salesy'.
- Do not brag, or be too obvious in promoting your strengths.

Avoid being overt in asking for or offering of business cards

- Either asking for a business card or offering your own unnecessarily can be seen as coarse.
- Wait until someone asks for your card, or you have a valid reason to ask to exchange cards.
- If you remember their details, and you are memorable, you can always look them up on the internet.

The above should help to improve your networking effectiveness, but you should not expect to generate immediate leads or instructions out of it. Networking is a long-term initiative – you might not see an immediate benefit, but if you go to the right sort of events regularly, you might later be surprised at the opportunities you have created. Taking a long-term view of networking also helps to take the pressure off so you can relax.

Networking and social connections

Most of the above discussion is focussed on business networking, but do not neglect the opportunities offered by social networking. Social bonds are usually stronger than business connections and people will often recommend a friend, a friend of a friend or even a casual social acquaintance.

7. Branding, reputation and positioning

What is a brand?

All lawyers have personalities – a collection of qualities and traits, of character or behaviours that are peculiar to a specific person. Similarly, legal firms will have their own collection of qualities and character traits, and the organisation's perceived brand is the consolidation of a firm's traits, and the projection of these to the outside world.

Ambler and Styles (1997)¹ define brands as “the promise of a bundle of attributes that someone buys... the attributes may be real or illusory, rational or emotional, tangible or invisible.”

A brand is, therefore, much more than a visual or tangible identity – and its successful projection is not reliant on a big advertising budget. On the contrary, in organisations such as law firms, “living the brand” can be more important than promoting the brand as clients and potential clients will be much more influenced by their actual or anticipated experience of you than by what you tell them.

Why is a brand important?

A brand is important as it differentiates a firm from its competitors and gives clients and potential clients a reason to prefer one firm to another. It achieves this through the reinforcement and projection of a consistent set of internal and external values.

The legal services market has seen a significant increase in competition in recent years. If you do not differentiate, the legal services you offer might be viewed as a commodity, and you will only be able to compete on price.

Brand values can also act as a frame of reference for all employees to assess the worth of new or continuing initiatives, and can have benefits for morale, staff motivation and recruitment.

A strong brand:

- is a promise of consistency, which is reassuring to clients
- is a valuable asset and a sustainable selling proposition
- breeds client loyalty, and
- offers a margin for premium pricing.

Successful brand building involves:

- a sense of urgency to use the product or service
- commitment, agreement and consensus from all staff
- a focus on internal values as much as external promotion
- embedding the agreed brand values into your practice's culture
- external and internal reinforcement, and
- continual monitoring and evaluation.

¹: Ambler, T. and Styles, C., 1997, Brand development versus new product development: toward a process model of extension decisions, *Brand Management*, 6(4)

Brand building

Identifying and building a brand can be a long and demanding process. The main steps are outlined below.

Step 1	Gain support and commitment	Brand building can be a long process, so it is important to gain support and commitment from colleagues before you start.
Step 2	Plan project	Plan the main stages your organisation needs to take, with clear objectives and timeframes.
Step 3	Research	Undertake research with clients, business partners and staff to identify your brand attributes.
Step 4	Define brand values	<p>From the research and discussions you have undertaken, you should aim to identify a limited number (two to five) of brand values that are:</p> <ul style="list-style-type: none"> • distinctive • a perceived strength for your firm, compared to your competitors • easily understood by everyone • easily applied to actions and projects • easily translated into key messages for promotion • important to your clients • consistent throughout your firm, and • able to be promoted with confidence. <p>Some examples of brand values from different organisations include the following:</p> <ul style="list-style-type: none"> • respect, integrity, service • commercial, fun, impact, innovative, and • salience, personality, presence, intensity and consistency.
Step 5	Test brand values	Test the agreed brand values with a few selected clients or staff to check they are consistent with their perceptions.
Step 6	"Do" and "say"	<p>Brands are judged on what they do, not just what they say. This is particularly true in professional services. It is important that you manage the brand process so that the "do" and the "say" of branding are consistent with each other.</p> <ul style="list-style-type: none"> • Do: brand experience /relationships /internal communication /recruitment /training /work practices. • Say: advertising /visual identity /media relations /publications /events.
Step 7	Manage brand ("do")	Reinforce your brand through people's experience with your firm. See "managing the brand" below.
Step 8	Promote brand ("say")	Reinforce your brand verbally and visually. See "promoting the brand" below.
Step 9	Review and develop	Integrating the brand values into your firm's work practices and promotional materials is only the start of the process. A practice should continually seek feedback from clients and other sources to check that perception is the same as the reality and the intention.

What's our brand?

Defining your own brand can be difficult, as professional services firms can seem notoriously homogenous. What is different about your firm? Here are some possible differentiating factors you might want to consider when identifying your firm's brand attributes.

- current client list and target market
- size of team
- experience of lawyers
- internal culture
- attitudinal factors (friendliness / approachability / dynamism / ambition of staff)
- aggressive negotiation skills
- low gearing / involvement of partners
- accessibility to clients
- online and IT capabilities
- international links or capabilities
- innovation
- industry sector groupings
- local knowledge
- speed of service
- specialist knowledge / experience
- breadth of services
- commercial expertise
- free added services
- tradition
- modern, service-led approach
- price / value for money
- flexible approach to billing

There are a number of ways to start identifying what the differentiating factors of a firm or practice group are compared to your competitors, such as:

- internal discussions
- client satisfaction surveys and other feedback
- specific research with clients and business partners
- legal media and directories, or
- using research agencies or branding consultants.

For a sole practitioner, identifying the brand is easy – it's you! Pick out your best attributes, plan where you want to take your business and promote your practice.

Quickest, cheapest, best

Three of the most important factors for clients in deciding on professional advisors are speed, price and quality. Marketing wisdom suggests you can be the best, the cheapest or the quickest, but not all three: two is the most you can aim for.

Think about your practice's positioning in terms of these three factors and how this affects your marketing.

Managing the brand

Living the brand is as important, if not more so, than promotion, as clients and potential clients will be much more influenced by their actual or anticipated experience of you than by what you tell them. Once you have agreed the main brand attributes for your firm, you therefore have to ensure that everything you do is consistent with these attributes and values. This involves a number of activities.

Activity	Task
Get buy-in from everyone	<ul style="list-style-type: none"> Managing a brand requires consistency, and that will not be possible unless everyone accepts the brand values and the importance of applying them.
Communicate brand values to all staff and organise training	<ul style="list-style-type: none"> Once the brand values have been agreed to, they should be communicated to all staff with an explanation of what the brand values are meant to convey. Training could be organised so all staff understand the brand values and how these could be applied to projects and their daily tasks. Challenge people to think differently so they do things differently. Promote the brand values in various places such as on a screensaver, on the intranet, on internal stationery or on communication material distributed to all staff.
Consider brand values when recruiting and promoting	<ul style="list-style-type: none"> Your staff are the embodiment of the brand, so you should consider the brand values when recruiting people or promoting them.
Include brand values in induction talks	<ul style="list-style-type: none"> Explain the brand values and what they are meant to convey.
Senior level discussion	<ul style="list-style-type: none"> The success of introducing the brand values into your practice's activities should be discussed at all levels, including partner meetings.
Continue promotion of brand values	Keep promoting brand values by: <ul style="list-style-type: none"> discussion in your internal newsletter having "brand champions" or recognising the person or project that best embodies the brand values.
Continue monitoring client opinions	<ul style="list-style-type: none"> Undertake regular research with clients to check if their perceptions of your practice are consistent with the brand values.

Promoting the brand

Activity	Task
Agree to and use key messages	<ul style="list-style-type: none">• Agree to three key messages, consistent with the brand values, which can be used in communication across the organisation eg advertising, brochures, web copy, media releases, client care letters and pitch texts, and client discussions.• Agree tailored messages for different practice groups as necessary that are consistent with the brand values.
Create a visual identity that reflects brand	<ul style="list-style-type: none">• The content, look and feel of your publications and website should reflect your brand values.• Create and implement "house style" when formatting all materials.• Visual identity goes beyond marketing materials and includes the look of your offices and the way your staff dress.
Make events brand-consistent	<ul style="list-style-type: none">• Reflect brand values in choice of venue, topics and speakers.
Measure success of brand promotion	<ul style="list-style-type: none">• Undertake regular client satisfaction research and check if your brand values are confirmed by their comments.• Analyse media coverage to check if brand values are confirmed in content.• Organise internal discussions to check your lawyers and staff are still confident in living and promoting the brand values.

8. The promotional mix

Promotion is the most obvious constituent of marketing, and includes the use of tools and techniques such as advertising, events and publications to raise the profile of your firm and communicate key messages to targeted audiences.

As with other forms of marketing, the key to success lies in linking the activity to the practice's strategic objectives. There are a number of possible marketing objectives and a number of promotional tools, and practices should be confident they are using the right promotional tool to meet their objectives.

Before spending any money on promotions, a firm should decide what it wants to achieve and what its objectives are.

Different promotional activities will work in different ways to meet different objectives, and this mix will be different for each firm. For this reason, you will need to assess what works and what does not work for your firm. As you gather experience, it may help you to develop a matrix similar to the one below.

Example promotional mix matrix

	Promotion	Selling	Relationship management
Advertising	Occasionally effective	Effective	Minimal benefits
Brochures /leaflets	Effective	Occasionally effective	Minimal benefits
Client entertaining	Has benefits, but there are more effective tools	Can be effective if managed well	Effective
Direct mail letters	Effective, if well targeted	Effective, if well targeted	Occasionally effective
Internet	Effective, if well targeted	Effective, if well targeted	Effective, if well targeted
Media relations	Effective	Occasionally effective	Occasionally effective
Multimedia	Effective, if well targeted	Good in some pitches	Effective, if well targeted
Networking	Effective	Minimal benefits	Effective
Referrals and recommendations	Effective	Effective	Effective
Newsletters	Effective, if well targeted	Effective, if well targeted	Effective
Seminars	Has benefits, but there are more effective tools	Has benefits, but there are more effective tools	Effective
Sponsorship	Effective	Effective, if well targeted	Effective, if well targeted

There is a wealth of information available on the following promotional tools and options, but below are a few tips to help you get started.

Advertising

When to use

- To raise the firm's profile within a particular target market.
- To communicate specific branding or positioning messages.
- To raise awareness of something new (a new service, new partner, new practice group, successful deal, or merger).
- To generate leads and new opportunities.

Hints and tips

- Try to make any advertising as targeted as possible, as untargeted advertising is can be bad value for money.
- In most cases, advertising tends to be more useful for domestic and small business clients rather than big business. This is because the bigger the organisation, the more sophisticated their knowledge of potential legal advisers is, or procurement procedures are. Big business is more likely to respond to a tailored approach.
- Research shows repeated advertising to be more effective than "one-offs".
- Try to plan a structured campaign, rather than reacting to occasional offers.
- Find out when your target media are running relevant features.

Brochures and leaflets

When to use

- As a summary of services for clients and intermediaries.
- For a specific promotion.
- To build more detailed understanding of a product or service.

Hints and tips

- Decide how long you want to use the brochure – plan and budget accordingly.
- Do not include information that will quickly date the brochure, such as deal lists or team profiles.
- Maintain a consistent style – try to limit the number of people involved in drafting.
- Always get someone to proofread the final draft – preferably someone who was not involved in the drafting.
- Include a pocket for up-to-date inserts, such as deal lists or profiles.
- Don't rely too much on brochures for group-specific communication. When it is possible to prepare them, tailored documents are likely to be more effective.

