LawNet

LawNet Mark of Excellence

Lessons for law firms
The client experience

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Further, together

A dissatisfied customer will tell twice as many people about their experience than a happy customer

White House Office of Consumer Affairs

Introduction

The link between customer experience, loyalty and financial performance is well established. Leading organisations are long past debating the relative importance of customer experience management. Now they are focused on mastery, as the customer journey becomes ever more complex and the **touch points more numerous.**

Here at LawNet, we believe that law firms need to embrace some of the attitudes and techniques of the most successful businesses in other sectors to succeed in future. At the top of that list is fostering a commitment to delivering excellent service, by truly focusing on what clients want.

Visit the majority of law firm's websites and you'll find them all claiming to deliver superior client service. Yet research conducted by the Legal Services Board in 2012 said that 55% of clients claimed that the service they received was poor or not good enough, and a study by YouGov showed that only 20% of clients had been asked what they thought about customer service by their law firm.

Alongside, we know from Legal Ombudsman figures that complaints against law firms are often caused by poor communication and in particular a lack of transparency and clarity about pricing.

Add to the mix that it costs six or seven times more to acquire a new customer than to retain an existing one and that the majority of people find their lawyer through recommendation or because they have used them before, and the customer experience adds up to a huge opportunity for law firms.

Reinforcing that background, the Institute of Customer Service recently predicted that a key trend for 2015 will be heightened customer expectations, meaning that poor service will lead to lost customers and a negative impact on financial performance.

They also suggest that there will be ever more pressure on organisations to implement continuous improvement and innovations to keep pace with their customers' expectations, with key areas of focus being ease of doing business, speed of response and availability.

The legal sector cannot be immune from trends in other sectors, as clients are bringing expectations framed by their experiences elsewhere. Keeping up with the pace of service change is the challenge faced by everyone.

4%
a typical business only hears from 4% of its unhappy customers

96%
don't make a complaint

91%
of unhappy customers just never come back

Source: Marketing Metrics

+85%
of customers increased their purchasing after a positive experience

and, tellingly, some
-70%
reduced their commitment after a negative experience

Source: McKinsey & Co

Only 20% of clients had been asked what they thought about customer service by their law firm
YouGov Sixth Sense Legal services survey 2012

+ 6-7 times

A – cost of retaining a customer = £
B – cost of acquiring a new customer = £ x 7

Source: Bain & Co

55%
of clients claimed quality of service poor or not good enough
Legal Services Board 2012

Customer service is not a department, it's everyone's job

There is only one boss. The customer. And he can fire everybody in the company from the chairman down simply by spending his money somewhere else

Sam Walton, founder of WalMart

Making a difference

LawNet Excellence Mark

We believe customer-focused delivery is the most important way in which our independent law firm members can add value and differentiate themselves, whilst retaining their independence, individual identity and brand.

In December 2012, LawNet launched its Mark of Excellence, a customer-focused package of measures designed to support our members, at the heart of which is a commitment to delivering excellent service, based on a real understanding of what clients want. All LawNet firms are now mystery shopped and have access to an online client satisfaction survey and benchmarking tool, backed up by a client service charter, training and updates.

With two full years, over **1,100** mystery shops and nearly **25,000** online surveys completed, we have a robust set of data for the group to learn from. Accurate performance measurement is the key to developing a successful customer experience. But it's no good measuring for measurement's sake. Measurement is only valuable when it is used to deliver actionable insights and to drive decision-making.

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25k
Online Surveys

Client Satisfaction Surveys

- Client satisfaction survey tool provided by our partners Law League
- 15 key questions designed to identify and measure firms' strengths and weaknesses, fee earner performance and overall satisfaction levels
- Benchmarked results so firms can identify where they need to focus on improvements
- Nearly 25,000 surveys have been completed to date.

1,100
Mystery Shops

Mystery Shopping Programme

- Delivered in conjunction with our partners, Shopper Anonymous
- Mix of walk ins, telephone calls, web enquiries and out of hours calls
- Over 1,100 mystery shopping exercises completed so far.

The LawNet Excellence Mark programme has identified four key areas for action: appearances, communication, follow-up and telephone skills. Focusing on these areas will help firms improve their client experience and encourage greater client loyalty and advocacy, bringing benefits across the business.

1. Appearances

It sounds obvious, but first impressions really do count. The majority of people wouldn't dream of walking out of the house without checking they present the right image, but do you pay the same level of attention to the first impression your firm gives?

Looking at things from a client's point of view may be difficult or downright uncomfortable but it is essential if you're going to present the right image.

You only get one opportunity to make a first impression so make it count.

