

MARKET POSITION- ING FOR LAW FIRMS

Wisdom gained from 20 years of differentiating
law firms from their competitors



by Robert & Dion Algeri

great jakes★

Introduction

The goal of market positioning is to gain a sales advantage over your competitors by *occupying a distinct and advantageous place* in the minds of buyers. If done correctly, the dividends are huge. History has shown that well-positioned brands—like Apple, Whole Foods, and Tesla—grow faster and have fatter profit margins than their poorly positioned competitors.

Good market positioning offers benefits to any brand, including law firms. However, getting your positioning right isn't easy. It requires that you consider lots of difficult questions, like which market segments to target and which ones to cede to the competition. Answering these questions is especially difficult for law firms, many of which have a consensus-driven culture and serve a broad array of client types.

Although market positioning is rarely easy for law firms, it's certainly possible. Firms just need to use the right approach when attacking the problem. To help firms avoid the pitfalls of market positioning, we've written this document, which includes

- ▶ A framework to guide your thinking
- ▶ Practical ideas on how to identify and communicate your firm's positioning

Part 1 of this document uses examples from outside of the legal industry to explain marketing positioning and its benefits. Parts 2 and 3 delve into how these concepts can be applied to law firms and their websites.

More Information

The ideas presented in this document are the result of nearly 20 years of close collaboration with law firms. It should provide you with a solid understanding of the steps required to identify and communicate your firm's positioning. However, if you have questions or would like additional information, please contact Robert Algeri (ralgeri@greatjakes.com). We're happy to discuss the concepts presented in this document, as well as our process for developing and implementing marketing positioning for law firms.

History has shown that well-positioned brands grow faster and have fatter profit margins.

Part 1: Lessons from the Supermarket Industry (among Others)



As odd as it sounds, law firms and supermarkets share certain business challenges. This is because they both operate in mature markets. And, as often happens in such markets, both law firms and supermarkets are experiencing slow growth and lots of competition. The result: *tremendous price pressure*. In the case of supermarkets, profit margins are only about 1 or 2 percent.

But one supermarket chain has notably resisted these market forces: Whole Foods Market.

Whole Foods: The Exception

Over the past 30 years, while the rest of the supermarket industry was eking out a profit, Whole Foods was thriving. For example, it has experienced

- ▶ **Dramatic growth.** The company started with one store in 1980 and has nearly 500 stores today.
- ▶ **Fat profit margins.** Its profits are several times larger than the competition's.

- ▶ **Wide geographic pull.** Whole Foods markets attract customers from a 20-mile radius, which is 10 times farther than achieved by traditional supermarkets.
- ▶ **Strong word-of-mouth.** The company has hardly needed to spend on paid media.

What's Its Secret?


The difference between Whole Foods and the rest of the supermarket industry: *better market positioning*. The company knows who it is and whom it serves, and it isn't afraid to express it.

Positioning = Focus

Positioning is about focusing on a specific market niche or customer type. Most supermarkets, like most law firms, are positioned very broadly. They are seeking a wide variety of customers and try to be most things to most potential customers.

In contrast, Whole Foods has chosen a rather narrow (and profitable) segment of the market: people with ample income who are concerned about what they eat. With laser precision, the company has built its business around serving that market.

Below is a comparison between Whole Foods and the industry in general.

	Most Supermarkets
HIGHLY FOCUSED	MINIMALLY FOCUSED
<ul style="list-style-type: none">• Customers: College-educated people with disposable income.• Products: Premium quality, natural and organic foods.• Goal: To be the elite food retailer in every community in which the company is located.	<ul style="list-style-type: none">• Customers: Most people living within two miles of the store.• Products: All types of foods, of standard quality.• Goal: To sell food to as many people as they can.

Whole Foods's singular focus on the high end of the market has allowed it to clearly distinguish itself from all other supermarkets.

Other Examples of Great Positioning

Whole Foods is just one of many consumer brands whose superior market positioning has propelled them to success. Here are a few others.

Axe Body Spray

Axe positioned its brand to appeal to a very specific market segment: young men ages 15–25 who are insecure around women. This laser focus on a specific niche allowed the company to develop a unique, irreverent brand identity that clearly speaks to the sensibilities (and insecurities) of buyers. As a result, Axe beat out more-established competitors like Old Spice and Right Guard to become the world's #1 fragrance for men.



Domino's Pizza

Domino's Pizza is another example of a brand with great positioning. While the competition marketed themselves (predictably) as having the tastiest pizza, Domino's pursued a different tack. The company positioned itself as having the fastest delivery. This unique positioning allowed Domino's to upend the pizza market in the 1980s and leapfrog many long-established competitors, to become a top-10 player in the fast food market.



Volvo

Volvo is yet another example of a great brand that was built on superior positioning, which revolves around product safety. In fact, Volvo's brand is so strong in the area of safety that it has effectively reduced the number of viable competitors to its brand.

For example, if you're buying a car and you consider safety a criterion, you're probably going to seriously consider a Volvo. Additionally, you're probably going to strike Chevy, Ford, and BMW (among others) from consideration, as these brands are not pursuing safety-



conscious buyers. This means that Volvo has fewer competitors, a factor that often results in higher profit margins.

Vans

Likewise, the Vans brand has effectively eliminated swaths of its competition.

If you're a skateboarder and need shoes, it's likely that you'll consider buying a pair of Vans. Other shoemakers offer comparable styles (and arguably make better, more technologically advanced shoes). However, Vans understands its customers very well, and it uses this knowledge to create products that they want. As a result, the company continues to dominate the skateboarder market.



