

Law Firm Marketing: Citi Survey Says Differentiation Key to Increasing Market Share

By: Stephen Fairley

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The **2010 Midyear Law Firm Financial Trends Report** by Citi Private Bank, which provides financial services to U.S. and UK law firms, is out and the bottom line appears to be that **expenses have been cut about as much as they can, so law firms now need to turn their focus to increasing top-line revenue.**

First, some of the key findings as reported by 187 U.S. law firms (87 AmLaw 100 firms, 50 Second 100 firms and 50 other firms) for the first six months of 2010:

- Revenue was flat
- Demand was down domestically, but up slightly (2 percent) for global firms
- Expenses were down, primarily because of head count reductions
- Productivity was up about 4 percent
- Contribution per lawyer was up almost 20 percent
- Billing rates were up about 4 percent

Parsing the data at [The American Lawyer](#), Citi analysts wrote (emphasis is mine):

*Unfortunately, demand for legal services remains soft, and that is unlikely to change any time soon. So the only way firms can grow their revenue is at someone else's expense. **Firms have to be more strategic about how to increase their share of a smaller pie--specifically, by differentiating themselves from competitors.***

And they conclude with this:

Some argue that the market really hasn't changed at all and once demand picks up again, firms will simply revert to their traditional business model. Indeed, that's what happened after the recession in the early 1990s. But thanks to technology and globalization, the legal services market in 2010 doesn't resemble the market in 1991 in any way, shape, or form. Even if overall demand picks up, the entry of new, lower-cost service providers and the willingness of clients to diversify their service-provider portfolio have caused an unprecedented shift in the market. The nimbleness with which firms address this shift will separate the winners from the losers.

In [Practice Made Perfect](#), our 90-day business development program for attorneys, we cover **10 specific ways to differentiate your services.** Here are 3 of them:

1. **Create a micro niche.** In these days of hyper-specialization, it's NOT about "mass marketing." It's about "micro marketing"—creating a micro niche that best positions you as a specialist.
2. **Focus on solutions and results.** Too many attorneys try to sell their legal services. Attendees at my Rainmaker Retreat 2 day law firm marketing boot camp program are

surprised when I tell them that people don't buy legal services! People buy solutions to their problems. They buy results, not your services.

3. **Build an online presence.** The Internet has changed everything when it comes to law firm marketing and how consumers select law firms. Many attorneys either don't realize or aren't willing to admit that most savvy individuals will check them out online before they ever finalizing their decision. An online presence today means not only a website, but also immersion in Social Media – blogs, video, Facebook, Twitter, LinkedIn, Avvo and more.

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Free CD: Insider Small Law Firm Marketing Practices

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- How 1 piece of simple technology in your practice will **drastically increase your communication with prospects, clients and referral sources** – resulting in a major revenue boost
- 5 ways to **market and position yourself as a recognized expert**
- How to **promote your law firm to over 100,000 people for less than \$100**
- The 1 item you must absolutely have to create a **Million Dollar Law Practice** (hint: Not having this will almost guarantee your failure!)
- 6 **BIGGEST secrets to generating more and better referrals**
- How to **create a proven network of 30 new Strategic Referral Partners** in the next 90 days

To obtain your free CD, click [here](#) now.

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Stephen Fairley is a nationally recognized law firm marketing expert and has helped more than 6,000 attorneys from hundreds of law firms across the country to discover the secrets of generating more referrals and filling their practice.

He is the international best-selling author of 10 books and 5 audio programs.

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