Our top tips:

- **Make someone responsible for the first impression.** Get them to test your firm regularly and walk the customer journey
- **Take an objective look at how others see you.** Are your windows clean; is the reception area clear and the magazines fresh? Does your waiting area present the right image? Or does it look like it hasn't been touched since the 1980s?
- **Put yourself in your client's shoes, from start to end.** How easy is it to find you, to make contact with someone, or to book a meeting or park and locate your offices, and get through the door? And don't just stop there – what is the path that clients will take from reception to meeting room? Are visitors taken through cluttered offices piled high with papers to end up in a cold unlit, windowless room, or is it a clear path to somewhere warm and inviting?
- **How does it feel to be a client visiting your firm.** Does the receptionist make eye contact? Is the place in darkness until the dot of 9am and locked up at lunchtime? Are personal conversations taking place within earshot?
- **Consider all areas where you interact with clients.** As well as your physical offices (exterior & interior) this includes your website, telephone handling and voicemail messages. What happens out-of-hours and at lunch time, and to website enquiries?
- **How accessible are you to do business with?** If someone visits your website is it easy for them to make an enquiry? Is it clear what will happen next? Do you have a process in place internally and are you sure those enquiries are being followed up? Our research tells us that's not always the case. If someone took the time to complete a form on your website they are interested in your service - don't let all don't let your marketing efforts to attract new clients go to waste
- **Training.** Have your staff been trained in making people welcome and when was the last time you delivered this sort of training?

> Successfully making people feel valued as customers will set you apart

2. Communication

Online surveying results from across the LawNet network are highlighting trends in areas of concern for clients, which everyone can learn from.

And whilst our firms are recording exceptionally strong results for their treatment of clients and understanding of their needs, it's speed of response and keeping things moving that are being flagged for attention - which ultimately comes down to communication.

Strong communication lies at the heart of great client relationships, where both sides feel informed, valued and positive. Clients want regular updates and to hear early on about any potential delays or changes to costs and the reasons why. Happy clients are more likely to return, or to recommend you to others; so it makes sense to ensure the whole firm is focused on communicating effectively with clients.

The legal sector is in the business of delivering professional services, but too often people forget the 'services' element. It's not just about quality of advice and professional expertise. It's also about the things that make people feel valued as customers, and success in this area will set you apart.

Customer expectations of acceptable response times are changing. Research by Forrester found that 41% of consumers expected a response to an email within 6 hours of sending it. The Institute of Customer Service recently predicted that customer expectations of speed of response and service will only continue to rise, as people feel more time-poor than ever before.

Those changing expectations are also shaped by interactions your clients have with other organisations. In today's world of instant communication and replies; next or even same day deliveries, is it any wonder that clients are no longer willing to wait a week for a response to a query.

Communication is also central to the two other key areas that were flagged during the mystery shopping that are covered in this White Paper – following up enquiries and telephone skills.

Our top tips:

- **Response times.** Have firm-wide policies in place about acceptable response times for emails and phone calls. These should apply to everyone in the firm. Make people accountable
- **Acknowledgement.** Acknowledge client messages as soon as possible, even if you can't give a full response to their query straight away
- **Keeping clients informed.** Agree a client's preferred method and frequency of contact at the outset. Unless agreed otherwise, clients should be updated at those intervals, even if it's to say nothing has happened
- **Control cost conversations.** Don't leave cost reviews until the end of the matter. If there are likely to be changes to the initial cost estimate, then discuss this early so the client feels part of the decision-making process
- **Training.** Provide regular training for all your people on effective communication skills
- **Culture.** Develop a culture of open, honest communication across the firm. How you interact with each other will impact on how you communicate with clients.

3. Follow up

The biggest piece of advice for firms to come out of the Excellence Mark project has been to tighten up on enquiry management. This was the area where many LawNet firms scored their lowest marks during the initial mystery shopping exercises.

As a firm you may be investing heavily in marketing and lead generation activities - through websites, seminars, events, advertising, direct mail and networking for example - but if you're not effective in handling the resulting enquiries, you could be wasting much of your time and money.

Accepted sales teaching tells us that it's very unlikely you're going to get a piece of business after speaking to someone just once. The standard rule is that it takes a minimum of 7 contacts or touches before a prospect will trust you enough to give you a 'yes'.

A touch or contact point can be anything from a call, face-to-face meeting, tweet, email or a piece of marketing . Yet research also points to the fact that a massive 50% of sales people give up after only one contact.

With this evidence in mind, it is clear that following up enquiries is likely to increase sales, bringing clear benefits for your firm, so how can you make that happen?

