



2017 Thomson Reuters Legal Executive Institute Annual Marketing and Business Development Benchmarking Survey

Background, Objectives and Methodology

Background and objectives

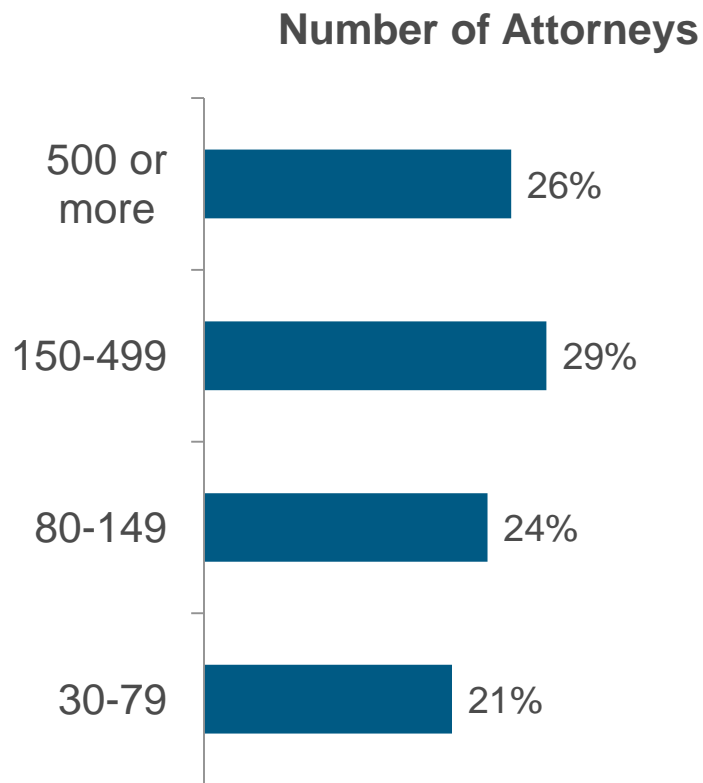
The Thomson Reuters Legal Executive Institute hosts the annual Marketing Partner Forum, which targets legal marketing and business development professionals. As part of this forum a presentation is given showing legal industry trends for marketing (MKTG) and business development (BD).

Methodology

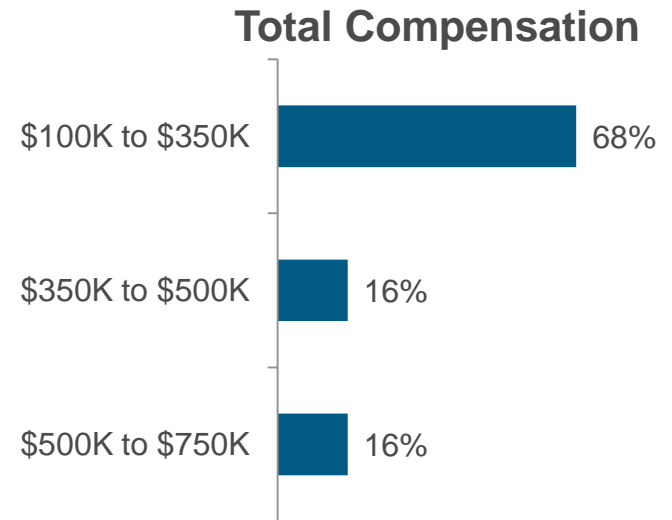
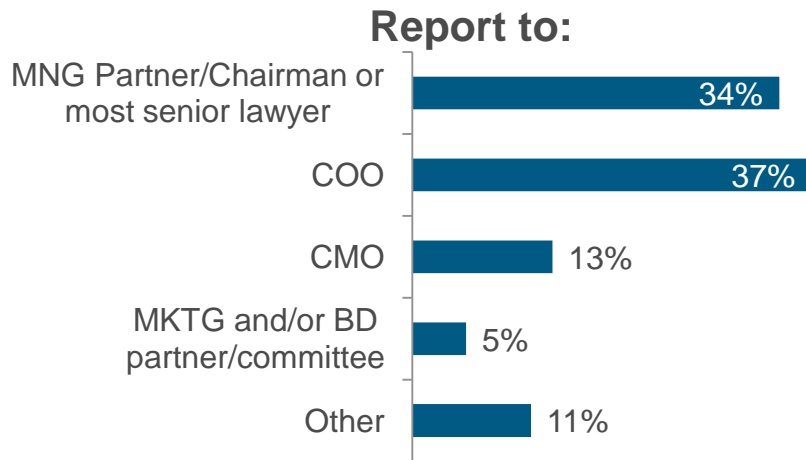
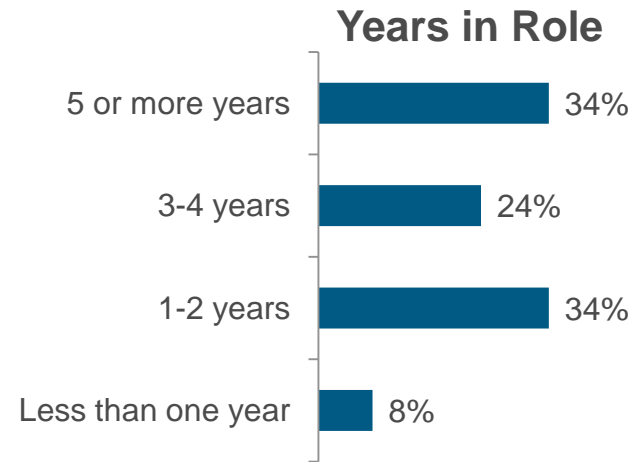
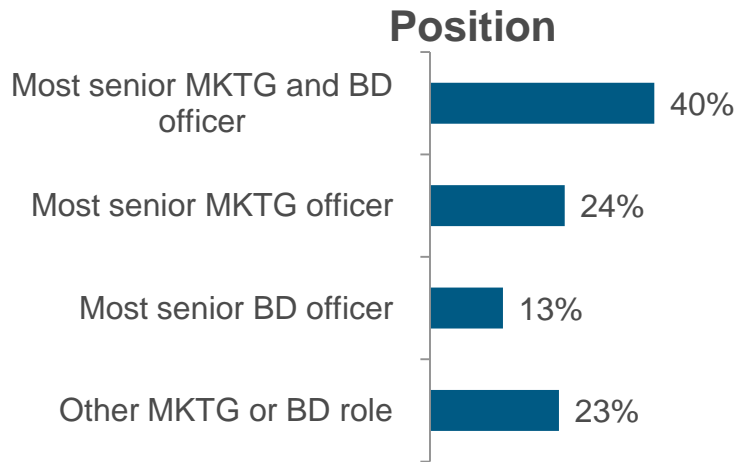
- An online survey was conducted in November 2016. 38 survey respondents that were marketing and/or business development leaders in medium and large firms (30+ attorneys) participated.
- For their participation, respondents will receive a copy of the presentation.

