

Promotion of a legal firm during recessionary times

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ABSTRACT

Nearly 80 years earlier, Henry Ford advised during the 1930 depression that: "A man who stops advertising to save money is like a man who stops a clock to save time". The purposes of this case study was to determine whether legal firms have taken cognisance of these wise words and have refrained from cutting back on expenses, and more particularly its promotional budget expenses during a down turning economy.

It was discovered that, like nearly 80 years ago, costs today is still an important issue when considering and exploring promotional opportunities. Small legal organisations have in general indicated that cost effectiveness is an important factor to take into consideration when deciding which type of promotion to explore.

A further prerequisite was that the promotion should be target market orientated and effective. Interestingly enough, more than 60% of the sample organisations have failed to analyse their target market before commencing with any type of promotion. This immediately raised the question whether costs have not been wasted on wrong promotional efforts, rather than costs being an issue when considering promotion?

It was concluded that small legal organisations have failed to properly analyse their target market and hence was unaware of their client's needs. Various types of promotion were undertaken by the organisation, but in many instances were ineffective and costly. Should organisations have properly analysed their target markets they would have been in a better position to select an effective and less costly type of promotion.

Limited recommendations were made in an attempt to assist small legal organisations to firstly analyse their target market which will result in more cost effective marketing and will enable them to address the needs of their target market directly.

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CHAPTER 1

NATURE AND SCOPE OF THE STUDY

1.1 INTRODUCTION

Gary Bryant indicated that it is back to basics as all of a sudden marketers have to make every cent work and work harder and smarter especially during a recession (Bryant, 2009:9). Nearly 80 years earlier, Henry Ford advised during the 1930s depression that: *"A man who stops advertising to save money is like a man who stops a clock to save time"*.

It appears from the statements made by both Henry Ford and Bryant (2009:9) that marketing during a recession is extremely important to maintain a competitive edge in a highly competitive market. Is marketing during a recession still as important as nearly 100 years ago?

Another question is whether especially small-sized organisations are acknowledging the importance of marketing during a downturning economic cycle and whether these organisations are fully exploring the benefits under an extended marketing mix (7 P's) and more particularly, the Promotional element of the extended marketing mix.

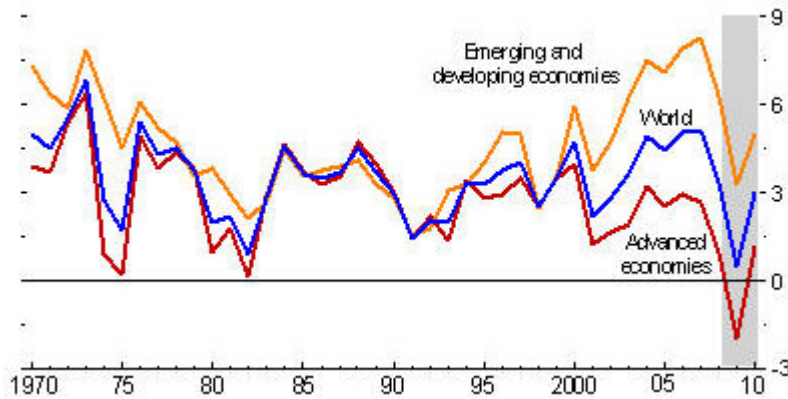
As South Africa's economy has experienced a downturn from 2006 until 2009, also known as a recession, the temptation to start cutting on expenses becomes more and more prominent. In most instances, the first expense that is scrutinised is the promotion expense.

However, past research has proven that cutting marketing expenses is not necessarily to the benefit of organisation. The current global economic recession is not the first and similar recessions over the past 50 years and more particularly during 1970; 1974-1975; 1981-1982 and 1990-1991 were experienced.

Illustrated in Figure 1.1 is a comparison drawn between Emerging and Developing Economies, the World and Advanced Economies. The Gross Domestic Product

(GDP) percentage has clearly declined during recession periods especially during 1974-1975 and 1981-1982. During 1990-1991 a further recession is visible, similarly also during 2001-2003. An increase in the GDP percentage was experienced during 2005 just before the latest recession experienced since 2006.

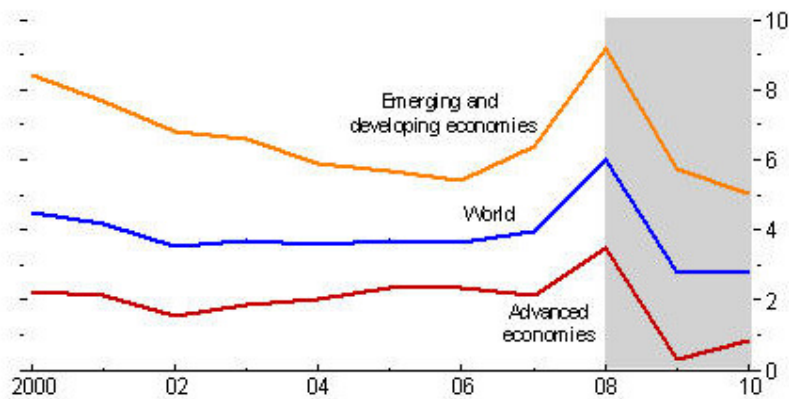
Figure 1.1: GDP percentage during the past 40 years



Source: Advisor Analyst (2010)

Figure 1.2 illustrates the Consumer Price Index (CPI) percentage Inflation relevant to the last decade. It is clear from the graph that the CPI percentage has increased during the past three years also indicating that the world is experiencing a recession.

Figure 1.2: CPI percentage inflation during the past decade



Source: Advisor Analyst (2010)

American Business Press (ABP) and Meldrum and Fewsmith studies (American Business Press Inc, 1979) during the 1970 recession proved that sales and profit can be maintained and even increased in the recession years by those who are willing to maintain an aggressive marketing posture while other organisations adopt a philosophy of cutting back on marketing expenses. Similarly, a study during 1979 revealed that companies which did not cut back on marketing expenditure experienced a higher sales and net income than those companies which did (American Business Press Inc, 1979).

During a study conducted by McGraw-Hill Researchers' Laboratory of Advertising Performance it was found that *"business-to-business firms that maintained or increased their marketing expenditures during the 1981-1982 recession averaged significantly higher sales growth both during the recession and for the following three years than those which eliminated decreased marketing"* (McGraw-Hill Research, 1986).