Client entertaining

When to use

- To introduce colleagues to clients and meet the clients of colleagues.
- To say thanks to a major client, or meet more people on their team.
- To celebrate a big deal – and talk about the next one.

Hints and tips

- Find out what your major or most important clients like (sport, culture, food, drink) and find an event to suit. Try not to pick an event without first thinking whether this suits.
- Be careful of bulk-buying and season tickets – empty seats are of questionable value.
- Watch the ratios. Try to make sure these do not go above two guests to one host.

Direct mail letters via post or email

When to use

- To convey specific news and information.
- To generate responses, for example, registration for seminars.
- To remind potential clients and referrers of your services.

Hints and tips

- Best used when a targeted audience can be identified.
- Personalise letters wherever possible – it can make a big difference to response rates.
- Avoid excessive use or your firm might get a reputation for junk mail. Coordinate the campaigns from different departments so clients are not bombarded with your marketing material.

The internet

When to use

- As an information and reference resource for your clients.
- To advise existing customers of news and events.
- To promote new services to existing customers.
- To communicate key messages about your firm.

Hints and tips

- Make your site dynamic by ensuring regular updates and new information – this gives people a reason to come back to your site.

Media relations and publications

When to use

- To raise the firms' credibility with both new and potential clients.
- To remind clients and potential clients of the firm's expertise.
- To generate new leads.
- To communicate specific branding or positioning messages.

Hints and tips

- Good media relations are built on positive long-term relationships. Target media and journalists should be contacted on a regular basis, or they may not be interested on the occasions you want their help.
- Be careful of anything you say that might be used negatively. A negative angle might be more newsworthy than a positive one.
- Do not be dishonest or misleading. Journalists often talk to a number of people, and the facts will come out.

- Be aware of journalistic rivalry. Many journalists and media are very competitive and may not take kindly to you consistently favouring a competitor with news.
- Media relations can be complicated. Get training for those who talk to the media regularly.
- Do not limit yourself to traditional media. Everyone has a newsletter or a website now. Could you write something for a local community or niche industry publication? Or perhaps you could consider using social media – blogging is becoming a powerful way to interact with others.

Multimedia

When to use

- As an alternative to a brochure.
- Where more interactivity or better design would be beneficial.
- To demonstrate your modernity or technological flair.

Hints and tips

- This is a fast-moving area. Ensure you keep up with technology and the applications you choose are user-friendly.

Networking

When to use

- To raise your profile among a specific target audience.
- To send the message that you are active in certain disciplines or sectors.
- To make new contacts and generate leads.
- To meet and talk to existing clients.
- To introduce a colleague to existing clients.

Hints and tips

- Try to find out who is going to the event in advance and have a hit list of who you want to talk to.
- Do not be shy to introduce yourself. Business people expect it.
- Do not hard-sell, but if you are talking to a promising contact, try to say something memorable.
- Give to get. (See chapter 6 (page 26) on networking)
- Immediately after the event, make notes of who you spoke to and what they might be interested in.
- In the following days, have a discussion with any colleagues who also attended the event, and plan the best way to make the most of the contacts you made.

Newsletters

When to use

- To maintain contact with existing clients.
- To demonstrate added value beyond chargeable work.
- To advise of any changes in the law.
- To promote new services.
- As a selling tool for non-clients.

Hints and tips

- Get the mailing list right.
- Stick to a consistent house-style in keeping with your brand.
- Make them stand out. Many law firms do newsletters, so yours has to be more eye-catching or interesting than the others.

Seminars

When to use

- To demonstrate expertise in a particular area.
- To promote particular services.
- To maintain contact with clients / contacts and demonstrate added value (on top of charged legal work).
- To introduce colleagues to clients and meet the clients of colleagues.

Hints and tips

- Focus on objectives – what do you want to get out of this seminar?
- Always include drinks or opportunities for networking.
- Get all your team along to network. If all your clients come and your team is not there to talk to them, it's a wasted opportunity.

Sponsorship (ingoing / outgoing)

When to use

- To associate your practice with a particular event, publication, sector or discipline.
- To introduce your target market to a worthwhile organisation, reinforce your values or show an interest in your target market's interest.
- To raise your firm's profile generally.

Hints and tips

- Success depends on what is included in the sponsorship package – e.g. the chance to speak, contribute or distribute literature, mailing list etc.
- Leverage opportunities for cross-promotion.
- Ask the following questions:
 - what is the profile of the audience (are they your target market)?
 - how big is the audience?
 - who are the other sponsors?
 - any feedback from a previous event (delegates / sponsors)?
- Do not sponsor an event / publication if it's already sponsored by a competing law firm – you will not stand out, and will only be one of many law firms.

9. Sales and sales management

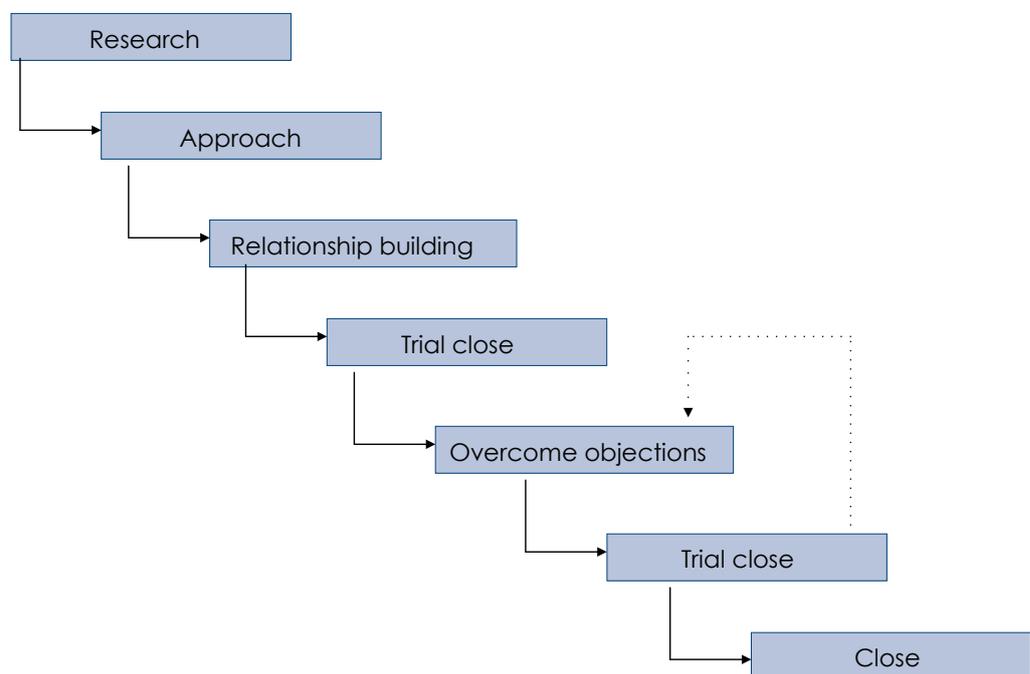
Lawyers now accept that the days when you could sit back and work would just roll in, are gone. Many have spent a difficult 20 years coming to terms with the concept of marketing. However, many still shy away from discussions about sales or sales management. To some, it sounds unethical, beneath them, or unprofessional. Pushing themselves forward and telling people how good you are does not come naturally to some. Other factors that also deter solicitors from embracing sales include a fear of failure and a lack of organisational support through training, recognition and reward, or coordination.

But there is some good news – a successful 'sale' is most reliant on understanding your prospect (and their business), gaining their trust and building rapport. Effective sales relies on listening rather than talking, asking questions rather than giving answers. Techniques will vary, but many are relevant across the board, and can be easily learnt and applied, whether you expect to make a sale in two minutes or two years.

The selling process

Selling is a process. Sometimes you only have one or two opportunities to close a sale, but for major contracts with large commercial organisations, there may be seven or more different contacts with a prospect before a sale is completed.

The process can consist of a number of distinct phases, starting at the point where you have just met or identified a contact. To make a sale, you might also have to go through a similar process a number of times with different contacts in the same organisation, before you get an instruction. The model outlined below is just one of many sales models, but it aims to include all the main issues.



Research

It is important to research prospects for two reasons:

- to establish if they are worth developing as a prospect
- to identify a hook, reason, issue, excuse or something that you could talk to them about to explain why you are contacting them.

Not all contacts are worth developing, so you should consider this before spending valuable time on those who are highly unlikely to give you work, who are not in your target market, or who are unlikely to be a profitable client. Research could include both desktop research – searching both internal information and facts available through the internet – and talking to colleagues and others about your prospect.

Approach

Once you have decided they are worth pursuing, you then need a reason for continuing to contact them. This will not only give your phone call a purpose, it will mean you are more likely to get past any gatekeepers. Typical approaches in general order of effectiveness include:

- following up after a brief first introduction or meeting – preferably building on something they might have said,
- name-dropping – contacting them after a suggestion, recommendation or referral from a colleague or shared acquaintance,
- contacting them to discuss something relevant to their business, as a result of news or research, or
- contacting them as a result of a new development in your services.

When approaching prospects, you should always aim for an outcome or development that will continue the relationship. Possible developments could be a meeting, an agreement to call back at another time, to send some information or simply to gain a better understanding of their work and concerns. In some types of legal work, you might expect to close a sale in the same conversation as an approach, but this is rare. Whatever your objectives, you may find it useful to rehearse an approach call.

Relationship building/discovering needs

This is the most important phase in the sales process and could take anywhere between two minutes and two years to complete. During this phase, you should look to:

- gain the trust or respect of the prospect
- develop a dialogue
- develop a rapport
- identify key business or legal concerns by asking questions and listening:
 - what are their stay-awake issues?
 - what are their selection criteria?
 - why might they consider retaining you?
 - what are the opportunities?
 - what are they looking for?
 - where is their pain?

Once you have identified some issues, confirm your understanding and show empathy. For example: "I can see why that's important".

If you develop rapport with your prospect, they might broach the subject of work themselves, but it is more likely you will have to do this and therefore find an angle.

Trial close

Once you have found their key legal or business concerns, it is time for the trial close. This is where you ask them a “so, if” question (or a variation of it) in an attempt to get a provisional agreement to proceed:

- “So, if we could demonstrate our experience with regard to the inherent political risks in Ukrainian structured finance, would you be interested?”
- “So, if I could reassure you on our associates’ experience, would you be interested in a meeting?”

This might lead you to the next stage, but it might also elicit a “no”, some hesitation, or a “maybe” from your prospect. This can be a good thing, as it allows you to probe further and learn more about their concerns.

Overcome objections

Objections can come in a variety of forms. They might be real, valid objections that are difficult to overcome, or they might be misunderstandings which are simple to put right. They might also offer excuses just to put you off. Whatever objections they offer, there are techniques that can help you keep the sale on track:

- Gain a good understanding of the objection – “What do you mean by that?”, get to the root cause.
- Acknowledge, or qualify their objections.
 - “I understand that is an important issue.”
 - “I can see that would be key.”

It can often be helpful to write down their objection. This not only demonstrates that you are serious, but can buy you time.

- Respond
 - If you are confident about addressing their objection, set the opportunity up with one of the following:
 - The trial close – as above: “So, if we could reassure you about x...”
 - A presumptive rephrase: “I can appreciate that experience is a key issue to you. So, you’re saying that if we can put an experienced team together, then it would be worth having a meeting.”
 - If you are not confident about resolving their specific objective directly, you might try to acknowledge this and focus on another approach.
 - Tell it like it is: “In truth, we can’t compete against those rates, but we can offer the best team around.”
- If you cannot respond to the objection, you probably do not have enough information, and you might need to ask more questions to be confident of your position.

