

>>(MUSIC)

>>All right, surprise we're having a dance party for this next session - hope everyone's prepared, yes (laughter). All right, well, we - we're going to continue on here - try to stay on track. And I want to introduce Christopher Anderson with How To Manage A Small Law Firm, one of our sponsors for the conference. You'll see them downstairs. Chris frequently lectures on law firm management, technology, the ethics of law firm business. Chris is an attorney by training and previously served as the managing partner of a full service firm in Georgia, an assistant DA in New York City, associate general counsel and director of client services for a legal software company and most recently as senior product manager at Lexus Nexus. And now Chris focuses on helping lawyers understand the fundamentals of running our special kind of business, with a focus on meeting your own personal definition of success. And he calls that being a happy lawyer. Doesn't that sound nice? So today, he'll be sharing some of what he's learned over time as it relates to marketing your own law firm. Thanks, Chris.

>>Thank you. All right, and thank everybody. I really appreciate you all being here. I never know how bad I sound so I'm going to record this one. And that's what it's all about. It's about being happy lawyers. Everything that we've learned - and this has been great. This whole conference has been great. We've learned so much about marketing and how to do it better and how to get more leads and how to present yourself on the web and all different things to improve the number of clients coming to your business. I want to kind of flip this around a little bit and answer and talk about the question that we haven't been talking about yet, which is why in the world are you here? Why happy lawyers really make more money. Why happy lawyers really help more clients, more deeply, more thoroughly, more ethically. Why successful marketing starts with a plan for success, which starts with you. But let's start with the question of why in the hell did you all just take two days out of your practice to be here? Why did you do that? Why are you sitting in this room talking to me - or letting me talk to you? Some of you probably wanted to take home more money. Who wants to be able to take home some more money out of their business? The rest of you not? All right, how many of you want some more free time and not to be working inside your business, turning the wheel, turning the wheel, turning the wheel all the time? How many of y'all would like the business to be able to run better without you there every single day? Good. And how many finally want to have a little bit more fun? Cool. It's really important to start with why. Whenever you're thinking - and you're going to go there's great marketing vendors downstairs - and I also hope you'll come take a talk with me with me downstairs - there are great marketing vendors downstairs that will help you get more leads, get more business, get more money. But unless you focus on why, none of it makes any sense. And I've got another secret for you, you won't do any of it. You see, a lot of people come to these kind of conferences looking for that magic bullet. If I just do that one thing everything is going to get better. But the thing that's got to get better is you. You've got to start with why. Why did you start your firm in the business? Why am I standing up here talking to you? I am really clear on that. Usually when I give talks like this, I get to tell a story about how I'm spending time away from my family and that I have to have a really clear understanding of why I am doing that. Fortunately, today my son is actually about one block away, and we're going to go hang out after this. But I'm really clear that the reason I'm standing up here, spending my time, talking to you - other than the fact that I am just a big believer in helping lawyers help more people and make more money because I'm a believer that the doctrine of sacrifice, that we've all been taught and that we all adopted that the way to help

our clients is by working harder, is wrong and hurts lawyers and hurts clients. The other thing is, I want to provide a better life for him. That's my why. And what that means is very, very clear to me. I know exactly how much money I need to bring home every month, every year for the next 20, 25 years to make a better life for him. I know exactly how much free time I want to spend with him and with my wife and with my family. I know what I want to accomplish professionally. That's what I focus on, that's my why. Because when I started practicing law, I believed in some things - right? In my class - probably like yours - there were a few groups of people. There were people that were there to make money, plain and simple. They sat up front, they got the reviews, they were there to make money. They interviewed with the top firms and out to big law they went, and most of them are still making some good money. There were another group of people who were there because somebody said, you know what? You can do anything with a law degree, and someone was willing to pay for three more years of school. And so they did anything with a law degree. And then there was the rest of us - the rest of us who read "To Kill a Mockingbird" one too many times - the rest of us who watched "L.A. Law." The rest - I'm dating myself. The rest of us who believed that a law degree was a ticket to the priesthood of the law, that we got to help people in a way with the magic words that we would learn that nobody else could do. And we believed three key things. We believed that we could help people in a way nobody else could do. We believed that if we worked hard, the clients would come to us. We believed that we would make a decent living - the decent living's the second thing. And we believed that we'd have a reasonable quality of life. Right? These are the things we believed. We could help people, make a living and have a reasonable quality of life. Well, the truth is that most of my friends and colleagues - and I go out now on the road, I'm speaking to thousands and thousands of lawyers are not living that dream. They're working harder than they ever thought they would, making far less than they ever thought they would. But worst of all, they're not making a difference in the world the way they thought they would when they became a lawyer. And the reason is, they lost track of why. I was speaking to a young lady - I'm not going to name you, I don't - I don't even see her in the audience today. We were talking yesterday, and I asked her why she was opening her new business. All right, and why she wanted to learn more about marketing, why she was - and the question became, why are you working so hard? She's working, like, 60, 70-hour weeks. She said, so I don't get sued. And I told her that was a really crappy reason to own a law firm. And we need to focus on why we're in this. What is the business of a law firm? Let's start with that because we - lawyers misconceive all of these questions a lot of the time. Audience, please - what is the business of a law firm? Somebody give me the business of a law firm. What is it? What is the business of a law firm? Providing service. What kind of service? Kind of. What is the business of a law firm? To provide legal services. That's half of it - good. What is the business of a law firm - in the back - Yes, ma'am. No. Thank you, though, because that's my foil. Yeah. The business of a law firm is to sell legal services and deliver them. To sell and deliver legal services - that is the business of a law firm. Everything else - we should be helping clients. We should be making money. But the business of a law firm is to sell and then deliver legal services. If we don't do that, if we don't focus on that and know that that's the business of a law firm, nothing else happens. We don't get to help people. If you help people without selling legal service, it's called charity. If you sell legal service without helping people, it's called theft. Right? We have to do both. And then what is the perp if - how many of you are actually shareholders in your firm in the room? Good. What is the purpose of your business? Yes. Yes. Thank you. Wow. The first - usually, it takes, like, five people to get to that one. Yes. The purpose of your