The Advantages of Positioning

Each of the consumer brands profiled has been successful owing to remarkably effective positioning. They are laser focused on a clearly defined market niche—which results in marketing magic. Once a brand nails its positioning, *BAM*—marketing problems get solved. Vexing sales issues wither away. And lots of other business advantages accrue. For example,

- ▶ **Clearer Messaging** – It's much easier for a well-positioned business to develop a clear marketing message that will resonate with its target market. Poorly positioned businesses struggle with messaging because one-size-fits-all messages are never as memorable.
- ▶ **Wider Geographic Reach** – People are willing to travel for a well-positioned product or service that isn't available locally. And when people are willing to travel, it also means that they are willing to pay more. Whole Foods is a perfect example—it pulls consumers from a 20-mile radius; other supermarkets pull from less than 2 miles.
- ▶ **Word of Mouth** – Well-positioned businesses spend less money on advertising because a clear, market-specific message (and unique, market-specific products) are more likely to be shared.
- ▶ **Ability to Invest Effectively** – Well-positioned businesses are better at investing in the future. They understand what their target market wants and thus have greater confidence when

investing in new products and services. They are also more willing to invest in marketing (e.g., developing thought leadership).

- ▶ **Delivering More Value** – A business that is focused on a specific client-type can predict its needs and walk in the door with solutions in hand. This makes for easier sales and happier clients.
- ▶ **Less Competition** – A well-positioned business can effectively eliminate large swaths of its competition. For example, a generalist Trusts and Estates (T&E) lawyer has literally thousands of competitors. However, a T&E lawyer who is focused on the specific needs of Tech Entrepreneurs has much less competition and is positioned to charge much more.

Good Positioning = Greater Profits

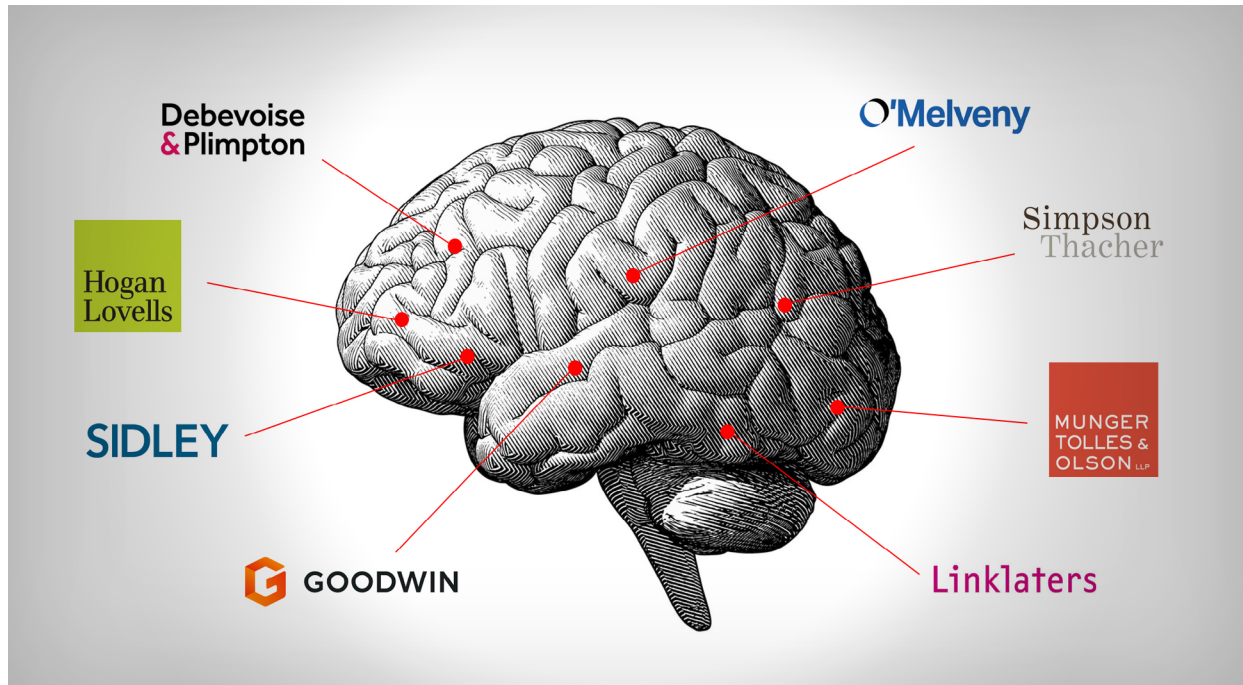
Superior market positioning allows brands like Whole Foods, Volvo, and Vans to have increased control of the buy/sell process. This means that they (a) spend less to attract their customers, and (b) can charge their customers higher prices. The result is that they grow faster and are more profitable than their more broadly positioned competitors.

Can law firms benefit from market positioning like these consumer brands have? *The answer is yes. And no.*

Law firms can always benefit from having good market positioning. Some thriving law firms clearly owe their success to great positioning. But it must be acknowledged that lessons learned from consumer brands cannot be directly applied to law firms. When it comes to market positioning, law firms need to be examined through a different lens.

Part 2 of this paper delves into how law firms can apply these concepts.

Part 2: Occupying a Distinct Place in the Minds of Your Customers



Three Flavors of Positioning

Two decades of experience in legal marketing has taught us that there is no one-size-fits-all formula for positioning a law firm. Instead, law firm market positioning comes in three flavors:

1. Hard positioning
2. Soft positioning
3. Silent positioning

The first challenge for any law firm is to determine which of these three flavors is the best fit. Below we examine the benefits and challenges of each option.

Flavor #1: Hard Positioning

Hard positioning is when a firm clearly and explicitly communicates what it does, whom it serves, and what makes it different. This is the gold standard. Firms that can employ hard positioning have the clearest message—and thus the greatest marketing advantage over their competitors.