Close

Closing, or asking for confirmation from a prospect, is the area where many lawyers hesitate, or are reluctant to move forward. Closing can be seen as pushy, obvious or aggressive, but this needn’t be the case. Closing and selling generally will only be seen as pushy if you get the timing wrong and attempt to close too soon.

The process above has been designed to delay the main close until you have a much better understanding with the prospect and, therefore, you should be able to judge when the time is right. It should also be remembered that not closing can be seen as arrogant by some clients. If you don’t ask for the work, not only will you not get it, but some clients might infer that you assume you have already got the work.

The key question is when to close. Look for one or more of the following:

- The prospect agrees you meet all their requirements.
- They show a lot of interest in some feature of your service.
- The prospect asks some specific questions that indicate they are already thinking of working with you:
 - “How do your client extranets work?”
 - “Do you have the capacity to put a large team on this?”
- If you are confident that it is the right time to close, there are a number of alternative techniques:
 - The open question: “So, where do we go from here?”
 - The direct question: “Can we do business?”
 - The trial close: “So, if...?”
 - The assumptive close: “So, when do you want to start working on this?”
 - The alternative close: “So, to get this started, shall we begin tomorrow or next week?”

It is your choice which technique you use and should be based on what you are most confident with, what you think the prospect will be comfortable with, and the specific circumstances.

Who are you selling to?

Responsibility and structure

It is often the case that you are not selling to a single individual, but selling to a team, a group of key decision makers, or an entire organisation. In this situation, it is vital that you gain some understanding of the roles of the different people.

- How many people would be involved in the decision?
- What are their individual roles and concerns: Decision maker? Buyer? User? Influencer (negative or positive)? Gatekeeper? Sponsor?
- How senior or influential are your contacts?
- Who do you really need to speak to?

Organisational types

Depending on their position in the company, different contacts will have different roles and interests, and – as the salesperson – you should always be trying to talk their language and pay attention to their particular concerns.

Although it is dangerous to generalise, the following might give you some idea of the different types of contacts you might need to sell to.

Organisational group / individuals	Typical concerns
Senior management	Bottom-line finances, company reputation, strategy, management performance
Middle management	Problem solving, personal standing, stress reduction, budget management
Purchasing	Price and concessions, defined specifications
Technical	Specific expertise and abilities, technical commercial knowledge
Project manager or main contact	Service levels, communications, rapport, personal standing, job performance

Instead of making assumptions about their concerns, always test any thoughts you might have, but where possible, you should then be ready to adapt to enable you to address their issues and build rapport. You should also be prepared to reassure your prospects across a full range of concerns, whether this is with one person or many.

Personality types

In addition to organisation types you might encounter, the different people you meet will also have differing personalities and react differently to different approaches. There are different ways to analyse personalities, but one way is to look at the following matrix.

		Assertiveness	
		Low	High
Responsiveness	Low	Analytical <ul style="list-style-type: none"> • Reflective, rational, logical • Typical role: accountant, in-house counsel 	Driver <ul style="list-style-type: none"> • Highly motivated, dynamic, focused, assertive, demanding • Typical role: CEO / MD
	High	Amiable <ul style="list-style-type: none"> • Nice, undemanding, unassertive • Typical role: support / back room 	Expressive <ul style="list-style-type: none"> • Engaging, talkative • Typical role: salesperson / trainer

Your success in selling to these personality types will again depend on how well you are able to address their concerns and talk their language. If you are able to successfully match and mirror their personalities, this will help to build understanding and rapport.

Selling to different personality types

Because of the importance of personalities, you might find that you are more successful with some personality types whereas other salespeople /solicitors have greater success with others. While you should still look to improve your matching and mirroring skills with different personality types, you might also consider discussing your prospects with colleagues and asking for their assistance.

Personality type	Approach
Analytical	Detailed facts, numbers and logical reasoning. Do not be pushy – give them the information and wait for them to either ask more questions or make a decision.
Driver	Do not waste their time – use facts, be quick and confident, sell hard benefits and provide proof.
Amiable	Gain their trust – gentle, slow selling.
Expressive	Give them personal attention – get to know them on a personal level, be engaging and approachable.

Sales management

The biggest barrier to effective sales in legal firms is not the sales skills of individual solicitors, but the extent to which sales are seen as important in the culture and strategy of the firm. Although things are changing quickly, legal practices are not traditionally set up to sell. Common problems include:

- a cultural aversion to proactive sales (sales being seen as unethical or unprofessional)
- aggressive /ambitious targets for billable hours leaving little time for anything but fee-earning, and
- a lack of training in sales and other non-legal skills.

To overcome the above problems, and to become serious about sales, a law firm will have to both develop and communicate clear objectives about sales, which as always should be SMART:

Specific

How many sales? Of what type /value? In what sector? By which teams?

Measurable

Something that gets measured gets done. It is, therefore, important to set targets and measure progress on sales for the firm, for departments and for individuals. The sales pipeline below is one way of doing this.

Achievable

Ambitious targets might only become achievable if you give people the right resources (time /training /information).

Realistic

If you set unrealistic objectives, people will not have the same motivation to fulfil them.

Time-based

Set annual /monthly targets

The sales pipeline

One way to introduce structure and discipline into a firm, team or individual solicitor's sales activity is the sales pipeline, which helps a firm or department manage the progress of any number of prospects through the sales process.



By placing prospects in different sections of the pipeline, firms or departments can track the success of their sales efforts and identify where they need to focus their energy. This can be done by asking:

- Are we going to meet our targets for new clients?
- Are we creating enough contacts/prospects?
- Are we developing them successfully?
- Do we have a good record in pitching and specific work discussions? What is our success rate? Does this need to be improved?

The effectiveness of using a sales pipeline to manage sales will depend on the extent to which solicitors are motivated to undertake a sales process and if they take pride in moving their prospects along the pipeline. The most effective way of doing this is to discuss the pipeline at each departmental or partner meeting. This then brings organisational drive into the equation and increases motivation.

If solicitors are simply asked, "What progress have you made with your prospects this month?" and "What are you going to do in the next month?" then there are incentives to act so they can give a positive response at the next meeting.

Moving prospects along the sales pipeline

All solicitors should also be aware of what they should be doing at each stage, and how they will know when a prospect can be moved along the pipeline. The table below can help with this.

Stage	Actions	Qualification for next stage
Marketing	<ul style="list-style-type: none"> • Targeting • Networking, media relations, advertising, referrals, directories, website, cross-selling. 	<ul style="list-style-type: none"> • How did you get their details? Be mindful of data protection and privacy legislation.
Contact	<ul style="list-style-type: none"> • Brief research of contact/ organisation (are they your target?) • Start communicating • Measure success. 	<ul style="list-style-type: none"> • Are they worth developing? Are they a decision maker or can they get you to one? • Are they a target? • Initiate contact /follow-up.
Development	<ul style="list-style-type: none"> • Prioritise – are they a key target? Are they valuable? Would winning this client be easy or difficult? • Stay in touch /build rapport • Personalise contact (such as a note with invites /newsletters) • Ask questions • Discuss issues /get to understand their business • Demonstrate your knowledge of their business • Look for the right opportunity to discuss possible instructions • Identify their issues – locate the pain. 	<ul style="list-style-type: none"> • Invitation to meet or discuss specific work. <p>Note:</p> <ul style="list-style-type: none"> • Have a reason to pitch – a new development either in their work or your service • Don't ask for opportunities before you've earned them • When you know their business you are in a position of strength and will begin to know what opportunities are arising.

Stage	Actions	Qualification for next stage
Specific work discussions / pitching and presentation	<ul style="list-style-type: none"> • 70 per cent listening /30 per cent talking • Continue to ask questions as well as give answers • Address their issues • Talk in terms of specific benefits, not general features • Sales and pitch training • Trial close and close • Competitive tendering. 	An instruction.
Clients	<ul style="list-style-type: none"> • Consistently good service • Keep listening • CRM. 	

Support staff, availability and converting enquiries

Practices work hard to generate client enquiries that they can then turn into instructions.

Many opportunities are lost, however, if the practice fails to respond to client enquiries with the speed, information, solicitor contact or active interest required – with the result that clients get frustrated, and move onto an alternative provider of legal services.

Responding appropriately to the first phone call or email is vital because, at this stage, the client has invested next to nothing in their relationship with your practice, so it is very easy for them to move on. As soon as they have discussed their matter with someone, provided personal details or arranged a meeting, they have invested time and effort, and there will be some reluctance to write this off for no benefit.

The challenge therefore is to capture the enquirer or potential client, get them talking and progress the relationship onto the next stage. Often, however, opportunities are missed, for reasons including the following.

Reason	Why
Inability to speak to a solicitor	<ul style="list-style-type: none"> • If they cannot speak to a solicitor or find someone who they can discuss their matter with, many clients will simply call the next law firm on their shortlist, or the next number in Yellow Pages. • Practices need to ensure that, as much as possible, solicitors are available to take calls from new enquirers. • If people are genuinely unavailable, support staff need to ensure they get the callers details, help as best they can themselves (without offering advice they are not qualified to give) and then ensure that someone calls them back as soon as possible. Simply advising an enquirer that someone is unavailable and asking them to call back is the surest way to lose an opportunity.
Failure to return enquiries	<ul style="list-style-type: none"> • Clients will only wait so long for a practice to return a call before they call another alternative provider. • Practices need to make the return of initial enquiries a priority and set standards for how promptly these enquiries – either by email or by phone – are returned. Often the first practice to return a call gets the client.

Reason	Why
Inability to arrange a meeting at short notice	<ul style="list-style-type: none"> • Often, a phone call is not enough – the client will want a meeting the same day or certainly within a few days. If they cannot meet with someone from your practice, they move onto someone else. • Practices need to make sure that either all solicitors, or at least someone from each practice area has the ability to make themselves available for meetings with enquirers at short notice.
Inability to provide enquirer with key information about costs or service	<ul style="list-style-type: none"> • If a client cannot get key information from an initial phone call, such as answers to “Can you help me?”, and, “How much will it cost?”, they might lose interest. • In addition to ensuring the availability of solicitors, practices need to ensure that support staff are able to provide an appropriate informative response (if not a definitive answer) to initial questions. • Once the client is satisfied on these simple matters, it will be easier to move them onto the next stage (talking to a solicitor or arranging a meeting).
Failure to take the initiative and arrange a meeting	<ul style="list-style-type: none"> • Often a client will speak to someone at your practice (either a solicitor, paralegal or support staffer) and ask them a number of questions about costs, service or other issues. In such a situation, the client is in control and is often reluctant to get into detailed conversations – preferring instead to simply get the information they need to compare your practice to others. • The more your practice can engage with them the more likely you are to convert them into a client. • Both solicitors and support staff should be aware of the importance of taking the initiative in response to client queries and either: <ul style="list-style-type: none"> – progressing the enquiry onto the next stage (normally either talking to a solicitor or arranging a meeting), or – gaining contact details so that a follow-up call can be made.

In recognition of the above, practices should therefore consider:

- arranging training for both solicitors and support staff in handling initial client enquiries
- provide all support staff with the information they need to confidently handle initial enquiries
- ensure that every effort is made to record the contact details of every enquirer
- making arrangements to increase the availability of solicitors for initial enquiries – either on the phone or for meetings, and
- measure the number of enquiries:
 - that the practice receives
 - that result in a solicitor phone conversation
 - that result in a solicitor meeting, and
 - that result in an instruction.

