



# Coming of age: Legal Inbound Marketing Report 2020



# 34 years of legal marketing

## Legal marketing has been permitted in England and Wales since 1986.

34 years young but in reality only now is legal marketing growing up. For most, gone are the shared roles and the eye-rolls in board meetings at the mere mention of marketing investment.

Great news for marketers, we hear you say! And it is. But what about the firms? What about the impact all of this investment is having? And what part does marketing play in a post Covid-19 world where budgets are tight, teams are smaller and competition is fierce.

Money Penny commissioned a survey, looking at how law firms are doing their marketing and how they're managing new business.

The results are illuminating. Clearly, this is a topic many law firms are yet to consider, but it is one that affects every firm, now more than ever.

We hope you find the following report helpful, and are able to transfer some of the learnings into your own firm.

### THE DATA

Money Penny commissioned a report conducted by Censuswide Consultants, who surveyed 250 senior decision makers within UK law firms of all disciplines in December 2019. Unless otherwise stated, all graphs are sourced from the Money Penny: Legal Leads report 2020. Clients and partners were also invited to provide viewpoints on the various findings throughout.

Research conducted by [censuswide.com](https://www.censuswide.com)

**CENSUSWIDE**  
THE SURVEY CONSULTANTS



# Money Penny is the UK's *number one* Telephone Answering & Live Chat provider to the legal industry

Trusted by over **1,000 firms** - including 65 of the Top 200.

Founded in 2000, we currently handle over 15 million calls and live chats each year for 13,000 businesses.

We established our dedicated team of receptionists, who solely look after our law firm clients, in 2008. Since then, we have become the foremost outsourced communications provider to the legal industry, handling calls and chats for more than 1,000 firms including 65 of the Top 200.

Firms work with Money Penny to give their clients an experience like no other. Our call and live chat services help to create a first-class client journey, from first impressions to long-standing relationships. We provide law firms with:

- Telephone Answering
- Live Chat
- Switchboard
- Business Continuity

## Telephone Answering

A dedicated receptionist to look after calls as if based in your firm

## Live Chat

Web chats managed on your behalf

## Switchboard

24/7 outsourcing for your switchboard calls

## Business Continuity

Instant cover for your telephones available at the flick of a switch

## We support the UK's leading law firms

KEYSTONE LAW

**Farleys**  
SOLICITORS LLP

**Lanyon Bowdler**  
SOLICITORS

**fbcm  
manby  
bowl  
dler**  
SOLICITORS

**jmw**

**royds withy king**  
lawyers ahead of the curve

**M** **MOGERS  
DREWETT**

# Key learnings

## Size matters

Smaller firms have a significantly lower case value, so have to work harder to generate a return on their marketing

## Focused on customer conversion

39% of leads translate into a client or case

## Time-poor

Time pressures mean mishandled enquiries and missed opportunities

## Big spenders

94% of firms are spending more on marketing than they were 5 years ago

## Trying new tech

97% of firms would try new tech to drive more enquiries

## Dedicated resource

40% of firms don't have a dedicated in-house marketing director or manager

## Analytics

Strong investor, in marketing analytics, especially call and chat tracking to understand real ROI

# Investing in Marketing: more firms than ever have dedicated marketing resource

**60% of firms** have a dedicated marketing manager/director or team to deliver growth.

Just under a fifth (19%) outsource their marketing provision and the remainder (21%) still share the function between other roles.

This shift reflects the sector's commitment to marketing as firms look to secure sustained growth for years to come.

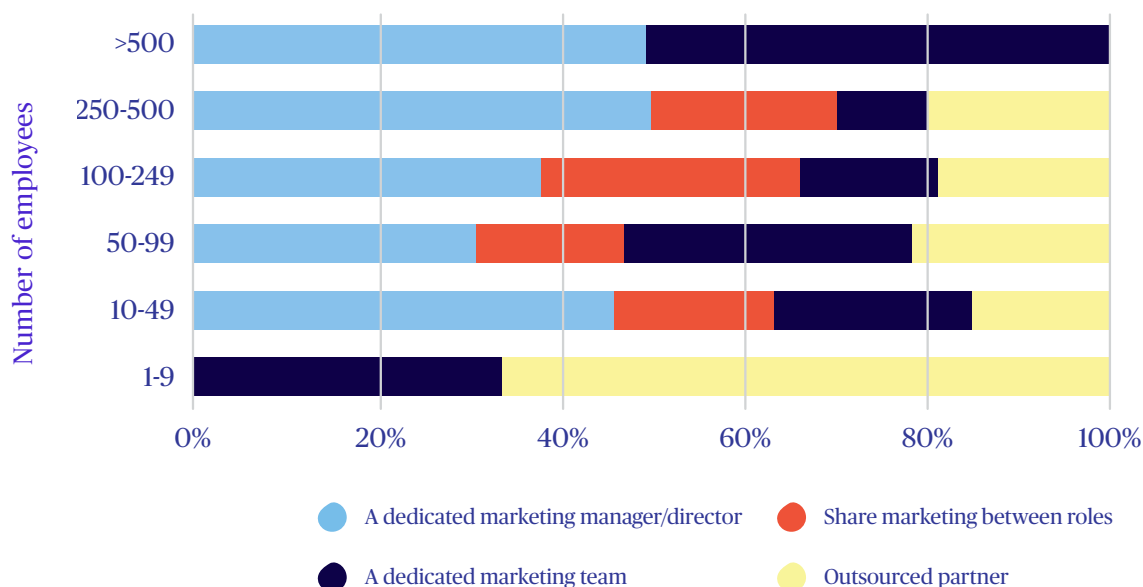
Outsourcing marketing is most prevalent amongst smaller firms. Here expertise might be lacking, and time limited. It's in the largest of firms where efficiencies can be made and firms to look to partners to deliver specialist services.

