

MARKETING IN CONSUMER LAW FIRMS

IS IT FUTURE PROOF?



whitepaper



OUR SURVEY

Says that...



More than a quarter

still rely on traditional tactics such as events



Nearly 75%

think that voice search is a fad!



50% say mobile-first websites will be a fad or will only make a slight difference to how firms market themselves

31%

admit that they are not prepared for marketing technology changes





50% believe personalised marketing will become an integral part of their marketing strategy



The median annual budget in SME consumer law firms is between £50,000 and £75,000



A third still place great importance on print advertising

The 100 SME consumer law firms were categorised into three core groups:

 58

general practice law firms offering a range of consumer legal services, including personal injury and/or clinical negligence

 24

general practice law firms offering a range of consumer legal services, but not including personal injury and/or clinical negligence

 18

specialist personal injury and/or clinical negligence law firms



WELCOME

Marketing in its many different forms is crucial to every law firm in 2017. To review the state of the market, we commissioned independent research to look at 100 SME law firms' attitudes to marketing and how they did it.

The results make for sobering reading, suggesting that most decisions about where to invest marketing budgets are made by senior management or the board without the marketing department's input. In any case, very few firms take the time to properly track the effectiveness of their marketing activity.

There is a disconnect between marketing strategies implemented and what actually works. There seems to be a reliance on using the tactics of yesteryear. Events, PR, print advertising and word-of-mouth were four of the most popular marketing tactics used, but all were ranked as some of the least effective.

The three tactics seen as the most effective were not used by all. Digital activity, such as website marketing and SEO, was viewed as the most effective and reassuringly 92% of marketers are implementing it. Social media engagement and paid search were seen as the second and third most effective marketing tactics, yet less than half of those interviewed were using these on a regular basis.

The world around us continues to change at a rapid pace and marketing is no different. Artificial intelligence, voice search, programmatic marketing and mobile marketing are already being embraced by various industries but the legal sector is proving to be a slow adopter.

A worrying number even think mobile websites are a fad. If this opinion is shared by your own marketing team, I suggest you fire them straight away.

So are law firms ready for marketing in 2020? Unfortunately, the outcome from our research suggests many aren't even ready for 2017.

But it's not all bad news. In the following pages, you will read our views on the key tactics you need to consider to make the best use of your marketing budget. You might be surprised by how much you can do and how effective it will be.

Qamar Anwar, Managing Director, First4Lawyers

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INTRODUCTION

It is, remarkably, little more than 30 years since solicitors were first allowed to advertise their services. From those first, faltering steps into local newspaper display adverts and the Yellow Pages, today legal marketing is a significant and sophisticated discipline that operates in a hugely competitive market of 10,000 law firms.

It remains the case that, in many firms, marketing professionals are seen as fee-drainers rather than fee-earners. There are a handful of more enlightened practices which understand the crucial role marketers play in developing their practices and recognise their contribution through pay and position, to the point where a few are fully fledged partners. But for now, these remain the exceptions to the rule.

Circumstances have dictated this. The introduction of alternative business structures and the mood of innovation they have engendered among other legal services providers – unregulated businesses, comparison websites, technology platforms and the like – mean that law firms increasingly need to fight for their share of the market.

The problem is that the legal profession can be slow to react, adopting strategies and tactics that more consumer-friendly businesses consider old hat. And this is at a time when technology is pushing strategy and tactics ever faster forward.

First4Lawyers commissioned well-known research company IRN to poll 100 SME consumer law firms – with turnovers ranging from less than £500,000 to more than £10m – to explore the current and future state of their marketing, in particular examining whether firms are future proofing their strategies and adapting to a changed marketing landscape.

This White Paper highlights the results of this major research and goes on to explain what you need to know about marketing in consumer law firms now and in the future.

The report is supported by a host of more detailed papers explaining the tactics and issues highlighted here. You can find them at comparemymarketing.com/whitepaper

MARKETING BUDGETS

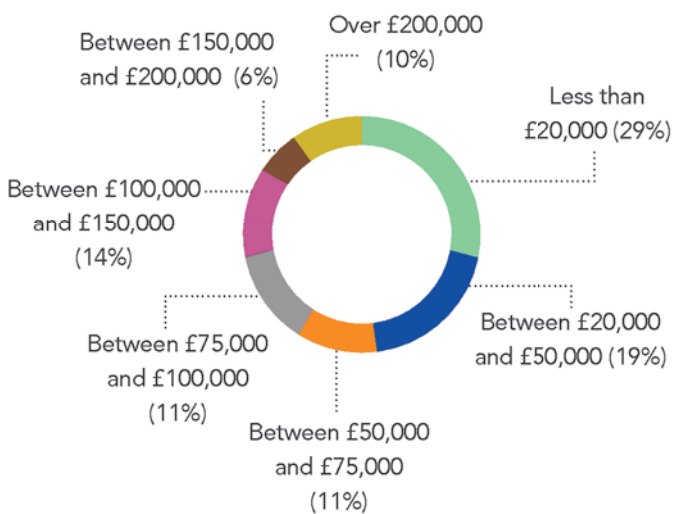
Before we get to how marketing money is spent, the first question has to be, how much is there to spend?

Given the different turnovers of the firms surveyed, annual marketing budgets unsurprisingly ranged widely, from less than £20,000 to over £200,000. The median annual budget is somewhere between £50,000 and £75,000.

Spend does not always correlate to size: there are small firms with turnovers of less than £1m spending 10% of it on marketing.

Surprisingly, just under a third (29%) have a budget of less than £20,000, which is a relatively modest amount in marketing terms. Nearly half (48%) set their budget at £50,000 and only 30% allocate £100,000 or more.