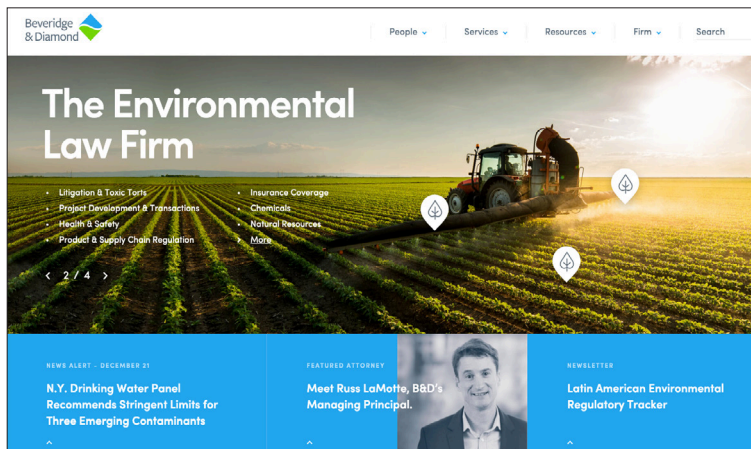
Quinn Emanuel

Quinn Emanuel is a great example of a firm with hard positioning. Its homepage says it all: “a Global Force in Business Litigation.” This couldn’t be clearer.



Beveridge & Diamond

Beveridge & Diamond is another firm with hard positioning. It is “The Environmental Law Firm.” This is presented as fact. That’s great positioning.



Hard Positioning Is Hard

Hard positioning offers tremendous business advantage to those firms that have it. However, hard positioning is nearly unattainable for most law firms. This is because most law firms—especially older, larger firms—offer lots of services to many client types.



Many law firms offer scores of services to many sectors.

Embracing just one category would do a disservice to partners whose practices fall outside of the firm’s chosen positioning.

Uncovering Hard Positioning

It’s not uncommon for a firm’s clear, hard positioning to get muddled over time. This often happens to firms that start as highly focused boutiques. As these firms grow, they inevitably expand their service offerings, which dilutes the firm’s marketing message.

For these firms, their hard positioning simply needs to be uncovered and promoted. It’s the marketing department’s job to keep the message as focused as possible, *even if it’s not 100% accurate* across the entire firm.

For example, Quinn Emmanuel positions itself as a “Global Force in Business Litigation.” The firm has kept its message pure, even though like all large firms, Quinn Emmanuel certainly offers services that fall outside of litigation.

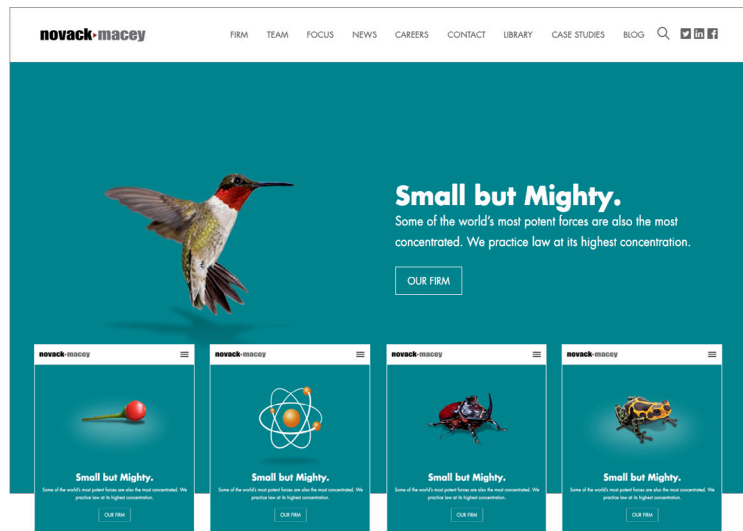
Likewise, Beveridge & Diamond, “The Environmental Law Firm,” does work in areas that are tangential to environmental law, like workplace health and safety. However, the firm has wisely resisted the temptation to dilute its message.

Flavor #2: Soft Positioning

Soft positioning is about emphasizing an aspect of the firm’s spirit or culture. This is usually done with a tagline or descriptive headline.

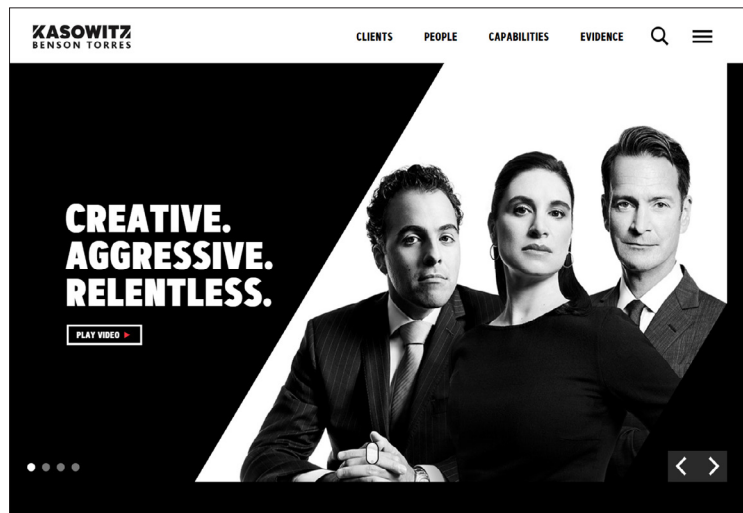
Novack Macey

For example, the law firm Novack Macey uses soft positioning, having adopted the tagline “Small but Mighty.” This positioning speaks not to what the firm does, or whom it serves—it speaks to the spirit of the firm. To drive home its message, the firm’s website features imagery of small, powerful things.



Kasowitz

The Kasowitz website declares that the firm is “Creative. Aggressive. Relentless.” This is considered soft positioning because the words do not tell you what the firm does—they tell you how the firm does it. And, like Novack Macey, Kasowitz employs imagery throughout its site to reinforce that positioning.



Avoiding Empty Words

The challenge with soft positioning is to avoid phrases that ring hollow.

