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Foreword

The legal profession has changed enormously in the past 20 years and the growing acceptance of legal marketing has been part of that change. Once, legal marketing was seen as something that was only carried out by large US or UK law firms. Now, many Latin American legal practices have also embraced the concept.

This study is not the first report into legal marketing in Latin America. Rather, it is a follow-up to the ground-breaking 2007 study: “The State of Legal Marketing in Latin America” – the first of its kind in the region. The first study was devised, and carried out, in conjunction with the Legal Marketing Association, an international legal marketing organisation, and Dr. Silvia Hodges, a specialist in international legal marketing. This latest report was made possible by the support of LexisNexis Martindale-Hubbell and HernándezRomano Consultores, Mexico’s main consulting firm specialising in professional services management.

Because it only focuses on Brazil and Mexico, rather than the seven Latin American countries included in the first study, this new report has a slightly narrower focus than its predecessor. But we believe the reduced scope of this new report does not represent a significant disadvantage. Between them, the Brazilian and Mexican legal markets are generally regarded as being among the most sophisticated in the region – where they lead, others legal markets follow. The two countries also represent the most significant markets in the region, both in terms of GDP and population size.

We believe this study will be regarded as an invaluable resource for both Brazilian and Mexican law firms, as well as law firms in other Latin American countries. It comprises a great deal of important findings that law firms in the region should consider, when working on their current and future marketing strategies.

In conclusion, we are immensely grateful to the representatives of the more than 130 law firms in Brazil and Mexico who voluntarily gave us their time to make this report possible.

Thank you – and we hope you find our discoveries useful!

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Acknowledgements

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We would also like to thank Marco Antonio Gonçalves and Alessandra Gonçalves for their work on this study. Gonçalves and Gonçalves Marketing Jurídico initiated and conducted the first study on legal marketing practices in Latin America in 2007 and this report is a continuation of their work. Their understanding of the legal market, combined with their insights into the legal marketing profession, have contributed substantially to the comprehensiveness of this report.

In addition, we would like to thank Leopoldo Hernandez Romano of HernandezRomano Consultores for his work in researching legal marketing in Mexico. Leopoldo’s knowledge of the Mexican legal market has played an important role in the research.

Derek Benton, Director International Operations
LexisNexis Martindale-Hubbell
Introduction

The global business market has experienced intense transformations over the last few decades, and the market for business law has been part of that transformation. Professional management – known as legal administration – has become increasingly important for many law firms, as they have responded to an increased demand for their services and ever-increasing expectations from their clients.

In the midst of a highly dynamic environment, the importance of legal marketing to law firms has grown all over the world. A clear sign of the growing importance of legal marketing is the high level of debate surrounding the issue, together with the increased availability of specialist legal marketing content. For instance, numerous articles, reports, presentations, courses and lectures, in a wide variety of languages, including Portuguese and Spanish, are available online. In the field of market studies and research, countless reports under the “umbrella” of legal marketing are also available, providing valuable information on many different topics.

Since the launch of “The State of Legal Marketing in Latin America” in 2007, the first formal study of this issue in the region, the world has experienced a serious economic crisis – the likes of which had not been seen for quite some time. What is more, the effects and consequences of this crisis continue to be felt to this day. Fortunately, in Latin America, the impact of the crisis has not been felt as harshly, compared with more developed economies. And, looking forward, economic forecasts for the region remain positive. According to the International Monetary Fund’s estimates, the region’s economy should grow 4% in 2011 – which is consistent with growth estimates for the world economy in general (4.2% in 2010 and 4.3% in 2011).

Better still, Brazil and Mexico, Latin America’s largest economies, boast growth estimates that are greater than the international average. Brazil, which currently has the eighth largest GDP in the world (2009) is part of the group of countries known as BRIC (Brazil, Russia, India and China), and is poised to be an emerging world power, and has an expected growth rate of 5.5% – or higher – for 2010. At this point in time Mexico, which currently has the 14th largest GDP in the world (2009), boasts a growth estimate of 4.2% for 2010 and 4.5% for 2011.

The economic growth of the countries in the region, particularly Brazil and Mexico, is anchored by strong consumer markets. In addition, American and European companies, among others, are regularly increasing their investment in the region. At the same time, large local conglomerates are reinforcing and intensifying their processes of internationalisation.

The Latin American economic outlook offers countless opportunities for local law firms while, at the same time, fostering greater competitiveness. In future, competition within the Latin American legal market is likely to become even more intense, as a result of the growing presence of major international law firms. Market movements, a growing trend towards the professionalization of law firms, and the continued rise of legal marketing, will add yet more competitive pressures, as firms attempt to set themselves apart from their competitors in the eyes of the market.
Executive summary

More than 130 Brazilian and Mexican firms took part in this study. Those who responded provided rich data relating to numerous aspects of their marketing activities, including: the planning and measurement of marketing plans; budget and authority for approval of marketing expenses; outsourcing of marketing functions; perceptions of marketing by lawyers, and lawyers’ involvement in marketing activities; sources of information and learning about legal marketing; perceived returns on investment of various marketing strategies; an analysis of whether law firms understood why clients hired them; and current challenges facing law firm marketers.

Survey results are initially presented on a “country by country” basis, although a comparative summary is also provided at the end of the report. However, it is worth noting that, in general, and in spite of the differences and particularities of each country, the research findings for both Brazil and Mexico demonstrate fairly consistent results. This suggests that business law firms’ approach to legal marketing in both countries are generally in tune with each other.

A summary of the study’s main conclusions appears below:

- **Larger law firms are more likely to have marketing professionals and departments** – Approximately one-third of the responding firms have one or more full-time marketing professionals – the same proportion of respondents that have a formal marketing department. The presence of either dedicated marketing personnel, or a marketing department, is more frequent among larger firms.

- **Few firms plan their marketing strategies, or systematically measure the results of their marketing initiatives** – Only one-third of respondent firms have developed a formal marketing plan. Of these, approximately two-thirds or more said that the objectives set forth in the plan were monitored and evaluated in some way. The tendency to plan a marketing strategy, and to evaluate its results, is substantially more prevalent in large firms. By contrast, the lack of either marketing planning or success measurement in many smaller firms suggests that, in general, small firms are sceptical about the value that marketing delivers.

- **Authority for marketing expenditure lies mainly in the hands of lawyers** – About one-third of the firms reported having a formal marketing budget. But, regardless of whether or not firms had a budget, approval for most marketing expenses remained almost entirely in the hands of lawyers. It is extremely unusual for a marketing professional who is not a lawyer to have any degree of budgetary authority. When budgetary authority is granted to non-lawyers, it is generally limited to small amounts of money.

- **Highly specialised marketing activities are outsourced** – More than 50% of firms outsource part of their marketing activities. Outsourcing tends to be more common in larger firms – probably due to either the greater availability of funds, or the more sophisticated marketing activities that such firms undertake. Among the most commonly-outsourced legal marketing activities are those that entail highly specialised knowledge: the creation of materials for distribution; website development and/or maintenance; press consultancy; creation of adverts; and event organisation and promotion.

- **Lawyers proactively participate in marketing activities, and receive recognition for their marketing efforts** – More than two-thirds of respondents indicated that marketing is viewed by lawyers in their firms as being either “important” or “very important”. By way of contrast, approximately 20% of respondents said their lawyers were indifferent to legal marketing. Nevertheless, around 50% of the respondents stated their lawyers proactively participated in their firms’ marketing activities. Overall, the same percentage of respondent firms said their lawyers were rewarded for engaging in marketing activities, either via performance or salary reviews.
• **An institutional website is a highly effective “one-way” marketing tool** – One-way marketing tools generally encompass some of the “more traditional” forms of law firm marketing. For Brazilian firms, the “top five” one-way marketing techniques stand out, in terms of producing a useful return on investment: websites; media presence/press advising; articles; client alerts; and detailed informational materials. For Mexican firms, the “top five” one-way techniques were as follows: legal directories; client alerts; general information; websites; and brochures.

