Improving the Return on Investment of Your Legal Marketing Dollars

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At the end of April, Avvo hosted its "Lawyernomics" conference. Some 300 lawyers from across the country assembled at the Bellagio in Las Vegas to hear from speakers from a variety of disciplines and communications platforms (including representatives from Avvo, Twitter and Yelp). Although a wealth of information was shared, there was a broad, tactical theme that permeated the entire program: Improving return on a firm's business development investment.

Choosing Your Investments Wisely

For an industry that pays so much to get in front of consumers, lawyers are often poor at converting interested consumers into paying clients. Similarly, even those firms investing heavily in numerous forms of advertising - online and traditional - usually don't have a clear picture of which of those advertising channels are effective. They're left to "go by gut" when choosing whether to continue investing in an advertising campaign.

The lowest-hanging fruit in this area is establishing systems for following up with client inquiries. It should be simple, but far too many firms don't have adequate processes in place to ensure that consumer inquiries are immediately followed up on. With the likelihood of making contact with someone who leaves a message plummeting within minutes of their reaching out, establishing a follow-up system is critical. Doing so involves a mix of "rules and tools." The "rules" are business processes established and monitored to ensure that phones are covered, calls are answered, and inquiries get an immediate response. The "tools" can be as simple as an excel spreadsheet tracking inbound inquiries to as sophisticated as powerful Customer Relationship Management ("CRM") systems such as Salesforce or Avvo Ignite.

Measuring Marketing Channel's Effectiveness

Having a good system for contact and customer management is key to calculating marketing channel effectiveness. Used diligently, the CRM tools of such a system will tell the firm where each inquiry originates from (its website, a search marketing campaign, the Yellow Pages, etc.). Over a period of months, the firm will then be able to tell the rate at which those inquiries turn into actual clients. This may show, for example, that while a conference sponsorship is driving a lot of calls, such contacts become clients at a far lower rate than the smaller number of calls and appointments generated from a webinar. When all marketing platforms are matched up, the most successful ones should stand out for future business development projections and budget reviews.

By layering the cost of these marketing initiatives on the number of clients generated, a firm can get a very clear picture of the return on investment of each channel (i.e., what it costs to generate a client). That information allows the firm to identify those channels where it can profitably increase its marketing investment - and those that it needs to cut loose.

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