Mid-sized firms are most likely to have a team of marketers as they generally experience their steepest growth curve.

“On average, firms employ one legal marketer for every 25 lawyers.”

Legal Marketing Association

## Marketing resources by firm size



# A Marketing Director's view



## Amanda Jones, Marketing Director

“

One of the best things the management board can do for a firm's marketing is give the team a budget and the freedom to spend it wisely.

On the whole, I feel more firms now have marketing teams. It's a competitive space and you need to be able to stand out. You need a creative mind and a team that can execute it. Not a partner wearing a marketing hat.

My own team has grown over the past few years, but for a long time it was a team of two - me and an assistant. During this period, the firm doubled in size but the marketing team didn't grow, which of course put enormous pressure on us. I imagine this is typical of many small to mid-sized firms.

The marketing mix for law firms is more diverse than it was a decade ago. Digital is a bigger, busier medium. Websites are more important now, as is driving traffic to them. Firms that pay attention to their SEO reap the benefit as we have seen at Lanyon Bowdler. The same goes for live chat. It's great to increase visitors to your site, but a channel to move them on from their visit is a differentiator in a client's eyes.

One of the best things the management board can do for a firm's marketing is give the team a budget and the freedom to spend it wisely. They are the experts in what they do - and they need to be able to align relevant marketing activities with the firm's overall strategy. For a long time, in a previous law firm, I had to ask for budget each time I wanted to do a specific activity, when I joined Lanyon Bowdler and found I had a budget to manage it was refreshing.

Also, if a firm is unsure as to whether they need to increase the marketing team, maybe a senior partner or the managing partner could spend a day observing their marketing team to see the volume of diverse activities they are involved with. They'll soon realise just how busy they are.

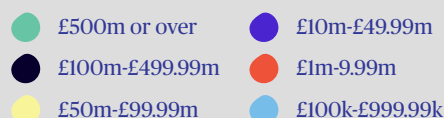
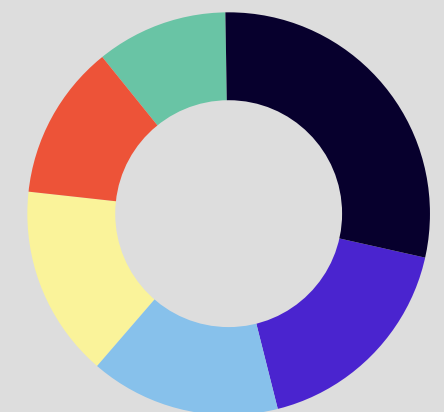
The legal sector is spending significantly more on marketing, but still well below average

94% are spending more on marketing than they were 5 years ago. 6% didn't report any change. Firms with 10-49 employees are seeing the biggest change in marketing investment with 39% reporting significant increases in marketing spend.

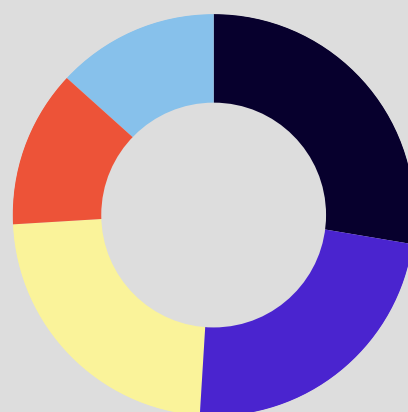
The top 100 firms in the UK are spending between 1.5% and 2.1% of revenue on marketing vs. an average across all sectors of 10.5%.

Sources PwC and Gartner

% of firms spending by turnover (£ millions)



% of firms spending by age (years)



# A legal marketing consultant's view

**conscious**



## David Gilroy, Director

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Marketing theory says that for 'double-digit growth' you need to be spending 5% or more.

None of the key learnings from this research surprise me. Law firms in general are still behind the curve when it comes to a) marketing budget, b) efficiency of marketing and c) knowing their return on investment (ROI) and how to correctly attribute marketing spend.

A benchmark that we run at Conscious Solutions of 40+ firms from 5-40 partners shows an average marketing budget as 2.1% of turnover. Marketing theory says that for 'double-digit growth' you need to be spending 5% or more. In FMCG it's more like 10% to as much as 20%.

One thing that the vast majority of law firms do not, or cannot, calculate is the 'average cost' of sale of a new client or a new matter from an existing client.

Conscious Solutions completed an analysis of all the matters opened by a client in the whole of 2019, some 8,000+ matters. It gave the following acquisition costs :-

- £129.04 - for each new client from 'general marketing' inc. website, SEO, PPC
- £13.25 - for each new matter opened for an existing client
- £65.84 - for each new matter via a 'referral' (predominantly conveyancing)

Now that the firm knows these numbers, it can start to make sensible decisions about how much it wishes to grow its revenue, and can then calculate the required marketing budget.