• **Presentations and networking are regarded as the most effective forms of “two-way” marketing, that are most likely to generate a return on investment** – “Two-way” marketing tools and techniques permit interactions between a lawyer or law firm and their target audience. In general, there is a degree of consistency between Brazilian and Mexican respondents about which two-way marketing tools are perceived to be most effective: presentations; networking/relationship development; partnerships/networks of firms; and participation in internal client meetings. Where Brazilian and Mexican law firms respondents differed from each other was in the importance they attached to client analysis and pro bono activities. Brazilian respondents considered client analysis to be a highly effective form of two-way marketing, whereas Mexican respondents preferred pro bono activities.

• **There are many legal marketing challenges in Latin America** – Large Brazilian and Mexican law firms are undoubtedly becoming more professional in their marketing efforts. However, in reality, it is clear that there remains much to be done before acceptance of legal marketing becomes universal. When respondents were asked what challenges they faced, many said their main challenge was simply to establish their firm’s marketing activities.

**Methodology**

In Brazil, the study is mainly based on a quantitative survey, which also included various open-ended questions. The study was carried out among Brazilian law firms between February and May 2010, and among Mexican firms between March and May 2010.

The survey was conducted via an electronic internet-based questionnaire – in Portuguese for respondents in Brazil, and in Spanish for respondents in Mexico. In total, 138 firms responded to the survey – 109 in Brazil and 29 in Mexico. All survey respondents worked for firms which, exclusively or principally, offered business law advice.

The survey respondents represented a broad and diversified sample of law firms, of all different sizes in their respective markets. Although firms participated in the survey on the condition of anonymity, respondents are known to include some of the largest and most important law firms in each country.
The state of legal marketing in Brazil

Demographics

Position of the respondents of the participating firms (R=109)

In Brazil, the vast majority of respondents (75%) were lawyers – mainly partners. By contrast, only 22% of respondents were non-lawyer professionals specialising in marketing. The remaining respondents (3%) were management professionals.

Indirectly, the respondents’ profiles indicate that, in many firms, the main responsibility for marketing falls on lawyers. The ideal situation, at least from an operational standpoint, would be for non-lawyer marketing professionals to be in charge of a firm’s marketing strategy.

Size of the participating firms (R=109)

Small and medium-sized law firms, comprising up to 50 lawyers, were most highly represented in the study, comprising 78% of all respondents. A further 22% of respondents came from large Brazilian firms. In total, the Brazilian legal market comprises approximately 40 firms that employ more than 100 lawyers – nine of those firms participated in this study.
The spread of respondents, based on firm size, is broadly consistent with the overall structure of the Brazilian legal market. Brazil’s legal market is highly scattered, and is characterised by a large contrast between the two extremes. At one extreme, there are a large number of very small firms. At the other extreme, there are a small number of very large firms. The publication “Sector Analysis Value – Law Firms” from December 2006 estimated that more than 98% of all Brazilian law firms comprised 10 partners or fewer. In this study, 60% of respondents came from firms employing up to 10 lawyers (not necessarily partners).

Profile of participating firms (R=108)

In addition to firm size, respondents were asked to indicate the “profile” of their firms, based on the range of practice areas the firm offered. Respondents were given three possible classifications for their firm: boutique providers of legal services, in a limited number of practice areas; generalist providers of legal services, in the main practice areas; and full service providers of legal services, in all practice areas.

Among survey respondents, 49% said their firm offered a generalist range of legal services.

Size and profiles of survey respondents

Interesting findings are discovered by cross-referencing the profiles offered by respondent firms with the size of the firms themselves. For example, it is worth noting that 56% of small firms with up to 10 lawyers, considered themselves to be full service law practices – a somewhat odd response, considering the wide range of practice areas that are now required to offer a full service legal capability. By contrast, 37% of very large firms (with more than 100 lawyers) regarded themselves as being boutique legal providers – i.e. offering a narrow range of practice areas. Taken together, these two sets of results suggest that the size of a firm does not necessary indicate how many practice areas it believes it can offer.
**Marketing structure**

**Full-time marketing professionals (R=109)**

A significant portion of respondent firms (63%) employed no specialist marketing professionals at all – which may help explain why most of the study’s questionnaires were completed by lawyers. The remaining 37% of respondent firms said they employed at least one specialised marketing professional – a more positive indication of the importance of this function.

![Bar chart showing the distribution of marketing professionals by firms size](chart)

However, it is worth noting that, even where respondent firms actually employed dedicated marketing personnel, most of those firms only employed a single person working in this capacity. A further 9% of respondent firms had marketing teams comprising two or more marketing professionals, while 3% had teams of five or more.

**Size versus marketing capacity**

A more detailed overview is obtained by cross-referencing the number of marketing professionals firms employ with the size of those respondent firms. And, with few exceptions, the number of marketing professionals a firm employs can be correlated with the firm’s size. More specifically, the larger the firm, the more specialised marketing professionals the firm is likely to employ. However, it is also interesting to note that some very small firms, comprising up to 10 lawyers, responded that they employed five or more marketing professionals.

![Bar chart showing the distribution of marketing professionals by firms size](chart)

In conclusion, it is clear that firms are more likely to invest in dedicated legal marketing personnel if they employ more than 50 lawyers. What is more, this finding is consistent with past research into law firm marketing carried out in other world regions.
Formal marketing departments (R=106)

Are firms who employ specialised marketing professionals also viewed as having formal marketing departments? The answer to this question is almost certainly “yes”, given that nearly the same percentage of respondents who had one or more marketing professionals (37%) also stated that their firms had a formally-constituted marketing department (30%).

When the number of firms who had formal marketing departments was cross-referenced to the size of the firms who participated in the survey, another correlation emerged: the larger the firm was, the more likely it was to have a formal marketing department. For example, a significant percentage of very large firms (87%), who employed more than 100 lawyers, also had a formal marketing department.

Planning

Formal marketing plans (R=108)

Only around one-third (32%) of respondents said their firm had a formal marketing plan in place. What’s more, those firms who did have a marketing plan in place tended to be larger in size. Among very large law firms (100+ lawyers), 78% of respondents confirmed the existence of a marketing plan.

A more in-depth overview of the degree of investment in planning is obtained by separating the firms based on their size. A total 78% of very large law practices, comprising more than 100 lawyers, have created a formal marketing plan. This approach suggests that the management of such firms is more professionalised than their smaller rivals. Looking forward, it is likely that the entire legal market will one day follow this approach.
“Good marketing planning is fundamental for the operation’s success.”
- Marketing professional for a large boutique firm

“We are a very small firm (...) but we are aware of the importance of adopting some marketing measures for us to generate greater returns. What we need is a marketing plan that is adapted to our budget and our capacity for material generation.”
- Managing/senior partner of a small boutique firm

Monitoring and evaluation of marketing objectives (R=35)

A marketing plan is an important first step in the delivery of a successful marketing strategy. Nevertheless, any plan would be worthless if it was not put into practice. Just as important, the effectiveness of the plan should be monitored and evaluated. Among those respondents who said their firm had a marketing plan, 86% also said that monitoring that plan was important.

