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Artificial Intelligence: Changing the Practice and Marketing of Legal Services

BY LINDSAY GRIFFITHS ON APRIL 11, 2017
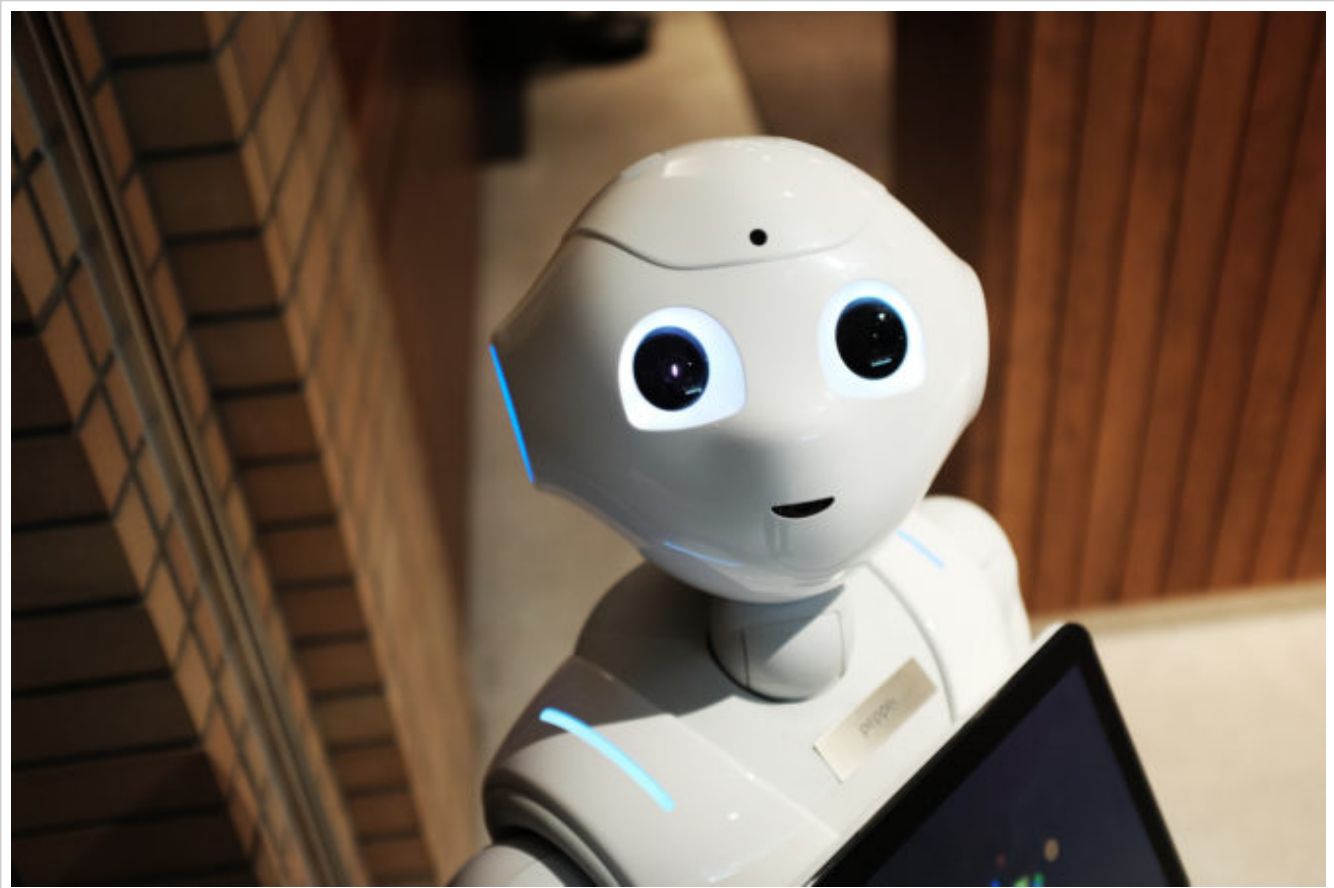
For many of us in the legal industry, a hot topic of the moment is artificial intelligence – less because we're actively using it, and more because we know we need to understand it, at least enough to be able to speak about it intelligently with lawyers, colleagues and clients. AI is not new, and once again, legal is one of the industries that's lagging behind – but you know what that means: it's rife with opportunity.