For example, a tagline like “Quality. Responsiveness. Results.” is so general that it could be applied to

almost any firm. Generic taglines like this, which often fail to resonate inside or outside of the firm, generally have a short lifespan.

For soft positioning to be successful (and resonate), it needs to meet four criteria:

- 1. An Existing Truth** – It needs to reflect something factual about the firm. It can't be aspirational.
- 2. A Meaningful Differentiator** – It needs to express something that your clients care about.
- 3. Internal Buy-in** – Your attorneys need to believe it and talk about it.
- 4. Substantiation** – You need to somehow demonstrate that it's true.

If your positioning can address each of these requirements, it'll be effective. But satisfying all four criteria for soft positioning is often a challenge.

If your firm can't hit all four right out of the gate, you might be able to grow into your soft positioning. For example, your firm might want to position itself as "The Legal Pitbulls." But doing so might require a few years to gather the case studies and testimonials to convincingly substantiate that positioning. It also might take the firm some time before its lawyers "own" this new positioning and begin to refer to themselves as "legal pitbulls."

When it comes to soft positioning, law firm marketing directors and managing partners need to ask themselves if their firm is prepared to put in the time, effort, and money required to make this new positioning true.

If the answer is no, soft positioning might not be the right approach for your firm. The final flavor, silent positioning, might be a better fit.

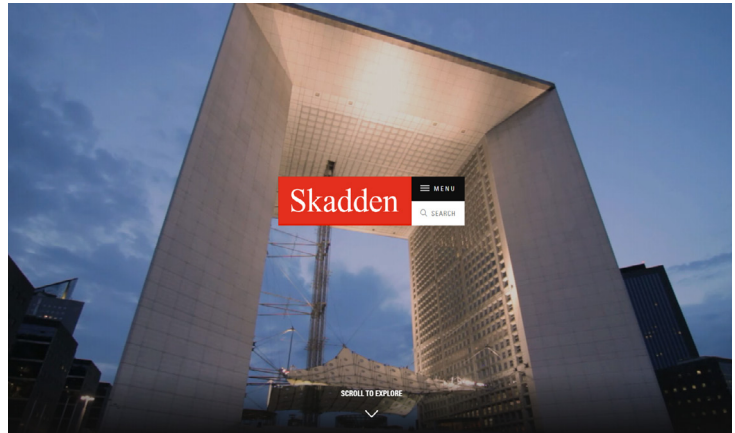
Flavor #3: Silent Positioning

Hard positioning and soft positioning are a bridge-too-far for many law firms. Sometimes it's simply too difficult to find a meaningful differentiator *that is true across the entire firm*. For these firms, flavor #3, silent positioning, is likely the best option.

With silent positioning, there are no explicit headlines or taglines. Instead, the firm's positioning is subtly expressed using design and selective content.

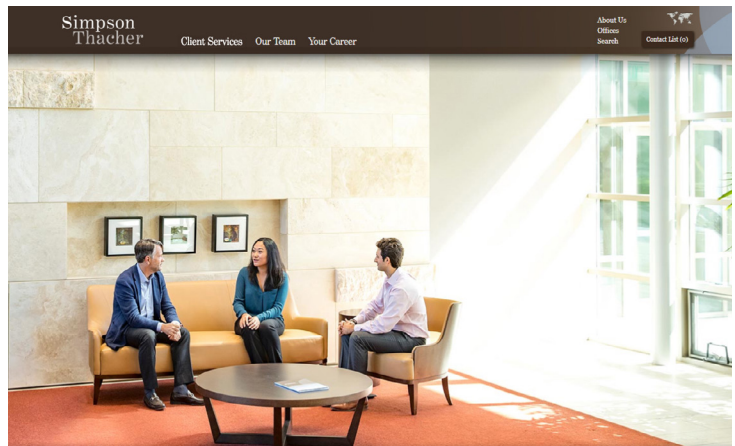
Skadden

Skadden is a great example of a firm with silent positioning. Its website homepage contains very few words. Rather, it uses lush imagery of global centers of commerce and power in order to reinforce the firm's position in the marketplace.



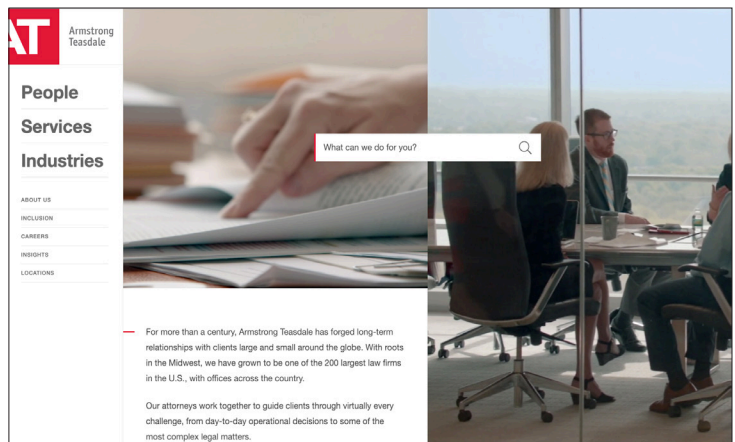
Simpson Thatcher

Like Skadden, Simpson Thatcher uses engaging imagery (and few words) to support its positioning. The firm's website features lush and striking photos showing its people "in action." The images, which were shot at the firm's (impressive) offices, look expensive and depict the firm's attorneys as smart and engaged.



Armstrong Teasdale

Armstrong Teasdale also uses silent positioning. Its website homepage features a silent videographic that positions the firm as modern, dynamic, and elite.