The importance of monitoring and evaluating a firm’s marketing plans was particularly well understood among large law firm respondents – every single respondent firm comprising 50+ lawyers who had a marketing plan, also reported that they had a scheme in place for monitoring and evaluating the performance of that plan. In general, it seems that, just as large law firms are more likely to have marketing plans, they are also more likely to want to establish what returns on investment that plan ultimately generates.

Budget

Formal marketing budgets (R=108)

Slightly less than one-third of respondent firms (27%) had a formal marketing budget. This figure is consistent with the number of respondent firms who had marketing plans, or employed marketing professionals. To a large extent, marketing plans and marketing budgets go together – budgeting is an important part of any plan.

Formal marketing budgets tend to be more prevalent in larger law firms. In total, 67% of respondent firms who employed more than 100 lawyers also had a formal marketing budget.
Representation of marketing budget in annual turnover (R=29)

Because so few firms employ dedicated marketing professionals, or have marketing plans or budgets in place, many respondent firms found it difficult to accurately state how much money they spent on marketing each year, as a percentage of firm turnover. This lack of marketing infrastructure almost certainly explains why 10% of all respondents were unable to answer to this question.

Among the few respondents who reported their percentages, more than two-thirds (69%) indicated that marketing investments amounted up to 3% of annual income.

Marketing budget decision-making (R=105)

Although more than one-third (37%) of respondent firms employed specialist marketing personnel, decisions relating to marketing budgets, expenses or investments tended to be made by lawyers – specifically, partners.

In total, 82% of respondents reported that their firm’s managing partners tended to make important marketing budget decisions. A further 10% of respondents said that such decisions were either in the hands of the partners’ executive committee or a dedicated marketing partner.
Even where a firm has a marketing committee, this does not necessarily mean that marketing budget decisions are left in the hands of non-lawyers – in many firms, lawyers will sit on marketing committees.

When respondent firms were graded by firm size, marketing decisions appeared to be taken by different groups of people. In small firms (of up to 10 lawyers), 94% of marketing decisions were taken by managing partners. By contrast, in larger firms, marketing decisions were more likely to be made by marketing partners or marketing committees.

Overall, it is still very unusual for marketing professionals, who are not lawyers, to have any degree of authority in relation to marketing budgets. This may change in the coming years, with the inevitable professionalisation of the legal market.
Who makes marketing budget decisions? (R=105)

Reinforcing the previous finding that, in general, authority over marketing decisions lies in the hands of lawyers, 87% of respondents indicated that specialised marketing professionals do not have any authority in their firms, in relation to marketing budgets.

Considering the number of respondents that employ at least one designated marketing professional – slightly more than one-third (37%) – it can be inferred that non-lawyers still have little or no autonomy within law firms. In general, larger firms tend to grant their non-lawyers the largest degree of autonomy. However, even within this group of respondent firms, autonomy granted to non-lawyer marketers was somewhat limited.

If lawyers truly want their firms to be transformed into professionally-managed structures, this widespread reluctance to share budgetary power with non-lawyers must be overcome.

![Bar chart showing authority, no authority, and unknown responses by number of lawyers in the firm.](chart.png)

Where firms did allow non-lawyers to make budgetary decisions, respondents were asked to indicate the approximate maximum amount of expenditure that those non-lawyer marketing professionals were allowed to authorise. Some of the responses showed low amounts, in the range of one thousand to two thousand Brazilian reais (US$600 – US$1,200). Others indicated that there was no ceiling to the limits of their authorisation – or that limits hinged on a cost-benefit ratio. This is a surprising response, considering that cost-benefit ratios are, in general, not always clearly-established when decisions regarding marketing investments are made.
**Outsourcing**

**Outsourcing of marketing activities (R=109)**

Even though the percentage of respondent firms who employ a marketing professional is relatively low (37%), over half of all firms (55%) outsource some of their marketing activities.

Curiously, large law firms (100+ lawyers) are some of the most enthusiastic outsourcers, with 78% of firms in this category saying they outsource marketing work. This is despite such firms tending to employ the greatest number of in-house marketers – typically three or more personnel.

In fact, there is some logic behind this apparent contradiction. The larger the firm, the more sophisticated and complex its marketing activities are likely to be – and also the more likely that the firm can afford to “buy in” marketing expertise from specialist outsourced providers.

![Outsource vs Do not outsource](chart)

**Frequently outsourced marketing activities (R=60)**

Firms outsource a variety of marketing activities. However, the most frequently outsourced marketing projects tend to be associated with image (visual aspects) and publicity. According to the survey respondents, the five most frequently-outsourced legal marketing activities were: creation of materials for distribution (80%); website development and/or maintenance (65%); press consultancy (50%); creation of advertisements (40%); and event organisation (30%).

The creation of advertising materials is one of the most traditional routine marketing activities in law firms. To a certain extent, the same could be said of website development (a more recent demand, but one that is already established in the context of legal marketing) and media presence, ideally through press consultancy. Whilst these and other indicated activities generally demand more substantial financial investments, it is worth noting that at present it is possible to be very creative without incurring large associated costs. In practice, this will depend on the flexibility of those in charge of the firm and the effective creativity of contracted service providers, or even on the internal team.
When evaluated by reference to a firm’s size, outsourcing priorities appear to differ between respondents. For example, small firms were more likely to outsource the processes of developing their firms’ marketing plans. By contrast, larger firms tended to keep this type of work in-house as they already have specialised professionals that are capable of handling a highly strategic activity.

More generally, it is interesting to note the low level of outsourcing of some of the more “client facing” marketing activities, such as client analysis (12%), market surveys (10%) and client satisfaction surveys (8%). Except for client analysis, which, when effectively adopted, tends to be performed internally, the other activities are actually not often considered by Brazilian firms. However, these are three activities that should be considered by firms. Two of them, with a little research, can be developed internally.

**Perception**

**Lawyer perceptions of marketing (R=106)**

Over two-thirds of respondents (71%) stated the lawyers at their firms perceived marketing to be either “important” or “very important”. A further 19% of respondents revealed their lawyers were either “indifferent” to marketing, and a further 10% felt that legal marketing had “little importance” or “no importance”.

Despite scepticism demonstrated by a minority of respondents, overall, it is possible to say that the percentage of lawyers who have a positive view of legal marketing is high.

Cross-referencing perceptions of marketing with firm size, it is worth noting that larger firms tended to value legal marketing most highly. In large firms, (51 to 100 lawyers), 80% of respondents said their lawyers consider marketing activities to be either important or very important. This percentage rises to 89% in very large firms (100+ lawyers).

It is possible that the greater level of indifference toward legal marketing, more prevalent among smaller firms, was either caused by ignorance about what legal marketing entails, or was the result of a lack of willingness to invest in it. If firms cannot see what benefits legal marketing can deliver to their firm, they are arguably less likely to regard it as important.
Complementing the previous questions, respondents were asked to objectively explain the reasons for their answers regarding the perception of legal marketing within their firm. For the respondents who indicated a positive perception (important or very important) of legal marketing, explanations generally focused on either the recognition of the importance of the specialism in its own right, or on the results it delivered.

“At present, the firm’s most lucrative business is a product of the legal marketing we have undertaken. This is a notable fact for the managing partners.”
- Marketing manager/director of a small generalist firm

“Today, it has become indispensable. No meeting with a client is set, nor is any proposal sent, without going to marketing for coordination and orientation.”
- Marketing manager/director of a large generalist firm

“I would say that marketing is generally considered important, but in practice only a small number of lawyers actually value it and are proactively involved in marketing activities.”
- Marketing manager/director of a major generalist firm

“There is great demand in the market and – effectively applied – marketing strategies can distinguish the firm and its professionals. The quality of service, however, must be consistent with these strategies.”
- Managing/senior partner of a small boutique firm

“We consider marketing to be one of the most essential tools for the firm’s image and relationships with existing and potential clients.”
- Managing/senior partner of a medium-sized generalist firm
The respondents who indicated a neutral, or indifferent, perception of legal marketing cited a wide variety of reasons for their responses. In general, these reasons indicated either a suspicion that legal marketing did not generate a useful return on investment, or that it was not needed at all.

