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Marketing for Lawyers

Segmentation

Lesson 2



How to be successful?

1. **segment** the market,
2. **target** a single segment or series of segments, and
3. **position** within the segment(s)



Segmentation

- Analysis customers needs and behavior
- To find out similar needs and demonstrate similar buyer behavior
- To match groups of the same set of needs and buyer behavior (segment)
- the segments are often named and/ or numbered in some way

- homogeneous preferences
- diffused preferences
- clusters



Task

- **Types of Services Attorneys Can Provide:**
 - Consultation for legal information and advice
 - Consultation to review documents (such as agreements, leases, wills, corporation documents, do-it-yourself court forms)
 - Mediation, arbitration, or other third party services
 - Preparation of documents
 - Representing clients in negotiations (possibly under “collaborative lawyering” agreement where both attorneys withdraw if either side chooses to litigate)
 - Representing clients in court, arbitration, administrative and legislative hearings
- **Type of Area Law:**
 - Constitutional Law
 - State Law
 - Administrative Law
 - Civil Law
 - Criminal Law
 - International and EU Law
 - Commercial Law
 - Financial Law
 - Labour Law and Social Security Law
 - Environmental Law and Land Law



Customers needs

- Customers buy a product for solving some problem (need)
- Why do you need to buy a car?
 - Tell us about your needs.



Customer behavior

Circle of needs and consumption





Consumer market segmentation

- by geography
 - where the customers live
- by psychographics
 - lifestyle or beliefs
- by socio-cultural factors
 - a social class, culture
- by demography
 - such as age, sex, etc.
- buyer behavior
 - how often they buy the product, who they buy with



Goal of segmentation is:

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- To identify groups of similar customers and potential customers;
- To prioritize the groups to address;
- To understand their behavior;
- To respond with appropriate marketing strategies that satisfy the different preferences of each chosen segment.

= to improve business performance (profit)



Targeting

= choosing which segments to address

Every segment should be:

- Different - is it distinct from other segments (different segments have different needs)?
- Homogeneous - is it homogeneous within the segment (exhibits common needs)?
- Viable – the potential growth of the segment; how big the segment is; Is it possible to make a profit?
- Accessible – Is it easy to get the segment?
- Measurable - Is it possible to obtain real data?



Positioning

= designing an appropriate marketing mix (product, place, price, promotion) for each segment

= company should have different strategy for every segment



Segment concentration

- 1 segment concentration
- Selective specialization
- Product specialization
- Market specialization
- Full market specialization



Task

- Prepare segmentation of your group
(Find at least 15 characteristics)



WWW.JPERGRAFANDO.IT



Silent generation

- generation born during the Great Depression and World War II.
- generation born from 1925 to 1945
- found its characteristics as:
 - grave and fatalistic,
 - conventional,
 - possessing confused morals,
 - expecting disappointment but desiring faith, and
 - for women, desiring both a career and a family.



Baby boomers

- born during the demographic Post-World War II baby boom
- generation born from 1946 to 1964
- found its characteristics as:
 - economic power,
 - their life experiences, which include the rise of television and electronic mass media,
 - high level of education, and
 - the large number of women who chose fulltime careers in the workplace



Generation X

- generation born after the baby boom
- generation born from 1965 to 1977
- found its characteristics as:
 - more individualistic than previous generation
 - more sceptic and media-wise



Generation Y

- known as the Millennial Generation or Generation Next or Net Generation
- generation born from 1978 to 1994
- found its characteristics as:
 - trend toward smaller families in developed countries continued
 - marked by an increased use and familiarity with communications, media, and digital technologies



Millennials

- generation born from 1995 to 2010
- found its characteristics as:
 - have developed work characteristics and tendencies from doting parents, structured lives, and contact with diverse people.
 - working in teams and want to make friends with people at work



Who is a customer?

- Bio products



- cosmetics L'ORÉAL



- instant soup or food



- Nike shoes





New Trends 1

- Age structure
 - older people – segment Young old (medicaments, cosmetics, special offers for this segment – trips...)
- Size of household
 - smaller households, a lot of unmarried (size of packages)
- Income structure
 - great polarization of income (luxury goods x cheap goods)
- Structure of workers
 - great rate of working women
 - question: family or careers (products increasing comforts, Household products make life a lot easier)



New Trends 2

- Price orientation
- Quality orientation
- Price and Quality orientation
- Health and beauty orientation
- Adventure orientation
- Internet orientation
- Comfort orientation



Task

- Which segment concentration from new trends is suitable for lawyers?



Task

- Which of trends in the legal industry are possible to see in your countries?



Task for next lesson

- Find out usually price paid to Attorneys (legal act) in your country and make comparison with the situation in the Czech Republic.



Ways how to create the price

- **Know the market**
 - It is necessary to find out how much customers will pay, as well as how much competitors charge
- **Cost-plus or value-based**
 - Cost-plus pricing involves adding a "mark-up" percentage to costs, which will vary between products, businesses and sectors.
 - Value-based pricing is determined by how much value customers attach to the product.
- **According to the real costs**
 - creating the calculation
- **Consider cost-plus pricing**
 - This is usually expressed as a percentage of breakeven
- **Add other influences on price**
 - How will changing VAT have an impact on price?
 - different prices for different regions.
- **Change according to change of market or costs**
 - The price should be to optimal for customers



Thank you for you attantion.