

The seal of the Florida Bar is a circular emblem in the background. It features a central shield with a palm tree and a sun, surrounded by the words "THE FLORIDA BAR" and the year "1950".

L ♦ O ♦ M ♦ A ♦ S

LAW OFFICE MANAGEMENT ASSISTANCE SERVICE

*Your source for Practice Management
advice and assistance*

A Presentation by The Florida Bar's Law
Office Management Assistance Service
(LOMAS)

Building the Small Firm Marketing Program

From Plan to Ethical, Effective Action

A Special Presentation of

Attorneys
MasterClass

MASTERING THE BUSINESS OF THE LAW

Presented by:

**Dustin Cole,
President of**

**Attorneys
MasterClass**

MASTERING THE BUSINESS OF THE LAW.

The Purpose Of This Program

To help you market effectively
in a highly competitive market

To move you into effective,
consistent action

Changes In The Economy And the Market For Legal Services

The Economy: Bureau of Labor Statistics Unemployment Projections

2010	9.7%	Florida: 12%
2011	9.7%	
2012	10.5%	
2013	10.7%	
2014	10.7%	
2015	10.5%	
2016	10.3%	
2017	10.0%	
2018	9.9%	
2019	9.7%	

Changes in The Practice of Law

- ◆ Currently 1,180,386 attorneys
- ◆ One for every 129 Americans
- ◆ Graduating more than any other profession
 - 16,167 Doctors
 - 45,588 Juris Doctors

Changes in The Practice of Law

- ◆ Law firms laid off thousands of lawyers during and after the securitized mortgage crisis which began in 2008. Many law firm's real estate practices have been eliminated.
- ◆ Many young lawyers by choice are not seeking work in large law firms ("Big Law").
- ◆ Firms strictly controlling associate hiring.
- ◆ Senior attorneys delaying retirement
- ◆ LSAT applications up 20%, highest in history.

Changes in The Practice of Law

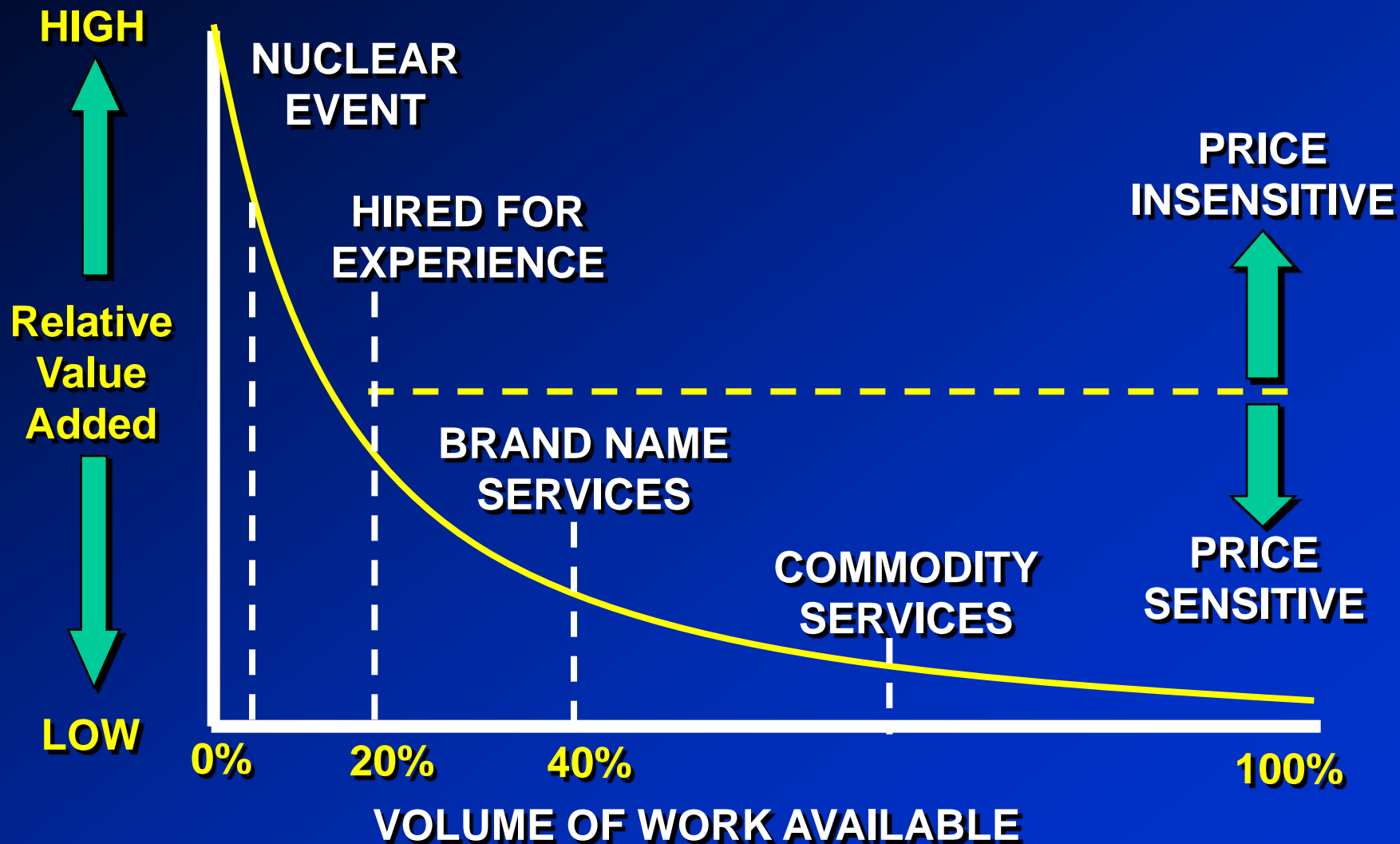
Small firm attorneys are now 62% of the profession (up from 55% in 2006) and is expected to continue growing.