“For many, marketing is still seen (incorrectly) as a cost and not an investment.”
- Marketing manager/director of a major full service firm

“Managing partners are aware of its importance, but they think that their firm doesn’t need it.”
- Marketing manager/director of a small generalist firm

“The firm still views marketing as an expense and not an investment. This is why the firm’s lawyers do not value marketing as they should.”
- Marketing professional of a medium-size full service firm

“Most do not even know what marketing is about or what its objectives are. Others do not see a need for it, and a few think it should be implemented without much cost.”
- Lawyer from a medium-size full service firm

“Cost is still a problem.”
- Managing partner/senior partner of a medium-size boutique firm

For some firms with a negative perception of marketing (not very important or not important) there was a tendency to believe that a firm’s most important marketing tool was the quality of the legal work it performed. This expertise, respondents believed, generated new business via “word of mouth” recommendations. This reasoning is undoubtedly sound, but also suggests that many firms appear to take a reactive, rather than proactive, approach to marketing. In an increasingly competitive market, is such an approach viable, long term?

“Generally, lawyers place greater value on the technical aspects of the legal profession.”
- Professional from a medium-size generalist firm

“The firm is already relatively well known in the market as the largest labour/business firm in the region. So when our clients come to us, they largely do so by recommendation.”
- Partner of a small boutique firm

“It has never been necessary to undertake any marketing activities in the firm. Clients have come by referral.”
- Partner of a small boutique firm
### Involvement

**Involvement of lawyers in marketing activities (R=107)**

Conceptually, most lawyers understand the value of marketing – but do they actually participate in specific marketing activities? Without the participation of lawyers, even the most sophisticated and well-financed marketing plan will not work.

Thankfully, 43% of respondents stated that their firms’ lawyers proactively participated in marketing activities. In other words, 43% of respondent firms have lawyers dedicated to marketing activities. Naturally, not all the lawyers in those firms are effectively committed to marketing activities, but it is extremely positive knowing that those firms can count on one or more lawyers that go beyond merely thinking of marketing as “important”.

In general, the survey found that, the larger the firm, the lower the lawyers’ reticence towards marketing. Among respondent firms with more than 100 lawyers, nearly 80% said their lawyers actively participated in the firm’s marketing activities. By contrast, the percentage of lawyer participation in marketing initiatives was lower among smaller law firms.

![Bar chart showing participation rates by firm size](chart.png)

“In order for marketing to be truly effective, I believe the proactive participation of the lawyers, at least of the partners, is fundamental to relationship and business development plans – along with, of course, the constant necessary support of the marketing staff.”

- Marketing manager/director of a major generalist firm
Impact of involvement of lawyers in evaluation and salary (R=45)

Lawyers who regularly invest in marketing, regardless of what firm they work for, are making an investment in their professional career. However, not all lawyers equate marketing with professional development. For those lawyers, a degree of incentive may be necessary to persuade them to participate in law firm marketing activities.

Of all respondent firms, 42% revealed that the lawyers in their firm were rewarded for their participation in marketing activities – either as part of their performance evaluation, or during their salary review.

Whether by coincidence or not, the percentage of law firms who incentivise their lawyers to participate in marketing is consistent with the 43% of firms who also stated that their lawyers proactively participated in marketing activities. This begs the question: do lawyers participate in marketing because they want to, or because they are incentivised to?

It is worth noting that both lawyers working for both large (100+ lawyers) and small (up to 10 lawyers) are just as likely to be rewarded for their marketing activities. The fact that even the very smallest of firms have considered how to incentivise their lawyers to engage in marketing is encouraging: if even these firms can evaluate and reward their lawyers for their marketing efforts, any firm should be able to.
**Sources of information**

Principal sources of information and instruction regarding legal marketing (R=105)

Survey respondents made use of a myriad of different sources of information to learn about legal marketing. As might be expected, the internet is many firms’ preferred choice of information, as 71% of respondents use websites whilst only 44% use blogs. The percentage of respondents learning about legal marketing via blogs can be viewed in one of two ways. Either as a low percentage of respondents, and therefore a minority activity. Or as a high percentage of respondents, given that blogging has only become a mainstream activity in the very recent past.

Other popular sources of information, reported by more than half of the respondents, are: events (61%); magazines (61%); and informational supplements (55%).

Among the other sources of information that were cited, the following stand out: Marketing Jurídico Brasil, an internet debate group with over 900 members; Advogados Mercado & Negócios magazine, the only Brazilian publication dedicated exclusively to legal administration issues; and Fenalaw, the largest Brazilian legal administration event, first established in 2004.

Websites of some consulting firms specialising in the legal sector were cited by various respondents, as were books by Rodrigo Bertozzi, a legal marketing pioneer in Brazil, and Philip Kotler, a major international marketing authority and author of a book on the marketing of professional services.

“I am a lawyer. I am the coordinator of an undergraduate-level course in Law in one of the best law schools in Brazil (...) I am the supervisor of two graduate-level courses in Law in the same institution. At the schools where I teach, there is not much dialogue regarding how non-legal training can make all the difference for professional success. I believe that approaching the universities would help to elicit this awareness, this necessity, in the medium term. The lawyers of the future will do more!”

– Managing/senior partner of a small generalist firm

“Marketing concepts are not taught in law schools. While staying within the ethical limits established by the profession, all lawyers should learn to develop marketing capabilities. Large firms are attentive to this and they select people who, in addition to technical knowledge, are familiar with concepts of promotion, prospection and attracting new clients.”

– Partner in a very large generalist firm
Tactics and tools

Effectiveness of “one-way” marketing tactics and tools (R=98)

Respondents were provided with a list of various “one-way” marketing tactics and tools, and asked to evaluate the effectiveness of each one, based on its perceived returns on investment. By way of explanation, one-way marketing techniques tend to comprise the more traditional forms of legal marketing, because they simply transmit information about the firm to the market.

Although law firm websites are one of the more recently-established forms of one-way legal marketing, respondents to this survey rated them highly. However, we would like to make clear that not all law firm websites are the same – larger law firms are more likely to have websites which carry comprehensive and diversified content.

Medium and large law firms in particular felt it useful for their firm to have a media presence – that is, their lawyers should be quoted, or have articles published in, the country’s media. A firm’s media presence is normally facilitated by hiring a press consultant, who tends to operate as an outsourced service provider to the firm.

The third most popular marketing activity was the writing of articles – possibly the oldest forms of one-way marketing that law firms engage in. Writing articles is generally thought to produce a better return on marketing investment than, for example, either podcasts or videocasts.

One interesting point to make is that some marketing activities are widely practiced, even if they are not generally regarded as being cost-effective. Here, the classic example is arguably the law brochure. If firms continue to insist on producing brochures, perhaps their best hope of generating a return on this investment is to produce brochures that set them apart from their peers.

Some of the least popular forms of one-way legal marketing are also those that are most recently-established. These include: digital media advertising, including the insertion of graphic and text banners (sponsored links) on other sites; hot sites, compact sites generally focused on a specific topic/issue; and podcasts and videocasts, informative audio or video files (with audio), generally short in length.