business is to provide the owner with three things. The business of a law firm is to provide the owner with three things. The purpose of the business is not to pay taxes, not to provide jobs - and yes, pay taxes is there twice for a reason - not to support your community, not to improve your clients' lives, not to improve your employees' lives. It's to satisfy the needs of the owner, to fund her ideal lifestyle, to give her the ability to live the way she wants to live and to achieve her professional goals. Those are the only three purposes of the business. Don't be confused. If you want to help people, you help people by running a good business. If you want to do some pro bono work, you do that by running a good business and by making sure the business does these three things. Otherwise, why would we do this? I have a client. His name is Dr. Bob. Dr. Bob is an oncologist with more money than he knows what to do with. And Dr. Bob has a friend who - we'll call him Dr. Tom. And Dr. Tom has invented a medical device, and he wants to take it to market. And so Dr. Tom comes to Dr. Bob and says, Dr. Bob, I know you've got more money than you know what to do with, and so I would like you to invest \$500,000 in my medical device business. Now, and Dr. Bob comes to me and says, now, here - I want you to know some things about Dr. Tom. Dr. Tom is honest as the day is long. He would rather cut off his arm than rip off a nickel from me. I've just - let's start there. He is completely honest. I've looked at the medical device, and it's good. It is really good. It works. It does what he says it will do. And because I worked with you before, Chris, I also asked Dr. Bob whether he has a business plan which explains in plain English how he's going to return my investment to me. And he does not. But it's a great medical device, and he's honest. So Chris - audience - is it OK for me to invest with Dr. Tom? Who says yes, it's OK to invest with Dr. Tom? Who says no, you cannot invest with Dr. Tom? All right. Everybody says no. All right, now raise your hands, please, if you have a written business plan for your law firm that explains to your stakeholders - meaning your family, meaning anybody who has a claim on your money, your time, your presence - if you have a written business plan that explains to them how they get a return on the investment of the time, sweat, blood and tears you put in your law firm, raise your hands. Two, 3. Good. For the rest of you, you know the right answer, but like in many areas of our business, you know, the cobbler's children go unshod, right? We don't follow our own advice. Or maybe we just don't see our business that way. Maybe we don't see that we have an obligation to return to our investors. My mom was going to come with my son. She's not in the audience, so I can tell this story. I went to Thanksgiving about - it's getting about 10 years ago now. It was a lovely Thanksgiving. I had just been involved in a startup that was getting kind of hot, and I was busy. And we were going to Thanksgiving. And it was very nice, we had a great dinner, spent the weekend. And as I was leaving, my sister said to me - you know, next year, you don't have to bother to come. I was like, excuse me? And I'm trying to think here, did I argue with someone, did I say something really bad, did something go wrong? And I finally said, what do you mean? And she said, if you're not going to be here, why bother coming? And then I thought back to the weekend, and I thought back to the time I was on my whatever it was - it wasn't an iPhone, but I was on my phone sending texts, taking calls. And even when I was sitting at the dining room table, I was somewhere else. Right? Now, I'm not saying that that's always wrong. Sometimes we need that. Sometimes we need to be focused on other things. That's what's on our mind. But don't make any mistake. You are taking that from - your family is investing that lack of presence in you and in your business. And if you don't have a written business plan that explains to them how you're going to get them return on that investment, you are breaking your own advice. Because there are seven parts to every small offer in business. There's seven parts to every small business. And we're only here today to

talk about marketing. But you should have a plan for each of them, that you should have a marketing plan. Marketing - we'll talk about what the job of marketing is in a minute - but marketing is - at the end of the day, the job of marketing is to bring people to the door. You should have a sales plan, how are you going to convert those prospects into clients? You should have a factory plan. How are you going to get the work done? You should have a people plan. Who's going to do the work. You should have a physical plan. What tool - where are they going to do the work, and what tools, what policies, what procedures, what computers, what desks, what paper are they going to use to do the work? Metrics in money - what should your P&L look like when the work is done, and how will you have some money left over for yourself? And then finally, you. How - what is the plan for you to be the law firm business owner that you need to be in order to be successful for yourself and for your clients? You need to have a plan. And that's what we do. And if you don't have a plan, and you want some help getting that plan written, come see us.