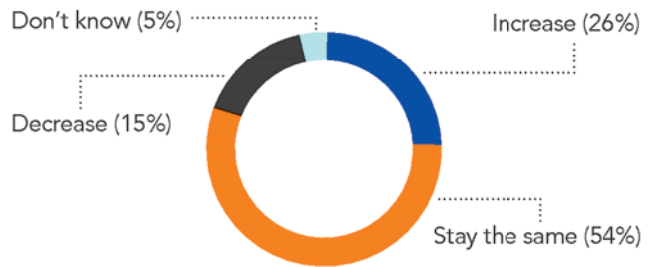
Law Firm Annual Marketing Budgets (% in each budget band)



The majority of respondents do not expect their budget to change in the coming year. Of those who are expecting an increase, almost all say it will be no more than 10%.

The research commissioned by First4Lawyers also showed that the firms likely to increase their marketing budgets in the next two years are mainly those already experiencing business growth, while the two key reasons for budgets not increasing - or even decreasing - are a focus on referrals/word of mouth as a generator of new work and small firms having to make savings or at least not increase costs. It goes without saying that this can be a false economy.

Marketing Budget Changes Expected in next 24 Months (%)



The poll found that digital marketing and social media are likely to be the areas driving growth in marketing spending for most law firms anticipating a budget increase.

One concern that came out of the research was the decision-making process when it comes to spending marketing budget. At two-thirds of the firms surveyed, the decision is made at management or partnership level. But are they best-placed to determine the evidence and strategy for such decisions?

Only half of those firms analyse the performance of their marketing in the previous quarter or year when making spending decisions, and just a small proportion are driven by competitor analysis.

Our fear is that too many are making decisions based on gut instinct or anecdote, rather than data and hard evidence. In most areas of business life now, data is king – we will expand on this later in the report.

Some 61% of firms say they monitor the return on investment (ROI) on marketing, but when asked how they do this, only 42% could give an answer, and they included answers like “We monitor ROI loosely” or “If it doesn’t seem to work, then we don’t do it again”, or “We have a general idea what works and what doesn’t”.

Other more specific answers included asking new clients and leads how they found the firm, calculating the value the website brings in/checking leads from the website, and using a client relationship management system.

The majority of firms surveyed (61%) are using the data they collect to better understand their customers, while 46% say they use it to better understand customers’ purchasing decisions. But 27% did not make any use of the data at all. ■

“ HALF THE MONEY I SPEND ON ADVERTISING IS WASTED; THE TROUBLE IS I DON'T KNOW WHICH HALF. ”

JOHN WANAMAKER, 19TH CENTURY MARKETING PIONEER

Today we are surrounded by marketing and every penny spent is becoming increasingly accountable.

Within the legal sector, we are seeing the overall amount of money invested in marketing starting to decline. However, this is due to a decrease in the number of advertisers rather than how much they are spending.

Between 2012 and 2016, we have seen a 24% decline in the number of legal brands advertising in major above-the-line activity (that is, mass marketing), yet those who are advertising are spending an average of 51% more each per year than they did in 2012. This increase is driven by the dominant brands in the market and the reality is many law firms have very small budgets.

Paid digital has accounted for the largest percentage of marketing spend since 2014. In 2016, it accounted for 60% of all spend, yet only 40% of legal brands have used paid digital marketing to advertise their business compared to almost 75% that have tried press advertising.

The average spend per legal advertiser using digital marketing has increased from just under £89,000 per year in 2012 to £115,000 per year in 2016. The reality however is that the digital domain, like TV, is dominated by the biggest brands, each spending many millions per year to get their adverts seen. The average law firm simply can't afford to compete

in such an expensive and competitive marketing channel.

TV has consistently been the second largest area of spend for legal brands, but it has remained the preserve of the selected few, with only around 5% of all advertisers spending money on TV each year. It peaked in 2015 at 51 advertisers spending over £36m between them – 36% of the recorded spend on marketing by the legal sector that year.

Radio has been a big draw for the legal sector and is seen as a more cost-effective way to get a message to the mass market. There have been an average of 275 legal brands advertising on the radio each year for the last five years. The average spend per advertiser has been £35,000.

Total radio spend peaked in 2013 at just over £12m, when it accounted for 13% of all marketing spend. Since then it has seen a slow and steady decline.

Nearly three-quarters of all legal brands advertising have at some point had a dalliance with press advertising, and whilst over the five years more has been spent on press than radio advertising, the average spent by the firm is now at its lowest level at £15,000.

THE DOMINANT BRANDS

Unsurprisingly, around 80% of the advertising spend in the legal sector is by brands involved in personal injury work.

The top 10 advertisers in 2016 were all either dedicated personal injury brands or offered a level of personal injury services, including First4Lawyers of course.

To break into that list, you would have to spend at least £1.2m with the average top 10 advertiser spending £5.7m in 2016. This was down 8% on the year before because of less TV advertising, but investment in digital went up 27%.

The top 10 advertisers account for an average of 62% of all marketing spend across the legal services sector. Their dominance is even greater in the TV sector.



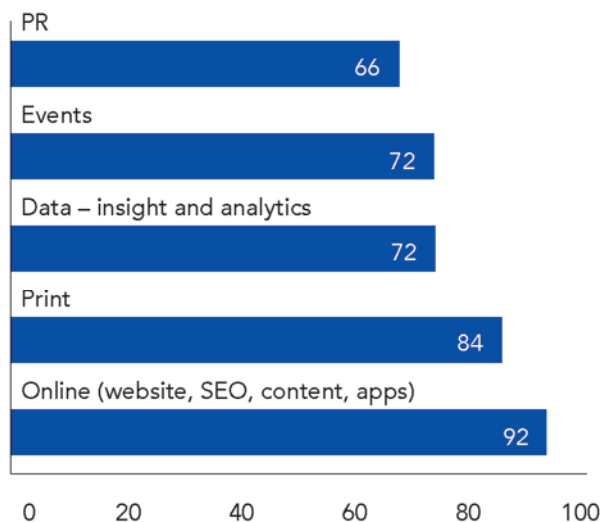
MARKETING TACTICS

Interviewees were asked about the range of different marketing tactics they use, revealing six main methods being employed by a large majority of consumer law firms.