It is important to monitor /measure how successful your practice is in converting initial enquiries to instructions. Increasing your conversion rate on enquiries will save you significant time and effort devoted to attracting enquiries.

Conclusion

Many law firms will find effective sales and sales management very difficult to introduce. The key issues are as follows:

Commitment from the top

The senior management of a firm have to take the lead in making sales a priority, setting objectives and creating a culture where effective sales are possible.

Get everyone involved

Although partners will often be the ones closing a sale, everyone should see themselves involved in the process of building relationships with clients and prospects. Associate relationships with junior client contacts now might be crucial in 10 years' time.

Training

Not everyone is a natural salesperson, but training can certainly help.

Time and resources

If sales are important, perhaps this should be recognised through a concession on billable hour targets for key individuals or for a department as a whole?

Measurement and discipline

What gets measured gets done. Firms should monitor progress on sales activities, check if targets are being met, and identify priorities and responsibilities.

10. Competitive tendering

Competitive tenders are an increasingly popular way of selecting legal advisers. Invitations to tender can be viewed as a success in themselves – some of your marketing must have been successful for you to get on the shortlist. This highlights the fact that the pitching process starts well before you receive an invitation to tender and that branding and relationship management will be key factors in receiving more invitations to tender.

Competitive tendering is your chance to differentiate your firm and persuade the prospective client that you are the best choice for a particular project. As you are likely to have spent a considerable amount of money in generating such an opportunity, you should invest time and effort to maximise your chances of a successful pitch.

Managing the process

The success of any tender is as reliant on the management of the pitching process as on skilful drafting. The table below highlights the main stages of a pitch.

Stage	Actions
Alert colleagues	<ul style="list-style-type: none">• Let colleagues and any marketing team members know you have received an invitation to tender (ITT), or request for pitch (RFP), and the timescales involved.• Read and circulate the ITT / RFP.
Research the tendering organisation prior to contacting it	<ul style="list-style-type: none">• Find out more about the tendering organisation and the project (simple web searches can produce company websites, annual reports and news stories).• Find out what work your firm might have done for them before.• Find out who in your firm knows the tendering organisation.• Find out who your competitors might be.• Find key themes and hooks for pitch, or identify pertinent questions for the client.
Initial discussions and bid decision	<ul style="list-style-type: none">• Organise a meeting of key people to discuss:<ul style="list-style-type: none">– Are there conflict considerations?– Do we want this sort of work?– How much time will it take up?– How profitable will it be?– How risky will it be?– Consequences of losing?– Questions for the tendering organisation.
Call tendering organisation or get meeting if possible	<ul style="list-style-type: none">• Make a personal connection.• Communicate enthusiasm.• Find out why you were short-listed.• Demonstrate knowledge of the organisation and their business.• Ask questions to help in preparing the pitch – what are the “buyer worries”?• Try to identify their key criteria (expertise / understanding / team / cost).

Stage	Actions
Internal meeting	<ul style="list-style-type: none"> • Agree on team members. • Agree on the strategy (see below). • Agree on the price. • Agree on responsibilities for drafting the pitch (with timescales).
Manage writing and publishing	<ul style="list-style-type: none"> • Coordinate the drafting of the pitch. • Packaging of your tender is important. • Advise on marketing / desktop design / courier / print room as required. • Decide who has final approval and sign off.
Send and check	<ul style="list-style-type: none"> • Send the pitch document in time for the deadline. • Call to check they received it, whether they read it and have any questions.
Follow-up	<ul style="list-style-type: none"> • All feedback is vital. If you are unsuccessful, call to find out why. Try to find a way to stay in touch, or discuss other opportunities. • If successful, call to find out why. Start discussing and planning project.

In addition to the above, all practices should consider the following measures to improve their success at tender pitches:

- keep hard and soft copy libraries of all pitches to use as a reference for future pitches
- measure win /loss rates and regularly review pitches for lessons learnt and continuous improvement, and
- organise training for all staff who might be involved in pitches.

Strategy

One reason many pitches fail is because they have a lack of focus – the client is either not presented with any convincing arguments for why your firm should be retained, or these points are not presented to their best advantage. You have been short-listed for the tendering process, so there must be something the client is interested in hearing. You must, therefore, agree on your strategy.

Strategy element	Actions / considerations
Research	<ul style="list-style-type: none"> • Who are the decision-makers at the tendering organisation and what are the key criteria? Senior people may often be concerned with costs whilst middle managers might be more interested in technical aspects and the people you will be working with most closely on levels of service. • Who are our competitors?
Analyse	<ul style="list-style-type: none"> • Do a SWOT analysis (considering your firms' strengths, weaknesses, opportunities and threats) based on the key criteria and possible competitors.
Identify unique selling proposition (USP)	<ul style="list-style-type: none"> • Where are your strengths, compared to your competitors?

Strategy element	Actions / considerations
Promote importance of your strength	<p>Explain why your area of strength is the most important factor, for example:</p> <ul style="list-style-type: none"> • In a fast-moving project like this, client communications and teamwork will be critical. • If working with Bloggs Ltd, proven negotiating skills will be essential • In a highly technical project like this, experience will be key.
Price	If there are minimal differentiators in the respective pitches, the decision is likely to come down to price, so it pays to differentiate.

Elements of a competitive tender document

Starting a pitch from scratch is a daunting, time-consuming task. It makes sense to refer to previous pitches and take certain elements from these. Many practices, therefore, keep a library of previous pitches that can be accessed as required. In the largest firms, this may even be contained in a database so specific elements can be easily found through a search.

This practice is very useful. However there is a danger that relying too much on previous pitches will lead to a law firm rolling out very similar pitches time after time – with minimal tailoring to the particular client or project.

Key elements of a pitch will often be dictated by the ITT or RFP from the prospective client. For many pitches, however, the basic constituents are the same, and these are outlined below.

Tender component	Description
Covering letter	<ul style="list-style-type: none"> • Refer to previous work, meetings or conversations. Make a personal connection. Otherwise keep it short – the key information is in the pitch.
Introduction	<ul style="list-style-type: none"> • Again, keep this short, simply stating the work you are pitching for and what the document includes.
Contents	<ul style="list-style-type: none"> • Listing of subject headings and their page numbers.
Executive summary	<ul style="list-style-type: none"> • Summarise the key messages – why you deserve to get the job.
Requirements	<ul style="list-style-type: none"> • Summarise your understanding of the client's requirements. Try to include any relevant information you have gained about the client or the project from research or earlier conversations. Try to include issues that the client has not mentioned but that you think might affect the project. • Outline the legal work and how you would approach it. • Draft a project plan – break the work into coherent stages.
Relevant experience	<ul style="list-style-type: none"> • Relevant to the client /project /sector /country. • Fair mix of quantity and quality – just enough to show you have extensive experience. It is also good to include more detailed case studies where possible, outlining how you have helped others achieve their objectives.

Tender component	Description
Team	<ul style="list-style-type: none"> • A summary of your team, the command structure, and whether they have worked together before. • Profiles – tailored to the client /project. • Back-up and other resources. • Suggest specialists if required.
Costs / timescales	<ul style="list-style-type: none"> • Include creativity and flexibility on fees and offer to discuss (eg blended rates, volume discounts, staged rates and conditional fees). • Include estimated timescales. • Emphasise value.
Practice structure and policies	<ul style="list-style-type: none"> • Policies for IT, quality, risk management, client care, conflicts of interest, equality and diversity, training, complaints and claims, financial structure and management structure.
General information about the firm	<ul style="list-style-type: none"> • Firm statistics /awards /practice areas /geographical spread /clients /affiliations.
Why us?	<ul style="list-style-type: none"> • Outline your key points of difference and why you should get the instruction. Don't worry if this seems reflective of the executive summary – it does no harm to reinforce messages.

Maximising effectiveness

It is often said that bid documents do not necessarily win work, but can often lose it. The following hints might help you to improve your success rate.

Act quickly

- Start the pitch management process as soon as you get an ITT or RFP. If you neglect the pitch, you may find yourself rushing and it will be difficult to include all the necessary research, rapport building with the client, discussions, drafting and checking.

Make use of existing relationships

- If you have a good relationship with someone at the tendering organisation, they might be willing to give you a lot of advice on the pitch, and might even be willing to give comments on a first draft.

Differentiate and sell

- Include clear key messages outlining what makes you different.
- Explain why the client should hire you.

Tailor pitch to brief, tendering organisation and project

- The tendering organisation has asked their questions for specific reasons. If you ignore any aspect of the tender documentation, this might seem arrogant and is likely to be viewed negatively.
- Do not roll out the same pitch again and again. Tailor each one to the specific needs / concerns of each client.

Demonstrate commercial knowledge

- Demonstrate your understanding of the client, their needs and concerns.
- Demonstrate your understanding of the client's industry sector.
- Raise issues not mentioned in the ITT /RFP.
- Offer value-adds through the tender process that might give your firm the edge.

Less “we”, more “you”

- Phrase sentences in terms of the client's concerns – highlight benefits and solutions, rather than your own skills and services.
- The client doesn't just want to hear how wonderful you are. They want to hear that you understand their concerns and that you can help them reach their specific goals.
- Try to reflect the client's style, language and culture.

Detail

- Keep the pitch as simple as possible.
- Do not let detail detract from the key messages: less is often more.
- If appropriate, use appendices for extra detail such as experience lists or team profiles.
- Address any potential questions or objections.
- Address concerns of different people in the decision making process.
- Don't make claims that aren't backed up by evidence or examples, especially in areas relating to service and client care.

Be enthusiastic

- Let the client know that you want the work, and that you are confident of doing a great job. Be positive, not defeatist.

Be consistent

- Maintain a consistent writing style – one person should be the main drafter /reviewer.
- Check for inconsistencies in both facts and grammar.
- Try to limit the number of people who amend or edit the pitch.
- Adhere to any corporate guidelines or house-style.

Use simple language

- Avoid legalese: unnecessary technical or legal words.
- Clients appreciate lawyers who can explain complex ideas simply.

Proofread

- Ask someone who has not been directly involved in the pitch to proofread it.
- Check for consistency, grammar, spelling, house-style and that the client's name is spelt correctly.

The presentation

Many bids require you to make a presentation to the client. This can be before or after the production of a document. Although some lawyers have an instinctive reliance on the authority of the written word, the presentation can be as important, or more important, than the written document.

Equal effort needs to be put into this side of the competitive tendering process, so consider the following:

1. Before the presentation

Be positive, enthusiastic	<ul style="list-style-type: none">Let the client know that you want the work and that you are confident of doing a great job.
Ask questions and interact	<ul style="list-style-type: none">Involve the panel throughout the presentation. This not only helps to build a rapport, it can also help to demonstrate your enthusiasm for the job and helps to retain the panel's concentration.
Personality	<ul style="list-style-type: none">You need to relate and make a connection with the panel, whether they are expecting a formal or informal presentation.Try to adopt or mirror the mood and personality of the panel as much as possible.
Be flexible	<ul style="list-style-type: none">If you gain the panel's interest, they might want to take a discussion away from the plan of the presentation. Be prepared for this and go with the flow. React to what the client wants.
Expect questions	<ul style="list-style-type: none">Think what the panel might ask, and be ready with answers.
Prepare questions	<ul style="list-style-type: none">Demonstrate your understanding and enthusiasm with intelligent, relevant questions.