-- *ABA Journal November 2009*

**“Starting in late 2007...the
supply-demand equation
shifted dramatically...”**

*-- Bradford W. Hildebrandt,
chairman and founder,
Hildebrandt Inc.*

Cobb Value Curve



“Commodity” Legal Services Move To:

- ◆ **Software**
- ◆ **The web**
- ◆ **Virtual legal services**

What All of This Means To You

**The Nasty Reality:
The “Corner Store” Is No
Longer a Viable Business
Model.**

What All of This Means To You

Competition From All
Directions Has *Increased* --
And Will Continue to Increase
Dramatically

What All of This Means To You

Supply Will No Longer
Simply *Happen*.

You Must *Create* It.

What All of This Means To You

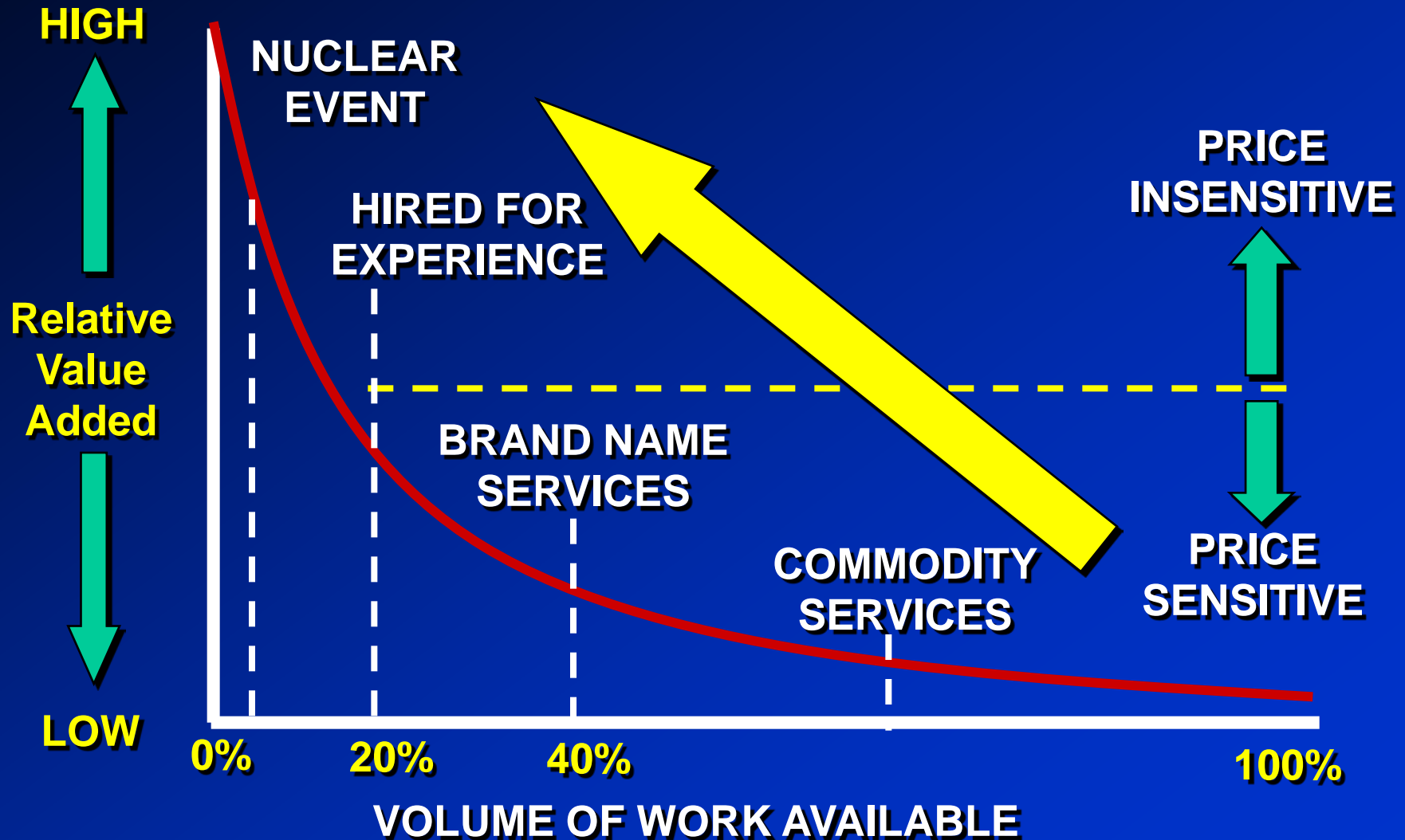
You Must Be as Expert in
The *Marketing and Sales
Process...*

As You Are On the
Work Itself!

Changing the Consumer's Perception

Commodity,
Brand Name,
Hired for Experience,
Nuclear Event?

Cobb Value Curve



**It is NOT the SERVICE or
PRODUCT You Deliver...**

**It is Your
PERCEIVED VALUE
to the Prospect!**

Strangers Buy

Products

Commodities

PRICE

Referred Prospects Buy...

Service
Reputation
Experience
VALUE...
SECURITY

Products Are Found Via

◆ Advertising

- The Web
- TV-Radio
- Newspapers & Magazines
- Billboards

◆ Word of mouth

Services Are Found Via

◆ Referrals

- Professional
- Former clients

◆ Publicity

- Articles & information (value)
- News stories (public relations)

◆ Word of mouth

ABA Model Rules 7.1 -7.4

- ◆ Solicitation without prior contact
- ◆ Soliciting business directly from non-clients
- ◆ Soliciting paid referrals

Exemptions:

“These rules do not apply to communications between lawyers...”

Also Excluded

- ◆ All communications with
 - Clients or former clients
- ◆ All communications with
 - Anyone who has requested information
 - Specific wording required

Personal Referral Marketing:

Asking for REFERRALS
Not DIRECT BUSINESS

How to Create a Process to Attract Prospects & Turn Them Into Clients

Step One: Create awareness

Step Two: Create a positive initial contact & impression

Step Three: Build a powerful interview process

Step Four: Get to “yes”

1. Creating Awareness

How Do People Find You?

- ◆ Referrals
- ◆ Advertising
- ◆ Public relations/publicity
- ◆ Personal contact

...The “Layers” of Your Marketing

Develop a Plan for
Each!