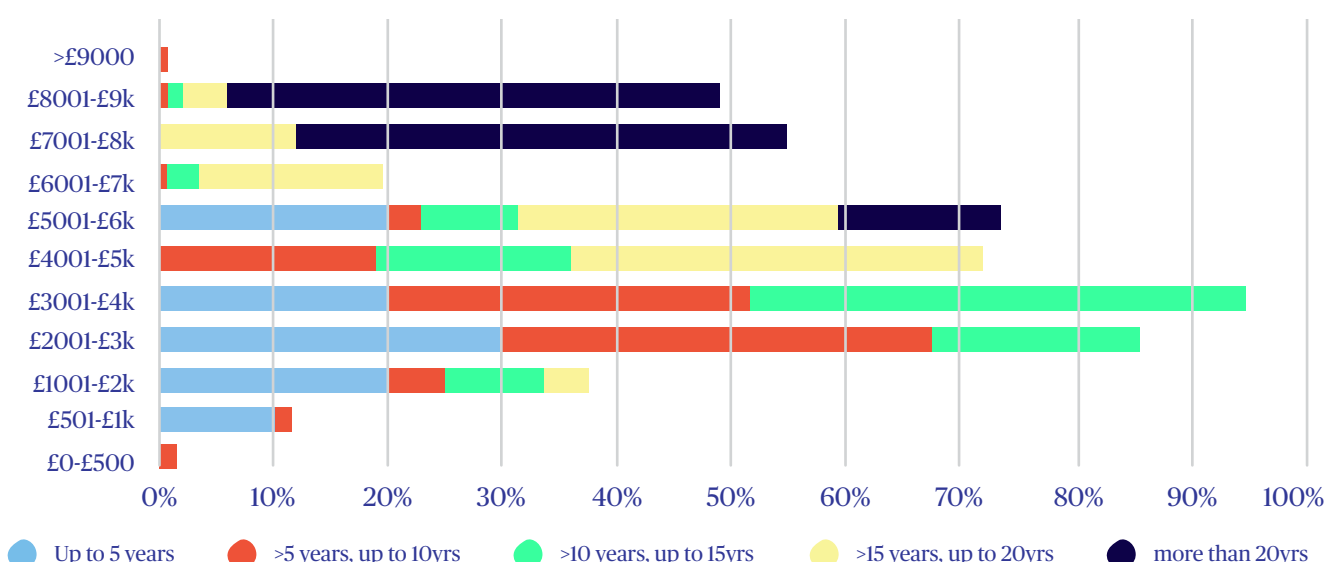


# An average case is worth £4,000

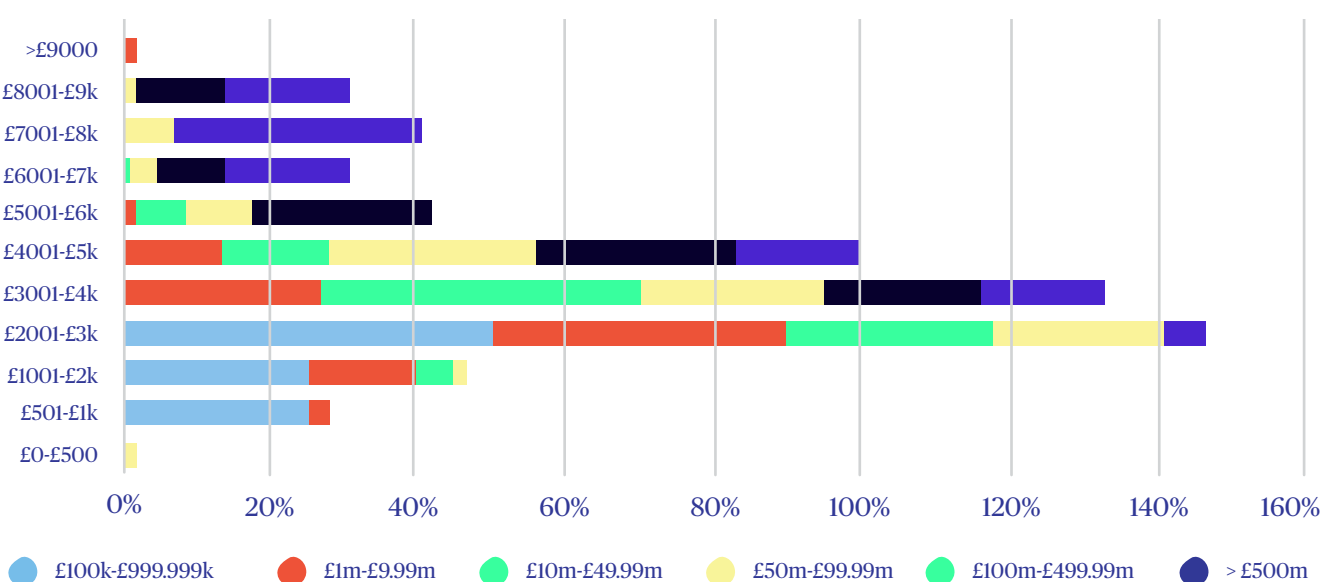
Younger firms are having to work a lot harder, with firms 5 years or younger reporting an average value per case of £2,925, a whopping 23% lower than their peers just a few years more established. One would expect younger firms to be more tenacious and inventive in their marketing efforts as a result but its not necessarily the case.

Interestingly, the average fees earned increases consistently with both turnover and age bands. With the top fees reported just shy of £7,645, the larger firms have a lot more to lose. A poorly managed lead will cost them dearly.

Case value x age of firm



Case value x company turnover



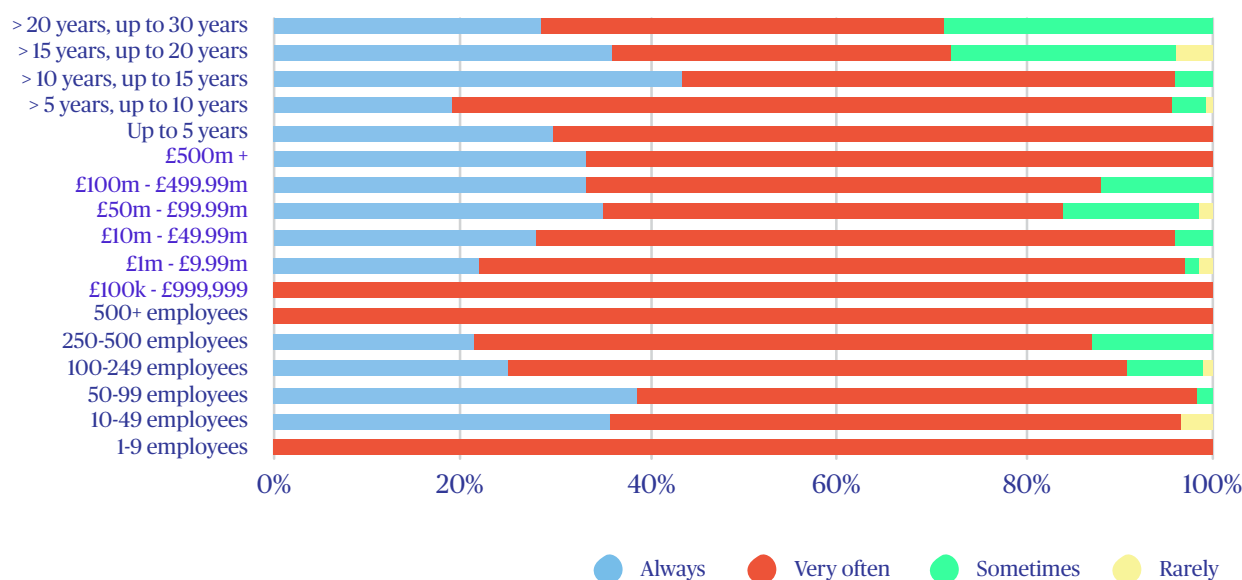
# Overstretched: Almost a third of firms admit they're **always** too busy to handle new enquiries