With that in mind, a large group of us packed into a conference room at the Legal Marketing Association's Annual Conference to hear a panel of experts talk to us about how AI is changing the practice and marketing of legal services. Before we dive into my recap of the session, though, a little homework for you – head over to Jordan Furlong's post on Getting Over Technology, and continue to look to him as a resource. The key thing that Jordan says, and underpinned the comments of the panelists at LMA is:

> The truest observation ever made about technology remains this one from American computer scientist Alan Kay: 'Technology is anything that wasn't around when you were born.' British author and technophile Douglas Adams famously expanded on Kay's comment: 'Anything that's in the world when you're born is normal and ordinary and just a natural part of the way the world works. Anything that's invented when you're between 15 and 35 is new and exciting and revolutionary and you can probably get a career in it. Anything invented after you're 35 is against the natural order of things.'
>
> These two quotations should be borne in mind anytime you start talking about technology in law firms. Law firms are stuffed to the rafters with technology, and always have been."

So basically, no, Chicken Little, the sky isn't falling (my friend, Lance Godard, agrees, even in the face of JP Morgan's COIN announcement). But AI is here, the pace of change is FAST, and the time for opportunity is now.

On our panel were Craig Courter, Global Chief Operating Officer of Baker McKenzie, Mark Greene, President of Market Intelligence, Ryan McClead, Vice President of Neota Logic, Rob Saccone, Partner at Nexlav Partners, and Elonide Semmes, President of Right Hat. In Rob's summary, which I encourage you to read after this one, as it's far more intelligent and in-depth, he describes the role of each panelist as the following:

> Mark defined AI, I discussed the vendor landscape, Craig shared a global law firm perspective, Ryan discussed expert systems and business models, and Elonide covered AI potential for legal marketers."

I ordinarily wouldn't also add noise to the signal, but for those of us outside the deep waters of AI, I thought a newbies perspective might add some value to Rob's thoughtful perspective.

Artificial Intelligence – What IS it?

Artificial Intelligence: What IS it?

In terms of what AI *is*, you may have heard of it referred to in a number of different ways, said Mark. People refer to AI by a lot of different names:

- Artificial Intelligence
- Augmented Intelligence
- Cognitive Computing
- Big Data Analytics
- Robotics
- Expert Systems
- Machine Learning
- Internet of Things (IoT)
- Statistics/Algorithms (Neural Networks, Genetic Models, Neuroevolution)

Any definition of AI can change within three months, so what it actually IS, and a formal definition of it doesn't matter. The difference with AI is that machines become self-learning – it's not about programming a computer. Those with a programming background (ahem) will know that typically, computers think in black and white (ones and zeroes). You give it a series of instructions and it follows those to the letter. AI allows the machine to learn, and then adapt from those lessons. Consider Siri for example, or if you have Amazon's Alexa – it interacts with you, and learns as it does. We're already interacting with, and living with, AI on a regular basis in our lives.

You may say to yourself something like "this is too fluid. We're going to wait to use it until we have a better handle on what it is." Mark told the assembled delegates that if you do that, you'll be left behind (much like waiting to get a better handle on social media, but on a bigger scale, really). And it turns out, it's already IN the legal industry. In-house counsel are already using law firms that use AI. And as soon as AI is productized, monetized, and scaled, it will be in the legal profession in a big way. Similar too to the way that social media helped to level the playing field among firms, it's not about the size of the firm – "it's not about the big eating the small," says Greene, "it's about the fast eating the slow." Is your firm nimble enough?

Three other important things to know:

- AI allows firms to leverage without associates; bill without hours (more on associates later).
- Today's competitive advantage is tomorrow's price of admission – but this should come as no surprise. For law firms, that's always been the case, and clients, especially today, are continually asking, what have you done for me lately? (As they should)
- AI is Better. Faster. Cheaper.

Rob shared a simplified map of the AI landscape, in terms of what service providers are offering, and what we're moving towards – you can see the full map in his post. The hierarchy of these tasks sees AI providing an acceleration of document-related tasks as the bulk of the industry focused, followed by an acceleration of research, then the automation of "stuff," followed by the prediction of "stuff" (think: litigation outcomes). There are already many AI products in the marketplace for all of these levels within the hierarchy, and the panelists cautioned against choosing a tool and trying to solve a problem with it – you run into the age old conundrum of "when you're a hammer, everything looks like a nail." Instead, you want to choose your AI to solve specific problems that you have.

