

How to Create a Measurable Law Firm Marketing Budget



Throughout its history, many law firms have shied away from traditional marketing to maintain a sincere and pragmatic image. With the rise of digital marketing and increasing competition, law firms are pivoting their focus on full-scope marketing strategies to stand out. Continue reading to learn the need for law firm marketing, how to create a budget, and track your law firm's budget with legal billing software.

The Importance of Law Firm Marketing

Law firms are, first and foremost, a business. All businesses rely on a steady flow of new clients and businesses to stay afloat, and growth is an important part of the strategy.

With this in mind, many law firms are focusing on marketing to gain a competitive edge in the market. Unlike some of the flashy, over-the-top campaigns we see in other industries, however, law firm marketing is intended to showcase how trustworthy, professional, and reliable a firm is.

It's common for law firms to use all available avenues for digital marketing, including search engine optimization, email marketing, social media, content marketing, and search ads.

How Much Do Law Firms Usually Spend on Marketing?

The marketing budget for a law firm can differ according to its goals. But interestingly, many law firms have no budget at all, leaving marketing efforts on the back burner.

If you're intent on setting a marketing budget, know that large law firms spend anywhere from 2% to 5% of gross revenue, while small firms spend between 5% or 10% of gross revenue, according to the [American Lawyer](#).

The budget can vary according to many factors, however, such as location, existing branding and reputation, and practice area.

What Should My Law Firm Marketing Budget Be?

In determining your law firm budget, you should consider:

- Law firm age: Younger firms typically have higher budgets to capture market share
- Area of practice: Different practice areas have different goals and sales funnels
- Location: Highly competitive areas will require higher spend
- Current marketing efforts: Starting from scratch will require more initial marketing spending to gain traction
- Marketing strategy: The level and types of marketing campaigns may call for different investments
- Competitor budgets: Large law firms in the area can drive up the cost of marketing for all firms

You should also consider retention vs. acquisition marketing.

Retention marketing is designed to remind your former clients of your services. Generally, it costs seven times more to attract and sign a new client than retain an existing client, so retention marketing has a better ROI overall.

Acquisition marketing is designed to attract new clients. The budget should be divided between traditional and digital marketing efforts, including social media, SEO, PPC, content, and print or television ads.

Instead of working with an arbitrary budget figure, develop a customized figure based on your needs and goals.

Best Practices for Creating Law Firm Marketing Goals and Tactics

It's important to take the time to create a detailed marketing strategy and roadmap to save time and maximize your marketing budget. With a defined plan, you can evaluate your marketing efforts to see if you're on track to reach your goals, adjusting as needed.

Establish Marketing Goals

Your marketing goal is what you hope to achieve with your marketing efforts. Without a set goal, it's impossible to track and measure success.

Marketing goals should always be SMART (Specific, Measurable, Achievable, Relevant, and Time-Bound). This ensures that you can [track and measure your efforts](#) effectively.

For example, setting a goal to "bring in new clients" doesn't fit the SMART goals framework. You should have specific numbers and time frames.

Some examples include:

- Gaining X clients in Q3
- Increasing firm revenue by a certain dollar amount within six months
- Increasing web traffic by the number of visitors in a month's time

Cultivate a Brand

Branding isn't just for retail products. Law firms have brands, too, and the right brand can attract the ideal client. Cultivating a brand is a long and involved process, but establishing consistent and powerful brand assets like the mission and vision of the firm, the firm's brand values, and its unique value proposition are a good starting point.

Leverage Content Marketing

Content marketing is key for law firms from both a general marketing perspective and an SEO perspective. Having valuable content not only establishes a firm as a thought leader in the industry, but it helps prospective clients discover firms as they search for solutions to their legal problems online.

It's not enough to just churn out content for the sake of it, however. You should create original, in-depth, and valuable content that addresses common questions or concerns of the target client. This may include legal blogs and articles, podcasts, video series, and infographics.

Include Video Content

Video is quickly becoming a huge trend in all of the marketing, not just for law firms. Audiences prefer video over text because it's more engaging. Video also helps to distill complex topics into more digestible content for better retention.

There are virtually limitless options for video content for your law firm. Consider options like client testimonials, industry interviews, or Q&A series that address common questions for your practice area. Videos can be used on social media, the firm's website, and email blasts.

Tips for Tracking Law Firm Marketing Budget and Expenses

Marketing is an investment, so your marketing budget is not a "rainy day" fund. Whatever you allocate for marketing, make sure you spend it.

Consider time and money. Spending your entire marketing budget won't do much if you're not putting time into your marketing strategy. You should devote at least four hours per week to marketing activities, which you can track with [task management tools](#).

Evaluate your ROI. If you're putting hard-earned money into marketing, you should [track](#) your progress with timekeeping and expense reporting tools to ensure the spending is worthwhile. Different marketing channels have different time frames for tracking progress, but all of your marketing efforts should be evaluated on a regular basis.

Analyzing your efforts against your set goals will determine if you're on track to meet them or whether you should make adjustments. It will also reveal the most successful channels, so you can allocate your spending appropriately in the future.

Key Takeaways

A flow of new clients is key to growth and profitability for a law firm. Marketing gets your firm's name out there and attracts new clients, but you need a solid strategy and a marketing budget to direct your efforts and ensure you're getting the most out of your spending.