Survey Respondents / Firms

The majority of respondents were from larger (150+ attorney) firms



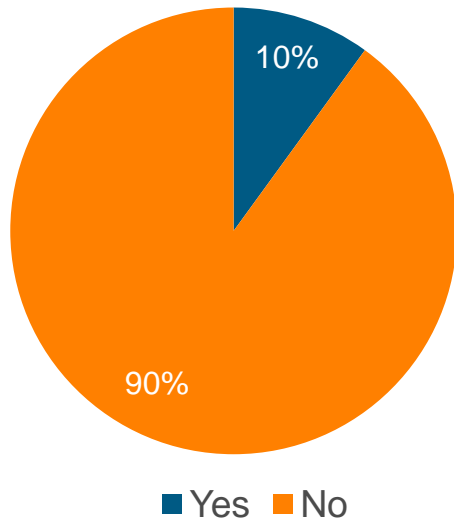
Most respondents had senior roles, reported to the managing partner/chairman or COO, were experienced and earned \$100K to \$350K



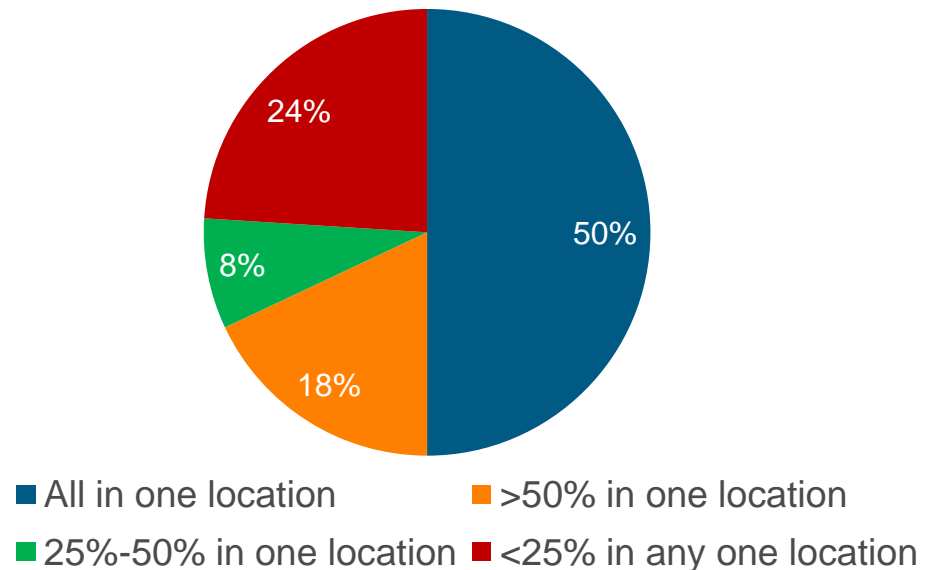
Organization & Career

Marketing and business development functions are typically structured in the same department and centralized

MKTG and BD structurally distinct departments?

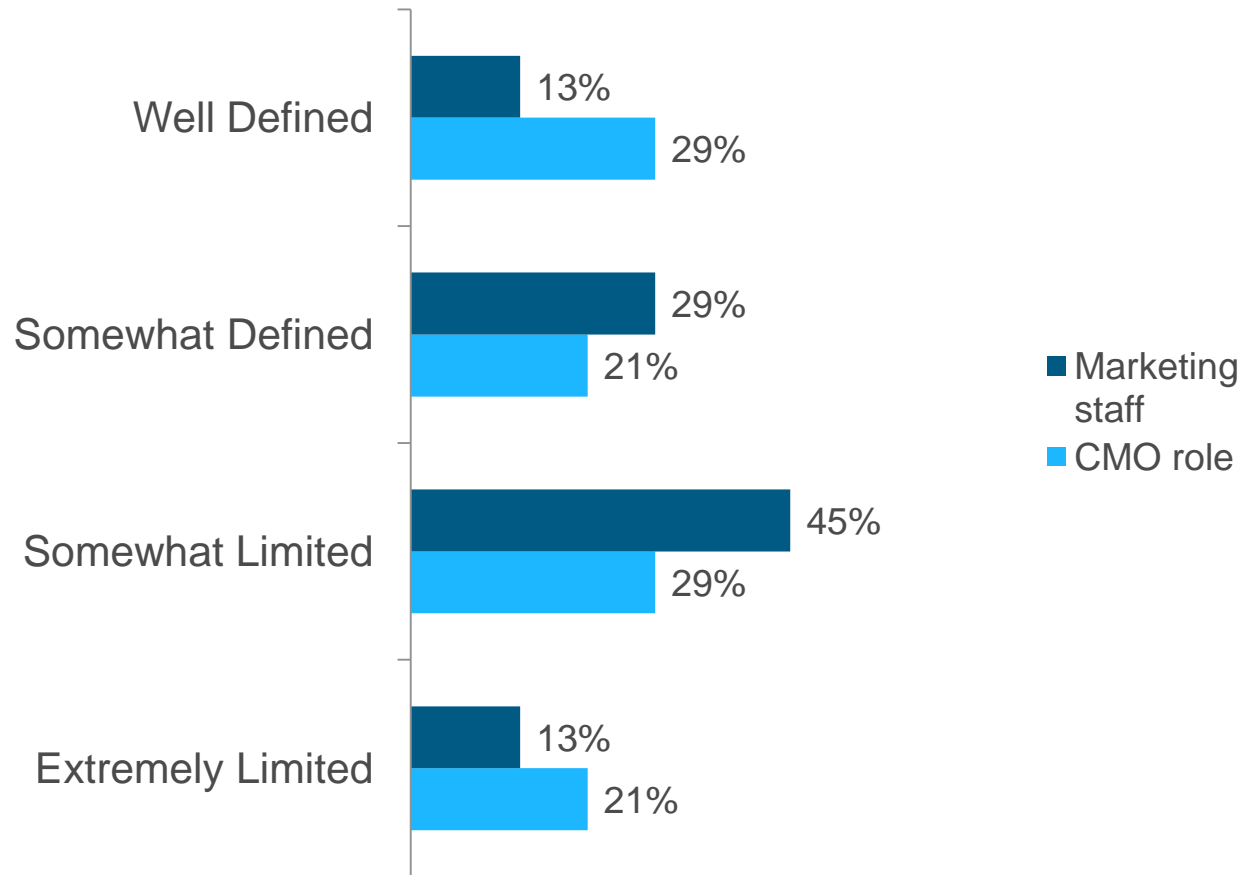


MKTG and BD centralized?