>>And these things - it's a circle, right? The marketing leads to the sales, which has to be done by the factory, which gets - which is operated by people using the tools in the physical plant, which generates revenues and expenses. And then you figure out what marketing you should do. I'm just going to skip ahead a little bit. So you figure out what marketing you should do, and you figure out what marketing you should do. And this is where we all get it wrong. Everybody recognize this picture? What is it? Please sir, may I have some more? We consume marketing in this way, and it is sold to us in this way. Are you making enough money? No. Would you like some more? More. Great. We have this marketing thing that will deliver more leads. How much? More. More is good, right? Everybody wants more. No, you dont. If a hundred new prospects showed up at your door tomorrow, would that be a good thing or a bad thing for your business? Bad. You don't have a sales department that can handle it, most likely, most of you. Right? More is not good. More is not bad. More is just lacking a key question. How much more? And that is what you should be - need to be asking yourselves when you're consuming marketing. And that's what we're here to talk about today. But in order to answer that question, we have to get back to what I said at the very beginning. Why? Why are you doing this? What is your definition of a successful business? Remember? I said it had to satisfy your financial, your personal and your professional needs of the owner. And it should be fun. Financially, what does it cost? What do you need to take home? This is an exercise. How many have done this exercise in the past two years? And answer for themselves truly and honestly what it would take to - what it takes to live they way they want to live, lets say two to three years from now. One. Two. The rest of you do this. Three. I mean, and I'm talking about making it real, right? What house do you want to be living in? Not what house to you is fine. Let me not hear the word fine. Right? What car do you want to be driving? What vacations you want to be taking? Those are the easy ones, right? What if you have children, what kind of schools do you want them to be able to go to without that being - without finances being a question?-How what do you want your retirement to look at - like? What do you want to be able to provide to the people you love? What do you want to be able to leave them? What do you want to be giving to the philanthropic, church, community, civic organizations that you believe in? What does all that really mean to you in the life that you would like to have? And then write it down and make up - and make a number out of that. There is a number. And that is your number. And know that house, and know that car, and know those vacations, and know those schools, and know that retirement in your mind clearly. And decide, that is what you are going to have. Because it is in making that decision for now and the future that you can

then decide what your business needs to look like to provide that for you. You get to decide. When I started in my law firm, when I first grew my law firm in Georgia that I became managing partner, the partners at the time when I started there every Friday pulled out the ledger, saw how much cash was in the bank and wrote themselves a check. And that's kind of funny, but that's a lot how we run our businesses. Right? We get what's left over instead of deciding first what we get. You decide your profits first. You decide what the business has got to provide for you. And you do the same thing with time. How much time do you want to work in your business versus on the business? How much time do you want to be working in your business? So in your business, doing the work, how many hours a week? Turning the wheel in the business. 30 hours a week. How much time you want to be working in the business? Yeah, sure. Twenty, good. How many weeks a year do you want to be working in your business? Forty eight. Who likes 48? Forty three. Forty eight is a bad answer. There's 52 weeks in a year. We have two weeks a year, 10 days of holidays. Do you want to work on No. OK, so now we're down to 50, right? Each one of us has about 10 days during the year that life happens. Right? Funerals, weddings, graduations, recitals. Hi, Ethan. Hi, Oma. Stuff that happens - that's another two weeks out of the year. Now we're down to 48. No vacations for you? Do you want to change your mind? Forty four? Forty four, 45. Good. But you make that decision, how much time do you want to have for other pursuits? And again, make it real. I do this exercise - with the money one, I had a woman once in the audience say, seven million dollars a year. She was 27 years old. And there's nothing wrong with that number. If that's your real number, that's fine. But so we did the exercise. We had more than an hour, and we did an exercise. We went through her numbers. You know, where do you want to live? What kind of house? Oh, I want this \$3 million house. Great. How many are you going to buy, right? And how many cars? I want a Lamborghini. How many per year? When all was said and done, she couldn't figure out how to spend more than \$350,000 a year. Anything above that - in the words of Yale Professor Harry Frankfurt - was bullshit. It is just made-up. And when it's bullshit, it's not real, and when it's not real, you won't do what it takes to get it done. You see, the reason we make this real in our minds - and the same thing, I had a different woman in an audience tell me she wanted more time because she wanted to spend it with her friends and family. And then we went through, well, you know, you've got 168 hours, I've got 168 hours. How are you spending your 168 hours? And we went through sleeping, eating, pooping. You know, going to work or whatever - and she had, like, 50 hours left over in a week. So I said, so what are you currently doing with those 50 hours left over in a week? Hanging out with friends at the bar. OK. If the priority is to be with family and friends doing other things - and working out was her other thing - why are you doing this with the free time you've got now? If it's not real, you won't do what it takes to get it done. And then decide your definition regarding - so what do you want your business to do that makes you proud? What does your business exist for to accomplish professionally? Know these things and write them down. This is in the book. Today - this weekend - take some time and figure out these numbers for yourself. This is the beginning of your business plan. Your business plan has to start here. It's not the way most people write business plans, but it has to start here. You have to know yourself, or you can't know your market. How many client prospects must marketing deliver to sales? This is the question you must answer in order to have a good marketing plan. Before - and I want you to buy stuff downstairs from Crisp. I want you to buy stuff from Avvo. I want you to buy stuff from FindLaw. I want you to buy stuff from the sponsors that are downstairs. I do. Because if you do, it will advance your business. But please don't until you can answer this question, or you will destroy your business.