Personal Referral Marketing: The Four Core Principles

“Networking” vs. Referral Marketing

Networking:

TROLLING for CLIENTS

Referral marketing:

Developing RELATIONSHIPS

With REFERRAL SOURCES

Why Referred Clients Are Better

- ◆ Higher initial trust & relationship

◆ **...The Path from
“Commodity” to
“Brand Name” or
“Hired for Experience”**

The 7 Reasons Why You DON'T Get Referrals

1. Don't (hardly) know you
2. Don't know what you do
3. Didn't think of (remember) you
4. Think you're too good/busy

The 7 Reasons Why You DON'T Get Referrals

- 5. Think you're too expensive
- 6. Think you're too young/
inexperienced (not good
enough)
- 7. Have a relative who is a lawyer

The 4 Core Principles of Personal Referral Marketing

1. Talk to the Right People
2. Build Trust Relationships
3. Educate About What You Do and Who You Work With
4. Stay in Contact Consistently Over Time

Principle One:

**Talk to the Right
People**

CONSISTENT Referrals Are Sent by People Who --

- ◆ Know you
- ◆ Like you
- ◆ Trust you
- ◆ Want to support you

AND...

...Have *Consistent
Ability* to Send You The
Type of Client You
Want!

Avoid MBWA!

*M*arketing

*B*y

*W*andering

*A*round

Develop Your Marketing “Database” P. 9

Identify Your CURRENT Referral Sources

- ◆ Name
- ◆ Category (attorney, CPA, nurse, etc.)
- ◆ Potential to send you business – 1-2-3-4
- ◆ Level of relationship – A-B-C-D
- ◆ Days since last “A” level contact

Principle Two:

**Build Trust
Relationships**

Keys To Building & Maintaining Relationships

Know Thy Referrer (Client)

- ◆ Develop a database of your referral sources
 - Case Management Software
 - Contact Management Software
 - Outlook

Keys To Building & Maintaining Relationships

Collect (remember) key information:

- Assistant's name
- Children's names, schools, sports
- Hobbies & interests
- Spouse's name
- School attended
- Birthdays
- Anniversary
- Favorite restaurants

Keys To Building & Maintaining Relationships

- ◆ Insincerity doesn't work
- ◆ Stop “marketing” and focus on building “friend” relationships
- ◆ Be interested, *listen & remember*
- ◆ Find common ground

Keys To Building & Maintaining Relationships

- ◆ Don't sell yourself (until asked)
- ◆ Make notes after each contact
- ◆ Review your notes before each meeting
- ◆ Avoid "Groundhog Day"

Principle Three:

**Educate About What
You Do and Who You
Work With**

**Develop
“Conversational
Consciousness...”**

**...Change Your
Communications
About What You Do**

Learn How to Speak VALUE, BENEFIT & RESULTS

Instead of process
and skills!

“I Do Real Estate”

**“I help families move into
new homes”**

“I Do Estate Planning”

**“I help people protect
their families and loved
ones”**

“I’m a Divorce Lawyer”

**“I help people work
through bad family
situations”**

“I Do Collections”

**“I help people get paid
what they’re owed”**

“I Do Personal Injury”

**“I help people put their
lives back together when
they’ve been hurt.”**

“I Do Bankruptcy”

**“I help people work
through bad financial
situations”**

When You Speak VALUE...

*Listeners Understand Your
Potential Value to Them...
And...*

When You Speak VALUE...