28% of firms are consistently too busy to handle new enquiries, and a further 64% admit that this is the case very often. This issue is impacting firms of all sizes and ages with only the biggest firms being slightly more optimistic about their ability to manage a new enquiry properly. With lots of staff furloughed, and fewer staff to help, this is likely to get even harder.

Only 50% of firms felt adequately resourced in 2019.

Barclay Simpson

How often does your team find themselves too busy to handle new enquiries?



“

Fewer than 1% of firms have enough people and processes in place to ensure they rarely miss a new enquiry. This just demonstrates that the biggest threat to growth to *all* firms is a lack of time.

”

Kate Cox, Moneypenny CMO

# A customer experience expert's view

insight<sup>6</sup>



## Jonathan Winchester, Chief Executive

So what exactly does a great client journey look like?

There is no 'one size fits all' guide as to what the client journey should look like. After all, all firms are unique. However, there are steps that all firms can take to ensure that their client journey is as good as possible to maximise client sign up and retention. Here are our top 6 tips:

### 01. Personalise the experience - use the client's name

Our research shows that only 45% of firms used the name of the client.

### 02. Be available

Clients are used to brands such as Amazon where customer service is available instantly 24/7 via live chat on the website. The more available you are to your clients the less time they have to become frustrated. Make sure that if someone does call up and leave a message when no one is available, that someone gets back to them as soon as possible. Only 43% of insight6 researchers were called back after leaving a message out-of-hours.

### 03. Keep people informed

When our researchers called a law firm and the person they needed wasn't available, only 59% of firms explained when they would be likely to receive a call back. This leaves people wondering when they are going to hear back and makes them more likely to call another firm.

### 04. Sell yourself

You may know exactly why someone should use your firm but put yourself in their shoes. What makes you different to other firms? In our research, only 28% of firms outlined the benefits of using them.

### 05. Follow up

If someone has made an enquiry and said that they want some time to think about it show that you value their custom by giving them a call a few days later to see if you can help them further. Only 17% of all phone enquiries were followed up and even less web enquiries were followed up at 5%.

### 06. Go further for your clients

We asked our researchers if they felt that a firm had gone the extra mile for them. Only 42% felt that they had on walk in visits, which means there is room for improvement. Show the client that you are willing to go out of your way to help them.

# Firms having to **work harder** to generate new business

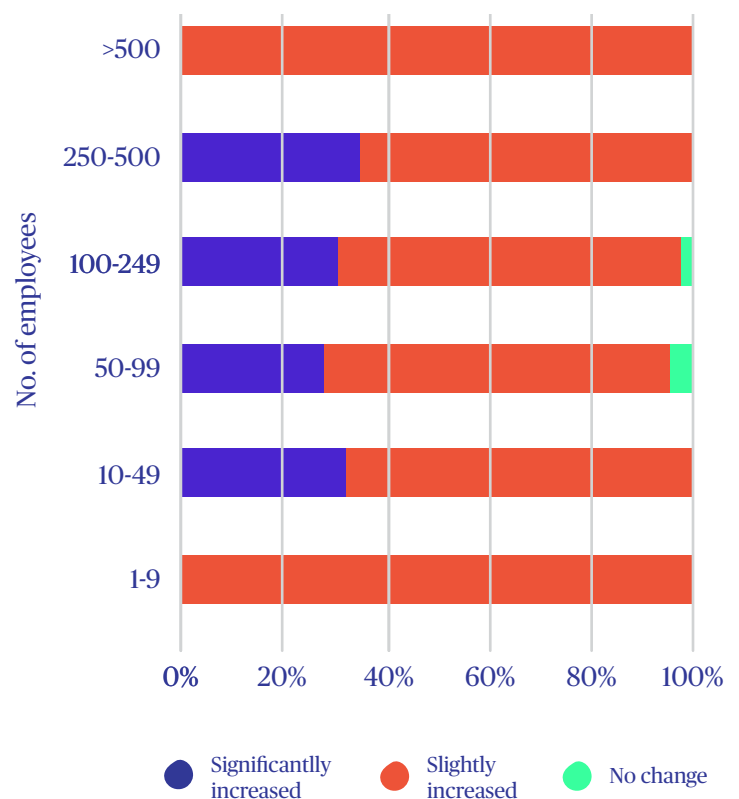
If you're part of the 3.5% of firms who are finding new enquiries more easily now than they did five years ago, lucky you!

For the majority of firms (87%), generating new business leads is harder.

35% of those reported it being a lot harder now than five years ago, and just under 10% reporting no difference.

Firms with 10-49 employees and/or £1-10 million turnover are feeling this struggle the most with 96% reporting finding new leads much harder.

