

# NEW JERSEY LAWYER

## Magazine

February 2011/ No. 268

# CONSUMER PROTECTION

**New Jersey Lemon Law  
Home Improvement Disputes  
Consumer Fraud Protection  
Title XIV of Dodd-Frank  
Arbitration Clauses**

0380  
\*\*\*\*\*FIRM\*\*CAR-RT LOT\*\*C-007  
P206  
056594  
300 HARMON MEADOW BLVD STE 650  
SECAUCUS NJ 07094-3638

*Also in this issue*

**Law Office Management:  
The Marketing Budget**

### The Marketing Budget—It's All Relative

by Ed Miller and Shana Gillis

**M**arketing, on some level, is inevitable for any product or service to succeed. How you spend your marketing dollars should always be carefully considered. However, your budget should fit your marketing plan and not the other way around.

The first step is to thoughtfully develop your budget. A budget should not be a number pulled out of thin air, but a number arrived at through the analysis of the goals of the firm, a particular practice group and/or the individual attorneys. You must consider where the service is in its life cycle. Is your firm introducing a new or reconceived practice area? Are you developing a senior associate? Are you maintaining a well-established practice area? Are you transitioning after a merger or departure of a principal? Are you opening a new office?

Budget line items for specific strategies and goals depend upon where the particular service is in its life cycle. In the introduction stage, marketing dollars will likely be spent on educating the target market and building brand awareness. In contrast, marketing dollars may be spent on differentiating your service from your competitors in the growth stage. The difference in marketing dollars spent could be advertising in publications read by the target market for your service in the introduction stage versus hosting a complimentary seminar for clients and referral sources during the growth stage. Moving into the maturity stage, you will want to maintain those relationships built in the earlier stages.

Analysis of your service will help you set goals. In turn, you can then start matching marketing initiatives to your goals and creating your budget.

Creating your budget includes laying out the various options to achieve your goal and making wise spending choices. The choices you make should be based upon sound cost-benefit analysis on each option. Would you choose to spend \$0.06 per view or \$0.10 per view? It depends. If a regional law firm is making the choice between advertising in a national magazine that reaches four million people that costs \$250,000

or a local magazine that reaches 35,000 members of its target audience that costs \$3,500, it should probably choose the publication that will cost more per view. There is more value in reaching your target audience than casting a wide net that misses the mark.

**It is important to track return on investment (ROI) for each marketing initiative... All of this information will help you plan your next budget, and help you see where marketing dollars were and were not well spent.**

When considering where to spend money, you should also consider your resources. If you have an in-house venue and media equipment versus having to rent an outside venue and equipment, the costs to organize a client seminar will obviously be different. Human resources should also be aligned with marketing initiatives to maximize value.

The personalities and skills of your marketing team and attorneys will impact the budget. If an attorney is uncomfortable speaking in front of large groups, it will likely take more of his or her time. Even worse, if the proper amount of time is not spent preparing, the presentation might go poorly, leaving a bad impression—a complete waste of time and money, and time is money. It is probably not a good idea to sign an inexperienced speaker for a presentation without factoring in all the costs.

It is important to track return on investment (ROI) for each marketing initiative. You should know what each initiative costs in time and money and what benefit your firm received in return. All of this information will help you plan your next budget, and help you see where marketing dollars were and were not well spent.

You should use this information to trim the fat. For