Here, the learning we shared with firms included:

Our top tips:

- **Refine the process.** Look critically at how enquiries are handled and create or refine the process
- **Consistent information capture.** Ensure that contact details are routinely taken in a consistent form. You can't follow up if you don't know who called
- **Buy-in.** Get agreement about follow up at the point of enquiry – this gets over any fee earner objections about being seen as pushy
- **Focus on the next step.** Use each contact with the client as an opportunity to move to the next stage in the sales process
- **Keep in touch.** Make a follow up with a call or a personalised email suggesting you speak again
- **They need you.** Remember that if the client called you in the first instance, they need legal help and are likely to warm to your interest in them
- **Track results.** Record business gained through follow-up, and encourage others in the firm to do the same.

> These are simple changes but we know they work and should be part of a well-rounded professional approach to client care.

4. Telephone skills

When reviewing the mystery shopping results, there was a big discrepancy between the scores achieved for the walk-in enquiries and those made by phone, which generally scored 10% less.

The first point of contact that many clients and prospective clients will have with your firm will be on the telephone, yet our statistics show us that it's much tougher to provide high levels of client service over the phone.

It's harder to build rapport and express empathy when you're not face-to-face with a client. Many people don't like talking on the phone and so try to get callers off too quickly which can make clients feel that you are not interested in them.

So, how can you help your teams deliver better customer service on the phone?

Consider the basics:

- **Speed of response.** How quickly do you answer your phones?
- **Call-back commitment.** If there's a call-back needed, do you return it within 24 hours?
- **Keeping calls covered.** Is there someone available to answer phones at all times?
- **Back-up when busy.** Do you need to look at back up answering services or a number of staff as second line receptionists to help during busy periods?
- **Voicemail.** Is voicemail used appropriately and messages up to date - or are you still closed for Christmas!
- **Training.** When did you last provide telephone skills training for your staff?

Maximise the value of calls:

- **Welcome.** Most importantly, do your callers feel welcomed and valued when they contact you?
- **Body language.** Does everyone know how to adopt positive body language whilst talking on the phone?
- **Personalise.** Do they personalise the conversation by using the person's name?
- **Effective internal transfer.** When a call is transferred, the caller must not be expected to start all over again and repeat information
- **Seeking opportunities.** That every call is considered in the context of business development, for example by checking that the caller is happy to receive information or to come in for a meeting.

> *Finally as with everything, it's vital to test yourself regularly. So you can start by giving yourself a call to test your firm.... Count those rings, and listen for the smile.*

Conclusion

Remember the customer experience is not just about the quality of the advice being given; it is an emotional experience where customers respond to the way they feel treated. In a study by McKinsey & Company, 85% of customers increased their purchasing after a positive experience, **and, tellingly, some 70% reduced their commitment after a negative experience.**

Research shows that the behaviour of employees and the interactions they have with clients are critical factors in driving customer satisfaction and buying decisions. Expectations are evolving fast and bringing an even greater emphasis on personalisation and speed or ease of service.

Firms need to analyse how they are performing to ensure that the skills and behaviours of colleagues are meeting and exceeding the expectations of today's demanding clients.

What's clear is that client service should be a core part of a firm's business strategy and culture.
As expectations continue to rise there is a risk of the gap widening between business performance and client expectations. So it's crucial to continually monitor, analyse, innovate and improve to safeguard on-going success.

For the future, experts predict that the ability to move swiftly and introduce service innovation will be critical to customer satisfaction and business performance. We all need to listen and consult with customers, and take appropriate action on what we learn.

"Customer service is not a department, it's everyone's job" goes the saying. And to achieve that, there must be top-down commitment to focusing on client care, and a real cultural change that puts the client truly at the heart of the firm.

Questions to ask yourself and your firm:

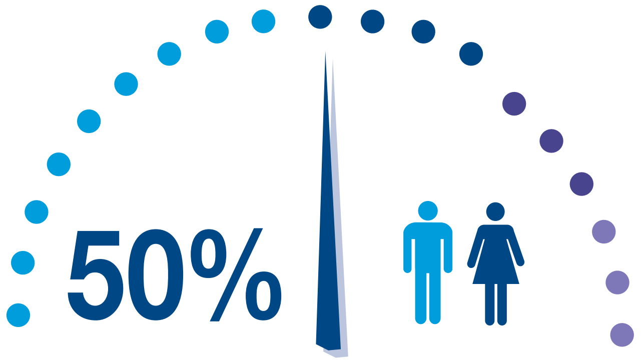
- **Who is leading** on the customer experience within your firm?
- **How does your firm perform** in the areas highlighted in this White Paper?
- **Are you tracking and measuring** the things that clients say are what matter to them?
- **What processes are in place** to ensure fee earners are meeting both the firm's standards and client expectations in terms of timescales and response times?
- **How does it feel** to be a client in your firm?
- **How do you compare** to your competition in this area?