Generating leads % by employee numbers



## The end of the road for word of mouth?

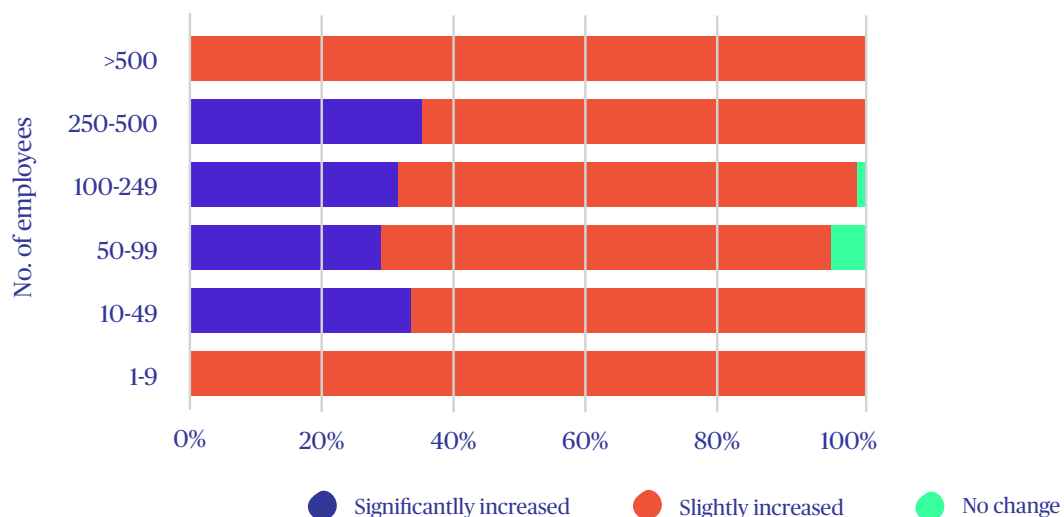
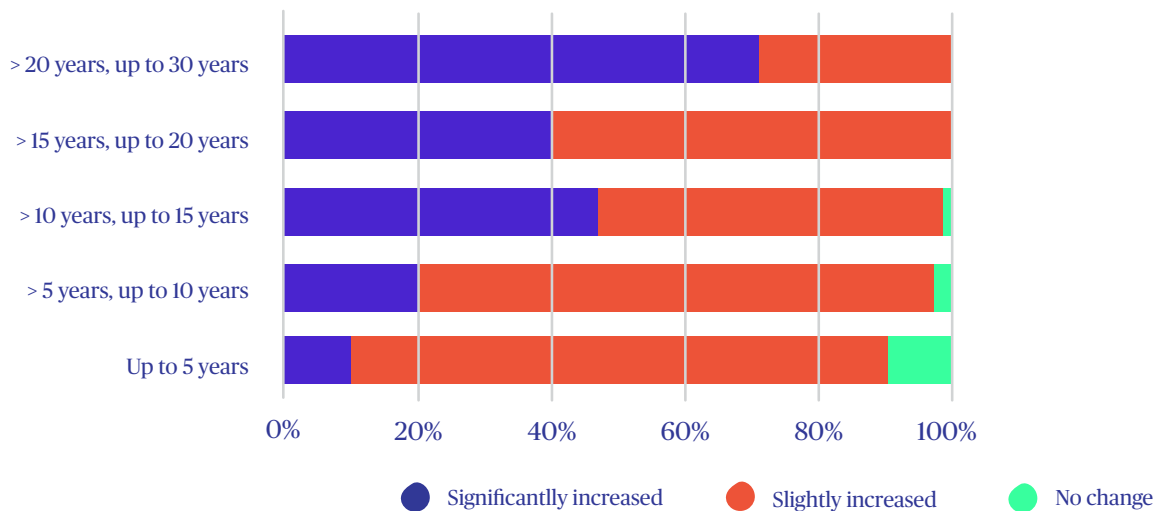
"Nowadays, relying on the strength of loyalty from the traditional client-solicitor relationship is short sighted. Granted, there are some areas where a trusted provider will maintain a relationship with their client (crime and commercial law, seem two obvious examples) and word of mouth will still be huge (and your online presence is a massive part of that), but for most modern web users using legal services throughout their lives, their journey will take them from specialist to specialist."

# In demand: 98% of firms report an increase in enquiry volumes

To say there is 'an abundance of work' might be an exaggeration but only 2% reported no change in the volume of enquiries in the last five years.

68% reported enquiry volumes are 'slightly up' and just under a third (30%) reported significant increases.

More established firms are seeing the most significant increase with over half reporting a dramatic increase in enquiry volumes. Note these figures refer to enquiry volumes pre-lockdown.



# 3 top tips for using agile marketing to manage leads through sales conversion



Kate Cox, CMO at Moneypenny, explains how to effectively manage leads through to sales conversion by channel.

The Covid-19 situation is causing huge fluctuations in demand for services; some are swamped with demand and some are seeing significant drop offs. For firms to keep growing through this situation, it's important they use Agile Marketing techniques; dynamically. Spend marketing budget behind activities that drive success and pull back on ones that don't.

## 01. Track fluctuating demand daily:

The pandemic has forced many businesses to manage massive volatility in demand, and firms can be divided into three different types: Thriving, Surviving and Diving.

A recent Moneypenny survey suggests that it is roughly divided into a third of all business in each group. With 35% of the businesses surveyed saying calls had gone up, and 42% reporting they'd dramatically decreased with the rest staying the same.

[Marketing teams in each business type](#) need to act according to the underlying demand curve. For those thriving businesses, it's important that firms keep up with the underlying demand. Marketing needs to be downweighted if it's causing the business to run 'hot' and not keep up with operational capacity, or upweighted if the business can keep pace with the upward trend.

For the diving businesses, it's important that managing current customer needs are prioritised, such as refunds and queries. For these businesses, it might be possible to pivot towards groups of customers still spending with increased short term activity.