Themes for Silent Positioning

For silent positioning to be successful, it needs to have a theme that is rooted in clearly defined business goals. For example, we recently built a website for a firm that had quickly grown from a midsized regional player to a large national firm. The theme of the website was “national reach.” However, for a variety of internal reasons, the firm chose not to use a headline or tagline to explicitly express this message. So, for this firm, we “silently” communicated its size and nationwide footprint using photography, case studies, and information graphics (among other content).

Possible Themes

- Global / National
- Fast moving
- Cutting edge
- Expensive / Top tier
- Big
- Friendly / Collaborative

Silent Positioning as a Defensive Play

Many firms employ silent positioning as a means of dispelling misconceptions about themselves. For example, a firm might be wrongly perceived as old and stodgy and therefore tied to traditional ideas about how a law firm operates. In this situation, stodgy imagery won't help.

A firm that's subject to this misconception might more readily dispel it by adopting a highly progressive design and futuristic-looking imagery. Additionally, it might profile clients in cutting-edge disciplines such as cryptocurrency or nanotechnology.



If you want to dispel the misconception that you're stodgy, you might want to consider a modern approach to imagery. Photos of gavels and scales of justice won't help your cause.



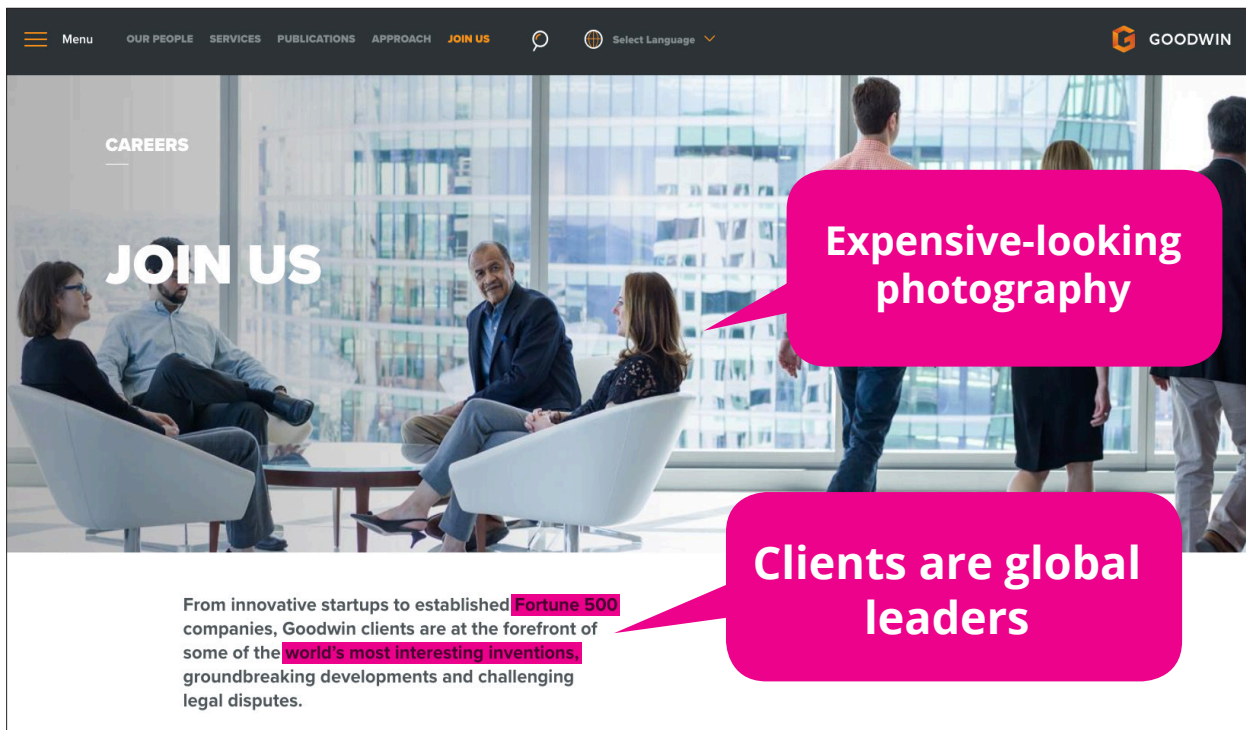
Silent Positioning Solves Political Problems

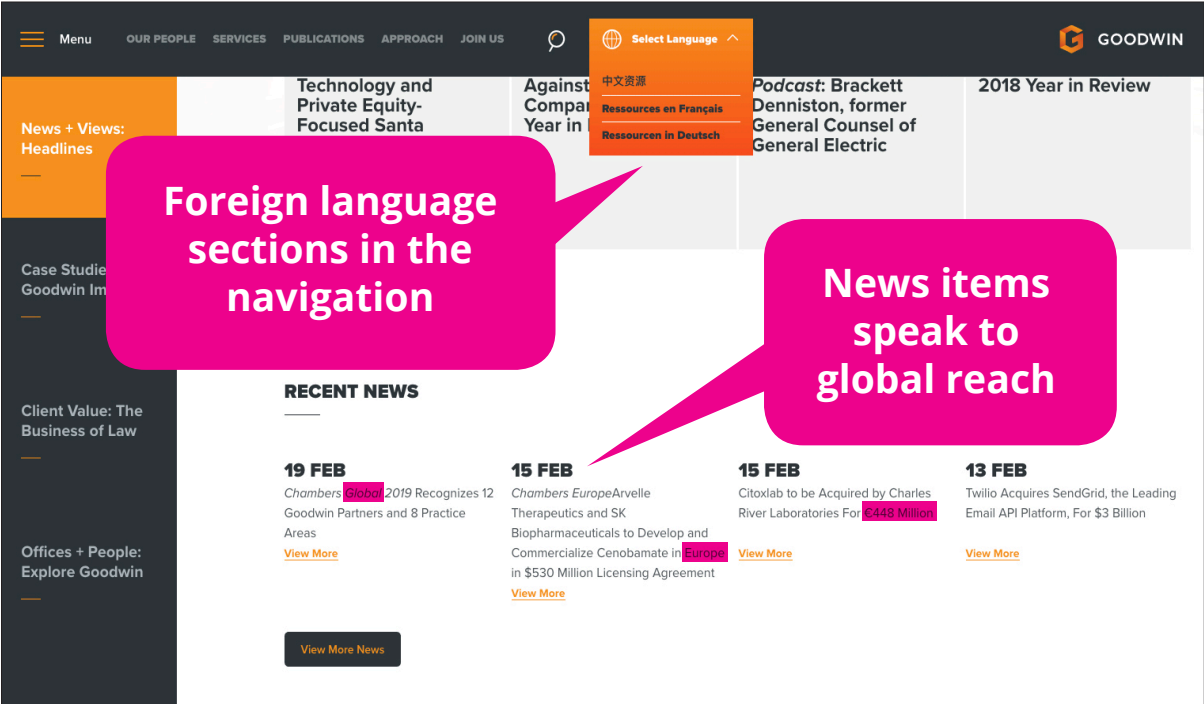
For political reasons, some law firms are unable to embrace a seemingly obvious market positioning. For example, we once built a website for a firm that was 90% focused on real estate. However, the firm was unable to declare itself to be “New York’s Real Estate Firm,” due to the fervent opposition of a few partners whose practices fell outside that area.