You will do the wrong things. And worst of all, what you're going to do is you're going to buy stuff, and then you're going to complain to them six months later that your stuff is crap because it doesn't work, because it didn't help my business. Because you expected a magic bullet, because you didn't answer this question. Before we can answer that question, though, let's make sure we're clear on the two jobs of marketing. Does anybody know what are the two jobs of marketing? Over here this time. What are the two jobs of marketing? You could name either one, I don't care. Develop leads. Yes, that is the overarching true answer. The first job of marketing is to deliver the right kind of prospects to the right place at the right time in the right quantities so it doesn't blow up your sales department with the right expectations and in the right frame of mind. We'll talk about in a minute what are the right kinds of prospects? Hint - it's not every one. Right? To the right place - the right places when you can deal with them, when your business can deal with them. The wrong place will be when you can't. The presenter with FindLaw this morning was a little bit generous with his time-frames. In criminal law, the shelf life of a client is about 45 minutes, not 14 days. The shelf life of a family law client is about four hours. After four hours, you're battling for the dregs. The good ones are gone. In the right quantity, the quantity that you can handle effectively, with the right expectations. Did your marketing teach them about what you do and give them the right expectations about what it's like to work with you? And the right frame of mind - when they do come to the right place, are they ready to buy from you? Your marketing can do all of that. The second job of marketing is to keep everyone else the hell away and protect the business from the crazy people. OK? We as lawyers - we look at websites out there, you look at advertising, and it's like, I don't want to send anyone away. I might say I do this, but I also do these other things. I've got seven lawyers and we do 28 practice areas. Right? I don't want my message to be polarizing. I don't want my message to send anyone away. In my business, we work with single shareholders of law firms between zero and \$8 million. That's who we work with. We don't work with partners unless they're married or related. We don't work with big law firms. We work with - that is the core of our client base. We're very clear about that. We work with lawyers who want to grow their business. If you don't want to grow your business, I can't help you. We're very clear with that message. Be clear with yours and your marketing. Send everyone else away so that in the limited time that sales has to deal with prospects, you're not dealing with people that you can't - or worse, most of the time shouldn't - be helping. It is unethical to waste someone's time having a sales conversation with you if you shouldn't be helping them. So what we do, and a lot of us do it with our marketing mistakes, is we give too many new client prospects to sales. We get the right kinds of clients coming at the wrong time or with the wrong expectations or the wrong frame of mind. And we have to understand, first and foremost, what the right kind of client is. There are four general kinds. There are four of you in this audience right now. Some clients are true believers. Through your marketing or through what they've heard, they absolutely, unequivocally believe that you can help them with their problem, whatever it is. Those are kind of nice to deal with, but could be a problem later down the road. The skeptics with criteria are my favorite. They're not sure. They have criteria that you need to resolve for them. And then you can make sure that they understand that working with you will be profitable for them. These are the gold. The skeptics with no criteria - be really careful. As soon as you give them - as soon as you solve the criteria they say they have, they will have other criteria. And then when you solve those, they will have other criteria. When you find yourself going down that rabbit hole, figure out how to get out of that conversation. And then there's the naysayers. You know, I don't think lawyers can help me anyway. Again, those are the easier

ones to get out of. They're negative from the get-go. Once you understand these four types of prospective new clients, then you have to understand for yourself what kind of clients you want to work with. Who grades their clients on a regular basis? Raise your hand. And the two of you who do, do either of you fire your clients on a regular basis? Yes. Good. You, no. Who would like to know how to fire your clients on a regular basis? Good, because this will improve your business. Everybody know what the Pareto principle is? Pareto principle? It's the 80-20 rule, right? - 80-20 rule. Eighty percent of your profits in your business will be coming from 20 percent of your clients, as a general rule. There's another Pareto principle in our businesses. Eighty percent of our busywork - 80 percent of what we spend time on - will also come from 20 percent of our clients. The problem is, it's not the same 20 percent. Am I right? Do we all know this? Yes. So this is how we grade our clients. You create a scale. Most of us at the beginning know this by gut. We have A's, B's, C's, D's and F's. We eventually in my firm started developing criteria - speed to pay, how many phone calls they make in a given case, how many phone calls we need to do to chase them for information. Are they a pleasure to be with? Do I feel happy when they've been in the office? Lots of different criteria - you can develop your own as long as you grade your clients on a curve. If you've got A's, you've got F's, B's and D's and C's. Once a quarter, we simply fired the F's - fired them. No conversation - fired them. OK? But in my jurisdiction, you can't just fire someone. The judge doesn't let you out of the - I know, I get it. So you start to fire - and there's always a way to withdraw. Sometimes you can do it right away. Sometimes it takes time, but you start the process. And once a quarter - I'm sorry, once a year and eventually twice a year, we had a fun process where we took care of our D's. We made each lawyer stand on a chair - hope this goes well - with the D, and they had to - and this meeting, this was at a retreat. And we brought all the lawyers, the staff and stakeholders - aka family members and people had a claim on their time - to this meeting. And they had to stand on a chair and recite why the firm should keep this D client. Most of the time, people only got through about a few sentences before they decided, you know. All right, they're fired, too. Where this came to - where the rubber met the road on this was one day when I was the one on the chair, and it was a client who is providing about 35 percent of my gross revenues who was the D. And I was given - I was laid flat, I was preaching. We need to keep this person, this is what makes our money, this is what keeps us going, you know. We can't just lose 35 percent of our - and I watched the faces. And I realized that if I got down off this chair without firing that D, this whole thing was done. And I fired her. And there went 35 percent. On Monday, after the party that the staff threw me a lunch - which was awesome - we got to work. Within 90 days, that revenue was completely replaced with half the work and half the number - half the number of hours being invested. And we had a much happier staff. It was the best thing we ever did. And then the D firings started. That's when we moved it from once a year to twice a year. They started happening more. Now, so what happens, right? I've gotten rid of my F's, I've gotten rid of my D's. I only have A's, B's and C's now. That's great. Why is that great? Because now I've gotten more like the 20 percent that were making me 80 percent. Just think about it - If you just get another 20 percent, if now 40 percent of your clients are like the 20 percent were, you have doubled your profits without any more work. Wow. That's awesome. And it's good for the business. Right? So now I don't have any D's or F's anymore, right? Wrong. Every quarter, you recurve the whole thing. You got A's, you got F's, you got B's, you got - you're just firing better people now. We got to the point where we were firing pretty good people, pretty good clients. But we needed to make room for more A's because we liked profitability. Does everybody like profitability? Yeah. You do this a couple years going, and your profitability will