At the top of the list is 'Online presence (excluding paid search and display)', used by over 90% of firms.

That they have to do this is seen as a marketing tool in itself – virtually all also use the fact of regulation and compliance to confirm their credibility and reputation. While the brand of 'solicitor' is strong, research by the Legal Services Consumer Panel has shown that public awareness of quality marks, like accreditation schemes, is very low.

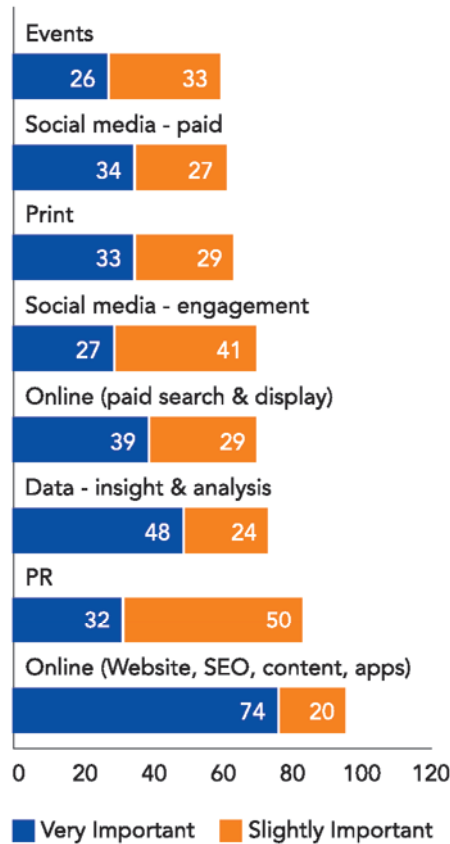
Marketing Tactics Used by a Majority (%)



Despite the growth of digital marketing, print is still used by 84%, a figure we find extremely surprising in the digital age given that it is a declining sector and is difficult to monitor. Other tactics used by a clear majority are events, PR activities and measurables such as data insight and analytics.

While these five marketing tactics are used by the majority, only two tactics are rated as 'very important' by respondents and these are the two at the top of the list. However, when the 'very important' and 'slightly important' ratings are combined, then other tactics enter the mix.

Marketing Tactics Rated as Important by Majority (%)



There are a number of instances where the majority of law firms consider a tactic important but only a minority actually use it. This suggests that cost is likely to be a limiting factor where money needs to be spent directly on paid search and display or social media engagement. Limited use of the latter may be less about cost and more about a lack of resource, expertise or time.

Importance is one thing, but how effective are these various marketing tactics? The research shows there is no single method that is perceived to be 'most effective' by a large number of law firms. However, almost half those firms did consider two to be their 'most effective' option:

Online (website, SEO, content apps), and Social media engagement.”

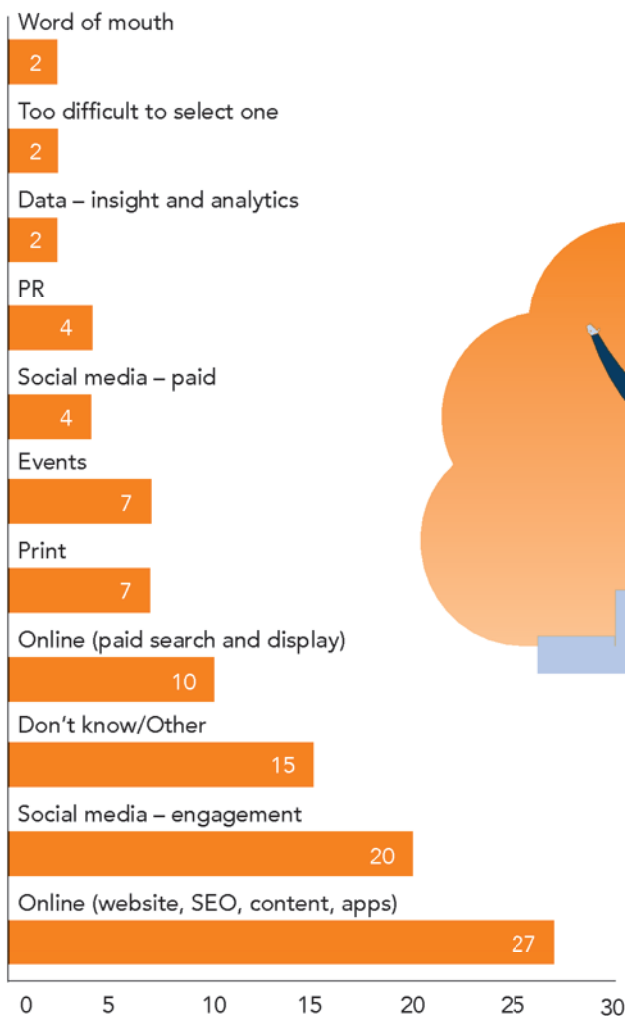
Facebook is the favoured platform, with 61% of firms using it, followed by 53% using Twitter and 51% LinkedIn. Use of other social media channels is still very limited.

One tactic that is ‘bubbling under’ appears to be apps. While just 12% of our sample have one, 40% have plans to start using them.

It’s also worth mentioning the ‘other valuable tactics’ firms identified – many of our respondents highlighted ‘word of mouth’ and marketing to existing clients. Community engagement and networking were also mentioned.

These kinds of approach have their place, but as a measurable marketing tactic you need some kind of return, such as customer surveys or structured friends and family referral schemes.

