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Love the One You're With Lawyers should look to their existing client base before they spend time and money wooing elusive prospective clients.

By Susan Saltonstall Duncan

If you think you need to get more clients, think again. You may need more business—or more accurately, more business that is profitable—but there is every reason to look to your existing client base before you spend time, energy and money on lesser known, less attainable, elusive prospective clients.

Lawyers frequently downplay the potential of their existing clients. They presume to know how happy their clients are, what their needs are, how their marketing or personal situations are affecting them. They also assume they are already doing as much work for them as they can do. It somehow seems easier and more exciting to try to attract prospects with seminars, networking activities, publicity, brochures and newsletters.

Existing clients are your best source of new business. Whether by retaining them, obtaining repeat business, cross-selling them to new lawyers or departments, or receiving referrals and introductions to prospects, it pays to focus on those who are currently paying your bills. (If they are not paying your bills, they may have complaints about your services. If, upon asking, there is no reasonable basis for nonpayment, perhaps they should be some other firm's client.)

Most of a law firm's new clients will come from referrals by current or former clients who are satisfied with your work. In addition, the

damage done by one unhappy client can turn off at least three prospective clients. The marketplace for legal services is far too competitive to refrain from engaging in defensive marketing to hold onto your clients, to keep them happy and to turn every engagement into additional work. No lawyer or firm should take any client for granted.

It may no longer be possible to depend on clients for long-term relationships. That level of loyalty and the need for general legal services has all but disappeared. There is every reason to believe, however, that exceptional service and nurture will breed faithfulness and satisfaction. Even if that client is unable to use your firm for all legal needs, that happy client will refer new clients to you for specific areas of expertise.

What should you do to market to your existing clients?

Know Your Clients.

The first step is to analyze the firm's existing client base. You might want to first examine the top 20 percent fee-generating clients (not the top 20 clients), then the next 30 percent, then the next 30 percent. In most firms, 80 percent of the fees are generated by 20 percent of the clients, so if you can only analyze a certain number of clients, look first at those that

generate the top 80 percent of the firm's business.

An analysis of these clients, if done thoroughly, should reveal numerous things:

- SIC (industry) code
- Subsidiaries
- Key contacts
- How/when client acquired by firm
- Source of client
- Union/non-union; public/private
- Three-year fee history
- Other law firms serving
- Services/lawyers used
- Number of employees
- Outside advisers
- Sales volume

Other steps to get to know your client include: visiting your client's office; volunteering to attend your client's internal or annual business meetings at no charge; asking to be put on your client's mailing list; asking to receive company press releases.

Focusing on key clients. Clients should also be designated as A, B or C clients in order to allow you to focus on A and B clients and cull C clients who take up too much time for too little return. A clients might be those who have large and interesting matters, pay a lot, pay on time and are a pleasure to work with. B clients may have less challenging issues but their needs may be more ongoing, they pay on time and are loyal. B clients may also be start-up companies that demonstrate great potential for growth or referrals. C clients are usually those who are very difficult to deal with on a regular basis, general, do not seem pleased with the service of the firm.

Narrowing your client base to A and B clients will enable you to focus your marketing efforts on those clients who are most apt to generate more business and new clients for you.

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Avoid repeating mistakes. If a client is lost to another firm, it is important to know why that happened. You must be in frequent enough contact to know the client is no longer yours. Then you must find out why the client went elsewhere and remedy the problems. Even when a client has been acquired by a larger company or there were interpersonal or political problems, you can avoid losing other clients if you understand and rectify the problems in advance.

Know your client as something other than a legal issue. Find out from your clients what they read, where they go for peer networking and continuing education. Subscribe to these publications and attend some of the industry or business association meetings to gain an appreciation of their business issues and marketplace.

Serve Your Clients Well

This is the decade of the consumer—law firms are no longer in the drivers' seats, their clients are. Providing exceptional service and value is essential if a law firm hopes to survive, much less prosper. Changes in the marketplace have spawned new initiatives to satisfy clients, like total quality management, alternative billing approaches and client satisfaction surveys.

There are a number of actions that firms can take immediately and even more that can be implemented over a period of time in order to ensure client retention and satisfaction.

Show appreciation and lay the foundation. Make sure that the new client's initial experience in your firm is very positive, from

the receptionist, your secretary and you, to their first visit in the reception area. Tell the receptionist the client is expected and do not make him or her wait. Send the client a thank you note and send one to whomever referred the client to you. In your first meeting, use flow charts and provide handouts on the strategies you might use, the risks and what to expect throughout the process.

