275-APR N.J. Law. 40

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In This Issue: Business Development and Marketing Feature

MARKETING DIVERSITY AS A COMPETITIVE ADVANTAGE

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In the business of practicing law, the skill of marketing is a critical attribute for success. Marketing is at the core of building a thriving law practice. Each attorney interested in growing, whether practicing at a large law firm or running a solo practice, should identify and nurture his or her strengths, and learn to aggressively put them on display. A strength that is often discounted is the advantage of diversity.

Today, more than ever, the ability to market diversity is a benefit that lawyers and law firms tend to overlook. The typical law firm website and brochure may include a diversity commitment statement and a list of accolades awarded for alleged strides in diversity, but are often silent regarding whether they actually have a diverse team of lawyers. This may be a result of a marketing oversight, or failure to achieve diversity. In either case, this article addresses the importance of diversity and the impact it can have on marketing when law firms attempt to relate to an ever-expanding diverse clientele.

The Facts on Diversity

The figures reported by the 2010 U.S. census confirmed that diversity in this country has steadily grown. According to those figures, whites now make up 72.4 percent of the population, but that figure drops to 63.7 percent when you only consider non-Hispanic whites. ¹ Notably, the term "white" includes a highly diverse group, in that it is defined as "persons having origins in any of the original peoples of Europe, the Middle East, or North Africa." ² The other major groups are Hispanics, which account for 16.3 percent of the population, blacks or African-Americans at 12.6 percent, and Asians at 4.8 percent. ³ Similar to the term "white," the terms "Hispanic," "black," and "Asian" each consist of a highly diverse set of peoples. Thus, these general racial or ethnic categories merely scratch the surface in identifying diversity within our communities, but at minimum are great indicators of that fact. When other aspects of diversity, such as gender and religion, are considered, no doubt exists that we live in a complex society where homogeneity is no longer preferred.

The business community also has grown far more diverse. According to the Senate Democratic Policy Committee, over the past decade minority-owned businesses have accounted for over 50 percent of new businesses started in the United States. ⁴ The same committee reports that the nation has over four million minority-owned companies with annual sales totaling \$694 billion. ⁵ Hispanic-owned businesses alone increased by 31 percent between 1997 and 2002, and today total 1.6 million. ⁶

These figures reflect a growing trend that is not limited to small businesses. Indeed, the decision makers in corporate America also have grown more diverse. According to recent *41 figures, 17 percent of all Fortune 500 general counsel

MARKETING DIVERSITY AS A COMPETITIVE ADVANTAGE. 275-APR N.J. Law. 40

are women, and 7.6 percent of all general counsel are minorities. ⁷ Further, corporate America has made a commitment to diversity, and demands that their legal representation reflect the diversity of the communities in which they do business.

Unfortunately, the legal profession does not reflect the unfettered growth in diversity experienced by the business community or the population at large. In fact, minority attorneys merely account for 11 percent of the profession. ⁸ This number becomes far grimmer when you compare the percentage of Hispanic or black attorneys to the overall population. Although Hispanics comprise 16.3 percent of the population, they only account for 3.4 percent of all attorneys. ⁹ Likewise, blacks make up 13 percent of the population, but represent only 4.3 percent of the profession. ¹⁰ Despite our communities becoming far more diverse, major U.S. law firms have become less diverse in the past few years. ¹¹ Clearly, these unfortunate trends reveal that law firms are missing opportunities to generate business. This is especially so, since the business of law relies heavily on an attorney's relationship and ability to relate to clients.

These statistics, combined with the notion that an attorney's practice is built on his or her network and relationships, support the fact that law firms of all sizes can benefit from marketing diversity. Corporate America has already made a demand for diversity that corporate law firms are trying to meet. In fact, leaders from both sectors joined forces in 2009 to create the Leadership Council on Legal Diversity with the goal of advancing diversity within the legal profession. ¹² The statistics reveal, however, that the growth of small- to middle-market minority-owned businesses has created a market that will undoubtedly require legal representation. Moreover, personal legal services are always in demand.

