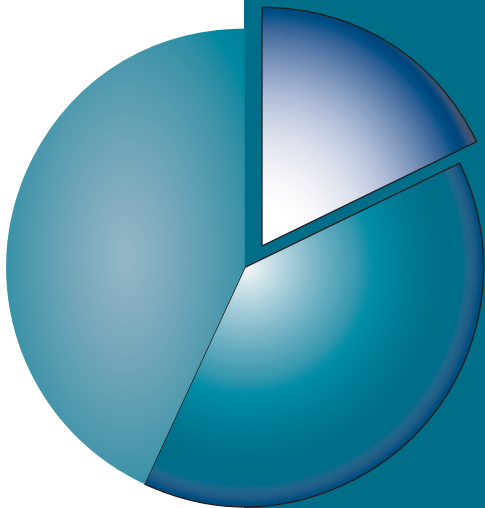




# BTI's Benchmarking Law Firm Marketing and Business Development Strategies

## EXECUTIVE SUMMARY VERSION

2008



prepared by

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# Introduction



## About BTI's Benchmarking Partners

*BTI's Benchmarking Law Firm Marketing and Business Development Strategies* is the defining body of marketing and business development research for law firms. This analysis is based on more than 100 in-depth interviews with top marketing individuals at primarily AmLaw 200 law firms. Now in its 4<sup>th</sup> edition, this market-leading analysis is the only resource that defines:

- ◆ Resources committed to law firm marketing and business development, primarily:
  - People
  - Money
  - Productivity
- ◆ Issues and concerns facing CMOs including:
  - Top goals for 2008
  - What drives CMOs crazy
  - Length of time in role—and how it is changing
- ◆ Strategies and tactics
  - Top changes in the marketing department
  - Client service strategies
  - Client research initiatives
  - How's and why's of client teams
  - AmLaw 100 versus AmLaw Second Hundred
- ◆ Comprehensive analysis of budgets and staffing
  - Staffing levels
  - Changes in staffing levels
  - Spending per Full Time Equivalent
  - Three year changes in departmental budgets
  - Breakdown of:
    - Overall budgets
    - Business development budgets
    - Directories spending

*BTI's Benchmarking Law Firm Marketing and Business Development Strategies* has become the standard reference for CMOs and Managing Partners to:

- ◆ Allocate resources committed to law firm marketing
- ◆ Gauge and evaluate spending
- ◆ Assess current client-facing strategies
- ◆ Benchmark against state-of-the-art marketing efforts
- ◆ Evaluate firm marketing initiatives
- ◆ Hone strategies and tactics

BTI is pleased to provide this summary of survey results as a token of our appreciation of your time and energy. We thank you for your thoughtful input and detailed responses. Your enthusiasm and support make this research possible and is responsible for its success.



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## Introduction

### *AmLaw Second Hundred Registers Dramatic Boosts in Marketing Spending*

BTI's exclusive research shows across-the-board increases in law firm investment in marketing and business development for the 2<sup>nd</sup> year in a row. Mid-sized firms are catching up to the AmLaw 100. Learn why:

1. Both groups register \$1 million increases in budget, but;
2. AmLaw Second Hundred marketing spending climbs 28.4% per partner and 23.7% per attorney—bringing them to AmLaw 100 levels
3. Marketing staffs expand by 30.1% and were largely flat at AmLaw 100 firms

### *More Money to Marketing Budgets*

BTI's benchmarks reveal another million-dollar increase in marketing investment at law firms of all sizes. Marketing budgets at the AmLaw Second Hundred grew 3 times faster than those of the largest firms. Inside you will find:

- ◆ Marketing dollars as percent of revenue
  - ◆ Overall marketing spending
  - ◆ Marketing spending
    - By partner
    - By attorney
    - By full-time equivalent (FTE)
  - ◆ Plus! Marketing budget breakdown
    - Salaries
    - Business development
- ...and more.

Benchmark Your Law Firm's  
Spending and Staffing

### *AmLaw 100 Staffs Largely Flat— AmLaw Second Hundred Add 2–3 FTEs*

BTI's analysis reveals 2–3 new marketing full-time equivalents (FTEs) added to AmLaw Second Hundred marketing staffs—larger law firms added relatively few. Use this report to benchmark:

- ◆ Marketing FTEs in the legal department
- ◆ Key productivity metrics
  - Partners per marketing FTE
  - Attorneys per marketing FTE
- ◆ Revenue per marketing FTE

Assess Your Department's  
Productivity



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## Introduction

### *Top CMO Goal—Business Development Tactics*

Business development remains the number one marketing goal at law firms for 2008. It also reigns as the top source of insomnia among CMOs. *BTI's Benchmarking Law Firm Marketing and Business Development Strategies* delineates exactly which activities law firms engage in to enhance performance and boost profits per partner.

