

Rainmaking

Staying Ahead of the Curve: Keep Tracking the Trends

SUSAN SALTONSTALL DUNCAN | Remaining static or complacent will prevent you from expanding your law practice—and it may even result in a decline in your current work and revenue levels. To grow or maintain a successful practice, lawyers must stay out in front of their clients and the marketplace.

Today there are approximately 1 million practicing lawyers in the United States; additional professionals like bankers, financial services professionals, consultants and CPAs competing in lawyers' territory; and do-it-yourself manuals, forms and online sources available to enable individuals and businesses to execute basic legal documentation themselves. In this kind of environment, you must constantly think about how you can provide services and value that make you stand out.

Getting and staying ahead of the curve requires a number of specific steps. The first is to become proactive—to seek out, anticipate and act on trends, changes, threats and opportunities. Admittedly, lawyers traditionally are reactive in nature, often waiting until a suit is filed, waiting until a client calls, or waiting until their practice is in decline. But being competitive and successful these days requires

that you become forward-thinking on multiple fronts. In a nutshell, you need to develop an entrepreneurial mind-set and track the trends in your market. Let's look at how to do it.

Targeting Your Trends Research

Adopting a forward-thinking mind-set will require you to become externally focused and market-driven. Although tracking changes in your own area of legal expertise is essential, it is not in and of itself sufficient. You should also be following trends that will affect your clients and prospective clients and will pose either threats or opportunities. These might be demographic, economic, legislative, regulatory or political. Whatever its nature, the sooner you spot a threat or an opportunity for clients and help them with potential solutions or strategies, the more value you will provide and the more valuable your clients will perceive you to be.

To be timely, you need to conduct your research on a regular basis. If effective, it can tell you what you need to know about your target markets, including the following:

- Who they are
- Who their decision makers are
- How many of them there are

- Where they are
- What they currently know about you
- What their needs are
- And, if they're already using your services, what their reactions to your firm and its services are

Effective research will similarly inform you about your competitors: who they are, where they are, whether non-lawyers provide these services too, how they compete, how they are positioned and perceived, and how they communicate and market themselves. In addition, you can seek essential information about the current and future environment such as population trends, projected market growth for the target market, social trends, and the effects of regulatory, political and economic policies (both existing and pending).

There are many online resources to help you track a wide variety of trends via automatic news feeds. You can, for example, identify lawsuits by area, industries, names of clients or companies, associated legislation and other key factors, and then have various news and research sources send you customized e-mail summaries of those issues.

Also, if your clients own or are employed by a business or organization, you want to regularly check their Web sites for press releases and updates on new hires, new products, new offices and the like. You can also regularly scan major daily newspapers, community papers, industry and business publications and other general publications to look for trends.



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In addition, talking regularly to clients, prospects, bankers and other referral sources will alert you early to shifting needs and opportunities in the market.

Changing with the Times

Keeping your thumb on the pulse of trends in your practice area, client base and marketplace will help you to develop focused goals and strategies that respond to changing conditions, preferably before they have a detrimental effect on your practice.

Accordingly, once you have collected data about the various factors that affect your practice, you want to analyze your service niches and clients in the context of a product life cycle.

Most companies, products and services continuously proceed through a four-stage cycle: (1) start-up and introduction, (2) emerging-growth, (3) maturity and (4) decline. The emerging-growth stage is the best place for lawyers (or any business) to be positioned because it is the point where some very important things occur: the market needs and will pay for this service; you have less competition because the niche is new or underserved; and, therefore, clients are willing to pay higher rates for the service. On the mature end of the spectrum, clients tend to have many lawyers to choose from for the service and, thus, often select lawyers on the basis of lowest cost or force their lawyers to discount fees. It is at this point that what you do is seen as more of a commodity than a valuable service.

You can plot each of your service niches along this continuum to accomplish the following:

- Determine where each of your areas of expertise fall

- Decide how you can reposition mature or declining services by focusing on a new client base or geographic market

- Use your trends research to identify up and coming areas, topics and needs in your practice, industry or market and be a vanguard in the emerging niche

Those are powerful activities that truly reflect a forward-thinking mind-set.

Making the Most of the Information You Track

In addition to the benefits already discussed, you can also use the information you glean from your research in a number of other meaningful ways. To get the full effect, let's run through all the things research and tracking can help you to do.

- Protect your existing client base by staying on top of clients' needs, gauging their satisfaction with your services, and learning what additional issues and priorities clients have that you may be able to help them with. You can also find out who else clients, and prospects, receive professional services from currently.

- Identify new issues or regulation within your area of practice so that you can take an early lead on becoming a visible expert in the niche before it becomes crowded with other lawyers. This can be done by sending e-mail alerts to clients and others, writing an article for a publication, writing an opinion piece in the community paper, or speaking at business or civic groups on the topic.

- Identify local or regional issues of priority, such as changes in local zoning or other development regulations, budgeting and economic development initiatives, education reforms

and school board controversies. This inevitably will uncover potential needs for legal or strategic counsel.

- Identify and form alliances with referral sources who can enhance your credibility and introduce you to their clients and important contacts.

- Differentiate your firm from your competitors by knowing who they are, what their strengths and weaknesses are, and how they position themselves in service offerings, pricing, and marketing.

- Develop knowledge about your business clients' industries so that you can target clients on the basis of industry specialization. You can then help keep clients informed and find ways to minimize the personal impact any threat may have on them. You can also look for opportunities or alliances for them to pursue.

Being Curious and Alert for the Sake of the Long-Term

Staying ahead of the curve will occur if you just think about your clients and your practice as an entrepreneur would, consistently looking for new trends and opportunities, following the latest news, and engaging in discussions with an eye and ear toward problems, issues, new ideas and solutions.

You simply have to remain curious and alert, pursuing ideas or hunches through research and tracking. Ultimately, it will help you sustain a healthy practice through the natural business cycles of changing times and create opportunities to develop emerging areas of practice, grow your client base or even expand into new geographic markets if you choose. So go ahead, dive in and start tracking the trends today to ensure your practice's future.