It is far easier to gain clients from a diverse community if a firm reflects such diversity; therefore, law firms of all sizes may benefit from diversifying their ranks and marketing diversity. Such efforts will assist with building relationships within this increasingly growing sector of minorities and minority-owned businesses.

Marketing 101--The Basics

Marketing diversity is just one factor in developing business; therefore, its success lies with the law firm's or individual attorney's ability to master the basic skills of marketing. Obviously, an attorney's reputation, competence, and ability to serve his or her clients are determinative of whether he or she will be successful within the profession. This is a given that needs no further discussion. Instead, the focus here is on the other factors necessary for marketing. At its core, a marketing strategy should have a value proposition; the basis on which clients will choose one firm's services over another's. The key is to develop a competitive or differential advantage over the competition and ensure that clients perceive and value that advantage. This process requires the firm or attorney to develop a consistent image, research their clients and potential clients and understand their businesses, build rapport, and serve their clients beyond providing legal services.

Every marketing strategy begins with the creation of an image, market research, and networking. Regardless of a law firm's size, developing a brand or creating an image is a basic and noteworthy marketing tool. A law firm's business cards, stationary, website, marketing materials, logo, etc. all speaks to who the attorney or firm's team of attorneys are. It is vital to ensure that the image remains consistent, highlights the firm's attorneys' legal skills and reputations, and portrays the firm's competitive advantage. Equally important is conducting market research in order to determine who needs the firm's services (*i.e.*, the target market, how the firm will reach potential clients in the target market, who the firm's competitors are, and how best to promote the firm's competitive advantage within and beyond the target market).

Simultaneous with taking the aforementioned steps, each attorney at the firm should be developing his or her network and identifying potential clients. The initial step to developing a network is to create a list of contacts. It is important

MARKETING DIVERSITY AS A COMPETITIVE ADVANTAGE. 275-APR N.J. Law. 40

not to overlook the networks that the attorney or firm already has (*i.e.*, old classmates, friends, and family) and consider expanding on them by finding commonalities between attorneys and individuals in the target market who may already be in the firm's current network or know someone who is. This list of contacts should grow exponentially, because each attorney should strive to network every day in varying venues--at professional events, the gym, beauty salon/barber shop, doctor's office, child's school, restaurants/bars, dry cleaners, etc.

In order to network effectively, however, those in the network must know what it is the attorney and the firm are capable of doing and have done, so the firm's services are sought and/or work can be referred. Likewise, potential clients who seek services outside the firm's practice area should be referred to an attorney within the network who is equipped to handle the matter. The potential client is better served, and the firm begins to establish referral relationships with other attorneys. This also reinforces the "who you are" aspect of marketing by educating the public and those in the network on the services the firm provides.

Once clients have been retained and *42 potential clients have been identified, it is essential that each attorney commit to understanding their client's and potential client's needs and goals in order to better serve them. This permits attorneys to perform everyday tasks, such as reading the newspaper, and forward relevant articles to clients or post them on the firm's website, Facebook page, or LinkedIn page. With one simple click of the attorney's mouse, he or she is staying at the forefront of the client's or potential client's mind, while also solidifying his or her commitment to that client or potential client.

Further, such knowledge of the client's or potential client's needs and goals will provide the attorney with the ability to serve the client or potential client beyond just legal services. For instance, when the attorney learns of a business opportunity that may be of interest to a client, he or she should pass along that opportunity to the client. The attorney should also connect clients that are unaware of each other to further the respective business relationships. Similarly, all attorneys should attempt to get to know their clients or potential clients on a personal level, in order to find commonalities. Such efforts can assist with building trust and long-lasting relationships.

The Strength of Marketing Diversity

A review of a major law firm's website will likely produce a page dedicated to diversity and the firm's effort toward workplace diversity. Whether the firm considers diversifying to be a socially responsible initiative or good for business, or both, is of no consequence. The bottom line is that marketing diversity has already been acknowledged to be of some importance. Not surprisingly, many mid-size and small firms will also have a section of their website or literature dedicated to a discussion of their diversity efforts. For a firm to market diversity successfully, however, it must actually be diverse and decide to emphasize that fact to underscore its competitive advantage.