Most Effective Marketing Tactic (%)



The report is supported by a host of more detailed papers explaining the tactics and issues highlighted here. You can find them at comparemymarketing.com/whitepaper

TACTICS IN ACTION

There are lots of marketing tactics available out there at the moment. Here are some best practice guidelines for the key areas.

ONLINE MARKETING – SEARCH AND WEB STRATEGY

Marketing has always been about connecting with your audience at the right time in the right place, and this has become increasingly complex in the 'always on' digital world.

With nearly 90% market share in the UK and over 70% globally, Google is where most digital marketers look to shape their strategy, but how do you ensure that your business is found online?

While paid-for advertising is obviously important, most marketers want to use their websites to drive 'organic' enquiries, because it is a cheaper route to market.

THE MINIMUM STANDARDS FOR ANY WEBSITE SHOULD BE THAT:

- **It is technically sound** and well optimised.
- **It is mobile-friendly.** In 2016 mobile and tablet web usage overtook desktop for the first time and Google is planning to introduce mobile-first indexing, which means it will rank your website on the mobile, rather than desktop version.
- **It is fast.** 53% of users leave a page if it takes more than three seconds to load, and for every one second faster your website loads, then there is a 27% improvement in conversion rates.
- **It is original.** Simply copying the content from a website and passing it off as your own work, or duplicating your own content across multiple

pages within your website, is going to land you with a penalty from Google, leading to a drop in the search rankings.

- **It has great content.** It needs to be relevant to the target audience and engaging. Use video, infographics, guides and the like.
- **It is secure.** When you view a domain name in your browser, if 'https' appears, then it means it offers added security and protection. Google is now changing how it views 'http' websites, and if your site isn't to this level you could find it slipping in search rankings, or becoming completely blocked by Google in the future.

Even if you have done all of this, you cannot sit back. A website is a constantly evolving marketing tool and you need to have a continuous process of refinement and development to ensure it ranks well and delivers what you want from it.

For each tactic there is in-depth information in our supporting papers, available at comparemymarketing.com/whitepaper

CONSIDER:

SEARCH ENGINE OPTIMISATION

The search landscape has never been as complex as it is today. Less than five years ago, search performance hinged on a few ranking factors; now the considerations are much broader and multiple disciplines are required to achieve results.

Ultimately, Google is looking to provide users with information that is more localised, personalised, and easier to access. Keywords arguably still provide relevance, but understanding how users interact with your website is what Google really wants to achieve; being the best result is not a matter of keywords, it's a matter of value.

A user may well use the search query 'legal advice' but that doesn't necessarily mean they want to talk to a lawyer there and then; answering the indirect intention is the element that provides added value. Of course, it isn't simply a question of being the best answer, it's also a question of trust – onsite or offsite 'trust' does and will continue to play a key role in your search performance.

LINK BUILDING STRATEGY AND DIGITAL PR

Though no longer as critical as once thought, links are still extremely relevant to SEO and website performance. It should be an outcome of your digital strategy and not a standalone objective – quality and relevance are key.

TOP TIPS FOR A DIGITAL PR LINK BUILDING STRATEGY

- Check the relevance and domain authority of the site you want to link to you and aim for the best possible
- Aim for links from sites that are relevant to yours
- Don't try and get links from sites that exist solely to publish guest posts
- Make sure what you produce is relevant and of high-enough quality
- Look at what added-value content you can include on your website to drive more traffic from a link
- Lists are excellent – people like to link to a list of useful information and it helps drive organic performance
- Do not pay for links – EVER!

CONTENT STRATEGY

A content strategy is about ensuring that your website has the right and appropriate content. You have to ensure that it is well structured and easily found, as much as it is well written and unique.

What your users want from a given page should be at the forefront of your decision making. Are you giving them what they're looking for fast enough?

Google's Search Quality Evaluator Guidelines say that to meet a search query, a result must be "fully satisfying" and require "minimal effort for users to immediately get or use what they are looking for".



PAID ONLINE ADVERTISING

There are many formats of paid online advertising but the most popular include search engine marketing, pay per click (PPC), Google-sponsored promotions, native advertising, display, programmatic display, video adverts and social media.

WHICH DIGITAL MARKETING SHOULD YOU USE?

All are very valuable advertising formats but the best one for you depends on your objective.

BUILD AWARENESS

Consider display-orientated advertising, such as YouTube Trueview – either In-stream adverts, which allow viewers to skip the pre-roll adverts after five seconds, or Video Discovery adverts, which appear in places where the content the visitor is viewing is relevant to the advert you are displaying.

DRIVE ACTION OR LEAD GENERATION

Brand awareness is great but is irrelevant if you don't win new business. The main sources of direct lead generation activity are paid search campaigns, be it through Google AdWords, Bing or increasingly through paid social media advertising.

PPC means you can control what you want to pay for and it provides a solid platform for return on investment calculations.

If you are using paid-for advertising, then you need to consider the following:

- Granular campaign structure makes your keywords work harder for you, maximising advert relevance, bids and landing page experience
- Using the plethora of advert extensions available in your accounts
- Controlled testing and management as things are always changing
- The best use of remarketing to fit your goals

However, most importantly you need to understand the true value of leads generated by paid advertising. Differentiating between a lead that's valuable and a lead that is not means you can concentrate your efforts where it matters most. Historically, this is something that has always been a big obstacle.

Attribution modelling is vitally important to any successful digital marketing strategy. We may start our search on a desktop by clicking on a PPC advert, then later that week we may return via a social media advert, and then a couple of days later may visit a third time on a mobile device from a direct visit but then submit an enquiry. As such, it is essential you have a complete picture of the conversion path to ensure you are not misinterpreting which marketing channels and activity are working most effectively for you.