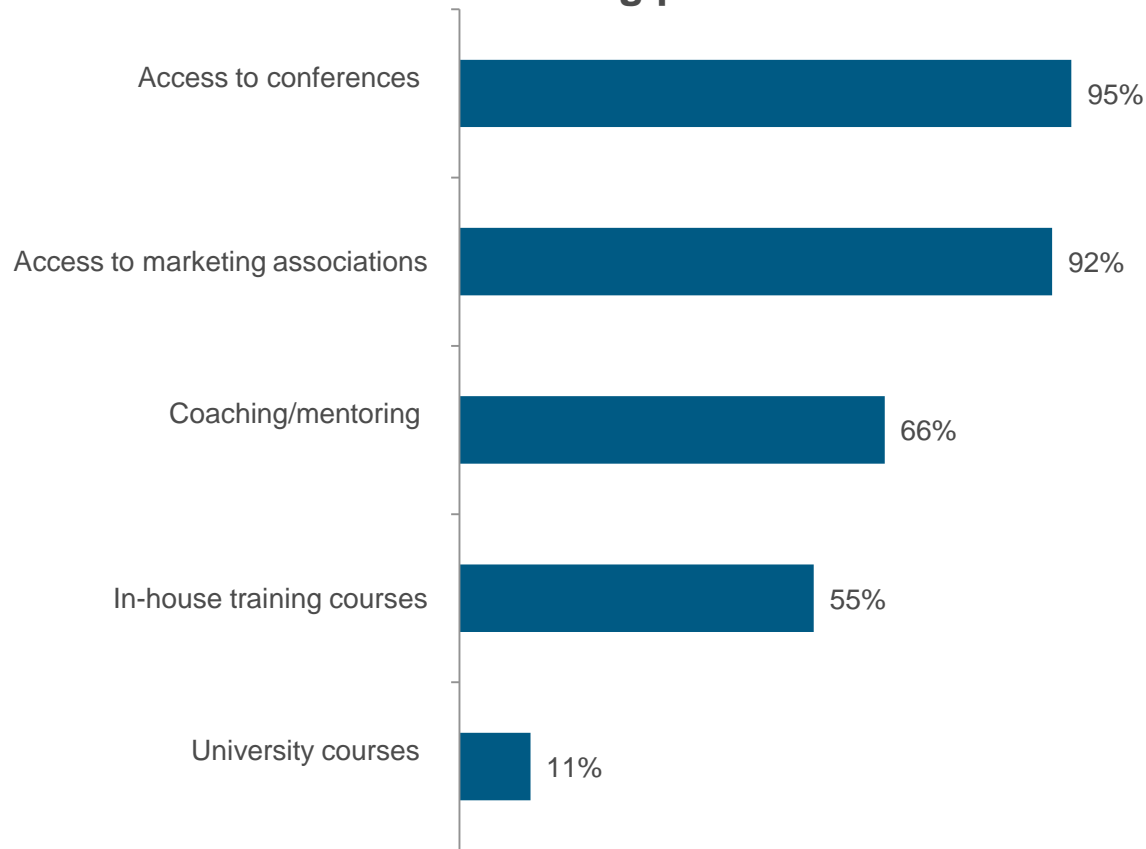
Many believe they and their staff have a limited career path

Career Path



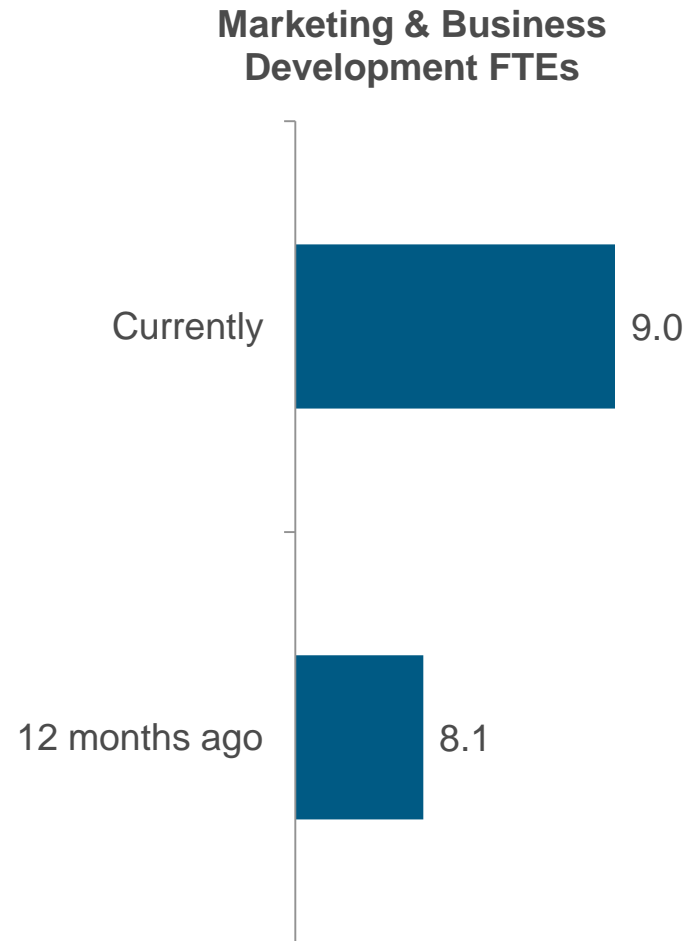
Access to conferences and associations are the most common professional development opportunities

Professional development opportunities provided for BD and marketing professionals



Investment

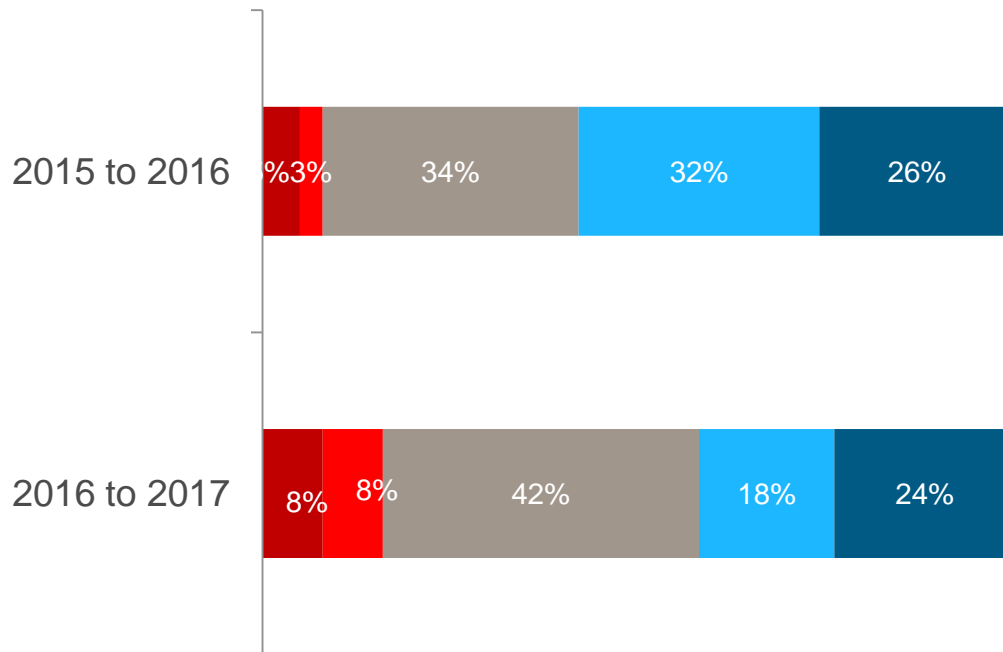
MKTG and BD FTEs have increased in the past year