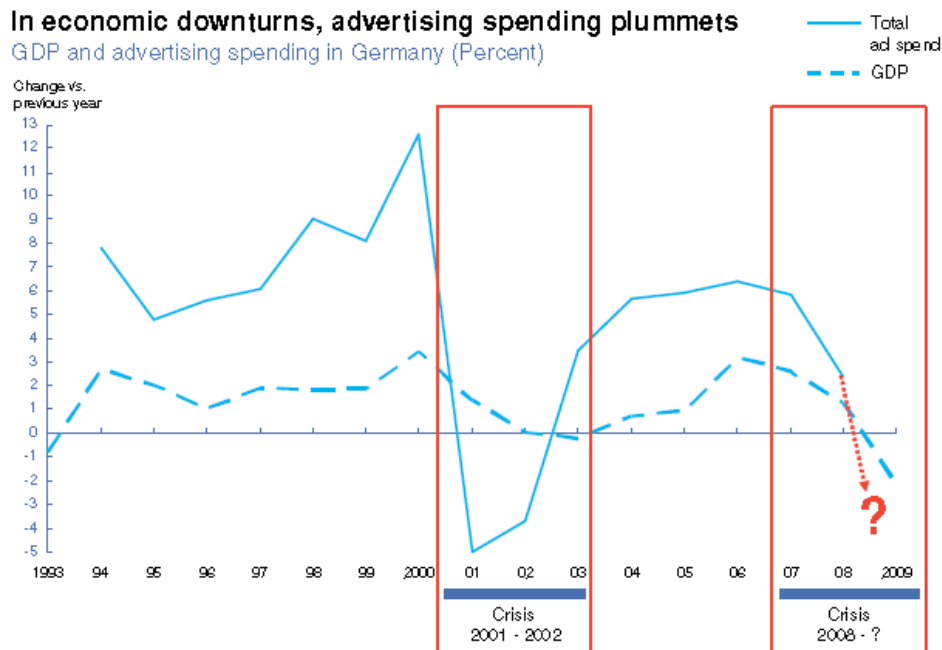
Similarly, a study by Dhalla (1980:158-165) showed that it is an incorrect rationale that a company can afford a cutback on advertising just because every other company cuts back. It has been proven that a company which is willing and courageous enough to market during recession times can bring about a dramatic change in its market position. It is furthermore stated that marketing during a downturning economy should be seen as a profit enhancer rather than a profit diminisher (Dhalla, 1980:160).

It is stated by Breytenbach and North (2000:413) that for firms within the legal sector to deliver value to their clients, it is suggested that they apply marketing principles in their organisations, and be more customer focused rather than cost driven.

According to Jim Stiles, there are very compelling reasons for organisations to heed the lessons learned by other companies such as Coca-Cola and Disney Incorporated. These brands were mostly born during recession times and it has been shown that abandoning advertising for short-term costs saving has shifted market share to the competition and contributed to long-term disadvantages (Stiles, 2008).

The phenomenon to cut back on marketing expenses is nothing new. *Cutting the marketing budget is often a knee-jerk response – and a big mistake*, according to Meyer (2009:2). During economic downturns, research has shown that advertising expenses has plummeted in Germany especially during 2001 – 2002 and 2008 (Meyer, 2009:3). The effect of the economic crises experienced by Germany in the last decade is depicted in Figure 1.3.

Figure 1.3: GDP versus advertising expenses



Source: Meyer, Penny and Spellecke (2009)

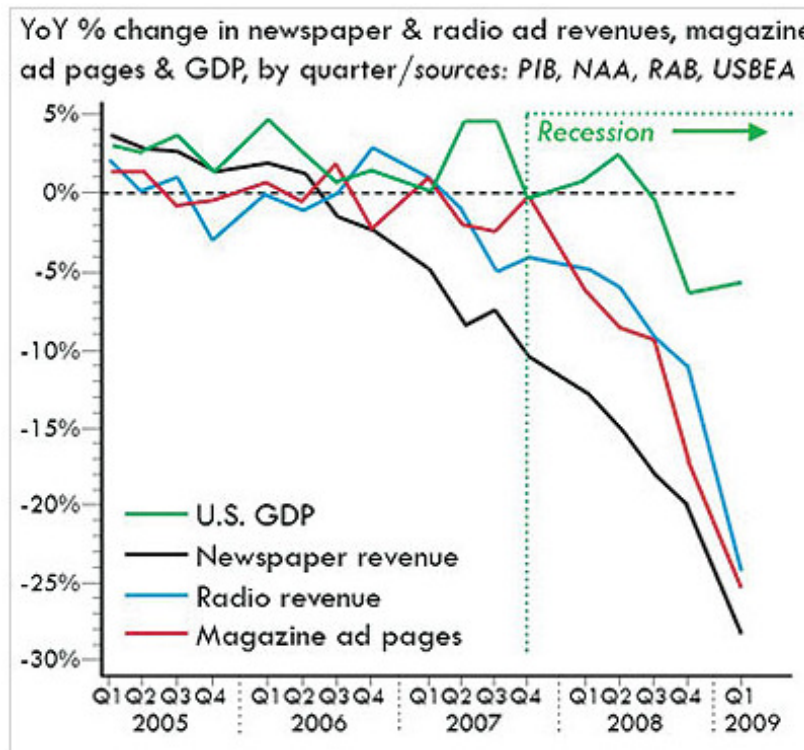
Most businesses make the mistake to cut budget expenses during a downturn in sales. Cutting the marketing budget is not to the benefit of the company and from a revenue standpoint it will harm the company. It has been said that a direct correlation exists between marketing and revenue, irrespective of whether the economy is thriving or stagnant (Scott, 2009).

Riley (2008:1) is very adamant and in no uncertain terms advises companies not to stop marketing. *"First, **don't stop marketing**. When you're going through the books*

with your CPA, it may be tempting to redirect your marketing line item to help cover daily expenses. However, all the major players of the past century — Coca-Cola, GE, Proctor and Gamble — are with us today because they continued marketing through the Great Depression, World Wars, and other shaky economic times. Instead of cutting marketing, we should follow the example of the humble Kellogg's corn flake. Company founder Will Keith Kellogg doubled his advertising during the Great Depression, and his folksy messages propelled the company to icon status."

According to the Media Daily News, newspaper, radio and magazine revenues dropped significantly over the past two years in the USA. This is directly related to the recession and the downturn in the economy experienced over the past three or four years (Sass, 2009:1). This direct correlation between the downturning economy and the reduction in newspaper, radio and magazine revenues are illustrated in Figure 1.4.

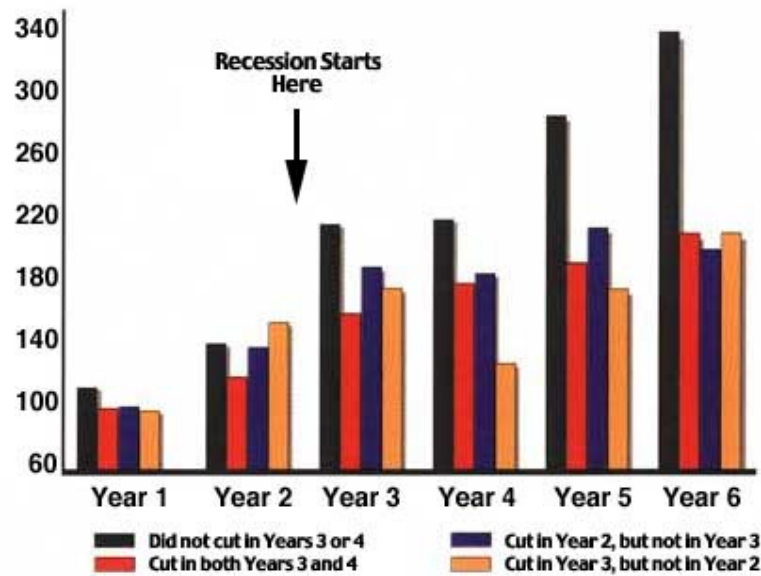
Figure 1.4: GDP percentage (USA) versus newspaper, radio and magazine revenues



Source: Sass (2009)

According to Gildea (2008), McGraw-Hill conducted research during the 1981 – 1982 recession and clearly indicated that advertising during a recession directly leads to an increase in revenue after the recession. The fact that companies advertise during a recession creates a consumer perception that the company is financially strong and willing to meet demands of its target markets and consumers.

