

A Survival Plan for the 21st Century: The Age of Marketing | Lawyers Must Learn Direct Sales Skills



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Most law firms are familiar with the traditional and most popular forms of marketing their services to the business community. But the old standbys - speeches, written articles, seminars, newsletters, brochures, community service, media, and public relations - will not be as affective in the future.

These forms of marketing will continue to be necessary to maintain a firm's visibility in the community. But lawyers looking for the most productive way of remaining competitive and producing new business in the 21st century will have to go one step further - direct marketing calls.

The two primary reasons causing the change are:

1. Clients and prospective clients are forcing lawyers and firms to use more direct methods of marketing.
2. Increased competition from other firms is creating a need for firms to differentiate themselves.

Recently, decision makers for legal services have been asking law firms to make formal presentations, commonly referred to as "beauty contests," and to respond to bids for services using a request for proposal (RFP). This approach gives the decision makers a way to differentiate among the competing firms. There is also a sense of fairness in the selection process and the organization generally benefits by getting the best deals, lowest cost or both.

Direct marketing calls on the decision makers are the best way for firms to gather information to respond to the RFP and the beauty contests. Direct marketing calls also can be used to communicate the firm's uniqueness and determine the selection criteria.



Comparative Shopping

Recently a large hospital engaged in comparative "shopping," asking outside law firms to respond to an RFP and make a formal presentation. Six firms responded with extensive presentations and brochures designed specifically for the hospital.

The successful firm formed a special marketing team to respond to the client's requests. The team was made up of lawyers in the health care practice as well as lawyers from other practice areas. Members of the team made direct calls on the decision makers prior to the presentation to determine the needs and the selection criteria. The lawyers developed a tailored response to the RFP, and they rehearsed the presentation several times. In short, they prepared for this encounter as if it were an important trial. Making direct calls and rehearsing the presentation was a unique response for the firm and probably increased the firm's odds of winning the business.

Other examples of the same comparative techniques are: a state university system requested "bids" and presentations for ERISA work; an entertainment complex used the beauty contest to select outside counsel; a large Texas-based airline and an out-of-state retailer used both the presentation and the RFP. Some firms have gone on the offensive and developed unique marketing programs to head off the RFP and beauty contests. A 23-lawyer firm,

anticipating the beauty contest and RFP, made marketing calls on a bank's decision makers. After learning the client's specific needs, the firm created a presentation on lender liability. Although the firm's presentation was offered as an educational seminar for the bank, it allowed the firm to showcase its knowledge and experience in a way that made it stand out from the pack. The firm practiced the presentation, used overhead transparencies, and created a special workbook on lender liability. The firm was successful in retaining the client and, in fact, its business increased, requiring the addition of several new lawyers.

These presentations and marketing efforts take time, but the opportunity is significant. It has been estimated that there is approximately \$100 million in outside legal fees that Dallas-area businesses have sent to firms outside the state. It is probably fair to assume that these decision makers are using the same or similar comparative techniques to select lawyers.



Clients Make the Rules

Although many lawyers and firms are reluctant to compete, it is the clients that are the decision makers and they set the rules for competition. Frequently, lawyers will admit privately that they don't like this new environment and are not confident that they have the marketing skills to compete.

There has been a great deal of frustration and discomfort associated with crossing the threshold from the familiar and traditional client lunch into the arena of competitive and direct marketing.

Direct marketing or "sales" skills were not taught in law school, or for that matter, until recently, anywhere else. The art of rainmaking, bringing in clients and business, has always been viewed with some degree of mystique.

Many lawyers feel that it is a personality type that determines the rainmaker's success and, therefore, these skills cannot be taught. Despite this widely held belief, about 15 firms nationally (five in Texas), have decided to view marketing and selling skills training differently.

The firms vary widely in size, practice areas and clients, but their strategy is the same. They are training all their lawyers - partners, associates, rainmakers, and mist makers - in direct selling and communication skills. They reason that because all lawyers have clients, then all lawyers need to maintain those client relationships and develop business.

The trick is to turn the mist makers into more than mist makers and the rainmakers into monsoon makers. Training lawyers to use these skills can include role playing using case studies of client marketing opportunities. Lawyers make marketing call with a "client," an exercise that helps develop questioning and listening skills and allows lawyers to experience marketing problems firsthand. Because much of direct marketing is nonverbal communications, or body language, videotaping the marketing calls can improve the lawyer's nonverbal communications. Videotaping also can be used to improve the lawyer's business presentation skills.



The Team Approach

Lawyers trained in direct marketing can form a marketing team that meets periodically to develop a tailored marketing program for a specific client or prospective client.

The typical team might be composed of lawyers from four or five different practice groups. A typical strategy might be to enhance the current relationship with the client and increase revenue for the firm. The ultimate objective of

the training and targeting is to understand the client's needs and market relevant solutions that head off the RFP and the beauty contest.

Most firms have overlooked training and instead have spent their resources in the indirect marketing area, such as brochures, seminars, newsletters, etc. The new wave of brochures that are out on the streets are second and third generation.

Seminars on various business and legal issues are given by law firms weekly in various metropolitan cities in Texas. Newsletters, unheard of 10 years ago, are selling specialized practice groups in high tech, banking, labor, tax, etc.

All these efforts are needed, but the majority of this material could be analogized to a travel agent's tour and destination information package. The maps, hotel lists, restaurants and sightseeing brochures are part of the trip preparation. However, the travelers (lawyers) need to know that basics of driving the car (direct marketing). It is clear that, until the basics have been covered, the journey cannot begin.

Once under way, some will want to drive faster than others, some will not want to drive at all. But to make the journey successful, every lawyer will have to spend some time in the driver's seat, i.e., direct marketing. Some lawyers will make mistakes: missing signals, not recognizing or heeding signs, and moving too fast for some clients. Many will try to avoid the experience altogether by relying on the old ways - promotional materials, public relations firms, or marketing directors to do their marketing.

But direct marketing is the domain of lawyers, and a firm will need to involve every lawyer in its marketing efforts to survive in the 21st century.



Pack Mentality

One of the more frequently asked questions from lawyers is, "Who else is doing this?"

Many lawyers and firms will wait too long to answer that question. Other firms will recognize the need for direct marketing and take action in time to beat their competition and keep valued clients.

Any article on marketing would not be complete without a word on ethics. Initially, the most successful and rewarding efforts in marketing will come from marketing to current clients. Clearly, marketing to existing clients is ethical and cross-selling additional services of the firm to these clients will be the easiest first step. It also is ethical to market in situations where the firm has been asked to bid or participate in a beauty contest by a prospective client.

Generally, it costs five times as much to market to prospective clients as it does to existing clients. Therefore, as an economic consideration, firms should spend their time and resources marketing to their existing clients and avoid the ethical mine fields associated with "cold calls" and prospecting. The experience gained from "client-only marketing" can eventually be used in attracting prospective clients.