

Chalk & cheese?

Catherine Gannon trumpets the business benefits of outsourcing



IN BRIEF

- Why does the legal profession in general opt to keep non-core functions such as marketing & PR in-house?
- The skills & experience required to implement a successful marketing strategy are quite different to those needed in day-to-day legal practice.

Private practice lawyers should be comfortable with the concept of outsourcing. Whenever we receive an instruction it is because clients recognise they need a service that is outside their area of competence, or that their time is better spent on other matters.

This sounds self-evident, but for some reason we hesitate to outsource aspects of our own business. We often keep marketing and public relations in-house despite the fact that the skills and experience required to implement a successful marketing, or similar, are quite different to those needed in day-to-day legal practice.

Until seven months ago, my firm had kept its marketing function in-house. Since taking the plunge last summer, however, our experience of outsourcing it has been entirely positive—producing a significant cost saving, and driving an increase in instructions. Why was the decision not taken earlier to outsource? There are a number of reasons, none of which stands scrutiny.

The first can be traced back to the way that lawyers are hardwired to think in terms of chargeable hours. We cannot bill

a client for time spent on marketing, so we undervalue marketing to the point of suspecting a consultancy cannot be offering value-for money in the same way that our own, more granular, services do.

The second (linked) point is that marketing spend is discretionary. For most, battling a tough economy, holding back on non-compulsory external spend is much easier than making internal cuts. Then there is the argument that one cannot, and should not, outsource the responsibility for growing the business. However, none of these reasons for keeping marketing in-house stands up to scrutiny.

I realised that the firm needed to outsource its marketing function when I understood that the pace of technical change posed a near insurmountable challenge to smaller in-house marketing functions. The “digitisation” of marketing is a reality for firms of all sizes, and practice changes fast. As with a fast-changing area of law, only an expert can keep pace.

Pre-outsourcing, in our five-fee-earner firm, marketing accounted for up to 20% of our £1m-plus turnover—a significant sum

that included the salaries of two marketing staff. It was going to our PR agency, the consultancy Lehmann Communications, for a redesign of our website that led us to outsource many aspects of our marketing. It became clear that an effective website was closely tied to all other aspects of marketing, and that these in turn had been drawn into the fast-changing IT side. Techniques employed to “optimise” the website’s hits for potential clients involve regular monitoring and review of the key words and content that lead clients to the site. Paid-for “click-throughs” from search engines are also important, and agencies use their expertise to review the profile of web-users visiting the site to ensure the search terms paid for are the right ones. It soon became clear that we were buying tailored expertise, based on an agreed brief, from our outsourcing partner, not an off-the-shelf product.

Brief encounters

To write an effective brief we needed to be clear about the firm’s business strategy, to identify what income streams were central to the business, and what client profile we needed to attract. Was our marketing strategy intended to draw in new clients, or to sell more services to existing clients? Should we narrow our appeal? Our strategic aim was, and remains, to differentiate ourselves. This “difference” was reflected in our brief, not the consultancy’s expertise or market knowledge. Our ongoing time commitment involves a fortnightly review meeting, including a report on web traffic highlighting the drivers that are generating interest in the firm and its services. This data is invaluable. Of course, it comes at a price, but the surprise was that price was 40%-50% below our previous marketing spend. Our business is growing, and we can identify significant parts of this growth that come from the marketing changes we made. Discretionary spend, in this case, has therefore been an easy “sell” to the firm internally. The firm is now considering the logical next-step of outsourcing management of our client events. The tie-up of this to the “digitisation” of our marketing is obvious and logical. Why did Gannons only outsource its marketing last year? Quite simply, the answer is I did not know we could take the step so easily, or with such dramatic results. NLJ

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