There is more in-depth information in the supporting documents available at: comparemymarketing.com/whitepaper



SOCIAL MEDIA ENGAGEMENT

The reach and influence social media now possesses can transform a business. It allows consumers to feel a part of a brand or a company, and as such brand identity is an important aspect to social media. But there are many other benefits to social media, such as brand visibility, lead generation, networking and thought leadership – basically, showing you know what you're talking about, rather than just saying what you do.

The supporting paper on our website provides useful tips on how to make the best of these and suggests the best social media dashboards and tools to measure success.

Here are some of the ways you can boost your business using social media:

- Follow and engage with others who are relevant to you; don't just expect them to find you.
- Post regularly, and consistently. People may miss one post but catch another; don't be disheartened if not all your posts have the same level of engagement.
- Stay up-to-date with current news so you can be responsive to relevant stories and make the most of 'newsjacking' opportunities, i.e. write articles on news articles that benefit your business.
- Keep an eye on popular hashtags on sites such as Twitter and Instagram, and use them where relevant to boost followers.

- Reply to comments across your social media, especially any negative comments. You may need to have someone responsible for keeping an eye on your accounts out of hours just in case something crops up that needs dealing with quickly.
- Encourage customer feedback and responses, ask them questions in your posts, e.g. 'can you believe our research found ...?', or alternatively, use Twitter polls to pose questions to your followers.
- Don't be afraid to experiment. It may work or it may not, but either way you'll know for the future.
- Stay true to your brand, make sure that your messaging and content is consistent.
- Have a clear social media policy in place for staff so that they know what they can and can't post.
- Make sure your usernames are consistent across social media.

We would also recommend not diluting yourself – select a few social media sites to focus on rather than being on them all. At the same time, make sure you have registered your username on other sites even if you're not going to use them, so that no one else takes them.

You don't have to post on all your social media accounts every time, it may be the case that some content is not relevant for Instagram or Facebook, but that doesn't mean you can't post it elsewhere. But do remember to optimise content for different social networks, for instance altering the size of images for different networks.



TV ADVERTISING AND YOUR LAW FIRM

With such a rapid rise in digital marketing, many would think that TV advertising would be redundant, but instead it has seen a resurgence in recent years. During 2016, spend on TV increased by 12.6% to over £5.3bn and accounted for just under 50% of all advertising spend. However, forecasts predict that by 2020 TV will drop to around 22% of total spend.

With the ongoing debate about the transparency of the digital ecosystem, is TV still relevant to the modern marketer?

There are over 480 channels and with major players such as ITV introducing ITV Be and ITV Encore to capitalise on the demand for TV air-time, there are still a lot of eyes to catch.

The legal services sector has seen a reduction in the amount of money spent on TV in 2016 and accounts for less than 0.5% of all TV spend. TV advertising of legal services peaked in 2015 when there were 51 advertisers and they spent a total of £36.2m. Between 2015 and 2016, total spend fell by 38% despite only seeing a 19% reduction in the number of advertisers.

Most marketers think that TV advertising is unaffordable and unattainable. With an average 30-second slot on ITV costing up to £4,000 during breakfast through to £30,000 at peak time, it can be but with an increasing network of channels, cheaper airtime is available and this may encourage law firms to dabble. There is also Direct Response TV, which features a direct call to action – such as making a call or going online – rather than raising awareness. You pay per thousand people viewing that advert.

However, before becoming lured by the possibility of a cheaper route to market, prospective advertisers need to consider the costs of creating an advert, not to mention

the immense amount of time and effort that goes into monitoring effectiveness and performance and ensuring that you get the right channel mix to maximise your activity.

Some of the commercial stations that provide Video on Demand (VoD), better known as catch-up services, insert adverts that cannot be skipped, making for interesting opportunities. VoD may be more expensive than traditional TV advertising, but the ability to enjoy deeper targeting opportunities means that you can use it more effectively with smaller budgets.

THE FUTURE OF TV ADVERTISING

Television viewing habits will change more in the next five years than they have done in the last 50. The way we consume TV is changing to more on-demand and non-linear TV viewing via different platforms.

The future heralds the opportunity for advertisers to deliver adverts to specific homes and indeed even individuals via cable and satellite boxes and connected TV services.

As with digital marketing, the programmatic buying of TV airtime will be the next big thing and will open up TV advertising to a wider group of advertisers. Sky Adsmart is an example of such a service: it allows advertisers to cherry-pick their audience based on a very wide range of variables.

The advent of programmatic advertising and increases in non-linear TV viewing will also likely lead to more hybrid TV/digital cross platform promotions. Organisations will probably see their digital and TV budgets combine.

The supporting paper on our website give lots of information to those considering the benefits of a TV campaign: comparemymarketing.com/whitepaper



KEY STATISTICS

TV ADVERTISING

- We watched only four minutes less TV per day in 2016 compared to 2006
- TV accounts for 42% of an adult's chosen media per day
- 86% of viewers watch TV live (but only 40% of 16-to-24 year-olds)
- 69% of individuals now have access to 'On Demand' TV platforms compared to 24% five years ago
- 56% of homes have a TV connected to the internet
- 4.4m in the UK subscribe to Netflix
- 57% of people have watched TV on a catch-up platform
- 31% of 16-to-24 year olds and 16% of 25-to-34 year olds consume TV via other devices
- 22% of other video content is watched on a TV

SOCIAL MEDIA

- 83% of female and 75% of male internet users are on Facebook
- Most Instagram users are between 18-29 years old, and women are more likely to use it than men
- 29% of internet users with degrees use Twitter, compared to 20% with high school qualifications or less
- 81% of millennials check Twitter at least once per day
- 91% of retail brands use two or more social media channels
- Internet users have an average of 5.54 social media accounts
- 1 million new active mobile social users are added every day. That's 12 each second
- 78% of people who complain to a brand via Twitter expect a response within an hour
- People aged 55-64 are more than twice as likely to engage with branded content than those 28 or younger