Figure 1.5: Revenue after and before recession



Source: McGraw-Hill Research (1986).

It appears from the literature review that organisations ignore the advantage of increasing market share and cut expenses to survive during recessions. However, certain companies such as Coca-Cola believe in ongoing advertising campaigns especially during recession times.

Figure 1.6 illustrates the stock price of Coca-Cola from 1957 to 1999. Comparing the stock price with the global recession experience during a similar time period will show an increase in the stock price of Coca-Cola especially during the post recession periods.

Figure 1.6: Stock price of Coca-Cola from 1957 to 1999



Source: Socio Time: Kendall's (2005)

During the recession of 1974 – 1975 the Coca-Cola stocks decreased slightly but increased during the post recession period. Similarly, during the 1981–1982 recession the stock price increased during the post recession period (Kendall's, 2005).

1.2 PROBLEM STATEMENT

It is clear from the studies conducted by McGraw-Hill that marketing during a recession, alternatively a downturning economy, is of vital importance and can contribute to increase market share as well as lead to an increase in profits especially during the post-recession period.

Obviously, technology has developed significantly from the early 70s and today enables an organisation to market its services or goods effectively and at a very

reasonable cost. A question to be answered is whether organisations today still curtail their marketing expenses and whether it is oblivious to the fact that marketing during a recession is of vital importance, this despite the fact that cost-effective marketing tools are available.

It is furthermore a well-known fact that certain methods of marketing, especially within particular organisations, are more effective than others. For example, a marketing strategy may include a method of advertising by means of distributing pamphlets and hard copies to reach a target audience. Is it possible to effectively reach the same target audience by means of more cost-effective marketing methods such as an Internet based marketing method? Certainly this is not always possible, but in some instances it might be viable and worth exploring.

It is important to realise that a global recession affects almost every sector of the economy. As the supply and demand changes in the market, organisations that profit from advertising (printing and sign businesses) also feel the pinch of a recession and are also forced to reduce prices to remain competitive. This provides an opportunity for organisations to not only reduce their marketing expense budget but also to maintain the intensity of its marketing strategy during a recession. It is important not to commit the entire marketing budget, but to keep funds in reserve in order to explore great savings by means of promotional short term marketing offers (Steidl, 2009:10).

The question remains whether, especially small organisations, fully utilise this opportunity or whether they blatantly reduce the marketing expense budget in order to survive. According to Geoff (in Whyte, 2009:19) it is extremely important to be a leader instead of a follower, especially during challenging economic times.

The intention of this study is to determine whether small-sized legal service providers within the legal sector in the West Rand geographical area of Gauteng, blatantly reduce their marketing expense budget or whether they are exploring the opportunities provided within the market to simultaneously reduce the marketing expense budget whilst maintaining the intensity of the marketing strategy.

Furthermore, it is important to establish whether small-sized service firms within the legal sector are aware of their competitors and whether they strive to be leaders within their fields of expertise or whether they are followers.

1.4 OBJECTIVES OF THE STUDY

This is an empirical case study of 16 small-sized legal organisations within the geographical area of the West Rand of Gauteng. In the context of this case study, a small-sized organisation is defined to be one that employs less than 10 professional employees. Professional employees are considered to be contributing directly to the fee earnings of the organisation and hence exclude personnel such as drivers and receptionists.

The primary objective of this study was to determine by means of semi-structured interviews whether small-sized legal organisations within the geographical area of the West Rand of Gauteng, cuts back on marketing expenses and more particularly that of "Promotion" (extended marketing mix) and whether they are rather oblivious to the trade-off which exists between marketing and survival.

It is furthermore important to establish whether small-sized legal organisations are actually analysing their target market, or whether their method of promotion is directly related to the costs of such promotion.

1.5 RESEARCH METHODOLOGY

This study makes use of four types of research, which includes reporting, description, explanation and prediction.

1.5.1 Literature review

A detailed literature review was conducted that focused on the marketing mix element "Promotion" and more particularly whether a trade off between "promotion" and survival exists. The literature review included journal articles as well as previous research conducted on this subject. The core of the research was to identify previous marketing (and as such promotion) actions during an economic downturn, and to test these actions in the small legal firms selected for this research.

1.5.2 Empirical study

The type of empirical research employed in this study is based on a descriptive approach of the 16 selected small legal firms within a case study format. The descriptive approach tries to define how things *are*, and a *subjective point of view* (semi-structured interviews) was used. Furthermore, it was important to determine how things should be according to literature to be able to draw a comparison.

It is postulated that small-sized organisations, especially within the legal profession, cuts back on marketing expenses especially during a downturning economy and is oblivious to the trade-off which exists between promotion and increase in revenue. (This postulation is tested within the empirical research.)

This case study is limited to small-sized legal service organisations within the West Rand geographical area of Gauteng and will include legal organisations with not more than 10 professional employees.

Semi-structured interviews formed the basis of this case study and the questionnaire is attached hereto and marked as Annexure A.

1.6 LAYOUT OF THE STUDY

The study consists of four chapters. Chapter 1 sets the scene by providing a background to the study, listing the objectives and describing the research methodology of the study. Chapter 2 focuses on the literature review. The empirical results of the study are presented in Chapter 3 by means of figures, tables and relevant discussions of the findings. The final chapter, Chapter 4, provides the conclusions and recommendations of the study.

1.7 SUMMARY

This chapter is the first chapter of the study. It provides a preliminary glance into the literature of the problematic related to promotion and a downturn economy. According to this preliminary literature study, organisations should market their products at all times and even more so during a downturn economy. Even as far back as the early 1930s, it was already indicated that continued marketing activities during a recession has an enormous advantage as your brand is strengthened. The perception is formed by the customer or consumer that a brand could stand the test of times.

However, many organisations are cutting back on expenses in an attempt to save money. However, this business decision to save marketing funds is to the detriment of the organisation and its future earnings.

The world experienced a downturn in the economy especially during 2007 –2009. Due to globalisation, South Africa has also been influenced by the downturn in the economy to such an extent that many organisations had no alternative but to close down. The financial institutions within South Africa further cut back on credit granting especially after the introduction of the New National Credit Act (34 of 2005). The combination of the mentioned factors resulted in a complete slow down of the economy to such an extent that many economists agreed that it can be considered to be one of the worst recessions in the past 50 years. Some even considered this downturn in the economy to be a depression (Carruthers, 2009).

A case study has been conducted in which it was attempted to establish whether small-size legal organisations also cut back on expenses and more particularly marketing expenses during a downturning economy. The case study has a normative approach and a postulation was made that most small-sized legal organisations are cutting expenses to survive and is unaware of the trade off which exists between promotion and survival. The trade-off is defined as an increase in future revenue especially after the recession or downturn in an economy.