See for Yourself What Law Firms Are—and Are Not—Doing to Satisfy Clients

### *Client Service Strategies—*

### *How Law Firms Are Boosting Client Satisfaction*

BTI's analysis uncovers an increasing number of law firms engaging in client-focused marketing activities. Our independent research reveals that just 34.6% of corporate counsel recommend their primary law firm—the gold standard for client satisfaction. We discuss:

- ◆ Why client teams gain ground
- ◆ A surge in accountability
- ◆ More firms reach out to clients
- ◆ Fewer firms make changes tied to client feedback—missed opportunity

Learn Top Goals and Strategies Driving CMOs

### *The Role of the CMO*

*BTI's Benchmarking Law Firm Marketing and Business Development Strategies* also provides a snapshot of the role of the CMO. Better understand:

- ◆ CMO tenure and hiring practices
- ◆ What drives CMOs crazy
- ◆ 5 major marketing department changes

### *How to Use BTI Benchmarks*

BTI encourages you to use this summary of key benchmarks and core results to boost your everyday performance. We recommend that you join other BTI Benchmarking Partners worldwide and use this exclusive research to:

- ◆ Calculate your return on marketing investments
- ◆ Plot your path to superior performance
- ◆ Measure productivity
  - Staff
  - Spending
  - Sales
- ◆ Benchmark performance
- ◆ Marshal resources



**B T I**

## **Introduction**

BTI welcomes you to use the recommendations in this report to your immediate, tangible benefit. Please do not hesitate to contact us for additional information, best practices in action or suggestions on the benefits and challenges of implementation.

Contact Michael B. Rynowecer, President of The BTI Consulting Group, Inc. at (617) 439-0333 or at [mrynowecer@bticonsulting.com](mailto:mrynowecer@bticonsulting.com).

### *BTI Methodology and Approach*

BTI draws on multiple techniques in our interview process, including open-ended, unstructured methods that enable you to define your needs and priorities according to your understanding and perceptions. Our interview team has an average of more than 10 years of experience.

This fact-based analysis draws on more than 600 interviews conducted over the span of 4 years. Spending, budget and staffing assessments for 2006/2007 are based on more than 100 brand-new, individual interviews with Chief Marketing Officers, Marketing Directors and Directors of Business Development at the world's 200 largest law firms. Our most recent interviews were conducted between August 2007 and October 2007 and represent:

- ◆ 52.5% of the AmLaw 200
  - Including 55% of the AmLaw 100
- ◆ The world's largest law firms:
  - Average revenue: \$357.3 million
  - Average number of equity partners: 144
  - Average number of attorneys: 519

### *Independent, Objective Research*

BTI identifies the target law firms and individuals to be surveyed. We design and develop the survey instrument based on over 25 years of experience in the research industry. Each interview is conducted individually via telephone. We draw on a variety of sources, including our own research, to identify the individuals in the survey. BTI does not conduct any mass mailings, mass solicitations or group invitations. All of our interviews are conducted using this objective approach.

### *Full, Unlimited Telephone Support*

Each and every BTI report comes with unlimited telephone support. We encourage a dialogue with all of our clients and are dedicated to helping them get maximum benefit from this report. Please call Michael Rynowecer, President, at (617) 439-0333 or send an email to [mrynowecer@bticonsulting.com](mailto:mrynowecer@bticonsulting.com). You will find us responsive, helpful and to the point.



## About The BTI Consulting Group



## About The BTI Consulting Group

### The BTI Consulting Group—Who We Are

The BTI Consulting Group (BTI) is the leading provider of strategic market research to law firms and professional services firms. BTI performs more market research about law firms than virtually anyone. We conduct the only continuous benchmarking market study in the legal services industry based on nearly 1,600 independent interviews with General Counsel and key decision makers that hire law firms.

BTI uses powerful, robust analysis to help clients define new approaches to key issues that boost performance including:

- ◆ 17 activities that drive relationships between law firms and clients
- ◆ 12 power marketing practices that drive growth and profits
- ◆ 7 tactics to command premium rates
- ◆ 4 key differentiators that separate law firms in the mind of clients
- ◆ 6 core barometers to gauge market position
- ◆ 5 drivers of favorable awareness that attract the best new clients

BTI regularly publishes this compelling research in independent publications, reports and summaries. Learn more about BTI's publications on pages 56–57.

BTI conducts private benchmarking, market awareness and client satisfaction research for some of the best-run organizations in the world. BTI boasts one of the world's largest knowledge bases of professional services research based on more than 6,000 interviews conducted over the last 17 years.

BTI enjoys a far-reaching client base that includes:

- ◆ More than 70 of the 100 largest law firms
- ◆ Over 250 of the leading professional services firms worldwide
- ◆ Over 35% of the Global 500
- ◆ More than 450 Fortune 1000 companies



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## About The BTI Consulting Group

### Key Services to Help Our Clients

In addition to our publications, BTI works with the world's leading professional service firms and companies to help them in all aspects of their client relationships. BTI brings a vast understanding of clients drawing on unparalleled research with over 6,000 interviews with C-level executives.