PAID ADVERTISING

- UK digital advertising spend grew at its fastest rate in nine years to reach £10.3bn in 2016, with increases in the consumption of video and mobile content accounting for much of this growth
- Over the last 12 months, online searches for legal terms increased by 9%, largely driven by a 21% increase in mobile queries as desktop grew just 5% and tablet declined by 10%
- Mobile advert blocking has increased 90% year-on-year
- 77% of consumers agree they would prefer to advert filter than completely advert block
- The average click-through rate for a paid mobile search advert on Google in first position is 27.7%. It is 9.2% for second
- Google drives 95% of all paid search advert clicks on mobile
- The average click-through rate in AdWords across all industries for search is 1.91% and the average conversion rate is 2.7%
- The average click-through rate in the legal sector is 1.35% and the average conversion rate is 4.35%
- 'Lawyer' is the sixth most expensive keyword category on Google
- 64.6% of people click on Google adverts when they search online

THE IMPORTANCE OF DATA, ANALYTICS AND MEASURING SUCCESS IN MARKETING

In a world where there is a plentiful supply of data and information to aid marketing planning and decision making, it is quite shocking that so many respondents to the research are investing in marketing activities that they openly admit are neither important nor effective.

For example, while most of those surveyed are using print advertising and marketing, only 7% cited it as one of their most effective marketing tactics, and almost 40% said it was not an important one. Yet the legal sector has spent over £50m on print advertising over the last five years alone. It begs the question: Why?

Some of it is misplaced comfort with tried-and-trusted methods but the main reason is simply that many of those surveyed are not either monitoring the effectiveness of their marketing activity or are not doing it in a structured manner. Every firm will say how important word of mouth is, but do they actually track how much work they get that way? Very few do.

At the other end of the scale are marketing activities that respondents consider effective but then don't really use. Social media ranked highly for perceived importance but fewer than half of firms are actually using it. Paid search activity is the third most effective marketing tactic and almost 70% say it is an important or very important marketing activity. Yet only two in five marketers are using it.

This all suggests that they either are unsure about how to use these tactics or are actually fearful of them as routes to market.

You then wonder what the three out of four respondents who cite data insights and analytics as a marketing tactic that they use, are actually doing with the information they gather. Perhaps it is because only half of them perceive data as a very important part of their marketing strategy and a mere 2% ranked it as one of the most effective marketing tactics they use.

Indeed, half of respondents feel data analysis is either a fad or not important and will not change how they market.

This is wrong-headed. Why use gut instinct when you have the facts and figures? Perhaps it is because 72% say they

are not at all or only slightly prepared for how to use data metrics. Data is not perceived by many marketers to be interesting or exciting and therefore is often overlooked in favour of more creative marketing activities.

But if you haven't got control of your data and analytics, how can you drive successful marketing?

WHY USE DATA?

How well did your last marketing activity perform? Who did you target? Why did you choose them? Did the campaign go as well as you planned? How would you improve the campaign if you ran it again? These are questions you should be asking all the time.

Most marketing campaigns that fail do so because of lack of data, or using the wrong data. Data tells you what your customers look like, what messages they respond to and how they like to be communicated with. If you are going to use print advertising, for example, make sure you do it in a way that can be measured (use a special code, web address, that kind of thing).

Data can be explored, interrogated and analysed for hours, using sophisticated tools and applications – but it's not always necessary. Here are the key aspects of data and analysis that you should consider, as legal marketers:

PLANNING

Profiling your customers and, more importantly, the type of clients you really want is the starting point for any marketing campaign, but it is also really important to utilise data to establish the break-even points of your marketing activity.

Can you identify how much it is going to cost to generate an enquiry and how many of those are likely to turn into fee-earning clients? What are each of these then worth to your business? If they generate less than they cost to find, then you need to re-think your strategy!

PERSONALISATION AND MESSAGING

One size no-longer fits all and with digital technology you can now tailor your messages to be more personal to each member of your target audience.

The supporting paper on our website suggests marketing analytics tools for you to use:
comparemymarketing.com/whitepaper

MONITORING THE CUSTOMER JOURNEY

Is your potential customer going to get the experience that they expect and you want them to have? From the online experience to the person that answers their call or calls them back, how effectively have you tested the process and what checks do you have in place to ensure it continues to be successful?

There is nothing more frustrating than driving lots of potential new business to your website if they find the user journey arduous or complex. There are a variety of inexpensive solutions that you can use to monitor how well users interact with your website or key landing pages.

TESTING, TESTING AND MORE TESTING

No marketing campaign is ever complete. You should continuously develop and refine, rather than repeating the same thing, even if it is working well. Take segments of your data or campaigns and test them, monitoring performance changes by testing different messages, time of day of activity, creative and calls to action. Campaigns should evolve and it is easy to make subtle changes and tests rather than attempting mass change and finding it hard to evaluate.

MEASURING SUCCESS

What did you actually achieve from your campaign? Our research findings show how few proper monitoring and review processes firms have in place.

It is surprising how many forget the simple basics of asking a client how they heard of them. Call tracking software enables you to track at the top level which campaigns are generating enquiries – but in this digital age you can drill down as far as you want with analytics and tracking tools to identify exactly where the successes lie.



EMERGING MARKETING TECHNOLOGIES

It may be trite to observe how fast IT is developing, but the slow rate of progress in many law firms' approach to marketing technology will only hinder them more as new technologies and trends emerge.

We produced a list of eight that we foresee in the short and medium term, but perhaps unsurprisingly, we found our 100 firms behind the curve.

When we asked them simply which were the most important, they identified mobile-first websites, artificial intelligence, voice search and personalised marketing at the top of the list.