For firms with political issues like this, silent positioning is often the solution.

In the case of the real estate firm, we “silently” communicated its focus by using large images of buildings and construction and prominently displayed content about real estate (like case studies and articles). However, the website has no headline, and the text never refers to the firm as “a real estate firm.”

The Goodwin website uses a similar approach and is a great example of silent positioning. The website clearly positions the firm as a top-tier global law firm. However, *nowhere does the website explicitly say, “A Global Firm Serving Big Global Businesses.”*





Part 3: Positioning Lawyers, Practices, and Industry Groups



There is no doubt that a well-positioned firm—one that occupies a distinct place in the minds of buyers—has many marketing advantages over its competitors. However, even under the best of circumstances, the market positioning of a law firm (as a whole) is unlikely to directly drive sales.

Why? Because clients don't hire "the firm." Rather, clients typically hire individual attorneys (or groups of attorneys) to solve a specific business problem. For this reason, market positioning is even more valuable for attorneys than for the firm itself.

The Modern Marketplace for Lawyers

If you're a lawyer in today's global legal marketplace, clear positioning is no longer optional—it's a requirement for success. In the internet era, the most lucrative work goes to lawyers that can demonstrate specialized expertise (i.e., those with narrow positioning), even if they are geographically distant from the client.

But the value of narrow positioning hasn't always been so clear. Until recently, most lawyers developed business locally, often over dinner and drinks. Their goal was to build a referral network

of local businesspeople, and they preferred to be broadly positioned because they wanted to be offered whatever business their network might generate.

As the internet has transformed the business landscape, this marketing paradigm has fallen out of favor. This is because broad positioning and face-to-face marketing are no longer considered a viable formula for developing an elite and lucrative practice.

Old-Fashioned Lawyer Marketing	Modern Legal Marketing
Prefers broad positioning	Requires narrow positioning
<ul style="list-style-type: none">• Driven by a lawyer's "force of personality"• Uses face-to-face networking• Lends itself to local practice	<ul style="list-style-type: none">• Driven by thought leadership content• Uses internet to distribute content• Lends itself to national/global practice

A New Lawyer Marketing Paradigm

The modern, internet-driven marketplace has brought a new marketing paradigm for lawyers. This approach assumes that lawyers are not bound by geography, but rather are ready to serve the best clients, no matter where they are located.

The modern legal marketing paradigm has three key requirements for success:

1. Narrow Positioning

Narrow positioning is the cornerstone. For marketing to be effective in today's business landscape, an attorney needs to be positioned as an expert in a niche of the law.

The bio below indicates a well-positioned attorney. The highlighted headline makes clear that this attorney is an expert in hazardous waste regulatory law.

Succinct, narrow positioning (like this attorney's) is tailor-made for today's global business landscape. It's easy to imagine that, with such clear positioning, an attorney like this one is often hired without ever meeting his clients face-to-face.



2. Substantiating Content

Any business's market positioning rings hollow without sufficient substantiation, and lawyers are no exception. If you declare yourself to be a leading expert in a niche, it's vital to support that positioning with material such as publications you've written or case studies of your past work.

Substantiation requires significant time and effort to develop the kind of material that illustrates knowledge and demonstrates that you have a head start in solving your prospective client's problems.

Here are a few examples of how an attorney or group of attorneys could substantiate their positioning:

- ▶ **Proprietary Data.** One way to distinguish your practice is to share original research that contains valuable, actionable data that clients want. For example, a report on the probability of various legal outcomes, or a database that demystifies a web of overlapping state and local laws.
- ▶ **Proprietary Methodology.** Perhaps you've figured out a way to produce better results at a fraction of the customary price. Or you have a specially trained overseas back office that can deftly (and inexpensively) handle technically rigorous tasks that your competitors bill out at a much higher rate than you do.

- ▶ **Compelling Thought Leadership.** Articles and blog posts are a great way to substantiate your positioning. Ideally, these pieces should address big issues that are just emerging in your target market. It also helps if your insight and advice are so novel and compelling as to clearly demonstrate your team’s formidable skills.
- ▶ **Case Studies.** Demonstrate your expertise by describing the type of work you’ve done and for whom you’ve done it. Case studies become particularly valuable if you can explain your novel approach to solving a particular client’s problem.