What's important here is correctly identifying the natural demand for your service and any pockets of new interest from different customer groups: Google search interest is an incredibly useful yardstick for many categories. So too is gathering insights from front line employees in customer support and sales to enable quick-pivoting towards growing demand groups, and cutting spend to customers that aren't spending at the moment.

## 02. Lean into your brand: Whichever category your business falls into:

Thriving, Surviving, Diving: It's really important that you lean into your brand and make decisions in the best long term interests of your customer base. Emma Harris from the branding agency, Glow London, says: "Your brand proposition should be built around the positives you uniquely bring to the customer. In times of crisis this should be amplified, not forgotten, stay focused on who you are, don't try and be something you're not. It will fail".

Within that brand wrapper: it's OK to change your services to target customers as their needs change, as long as they're delivering the unique value that only your brand can bring.

## 03. Make sure every website visitor becomes a lead:

For businesses using inbound marketing techniques, it's especially important, when demand drops, that as many website visitors become leads and then customers. Here's a few ways we've found to increase leads quickly:

**Prioritise phone calls:** 56% of UK businesses say phone numbers are still the most important response channel, with 45% of those phone calls being a new enquiry. This is increasing as customers do more research online and are very close to purchase when they pick up the phone to call a business. Calls convert at 10x the rate of clicks and are typically much more valuable conversions. Displaying your phone number clearly on your website and encouraging customers to call you directly for a consultation or quote drives more calls.

**Add Live Chat to your site:** This can be set up in hours and can double lead volumes on a typical website, as many visitors need reassurance about the services and aren't yet ready to commit to a call or a web form. Live chat allows them to ask questions to see if the service is right. It's also helpful for businesses with global customers as managed live chat services can be managed 24/7 outside of normal business hours.

**Track everything:** It's important for lead generation and inbound marketing that website tracking is put in place to track channels all the way through to visitors, leads and customers. At Moneypenny, we use Ruler Analytics as our tracking and attribution partner as they are able to track both calls through dynamic phone numbers on the website and live chat leads.

"We've seen 25% of new business come direct from law firms during lockdown. The reason is simple: it's a very competitive market and many new enquiries are calls or live chats as the requests are either urgent or complex. It's really important for law firms to track what their marketing investment is doing and since the legal industry has the highest cost per click of any sector in Google and paid search is a high proportion of marketing spend - it becomes critical to have a 360 degree picture of all responses and not just web forms."

Ian Leadbetter, Director, Ruler Analytics

**RULER**

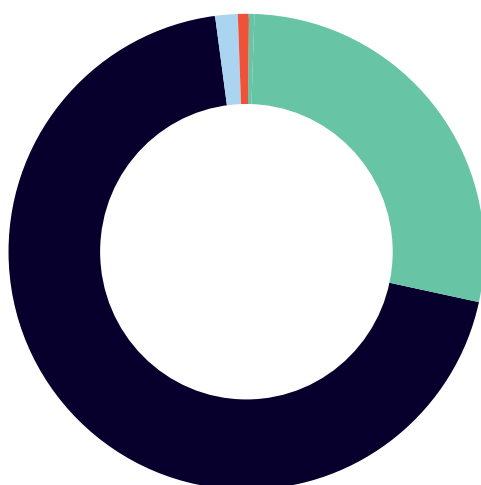


# More enquiries are happening **out of office hours**

98% of firms also reported receiving significantly more enquiries out of office hours. Our 'always on' culture is driving similar trends across many sectors. The key is capturing and converting an 'out of hours' enquiry, as well as you would do in-hours.

60% of firms rely on web forms to capture out of hours enquiries. Firms can maximise opportunities out of hours by adding live chat to their website and outsourcing calls during 'closed office' hours.

% of out of hours enquiries



**41%**

of chats on average are a new enquiry

**46%**

of chats take place out of office hours or at weekends

# Most popular methods of client communications

Despite the rise in digital channels e.g. live chat, the most popular methods of contacting a law firm are phone calls (69%), email (57%) and online form (39%).

The most common reason for people to call is to schedule an appointment (47%), closely followed by needing a quick answer (36%).

The reason why calls have increased is because people need an urgent response to their enquiry (47%) and because firms like to research online and then talk to firms to verify details (47%). During lockdown, call durations increased by 25% as people had more time to discuss their particular concern.

Calls to law firms  
have increased  
**34%** compared to  
5 years ago

**43%**  
say phone calls  
are even more  
important due to  
the lockdown

Pressure from clients has become the most significant driver for the adoption of lawtech in the UK legal services market.

The Law Society: Lawtech Adoption Research  
February 2019



38%

of all new phone calls in  
the legal sector are new  
business leads so missed  
calls cost business and  
reputation.



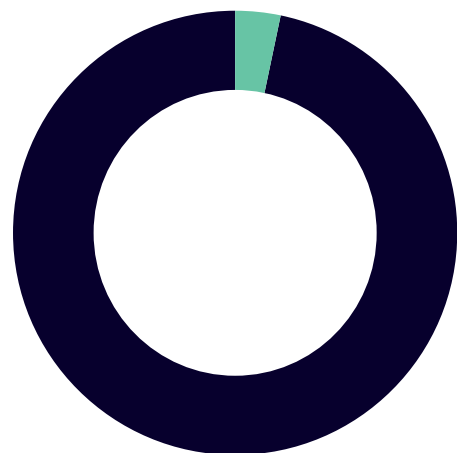


# Firms embracing tech to capture more enquiries

It's no secret that law firms are increasingly turning to tech to drive efficiencies, with the abundance of lawtech services available.

And firms report that utilising tech for lead capture/generation is high on their agenda - 97% of firms asked stating they would try new tech to drive more enquiries into the business.

% of firms asked stating they would try new tech to drive more enquiries into the business.



● Yes ● No

# A Legaltech entrepreneur's view



## Lauren Riley, founder

I know from personal experience how slow the legal industry can be when it comes to adopting new technologies.

