MERGER MANIA AND THE MARKETING MANDATE

BY AMY K. SPACH
Mergers are everywhere. While mega-mergers grab headlines, many recent law firm combinations have been between 5- to 25-lawyer firms. And with more than 100 combinations taking place annually, they are occurring more frequently than marketers assume.

“It’s a red-hot market for mergers and group acquisitions,” says Mary K. Young, a partner at Zeughauser Group. Young credits increased competition and a fight for survival with driving law firm expansions. She notes that firms aren’t just getting bigger but also better by “growing strategically and doubling down to play a leadership role in a market.”

Where are combinations occurring? “In every corner of the marketplace,” according to Altman Weil MergerLine™. Its 2019 Q3 market snapshot highlights, “big deals, regional plays, AmLaw firms cherry-picking premium boutiques, and the meat and potatoes of incremental growth by small firms in local markets.”

With mergers being a matter of when, not if, marketing teams should have them on their radar and be ready for their inherent challenges.

Scale Strategies, Learn New Markets
Preparation, communication and strategy were the pillars that Katie J. Davis, chief marketing officer of Armstrong Teasdale LLP, relied on during her firm’s two expansions in less than six months.

Davis participated in acquisition talks from the start. “Our group had a seat at the table and is fully involved. We had a scalable strategy in place and were ready to jump when the opportunity appeared,” she said. Armstrong Teasdale’s first growth move was Philadelphia, far from the firm’s Midwest roots. To bridge the gap, Davis committed to a major upfront investment in educating her team on the new market, as well as the clients and industries of the group it was acquiring.

Speak to Clients
Armstrong Teasdale’s communication strategy included clear messages to clients and extensive media relations efforts — including creating social media buzz.

Have your social media campaign ready to go the moment the merger becomes public, advises Lise Anne Schwartz, creative director at Right Hat LLC. “Cross-selling starts now! Don’t just post your press release,” she says. “Individual lawyers should post targeted messages about their new colleagues and how the merger will benefit clients.”

Pay considerable attention to websites and integrating new attorneys and services. For example, Armstrong Teasdale’s acquisitions established new offices in Philadelphia and New York.
City and a new condominium and cooperative law practice. “Digital geolocation techniques and microsites for practices and attorneys were great tools for delivering content clients care about,” says Davis. Targeted marketing made it possible to adjust, instead of overhaul, firmwide positioning on the website.

Find Strength in Silence

Frequently, a merger muddles a firm’s message. When a newly combined firm struggles to reconcile practices, Great Jakes’ Co-Founder Robert Algeri, recommends “silent positioning” as a likely best option. “In mergers, I’d avoid the political minefield of writing a homepage headline,” Algeri says. Silent positioning works when you push explicit messaging down to the practice and bio pages. “That’s where the sale gets made.” says Algeri.

Focusing on clients is always the smart move, according to Young. Legal marketing survivors of mergers carry scars from emotional and protracted discussions over color palettes, logos and names. While Young recalls deals that fell through over failure to agree on a name, she urges marketers to push through and maintain focus on the client. “The coin of the realm is coin,” she says. The sooner lawyers and clients connect to grow revenue, the quicker grumblings about mismatched billing systems, office space and operational snags will fade.

Pull off the Inside Job

Before your newly integrated firm can win over clients, marketers have another group to charm — your internal audience. “Everyone needs to feel heard and included in the process,” says Tiffany A. Hughes, director of marketing at Buchalter. She saw how effective communication led all stakeholders in the right direction and eased her firm’s successful market expansions. It’s a challenge marketing teams are uniquely qualified for, according to Jonathan Fitzgarrald, managing partner of Equinox Strategy Partners, because they are their firm’s connective tissue.

“We know attorneys’ expertise areas and how people connect personally. We need to connect the dots for them.”

This was how Davis ensured that her internal constituents were as engaged as the external ones. A custom video welcomed incoming attorneys. Goody bags, hand-signed notes, ready-to-send bios
and press releases, business cards and in-person visits from marketing followed. “We wanted new attorneys to feel comfortable from day one,” says Davis, who acknowledges the time-consuming effort was worth it. Marketing got rave reviews, and the integration went smoothly.

Remember New-Kid-in-School Rules

While marketing isn’t the only player in successful mergers, it can — and should — have a meaningful role. “Act on the rumor and ask critical questions. You don’t have to supply all the answers, but you should bring up the issues. Getting an acquisition wrong can be very costly,” says Fitzgarrald. Once the merger completes, be quick to set up lunches, ask for business plans and spotlight practices. Just like the new kid in school, new attorneys are waiting for legacy attorneys to reach out. Fitzgarrald believes that marketing folks can be relationship brokers and gain new allies in the process.

Think a merger or acquisition is headed your way? Fear not. It’s an ideal time to increase visibility and demonstrate what marketing professionals do best. ■

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