MKTG and BD budgets have increased but fewer will increase in 2017

Marketing & Business Development Budget Changes – Past Year and Planned

■ Decrease 10% or more ■ Decrease <10% ■ Stay the same
■ Increase <10% ■ Increase 10% or more

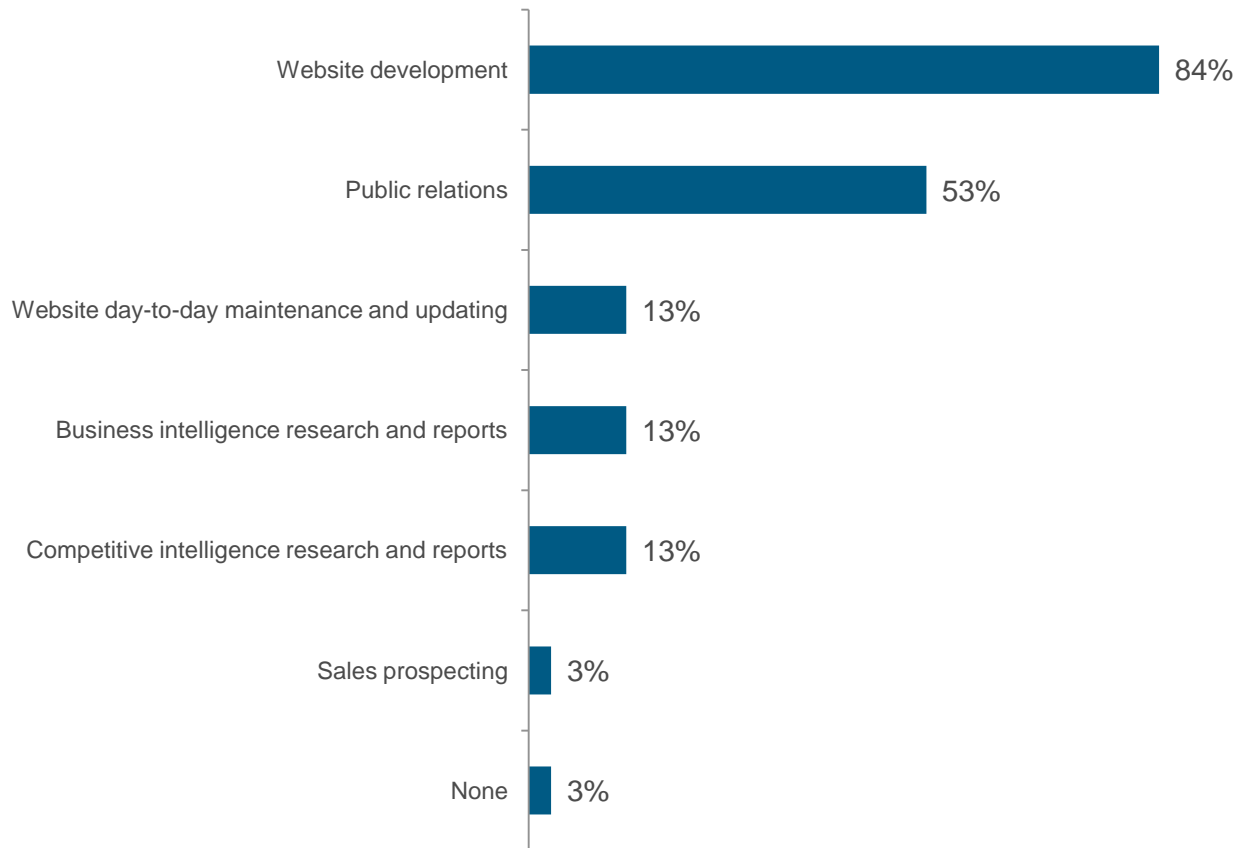


Average % of firm
gross revenue
spent on MKTG
and BD:

2.5%

Website development and public relations are commonly outsourced MKTG and BD functions

Outsourced MKTG and BD functions



Support in Organization

BD and marketing professionals feel that their function is viewed as very important by their firms

**% indicated important initiative in their firm
(9 or 10 on a 10 point scale)**



Measuring Effectiveness

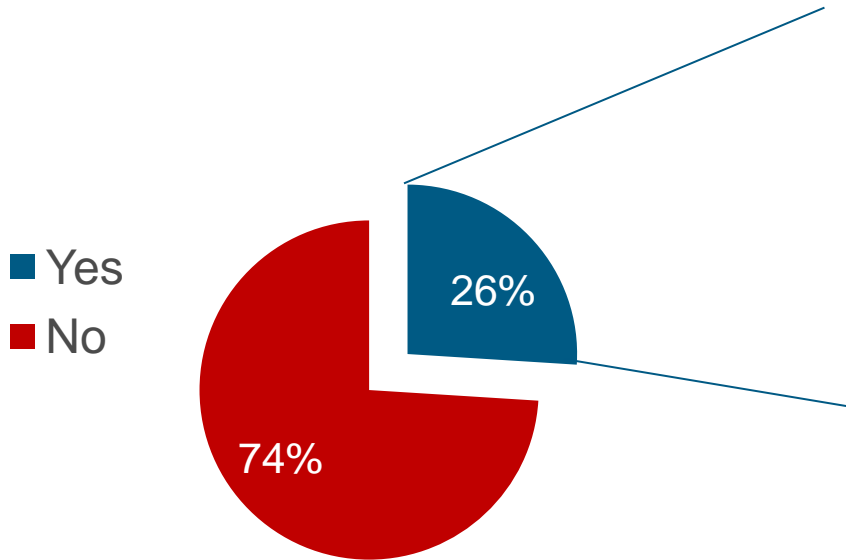
Volume of activity, additional business and new clients are how most measure effectiveness of MKTG/BD