2. At the presentation

Be positive, enthusiastic	<ul style="list-style-type: none">Let the client know that you want the work and that you are confident of doing a great job.
Ask questions and interact	<ul style="list-style-type: none">Involve the panel throughout the presentation. This not only helps to build a rapport, it can also help to demonstrate your enthusiasm for the job and helps to retain the panel's concentration.
Personality	<ul style="list-style-type: none">You need to relate and make a connection with the panel, whether they are expecting a formal or informal presentation.Try to adopt or mirror the mood and personality of the panel as much as possible.
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Expect questions	<ul style="list-style-type: none">Think what the panel might ask, and be ready with answers.
Prepare questions	<ul style="list-style-type: none">Demonstrate your understanding and enthusiasm with intelligent, relevant questions.

Asking for business

Do not be afraid of asking for the work and showing your enthusiasm. Although you might fear a rejection, or feel embarrassed at seeming too pushy, there are also dangers associated with not asking for work – you might appear complacent, arrogant, or not hungry enough. There are some sales techniques that could be useful, including phrasing such as:

- so where do we go from here?
- how would you like to proceed?
- so, if our fees can be reduced...
- so, if we can reassure you about our associates' experience...
- if we start tomorrow, we can...

11. Pricing and fees

In most legal practices, pricing and fees are rarely seen as a marketing issue: hourly rates are set by the principals or department heads and their accountants on a six-monthly or annual basis, minimal flexibility is given to fee-earners, and marketing partners and managers are kept well away. This of course is profoundly different from other industries such as retail, where a marketing team may take the lead in pricing issues.

Pricing and fee structuring, however, are critical to the marketing of legal services: they form a very significant part of the service offering. Practices should consider the level of fees and how they are structured and presented and how these affect the practice's appeal to clients.

Know your market

Think about your customers, your clients, your profitability needs, and how you want to position yourself.

- Do you want to be the cheapest? The most expensive? Just cheaper than your nearest competitors?
- Do you want to be slightly more expensive, but offer better value?
- If you are more expensive than some of your competitors, how do you justify your fees?

Marketing wisdom suggests you can be the best, the cheapest or the quickest, but not all three: two is the most you can aim for.

Be creative and respond to client preferences

Lawyers are often uncomfortable with discussions on pricing and billing, preferring to hide behind rigid guidelines on the hourly rate and shying away from detailed discussions. This is often because they lack the confidence to be creative in pricing arrangements, feel embarrassed about perceptions of high fees, or lack confidence in their negotiating skills.

Pricing, costs communication and fee structuring are important to the client and all law firms could benefit by increasing their understanding of the issues around pricing so they can be creative, and use their pricing arrangements to increase the appeal of their services.

The best information on what clients want will come from your own practice, but past research indicates that clients focus on a mix of many of the following elements:

Communication

Contrary to the belief of many lawyers, clients actually welcome it when solicitors proactively raise the issue of costs. Apart from anything else, it demonstrates that the solicitor recognises the importance of costs for the client.

Good communication involves listening as much as telling, and as with client service generally, understanding your clients' needs and preferences applies equally to the pricing of services. Wherever possible, try to discuss their preferences on billing arrangements and the structuring of fees, so you are then able to come up with an offer or a solution that is attractive to them.

Communication also includes being upfront and transparent with your clients about what you will and will not charge for. For example, clients appreciate it when practices provide some information on their time recording policies.

Control

Clients do not want to just be aware of costs, they want to be, as much as is possible, in control of them. Giving clients control over costs primarily means discussing, or advising of, the cost implications of different actions before the costs are incurred. Examples where a lack of client control could lead to disappointment include:

- where a law practice does (and charges for) some basic work that could have been done (cheaper) by the client
- undertaking work which is unnecessary
- providing expensive detailed advice documents where cheaper brief updates are all that is required, or
- where work, which could have been done by cheaper junior staff, is instead done by more expensive senior staff.

Flexibility

Wherever possible, be prepared to offer a number of alternative arrangements in relation to fees and billing, so that the client is able to identify which best suits them. See chapter 7 (page 30) on creative fees and billing options.

Extras

Clients hate to see hidden or unexpected extras, overheads or disbursements appearing on a bill. State clearly at the outset what expenses and disbursements will be included in the final bill, the likely extent of these, and try to limit them as much as possible. If you are going to charge the client for travel, photocopying and refreshments, these amounts should be reasonable and made clear at the outset.

Certainty

One of the main concerns that clients have in working with lawyers is uncertainty over the cost, so fee arrangements that limit or eliminate this uncertainty are often very popular. This will usually mean moving away from the traditional hourly fee towards fixed fees or fee caps.

Transparency

Another major concern of clients is to know exactly what they are getting for their money. For this reason, it will often help not only to explain in detail the work you will undertake, but also to offer a full printout of work done and hours spent on the matter by all fee-earners involved.

Some firms even offer the chance for clients to inspect their time recording or billing systems. For genuine transparency, practices should also ensure that their narratives or task categorisation provide sufficient information to assess value.

Value

It is rarely a good idea to compete purely on price, it is much better to compete on value. This can often be done by demonstrating superior expertise / experience / efficiency, and explaining that although an hourly rate might be higher than a competitors', the additional experience / expertise / efficiency will lead to either a more desirable, value-added outcome or less time spent on the matter and lower total fees.

Lawyers can also offer added value by offering one or more of the following as part of their quoted prices:

- complimentary access to online knowledge management resources
- client extranet
- a copy of relevant research or other high-value publications
- training
- a desk/office for the client with the legal team within the law firm's office, or
- the secondment of a solicitor to the client for the time of the case.

Risk sharing

Recent years have seen the rapid growth of no-win, no-fee offers from legal firms, primarily in the sphere of claimant personal injury. Many other clients, however, including commercial clients, would appreciate their legal advisers offering to risk a proportion of their standard fee /price in the form of a success bonus. Please note s325 of the *Legal Profession Act 2007* , regarding contingency fees.

Efficiency

Where time costs money, clients are especially keen to see practices working efficiently, and implementing arrangements to ensure that tasks are completed as quickly as possible and without time wastage.

Regular cost updates

Once fees have been quoted, it is vital to keep the client informed about the progress of costs against the estimates, and to issue interim bills and interim estimates whenever possible, including a detailed explanation of the additional costs. It is much better to do this than to wait until the end of the matter and shock the client with a bill of more than the initial estimate.

Volume or loyalty rewards

The past 10 years have seen retailers offering loyalty schemes to frequent shoppers (eg club cards and Flybuys) and the same principle can be applied to law firms. Many firms already offer discounts to key clients to gain particular instructions. Firms could, however, be more creative in the way they offer these across the board as a way to increase long-term client retention.

Gearing & seniority

Clients have traditionally appreciated the experience and reassurance that the involvement of partners or senior practitioners can bring to a matter. But seniority costs, and clients will often be reluctant to pay extra (as they see it) for such experience and reassurance. To avoid dissatisfaction, aim to discuss the likely mix of higher and lower rates with your clients.

Creative fees and billing options

Hourly rate billing has many advantages for firms: it is relatively easy and efficient, helps with cash flow, allows a firm to know the value of its work in progress (WIP), is objective and, above all, minimises financial risk to the firm. But it does nothing to alleviate the risk to clients, nor does it always represent value to them. Many clients are now seeking alternative methods of billing in which the firm bears more of the risk.

This poses not just a threat, but also a practical problem because, even if a firm's accountant, practice manager or cashier understands the cost of production and profitability of work, few of the partners or fee-earners, who discuss costs and billing methods with clients, do.

Firms should aim to ensure that the fee-earner discussing cost with the client has full knowledge both of the alternatives that can be offered to the client and the impact of each on the firm's profitability so that the needs of both firm and client can be met. The financial management of some firms will need to step up a gear so that this knowledge is available. Training may also need to be provided.

Billing method	Commentary		
Hourly rate	<p>Beyond conveyancing work, the hourly fee is the most common billing practice in the legal profession. Practices like it because it is low risk (they should be paid for all their time costs) and it is familiar and easy. Clients, however, particularly domestic 'Mum and Dad' clients dislike it because it means the total costs are uncertain, causing anxiety.</p> <p>When to use:</p> <ul style="list-style-type: none"> • when accurate estimating is not possible • for sophisticated, open-ended high value work • when time recording is efficient and effective • when clients want it. <table border="0" data-bbox="624 660 1476 1064"> <tr> <td data-bbox="624 660 1037 1064"> <p>Advantages:</p> <ul style="list-style-type: none"> • low risk for firm • easy and familiar • aids justification in billing disputes • some clients prefer it • makes interim billing easier for better cash flow management. </td> <td data-bbox="1037 660 1476 1064"> <p>Disadvantages:</p> <ul style="list-style-type: none"> • all cost risk to client • increases risk of billing disputes • many clients dislike it • can encourage inefficiency • places limit on profitability margin • encourages short-term focus and ignores long-term issues such as client loyalty, efficiency and staff development. </td> </tr> </table>	<p>Advantages:</p> <ul style="list-style-type: none"> • low risk for firm • easy and familiar • aids justification in billing disputes • some clients prefer it • makes interim billing easier for better cash flow management. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • all cost risk to client • increases risk of billing disputes • many clients dislike it • can encourage inefficiency • places limit on profitability margin • encourages short-term focus and ignores long-term issues such as client loyalty, efficiency and staff development.
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Fixed fee	<p>Clients are increasingly demanding that their law firms accept more of the risk of legal costs by providing certainty in the form of fixed fees. Removing client anxiety about costs escalation can have significant benefits in terms of market differentiation, overcoming buyer resistance, and maintaining good client relationships. Beyond cottage conveyancing, however, few firms seem willing to accept the greater risk that a move to fixed fees involves.</p> <p>When to use:</p> <ul style="list-style-type: none"> • where accurate estimating is possible • for high volume, commoditised work (such as cottage conveyancing) • when clients want it • where the firm can rely on a good database of historical time /cost information and where fee-earners are confident in estimating and negotiating. <table border="0" data-bbox="624 1624 1476 1982"> <tr> <td data-bbox="624 1624 1037 1982"> <p>Advantages:</p> <ul style="list-style-type: none"> • certainty for client (eliminates fears of spiralling costs) • necessitates efficiency • aids differentiation • no limit on profit margin • 'Risk premium' can be charged /justified • removes cost tensions from the client-solicitor relationship. </td> <td data-bbox="1037 1624 1476 1982"> <p>Disadvantages:</p> <ul style="list-style-type: none"> • higher risk for firm • investment costs (IT, knowledge management) of necessary efficiency gains • skills in estimating and negotiation needed • needs better definition of retainer. </td> </tr> </table>	<p>Advantages:</p> <ul style="list-style-type: none"> • certainty for client (eliminates fears of spiralling costs) • necessitates efficiency • aids differentiation • no limit on profit margin • 'Risk premium' can be charged /justified • removes cost tensions from the client-solicitor relationship. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • higher risk for firm • investment costs (IT, knowledge management) of necessary efficiency gains • skills in estimating and negotiation needed • needs better definition of retainer.
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Billing method	Commentary
Hourly fee with cap or limit	<p>For practices that want to offer some certainty or reassurance to clients on costs, but are not willing to jump in one leap to fixed fees, the option of hourly fees with caps might be an option. Here, a firm provides an estimate and charges the hourly fee, but places a cap on the total cost by reassuring the client that fees will not rise above a certain level. A cap would normally be set at 20-50 per cent above an initial estimate, depending on how confident the practice is in its ability to estimate accurately and control costs.</p> <p>When to use:</p> <ul style="list-style-type: none"> when clients need certainty that costs will not exceed a certain level when the practice feels it is unable to offer fixed fees. <p>Advantages: See above regarding fixed fees and hourly rates.</p> <p>Disadvantages: See above regarding fixed fees and hourly rates.</p>
Task-based billing	<p>Another option for a firm that wants to offer more certainty to clients but is unwilling to go down the fixed fee route is task-based billing. This is where clients are charged a price for specific tasks, such as a mediation round or the production of specific documents, rather than quoted a fixed fee for the total matter or charged according to time.</p> <p>When to use:</p> <ul style="list-style-type: none"> when the cost of specific tasks can be accurately estimated for common task based work eg production of wills, Enduring Power of Attorney when task costs can be accurately fixed according to a significant data of historical time / cost information. <p>Advantages: low risk /certainty for client.</p> <p>Disadvantages: some risk to firm.</p>
Composite rate	<p>Rather than quote a range of hourly fees for different fee-earning levels of seniority, a firm will often quote a composite rate based on the likely work burden on different levels of fee-earner. (See Queensland Law Society's <i>Guide to costs, billing and profitability</i>).</p> <p>When to use:</p> <ul style="list-style-type: none"> when several fee-earners will be involved when the involvement of fee-earners at different levels of seniority can be reasonable estimated. <p>Advantages:</p> <ul style="list-style-type: none"> useful for marketing simplifies cost arrangements for client. <p>Disadvantages:</p> <ul style="list-style-type: none"> needs good management regarding delegation of tasks to appropriate level involvement of senior staff must be agreed with client.