The Hype Cycle – What's a Firm to do?

If you're already overwhelmed, and crossing your fingers that you can retire before AI hits your firm, unfortunately, I have bad news for you – the time is NOW. But you don't have to be afraid of it – the goal of AI is to make your life easier, not to make you obsolete. Remember, there used to be a time before telephones and email (and while some of us will lament having to deal with phones and email and associated contact…) and the legal profession has survived and thrived and become more professional by embracing those technologies.

Yes, there is a lot of hype surrounding AI, says Craig Courter, but hype is a normal part of technology maturity (remember when the first smart phone was released?). At the moment, we're at the peak of expectation, according to Gartner Inc's emerging technologies hype cycle. Quality will come over time – a few years ago, none of us were too thrilled with the experience of online shopping. But the process was ironed out, and now it's an essential part of the shopping experience for many households. However, it is key not to over-promise and under-deliver.

What does Craig advise firms to be doing NOW to prepare?

- Step 1: **Clean up your data** – All AI effort is 90% data and 10% technology.
- Step 2: **Aim for the clouds** – let go of on-premise solutions. Most of your AI services will be cloud-based.
- Step 3: **You don't pick the platform; the platform picks you** – this goes back to the hammer/nail issue. Choose tech based on your needs, not your needs based on the tech. Customize if you need to, and you *will* need to. AI won't be like Microsoft Office, where everything works together and talks to each other. It will be more like separate apps on your smart phone.
- Step 4: D**on't underestimate the effort and investment to implement, nor the results**. We're just getting started.

How will AI impact production?

How will AI impact marketing?

We can be confident that lawyers aren't going to be replaced by robots anytime soon, but it will have an impact on how legal marketers market their services. And a big obstacle to this innovation is the way that lawyers are currently compensated (that's all innovation, not just AI).

Elonide pointed out a few key things that marketers (and lawyers) should be watching for AI to help them do, in terms of marketing & business development:

- AI to help find your next client
- Understanding buyer behavior
- Creating more meaningful interactions and dialogue

How can that be possible? Platforms are monitoring behavior, and using data and social semantics, AI can help you to make sense of the available information to help you do the following:

- Uncover the best prospects: use social media, directories, court dockets, SEC filings, etc.
- Hyperpersonalization: generate emails based on profiles, collect data to craft specific messages, change content based on what you learn, etc.
- Real time programmatic advertising: competitive bidding in online advertising platforms

What are the takeaways?

The panelists left us with a few key takeaways:

Clean up your data

As was said above, AI efforts are 90% data, 10% technology. The time to get on top of your data is now.

Take your IT folks out to dinner

Get to know the people who know your technology systems. Talk to them about what your business problems are, and what the available solutions might be. Get marketing, business development, IT, and the lawyers to communicate so that the technology solutions are solving the business problems of the lawyers and the firm.

Know your business problem

Watch the landscape

The panelists suggest using Twitter (following each of them is a good idea – their handles are linked to their names above), as is following along with the IT Summit. Look for useful hashtags to keep an eye on, and

others to follow who are in the know, such as Jordan Furlong. Don't forget to talk to your clients about what it is they are using.

Make sure the platform fits your technology stack

In the Q&A session, a couple of interesting points came out. Many firms are working internationally, and there are SERIOUS data privacy and consent issues that you need to be aware of when dealing with AI. Data retention and attorney-client privilege laws are issues that vary across borders – these are essential to understand and be aware of. Don't forget too that often just because you may be focused in one country doesn't mean that your providers aren't storing your data in another, or you don't have clients who are viewing your information in another. Ensure that you are complying with the local laws for any jurisdictions that you may be operating in.

Clients are driving the disaggregation of legal services – this is happening with law firms and alternative service providers, but also even with individual lawyers being staffed in teams by their clients. Be informed about what's happening in the industry and marketplace. Even if you're not driving the "train," you can be educated on what's happening in the market.

The issue was raised about what associates/law students should be doing in the face of AI, and the panelists said that they need to become savvy in this stuff to add value. Coincidentally, I had a piece in the pipeline for the ABA Law Students Blawg on this very subject. Don't forget too, to read Rob's in-depth summary of this session.

This session gave us a lot of food for thought, but also some great, practical starting points. Be sure to follow all of these panelists to stay up-to-date on what's coming up next.