How MKTG/BD effectiveness is measured



Few explicitly measure ROI

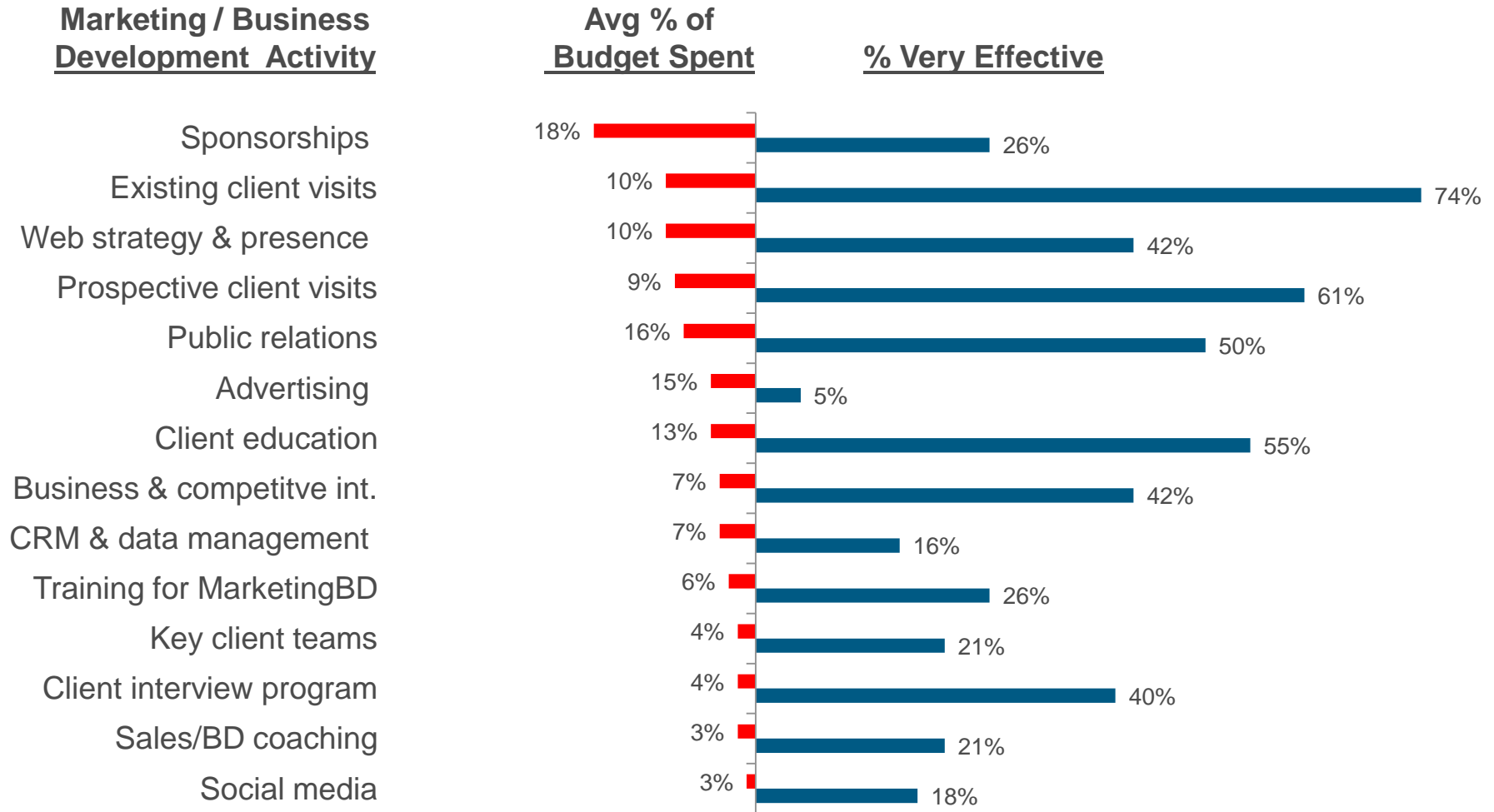
Measure MKTG/BD ROI



What they measure?

- Growth of top line through cross selling and number of new clients
- Point system based on attorney effort and brand impact of each activity
- Track revenue related to any marketing or business development-related activity
- Revenue generated as well as new contacts
- Scorecard that includes a variety of factors

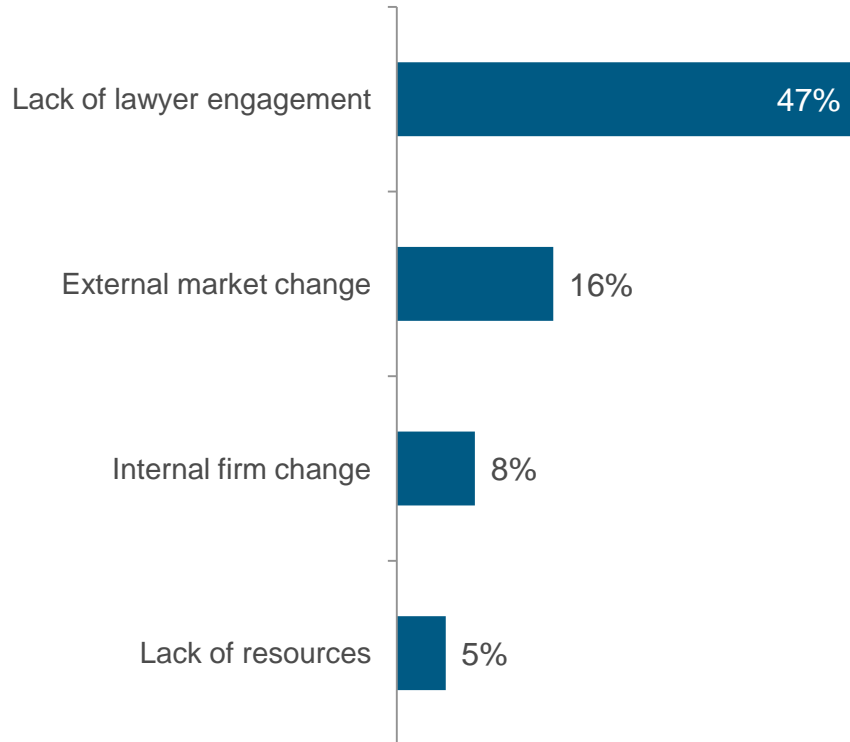
Some marketing/BD activities use a high share of budget for perceived low effectiveness