I'm a qualified solicitor and I grew very frustrated with the slow pace of the legal profession. I could see that clients were looking for faster responses, more clarity on case progress and an overall better customer service experience. This is to be expected: we live in a world where we can order things to be delivered within hours and minutes, tracking those deliveries every step of the way. As consumers, we expect the same kind of service from our legal providers.

Law firms, however, are often entrenched in tradition. Rightly seeing security as a priority, they rely on clunky old systems which are slow and inflexible. They don't update the client regularly, documents are not shared frequently and they certainly don't allow for flexible or remote working within the firm itself.

This is why I created The Link App - a downloadable mobile case tracking and management interface that helps lawyers keep in touch with their clients. We hope to completely reinvent the transactional experience, enabling instant messaging, document sharing, case updates, push notifications and secure document storage.

Legaltech is growing and rightly so: 713% growth was recorded in 2018. But it is growing in areas such as research, security and auditing. This is fantastic - but we need to remember that law is based on a solicitor/client relationship, and that client has changed. 83% of end users prefer to deal with law firms online so using technology cannot be ignored - delays, lack of clarity and miscommunication are not accepted any more.

Using the right tech provides reassurance to the client and helps firms deliver the best possible customer service, in the most reasonable way. Our research with clients prove it - using our platform cuts down time and makes them 34% more productive.

# Live chat use in law firms is on the rise

Over the past 12 months, Moneypenny has experienced a 115% increase in the number of UK law firms adding the company's live chat service to their websites. However, of the 17,000 legal websites in the UK, only a tiny proportion (2.5%) currently have live chat installed.

Live Chat is a one-stop solution designed specifically for the needs of busy firms. Moneypenny's live chat system is designed to be used all of the time, or just when a firm's in-house team is too busy to handle the chats. Set up is simple - a small piece of code is added to the firm's website - **it's a five minute job.**

“ Live Chat has been a massive success for our firm. We're converting more clients from our website than ever before. Clients can contact us whenever they like, even when we're not there. Having Live Chat definitely gives us an edge over our competitors and has enabled us to capture more leads.

Gareth Horner,  
Managing Partner, Parker Bullen



“ Having Live Chat on our website plays two key roles. Firstly it is a great conversion tool and secondly the chat provides clients and prospect clients a friendly and personal communication mechanism that adds value to our service. Not only is it convenient, but it gives confidence to our clients knowing that there are people who are available and have the time to talk.

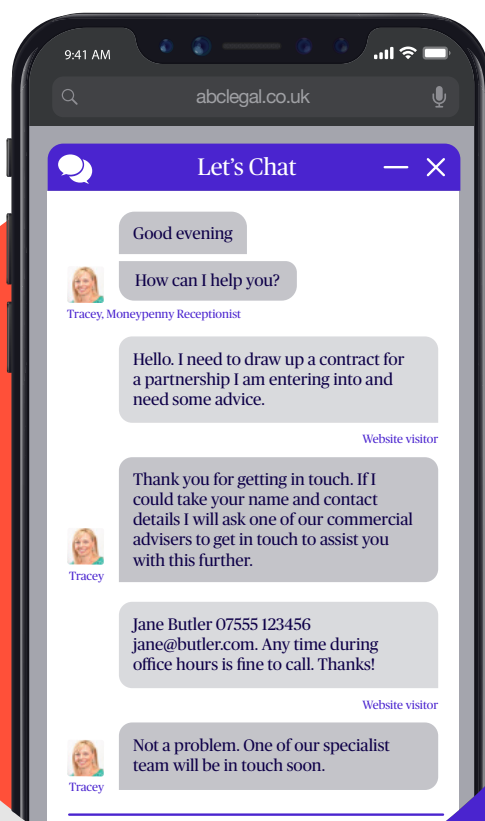
Amy Seppman,  
Marketing Manager, JCP Solicitors



Pre-lockdown, 35% of legal chats would result in a lead or new business. During lockdown, we saw that increase to 65% for many firms as demand peaked in certain areas of law and those firms reaped the benefits.

After years of being behind the pace on technology, the legal profession is catching up.

Financial Times



“ We captured 11 leads over our first weekend alone, which is absolutely amazing! ”

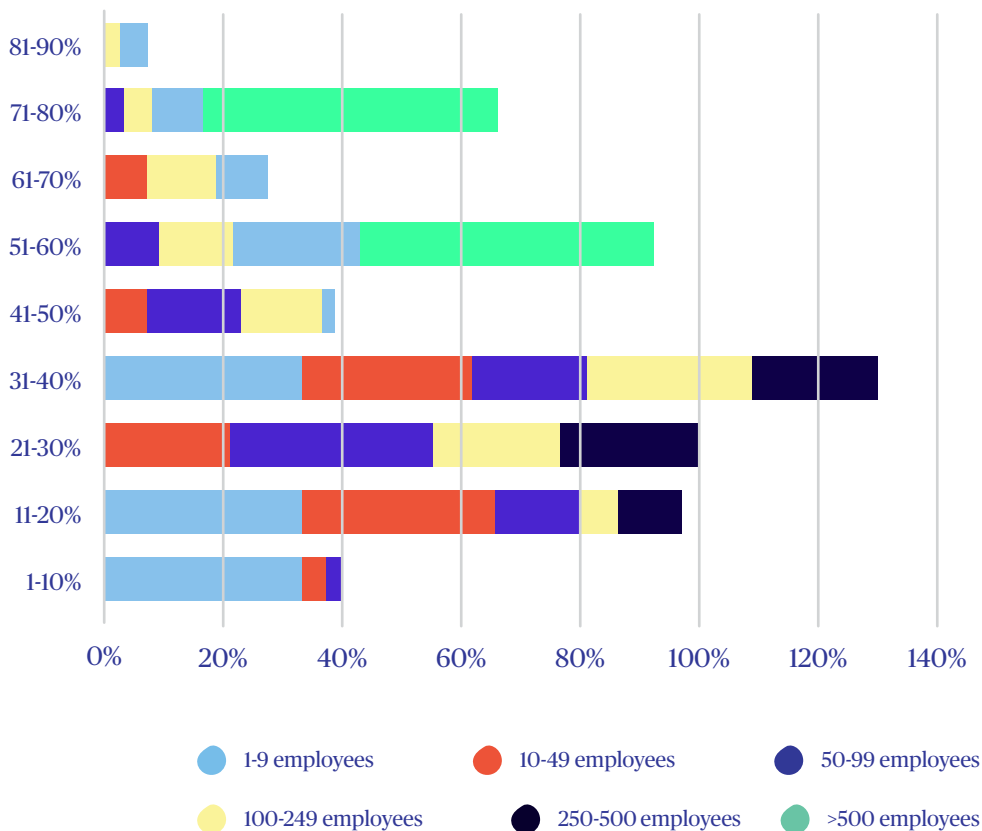
Tamsin Lloyd,  
Operations Manager at Myerson Solicitors.