Billing method	Commentary
Retainer	<p>When to use:</p> <ul style="list-style-type: none"> when work is clearly defined when burden can be accurately estimated (perhaps through trial period) for low-level or general advice. <p>Advantages:</p> <ul style="list-style-type: none"> low risk for client, who has certainty on the expenditure for defined legal work increases likelihood of gaining more high value work assists with cash flow. <p>Disadvantages:</p> <ul style="list-style-type: none"> risk for practice, if volume of work exceeds expectations open to exploitation by client needs regular review.
No win, no fee (Conditional fees)	<p>Common in claimant personal injury, this is an option for litigation firms who are willing to accept total payment risk as a marketing and differentiation strategy.</p> <p>When to use:</p> <ul style="list-style-type: none"> when an informed assessment of the likelihood of success is possible when an appropriate 'uplift' (percentage increase in rates) can be agreed. <p>Note: please see s323-325 of <i>Legal Profession Act 2007</i> (Qld) regarding conditional fee arrangements and uplifts.</p> <p>Advantages:</p> <ul style="list-style-type: none"> low risk for client can be profitable for practice, if case successful overcomes buyer resistance. <p>Disadvantages:</p> <ul style="list-style-type: none"> firm bears all risk uneven cash flow cost of work to clients can be high, to offset risk of failure.
Other (partial) conditional fee arrangements	<p>Conditional fee arrangements can also be used for arrangements where payment might be higher or lower than usual rates dependent on a specific result. For instance, a practice might offer fees 10 per cent below their normal rates if a transaction is unsuccessful, or a 10 per cent uplift for a success.</p> <p>Note: please see s323-325 of <i>Legal Profession Act 2007</i> (Qld) regarding conditional fee arrangements and uplifts.</p> <p>Advantages:</p> <ul style="list-style-type: none"> client transfers some risk to legal practice can be profitable for practice increases solicitor commitment to client objectives. <p>Disadvantages:</p> <ul style="list-style-type: none"> practice accepts more risk uneven cash flow potential disputes regarding results and strategy.

All of the above options have their advantages and disadvantages for different practices at different times. Different clients will also have different preferences.

For this reason, practices should encourage flexibility, and equip their fee-earners with the knowledge, skills and confidence to react to specific client needs and offer a fee structure that the client is happy with.

Value for money / communicating value

Value can be defined as:

“The importance or worth of something for someone.”

To speak about the value of legal services to clients, you have to first understand the views of clients. Clients want to feel that the fee they pay is reasonable for the value they have gained for your services. Clients will regard your bill as fair and representing good value for money only if you have provided a service that matches – or exceeds - their expectations.

Matching these expectations is difficult for two reasons:

- Clients often find it difficult to understand either the complexity of legal work, or the numerous practice overheads associated with it.
 - Providing information that breaks down the cost of practice and overheads may help to limit sensitivity over costs.
- Legal costs can seem high.
 - As the costs are high, expectations will also be high before clients feel they have received value for money.

Perceptions of value for money are subjective and will vary between clients, but the difficulties of matching client expectation of value will often lead to a large proportion of clients perceiving a gap between the cost and the value of legal work.

To ensure your clients consider your service good value for money, you not only have to build and demonstrate your value by focusing on the areas identified above, you also have to ensure that this perceived value meets or exceeds the monetary value of your bill.

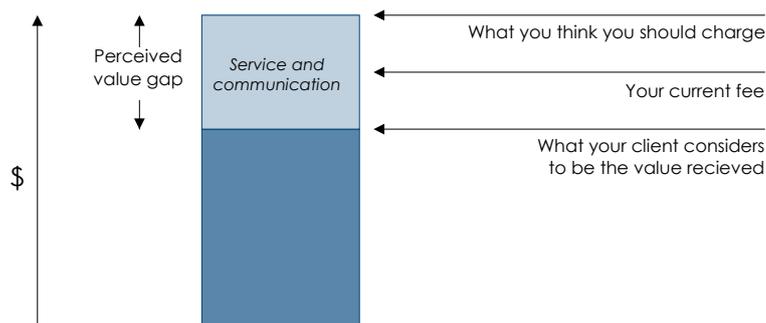
The issues that most affect perceptions of value for money are as follows:

- managing the matter to your client's satisfaction
- managing financial arrangements and billing
- perceptions of your technical ability
- perceptions of practice efficiency
- the commerciality of your advice (if appropriate).

Of these, the first two are the most important, as while clients appreciate and value technical ability, only a minority (sophisticated clients) will be in a position to judge or assess it. Similarly, the commerciality of your advice will only be relevant for some clients or in some situations.

In most situations, therefore, clients' perceptions of value for money will primarily be driven by how practices manage both the matter and the associated financial arrangements and billing.

To reap the benefits that enhanced client service can bring, practices not only have to invest in the areas mentioned above, they have to ensure that clients perceive this value. This is not meant to suggest that you need to do a hard-sell and reinforce the value of your services, but simply that solicitors should attempt to bridge the gap between what you think your services should be worth, and what the client thinks they are worth as illustrated below.



As mentioned above, the majority of clients do not understand either the complexities or economics of legal work, so it is understandably difficult for them to recognise the value in your service. Solicitors can address this by improving and increasing client communication. Specifically, they should focus on advising:

- what they are doing
- why they are doing it
- why they are doing it the way they are doing it
- how it benefits the client, and
- the risks to the client of not doing it.

Clients appreciate and value communication from their solicitors, so the act of communication helps to build value in itself. It also helps justify your fees by giving the client more information about your activity and how it benefits them.

For more information, please see the Queensland Law Society *Guide to costs, billing and profitability*.

12. Client relationship management

Client relationship management (CRM) is "a systematic, managed approach for sustaining and growing loyal and profitable client relationships."

CRM aims to give a structure and focus to strengthening client relationships. Given limited resources (time as much as money) it makes sense that efforts in this area focus on your most important clients.

Existing client relationships must be managed to ensure retention of high quality and quantity of work. This is necessary as the acquisition cost of a new client will always be more than that required to maintain and develop an existing one. Concentrating on developing existing clients has a number of benefits:

- helps to lock-in existing workflow
- develops existing clients as a source of new business and referrals
- helps to anticipate problems before they become critical, and
- encourages cross-selling.

The overriding objective of CRM is to develop the nature of key client relationships. Just because you believe you have a satisfactory relationship with a client and could reasonably expect instructions to keep coming, does not mean you should rest on your laurels. There are different sorts of contacts and clients, and different ways to progress, depending on how developed your relationship with the client is.

	Opportunities	Client	Key client	Business partner	Advocate
Business development / marketing activities	<ul style="list-style-type: none"> • media relations • advertising • networking • branding 	<ul style="list-style-type: none"> • pitching and tenders • sales management • converting enquiries 	<ul style="list-style-type: none"> • seminars • newsletters • client care • cross-selling • selective entertaining • reciprocal referrals 	<ul style="list-style-type: none"> • account management • tailored hospitality • service agreements • flexible billing 	<ul style="list-style-type: none"> • tailored training • secondments

CRM should ensure that the most important client relationships are constantly developing in the right direction.

Implementing and managing a CRM program

A CRM program can be implemented at a number of different levels – for a firm, a practice group, a sector group, or an office – but the key stages remain the same.

Stage	Description
Gain support and commitment	<ul style="list-style-type: none"> • Implementing a CRM program can be difficult and frustrating, and its success depends on "buy-in" from everyone. • Explain the benefits of implementing a CRM program and what it will mean for them.

Stage	Description
Agree on client lists	<ul style="list-style-type: none"> • Make lists of those clients who are most important to you. • The most obvious are “key clients” – those who have the highest billings figures or those for whom you do the most work – but many firms also produce lists of other groupings where managing the relationship would be beneficial i.e. “key referrers”, “development clients”, “targets” or “quick wins”. • Use accounts and matter listings to identify key clients. • Only select a manageable number of clients for specific relationship management. If you select too many, the process becomes unworkable.
Agree on client partner and teams	<ul style="list-style-type: none"> • Identify one person who should be responsible for managing the relationship with each key client. This might normally be the partner who does the most work for each client (the specific responsibilities of the client partner are outlined below). • Identify the rest of the client team – others who do work for the client or have an interest in doing work.
Research	<p>Gather as much information as you can on the client from a range of internal and external sources. Useful information includes the following:</p> <ul style="list-style-type: none"> • billings • matter listings • who knows who • the scope of the client's activities • the client's other advisors, and • how they like to be entertained (food /drink /social events).
Develop client plans	<ul style="list-style-type: none"> • Analyse of the current situation, including a definition of the relationship as it is, and the results of internal and external research (as above). • Analyse of Strengths, Weaknesses, Opportunities and Threats (SWOT) for the relationship. • Develop SMART objectives for relationship management, specifying how you want it to develop. <ul style="list-style-type: none"> – More instructions? – Higher value instructions? – Cross-sell to different practice areas? – Introduce client's contacts to more practice contacts? – Develop relationships with more client contacts? – Get client to refer their contacts to you, or facilitate a specific introduction? • Develop action plans, including responsibilities and timeframes, for achieving the stated objectives. How much contact is needed? What sort of contact?

Stage	Description
Implement plans and activities – staying in front of your clients	<ul style="list-style-type: none"> • Implement systems to ensure regular focused contact with all important clients. • Formal meetings, cross-selling, casual catch-ups, phone calls, personalised emails and letters, entertaining, networking, newsletters and electronic direct mail (EDMs). • Use client-tracking templates to track progress in relation to all key clients and make the discussion of these a priority at regular team meetings – make this a priority to ensure everyone is taking responsibility for maintaining and developing client relationships.
Communicate information	<ul style="list-style-type: none"> • It is important that everyone knows key client relationships are being managed. • A list of key clients and key partners, as a minimum, should be made available to all staff, so they know who to contact regarding matters affecting these clients.
Regularly review progress at team meetings	<p>With pressures on fee-earning, it can often be difficult to keep partners focused on relationship management. One of the best ways to do this is in team or partner meetings, where you can:</p> <ul style="list-style-type: none"> • go through the list of key contacts and ask for an update from the relevant client partner (this will allow gentle pressure to be applied for partners to complete their action points) • note any major client contact since the previous meeting, with plans for further action, and • use a client-tracking template (next page) to monitor progress and confirm actions /objectives.
Client relationship reviews	<ul style="list-style-type: none"> • Although many solicitors are reticent about directly asking clients for feedback, client relationship reviews or satisfaction surveys are the most direct way of getting feedback from a client, and are also a valuable tool in reassuring the client that you value the relationship and their opinions. • An annual relationship review should be arranged for each key client. • Following each client relationship review there should be an internal meeting of the client team to discuss progress and how best to manage the relationship in the future.
Annual reviews and measurement	<p>When implementing a CRM program, try to have some way of measuring the success of the program. This can be done in a number of ways:</p> <ul style="list-style-type: none"> • client surveys • rates of client retention • client billings • positive feedback, both through direct comments and through referrers or directories, and • initial and subsequent categorisation of clients by nature of the relationship (client /good client /business partner /advocate).