In some regards, it is difficult to see why survey respondents have such a low opinion of the effectiveness of digital media marketing – after all, they tend to rate law firm websites highly, so “newness” is not an excuse for lack of interest. What’s more, used correctly, digital media can be both popular and cost effective – hot sites are very popular among US law firms, while highly-focused videocasts can be implemented with minimal upfront investment.
“We’re still held captive by low- and/or dubious-return advertising. Apparently, no one is sold on the idea of marketing that goes beyond simple financial investment – which, as we all know, is only effective up to a certain point.”
– Marketing manager/director of a major generalist firm

Effectiveness of “two-way” marketing tactics and tools (R=97)
Survey respondents were also asked to evaluate the level of effectiveness of several “two-way” marketing tactics – that is, tactics which permit interaction between people.

One of the more long-standing – and popular – forms of two-way marketing for lawyers is to give a presentation at an external event. In much the same way that legal articles allow lawyers to spread their knowledge within their target market, so do presentations. The major difference between writing articles and giving a presentation is that the latter allows for direct interaction between the author and their target audience, while the former is more passive.

The second most popular form of two-way marketing for lawyers is networking. Networking is perceived to be an important way of making of new contacts among potential clients, in the hope of generating new business from them.

Yet, while networking is generally regarded as being a highly effective form of legal marketing, many lawyers do not exploit networking to its full potential. This is because networking is often performed without any degree of firm-wide organization. In addition, information about new business leads, discovered at networking events, is not always shared internally within the firm, or systematically followed up by appropriate law firm personnel.

Recently, more technical – and internet-based – forms of two-way marketing for lawyers have emerged. These include: LinkedIn and martindale.com Connected; blogs, easily-updated websites that allow for interaction with visitors; and virtual seminars – a resource that allows presentations to be conducted online.
However, as the survey results show, there is some overall resistance to these new forms of two-way marketing. This is possible because passively joining a social network or creating a blog does not generate results. Virtual seminars have already gained a certain degree of popularity in the legal sector over the last few years – but there may still be a cultural barrier to participating in virtual events. Only time will tell whether this cultural barrier to success can be overcome.

Overall, our survey respondents believed that two-way marketing tools and techniques were generally more effective than their one-way equivalents. In many respects, this finding is not surprising: fundamentally, two-way marketing techniques tend to allow lawyers to directly interact with potential clients. One-way marketing techniques are inherently more passive, and are less likely to allow a lawyer and their potential client to develop a meaningful business relationship.

“Our marketing is geared exclusively toward showing potential clients and partners the professional capabilities of our members. For us, this is what is most successful in terms of promoting the firm’s services.”
– Managing/senior partner of a small boutique firm

**Client hiring criteria**

In the recent study “Brazilian Study on the Relationships between Legal Departments and Law Firms”, respondents representing legal departments of 112 companies active in Brazil were surveyed. As part of that survey, respondents were asked to rank a large number of potential factors, that would lead them to hire a new law firm for the first time.

From the responses they gave, it transpired that clients base their law firm hiring decisions on a large number of factors – but a small number of those factors appeared to be more important. Important factors were: legal knowledge (which is not necessarily synonymous with quality legal service); availability of customer service; and experience in certain sectors of the market.
“One of the biggest problems of law firms is still the lack of understanding of company dynamics and companies’ actual needs. Most of the time, service is technically perfect, but its adaptation to the interests at stake is very unusual.”
– Legal department representative of a company in the paper and cellulose industry

“In order for them to provide good service, law firms need to be aware of the company’s reality, and the market in which it is active. [Law firms] need to be extremely knowledgeable in order to effectively solve the problems that [clients] face.”
– Legal department representative from a company in the pharmaceutical industry

Perception of most important hiring criteria for the client (R=106)

Clients know what criteria they consider most important when a hiring law firm – but do law firms understand what clients are looking for? For the next question, law firms were invited to state what they believed was the single most important criterion that potential clients considered, before instructing a new firm. Here, the intention was to discover whether law firms and their clients understood each other, in terms of what factors persuaded a client to instruct a new firm.

With a few exceptions, the results of the law firm survey (below) were encouraging. The findings demonstrated a significant consistency between lawyers working in firms and lawyers in legal departments about which hiring criteria both groups of respondents thought was most important.

These three criteria, along with creative solutions and preventive consultancy, represent what is most important for legal departments: the continued success of the company in sectors of the market in which it is active. For firms, this translates to the development of all their activities with more than a simple focus on the client. It implies a profound understanding of what is truly important from the client’s point of view. The so-called focus “on” the client is much more than an idea; it is an extremely important routine that law firms must practice regularly.

Although law firms and clients rated each criterion in a slightly different order, overall, both sides agreed on what were the “top four” most important considerations when hiring a law firm. These considerations were: customer service/availability (17%); experience in certain sectors of the market (12%); legal knowledge (12%); and firm reputation (11%).

<table>
<thead>
<tr>
<th>Perception of most important hiring criteria for the client (R=106)</th>
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<tbody>
<tr>
<td>Customer service/availability</td>
</tr>
<tr>
<td>Experience in certain sectors of the market</td>
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<tr>
<td>Legal knowledge</td>
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<tr>
<td>Firm reputation</td>
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<tr>
<td>Previous history of positive results</td>
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<tr>
<td>Preventive consultancy</td>
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<td>Relationships</td>
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<td>Lawyer reputation</td>
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<td>Creative solutions</td>
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<td>Firm size</td>
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<td>Fees</td>
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<td>Communication</td>
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<tr>
<td>Multiple areas of practice</td>
</tr>
<tr>
<td>Alternative billing arrangements</td>
</tr>
<tr>
<td>Geographic location</td>
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</tbody>
</table>

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Challenges

Despite the fact that many of Brazil’s largest law firms have begun to embrace legal marketing, many challenges remain.

One of the major challenges that survey respondents cited was how to deal with prospective clients and transform an initial contact into new business. This challenge is likely to become more intense in the coming years, as the Brazilian legal market becomes increasingly competitive. And, unlike some other business sectors, law firms also have to contend with another challenge when considering which marketing options to pursue: whether their proposed marketing activities are considered to be ethically acceptable by the Brazilian Bar Association.

“I find that the greatest challenge for law firms is the search for a harmonious relationship between client recruiting and the ethical restrictions imposed by the Statute on the Practice of Law. None of the partners have experience in client recruiting, and there is no comparison between how other firms - the larger ones - are able to recruit clients.”
– Lawyer from a small generalist firm

“Law, much like the labour market, is located in a commercial branch of our complex field of professional relations, and it has notably become an enterprise like any other (commercially speaking). Thus, for there to be a fair equilibrium in the market, there should be less resistance from the respective entity in terms of marketing activities in order to inform the public and future clients of the specialty and behaviour of any firm, and for there to be freedom of choice based on the pre-defined criteria that are established in the needs of a certain jurisdiction.”
– Managing/senior partner of a small full service firm

“Convincing the market that a firm that adopts the ‘boutique’ model is more effective than traditional structures, which are unable to provide the same type of personalised and flexible service.”
– Managing/senior partner of a small boutique firm

In business, it is well known that it is easier to keep existing clients than win new ones. For law firms therefore, client retention should be a key part of any marketing strategy. More forward-thinking law firms should also consider how they can deepen existing client relationships:

“Maintain a close relationship with current clients, generate new business and broaden networking with potential clients by taking a closer approach to relationships that can generate potential business.”
– Managing/senior partner of a medium-sized generalist firm

“Current challenges are integrating the teams so that they can work more closely, thus facilitating cross-selling.”
– Marketing professional from a medium-size generalist firm

“Promote structured cross-selling between practices to ensure partner communication so that there is no overlap of client actions, and so that each and every opportunity is explored by all departments.”
– Marketing manager/director of a major generalist firm
Before a law firm can successfully enter a new market, it must first plan its marketing strategy. But the ability to produce a marketing plan is in itself a challenge faced by many of the respondents to this survey. And even if a marketing plan can be agreed on, how will it be executed, and what systems will be put in place to evaluate its success?

