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Law Firm Marketing Teams Grow Larger, More Strategic

By Mary K Young

Law firms continue to increase their marketing headcount at a steady rate, from an average of one marketer per 25 lawyers in 2014 to 1:18 in 2017, according to a benchmarking survey recently released by Zeughauser Group. The most profitable firms invest even more in their marketing teams, with the top quartile among respondents averaging a 1:12 ratio.

This steady increase reflects the realization that strategic, targeted branding and business development initiatives aren't just window dressing. When synced to the firm's business plans and strategic goals, they can drive profitability and growth.

The survey also shows that law firms are asking more of in-house marketers than in the past, with an emphasis on initiatives that directly support firm growth. Increased activities include targeted business development (74% of firms surveyed are revamping/expanding), data analytics (56%), and business training for lawyers (53%). Half of the firms surveyed also planned to revamp/expand their positioning, branding, and/or content marketing efforts.

But how can firms evaluate good vs. bad spend? The first step is to tie marketing efforts directly to the firm's business plan. It helps if the firm and its practice and sector teams have plans in place that guide decisions about which practices, sectors, and clients are a priority. If those plans are not in place, the marketing team can help create them by evaluating current sources of business and potential growth areas.

Plans should be created with an eye toward enhancing the firm's brand and increasing client revenues in key areas. All marketing initiatives—from thought leadership pieces, to events, to programs for individual client outreach—must help the firm develop leadership status in crucial geographic markets, practices, and/or sectors, expanding the client base in a targeted way.

Once consensus has been reached on a way forward, marketing groups should perform a thorough audit of materials and activities from previous years, evaluating each in light of its return on investment to date as well as potential effectiveness going forward. Ineffective initiatives must be ruthlessly culled in order to maximize future return on firm marketing dollars.

From this point on, marketing and business development activities should be assessed annually to ensure that they are delivering the expected return on investment. Did that event generate new contacts that will develop into strong relationships over time? Does your market research team provide actionable insights as well as rich data? Do the practice leaders and BD managers follow up on those insights? With the large investments firms are making, they need to be constantly reviewing those investments to ensure they are moving the firm forward strategically, ultimately improving the brand and increasing profitable revenue. Only then will the investment become a source of competitive advantage.

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