increase without having to spend another dime on marketing. But here's where this helps your marketing. You do this a couple of times - you get really, really tight on what your A clients look like, and when you go and talk to someone who's going to build your website, when you go and talk to someone who's going to place an ad, when you go and talk to someone who is going to develop - help you develop a talk, you can then tell them who you are targeting. I want more like those. Let's go find them. And you find out who they are in your business. You develop - and I'll talk to you - develop a persona around who they are. And you realize and you figure out where you found them, and you go hunting there more. And don't tell anybody else. Right? This is how you inform your marketing. You decide who you're going after, and you go after more of them. This is a real persona that we built. I think this was for estate planning, right? It's not like we're going to only hire people named Lindsay, or let people hire us named Lindsay. But we've got an idea of who we're looking for, and our marketing was directed at places and people that would be engaged with that message. And then, once we knew who we were going after, then and finally we're ready to do our marketing plan. And it's not please sir, may I have some more? But it's please, may I have exactly what I want. You decide your revenues. You start there. Remember the exercise that you're going to do about how much money it takes to live the way you want to live? You come to that number, and you decide your net income goal. For today's - I'm just going to go through this really quickly. Let's say that your answer was, I want to live the way I want to be living. I want \$500,000 coming home every year - \$500,000. Great. And a well-run single shareholder business should give you a profit margin of about 45 percent. That's all the money you take out of the business that goes home with you. I'll use 50 for this example because it makes the math so much easier. All right? So let's say it's 50 percent. So if it's half a million going home, my gross revenue has got to be a million dollars. What's your average case value? I know your cases range all over the place, but if you look at all the cases you took and you closed last year and all your revenues from last year, divide the one by the other, you'll get your average case value. Now you know your average case value. For again, for the purposes of this, let's call it \$10,000. If I need a million dollars in gross revenue and in my average case value is \$10,000, I now know I need 100 new cases. I need 100 new cases this year. That's 8.3 per month. I need 8.3 new cases every month. When I meet with 10 clients, how many hire me? But again, let's use 50 percent right now. Your numbers may be different. If I need 8.3 per month, I need to meet with 17 prospects. Now I've answered the question. How many prospects does marketing need to deliver to sales to make my million Seventeen. Now I can go shop some marketing, right? I need 17 - I don't need 25, I don't need 15, I need 17 new prospects every single month for an at-bat in a sales conversation. I need 17 prospects that look like Lindsay. So I could have that conversation. And I'll convert half. All right. Well, that's all well and good - 17. How do I do 17? This is where you get to developing your marketing plan. You should pick for - whose revenues are below \$250,000 a year in their firm in the room? OK? Who's between 250 and 500? And above 500 to a million? Above a million. OK. Below 500 - you should have four to six marketing campaigns going at any given time. Between 500 and a million, you should have six to eight, above a million you should have more than eight. The way I like to do it - and so what you do is you build a marketing plan for each. OK let's say it's four, right? And we need 17 new clients. So we're going to say, OK, marketing plan A is responsible for four prospects. B is responsible for four, C is responsible for four - that's 12 - and D is responsible for five. Because each one, each marketing campaign, will look different, but each one follows the same - the same basic steps. Let's work our way up the funnel. We know we need - let's talk about D. We need five from D. All right -

