

## How This COVID Moment Can Transform Law Firm Marketing and Sales Budgets

By [Steven M. Bell](#) on January 18, 2021

“One of the blessings of COVID,” said the head of Business Development at a South Africa law firm, “is that it disrupted and improved the way we communicate.” Although the words “blessings of COVID” are a bit jarring, she’s onto something. Few industries are more in need of disruption than law, and within the legal arena, few disciplines could use freshening more than sales and marketing.

This was re-revealed as three of us at LawVision, all former law firm CMOs, began work on a white paper that will address budgeting of law firm sales and marketing. (LawVision principals [Silvia Coulter](#) and [Bruce Alltop](#) will be co-authors of the white paper) One of our immediate observations was that investment and innovation are hamstrung by the tyranny of precedents – four in particular.

The first of these precedents is operations benchmarking undertaken by organizations such as Citigroup, Thomson Reuters, and PWC, to name just three of many organizations that regularly survey law firms to learn more about operations spending and trends. The information revealed in these surveys is potentially powerful and definitely not the roadblock. However, law firms rely heavily on survey findings – particularly the average marketing spend as a percentage of revenue – to guide their own sales and marketing budgets. Basing budget decisions on the spending of other firms – whose markets and aspirations may vary wildly – seems an illogical way to conduct business.

Another area of precedent that hamstring innovation is “last year’s budget.” Always the optimists, law firm marketing leaders year-after-year propose imaginative, pioneering programs and related initiatives to grow the business. Each year, these ideas and the associated costs are given due consideration, but inevitably the final budget ends up within a few tenths of a percent – plus or minus – of the previous year’s. Big ideas cannot grow and thrive in such depleted business soil.

Additionally, law firm budgets almost always are short-term instruments, developed year by year. This inhibits the development of multi-year programs whose value may not be achievable in a single budget year.

Finally, law firm marketing budgets are constrained by the precedent of “the untouchable” – pet projects, sponsorships, events and undertakings of partners powerful enough to ensure that bucking these expenditures is futile and perhaps career-ending, even though “everyone knows” the spending may be wildly nonstrategic and nonproductive.

Given the existence of ingrained factors like these, COVID 19 may indeed have a silver lining and provide a window for marketing and sales leaders to produce positive and permanent change. Think, for instance, of how – at least for now – funds spent on hugely expensive budget categories such as face-to-face meetings, industry events, and travel and entertainment can be redeployed at this unique juncture.

By the way, the disruption we envision is not likely occurring in the current budgets, which were established in the “fog of combat,” well long before anyone could have understood the impact of COVID on firm revenue and thus on funds available for 2021 marketing. Rather, we think that the real possibility of constructive change exists in 2022 budgets, the

preparation of which will certainly be underway in just a few months. We believe that the savviest marketers will be starting right now to lay the groundwork for major innovations.

If you're game, here are some areas where improvements might be in order:

1. Sales Automation. Just as Zoom has demonstrated over the last 10 months what can happen on the communications front, Amazon has driven home the value of sales automation, so much of which can be accomplished absent human (i.e. lawyer) touch. How can automated customer nurturing ("Customers also bought these items..."), commerce ("Buy now...") and logistics ("Your package will be delivered tomorrow...") be adapted to the legal environment? Those who think these ideas far-fetched for law firms need to spend a bit more time with the writings of [Richard Susskind](#).
2. Firm strategy. In normal years, law firms often end up yielding to the political need to be all things to all people. 2021 may be the optimal moment for firms, in their strategies, to clearly identify and claim the attributes that can truly differentiate them. They need to think more deeply about their unique sets of capabilities, skills, experiences, geographies, industries, and client mix. Narrowing the focus means that the firm's direction is crystal clear and that marketing investments can be concentrated for maximum effect.
3. Proof is in the numbers. Do all that is possible to base proposed budgets not on intuition, but rather on demonstrable Return on Investment (ROI). By starting right now to develop objective measurements, the preparers of 2022 marketing and sales budget will be able as never before to deliver persuasive budget proposals.
4. Increased collaboration. Many items in the marketing and sales budget can be multipurposed – that is, they can serve not only marketing and sales, but also other aspects of the firm's business, such as professional development, CLE, client service, and more. While the marketing and sales budget must first and foremost support the firm's growth needs, it is much appreciated when it can add value elsewhere. As one AmLaw firm leader asks, "How many ways can you spend that one dollar?"

Former presidential chief of staff Rahm Immanuel is credited with a saying that may be apropos to this moment in the history of law firm marketing and sales. "You never want a serious crisis to go to waste." The crisis – the pandemic – we could not foresee and cannot change. But it does exist, and as law firm marketing and sales leaders, we might as well leverage its blessings for the long-overdue transformations and improvements we have long desired.