*...You Are Training Others
How to Speak More
Effectively About You!*

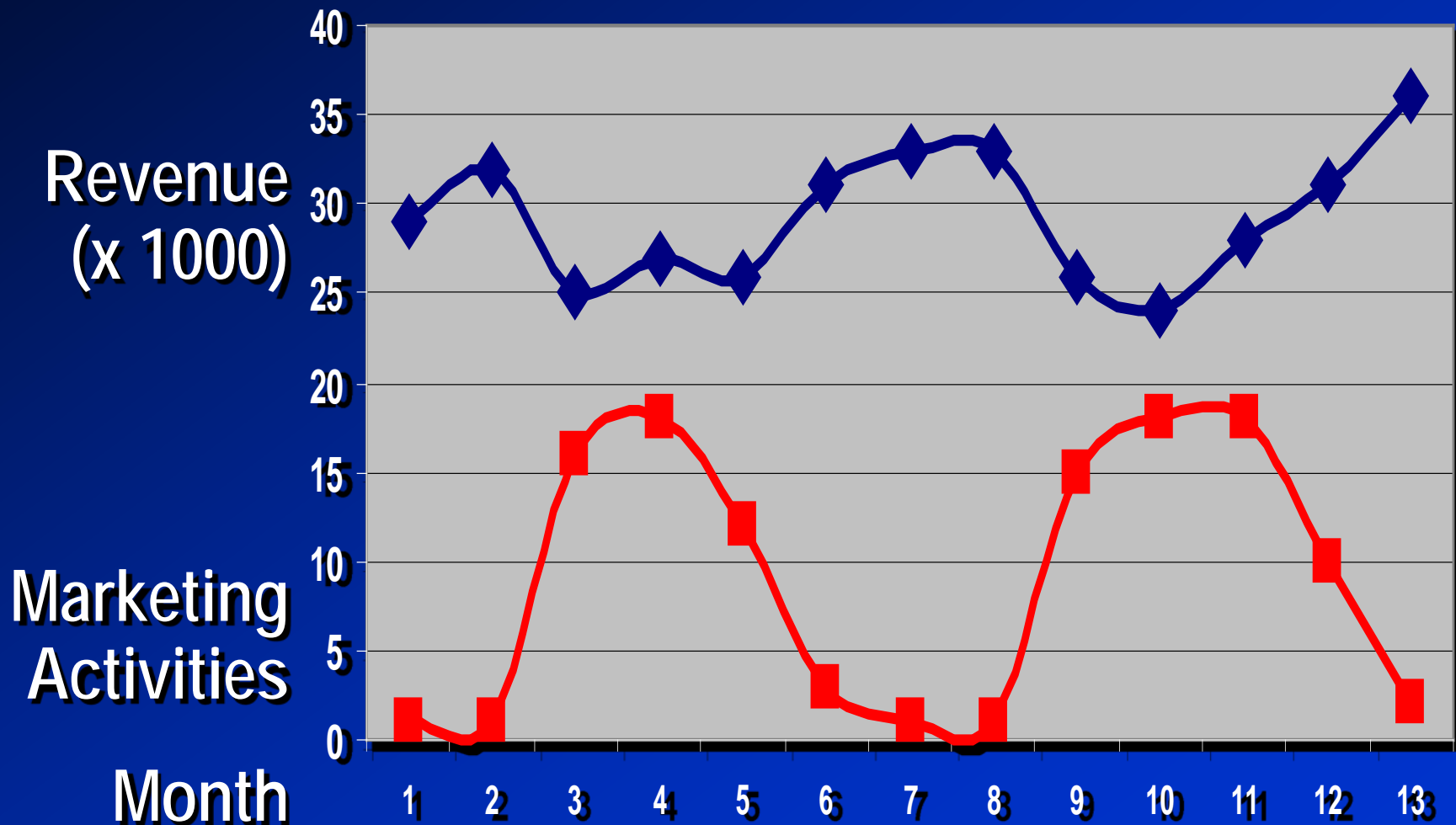
Storytelling

- ◆ “War story” with a point
- ◆ Interestingly communicates
 - What you do
 - What type of clients you work with
 - Your expertise and commitment

Principle Four:

**Consistent
Contact Over
Time**

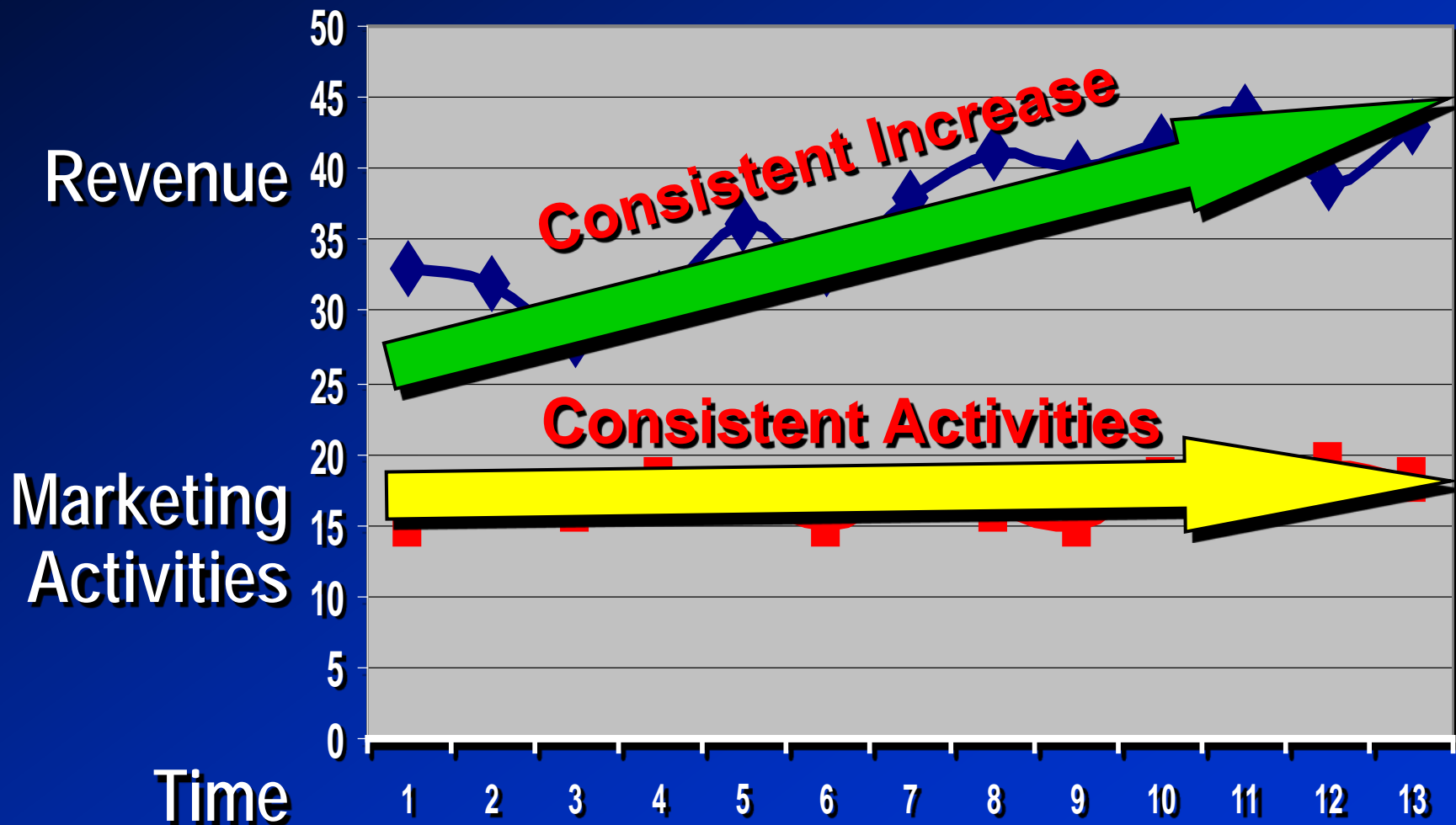
Typical Marketing Pattern



Result of “Flurry” Marketing:

- ◆ Few strong relationships
- ◆ Air of desperation
- ◆ Marketing as an exception to your normal practice
- ◆ Frustration
- ◆ Very ineffective marketing

Successful Marketing Pattern



Result of Consistent Contact Over Time

- ◆ Maintains “Top of Mind Awareness”
- ◆ Builds relationships
- ◆ Marketing integrated into practice
- ◆ Marketing becomes more effective
- ◆ Revenues grow over time

Building Your Marketing Activities Plan

**Ideas and Suggestions for
Marketing Activities**

P. 14

Should You Advertise?