# Average conversion to client is 39%

Firms are largely converting well. With the largest firms (500 employees+) consistently converting 50% of enquiries into clients. Mid-size firms are 2, sometimes 3 times more likely convert an enquiry vs. a micro firm (1-9 employees).

Clearly, larger firms have an advantage here with resources, systems and processes in place to maximise every new opportunity. Smaller firms have to work harder without an established reputation to fall back on.





# Top tips from a legal conversion expert



## Clare Fanner, founder

Clare Fanner is a legal sector marketing specialist who works exclusively within the legal sector. Prior to setting up her consultancy, Clare was the marketing director for two mid-sized regional law firms, including one UK top 100 law firm

### 01. Make time

It's not good enough that 28% of firms admit they are too busy to handle new enquiries (Source: Legal Marketing Association 2019). As per research conducted by Find Get Grow in 2019 shows, this is costing a typical £10m turnover law firm over £200k in lost income each year. Surely it's worth investing in resource to make sure those hard-earned new enquiries are handled properly?

### 02. Do less

This might sound like a strange suggestion, but think about it. If you spread yourself too thinly by trying to do too much marketing and business development, you will have less time to spend on improving the quality of the leads you generate and ensuring the leads are properly handled. Clearly therefore, if you make more time for these aspects - managing leads, reporting and marketing and BD activities - you will achieve higher conversion.

### 03. Capture and record all enquiries centrally

This isn't rocket science, it's common sense. As Peter Drucker is credited with saying; "You can't manage what you don't measure."

### 04. Engage your opportunity handling team

Train them and empower them. Make sure the right processes, systems, skills and knowledge are in place to enable them to do their job effectively.

### 05. Regularly check that your processes work

For example, phone the switchboard out of hours or during lunchtime, send in a website enquiry using the website forms etc. This is not to catch people out, but to enable you to know that you have the right people, processes and skills in place and to identify areas where you may need to provide them with further support.

“

Firms are having to put a lot more effort and creativity into generating new business. Sustaining growth is tough, and for a sector long-reliant on word of mouth and referrals, making new marketing channels deliver is a challenge.

”

Kate Cox, Moneypenny CMO

# JMW shares its best marketing tactics



## Dan Clark, Director of Marketing

### If you don't have a digital strategy and presence, why not?

The way prospective clients are now buying legal services has evolved. We are no different as a profession to any other product or service, whereby people are now regularly driven to purchase online rather than face to face. A digital presence is an absolute must for any law firm and investing time and money into the strategy is a must as the rewards can far out way the investment.

### Encourage fee earners to actively blog and produce well informed and relevant content

Content is still very much king and getting the buy in from departments is essential. Think about implementing a blog rota so the writing of content is not seen as a hindrance to fee earners but something that can really help elevate their profile as well as acting as a lead generation technique. We have seen many enquiries over recent years where leads have been generated directly from a well thought out blog or article and the prospect actually references the content.

### Emergence of video

Video is a great way of engaging with your target audience. It allows you to showcase your firm and its services in a far more open and transparent manner and breaks down the barrier of people being worried about actually making contact with a law firm. Ask your clients if they would be prepared to participate in video testimonials. Offer to go out to their business or home as opposed to being in the office as this approach works far better. Again, we have had great ROI from leads that have turned in to cases from people viewing our various videos

# Summary

Overall, firms are having to work harder and spend more to generate new business into their firm. They're investing in marketing resources, mostly in-house and are open-minded about technology that can help them grow. Small firms are at a disadvantage, they're having to work the hardest to convert leads with limited reputation and resources. SME firms are working really hard on lead generation, they're seeing the biggest increases in cost per lead probably as they have to stretch beyond 'free channels' which fueled their early growth from WOM and free channels. Larger firms have the slickest process to convert leads, but are not averse to challenges when trying to sustain growth.

The one consistent trend felt by all sizes of firm is their inability to manage leads at all times. With many losing business as they're too busy to handle new enquiries properly. This feels like their biggest threat if not addressed and biggest opportunity if solutions are sought. Agile outsourcing is a key part of the solution for this as firms blend in-house expertise with the flexibility of outsourced support to ensure a fast recovery.

# Money Penny can *help*



Join the hundreds of firms benefiting from our flexible support when they need it most.

- Remain agile now and in the months ahead
- Ensure you win more clients and get ahead of competitors
- Be 'open for business' 24/7
- Leave clients with a stunning impression of your firm

To find out more about how we can help you maximise every penny you spend on marketing:



**Bernadette Bennett**  
Commercial Manager - Legal

Call 0333 202 1005  
Visit: [moneypenny.co.uk](https://moneypenny.co.uk)  
Email: [hello@moneypenny.co.uk](mailto:hello@moneypenny.co.uk)