

Geo-demographic profiling to target new business in the legal sector

Identify best prospects with pinpoint accuracy; tailor your message to maximise conversions

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Use of geo-demographics is still novel for law firms, but established practice in other business sectors, where the techniques that lawyers could be using now have been proven since the 1990's; then developed extensively over the last few years. If you can identify where your key prospects live, you can home in on those that fit a defined profile or criteria with your offer and a tailored message about your services that matches their particular needs and values, so it will appeal to them. This can be done all the way down to the level of an individual household using the data currently available.

Apply this to your clients and prospects

If you explore your private client base, you will identify individuals with very different needs, characteristics and attitudes; but also people who share similarities. Your type of service and pricing will appeal to some more than others; some presenting more opportunities for you as clients in the longer term than others - not just from them directly, but also from other people they can introduce and recommend to you.

Law Firms - who are your best prospects?

Let's take residential conveyancing as an example, where the service is provided by a team or department that is part of a legal practice; one that also handles other private client legal work, such as probate, wills and lasting powers of attorney and probably more. You have options in how you define and deliver your conveyancing service, but what type of service would generate the most business and most profit overall in your catchment area?

The profile or "persona" for your ideal client in this situation could be a couple, aged 35 to 55, earning more than say £70,000 per annum, with ageing parents (whose assets your client wants to protect) and children (that your client wants to provide for); maybe with investments and in the process of building a pension portfolio - so they are in work.

There are a wide range of indicators that can be used to identify "types" of people that match this profile and link it back to their postcode; all as defined by sophisticated demographic systems. For example:

- Value of the property
- Number of cars
- Size & ownership of residence
- Nature of employment
- Where and what they buy and read

... and much more

Whatever characteristics you choose - bearing in mind that they would be very different if you plan to target first time buyers - it is now feasible and affordable to identify exactly where they live; then to

target; either directly or in their local community, where more people with similar, attractive characteristics live.

Learn from Other Sectors

The Pareto (or 80:20) Principle states that the top 20% of customers or clients generate 80% of profit. In other words, your "best" clients will generate most of your profit and no doubt you can think of individual clients that have done just that.

Pro-active targeting of best prospects is the key objective for marketing activities in many business sectors, with the potential to focus the right service, promotion and message to match the needs and attitudes of the people they appeal to; so why not for promotion of private client legal services like conveyancing, wills and probate?

Find More of Your "Best Clients" Using Geo-Demographics.

"Demographics" is the study of the characteristics of people or populations. These characteristics can include age, or life stage, marital status, type of employment, income and wealth, number of children, type of house, numbers of cars in the household etc. The "Geo" part is simply the linking of these people types to geographic locations, using postcodes.

Best clients for a general "High Street" legal practice:

- Value service quality over lower price
- Can afford to pay a reasonable fee
- Have assets, such as pensions and higher value properties
- Have parents to care for and children to provide for
- Use more recurring private client legal services
- Recommend you to others like them
- Influence the decisions of others in their family

They need legal help to deal with conveyancing when they move, assistance in setting up Lasting Powers of Attorney for their aging parents; maybe to set up a trust for their children, to protect themselves from the ravages of an unwelcome divorce or need contract advice when changing employment etc.

There Is Not Just One "Best Prospect" Profile (or Persona)

Demographics make an impact. If there are more young, single people in your area, who can't afford to pay a higher price, design a lower cost service to fit for them; identify where they live and promote a very different message to them.

However, the error that too many conveyancing practices make is to try to promote and provide the same service to everyone, which wastes a lot of money in promotion and attempts to convert prospects that don't value what is being offered to them; also becoming difficult clients because the service was never designed to match their expectations.

Where to Start?

Geo-demographic profiling systems are available now that enable you to identify, map and track where these ideal clients live. They also enable you to identify not only where these individuals are, but also how many there are within a defined catchment, so you can choose areas where a targeted campaign will be worthwhile.

Information is also available to show you how to target the campaign to achieve maximum return on your investment. In other words, what form of communication is the most acceptable for your target market.

As an example of the type of data available, useful variables for the conveyancing sector include:

- Age and life-stage
- Housing tenure including owned outright and mortgaged
- House value: various stages up to £500k, £500k to £750k, £750k to £1m, £1m+
- Family structure: couple with no children, with children, living alone etc.
- Household annual income by stages up to £100k+
- How likely are individuals to move within next 12 months?

Mapping out the population by reference to this data around your potential catchment area will identify where the hotspots where there are pockets of best prospects for your conveyancing service by reference to postcodes that you can use to get your message in front of them; online, by post, in local press, in schools, at church and everywhere they are likely to see your brand - tailored just for them in coherent, focused marketing campaigns.

And you can do more with this

- Identify the most appropriate location for a new office and design it to appeal to your best prospects.
- Do the postcodes of your "best prospects" match your current client base? Where are the gaps you are missing out on, to focus even more?
- Map out which of your competitors and estate agents are most active in the "best prospect" areas. Plan how to displace the conveyancers and befriend the agents.

Next Steps - A Fixed Price Trial

To find out how geo-demographics could generate more of the work and the clients you want for your practice, in your area; contact Allan Carton on 07779 653105 or at acarton@inpractice.co.uk to arrange a trial of these techniques for some area of your practice.

You can choose to explore best prospects, for example, within a 10-minute drive time area around one of your offices for any of the following services, based on your current service offering:

- Residential conveyancing
- Family
- Probate

For more information or to discuss how this could work for your practice - in confidence and with no obligation - contact Allan Carton on 07779 653105 or at acarton@inpractice.co.uk -

www.inpractice.co.uk