How the Internet is Revolutionizing the Legal Industry (and how to adapt)

Like Henry Ford's assembly line transformed the automobile industry, the internet is revolutionizing the legal industry. The internet has made it possible for consumers to research legal matters, find attorneys, and even buy legal documents online. It has also changed the game by enabling attorneys to utilize outsourcing, software-as-a-service (SaaS), and internet marketing.

Companies such as LegalZoom are using the internet to offer inexpensive legal services. The services include incorporation, wills, and trademarks. There is no face-to-face interaction with Legal Zoom. The client simply answers questions online, and a document is created.

Legal Zoom has been under attack by lawyers in particular. They have also been sued for the unauthorized practice of law. In commenting on an article about the lawsuit attorney Sharmil McKee says, "If we embrace the technology behind Legal Zoom (document automation) and couple it with competent legal advice, we can provide cost-effective legal advice to the public." Likewise, attorney Nathan Workman advocates using a document created by LegalZoom as a springboard for business. He says, "….an estate planning attorney could advertise that his or her firm will review any document produced by Legal Zoom for a nominal fee (a "second opinion" service)."

Richard Susskind, author of The End of Lawyers?, agrees with building on existing developments, instead of fighting them. He believes that lawyers need to move from a bespoke model to commoditization. In other words, they need to abandon custom-fit in favor of one-size-fits-all. This is similar to what Henry Ford did for the model-T. Instead of building spec cars for the wealthy he built mass production cars, and made them accessible to everyone. In a similar manner the shift towards commoditization will result in greater affordability of legal services.

Richard says, "Clients are requiring more for less." In order to meet client demands, the legal industry is capitalizing on the internet. First, law firms are outsourcing legal services to places like India, where the labor is cheaper. Furthermore, firms are setting up virtual law offices and saving money by working at home. Finally, firms are using software-as-a-service (SaaS) to cut costs. They are using SaaS for document sharing and for law practice management.

In addition to the way that attorneys are using the internet, the legal industry is being shaped by the way that consumers of legal services are using the internet. People are turning to the internet to research legal matters and to find attorneys. This means that attorneys must have a web presence in order to be found. In a podcast, New Rainmaking Tricks Even Old Dogs Can't Afford to Ignore, legal marketer Stephen Fairley says, "Word-of-mouth is not enough anymore" and, "You can't ignore the internet anymore." He believes that an internet presence is essential because of the hyper competition between attorneys for clients.

In conclusion, the legal industry is being revolutionized by the internet. Technology is enabling consumers to get legal services online, to research legal matters, and to shop for attorneys. The web is assisting lawyers to move towards the commoditization of legal services through opportunities like outsourcing, setting up a virtual law office, and utilizing SaaS solutions. Lawyers who are embracing internet technology are surviving the buyer's market. Luddites are not.