five people to have a sales conversation. Then we figure out what is our show-up rate. For everybody that schedules that appointment, how many people show up? Let's say it's 80 percent. So five divided by 80 percent - I'm going to do my little calculator - five divided by 80 percent is six - seven, let's say. So we need to actually have seven people schedule an appointment. Great. Now, whatever method they use to schedule the appointment usually comes after they take some action on our website or on - from some called actually that we've done, whether it's on a radio program, a website, a speech we've given, whatever. They've taken a call to action. And let's say about 10 percent of the people who take the call to action to actually book an appointment. So it's 10 percent of people who take the call to action that book an appointment, how many calls to action do we need realised? Seventy. And depending on what kind of thing you're doing, your people who are exposed to your message, a certain percent will take a call to action. In a one-on-one talk, that number could be around 10 to 15 percent a lot of the time. If you're doing pay per clicks, sometimes it's as low as 1 percent or even lower. If it's pay per click, and we need 70 calls to action done, and it's 1 percent, how many people do we need to expose to our message? Seven thousand. Seven thousand clicks. That's a marketing plan. That is how you build the marketing plan. You work your way up from the goal of five appointments from this line here, and you work your way up. I need to buy 7,000 clicks - done. And then you go to a vendor, and you get them to help you do that. If it was a speech, you only need to be in front of maybe 70 people, right? Or 700 people - sorry, so maybe you need to do seven rooms of a hundred, fourteen rooms - whatever it is. And you can assign them different (unintelligible) for numbers. If it's - all of them are different, but you can buy your impressions by the thousand. But you know exactly what you're shopping for now, not more, not less. Now, the first time you do this you will be wrong. You will get the numbers wrong. That's OK. You have a hypothesis for each one about how it's going to work, and then you measure the results. And you adjust the spend, you adjust what you're doing in each one. The wonderful thing about today is, we get to adjust it every month. We can adjust it every week. We watch what we're doing, and we adjust it so that they are delivering what we expect. And then we keep one thing in mind. When I say you've got four, what you really need to do is develop six, and on two of them, you turn the spend all the way down because there's something magical in marketing that happens. Every marketing campaign that's working today will one day stop working. Don't know why - it just will. And so that your business, which needs to deliver month after month after month after month the money that you need to live life the way you want to live, to deliver you back the time and the professional results - you can't afford to spend six to eight weeks figuring out why 25 percent of your marketing just stopped working. So what you do is, when it stops - when you watch those numbers, those numbers go down on one of your marketing campaigns, you stop spending on that one. You turn up one that you've tested and know does work. And then you come back and figure out why it stopped. Sometimes you have to change a keyword. I was working with a firm that does a probate. And the keyword fair was working. And then it stopped working. And then they went out with just results, and that one worked. But we didn't stop the revenue while we took two to three weeks to figure out which keywords would actually start working that campaign again. We figured it out on low while the other marketing campaigns kept on going and filling sales with what sales needed in order to bring the revenue to the firm and keep the firm running. Any questions on it, building a funnel? Does that all make sense? Yeah? Cool. Now, depending on your revenues - so I just want to talk about what kind of marketing you should be doing, what should be in these one, two, three, four, five, six different things you're doing. If you're below \$250,000 please focus

on things that bring revenue in quickly. And I'm going to show - give you a link to ideas of what you can - what kind of things those are. But one mistake that people do is, they look at good and successful firms, and look at what they're doing, and say, OK, what I'm going to start is, since that made that firm successful, I'm going to do that. I made this mistake. Don't focus and invest a whole lot in branding if you're below \$250,000. Don't focus on things that develop knowledge that the people that you want to serve might have a problem or might have an opportunity they don't know about because that is a three to six month sales cycle. Right? Below 250, you are focusing on people who know they have a problem and already believe that you, as a lawyer, probably can solve that problem for them. Above 250, you can start working with advertising and marketing that talks to people about a problem or an opportunity that - where they think a lawyer might be the solution to that problem. Above that, you can deal with people who have a problem or opportunity, and they're just out there looking for a solution, but they're not - they haven't even thought that a lawyer might be the right person to handle that. And above that, you can actually help people identify problems or opportunities. A patent lawyer that I work with, right, would give one of his marketing campaigns that he was doing over a million dollars a year - one of his marketing campaigns that he would free of charge go into a business and say, I'm going to hang out for a week, and at the end of the week, I'm going to tell you what patentable things you've got, or what intellectual property you've got that you should protect. And then if you want to, you could hire me to do it or not, but this is free. That was his marketing. You know, if you're looking to pay the mortgage next month, that is bad marketing. If you're humming along at a million dollars a year, that is a great marketing because you're going to get the bigger-ticket clients doing it that way. A hundred and fifty one ideas - and this is in your book, so you don't have to hurry up and write it down - 151 ideas for what you can do to market your solo law firm, [howtomanageasmalllawfirm.com/151marketing](http://howtomanageasmalllawfirm.com/151marketing). So that - you can pursue those there. Any questions about that? All right, let me just touch, then, on one last aspect of marketing that I think lawyers really, really - who loves marketing, by the way? Raise your hand if you love marketing. Good. A few of you. Most lawyers don't. And when I do this talk at a non-marketing conference, it's like one hand. Who loves networking? Two, three. Most lawyers don't like networking. And so I'm going to spend just a little bit of time - how using this key part of marketing, because marketing is networking, can work for you. I'm going to call it super networking. Has anybody - who's heard of Girard's Law of 250. OK. Gerard's Law of 250 basically is - if you were given an unfettered budget and money's not an object, how many people would come to your wedding or your funeral? How many people know you well enough that they would come to your wedding or your funeral. The average number is about 250, give or take. You probably couldn't sit here and name them all. But that's - when you actually spend the effort, the number comes out to be about 250. If you wanted to build it, you start with top of mind. Who do you just start writing down - this is an exercise that's in the book also and you can do later. You write down who do you know? Then you could, like, go down professions, write, well, who do I know that's an attorney? Who do I know that is a banker? Who I know that's a - what's a C-profession? - a computer specialist. Who do I know that's a - whatever. You go to their professions. You could draw last names. You go down first names. And you will come up with about 250 people. Fortunately, technology has made this a little bit easier. And we can find those 250 people somewhat easily on stuff like LinkedIn and Facebook and other things like that. And this is your sphere of influence. But the cool thing is that they each also have a similar sphere of influence. And don't get me wrong, these are not - at least most of them are not people who are going to buy services from you.

