

Setting a Marketing Budget for Small Law Firms

Every small business owner knows the importance of marketing and some are wise enough to document and measure against a plan. Outside of measurement, perhaps one of the most overlooked aspects of marketing in small law firms is allocating a marketing budget. Some lawyers just wing it. Others have no plan. Below is a streamlined way to allocate aspects of a marketing budget for your firm.

Disclaimer #1: not every marketing tactic in the universe is applicable to your practice.

Disclaimer #2: the list below is not intended to be all-inclusive.

Disclaimer #2: without a clear marketing strategy, tactics (e.g., developing a website that people can find, referral groups) are disconnected and inefficient.

Overall Marketing Budget Rule of Thumb: spend between 3% and 15%¹ of your gross revenues per year, depending on your practice area(s), how long you have been in business, and your business objectives. Ideally, the longer you are in practice, the less of a percentage you need to spend on marketing.

Suggestions on How to Break it Down:

Bucket	Examples	% of Marketing Budget ²	Tips
Currents and Past Clients	<ul style="list-style-type: none"> • Breakfasts, lunches, dinners • Relationship building events • Gifts • Feedback (surveys, 1-on-1s) 	20-30%	<ul style="list-style-type: none"> • Current and past clients are much easier to engage than prospects. • Client feedback provides great insights that can help your business grow. Do not under estimate its importance.
Online Marketing	<ul style="list-style-type: none"> • Website design and maintenance • Social Media • Blogging • Content • SEO • Newsletters 	30-60%	<ul style="list-style-type: none"> • Invest early on in a good website. • Content is king, not search. • Find (and use) experts in these fields – make sure they measure results.
Networking and Events	<ul style="list-style-type: none"> • Memberships in industry, social or professional organizations • Memberships in referral groups • Networking events and trade shows • Seminars and CLE • Business Cards 	20-40%	<ul style="list-style-type: none"> • Be specific and intentional on where you spend your money and time here...track conversions. • Take advantage of “free” opportunities.
PR and Advertising ³	<ul style="list-style-type: none"> • Press Releases • Interviews • Internet/Social advertising • Radio/internet radio • Television • Print (magazine, newspaper, trade) 	5-15%	<ul style="list-style-type: none"> • Any portion not used here should be reallocated to the bucket above that gives you the most return on your dollar. • Take advantage of “free” opportunities.

¹ <http://www.the-attorneys-atm.com/attorney-marketing-budget.html>

² Percentages intentionally do not add up to 100% and vary depending on your practice area(s), how long you have been in business, and your business objectives

³ Depending on your practice area(s) some of these may or may not be appropriate for you