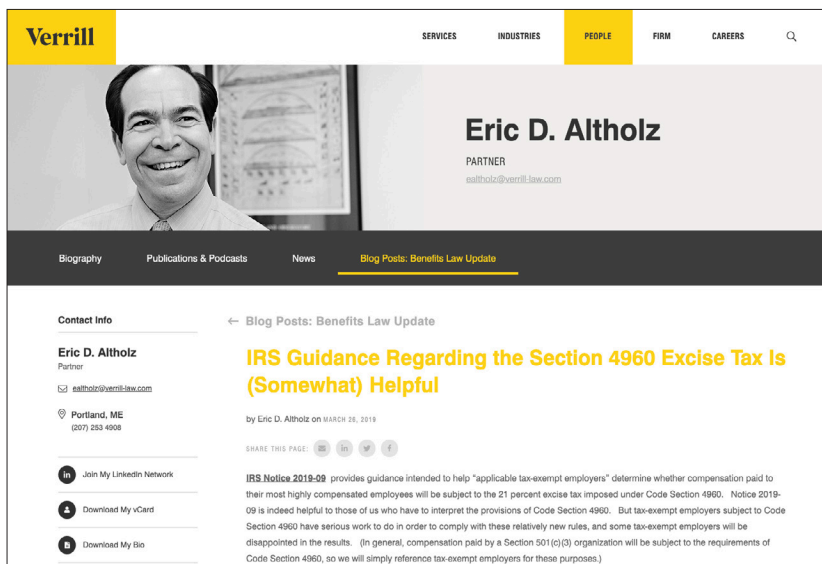
3. Internet Distribution of Content

Attorneys (or practice groups) need to get their substantiating content in front of their prospective clients. In today’s world, that primarily happens on the internet, in two ways:

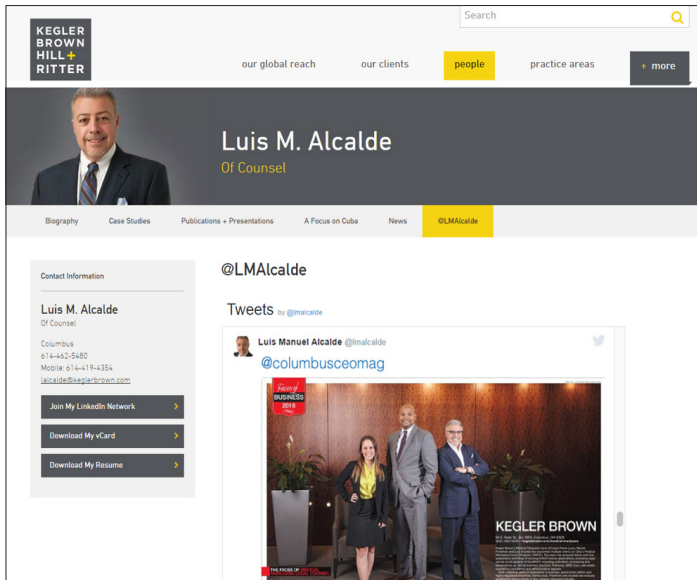
1. Via social media channels
2. By making it available on the firm’s website

The best way to accomplish the latter is to make the substantiating content accessible right from the attorney's bio (or practice area section or industry group page). An attorney’s bio would ideally be a complete repository of their substantiating content, including items like podcasts, video, and blog posts, that are too often relegated to satellite websites. Here are examples of how you can make that happen:

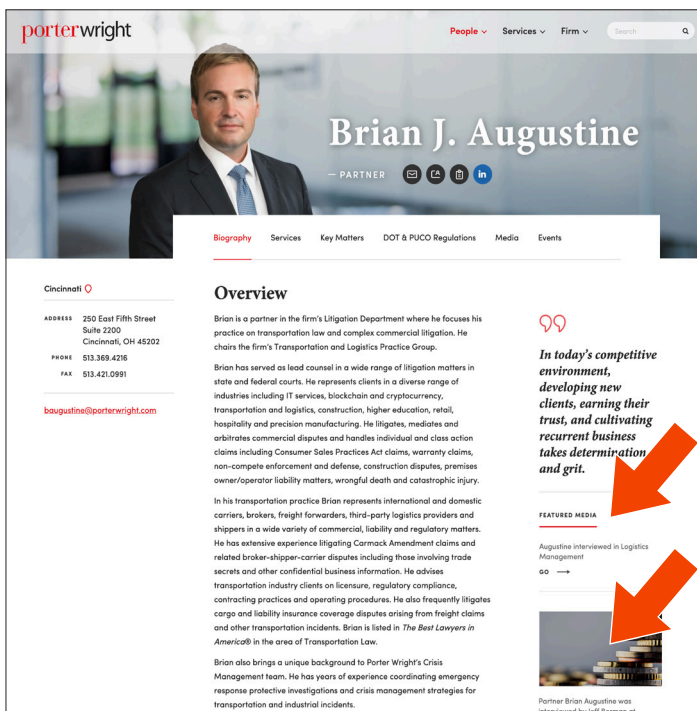
- ▶ **Integrated Blog** – The integrated blog features of this website allow visitors to read the full text of an attorney’s blog posts without leaving their bio.



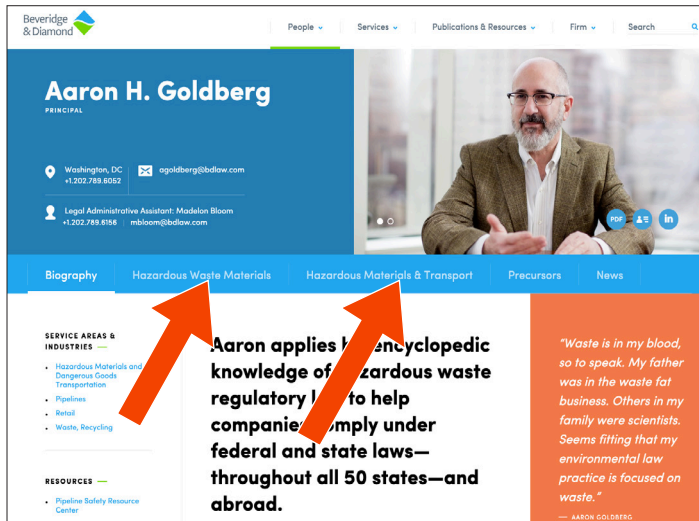
- ▶ **Social Media Feeds** – An integrated Twitter feed makes it easy for visitors to see what this attorney is thinking about and sharing, without leaving his bio.