Guidelines for Creating Effective Advertising

Guidelines

1. Read & follow Bar guidelines
2. Speak to your target person
 - Find a target medium
 - Design your image and message to match your target audience
 - Focus on trust-building

Guidelines

3. Avoid legal jargon

- ◆ Don't speak about your expertise, speak to their problems

4. Avoid laundry lists

- ◆ Too much detail loses the reader
- ◆ Too many areas says “generalist” not “the right person for my problem”

Guidelines

5. Move reader to action
6. Make responding easy
7. Use people pictures, not gavels and scales

Guidelines

8. Hire experts to develop materials
9. Track & measure everything
 - By medium & by each ad
 - Inquiries
 - Appointments
 - Clients
 - Gross/net revenue
 - Create & use an inquiry tracking form

Do You Need a Website?

Duh.

♦ Do You Need A –

- Phone?
- Fax?
- E-Mail?
- *Sign on your door?*

Purposes of a Website

- ◆ Validation (referrals)
- ◆ Selling (commodity)
- ◆ Positioning (competition)
- ◆ Education (value)
- ◆ Service (trust & convenience)

What Should Your Website Look Like?

- ◆ Immediate visual impression
 - The “hook”
 - Uncluttered
 - Focuses the eye
 - Colorful, visually strong
 - Personal impression (picture)

What Should Your Website Look Like?

◆ Readability

- Immediate “connection”
- Speaks to your target audience
- Speaks consumer, not lawyer, language
- Speaks benefits & value

What Should Your Website Look Like?

- ◆ **Completeness of information**
 - **Answers all initial questions**
 - What you do
 - Credentials & experience
 - Attorney information

What Should Your Website Look Like?

- ◆ Complete contact information
 - How to contact
 - Location, hours
 - Contact form with response time
- ◆ FAQ or information resources

**A Poorly-Done, Amateurish
Website...**

**...Is Nearly as Bad as
NONE!**

Increasing the Effectiveness of Your Website

- ◆ See previous
- ◆ Optimization (SEO)
- ◆ Pay-per-click (adwords)
- ◆ Update/add/change often
- ◆ Add video

Blogs

- ◆ Easy
- ◆ Cheap
- ◆ Hungry monsters
- ◆ Samples: ABA Blawg 100

The Most Cost-Effective Marketing Mix

- ◆ Referral marketing
- ◆ Well-developed website
- ◆ Targeted advertising
- ◆ Organizational leadership & visibility

Resources

- ◆ TheModernFirm.com
- ◆ Networksolutions.com
- ◆ Godaddy.com
- ◆ Register.com
- ◆ Google Business
- ◆ Yahoo Small Business
- ◆ Problogger.com

Your E-Mail Address

Janew@Yahoo.com

NO!

joeb@friendlyfamilylaw.com

YES!

2. Initial Contact

- ◆ The “Emotional Bank Account”
- ◆ As much as 80% of communication is NON-VERBAL!

Every Client or Prospect Comes
To You in Some Degree Of...

**FEAR &
MISTRUST!**

Fear of...

Their problem

The unknown

The cost

YOU!



**Your First Job Is to
Build
SAFETY and TRUST.**

**Your Second – and
CONTINUING – Job Is to
KEEP IT.**

Building Trust Begins With the Initial Impression --

- ◆ Referral source
- ◆ Advertising
- ◆ Website/blog
- ◆ Article/information
- ◆ Personal contact

**-- And is Increased or
Decreased by ---**

Phone call handling

- ◆ **Voice mail**
- ◆ **Young, immature,
unprofessional**
- ◆ **Cold, distinterested**
- ◆ **Stressed**

**-- And is Increased or
Decreased by ---**

Initial service

- ◆ **Helpful & professional**
- ◆ **Vague “call you back”**
- ◆ **Clear & specific information,
direction**

**-- And is Increased or
Decreased by ---**

Office appearance

◆ External

- Building
- Door, sign
- Hallway, entrance

**-- And is Increased or
Decreased by ---**

Office appearance

◆ Waiting area

- **Decoration, furniture**
- **Magazines, materials**
- **Reception**
- **Cleaning, maintenance**

**-- And is Increased or
Decreased by ---**

Office appearance

◆ Your office

- **Cluttered, disorganized**
- **Neat, orderly, clean**
- **Cold, institutional**
- **Warm & comfortable**

