

# LAW FIRMS GOING DIGITAL

## Rise in digital marketing for new business acquisition

According to the latest Financial Benchmarking Survey from the Law Management Section of the Law Society, the overall median marketing budget was 2.1%, with a quarter spending over 3% and a quarter just 1%.

For the majority of UK law firms who responded to our latest digital marketing survey this amounts to an annual budget of between £20,000 and £200,000.

### So how much of this budget was allocated to digital marketing in 2017 and how does this compare to firms' plans for 2018?

Analysis and commentary about marketing in the UK legal market states that most firms do not expect their overall marketing budgets to change much at all in 2018. What we are likely to see, however, is that digital marketing expenditure as a percentage of overall marketing budgets will increase by 30%.

Legal marketing spend on digital marketing tactics in 2018.

+30%

This increase is driven predominantly by B2B law firms; however, consumer law firms – particularly those in the personal injury and clinical negligence market – still plan to increase digital marketing expenditure by 22%.

So what are the types of digital marketing that firms are employing and what are the likely drivers of this increase?

### Digital marketing for new customer acquisition

Firms that acquire a large percentage of new work via the internet, do so by generating large volumes and quality traffic to their website. The most common types of tactics to achieve this success are:

Search Engine Optimisation (SEO)

Pay-Per-Click Advertising (PPC)

Paid Social

Paid Digital (PPC & Paid Social) accounts for the largest percentage of firms' marketing spend, particularly for those offering consumer legal services.

This is not unsurprising due to its measurability; with 72% of firms responding to our survey stating that Paid Digital directly contributed to new customer acquisition in 2017. Additionally 58% of firms who invested in SEO last year said it contributed significantly to acquiring new customers.

### Paid Digital directly contributed to new customer acquisition in 2017.

72%

Google AdWords

TV and Radio continue to be the preserve of a small minority of UK firms, where it can be the 2nd and 3rd largest digital marketing spend after Paid Digital. However, other recent analysis in the market has shown that spend on TV and Radio have seen a small but steady decline in the past five years.

A hot topic in the digital marketing sphere is Voice Search, due to its effect on SEO.

Voice Search is growing at a rapid pace, and for good reason – it's fast, convenient and allows you to easily search on the go. As the technology and programming behind Voice Search gets more refined, services like Siri, Google and Cortana become much more reliable. In fact, in 2012 the word error rate was over 20%, but now it's as low as 8% – as it gets better at picking up our speech quirks.

This has led to voice-enabled virtual assistants infiltrating thousands of households as well as those integrated in our smart phones.

The reason why this is important for your digital marketing is that most people don't speak the same way they type, especially when it comes to searching online. When you're searching for something through typing, you tend to use shorthand e.g. typing "hospital negligence claim" – if you've suffered due to a surgical error in hospital. When you speak, it's more likely that you'll use the complete question, e.g. "How do I claim compensation for an operation that went wrong in hospital?".

Based on market intelligence including responses to our survey, Voice Search is unlikely to be an area of immediate concern; in fact a quarter of respondents said it is unlikely to impact on their business in 2018. However, should the trend continue then the 31% already planning changes to their SEO activities will be better placed to take advantage in 2019/2020.

### Digital marketing to engage and retain customers

Firms that invest in attracting prospective customers to their websites or social media channels do so with end goals in mind. It's all well and good bringing people to your 'virtual shop', you also require the right user experience (UX): a place where visitors want to interact/transact with you, where they want to come back to seek insights, where they not only will like what you offer but will love it enough to share with others.

Engagement tactics used by firms that we work for, for both attracting and retaining customers, include:

Content Marketing (incl. Video & Blogging)

Web Design & User Experience (UX)

Email Marketing

Social Media Engagement

Online PR

While Paid Digital absorbs the biggest proportion of law firms' budgets who use it, 97% of firms in our survey invested in both Content Marketing and Social Media Engagement in 2017, with this investment predominantly in areas of personal injury and clinical negligence, closely followed by family law and private client related services.

Video is one type of content that firms are planning to increase digital marketing spend on, particularly as it will make up nearly 80% of internet traffic this year and 65% of people who watch a video will then go on to visit your website.

## Top 3 engagement tactics that contributed significantly to new business acquisition.

1. Content Marketing 2. Email Marketing 3. Online PR

While both Content Marketing and Social Media Engagement outperformed all other areas of online engagement in our survey, they were poles apart in making a 'significant' impact on acquiring new business, with Content Marketing being 111% more effective. Social Media Engagement was also dwarfed by Email Marketing and Online PR for making a significant contribution to acquiring new business.

Another area of engagement we have been tracking is the adoption of Mobile Applications. This is by far the least used marketing tactic, with only 13% of our survey respondents having invested in a mobile app of their own. Although the adoption is currently low, almost half of UK law firms are considering apps in their marketing plans this year.

Our prediction is that rather than firms creating their own apps it is more likely that they will be white labelling others, recommending particular apps to complement their services or simply utilising them for customer service – such as embracing messaging apps like WhatsApp and Facebook Messenger – to communicate with customers in a similar way they have done with email and SMS, particularly as their usage is expected to exceed 3.6 billion people around the world this year.

### Summary

Generally, from our own and other research into the UK legal market, it is clear that this year's trend will be about paid forms of digital marketing and the production of legal marketing content that resonates with your target customers wherever they are, and particularly on mobile devices.

Social engagement is still the most used digital marketing tactic, and despite firms stating it having one of the lowest contributions to customer acquisition, we foresee that firms will continue to increase investment in Facebook and Twitter to build long lasting relationships with consumers (particularly PI and clinical negligence) and Twitter and LinkedIn for commercial clients.

Growth in newer forms of digital marketing over the long term will involve artificial intelligence and machine learning as firms look to improve efficiencies and personalisation. In the shorter term and for the majority of law firms, personalisation and efficiencies will most likely come through use of messaging applications and marketing automation tools. This will streamline and enhance the customer journey, from finding you on a search engine right through to engaging with your content and then taking a desired action. In fact 25% of firms that currently use automation tools said they significantly contributed to new business acquisition.

Rob Macfarlane is Director of Marketing Performance at mmdigital.

To get in touch about customer acquisition, contact either: Rob Macfarlane or Dez Dery on 0161 452 0311

[mmdigital.co.uk](http://mmdigital.co.uk)

mmdigital  
Online marketing for modern law firms