- ▶ **Content Teasers** – Sidebar widgets and teasers can be used to draw attention to an attorney's (or practice's) newest and best substantiating content.



- ▶ **Bio Sub-pages** – Supporting sub-pages within a bio can help demonstrate an attorney's specialized expertise.



Messaging Nirvana

In an ideal world, the market positioning of each attorney (and practice or industry) would support the positioning of the entire firm. For example, if the firm's positioning were, "The Global Leaders in Business Litigation," then each of the firm's attorneys would demonstrate expertise that relates to business litigation.

A firm that achieves this level of messaging harmony has a tremendous marketing advantage over its competition. This would be "messaging nirvana."

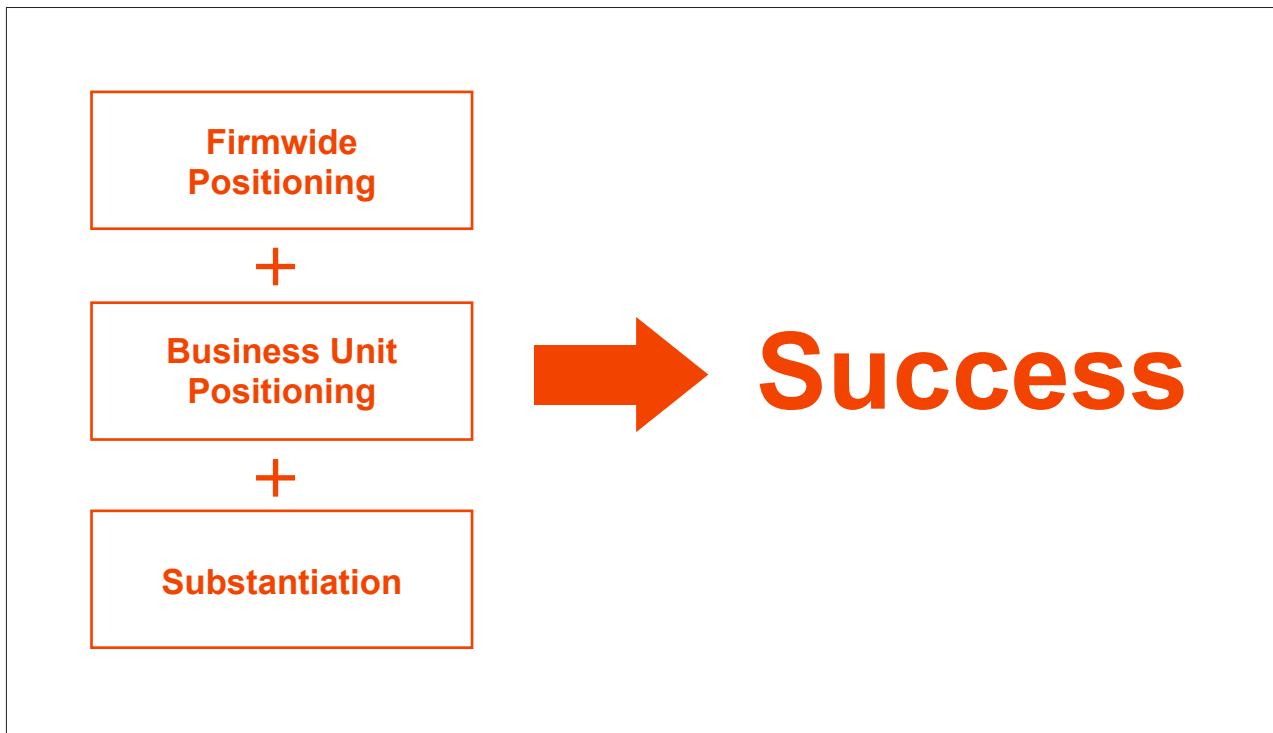
As one would expect, messaging nirvana is extremely difficult to achieve. Fortunately, messaging nirvana is not essential for business development success. Rather, well-positioned attorneys and business units are sufficient for success. Clients hire individual attorneys and groups of attorneys. So, by focusing on this level, law firm marketers can have the greatest impact on the firm's bottom line.

Conclusion

Marketing efforts are much more effective when a law firm is well-positioned (i.e., occupies a distinct place in the minds of the target market). Although this is never easy, it's certainly possible for any law firm, provided that the problem is attacked correctly:

- ▶ Step one requires positioning the firm as a whole. Start by figuring out which “flavor” of positioning makes the most sense for your organization: hard, soft, or silent positioning.
- ▶ Second, clearly position each of the firm’s practices, industry groups, and attorneys as experts in a particular niche. This is vital because the sale is made at this level.
- ▶ Finally, you need to substantiate those positions. This is vital because positioning inevitably falls flat without the support of reputation-enhancing content like articles, whitepapers, blog posts, and testimonials.

If you can nail these three things, your firm is on a clear path to marketing success.



About Great Jakes

Great Jakes crafts websites that help law firms differentiate themselves from look-alike competitors. We work exclusively with large, forward-thinking law firms.

Our process starts by painstakingly researching your firm. Once we fully understand your business and culture, we design an impactful website that plays to your strengths and sets you apart.

We offer end-to-end website-development services including market positioning, website strategy, visual design, and technology development. To learn more about Great Jakes and how we think, visit our website at www.greatjakes.com.