3. The Effective Initial Interview/Prospect Meeting

They will make decisions based on:

- ◆ Other people's opinions
- ◆ Their own **feelings** and **emotions**
 - Positive
 - Negative

**To Be Retained, You Must
Build Sufficient**

SAFETY and TRUST

*-- And Remember
Where They Started...*

Rules for Successful Client and Prospect Meetings

- ◆ Create an environment that fosters trust
 - Meet in your office, not the conference room
 - Have a clean desk & office
 - Greet them in the door
 - Shake hands
 - Close the door
 - Offer refreshment

Hospitality

Rules for Successful Client and Prospect Meetings

◆ Listen fully

- No calls
 - No interruptions
 - No distractions
 - 100% attention
 - Eye contact
- 80%** “Listening” body language
- Non-Verbal**
- Don't fidget
 - Don't interrupt
 - Empathize

Rules for Successful Client and Prospect Meetings

◆ Communicate fully

- Avoid legal jargon
- Honor differing speeds of listening and comprehension
- Answer questions simply, clearly, honestly and directly
- Don't demonstrate your brilliance

Rules for Successful Client and Prospect Meetings

- ◆ End the meeting courteously
 - Stand up
 - Thank them
 - Walk them to the door

Pricing Your Services

- ◆ Consumers understand “flat rate” pricing
- ◆ Consumers dislike and distrust price uncertainty

Alternatives to the Billable Hour

- ◆ Contingency/Percentage
- ◆ Fixed or flat rate
 - Unit billing
 - Step-by-step
- ◆ Statutory or scheduled

Alternatives to the Billable Hour

- ◆ Blended
 - Fixed plus hourly
 - Fixed plus contingency
 - Fixed plus percentage
- ◆ Value billing
 - Up front
 - Retrospective - “success fee”

Alternatives to the Billable Hour

- ◆ Reduced fee plus contingency or “success” fee.
- ◆ Avoid excessive fees!
Thoroughly review RRTFB
Rule 4-1.5: Fees and Costs for Legal Services.

Unbundling

- ◆ “Limited-scope representation.”
- ◆ Taking only part of a case.
- ◆ “Counsel” to assist those who cannot afford full representation.
- ◆ Agreement must be in writing.
See RRTFB 4-1.2(c).

Unbundling

“Unbundled legal services are one way to close a justice gap that is growing *as more people find themselves unable to afford a lawyer*, according to the chief justices of the California and New Hampshire supreme courts.”

-- ABA Journal, January 4, 2010

41 States Have Adopted the ABA Model Rule – BUT...

**Many Federal Judges Will
Not Honor Such
Agreements!**

<http://tinyurl.com/yjxqeuc>

Recommended Reading

*Winning Alternatives to
the Billable Hour, ABA
LPM*

4. Getting to “YES” – From Prospect to Client

Fundamental Principle:

Talk 10%

Listen 90%

Handling the “How Much” Question

- ◆ “I may not even be the right attorney for you – tell me more”
- ◆ Create prospect emotional connection to problem
- ◆ Discuss goals, concerns, fears
- ◆ Empathize, build personal rapport
- ◆ “I understand...”

Handling the “How Much” Question

- ◆ Discuss result & benefit
 - “I know you want to protect your family...”
 - “I know you want to get past this problem so you can get on with business...”
 - I know you want us to do everything we can to protect your driving privileges...”
- ◆ Balance value against cost

Handling the “How Much” Question

- ◆ Listen intently, be interested, focused, empathetic
- ◆ Speak **BENEFIT/VALUE**– not **PROCESS**
- ◆ Move conversation from “*price for paper*” to “*value for benefit*”

Combating Price Competition

- ◆ Is this something you're willing to trust to...
 - ...someone without my level of experience?
 - ...the lowest bidder?

Combating Price Competition

- ◆ ...handled to keep you as safe as possible...
- ◆ ...have the best protection in this situation...
- ◆ ...will always be someone willing to work for less...

The Definition of Insanity

The **NEW** Definition of Insanity

**Remember – Doing
Nothing is a Choice Too.**

What will you do?

Thank You!

L ♦ O ♦ M ♦ A ♦ S

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