The next chapter deals with the literature review and it focuses specially on the promotional element of marketing activities within a downturn economy.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

The literature review focuses specifically on the extended marketing mix (or the so-called 7P's) and more particularly on the element of Promotion (Kotler & Armstrong, 2010:223). Discussion relating to the extended marketing mix which includes Product, Place, Promotion, Price, People, Process and Physical Evidence form the basis of this chapter.

Another extension, although more controversial as it has not been fully accepted by marketing experts, are where the concepts of Productivity and Quality is added to the traditional marketing mix. This extension of the marketing mix is also briefly discussed as a further extension of the well-known marketing mix (7 P's).

The following figure is a simplified diagram which indicates the extended marketing mix and what the 7-P's generally relates to.

Figure 2.1: The extended marketing mix



Source: Fizos (2010)

2.2 EXTENDED MARKETING MIX

The extended marketing mix (7 P's) includes Products, Price, Place, Promotion, People, Process, and Physical Evidence. In addition, Bryant (2009:9) mentions that the concepts of Productivity and Quality are also regarded to be acceptable extensions to the traditional marketing mix (Anon., 2010). The marketing mix used by a particular firm will vary according to the resources available, particular market conditions and the ever-changing needs of the client (Goi, 2009:14).

After much literature debate on the additional 3P's that were added to the generally known market mix (namely: Products, Price, Place and Promotion) it is accepted that the newly added P's should include *People*, *Process* and *Physical Evidence* (Booms & Bitner, 1981:47). More recently, Zeithaml *et al.* (2006) introduced a further element of the extended marketing mix known as *Productivity* and *Quality*. The extended marketing mix, however, remains contentious, and probably a

function of the specific industry at stake. Renowned marketing academia prefer to stick to Booms and Bitner additions (Kotler & Armstrong, 2010: 223).

Wickham (2009:194) summarised the extended marketing mix, and compiled eight concepts (the 8P's). The 8P's is summarized in Table 2.1 below.

Table 2.1: Summary of the extended marketing mix

Extended Marketing Mix Element	Marketing Function
Product	The presentation of an item that seeks to satisfy a target consumer's "core need" or "want" in a manner that enables them to purchase it.
Place	To ensure that the firm's range of products are located in the relevant retail/wholesale outlets as expected of the firm's target customers. Also, it ensures that the firm's distribution channels and intermediaries are capable of representing and selling the firm's products effectively and efficiently.
Promotion	To effectively communicate the core benefits and differentiated features of the firm's product and services such that the firm's target customers are aware of their existence, features and location(s) for purchases.
Price	To recoup the total cost of production plus some predetermined level of profit. Price may also be used to position a product or service within a given market space.
People	To provide a human interface, where necessary, between the customer and the product and services offered by the firm.
Physical Evidence	Strictly speaking, there are no physical attributes to services. Firms, therefore, tend to rely on providing material cues such as packaging, websites, paperwork,

	brochures, furnishing, signage, uniforms, business cards, warranties and more to indicate the nature of their offerings.
Process	To provide a structured system through which the firm and customers are able to interact and perform their roles effectively in a market transaction.
Productivity and Quality	To ensure that the requisite level of service is provided to the customer with strict regard for the customer's expectations before, during and after the purchase event.

Source: Wickham (2009:199)

By conceptualising and integrating the 8P's into an extended marketing mix strategy, a firm is able to answer important questions regarding its target customers and said customers' specific needs and more importantly how the firm will position itself to effectively and efficiently address the needs of the particular target customers (Wickham, 2009:194).

2.2.1 Products

Products include the goods and services combination that a company or a firm would offer to its target market (Armstrong, 2010:76). Products are continuously being modified and new products are being created especially in a changing or destabilised market. There are those that encourage the introduction of new products, as this strategy per se, destabilises the market and provides the opportunity for new products and services to be developed (Nilson, 1995:107).

A very important feature of a well defined and developed product is that of flexibility. It is important that late design changes can be incorporated to better meet and satisfy customer's needs (Mason, 2007:18). It is, however, important to realise that although flexibility of a product is important, that this feature should never be at the expense of other unique attributes such as value for money, superiority in meeting customer needs and excellent quality in a product.

Morrison indicates that in a turbulent market the product range can be expected to increase but will also stabilise eventually (Morrison, 1996:13). As firms strive to meet customers' specific needs, products are modified and changed continuously. The product should be flexible and should be adaptable to both the turbulent market as well as the customer's needs, but should always be regarded by a customer as good value for money (Mason, 2007:18).

2.2.2 Price

Price normally relates to the amount which a customer is willing to pay to satisfy a particular need (Armstrong, 2010:76). Dramatic price changes can disturb a system and ultimately result in a change in market demand. This in turn will influence the customer needs as the market is continuously changing (Mason, 2007:18).

According to Nilson (1995:107), the use of an aggressive pricing strategy will result in a market destabilisation. He further maintains that as the environment, product and services become more complex, it is essential for a firm to focus its scarce resources on the key elements that will provide the best result. An aggressive pricing strategy is more relevant in a market which is more price-sensitive. This is especially so within a legal firm during a downturning economy because their clients are also more cost-sensitive and could settle for better legal fees at competitive legal firms. The customer needs changes as the market destabilises and in most instances the customer becomes more price-sensitive. In a more price-sensitive market an aggressive pricing strategy may result in the winning of short-term sales and service benefits (Mason, 2007:18).

It should be understood that a variety of pricing strategies exists which includes a more complex, more customised price offering. In addition having a superior value proposition, prices are set in different ways and are often very low or some legal services may even be offered free. However, a firm employing such strategy may rely on upgrades, add-on service, installations and complementary products or services (Pitt, 1997:1-8).

Another important feature of pricing is that it is always visible. An increase or decrease in price sends out a clear message to the market about the product value and a firm's objective. Furthermore, frequent price changes indicate to the market that the firm is innovative and flexible (Mason, 2007:18), and this should also be true for legal firms. However, because consumer perceptions are not necessarily based on just the physical attributes of a product, the "perceived" quality is often influenced by its price (Steven, 2008:48).

Consequently, it is very important that the prices meet the quality of the product and or service. A price-cutting strategy can be risky. According to Hollis, Chief Global Analyst (2008), should your brand offer an emotional advantage over your competitors, the customers tend to return to your brand once the recession has passed. However, once a price premium is lost, it is very difficult to regain as a standard or perception has been set. A high price is not necessarily a problem, but it is important that a customer believes that he is getting value for his money.

Having regard to the legal profession and especially small-sized legal organisations, it is extremely important to ensure a proper pricing structure. Customers generally form two types of perceptions with regard to the legal profession. These perceptions generally relate to the fact that fees are extremely high so the professional must know what he is doing, and the opposite, that the fees are so low, that the professional must have no idea what he is doing. Both these perceptions are dead wrong! Consequently, it is extremely important to analyse the market and to know what pricing structure best fits your market segment. Similarly, it is important to analyse customer needs and to determine what he or she is prepare to pay for such needs to be satisfied.

2.2.3 Place

Place normally would include a firm's activities that make the service available to its target market within a predetermined or specified area (Armstrong, 2010:76). According to Mason (2007:1-18), place or distribution is traditionally one of the most conservatively handled marketing tactics as minimal changes occurs.