“After drawing up strategic plans, the most difficult part is putting them into practice. Managing partners believe this to be a waste of time for the firm.”
– Marketing manager/director of a small generalist firm

“The firm has a marketing vision and does its best to make the budgetary adjustments necessary for the development and application of new projects. Nowadays, the biggest challenge is increasing the budget earmarked for marketing, in order to enable projects that are larger and, therefore, lead to better results.”
– Marketing manager/director of a small generalist firm

“Effective result measurement.”
– Partner of a small boutique firm

As might be expected, the perpetual resistance to, and disinterest in, marketing by lawyers was also cited as a relevant challenge.

“Overcoming internal resistance to flying higher, and evolving from, merely promotional ‘bread and butter’ marketing to effective, strategic marketing, oriented toward the generation of new business with current and potential clients.”
– Marketing manager/director of a major generalist firm

“Making internal lawyers aware that this tool is important for strengthening the firm’s brand, and that it will be reflected in a positive light in their day-to-day activities.”
– Managing/senior partner of a medium-sized generalist firm

“The main challenge to developing marketing projects in law firms is the need to instil a new culture in the minds and habits of those involved.”
– Marketing professional of a large full service firm

Finally, it should be pointed out that, for many of the respondents, their most significant challenge was simply to create any form of marketing infrastructure within their firm.

“The challenge is simply starting from nothing.”
– Partner of a small generalist firm

“The current challenge is maintaining a marketing program managed by the partners themselves, given that the available budget is insufficient for hiring a marketing professional specifically for this service.”
– Managing/senior partner of a small generalist firm

“Perhaps the main challenge lies in the fact that we are still starting marketing activities. Although the firm has been in existence for decades, it is just now proactively investing in marketing. Doing this with quality, in a short time, is a major challenge.”
– Marketing manager/director of a large generalist firm
The state of legal marketing in Mexico

Introduction

The results of our marketing survey are ready - and we are pleased to report the participation of 29 Mexican firms. A small number, yes - but considering which firms took part, the information provided is significant. We hope our findings will help set the benchmark for the legal services market in Mexico - which, historically, has been reluctant to share internal information. We thank all participants for their cooperation.

With the constant increase in competition, growing client demand, and the need to “stand out” within the Mexican legal sector, marketing became a strongly relevant tool for law firms. The implementation of marketing strategies is related to the need for innovation and openness by lawyers.

The report highlights the growing importance of marketing and public relations - over the past five years in particular. This is demonstrated by our survey finding, where we discover that 34% of all respondents have at least one full-time marketing professional. Another relevant figure is that 69% of respondent firms make use of outsourced service providers to support for their marketing strategies.

The need for more hard data will become ever more pressing, as the Latin American legal market continues to consolidate. We strongly believe that our report will help lawyers institutionalise their business, by providing useful information about what marketing support tools they require to position themselves in their chosen markets.

Leopoldo Hernández Romano
Partner - Director
HernándezRomano Consultores
**Demographics**

**Position of the respondents of the participating firms (R=29)**

The vast majority of respondents (76%) were lawyers or partners, while only 13% were professionals specialising in marketing. The remaining 10% were, generally, management professionals.

**Size of the participating firms (R=28)**

Respondents from small- and medium-sized firms, with up to 50 lawyers, were most highly represented in the study (68%). A further 32% of respondents came from large firms. The range of firm sizes included in this survey largely reflects the composition of the Mexican legal market.
Size of the participating firms (R=28)

In addition to size, respondents also indicated the profile of their firms, in terms of the range of practice areas they offered. Respondents were given three possible choices of classification: boutique providers of legal services in a limited number of areas of law; generalist providers of legal services, in the main areas of law; and full service providers of legal services, in all areas of law.

The most common profile among respondent firms was boutique. In total, 43% of respondent firms were classified in this way.

Marketing structure

Full-time marketing professionals (R=29)

A significant portion of responding firms (66%) employed no dedicated legal marketing personnel at all, which may help explain why most of the study’s questionnaires were completed by lawyers. The remaining 34% of respondent firms employed at least one specialised marketing professional – a more positive indication of the importance of this function.
Formal marketing departments (R=29)
Are firms who employ specialised marketing professionals also viewed as having a formal marketing department? The answer to this question is almost certainly "yes". Nearly the same percentage of respondents who employed one or more marketing professionals (34%) also stated that they had a formally-constituted marketing department (31%).

![Bar chart showing formal department vs. no department](chart1.png)

**Planning**

Formal marketing plans (R=29)
Just over one-third (38%) of respondent firms reported having a formal marketing plan in place. Although low, this figure roughly corresponds with the percentage of firms who employ a marketing professional, or have a formal marketing department.

![Bar chart showing formal plan vs. no plan](chart2.png)
Monitoring and evaluation of the established objectives (R=11)

In order to be able to assess the value of law firm marketing, one may be forgiven for thinking that two separate steps need to occur. Firstly, a marketing plan should be devised. Secondly, the success of that plan, in terms of the return on investment generated, should be evaluated.

Yet, perhaps surprisingly, this survey found that only 64% of respondents evaluated the success of their marketing activities. Without robust evaluation techniques, how else are law firm marketers able to demonstrate their value to their employers? One of the best evaluation techniques involves having a formal marketing budget.

![Bar chart showing monitoring and evaluation statistics]

- 64% monitored
- 27% did not monitor
- 9% unknown
**Budget**

**Formal marketing budgets (R=29)**

Slightly less than half of respondent firms (41%) had a formal marketing budget in place. Perhaps surprisingly, this figure represents a larger percentage of respondents than firms who employ marketing professionals, or have formally structured marketing departments in place. One must therefore assume that, in some firms, other personnel – be they lawyers or support staff – are responsible for drawing up the marketing budget.

![Budget Chart]

**Representation of marketing budget in annual turnover (R=11)**

Perhaps because so few firms employ marketing professionals, or have marketing plans or budgets, many respondent firms found it difficult to accurately state how much money they spend on marketing each year, as a percentage of the firm’s turnover. Indeed, this lack of marketing infrastructure almost certainly explains why 18% of all respondents were unable to answer to this question at all.

Among the few respondent firms who did report their percentages, almost two-thirds (63%) indicated that marketing investments amounted up to 3% of annual firm turnover.

![Marketing Budget Chart]
Marketing budget decision-making (R=29)
Although more than one-third (34%) of respondent firms employed specialist marketing personnel, decisions relating to marketing budgets, expenses or investments tended to be made by lawyers – specifically, partners.

In total, 55% of respondents said that their managing partners tended to make important marketing budget decisions. A further 28% of respondents said such decisions were in the hands of the partners' executive committee.

Marketing budget decision-making by marketing professionals (R=22)
Reinforcing the previously-discovered finding that, in practice, authority over marketing decisions tends to lie in the hands of lawyers. In total, 73% of respondents indicated that specialised marketing professionals in their firms do not have any authority – at all – in terms of the marketing budget.
**Outsourcing**

**Outsourcing of marketing activities (R=29)**

Even though the percentage of respondent firms who employ a marketing professional is relatively low (34%), a substantial percentage of firms (69%) outsource at least some of their marketing activities. In all likelihood, outsourcing is likely to take place for the simple reason that many law firm marketing activities are highly specialised, and many firms do not have the capacity to carry out such specialist functions in-house.