Service, Service, Service. When law firm clients are surveyed, they are often asked to define quality service. Not surprisingly, their definition is often different from their lawyers'. Quality to most lawyers still means delivering an excellent technical product and having expertise.

To most clients, quality service is measured by responsiveness, accessibility, timeliness, judgment, ability and inclination to communicate, knowledge of his or her business, and feeling as though he or she is the attorney's top priority. Many of these service qualities are not lawyer strengths or priorities. They must become so. Regular communication about the case, efficient management of the case to control costs without sacrificing outcome, returning client calls and being accessible to clients in off hours are among the new ground rules for practicing law in this decade.

Clients assume a certain level of technical competence before they hire a firm and presumably, a specific area of expertise. Unfortunately, a lot of firms have slipped in the quality of even their technical product. Better quality control along with the crucial service elements noted above will help build a strong client-attorney relationship. The client-responsible attorney should be held accountable not only for the effective management of a case and its outcome but also the satisfaction of that client.

Include your client as part of the team. Clients frequently can help their lawyers serve them

more efficiently and effectively. Several measures can be taken to ensure a cooperative and beneficial working relationship. Lawyers can and should communicate either with inside counsel or other advisers to the client who may have pertinent information or perspective. Keep clients informed of the status of a case and give them updates on where they stand *vis-à-vis* the strategic and financial aspects of the matter.

Ask clients for input and respond. Seek input from clients on your services—conduct annual satisfaction surveys. When you receive negative feedback or suggestions for improvement, follow through with the appropriate attorneys and staff members and measure the results again with clients. Invite your clients to come speak to your attorneys about their industries or concerns or a particular area of expertise. Be sure you know what future needs and trends your clients expect to affect them in their industries or regions.

Be efficient and provide economic value. Establish annual consulting retainers so that clients feel comfortable calling you for smaller issues without running up big bills. Make your clients' files accessible to them through automation. Discuss your billing format and fees with your clients to explore alternatives. Volunteer to attend your clients' business or board meetings for free. Conduct preventative legal audits. Whenever appropriate and possible, send your clients business: reciprocate.

Provide nonmonetary value. Lawyers can provide more than economic benefits to clients. Introduce them to other business leaders and conduct executive forums. Provide insights on legislative and regulatory issues that affect the clients' industries and conduct seminars and round tables for individual clients or small groups of clients.

THE DAMAGE DONE BY ONE UNHAPPY CLIENT
CAN TURN OFF AT LEAST THREE PROSPECTIVE

Don't Let Clients Forget You

You should keep your name in front of clients at all times. Maintain on your database an updated address list of active and inactive clients. Send some type of mailing to clients on at least a quarterly basis. Publish and distribute special handbooks or newsletters on particular areas of the law. If you do publish a quarterly newsletter or practice-area bulletins, provide your clients with a notebook, imprinted with the firm's logo and address. Institute an automated or manual tickler system that reminds you of important personal dates and of your last contact.

Treat your clients as people. Business clients are often referred to by their corporate name, rather than by the name of the individual person. In order to ensure the personal and human nature of your relationship, refer to clients by the name of the key contact(s) to remind you and other attorneys that your clients is a person who needs constant attention.

Sometimes, lawyers consider their clients an inconvenience, particularly when they feel their clients are placing unreasonable demands on them or asking them for further explanation. Lawyers often are more comfortable dealing with the legal issues and research involved in a case rather than with the person who has the problem. Clients want to be stroked and treated with respect and consideration. For some clients, this may mean socializing with them; for others, they would rather maintain only a professional relationship. Going the extra mile to develop a good relationship, whether personal or professional, will be to a lawyer's advantage.

Cross-sell your clients. The more reliant your client is on your firm for more services, the more loyal he or she is going to feel (as long as the client is happy with the services). While many clients only hire firms for one need or for

a specific area of expertise, others still can be attracted to keeping more of their legal matters in one place.

Effective cross-selling requires internal communication to other lawyers about your client to identify potential needs and the potential to service those needs. Clients must be introduced to other lawyers and periodically should receive information about the firm's other areas of expertise or accomplishments. Newsletters and seminars can showcase your range of expertise as long as clients are carefully understood and targeted and not given a blanket market treatment.

Every lawyer should begin today to focus on the clients he or she already serves. This is necessary both to retain those clients and to improve the likelihood of more and future business from these clients and from new clients your existing clients may refer to you. The appeal of the unknown to many lawyers, of going out to woo new prospective clients, should be replaced by efforts to solidify and improve the relationships you already have which are sure to generate more reliable results.

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