Steven (2008:35) explains that, the place of sale of a product or service affects the perception of the product and or service. He also adds that customers tend to perceive certain attributes in a product, such as style, quality and price, based on the point of sale.

As the market of the legal profession is very complex especially with relation to the potential customer the firm is targeting, the place of rendering its services is extremely important and is a factor which should never be overlooked. If the firm's intentions are to attract only corporate customers, its place of sale must be suitably situated within the area of such corporate customers. Furthermore, the firm must style its services to equal and complement its location or place.

As discussed hereinbefore, the styling of a firm and its location has a great influence on the pricing structure. As overheads increase with regard to styling, so does the price for the service rendered. It often occurs that the service or product does not justify the price, but that the customer is under the perception that he is receiving a good quality of service or product. Consequently, it is of vital importance that a legal firm is always aware of its target market and especially which styling such market prefers.

2.2.4 Promotion

Promotion is defined as the communications that a marketer may use in the market-place. Promotion is further defined as activities that communicate the merits of the product or services and persuade targets customers to buy or employ such services (Armstrong, 2010). Promotion furthermore includes four important elements namely Advertising, Personal Selling, Sales Promotion and Public Relations (Kotler & Armstrong, 2010:76).

Burger (2009:56) makes the statement that long gone is the time where legal organisations could rely on the fact that they own their clients. Client loyalty has become a relative term and today a firm's brand is a pivotal point.

Typically a legal firm would have to set its market goals to be precise and to the point. It is important to ensure that the legal firm is aware of its target market and its needs before commencing with promotion. As promotion includes Advertising, Personal Selling, Public Relations and Sales Promotion the needs of the target market is extremely important and if ignored would result in promotion which is not effective. According to Van Eyk (2009:16), one of the deadliest sins during a recession includes lack of research and hence a wrong segmentation and targeting of the market.

Figure 2.2 illustrates the subsidiaries of the Promotional element of the marketing mix.

Figure 2.2: Marketing mix and the subsidiaries of Promotion



Source: Biz-development (2010)

It is important to have regard to the extended marketing mix which includes the People, Process and Physical Evidence. These three extended marketing mix elements continuously overlap with the four key elements of the Promotion element

of the extended marketing mix namely Advertising, Personal Selling, Sales promotion and Public relations.

Dr. Peter Steidl (2009:10) addresses the importance for companies to change its thinking during an economic downturn. He emphasises that as trends and consumer behaviour becomes less predictable, companies need to be creative in their thinking and marketing. This of course relates directly back to the promotion of services especially by means of advertising, personal selling, sales promotions and public relations. Customer needs and trends become more unpredictable and consequently results in a more reactive than proactive approach.

In an article which appeared in the Caribbean Business 2008 it was indicated that one of the leading manufacturers indicated that it will keep advertising and marketing during the recession. Likewise, the local industry key players have indicated that they will be pouring millions into advertising and promotion as it was proven that marketing during a downturning economy is profitable (Rico, 2008:26).

Srinivasan (2005:109-125) indicates that during a recession, marketing plays a key role in a number of decision areas. Likewise, promotion is more important during a recession as well planned promotion can increase sales by helping to overcome a propensity to save during an economic downturn. Edward W. Cundiff (1975:17) similarly already supported the view that marketing during a recession is important.

A study conducted by the United Kingdom's Advertising Association during 2003, emphasises the need to maintain advertising spending during a recession. It is claimed that the companies that cut back on advertising in a recession, damage the future of their brands (Datamonitor, 2003:6).

Marketing relates to a particular marketing mix which should be integrated to obtain the ultimate results. The question remains as to which area of the marketing mix is the most important and how should it be explored to best position the organisation within its competitive environment.

According to Leyla Banaei (2009:7-9) there are six areas of marketing to focus on during a recession. She specifically focuses on: *consistency, add more value, regular contact, message to market match, position yourself in the market and utilising your centres of influence (COIs)* to its full potential.

Shannon (2009:5) furthermore indicates that a recession is not the time during which to reduce marketing efforts. He advises that organisations should make relationships count, be client centric, boost the company's profile, be creative and force strategic alliances.

Having a closer look at what Shannon and Benaei discuss, it is clear that they are focussing on Public relations, Personal Selling, Sales Promotion and Advertising, all part of the extended marketing mix.

It is important to focus on the client (target audience) and to determine what the client's needs are and how the organisation will be able to meet those needs. This is especially important within the legal sector as the target audience has a specific need which is to be addressed. In most instances that need is short term and urgent. Consequently, a legal organisation is required to address that specific need and has limited time to satisfy such need as it is generally short term.

It is advised in *Management Today* by Alexander Garret (2009:22) that if it is possible, an organisation should keep on spending as cutting back on advertising expenses is not an option. He furthermore advises that one should focus on the organisation's customers and more particularly focus on the good customers of the organisation. A downturn economy is an opportune moment to "lose" unprofitable customers.

Another key aspect of importance is to focus on customer behaviour. Customers' buying and shopping patterns changes continuously and especially during a downturn economy, the customer becomes more conscious of other services and products.

In a more recent article (Weimann, 2009:13), it is indicated that by sharpening your marketing and public relations efforts it may help you and your organisation to survive the recession. It is indicated that it is of vital importance to retain high-value customers, be visible, advertise wisely and change the mindset of the organisation.

Once again, Weimann focuses on retention of high-value clients as well as a company's public relations. Similarly, Quelch (in Grossberg, 2009:4-8) advises that for success in any downturn, organisations must quickly learn how the needs of their customers as well as partners are changing and creatively devise strategies

that match these changes. He focuses on research of the customer, family values, maintain marketing spending, adjust pricing tactics and adjust product portfolios.

2.2.5 People

People are most probably the most important element which enables a firm to effectively and efficiently render its service to its target customer. As part of the promotional process it is extremely important to analyse the target market and especially the client's behaviour and to what they respond best (Byrne, 2004:57).

People within the organisation or firm will include the target market as well as the personnel rendering the service. For example, the people will include employees, management, culture and customer service. It is therefore important to realise that all people involved in the consumption of a service, whether directly or indirectly is an important part of the extended marketing mix (Kotler & Armstrong, 2010: 226).

Knowledgeable employees, especially within the field of rendering a service and having an acute sense of awareness of customer needs and behaviour is extremely important to the marketing mix. Customers make judgement and formulate perceptions based on the quality of service that they experience. "First impression last" has never been more vital for a firm.

According to Hollis (2008), it is extremely important to review the firm's customer segment and to understand customers' every need as this may enable the organisation to focus on a specific segment of the market that will result in the best returns. During a recession, most costumers do have money. However, it is up to the employees of a firm to convince them to spend it on the services rendered by the organisation (Packer, 2008:1-15).

2.2.6 Process

The process generally involves the handling of customer complaints, processes for identifying customer complaints and processes for determining the customer needs

and behaviour. Consequently, processes enable a firm to effectively render its services to its consumer. However, it should always be kept in mind that the process needs to be followed by people and hence the process element and people element of the extended marketing mix are almost integral to each other.