**Frequently outsourced marketing activities (R=20)**

Firms outsource a variety of marketing activities. However, the most frequently outsourced activities tended to be directly associated with image (visual aspects) and publicity. According to the survey respondents, four of the five law firm marketing activities that were most frequently outsourced were as follows: website development and/or maintenance (65%); creation of marketing materials for distribution (45%); events organisation (40%); and press consultancy (25%).

Client analysis was also cited as being outsourced by 25% of respondents. In some respects, the strategy of outsourcing this function is curious, given that client-related issues might be thought of as being the most strategically important form of law firm marketing – and therefore more suited to being carried out in-house.
Perception

Lawyer perception of marketing (R=29)

A significant 79% of respondents stated that lawyers in their firms perceive marketing activities as either being “important or “very important”. By contrast, a further 17% of respondents said their lawyers were indifferent to law firm marketing – and 3% believed marketing has little or no importance. Despite some scepticism, demonstrated by a significant minority of respondents, the percentage of firms who said their lawyers view legal marketing in a positive light is high.
Following up on the previous question, respondents were asked to objectively explain the reasons for their answers. For those respondents who indicated that their lawyers viewed marketing in a positive light (regarding it as either important or very important), the following responses were provided:

“All equity partners are required (...) to develop and actively participate in promotional activities. As far as equity partners are concerned, experience shows us that they spend approximately 30% of their time each year on promotional and client services. Our professional and distribution growth formulas require and reward the professionals that dedicate time to the firm’s promotional activities, and cross-selling is fundamental.”
– Managing/senior partner of a medium full service firm

“There is still a lack of knowledge of marketing activities. These activities are considered important, but there is no formal follow-up. It is a new way of looking at the sector and of institutionalising it within the general structure. Having a sense of unity and not working individually, but rather as an institution.”
– Marketing manager/director of a major full service firm

The few respondents who indicated a neutral, or indifferent, perception of legal marketing generally stated that it was a new idea, or that it was not yet clear that law firm marketing produced a tangible return on investment.

“In Mexico, law firm marketing was non-existent until recently.”
– Managing/senior partner of a medium-sized generalist firm

“We are aware of the importance of promoting investment in marketing, but we never really appreciate its convenience and efficiency.”
– Partner of a boutique firm
Involvement

Involvement of lawyers in marketing activities (R=28)

Given that the general perception of marketing by lawyers is relatively positive, do those same lawyers also proactively participate in marketing activities? After all, the involvement and commitment of lawyers is essential, as they represent the main force behind all of a firm’s marketing activities. In total, 54% of respondents stated that their lawyers proactively participate in marketing activities.

Impact of involvement of lawyers in evaluation and salary (R=15)

Lawyers who regularly invest in marketing, regardless of what firm they work for, are making an investment in their professional career. However, not all lawyers equate marketing with professional development. For those lawyers, a degree of incentivisation is necessary.

Of all respondents, 40% said that lawyers in their firm were rewarded for their marketing activities, either as part of their performance evaluation or salary review.

Perhaps surprisingly, the percentage of respondents who said their lawyers were incentivised to participate in marketing activities was actually lower than the 54% of responses who said their firm’s lawyers proactively participate in marketing activities. This discrepancy in responses begs the obvious question – must Mexican lawyers be incentivised to take part in marketing activities, or is marketing something they would do anyway, without specific incentives?
Sources of information
Principal sources of information and instruction regarding legal marketing (R=25)

Lawyers and other professionals working for the firms in this survey made use of myriad sources of information about law firm marketing. The main sources of information, cited by 76% of respondents, came from professional associations. This survey response demonstrates that the exchange of experiences and information enjoys a high level of popularity among Mexican firms.

Other popular sources of information, reported by 40% or more of the respondents, were: informational supplements (56%); courses and training (48%); websites (44%); events (40%); and magazines (40%). It is worth noting that blogs and virtual communities, or specific internet-based sources, did not enjoy the same levels of interest, when compared with conventional websites.

Tactics and tools
Effectiveness of “one-way” marketing tactics and tools (R=29)

Respondents were provided with a list of various “one-way” marketing tactics and tools, and asked to evaluate each one based on the perceived return on investment it generated. By way of explanation, one-way marketing techniques tend to comprise the more traditional form of legal marketing, because they simply transmit information about the firm to the market.

Among all of the one-way options they were presented with, legal directories obtained the highest and most significant score – thus demonstrating that this traditional resource remains popular among Mexican lawyers. Alerts and informational supplements – presented to both clients and the wider market – were also regarded as generating a respectable return on investment. Modern marketing tools that have recently become popular, such as law firm websites and, to a lesser extent, advertising through digital media, were also viewed in a positive light.
Effectiveness of “two-way” marketing tactics and tools (R=28)

In addition to “one-way” tactics and tools, respondents also evaluated the level of effectiveness of several “two-way” marketing resources. To explain, two-way marketing resources allow the bi-directional sharing of information, or facilitate interactions between people.

Among all respondents, presentations (ideally delivered at external events) were regarded as being the most effective two-way marketing technique, followed by networking. The reason for the popularity of these two marketing techniques is perhaps self-evident: both techniques allow lawyers to demonstrate their expertise directly in front of potential clients. But, curiously, many respondents also regarded less obvious forms of two-way marketing to be highly effective – specifically, a firm’s willingness to engage in pro bono work.

If face-to-face presentations and networking are generally regarded as being successful two-way legal marketing techniques, the same cannot be said of their online equivalents. Several internet-based two-way marketing activities, such as virtual seminars and blogs, obtained relatively low scores.

Collectively, responses to all questions in this section demonstrate just how important personal contact is, when it comes to winning new business. For this reason, it is perhaps not surprising that, with few exceptions, two-way marketing techniques were ranked more highly than their one way equivalents. Unlike their two-way equivalents, one-way forms of legal marketing simply do not allow lawyers to develop a tangible business relationship with potential clients.
Client hiring criteria

Perception of most important hiring criterion for the client (R=29)

Clients know what criteria they consider important when hiring law firms – but do law firms understand what clients are looking for? For the next question, respondents were invited to state what they believed was the single most important criteria that potential clients considered before instructing new law firms.

In the eyes of the survey respondents, it is clear that they believe that clients valued lawyer availability and customer service as the most important criteria for instructing and retaining a new law firm. The firm’s reputation was considered to be important – but mainly as a filter for consideration, rather than as a reason for instruction in its own right. Firms need to understand what they can offer clients; in other words, what is most valued by them. It could be industry-specific expertise, or a prior history of positive results.
Challenges

When asked what were the main challenges facing law firms, in terms of their marketing activities, a surprisingly wide range of responses were received. Some responses were practical, such as the availability of specialist marketing professionals. Others related to the practicalities of delivering a plan, or calculating a return on investment. Questions relating to the wider legal market – compliance with ethical regulations, or how to deal with the rise of the so-called “commoditised” legal market were also addressed.

What is clear is that each of these distinct challenges will require a specific and distinct strategy to address them – in legal marketing, there is no “one size fits all” solution that can be deployed to overcome a diverse range of challenges. Mexican firms undoubtedly face many challenges in terms of legal marketing on the path toward the more advanced and established practices found in countries such as the United States and the United Kingdom.