> *Client service should be a core part of a firm's business strategy and culture*

Lessons in numbers

Key findings from the 1,100+ mystery shopping exercises and nearly 25,000 completed client satisfaction surveys undertaken as part of the LawNet Excellence Mark programme.

Key factors in choosing a LawNet firm



50%

of clients chose to instruct our firms because either they have used the firm before or because they have been recommended to them.

29% because they have used the firm before

21% because the firm has been recommended to them

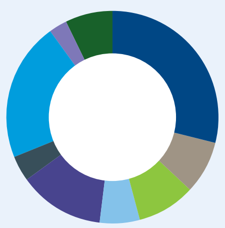
While satisfied customers and recommendations are both welcome and cost-effective, there are of course other reasons why a client might choose your firm. For example, location, people and the character of firm can be important. However, it may come as a surprise to learn that cost and advertising were very low factors in why clients chose a firm.

13% LOCATION was a factor in only 13% of cases

4% Only 4% said COST was a major factor

3% Only 3% said ADVERTISING influenced their decision

Why choose a LawNet firm?

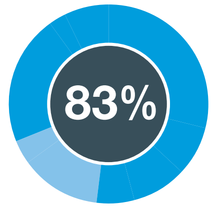


Existing Client	29%
Recommendation	21%
Location	13%
Character of Firm	9%
People	8%
Communication	6%
Other	7%
Cost	4%
Advertising	3%

What we are doing well

Mystery Shopping

In 83% of mystery shopping experiences the “client” felt that the treatment they received was warm and engaging.



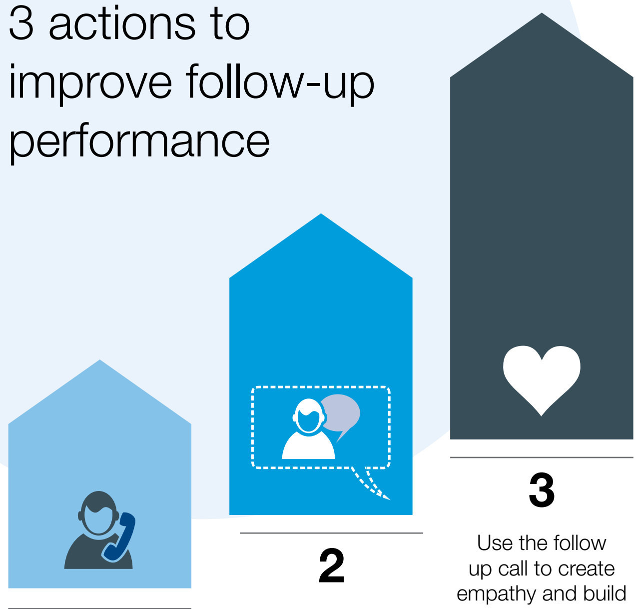
Client satisfaction

Aggregate results of nearly 25,000 satisfaction surveys completed by clients of LawNet member firms, revealed high scores in the following areas:

- Treatment
- Our approach
- Did what we agreed
- Understanding needs
- Legal representative
- Clear communications

Areas for focus

3 actions to improve follow-up performance



1 Always take enquirers’ contact details so you can follow up

2 During the follow up call suggest making an appointment to discuss further

3 Use the follow up call to create empathy and build the relationship

The data also revealed that firms could improve client satisfaction further by focusing on these areas:

- Fee estimates
- Speed of response
- On-going cost information
- Timescales
- Updating on progress

These statistics reinforce the importance of getting your client service right. In order to secure repeat business or receive a recommendation you need to invest in looking after your existing clients and provide them with a high quality experience.

Membership benefits

- Radically reduce your PII premium with the legal market's biggest group scheme
- Cut costs through exclusive discounted services geared for firms like you
- Raise your standing with internationally recognised accreditation
- Benefit from exclusive partnering and panel arrangements
- Secure business referrals from cross-profession alliances
- Improve performance through benchmarking
- Invest in your people through bespoke specialist training
- Experience big firm style strategic marketing and management
- Share knowledge and learn in a non-competing environment
- Have your voice heard in shaping future network strategy and services
- Stand out in the market and deliver measurable, high quality client service through the LawNet Mark of Excellence accreditation and support package.

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Formed in 1989, LawNet is the network for leading independent law firms in the UK and Ireland. It is also a member of Eurojuris, which links lawyers in 50 different countries internationally, providing opportunities to build relationships for offshore work and cross border referrals.

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