A well designed process is crucial during a recession and must be designed to convince the customer that (Packer, 2008:1-15):

1. He is getting value for his money;
2. He can trust the organisation; and that
3. His purchase is justified.

A further important feature of a well designed process is that the process should be consistent yet simple. It should not be too complicated for the customer as well as the employees to be able to follow and implement.

2.2.7 Physical evidence

Physical evidence is the linchpin the customer may utilise to attach tangibility to a service's intangible nature (Freeman, 2005:106). Physical evidence, for example, includes free samples handed to clients, the building or offices from which the firm will render its services, equipment utilised to render services such as computers, vehicles and other products or services.

The physical evidence of the organisation furthermore sends a message to the market and its customers about the image of the firm. As the market sector within the legal profession is very complex, a firm may use its physical evidence to attract only a specific sector of the complex market. As discussed earlier, as the need of the customer within the legal sector is generally short term, it is of vital importance that the physical evidence relating to a specific firm immediately draws the attention of the customer.

In many instances, the customer is not in a position to properly judge the quality of the services rendered by a firm. In such instances, the customer will normally rely

on physical evidence, such as a building, to judge the capabilities of a firm or practice (Freeman, 2005:106).

An important factor which of late has become more and more prominent is the physical evidence of the internet and more particularly a firm's website. As the public becomes more educated with regard to the use of the internet, a professionally designed website as part of the physical evidence of the firm is essential.

2.2.8 Productivity and quality

It is extremely important that the productivity and quality of a service is the best it can be. Understanding the target market would provide the organisation with the opportunity to design a service of high quality and which is productive (Bryant, 2009:9).

During a recession, resources are scarce especially one of the most important resources: money. It often happens that organisations are tempted to cut back on the quality of their service in order to save money. This temptation should be resisted as a good quality brand is built with exceptional service which in turn will result in the sustainable customer base (Hollis, 2008).

Furthermore, as a result of scarce resources, organisations tend to operate at its optimum or near full capacity. This will expose the firm to long-term risks especially with regard to quality of service rendered by its employees (Kurtz, 1998). Consequently, cutting resources or not investing enough money in scarce resources such as high quality personnel will be devastating to an organisation's survival.

2.3 SUMMARY

It is clear from the literature review that public relations are extremely important. Maintaining and focusing on a client base is an area which an organisation should

not overlook. Consequently, during a downturning economy one of the most important priorities is to build and maintain existing customer relationships.

It is extremely important to realise that the promotional method should always come back to the target market. It is, therefore, extremely important to analyse the market and determine the client's preference and needs. It is furthermore important to identify the mediums to which the customer market will respond (Byrne, 2004:57-58).

Whilst a downturning economy may result in different buying patterns for clients, it is important to note that clients will still spend money nonetheless. Consequently, it is of great importance to be the primary focus of a client/customer when he is making purchase decisions during a downturning economy. It is important to note that the marketing should be of high quality and should be targeted orientated (Packer, 2008:1-15).

As was indicated, it is of the utmost importance to concentrate on the marketing mix especially the extended marketing mix. However, one of the most important elements of the marketing mix is "promotion". Within its subsidiaries it is important to concentrate on advertising as well as public relations.

A variety of cost-effective strategies are available in order to maintain an organisation's focus on marketing. However, the discussion of these cost-effective strategies falls beyond the scope of this study and will not be further discussed.

The promotional element of the extended marketing mix is very important and it appears from the literature study that this is especially true in a small-sized organisation.

This case study focuses on the promotional element of the extended marketing mix and how small-sized legal organisations within the geographical area of West Rand, Gauteng is exploring this element of marketing.

The next chapter, Chapter 3, presents the results from the empirical research.

CHAPTER 3

RESEARCH METHODOLOGY AND RESULTS

3.1 INTRODUCTION

This case study was limited to small-sized legal service organisations (legal firms) within the West Rand geographical area of Gauteng and more particularly to the Roodepoort area, and included legal organisations with not more than 10 professional employees.

Interviews formed the basis of this case study. The questionnaire marked as Annexure A was constructed from the literature review of Chapter 2 and was utilised in providing a guideline for conducting the interviews.

The interviews were conducted with the directors of each selected legal firm personally (n=16), so that clear and precise information was collected. The interviews also lead to discussions of some questions which will be discussed more fully hereinafter.

The relevant legal firm was selected by contacting the legal firms within the identified area (and more particularly within the Roodepoort area, within Gauteng). During the selection process, a fieldworker was requested to contact various legal firms within the specified area and to ascertain who would be willing to participate in the study. An important criterion for selection was that the legal firms selected was done so on the basis that it was anticipated that the specific selected organisation would add value to the response value of the study. When approached, the objectives and purpose of the study were explained to prospective participating firms. Individual confidentiality was also protected.

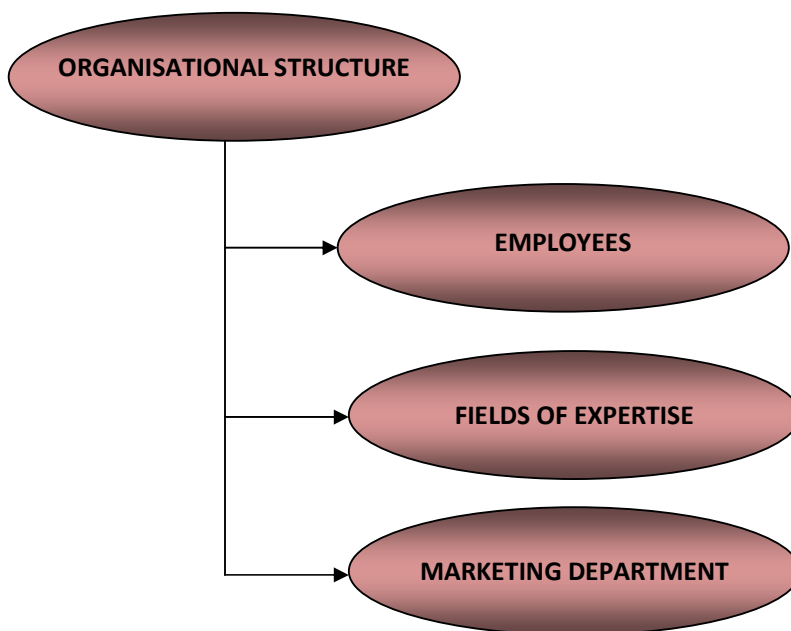
The interview was structured to ascertain the organisational structure of the firm in discussion and its financial position. It was important to establish what percentage

of the turnover is utilised for promotion. It was discussed whether promotion is of importance and what recent promotion has been done.

Within the organisational structure, it was important to determine which market segment the firm was targeting, being private or corporate. This particularly was relevant with regard to the pricing structure and type of promotion which are being utilised.