BTI offers the following key services for law firms:

#### *Strategic Market Research*

- ◆ Market Awareness Research
- ◆ Client Satisfaction Surveys
- ◆ Practice Awareness and Measurement
- ◆ Client Needs Assessment
- ◆ Rate and Fee Studies
- ◆ Partner and Associate Surveys
- ◆ New Market Assessments
- ◆ Best Practice and Benchmarking Studies
- ◆ Competitive Analysis
- ◆ Due Diligence Support
- ◆ Strategic Research

#### *Consulting*

- ◆ Key Client Strategies
- ◆ Client-Focused Business Practices
- ◆ Strategic Business Planning
- ◆ Advanced Business Development Training

#### *Private Briefings*

BTI also offers private briefings both in person and via the web. Chock full of client-based insights, perspectives and facts, we draw from our research, experience and other resources to provide provocative, constructive insights to help you boost client satisfaction, increase client retention and improve your performance. We can tailor our briefing to include specific feedback on your firm.



## About The BTI Consulting Group

*Additional Insights from BTI Publications*

### ***The Survey of Client Service Performance for Law Firms: The BTI Client Service A-Team 2008***

This authoritative report profiles the law firms that clients believe are the best at client service and all of the key attributes that define good client relationships.

Use this proprietary research to find out, by name, which firms clients see as the best performing law firms across a number of categories—not only on the tangible, basic skills like legal services, but also on many of the intangible ones, including client service, business advice, quality work product and a true commitment to help the client. The report covers over 250 law firms by name. And, we single out the cream of the crop—*The BTI Client Service 30* law firms.

### ***The BTI Client Service All-Star Team for Law Firms 2008***

Fortune 1000 clients recognize the 148 stand-out attorneys who deliver unsurpassed client service. BTI awards special recognition to 3 attorneys for multiple client nominations as well as 17 repeat performers—*The BTI Client Service All-Star MVPs*. The complete list, based on individual interviews with over 250 corporate counsel at large and Fortune 1000 organizations, is available to you.

### ***BTI Premium Practices Forecast 2008: Survey of Corporate Legal Spending***

Find out exactly where legal spending is headed in 2008, and where the opportunities are for higher billings and premium rates. This unprecedented, highly accurate trend report is based on more than 1,600 interviews with corporate counsel over the past 7 years, including more than 250 new interviews in 2007. Although legal spending is slowing, with the market for outside counsel growing at half the pace of 2006, some areas remain hot.

### ***BTI Power Rankings:***

#### ***The BTI Client Relationship Scorecard for Law Firms 2007***

*The BTI Client Relationship Scorecard* delineates how clients see their law firms across 6 critical dimensions that define client relationships. Clients reveal—by name—their primary law firms, their short-listed firms, Bet-the-Company firms, and much more. Large clients recognize only 20 firms that lead the Scorecard, capturing top market position. Based on interviews with 427 of America's most powerful buyers of legal services, these 20 law firms stand out above all others.



## About The BTI Consulting Group

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### **The BTI Transactions Series:**

#### ***Law Firm Leaders and Contenders in the Corporate Transactions Market 2008***

*Law Firm Leaders and Contenders in the Corporate Transactions Market* defines the market position of 116 firms, based entirely on candid, non-prompted feedback from more than 150 corporate counsel. Learn the key criteria that drive market leadership and how you can truly differentiate your firm to win more business.

#### ***Masters of the Deal:***

#### ***The 12 Activities that Drive Transactions Relationships 2008***

*Masters of the Deal: The 12 Activities that Drive Transactions Relationships* defines the intricacies of the law firm/client relationship. Data collected from more than 150 client interviews shows you exactly what it takes to establish, grow and retain clients—plus, learn which 92 law firms are the best—according to clients.

#### ***The BTI Guide to the Corporate Transactions Market for Law Firms 2008***

*The BTI Guide to the Corporate Transactions Market for Law Firms* reveals how clients select and hire law firms for high-stakes M&A deals. This is a fact-based, pragmatic guide to gauge deal flow and stake your claim in the corporate transactions market.

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### ***How Clients Hire, Fire and Spend: Landing the World's Best Clients 2007***

BTI's *How Clients Hire, Fire and Spend: Landing the World's Best Clients* is an unparalleled tool to boost your understanding of clients and how to win more business. Drawing on over 1,200 client interviews and more than 26 years of experience building 8-figure client relationships, *How Clients Hire, Fire and Spend* delivers no-nonsense insight into getting more leads and closing more business now.

BTI's *How Clients Hire, Fire and Spend: Landing the World's Best Clients 2007* is your key to developing 7- and 8-figure client relationships. Learn what works—and what doesn't—based on more than 1,200 interviews with corporate counsel. Hear directly from your clients what it takes to get hired.

### ***BTI Market Movers:***

#### ***Law Firms Shaping the Legal Market***

The BTI Consulting Group's research with 240 corporate counsel at large and Fortune 1000 companies reveals that 40 law firms stand out as the real movers and shakers in today's ever-changing legal marketplace. Of the 40, DLA Piper, Foley & Lardner, Jones Day and Skadden stand out as the true BTI Market Trailblazers. Use *BTI Market Movers* to learn 5 innovative approaches to case work and service delivery and how clients define value in word-for-word direct feedback.



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### **Terms of Use**

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