But when it came to which were rated as important for the firms and likely to become part of their marketing strategy, only personalised marketing and mobile-first websites received a substantial degree of interest.

In fact, this is not so much of a prediction as a reflection on what is already happening – despite half of our respondents stating that they think mobile-first technology is a fad or won't make a difference to how they market, 43% of law firms interviewed are already using this technology and 36% personalised marketing.

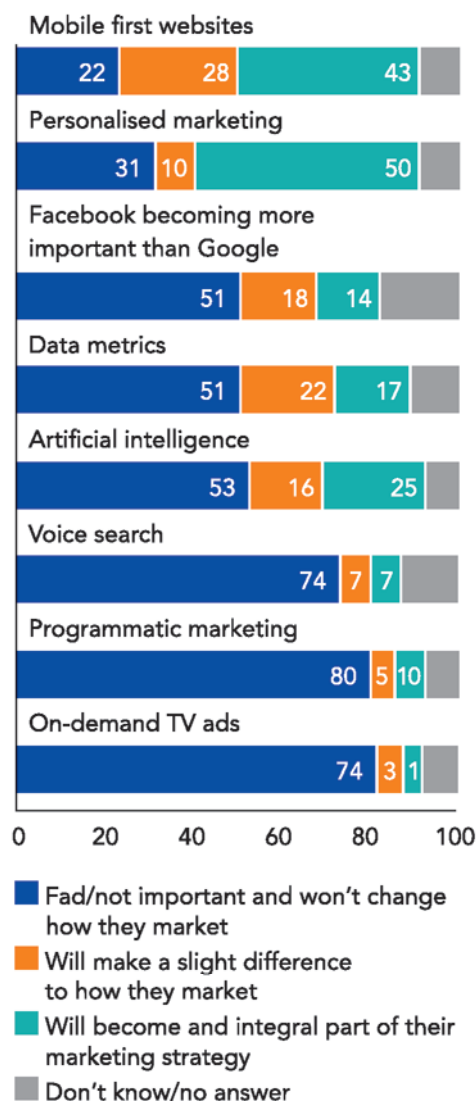
So what our firms are dismissing is the next wave of technology, and this highlights a major knowledge gap. Take voice search, which 74% of respondents branded a fad and of no importance to them. This flies in the face of both what is already happening and what the experts predict – by 2020, it is estimated that 50% of all searches will be done by voice.

As we discuss overleaf, the likes of Alexa, Cortana and Google Assistant show how voice activation is a fast-growing technology, while Apple has announced a big upgrade of Siri for later this year, including a more visual interface that shows suggestions and follow-ups to the original query. Siri is used by over 375 million active devices each month and fields two billion requests a week – and it is integral to HomePod, Apple's forthcoming answer to Amazon's Echo.

Thus it is not surprising that the research shows how unprepared most firms are for these marketing technologies – not one is using voice search, while just 3% said they are "very ready" for it.

This blindness to the way marketing is changing is reflected in firms' confidence about their readiness for it. Only 31% of respondents admit that they are not prepared for the marketing technology changes, either because they have no time or resource to devote to considering them, or because they don't see it as relevant to their business.

Rating of Importance of Selected Marketing Technologies (%)



The largest group (39%) feel that they are prepared, although mostly in relation to those changes they feel will affect their business – that is, hardly any of them.

The way websites look and work today and the search results you see on the likes of Google are radically different to how they looked a decade ago. Back then Google was the start of the customer journey, with a directory of places you could go to find the answers. Now, Google is becoming increasingly embedded in the user journey so that it provides the answers, as we discuss over the page.

In addition, customer expectations and approaches to technology are changing. As they become more comfortable with technology, they are demanding and expecting faster results. The legal industry is a slower adopter of tech, with many commentators stating that the 'lawtech' space remains an opportunity to be claimed.

SO WHAT DOES THE FUTURE LOOK LIKE?

It will be technology-fuelled and increasingly complex. Search will exist because people will continue to need answers and information, but the skill for brands is to ensure they have the best answer and format of answer to fulfil these needs.



THE END OF WEBSITES?

For law firms, this means making their information accessible and in a format that people want. It's possible that people will interact with your online information without actually visiting your website.

It has been predicted that by 2020, 50% of all searches will be done by voice and 30% of all web browsing will be done without a screen. This means marketers need to be thinking about an audio-led search and web marketing strategy for their business. Brands will need to develop a distinctive brand sound to help them stand out from the crowd.

THE RISE OF ANSWERS

With the increase in voice search and the changes to Google's algorithms, the web has become about providing answers to people's questions. Studies indicate that the proportion of search results showing direct answers to questions is now as high as 40%, compared to 20% two years ago.

Search engines themselves are devoting more space to answers, with rich snippet information boxes, imagery and even space within local business listings. If you can get your strategy right, then you could dominate search results with added uplift for your business.

THE MOBILE EXPERIENCE

Mobile search is only going to increase and with mobile-first indexing, the desktop website is becoming increasingly irrelevant. If you are not thinking mobile-first, then you may as well not bother with a search strategy at all.

LOCAL SEARCH

Location is currently the second most popular form of audience targeting but is likely to take the lead before the end of 2017, especially as Google has made a step-change in location marketing over the last 12 months to make it easier for advertisers to understand how their online activity is driving footfall and enquiries into a physical location by tracking visitors' mobile devices.

DATA-DRIVEN ADVERTISING

We've already talked a lot about data-driven advertising and the beauty of intent-driven search marketing. However, one of the strengths of Facebook is the demographic data that comes with it. Expect to see Google embrace data to help marketers improve the targeting of their adverts based on demographic profiling and in-market audiences.

For example, if you offer divorce services, you'd currently target the appropriate keywords at a set price. However, if a high net-worth individual was looking for advice on divorce, how much more would you be prepared to pay to get your advert in front of them?