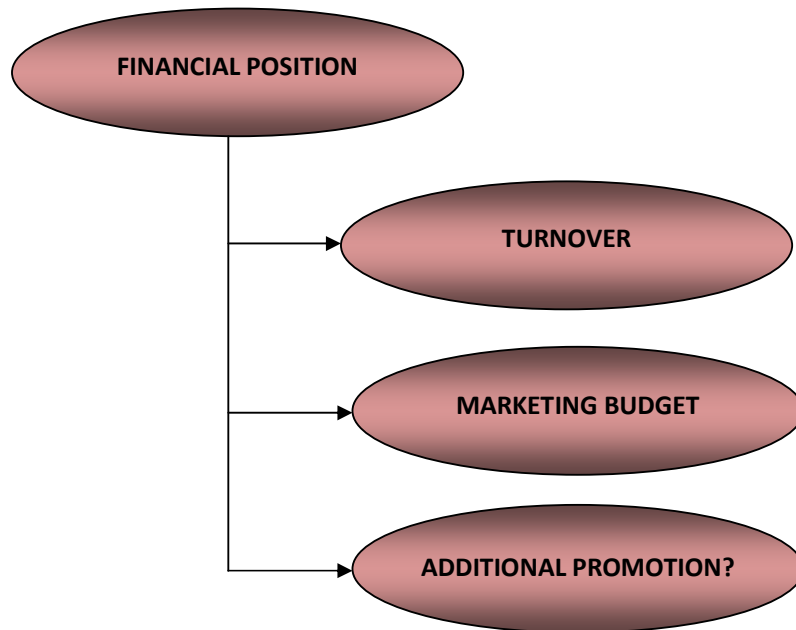
The following flow diagrams will give the reader a guide as to the questions asked during the interview and its intended purpose. **Firstly**, it was important to establish the structure within the organisation and more particularly in which fields the relevant firm specialised in, as well as whether a marketing department was part of the firm structure.

Figure 3.1: Organisational structure of a firm



Secondly, it was important to determine what the financial position of the firm is and, based on the monthly turnover, how much money was spent on promoting the services of the firm. It was also determined whether, if given the opportunity, the organisation would consider promoting its services.

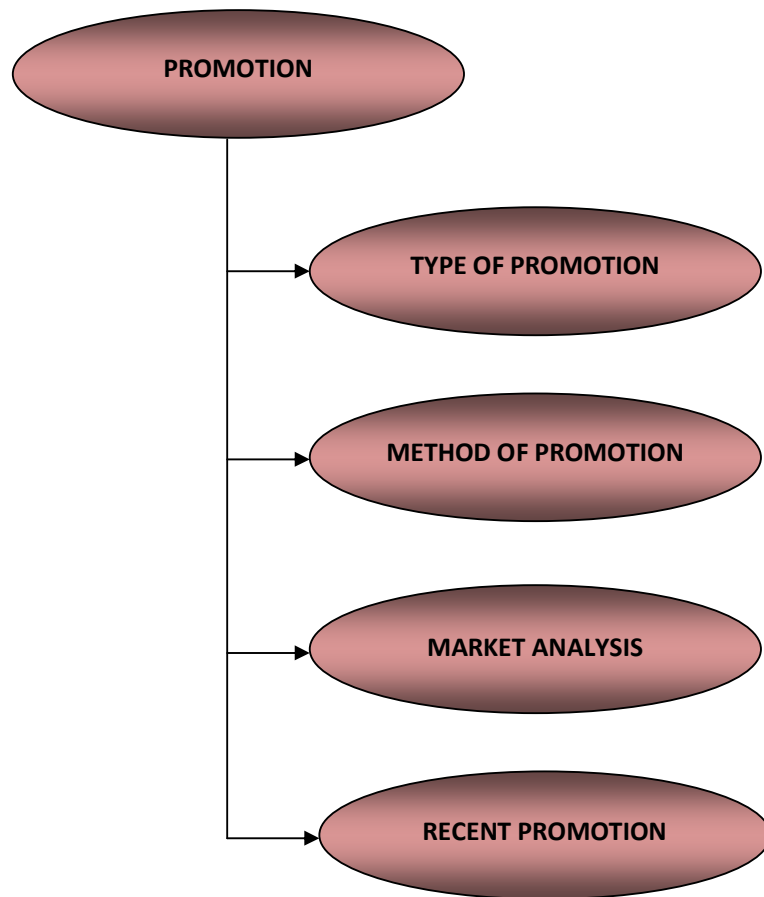
Figure 3.2: Financial position of firm



Lastly, it was established what type of promotion the firm considered to be of importance and whether they have recently done any promotion. This was specifically structured to determine whether the firm is aware of the trade-off which exists between promotion and survival. Also, it was important to establish whether the firm is aware of its target market and whether it actually promotes its services within such target market to be more cost effective.

Specific questions were asked in the interview to establish whether the marketing based on the target market differs from organisation to organisation. More important was to establish whether the organisation does utilise marketing and whether it has proper analysis of its target market before such marketing.

Figure 3.3: Promotion within the organisation



3.2 ORGANISATIONAL STRUCTURE

The questions within the organisational section was specifically directed to determining the organisational structure of the specific firm and to further determine in which fields of legal practice the firm specialises. By asking specific questions in the interview, it was possible to determine to some extent whether the organisation was aware of its target market and whether it included a marketing department within its structure.

A Microsoft Excel spreadsheet was used for data capturing on the computer which formed the basis for input into the the statistical packages. The interview sheet was

coded by assigning numerical values to the various responses which were then keyed into the statistical packages.

Frequency tables have been calculated utilising statistical programs such as the SAS system for Windows and STATISTICA (data analysis software system). Furthermore, nonparametric Correlations were made by using the Spearman method and will be more fully discussed hereinafter.

It is important to note that due to the sample of only 16 participating organisations that further analyses could not be accurately made. Although this sets a limitation to the research, the objective was never to embark on a quantitative analysis. As such, the results are interpreted within the research design of the case study and its qualitative values.

3.2.1 Number of professional employees within the organisation

The number of professional employees was specifically determined as the basis for this case study was for small-sized legal organisations with less than 10 professional employees. Should a firm upon investigation had more than 10 professional employees; the data were completely ignored for the purpose of this study. Sixteen interviewed responses were received.

The following frequency table illustrates the results which were obtained.

Table 3.1: Frequency table: professional employees

Employees	1-3	4-5	6-7	8-10
% Percentage	62.5	18.8	12.5	6.3

3.2.2 Fields of specialisation

The fields of specialisation was divided into three categories namely Conveyancing (the transfer of property), Litigation (included all types of litigation with the High as

well as Magistrate’s Courts) and Intellectual Property (which included the filing of Patents, Trade Marks, Copyright and Designs). It is important to note that a firm can specialise in more than one category and would then be considered to be diversified.

Table 3.2: Frequency table: field of expertise: conveyancing

Field of Expertise	% Yes	% No
Conveyancing	75.0	25.0
Litigation	93.7	6.3
Intellectual Property	6.3	93.7

From Table 3.3 it follows that 75% of the respondents specialised in Conveyancing, whilst 93.7% of the sample organisations specialised in Litigation. Furthermore, it was established that only 6.3% of the sample organisations specialise in Intellectual Property.

3.2.3 Specific market – Conveyancing

Within the specified field of Conveyancing a further division was made between Commercial and Residential Property. Residential property was defined as suitable for and allocated for residence, whilst Commercial is defined as any property which is utilised for or engaged in commerce.

During the interviews four respondents did not answer the question as they do not specialise in Conveyancing in general. Consequently, Table 3.3 indicates percentage values of the entire sample organisations being 16.