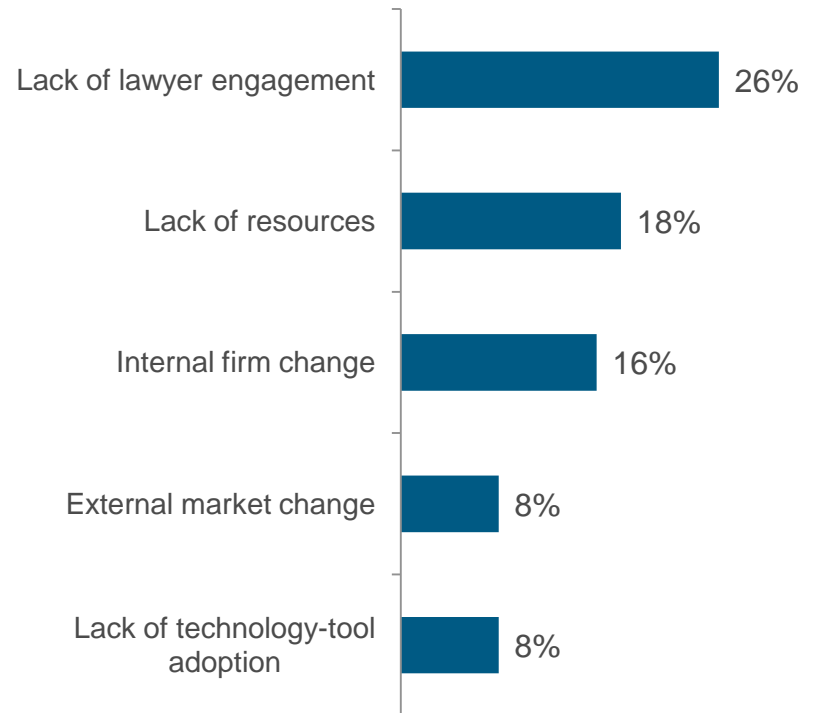
Challenges

Lawyer engagement is the biggest challenge for BD and MKTG

Greatest business development challenge



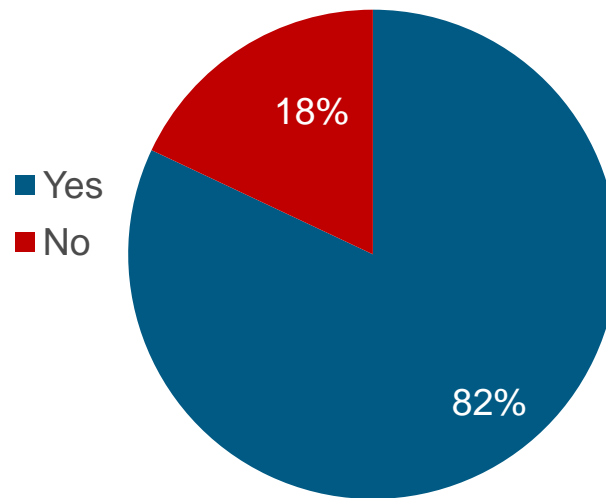
Greatest marketing challenge



Competitive Advantage

Most firms have defined their competitive advantage

Partners in firm have defined its competitive advantage?

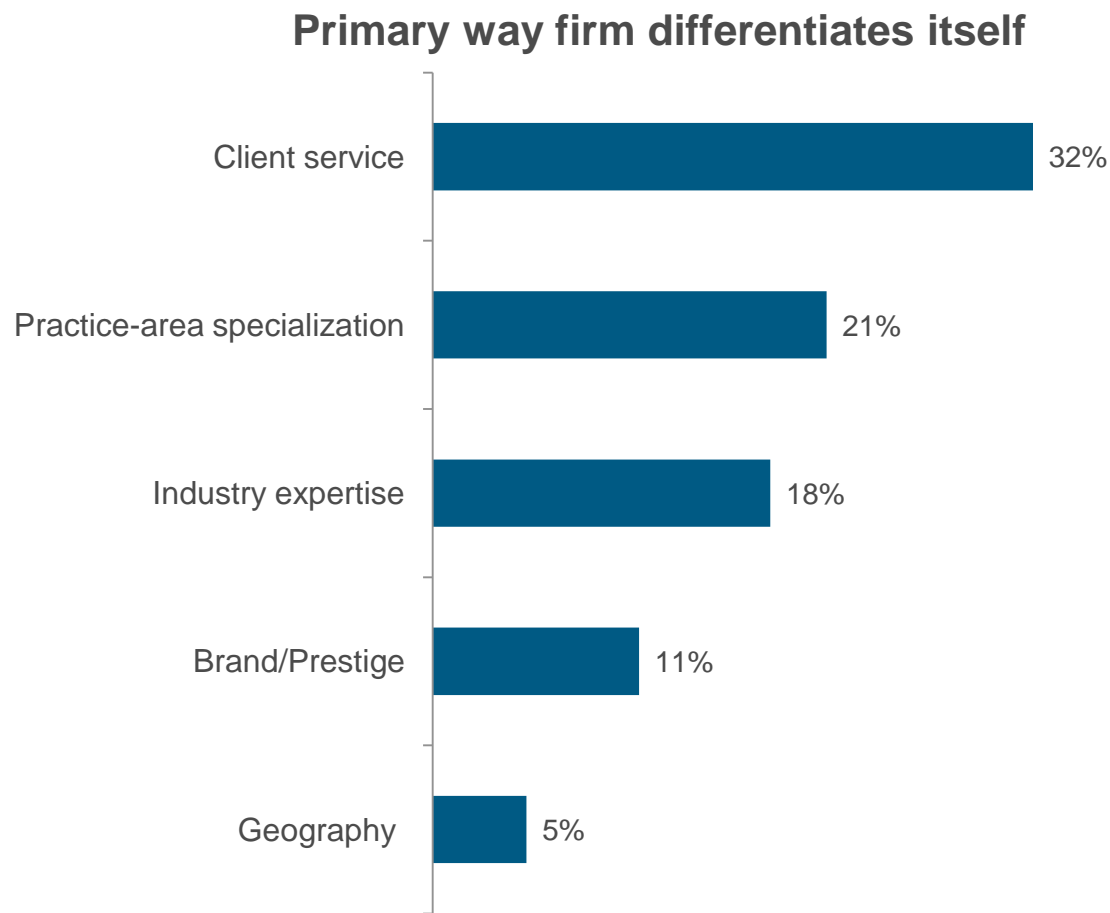


Marketing/BD departments play a strong role in defining and communicating the firm's competitive advantage