They are people who can be referral sources to you. These are people who have, for the most part - some of the 250 people you know might not like you very much. But most of them should know, like and trust you to some degree. And when they tell someone else about you, they transfer that know, like and trust. And all things being equal, people will rather do business with someone they know, like and trust than not. These are people that will help you - will be your brand ambassador. And if you just go to the first level, you have access to a market of 62,500 people. If you get people to know what you do and how to refer you business. And this is where networking versus net-socializing comes in because we mostly get networking wrong because networking is not selling. You should never go to a networking event trying to sell anything. Networking is not about distributing business cards. What is the reason, the only reason - there's only one reason to ever give out a business card. What's the reason to give out a business card? Why do you - do you give out business cards? Yes, no? Never?

>>So people will remember you.

>>Wrong. What's the reason to give out a business card?

>>So they'll know how to get in touch with you.

>>Nope. What's the only reason to give out a business card? Because they're going in the trash. What's the reason?

>>(Inaudible).

>>To get one, yes. The only reason to give out a business card is to get one because almost nobody will do what you ought to be doing once you do get one. You give out a business card to get one. So it's not about shaking hands and it's certainly not about you. Anybody who thought that giving a business card was to get that information, you're starting to make the networking about you. And you go to the networking event with the wrong expectations. And we wonder why they're not as effective as they could be. It is all about them. Your goals when you go to a networking event should be as follows. You are there to talk to key influencers. If Tom Bolt's not one of the people at the networking event, how else do you identify who the key influences are? When you get into a networking event, take a moment, step back and look at the room. Circles will form in the room. And there will clearly be someone towards the center of each of those circles. Those are the people you want to talk to. Make your plan of how you're going to talk to them. By the way, who in this room knows whether they're an introvert or an extrovert? If you know you're an introvert, raise your hand. OK. And if you know you're an extrovert, raise your hand. OK. Normal distribution, about 60-40 favoring towards introverts. I am an introvert. But you're up on the stage doing a speech. Yeah, this is the safest place for an introvert, by the way. The definition - everybody understands, right? - the definition of an introvert is if I sit down and have a conversation with you and then with you and you with you, at the end of that I am wasted. I am done. I - by having a conversation with you, I give energy. I lose energy. It's not anything to do with you. It's about me. But I just know that about me. Extroverts - the more people they talk to, the more energized they get. I don't get these people, but they exist. I've seen them. And so if you're - particularly, if you're - if you are an introvert, you make this plan. And you make your number goal small. My goal for most networking events is three. I'm going to talk to three people because after three people, as soon as I

start having a conversation with the fourth person, you know what's going on in my mind track? How am I getting out of this conversation? How am I going to - I mean, as soon as I'm like, hi, my name's Chris Anderson, I'm thinking like, wow, where's the door? You know, how do I get out of here? So three is my number. And I don't mind that because it's times 250. I'm trying to access their sphere of influence. I talk about their favorite topic. What is everybody's favorite topic?

>>Themselves.

>>Themselves. I talk about themselves. And, by the way, I'm really bad at this. So there is a guy named Bob Burg who wrote a book called "Endless Referrals," and he, in his book called "Endless Referrals," has a list of 10 questions that you could ask them to get them to talk about themselves. And I just sort of memorized these 10 questions. And I also keep them on my phone so that when I go braindead I can look at my phone and get these 10 questions and ask them. And your main goal before you disengage from this conversation is, one, to get their business card and, two, to get the answer to this question; how can I refer you business? Listen, in my - I get around the world. I meet a lot of people, and I'd love to be able to send you - refer you some business. How would I recognize an A-client for you? And if they don't know, which a lot of people don't know the answer to that question, you say, well, let's talk about who your best clients been in the past year. And you just drill down and drill down and drill down and you'll find out who their A-client looks like. Even if they reciprocate and clearly need your service, do not sell and do not ask for a referral. Turn it around and get back to how can I send you business? When they go home, they will think about what a lovely conversationalist you were. But remember, they don't know, like and trust you yet. If they do refer you business, it's going to be a one and done. Don't waste the opportunity. And then, follow up. And I'll talk about follow up in a second. Now, of course, when you do go to these things, eventually, someone is going to ask you, what do you do? And so you should have a magic statement prepared for that occasion. Does everybody know what a magic statement is? No. It's kind of like an elevator speech. What's your magic statement? What do you do?

>>Marketing.

>>OK. That's not a magic statement (laughter). You know, I'm a family lawyer is not a magic statement. People don't get that. It doesn't tell them how to refer you business, right? And you want to get out of that conversation as quickly as possible. So give them a magic statement. Does anybody have one? Yes.