Role of coordinating partners

The responsibility for client relationships would predominantly be with a coordinating partner.

The roles and responsibilities of the coordinating partner should be as follows:

- taking responsibility for monitoring the relationship with the client (or target)
- being aware of all work being done for the client and ensuring that the client is happy with the service provided
- finding out what the client really wants by way of service (now and in the future)
- acting on the client's comments and demonstrating progress
- deciding on objectives and action points for client development
- building relationships at all levels within the client organisation
- assuming responsibility for acting on cross-selling opportunities, and coordinating as required with other partners or practice groups who work with the same client
- ensuring no gaps in communication exist with an important client for more than two months, and
- entertaining key contacts at least once each year (not necessarily a big gesture – could be just lunch or coffee).

Staying in front of your clients

Maintaining and developing client relationships requires a disciplined approach, especially in the context of fee-earning and other practice pressures. You have to find the right balance between what needs to be done and the time you have available to you.

Be realistic, but don't neglect your responsibilities.

- How many formal client meetings can you have a week? Maybe one or two?
- How many casual catch-ups can you have a week? Maybe two or three?
- How many client calls can you make a week? Maybe eight?

The above are reasonable figures for maintaining relationships with 50 important clients – seeing each of them at least once every three months and giving them a couple of calls as well.

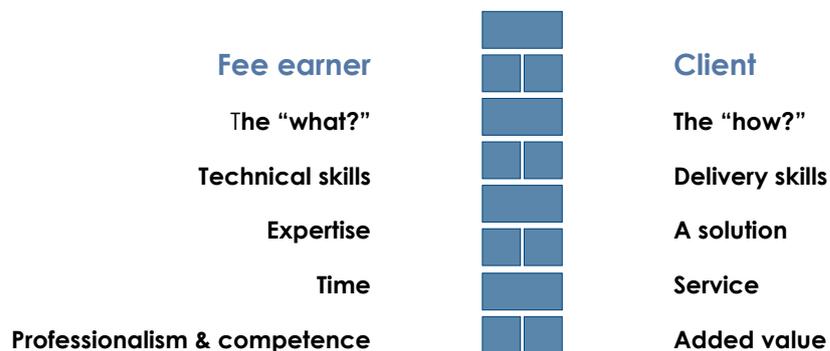
Set targets such as the above for yourself and others in your team and use the client-tracking and activity templates in the appendices to monitor progress. Allocate regular time slots in your diary each week for coffee catch-ups and phone calls – then make appointments and make the calls.

13. Client service

This chapter is adapted from the Queensland Law Society Guide: 'Client Care: Communication and Service', available to Queensland Law Society members from the Queensland Law Society website.

What is client care? What is good service?

Solicitors often struggle with the concept of client care. Although many educators now have a more practical focus, legal education and training has often been primarily based on black letter law and principles of justice, rather than service and communication. Solicitors have traditionally believed that their worth – to either employer or client – will primarily be assessed according to their legal, technical expertise rather than how that expertise is delivered. This can often cause a 'great divide' regarding service expectations between client and solicitor.



This will continue to evolve with developments in client service in other markets, the wider use of information technology, and the increasing availability of legal information. In future, the success of both practices and individual solicitors will depend increasingly less on legal expertise, and increasingly more on service delivery.

In attempting to define client care and client service (and for the purposes of this guide, these terms are used interchangeably), it might be best to start with an examination of some of the misconceptions or partial understandings concerning client care.

Not quite client care

"Client care is about doing the best job I can in looking after my clients' interests."

It is a common error of solicitors to think that because the matter is progressing well, and the clients interests are being protected or enhanced, that a good service is being provided. Whatever the progress of the matter, if you cause the client stress or frustration by poor communication or administration, you are not providing a good service.

Protecting your clients' interests is of course important, but it is not the same thing as good service. Client care requires a greater focus on how you do things, and how you interact with your clients. The majority of client dissatisfaction concerns not legal expertise, but weaknesses in service, administration and communication. Excellent service means providing a service that is excellent in the client's terms rather than service that you consider excellent.

"Client care is about regulatory compliance and obligations such as costs disclosure."

Client care is about much more than costs disclosure and fulfilling regulatory obligations. Rules and regulations only cover some service issues, and then only provide a minimum benchmark. If you focus solely on a limited number of minimum benchmarks, your chances of client dissatisfaction will remain high.

“Client care is about retaining and upholding high ethical standards in all my dealings with clients.”

Client care is about more than ethics. Honesty and integrity are important but are taken as read and assumed by clients – at least by the time they have instructed you. Ethics provides a set of rules and principles to guide your actions in a generalist sense, but they do not equip you for responding to the specific needs of different clients. To provide good service, solicitors need guidance not only from ethical rules or principles, but also directly from their own clients.

“Client care is about avoiding complaints and providing ‘the standard of competence and diligence that a member of the public is entitled to expect of a reasonably competent Australian legal practitioner’.”

As with specific regulatory obligations, it is important to think of client care not as some defined minimum benchmark, but as a constant journey towards best practice and ever-higher levels of client satisfaction.

Levels of client care are primarily measured by individual clients, not the Legal Services Commission, and just because your service meets a regulated standard does not mean that your service will satisfy specific clients in specific circumstances.

“Client care is about having a good ‘desk-side manner’ and being sympathetic to client concerns.”

A good desk-side manner or developing a good personal relationship with a client is not the same thing as good service. Clients might enjoy your company but still feel frustrated by delay or other issues. Personal communication skills are valuable and important, but they need to be backed up by good administration systems to guarantee client care.

Professionalism, ethics, commercialism and client care

Solicitors often over-emphasise the importance of their professional status, believing that this status guarantees clients a superior service protected from commercial instincts, and guided by worthy ethical principals, high admission and ongoing regulatory standards. Although ethical standards are important, they are different from service standards, and for many clients, the term professional has negative rather than positive service connotations.

Professional status depends on the recognition of technical skills, the maintenance of expertise and the acceptance of professional standards. Solicitors should rightly recognise the importance of their training and ethical framework, but should also realise that client concerns are different. Clients do not buy your expertise or your time; they buy service and a solution to their problems. Similarly, they do not (usually) judge solicitors by their technical skills, expertise or compliance to ethical standards (these are assumed), they judge them by their service delivery, efficiency and communication skills.

While ethics and standards certainly have their place, it would be wrong of professionals to assume that these guarantee a superior level of either protection or service to clients. Regulation is necessary for the professions because of their unique market position, the relative inability of consumers to protect themselves, and the necessity of trust. But does the commercial world suffer because of its lack of regulation? In other industries, the market is better equipped to regulate, often in tandem with a varying degrees of government intervention. Such client-led regulation is often highly effective, improving service much more efficiently than any code of conduct.

In terms of a driver for practice standards and behaviour, the legal profession has a tendency to over-rely on tradition and their ethical framework. This is at the expense of listening directly to the needs of their own clients and markets, specifically in the key areas of costs information and communication. As clients become more confident, vocal and demanding, however, they are becoming useful guides to what good service is and how it should be delivered. An over-reliance on regulatory codes of conduct, as opposed to the seeking of client feedback, is likely

to lead to poorer rather than higher standards of service. This is because codes of conduct can only set minimum standards or benchmarks: by consistently aiming low, some people will inevitably miss their target. Clients, on the other hand, demand the highest standards – and this is what professionals should aim to achieve.

Similarly, the professional trait of over-reliance on ethics and technical skills as the most important drivers of standards is again misplaced. Most complaints or poor service can be attributed to administration, management and communication failings rather than either ethical or technical failings. In not recognising this, and in continuing to focus on ethics and technical skills, professionals again risk failing in client service.

Given the above, it seems that some professionals might be able to learn something from more commercial industries. Commercial industries are often seen as leading the way on service because, unlike some solicitors, they understand that to be successful and profitable they need to provide good service and to do this they need to listen to their clients.

It is a criticism of the legal profession that by sometimes sneering at commercialism, they fail to learn from its strengths, not least in service delivery and responsiveness to customer needs. In reality, of course, the conflict between professionalism and commercialism is exaggerated: solicitors need to acknowledge both their ethical framework and the needs of their clients. The danger lies in thinking that an ethical framework is sufficient in itself to guarantee good service. Clients live in the commercial world and have commercial needs, and solicitors need to respond to these needs with an appropriate service.

Client care objectives and strategy

Effective client care is based around a number of overlapping objectives.

Objectives	Considerations
Focus on the client's service requirements, not just the legal product	<p>What does the client need?</p> <p>Speed? Reassurance? Value? Communication? Candid advice? Sensitivity? Respect? Efficiency? Regular updates? Involvement?</p> <p>Contrary to popular belief, clients do not buy your time and expertise, they buy a service. As a result, they do not just need technical skills, they also need the good feelings, positive experiences and confidence that go with it.</p>
Manage expectations	<p>Identify and address any assumptions – both the client's and your own – that could lead to later misunderstandings or tensions.</p>
Keep the client involved and in control	<p>One of the main concerns when clients retain lawyers is they feel they have lost control and have 'handed over' all responsibility to the lawyer. Fee-earners should, therefore, ensure they keep the client regularly informed on the progress of the matter, any changes to cost estimates, and any changes to timescales. Even if the matter has not progressed, or if there are no changes to initial estimates, it is good practice to stay in touch with the client just to reassure them that everything is on track.</p>
Make every client feel they are your most important client	<p>Many clients will leave a firm, not because of any problems with the quality of legal work, but because a perception has arisen that they are not a particularly valued client. Often this is a misperception, and the lawyer can be working very hard on their case with considerable success. If the client is not advised of progress, or is not included, a perception of neglect can occur.</p>

A large number of law firms would claim to do some or all of the above, but many would struggle to tell you how. It is not enough for a law firm to claim to subscribe to these as principles – a strategy is needed to ensure these principles are embedded in all of the firm's activities.

A complete client care strategy should involve a mixture of the following:

Policies , processes, procedures and checklists to facilitate effective client care

Client needs should form the basis of all systems and procedures, and must also be perceived as credible by those operating them.

Skills development

Not everyone is a natural communicator, but skills and techniques can be learned to improve your communications with your clients.

The right practice culture

Does your practice culture support or hinder people in their efforts to provide a good service? See section on cultural issues.

A philosophy of continuous improvement, using client feedback

Client feedback and complaints information, as well as your own observations, should give you the information to identify strengths and weaknesses in your service, and to continuously improve.

Why is client care important?

The importance of client service cannot be overestimated. Many lawyers find it surprising that, according to research, around 75 per cent of the incentive for choosing one lawyer over another is linked to service delivery, and only 25 per cent to technical /legal expertise. In most situations, clients will already expect a lawyer to know their law, so in choosing a lawyer, the level of service will nearly always be more important.