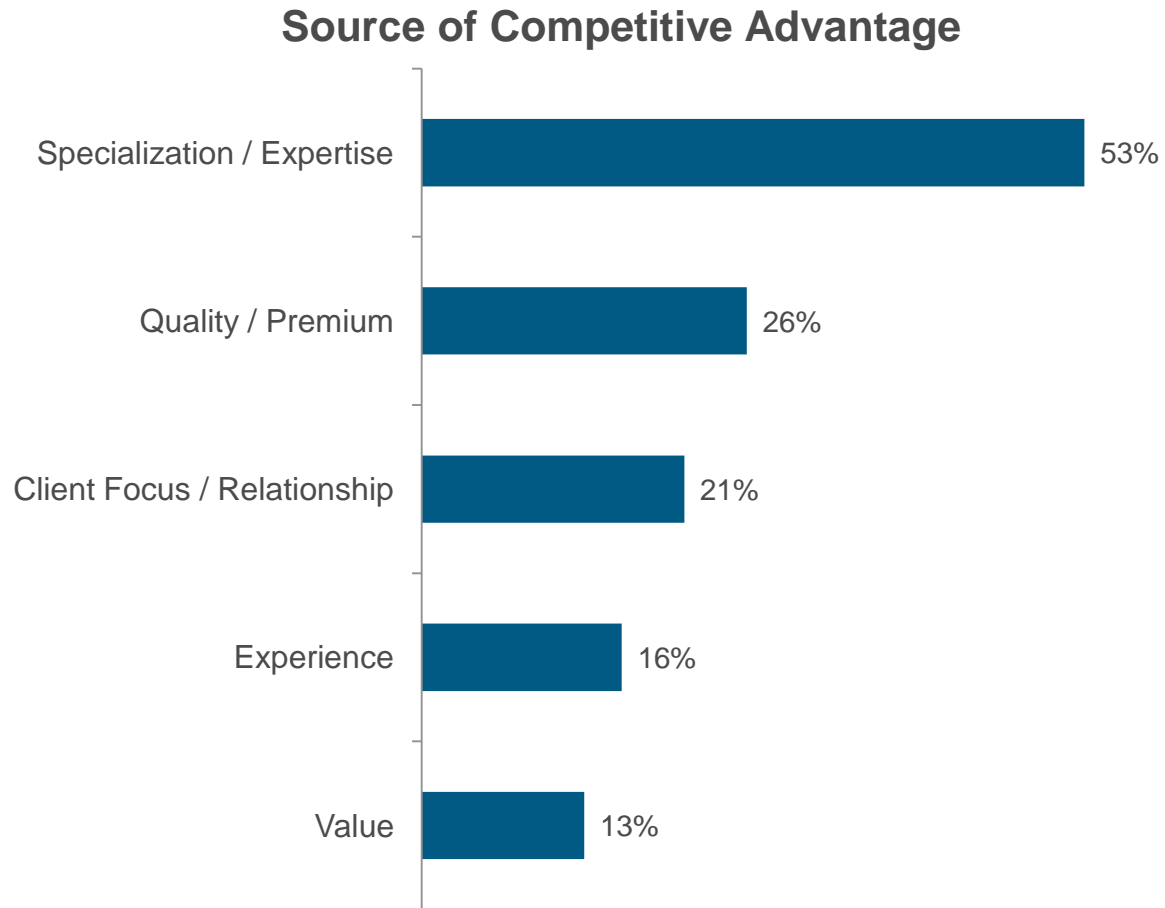
Marketing/BD departments role in defining & communicating competitive advantage



Client service is the most common way firms differentiate themselves



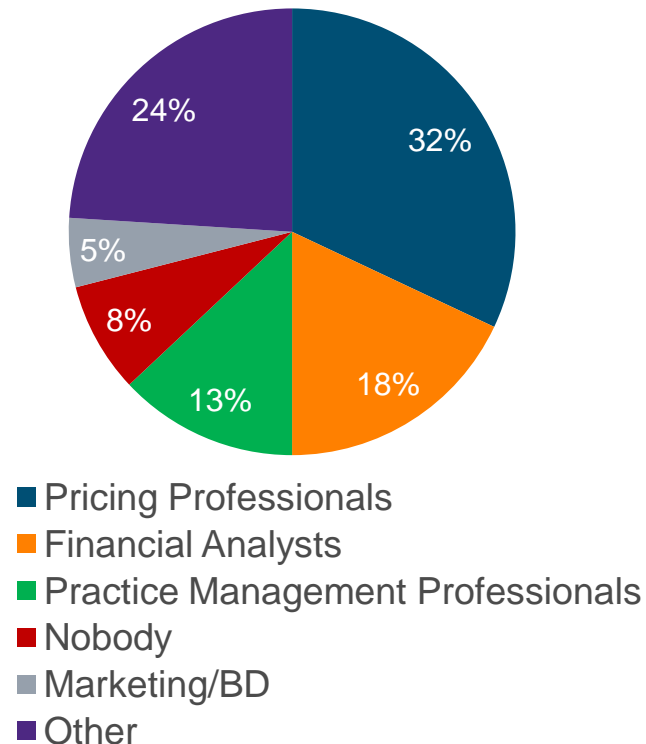
Over half of firms use specialization as a source of competitive advantage



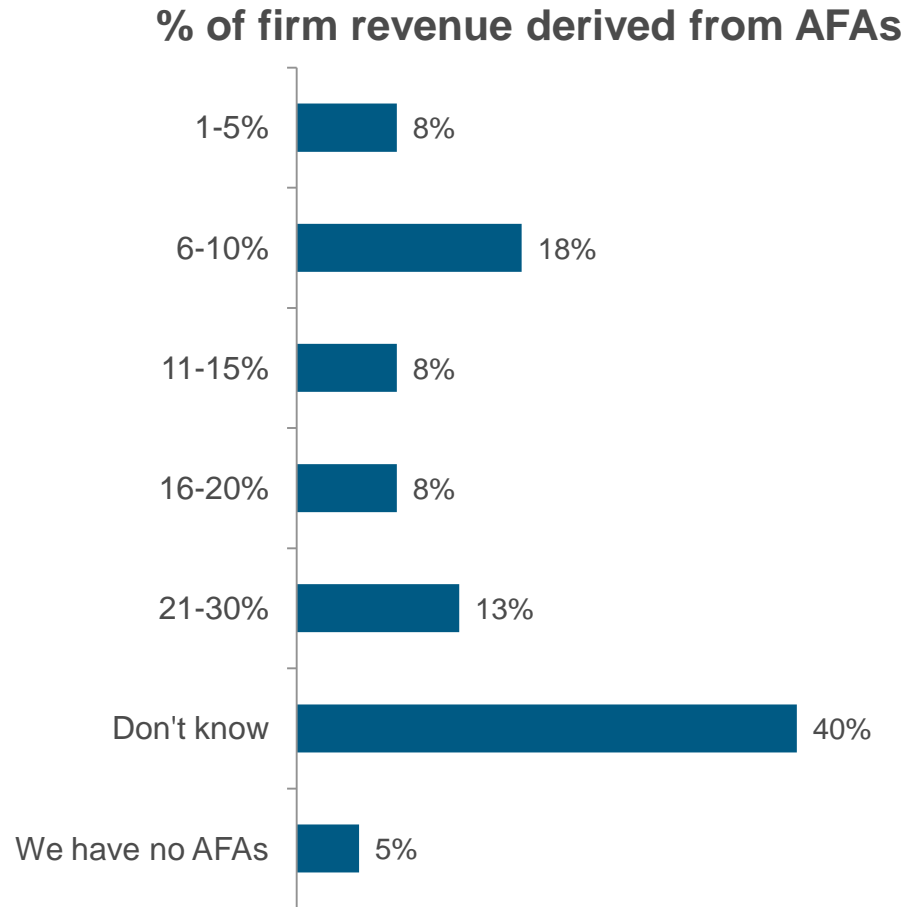
Alternative Fee Arrangements

Pricing professionals and financial analysts are the most common support for developing Alternative Fee Arrangements