Deciding to emphasize diversity is an important first step in a firm's marketing efforts. Many young attorneys spend their first few years trying to 'fit in,' attempting to emulate the traditional, conservative, white, male attorney. Although this perception may be misguided, not all law firms have taken steps to develop a more inclusive environment, or one that truly embraces diversity.

Diversity is far more than ensuring that certain percentages of a firm's staff satisfy specific categories of individuals. True diversity is the result of bringing together individuals from various backgrounds and unique experiences. It provides educational and economic value and enhances creativity, but in order to be achieved each attorney must be considered a member of the team, and not merely a statistic. Thus, to embrace diversity, firms must encourage participation and

MARKETING DIVERSITY AS A COMPETITIVE ADVANTAGE. 275-APR N.J. Law. 40

demonstrate acceptance so that the concept of fitting in is no longer tied to the myth of having to emulate what one simply is not.

A firm with a diverse team of attorneys will reflect the community at large, and will be able to market that diversity as a competitive advantage.

Marketing diversity through the basic skills discussed above can be a powerful tool. Being able to market diversity as a part of an attorney's or firm's image will set the firm apart from competitors, and that difference may be just what clients or potential clients relate to. With this in mind, the firm's diversity and commitment to diversity should be expressed as part of its image throughout its marketing materials, literature, and website. The firm should outline how it is diverse, and explain the benefits of its diversity, (*i.e.*, the inclusion of ideas and creative solutions). Further, the firm and its attorneys should be active throughout the communities they represent, in order to establish a presence and build relationships. The firm's culture of inclusion may also be reflected throughout its offices. This course of action will express to the firm's clients or potential clients a sense of cultural understanding that builds comfort, trust, and the ability to relate.

By marketing diversity, a firm can create a genuine and inviting image and atmosphere. A diverse team of attorneys increases the probability that existing and potential clients will relate to the firm, thus expanding its reach to a more diverse clientele. An atmosphere of inclusion also helps to establish a sense of trust and security in the relationships a firm is developing.

Clients prefer to spend their money on a competent and effective attorney they relate to, trust, and consider an acquaintance or friend. A firm will not be considered part of a client's team if its attorneys are merely viewed as hired hands. Therefore, once a firm has convinced an existing or potential client that it can perform the services requested, it is likely to gain a competitive advantage if it has embraced diversity and developed a team of attorneys clients can relate to, and who will build relationships with the communities the firm hopes to serve. Undoubtedly, this slight edge over the competition should be marketed.

Conclusion

Marketing diversity can be a powerful tool; it broadens a firm's reach to obtain clients and further builds relationships. To be successful, however, the value of diversity must be embraced and become a part of the firm's culture. Quoting firm statistics or a firm's diversity policy is simply not enough. Clients or potential clients will know whether a firm is merely providing lip service for financial gain. Similarly, the diverse *43 client (or a client that strongly reflects diversity) must also feel accepted and understood in order for a lasting relationship to develop. Accordingly, if a firm is serious about developing stronger relationships with clients by building a culture of inclusion reflective of its clients, then marketing diversity is a necessary next step of that culture change, and will likely provide a competitive advantage.

Footnotes

- Michael J. Plata and Michelle A. Ferrer are partners with Plata Ferrer & Gutierrez LLC. The authors' law firm provides litigation, corporate, and estate planning services and targets businesses and business owners from traditionally under-served communities. The authors acknowledge the assistance of their partner, Antonio Gutierrez, in preparing this article.
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MARKETING DIVERSITY AS A COMPETITIVE ADVANTAGE, 275-APR N.J. Law. 40

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- 6 *Id.*
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- 9 *Id.*
- 10 *Id.*
- Diaz and Dunica, *supra* note 7 at 948.
- 12 *Id.* at 953-54.

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