Client care is important to your practice for a number of reasons, and can bring the following benefits:

- fewer claims and complaints
- increased client retention
- client development and cross-selling services from different departments or practice areas
- increased referrals
- differentiation and positive brand appeal
- higher recovery rates (percentage of recorded time or work in progress actually recovered in fees)
- potential for higher rates /fees, and
- improved practice morale and staff /partner retention.

Make client care your key driver

Although many of the above benefits are acknowledged, many solicitors are still cynical about the link between client care and profitability – seeing client care as a bureaucratic drain on both time and money, and making comments like, "Client care is all very well, but you cannot charge for it".

You can of course charge for client care both in terms of increasing your rates and, if the client agrees, through time costs for additional service-related tasks. As professionals, solicitors often believe they are paid primarily – or even solely – for their professional expertise. This, however, is not the case and in reality clients not only pay for a service but are willing to pay more for a better service from their solicitor in the same way that they would pay more for a better service from their builder, insurer, hairdresser or broadband provider.

Just as many of the most profitable companies in commercial industries are successful because of their service quality, so client service can be a key driver of profitability for solicitors. Small but significant improvements in clients' perceptions of service quality can produce significant improvements in some key practice measures, and even bigger differences in profitability. The cumulative effect of the changes below – which are by no means ambitious or unrealistic – can have the effect of doubling profitability.

- 10 per cent increase in fee rates?
 - 25 per cent increase in profits
- 15 per cent increase in volume of work from improved retention and referral rates?
 - 35-40 per cent increase in profits (assuming costs controlled)
- Increase in WIP recovery rate from 85 per cent to 90 per cent?
 - 10-15 per cent increase in profits

As the above benefits are some of the most important strategic objectives for just about any legal practice, you would expect client care and service issues to have a higher profile both within individual practices and in the legal industry generally. This, however, is demonstrably not the case. Practices rarely invest in or prioritise service issues as a strategic objective, with client care and service usually falling behind issues such as marketing, finance, risk management, compliance, IT, HR and knowledge management as a practice concern. How many firms, for instance, have a specialist client care manager or partner?

An unfair emphasis on the negative?

One of the challenges with client care and service is that client perceptions place an emphasis on the negative. Here are some statistics, regularly repeated with only slight changes to the figures in numerous reports or surveys.

- It takes 10 positive impressions to make up for one negative.
- 80 per cent of dissatisfied clients will tell someone else about poor service.
- More than 80 per cent of customers do not complain when they have a problem - they just do not come back.
- Satisfied clients might tell one or two other people of their experience. Dissatisfied clients are likely to tell between five and 10 others.

These statistics demonstrate the client care challenge: providing reasonably good service most of the time might not be good enough. Because the importance of service failings are exaggerated in a client's perception, practices have to eliminate virtually all service failings to reinforce the positive aspects of service. With client expectations constantly rising, this is probably a more demanding challenge than most practices realise. There is a big gap between good service and an official complaint, and your service does not have to be that bad, by your own standards, to risk client dissatisfaction.

The challenge of keeping the customer satisfied applies to all industries, but evidence suggests that solicitors have more problems than most. Here are some results from a survey by *Which* (a consumer organisation) in England, in 2006:

- a third of people think they receive poor service from their solicitor
- a quarter of those surveyed think their solicitor doesn't listen to their opinion
- a third don't feel they are told enough about how much they will be charged, and
- more than half the people surveyed said they received no pre-estimate of fees at all; and only about a quarter said they got one in writing.

There are a number of reasons for client care's relatively low profile among solicitors:

- solicitors are instinctively less interested in service issues than 'harder' technical, legal or intellectual matters
- service issues rarely seem as urgent as either fee-earning or other practice concerns
- both practices and individual solicitors assume they are already 'good' at client care, or
- practices do not understand the different elements of client care, and do not know how to effectively address client care concerns.

These reasons are all barriers to effective client care and service, whether they are true for the practice as a whole or just for a minority of solicitors. The route to overcoming these barriers is usually a greater focus on listening to clients. Once solicitors truly listen to their clients, both the importance of client care, and the required actions become much clearer.

To get your colleagues to accept the need for the practice to focus more on client care, you might need to first directly challenge complacency. Here are a few questions to consider:

- Are you happy with your client retention rates?
- Are you confident about introducing clients to all of your colleagues? And that all your colleagues will provide a good service to your clients?
- Are you happy with the number of referrals you get?
- Are you confident that all your clients would be happy to unreservedly refer friends or colleagues to you?
- Does the culture of the practice help or hinder excellent client service?
- How many complaints – formal and informal – have you had in the last three years? Multiply the figure by four. Most people are not comfortable making official complaints to solicitors.
- What do your clients really want by way of service? Are you confident your clients' answers would match yours?

Appendix one: Indicative marketing plan template

There are many different types of marketing plans – from the simple to the sophisticated. The example below is towards the more detailed end of the scale – take what you want, forget the rest and find a plan that will best help you manage your own marketing activities.

Practice marketing plan

Part 1: Strategic practice goals (From the firm business plan if this exists)	
Goal 1	
Goal 2	
Goal 3	

Part 2: Analysis of current marketing strategies	
General comment on marketing strategy and effectiveness	What works and what doesn't? Which current activities bring in the work?
Resources and constraints	Available budget? Available time for marketing activities?
Clients	Do you have the type of clients you want? Where does your current work come from?
Competition	What competitive pressures are you under?
Political, social, economic and technological considerations	What's happening in the world or local community that could impact on demand for your services?

Part 3: SWOT Analysis			
Strengths (internal)	Rating	Weaknesses (internal)	Rating
Opportunities (external)	Rating	Threats (external)	

Relevance rating: (H)igh (M)edium (L)ow

Part 4: Marketing goals and objectives / strategies			
Goal	Objective/strategy How are you going to achieve it?	By: (date)	Resp.
What are you trying to achieve?	Measurable outcome:		
	Measurable outcome:		

Part 5: Segmentation, targeting and positioning	
How is the market for your service segmented?	eg employers and employees
What is your target sector?	eg employees
What is your positioning strategy?	eg the choice of the unions

Part 6: The marketing mix	
Product	What is the product /service? What's different about it?
Price	What is the pricing strategy? Are you cheap? Expensive? Representing value? Is there anything innovative in the way your fees are structured?
Place	Where do you provide services? Can you work over the phone and internet? What is your geographical reach? Where do you market yourself? /Do you market yourself through different channels?
Promotion	Do you have a strategy for your promotion? Is it targeted or general? What messages are you promoting?

Part 7: Implementation / Action plan			
	By: (date)	Resp.	Date(s) and /or frequency
Generating new opportunities			
Converting opportunities			
Relationship management			
Other activities (product development, pricing initiatives)			

Part 8: Key messages	
<p>Key message 1</p> <p>eg How do you want your firm to be described?</p>	<p>Supporting statements</p> <ul style="list-style-type: none"> • • •
<p>Key message 2</p> <p>eg What are the benefits of using your service?</p>	<p>Supporting statements</p> <ul style="list-style-type: none"> • • •
<p>Key message 3</p> <p>eg Where is your firm going?</p>	<p>Supporting statements</p> <ul style="list-style-type: none"> • • •

Appendix three: New opportunities tracking template

How many new prospects have you met recently? Are you in the process of pursuing these opportunities and converting prospects into clients? You can think of this in terms of a funnel (see right).

A template like the one below might help you to track your opportunities as they go through the sales pipeline. (This works best as an Excel spreadsheet to be regularly reviewed and updated following team meetings.)



Client Name	Last Action	Next Action
Recent contacts /prospects (Number = 20?)		
ABC Toys	<ul style="list-style-type: none"> Met at charity function Forwarded Fair Work article 	Phone call to seek coffee catch-up
Good prospects for development (Number = 8?)		
Specific work discussions /pitching (Number = 3?)		
Recent converted clients (Number = 2?)		

Appendix four: Monthly activity chart

Use this chart for either a team or an individual to monitor regular business development activity. Set targets, and then review regularly. A month is often a good period to measure, because it allows for peaks and troughs in fee-earning, but if it works for you, you can measure these activities on a weekly basis.

	Target	Actual	Notes
New clients	10		
Referrals received	8		
Referral thank-you notes	8		
Networking events attended	5		
Networking follow-up actions	10		
Ads placed	1		
Client pitches / presentations	2		
Media releases /publication articles written	1		
Speaking engagements	1		
Formal client meetings	4		
Client catch-ups	8		
Referrer catch-ups	2		
Client phone calls	20		
Newsletters articles written	1		
Client satisfaction survey follow-ups	10		

Appendix five: Client engagement form and new client tracking template

Client engagement form

Create a form or integrate the following questions into your client engagement processes / forms, so you are able to track the effectiveness of your marketing and business development activity.

1. What prompted you to come to us?
2. Were you aware of the practice through any other means?
3. If someone recommended /referred you to us, who was it?
4. Is there any reason you have chosen us rather than another advisor?

New client tracking template

Prompt for instruction	Primary		Secondary	
	Number	%	Number	\$
A referral				
Met practitioner at business networking event				
Met practitioner socially				
Advertising – Yellow Pages				
Advertising – other				
Street /signage				
Media item /Publication article				
Saw speak at event				
Website search				
Reason for instruction				
Trust in referrer				
Price				
Reputation for quality				
Reputation for speed				
Fee structuring and flexibility				
Size				
Close to my home /work				
Experience				
Other				

Appendix six: Client satisfaction survey

As part of our commitment to providing high quality service to clients at all times, this firm conducts a client satisfaction survey.

This survey allows you to tell us about any improvements we can make in our service to you. Your comments are important to us and can be provided anonymously.

Please take a few minutes to let us know where we can improve our service. Please mail the completed form in the enclosed reply paid envelope.

Thank you for your help with this survey. We look forward to providing you with the highest standard of service in the future.

Q1 Which legal representative did you see?

.....

Q2 Which legal representative did you see?

	Factor	Very good	Good	Average	Below average
A	Listening to your concerns	1	2	3	4
B	Being able to explain information and advice clearly	1	2	3	4
C	Being able to write clear explanations of advice /information	1	2	3	4
D	Keeping you informed of developments	1	2	3	4
E	On following your instructions	1	2	3	4
F	Giving you the feeling that your solicitor is supportive of you	1	2	3	4

Q3 Do you have any suggestions for ways in which your solicitor could improve his /her services to you?

.....
.....
.....
.....

Q4 How would you rate your solicitor's secretary and articled clerks on the following factors?

	Factor	Very good	Good	Average	Below average
A	On handling your queries or requirements	1	2	3	4
B	On how quickly they respond to your request	1	2	3	4

Q5 How could your solicitor's secretary or clerks improve their service to you?

.....
.....
.....

Q6 How would you rate your solicitor's secretary and articled clerks on the following factors?

	Factor	Very good	Good	Average	Below average
A	On how quickly they responded to your requests	1	2	3	4
B	On handling your queries or requirements	1	2	3	4
C	Answering telephone calls quickly	1	2	3	4

Q7 Are you satisfied with services provided for fees paid?

Yes / No

Comments.....
.....
.....

Q8 Would you be happy to recommend this firm to someone else?

Yes / No

Comments.....
.....
.....

Q9 Please provide any other comments you would like to make on the service you received.

.....
.....
.....
.....

If you would like us to follow up any suggestions with you personally, please include your name and contact details. (optional)

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.....
.....
.....