VOICE/NATURAL LANGUAGE SEARCH

Through the growth of digital personal assistant devices like Cortana, Siri, Google Now and Alexa, natural language search is expected to be a big factor in the future.

Search engines are working hard to integrate this level of search better, and understand different behaviours and contexts.

A big talking point is how Google will monetise this and, in doing so, whether it will drive more and more people away from searches through traditional devices.

More importantly, if voice search becomes screenless, you will need to start thinking about what strategies you adopt to be heard as well as seen.

ARTIFICIAL INTELLIGENCE

This has been the year of artificial intelligence (AI) and automation. We are already seeing it play an increasing role in the automation of online marketing from programmatic display through to PPC automation.



Machine learning – which enables systems to learn and improve from experience without being explicitly programmed – should support your overall strategy and not simply replace it. AI allows you to more effectively analyse thousands of lines of data in milliseconds to make better, more effective decisions about the targeting of and bidding for keyword activity, audiences and advert types.

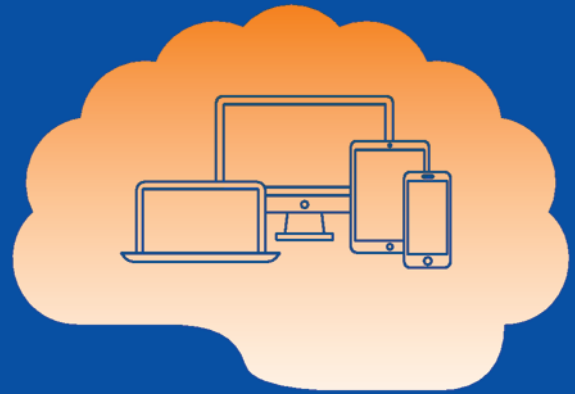
However, you still need to be vigilant because there are as many horror stories of businesses becoming too reliant on automation, where the machine learning misinterprets a blip in performance as being a poor-quality campaign and downplays spend to it – resulting in fewer conversions. It is still essential to have a manual overview of your account and the ability to sense check performance against benchmarks.

PERSONALISATION

The future of search, and in particular PPC, will certainly contain some elements of personalisation. Google's recent announcement of its plan to integrate Google Optimise with AdWords shows the focus it is putting on customising that journey for each user.

The highly targeted nature of PPC makes it a prime candidate for many clients to begin their personalisation strategy. All traffic is already separated based on keywords, audiences, and other targeting settings, so it makes sense to be able to tailor landing pages starting with the high-value traffic first.

Analysts will recommend optimising the site for all traffic before looking at smaller segments of users to get the biggest wins. The data and insight needed to drive personalisation can be laborious to gather and analyse, unless driven by the need to support a specific marketing campaign.



ONLINE MARKETING NOW AND IN THE FUTURE: KEY STATISTICS

- 50% of all searches will be voice searches by 2020
- 19% of people use Siri to search at least once per day
- 20% of searches on Google's mobile app are voice searches
- 60% of people who have started using voice search have done so in the last year
- 30% of web-browsing sessions will be done without a screen by 2020
- Bing will continue to increase market share; 35% of searches currently use it
- Amazon Echo is predicted to be in 40% of UK homes by 2018
- Only 22% of businesses are satisfied with their conversion rates
- The first position on organic Google search results has a 34.36% click-through rate on desktop and 31.35% rate on mobile
- 65% of smartphone users agree that when conducting a mobile search, relevance of information is more important than the location of the company providing it
- 50% of search queries are four words or longer

GENERAL DATA PROTECTION REGULATION (GDPR)

When it comes to compliance, the GDPR represents a major shift in data protection for all businesses, not just law firms.

The decision to leave the EU doesn't affect the introduction of this new legal framework governing the day-to-day responsibilities of collecting personal data.

Some 80% of our sample believe they will be ready and fully prepared when GDPR comes into force on 25 May 2018.

Of those, a small percentage (8%) say they are already compliant, while 50% have started preparing for GDPR and are confident that they will be fully compliant by the launch date. However, 22% have not started their

preparations, but still think they will be ready for the GDPR when it arrives.

This leaves 11% that are far from prepared: 3% have not started preparations and admit that they are unlikely to be ready in time while 8% do not know what the GDPR is. The rest didn't know what their firm's state of readiness was.



There is a detailed supporting paper on our website with hints and tips on complying with GDPR at: comparemymarketing.com/whitepaper

MARKETING IN CONSUMER LAW FIRMS

THE NEXT STEPS

Some of the results of this piece of research will come as a big surprise to anyone who is not aware of how some solicitors approach marketing.

For example, the fact that 57% of those surveyed don't know if they are looking at mobile first, or think it is a fad and won't significantly change the way they will market their business, shows a breathtaking lack of awareness of what is happening in the world around them.

It is, perhaps, understandable that law firms aren't prepared for some of the more advanced technologies coming their way, but their mistake is to dismiss these breakthroughs as irrelevant or unimportant. In five years' time, they will have learnt the hard way.

So are law firms ready for marketing in 2020? Our research suggests that many are not even ready for marketing in 2017. But we know firms that have taken marketing seriously, appreciated how core it is to their business and are reaping the rewards.

It can be done and the good news is that there is a lot of help out there to set law firms on their way to getting full value for their marketing budgets. To make the best of it, firms need to invest in professionals, either as outsourced or in-house support.

In fact, there has never been a better time to invest your marketing budget. There are low-cost options that can have a huge effect and, with the help of a bit of technology, you can measure the impact of every pound you invest, and be agile with your tactics as a result.

Planning your marketing tactics for 2017 and beyond could really help transform your business and profitability. We hope this White Paper and supporting online information will help you begin that journey.



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