

Global Survey

Majority of Law Firms Missing Benefits of Client Feedback

MANY LAW FIRMS PRIORITISE THEIR MARKETING AND BUSINESS DEVELOPMENT OBJECTIVES TO HELP THEM WIN NEW CLIENTS, BUT HOW MANY TAKE A STRATEGIC APPROACH TO LOOKING AFTER THEIR EXISTING CLIENTS AND HAVE DEDICATED CLIENT RETENTION PROGRAMMES IN PLACE?

A LexisNexis Martindale-Hubbell survey has revealed that 59% of law firm leaders are not prioritising customer feedback programmes.

A new global study of client feedback initiatives found that the majority (52%) of law firms still do not have a structured client feedback programme, but those that do generally find the feedback to be instructive in improving client relationships.

The survey of 415 senior personnel at law firms around the world shows a stark division among respondents about the value placed on client feedback. In total, 83% of survey respondents “agreed” or “strongly agreed” that clients value the opportunity to provide feedback to their lawyers and law firms. In addition, more than 70% of firms report adjusting firm behaviours in response to feedback received.

However, despite the importance firms place on obtaining feedback and the acknowledged benefits gained from well-executed feedback initiatives, worryingly 56% of all respondent firms admitted their lawyers were “ambivalent” or “not enthusiastic” about their firm’s feedback efforts.

These findings are based on a global law firm survey on client feedback initiatives among the world’s law firms. Commissioned by

LexisNexis® Martindale-Hubbell®, the research was conducted by the Wicker Park Group, a consulting group specialising in client feedback initiatives for professional services firms.

The most surprising aspect of this survey was the reasons given by firms for not seeking feedback. For example, 38% of respondent firms reported insufficient staff or resources as the main reason for not doing so. Yet, among those firms that do seek feedback, 64% invest less than 5% of their firm’s marketing budget to obtain it. Considering that feedback can be collated with relatively little effort and the clear benefits it brings to client retention and profitability, one wonders why so many law firm leaders would not want to make this impactful investment.

In general, the survey found most law firms that ask for client feedback do so for genuine service development reasons. They typically want to measure client satisfaction or improve the firm’s level of client service overall. Leveraging a client feedback programme to identify business development opportunities or generate additional revenue are secondary considerations.

Firms currently seeking formal feedback from clients regarding its service and performance?

All	48%
Africa	48%
Asia	40%
Canada	64%
Eastern Europe	63%
Latin America	57%
Middle East	48%
USA	46%
Western Europe	48%

The survey also casts doubt as to whether firms that currently organise client satisfaction surveys actually act upon the feedback and share learnings throughout the firm.

Firstly, client feedback tends to be shared within firms on an informal basis, rather than via detailed reports with planned follow-up strategies. Moreover, it appears that feedback may not always be shared as openly as possible, with only 51% of firms agreeing that feedback is broadly and openly shared, and only one-third of all respondent firms saying they communicate feedback to lawyers and other staff that actually deal with the client.

Firms that proactively use insights given by clients are more likely to improve and protect a relationship in the longer-term. Corporate counsel report that one of their biggest frustrations is giving feedback that is neither properly fed back to relevant parties in the firm, nor acted upon.

The overall responsibility for leading client feedback programmes tends to fall to managing partners (53% of all respondents). However, perhaps surprisingly, managing or marketing partners are also nominated as those responsible for collecting feedback on behalf of the firm.

In relation to the feedback gathering process itself, written/electronic surveys or face-to-face interviews are by far the most preferred methods used by 48% and 47% of all survey respondents respectively. In contrast, collecting client feedback by telephone is not a popular option, except in one-quarter of cases where it was used by client relationship partners as part of their management of key clients.

Looking ahead, 56% of respondent firms have plans to obtain client feedback in the future. Of those firms, nearly half expect their feedback efforts to increase



“somewhat,” while only 17% expect their efforts to increase “substantially.” Only 2% of this group expect to decrease client feedback efforts.

Overall, research suggests that, in the future, the majority of law firms will have feedback programmes in place,” concluded Martindale-Hubbell’s Derek Benton. Given that clients are increasingly more demanding and the legal sector ever more competitive, it is

expected that law firms will want to take positive steps such as seeking client feedback to aid client retention and ultimately boost their financial performance.

To obtain a free copy of the summary or full report “Global law firm benchmarking survey on client feedback initiatives and best practices,” visit: www.martindale-hubbell.co.uk/feedback. ●