

## Law Matters Newsletter

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### Do I Have to Spend Money on Marketing Now?

In a recession, when cash is tight, it is tempting to cut back on marketing. This may be a false economy. McGraw Hill Research studied 600 American companies across a range of sectors during the 1981-2 recession. They found that those companies who maintained or increased their advertising in the recession:

- Averaged higher sales growth during the recession, and for the next 3 years
- By 1985, had achieved 256% more sales than those who had cut back on advertising.

Surely the best time to advertise is at the end of the recession? In another US study, the Strategic Planning Institute found that (in 2002) although 80% of businesses increased advertising spend on the upturn, this had no effect on market share. Why? Because everyone else did the same.

### Is this Relevant to Law Firms?

It would be easy to distinguish a cross sector American study from an individual British law firm, particularly one that does little traditional advertising. However, there is nothing to suggest that the principle is any different. In a competitive market, we all need to compete, and to be in clients' minds when the upturn comes.

There is for lawyers the additional thundering juggernaut of "Tesco Law" approaching. This is another reason for placing an emphasis on competing strongly in the market now not later.

### But There's No Cash!



Spend accordingly. If you do advertise, discounts should be available in the current climate. Try a smaller advert, but maintain frequency.

Networking is cheap, and many events are currently free. Phone your professional contacts regularly. Meet over a coffee rather than lunch. Get out of the office and be seen. You may have more time on your hands than usual.

Explore social networking, such as LinkedIn or Twitter, or try blogging (but maintain confidentiality). Make sure your website is up to date.

Above all, keep in touch with your existing clients, even if there is no immediate prospect of them using your services. Try to give them something of value.

This note is written as a general guide only, and is not applicable to every firm or circumstance. It should not be relied upon as a substitute for specific business, medical or legal advice.

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