Lawyers' support for developing AFAs

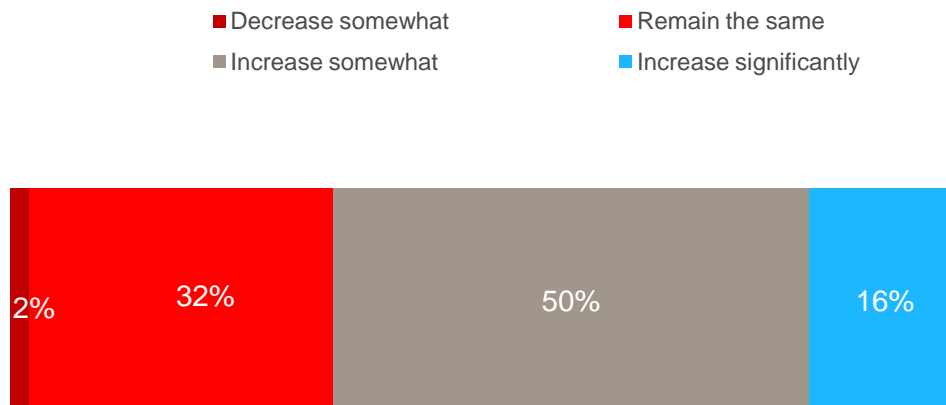


Firms have a broad range of revenue derived from Alternative Fee Arrangements



Most firms anticipate an increase in firm revenue from AFAs

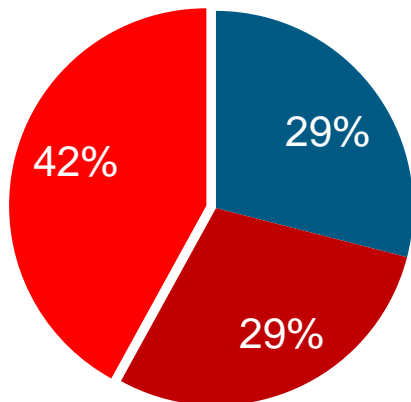
Anticipated change in % of firm revenue from AFAs over next 5 years



Appendix

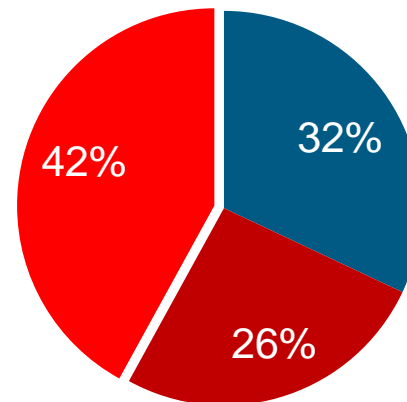
Most firms have not implemented some standard business practices

Firm embraced legal process improvement?



- Yes, implemented a formal process improvement program
- No, not implemented a formal program, but intend to do so
- No, not implemented a formal program and no intention of doing so

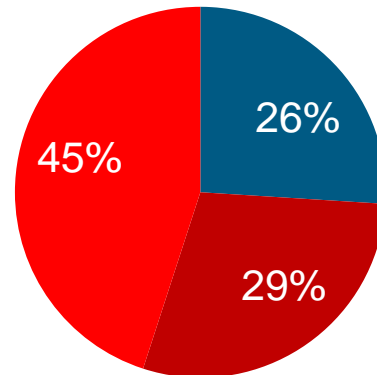
Firm embraced legal project management?



- Yes, implemented a formal approach for legal project management
- No, not implemented a formal approach, but intend to do so
- No, not implemented a formal approach, and no intention of doing so

A majority of firms have or plan to have client teams

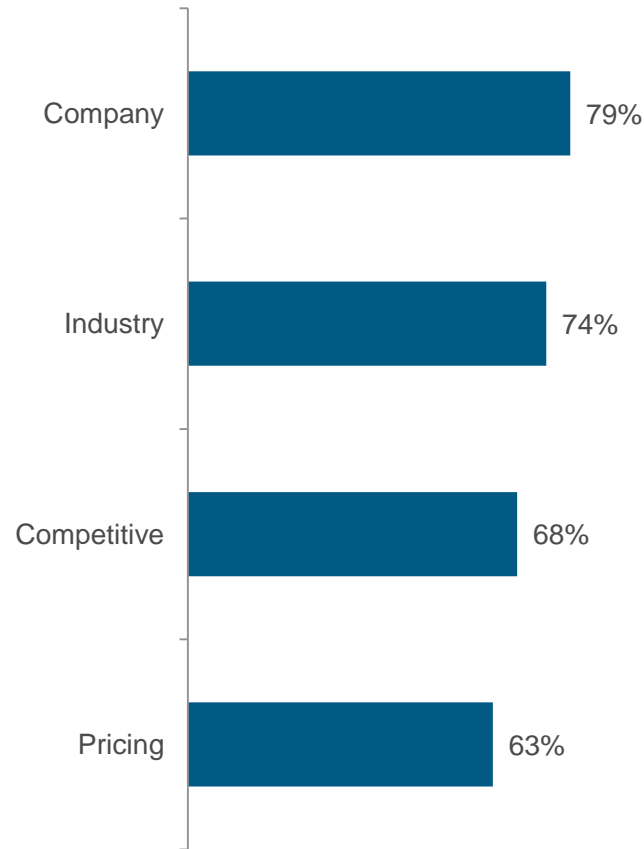
Firm has client team program?



- Yes
- No, but plan to implement
- No, don't plan to implement

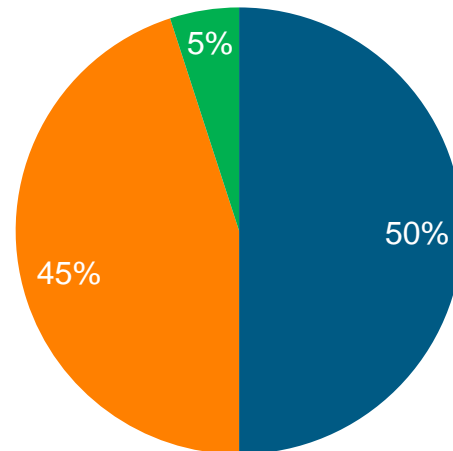
Most firms are collecting company, industry and competitive data

External Data Collected & Analyzed



Business Development/Marketing usually has responsibility for lawyer BD training and coaching

Responsible for lawyer business development training and coaching and client team training



- BOTH Professional Development and Business Development/Marketing
- Business Development/Marketing
- Practice Group Managers