>>(Unintelligible).

>>Closer. Yes. I know that now. Like, injured workers are your clients. The zealous advocate, that helps me know that you're passionate - that's not bad to have in there. I like to think about it as I help - who do you help? Who's your A-client? - with what kind of problem? Not a legal problem. Nobody has legal problems. By doing what? And that's what yours is missing. All right. If you had a by - very short by that would differentiate you, that just helps with the magic statement. But, again, nobody - everybody understands that nobody hires lawyers to solve legal problems? Does anybody not believe that that's true? OK, good. So I don't have to explain it. Like nobody hires...

>>(Unintelligible).

>>OK. Nobody hires - a lot of lawyers out there - if you look at websites, you'd swear that people hire lawyers to solve legal problems. They don't. I've been sued for \$10 for a lost videotape in Gaum. All right. I've got a legal problem. I am not hiring a lawyer. People hire lawyers to solve personal problems. A personal problem is a problem that impacts you in one of three ways. And if this starts to sound like the same three ways that you should understand how to drive your business, good for you. Their money - if they've got a problem that's impacting their money, they might hire you. Their time - if they have a problem that is impacting their time, they might hire you. Their reputation - if they have a problem that is affecting and impacting their reputation, they might hire you. If it doesn't impact one or more of those three things, move on. Why move on? Because you can't make them a profit for working with you. You can't provide value for your service that exceeds the fee that you will charge. You need to move on. When you have someone that comes to you that says they're in it for the principle of the matter, move on. Unless you can identify - now - what - now, don't misunderstand me. Don't misunderstand me. Your clients don't know how this impacts their time, their money and their reputation. Some of them do. Some of them don't. And this goes to a whole conversation about sales, which is another hour, which I don't have, which I'll - you know, if you wanted, I'll be glad to send you some stuff on sales. But you have to help clients identify all three - how the problem affects them there, so that you can communicate the value of your services to them. But your magic statement helps your - the referral source understand how to send you business - how - what it is you do and how you do it. And I see I'm coming up towards the end of my time. So I just want to say, are there any questions about networking or the marketing plan ideas that I talked about? Good. There we go. So summing it up, becoming - honestly, marketing - the owner of a law firm, we often do many things at our business. But the three most valuable things that we do are marketing and sales and client development. High-level legal work is the fourth. Marketing, sales and client development - if you do those three three things exceedingly well, that is the most value you can bring to your law firm. Anything else you do in your law firm brings less value, which reduces the amount of revenues you can bring home. Remember this adage. When - if you pick up the phone in your law firm and you don't have an appointment to speak to the person on the other end, you are a receptionist for that point of time. If you're doing your books, you are a bookkeeper. If you're doing paralegal work, you are a paralegal. If you are doing low-level legal work, you are an associate. And whatever job you are - if you're ordering paper, you're an office manager. Whatever job you are doing during a period of time - for an hour, a half an hour, a quarter of an hour, two hours, half the day in your law firm, the maximum value you can bring to your business during that time is the least you could pay someone else to do that job competently. And by competently, I mean to your standards. But there's really - you could hire a really competent receptionist for \$15, \$20, \$25 dollars an hour. By doing the high-level work, the marketing and the sales, you should be able to bring to your law firm \$300, \$400 dollars an hour of value. And to the extent you pick up that phone, you are robbing your shareholders of \$375 worth of value per hour. You're taking it out of their pockets. You're taking it out of the pockets of your goal. You're taking it away from your ideal life. So spend time understanding these things about how to build a marketing plan to help you become a more happy lawyer, because when our business provides us with the three things that we talk about, that makes us happy. And when we are happy lawyers, we are not sitting across the desk from a client thinking about our own problems, we're thinking about theirs. When our marketing is delivering the right prospects month, after month, after month, after month, we are not sweating whether or not the phone's going to ring tomorrow.

We're focused on our client's needs. And we're able to provide more value. And the key to this is simply making it real. Do the exercise on the goals. Make them real. Make them so real that failing to meet them hurts because some of this - doing the networking, setting up those marketing plans, doing the testing - these are things we're not familiar with. They're outside our comfort zone. And we don't like to do things outside our comfort zone. And we will think up lots of different reasons not to do things outside our comfort zone, unless it causes us pain. I think the guy this morning that spoke for fine law put it very well. We are much, much, much more motivated by losing things. We have greater loss aversion than to getting things. So you have to make your goals real in your mind, such that not attaining them is a loss. Does that make sense? No? So who's going to go and do it? Who's going to build out their ideal lifestyle in the next two weeks? What is the number one - write this down in your book - what is the number one, no excuses reason why you're committed to improving the performance of your business? What's the one reason that you've got to do this for yourself? So you can be happy lawyers. But that's not enough...

>>(Laughter).

>>...Because that's not real, right? Because you can be happier or less happy or still happy. But if I don't meet that goal, I didn't meet the goal. And I have to give up something that I believe that I want. And I asked you to start this thing with thinking about why. I'd like to end it with you thinking about - why not you? Why are you different? Why are you different from the hundreds of lawyers that I help year, after year, after year to double their business year, after year, after year until they reach their goals? Why are you different? And come and tell me. And I'll help you fix that. All right? That's it. That's what I've got. Thank you very much.