“Finding a qualified professional with experience for the job.”
– Partner of a medium-size full service firm

“A large demand and a tendency of legal services to be seen as commodities, regardless of the quality of the legal services, knowledge of the lawyers, experience (…) the most important issue ends up being the final price.”
– Partner of a boutique firm

“Understanding how to efficiently use marketing to develop the firm.”
– Managing/senior partner of a medium-sized generalist firm

“Our first challenge is definitely to establish a serious strategy, with objective and measurable indicators, that gives us visibility among the companies active in the telecommunications sector.”
– Partner of a medium boutique firm

“Publicising our services and firm profile among companies (not necessarily among lawyers) without it involving the creation of an image of commercial publicity.”
– Managing/senior partner of a small boutique firm
Objective comparison between legal marketing in Brazil and Mexico

This study presented the opinions of respondents from more than 130 Brazilian and Mexican law firms, covering numerous aspects of their marketing activities.

So far, this report has revealed its findings on a country-by-country basis. However, it is now time to compare some of the more important findings between the two countries. But first, it is helpful to put the survey’s findings in their wider economic context.

<table>
<thead>
<tr>
<th></th>
<th>Brazil</th>
<th>Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP¹</td>
<td>US$ 1,574 billion (ranked 8th)</td>
<td>US$ 875 billion (ranked 14th)</td>
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<tr>
<td>Representativity in the GDP of Latin America (and the Caribbean)</td>
<td>40%</td>
<td>22%</td>
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<tr>
<td>Population</td>
<td>193,000,000 (ranked 5th)</td>
<td>108,000,000 (ranked 11th)</td>
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<tr>
<td>Number of lawyers</td>
<td>632,000²</td>
<td>191,000³</td>
</tr>
<tr>
<td>Inhabitants per lawyer</td>
<td>305</td>
<td>565</td>
</tr>
</tbody>
</table>

1 International Monetary Fund (IMF), April 2010 (data from 2009)
2 Brazilian Institute of Geography and Statistics (IBGE), August 2010
3 National Council on Population (CONAPO), July 2010
4 Brazilian Bar Association (OAB), August 2010
5 Centre for Justice Studies in the Americas (CEJA), 2007

The survey comprised a different number of respondent firms in each country – 109 in Brazil and 29 in Mexico. However, the actual responses to a large number of questions showed a remarkable level of consistency between both countries.
Nevertheless, if one examines responses to supplementary questions more closely, some country-specific responses do become apparent. For example, roughly the same percentage of respondents from both countries reported that they outsourced their firms’ marketing activities. But, at a more granular level, firms in different countries tended to outsource different aspects of their legal marketing functions. For example, Brazilian firms were more likely than their Mexican counterparts to outsource the creation of materials for distribution; press consultancy; marketing planning; and development and/or maintenance of social media. Regarding marketing planning and development and/or maintenance of social media, it should be noted that neither of these two activities were cited by Mexican respondents. This suggests that that Mexican law firms do not engage in these marketing activities at all, never mind outsourcing their production.
Regarding sources of information and instruction about legal marketing, there are some major differences in terms of which resources law firms depend on. For Brazilian firms, websites are the main source of information. By contrast, the main source of information for Mexican firms tend to be professional associations.

Some differences between countries were also observed in relation to how effective “one-way” law firm marketing activities were perceived to be. Among the four activities that were considered most effective by Brazilians firms – in terms of their perceived return on investment – the following stood out: websites; media presence/press advising; articles; client alerts; and detailed informational material. For Mexican firms, the following five activities considered most effective were: legal directories; client alerts; generic informational materials; websites; and brochures.

In relation to favoured two-way marketing techniques, respondents in both countries gave similar answers. In both Brazil and Mexico, the four most popular two-way marketing tools were: presentations; networking/relationship development; partnerships/networks of firms; and participation in internal client meetings. The only major points of difference between the two countries related to how they perceived client analysis and pro bono activities. Client analysis was considered to be highly effective by Brazilian respondents, whereas Mexican respondents preferred pro bono work.

With regards to what issues law firms believed clients regarded as crucial when hiring law firms, differences between Brazilian and Mexican respondents were also evident. However, both Mexican and Brazilian law firms agreed that clients considered two issues to be particularly important, namely: lawyer availability and customer service. Respondents in both countries also felt that a law firm’s experience of a clients’ industry sector was also an important consideration.
The State of Legal Marketing: Brazil and Mexico

Overall, the results from both Brazil and Mexico demonstrate a high degree of intellectual affinity, in terms of how law firm marketing is perceived and executed in both countries. And, because the Brazilian and Mexican legal markets are generally regarded as being the most advanced in Latin America, the perceptions of legal marketing in these two countries is likely to be indicative of the Latin American legal market as a whole. Essentially, where Mexican and Brazilian law firms lead in relation to legal marketing, others will surely follow.
How Martindale-Hubbell can help your law firm market its services

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With over 8 million unique visitors every year - more than competing legal directories* - martindale.com provides a source of prospects for your law firm.

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Present your law firm in a comprehensive online profile to help your firm to be found by prospective buyers of legal services who are searching the internet.

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Luis Felipe Aguilar Rico, Managing Partner
Aguilar, Loera, Cortina & Martinez
Mexico

“BKBG has taken a listing on martindale.com since its inception and I also have been listed since 1975. Martindale.com is an efficient, quick and comprehensive online tool and we are very proud of the partnership that we have with Martindale-Hubbell.”
Ricardo Barretto Ferreira da Silva, Founding Partner
Barretto Ferreira, Kujawski, Brancher e Gonçalves (BKBG)
Brazil

The Parties

**About LexisNexis Martindale-Hubbell**

International buyers of legal services trust LexisNexis Martindale-Hubbell to help them identify, validate and select a law firm or lawyer every day. Martindale.com is a leading international law directory connecting law firms and buyers of legal services worldwide. With over 8 million unique visitors per year, it provides global visibility for law firms, helping them to be found by prospective buyers of legal services who are searching the internet. Martindale-Hubbell is part of the LexisNexis Group, a member of the Reed Elsevier Group plc.

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**About Gonçalves & Gonçalves Marketing Jurídico**

Gonçalves & Gonçalves consult in strategic management with emphasis on communication, marketing and development of businesses for business law firms. By relying on more than 10 years of experience in the markets of law and information technology, the consultancy has experienced professionals and offers a wide range of services in consulting and training so that law firms are successful in the demanding corporate market.

At the same time, the consultancy develops research works, such as this market study and the recent “Brazilian study on the relationship between legal departments and law firms,” launched in April 2010.

Additional information: www.marketingjuridico.com.br

**About HernándezRomano Consultores**

HernándezRomano Consultores is a major Mexican consulting firm specialising in professional service management, servicing Mexico and other locations in Latin America. The company primarily works with law firms, developing a wide variety of projects, such as: organisational structures; management systems, alternative forms of pricing/invoicing, compensation schemes for partners and associates and satisfaction surveys, among others.

The firm has been a member of the KermaPartners Alliance since 2008.

Additional information: www.hrconsulting.com.mx
Other Research Studies

The following research studies, commissioned by LexisNexis Martindale-Hubbell, are available free of charge. To request a copy, please email research@martindale.com.

- Lawyer to Lawyer Referrals: A Global Perspective – 2010 Research Study
- Brazilian Study on the Relationship between Legal Departments and Law Firms – 2010 Research Study
- How In-House Counsel in China Select and Retain External Counsel – 2010 Research Study
- How in-house counsel in Russia are managing their legal departments – 2009 Research Study
- How In-House Counsel in Central & Eastern Europe Select and Retain their External Counsel – 2008 Research Study

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