Table 3.3: Frequency table: conveyancing

Field of Expertise	% Yes	% No
Commercial Only	6.3	97.7
Residential Only	25.0	75.0
Both	43.8	56.2

It will be noted that of the sample organisations of 16, that 6.3% only specialise in Commercial Conveyancing and 25% specialise only in Residential Conveyancing. 43.8% of the sample specialise in both Residential and Commercial Conveyancing.

3.2.4 Specific market – Litigation

Within the specified field of Litigation a further division was made between Corporate and Private litigation. No division was made between High and Magistrate’s Court litigation.

Private litigation was defined as any type of litigation other than litigation pertaining to a juristic person. A juristic person is defined as any entity not being an individual such as a Trust, Company or Close Corporation.

Table 3.4: Frequency table: litigation

Field of Expertise	% Yes	% No
Corporate Only	6.3	97.7
Private Only	37.5	63.5
Both	50.0	50.0

Interestingly enough, only one organisation did not specialise in litigation. This may be due to the fact that in order to specialise in conveyancing, further studies and exams are to be passed making the field of conveyancing much more specialised than Litigation.

Furthermore, 50% of the organisations specialised in both private and corporate litigation. Only 6.3% of the organisations specialised in corporate litigation only.

3.2.5 Specific market – Intellectual Property

In the field of Intellectual Property no division was made between any of its main elements which include Patents, Trade Marks, Designs and Copyright. It must be

noted that this is a highly specialised field and that for an organisation to specialise in Intellectual Property, at least 10 years of studying is required. Consequently, it was not expected that many organisations would specialise in this field.

Table 3.5: Frequency table: intellectual property

Field of Expertise	% Yes	% No
Intellectual property	6.3	97.7

From Table 3.5 it follows that only 6.3% of the sample specialise in intellectual property. Once again, as intellectual property is a highly specialised field, it is expected that only a few of the organisations would specialise therein.

3.2.6 Marketing department

During the interview the respondents were specifically asked whether their organisations include a marketing department. No reasons were specifically requested as to why they did not consider a marketing department.

Table 3.6: Frequency table: marketing departments

Marketing department	% Yes	% No
Marketing department	6.3	97.7

Only one (6.3%) of the sample had a marketing department established within their organisations. The organisation which did include a marketing department indicated that they employ more than 2 employees within the marketing department.

3.3 FINANCIAL STRUCTURE

By conducting the interviews, it was clear that financial constraints generally associated with a smaller organisation, was a major concern for most legal firms (as was expected within such small firms).

It was further regularly mentioned that a marketing department was a luxury which was not affordable during a downturning economy. It was clear from nearly every interview conducted, that the financial ability of a firm plays a major part in its structure as well as its ability to promote its services.

It was further established that almost all firms would consider spending additional capital on promotion but that the opportunity should meet specific needs as is further discussed in 3.3.4.

3.3.1 Monthly turnover of organisation

It was established that 50% of the sample had a monthly turnover of more than R150 000.00 per month.

Table 3.7: Frequency table: monthly turnover

Monthly turnover	Percent
R 10 000 – R 50 000	12.5
R 50 001 – R 99 000	25.0
R 90 001 – R 150 000	12.5
More than R 150 000	50.0
Total	100.0

3.3.2 Budget for promotion based on monthly turnover

This part of the interview was specifically directed to establish what percentage of the turnover the organisation utilises in support of promotion itself.

Table 3.8: Frequency table: percentage of monthly turnover for promotion

Percentage of Turnover	Percent
Less than 5%	62.5
5% - 10%	37.5
10% - 15%	0
Total	100.0

It is interesting to note that 62.5% of the sample has indicated that they spent less than 5% of the monthly turnover on a promotional budget. Note one of the sample organisations are spending in excess of 10% of their monthly turnover on their promotional budget.

Furthermore, a Spearman correlation was drawn between the monthly turnover and the percentage of money spent on the promotional turnover.

Table 3.9: Spearman correlation

			B1	B2
Spearman's rho	Monthly Turnover	Correlation Coefficient	1.000	.332
		Sig. (2-tailed)	.	.208
		N	16	16
	% of Monthly Turnover utilised for Promotion	Correlation Coefficient	.332	1.000
		Sig. (2-tailed)	.208	.
		N	16	16

According to the Spearman correlation, should $r = 0.5$ a practically important correlation exists. In the event that $r = 0.3$, a practically significant correlation is present and when $r < 0.3$, a practically non significant correlation exists.

From Table 3.9 it follows that $r = 0.332$ meaning that the correlation is practically significant. Consequently, it can be concluded that a correlation does exist between the actual monthly turnover of an organisation and its willingness to spend a portion of its monthly turnover on promotion.

However, as 0% of the organisations spent more than 10% of their monthly turnover on their promotional budget, it is likely that no real correlation exists between the actual amount spent on promotion.

3.3.3 Future promotional actions

In this part of the interview it was established whether the organisation would consider spending additional costs on promotion should an opportunity arise. The respondent was asked to indicate on a 5-point Likert Scale (Minimum = 1; Maximum = 5) his/her opinion as to whether they would consider spending the additional costs. The nature of the opportunity is only discussed later.

Table 3.2: Frequency table: Likert scale

Ordinal Scale	Percent
Strongly Agree	31.3
Agree	62.5
Strongly Disagree	6.3
Total	100.0

It was interesting to note that 93.8% of the respondents were willing (Strongly Agreed and Agreed) to spend additional costs on promotion should the opportunity arise.

Using descriptive statistics, it was calculated that the Mean = 1.88 and that the Standard Deviation was 0.957. Consequently, the data indicated a distribution which was primarily right skewed, indicating that the majority of organisations would spend additional costs should the opportunity arise.

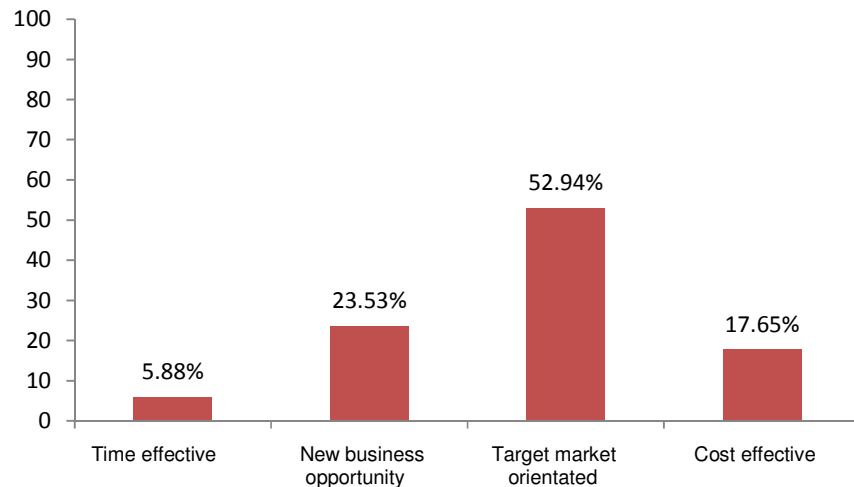
3.3.4 Opportunity

The question was asked whether the organisations would consider spending additional costs on promotion and if so, what should the opportunity entail before such costs are made available. It was discovered that various responses were observed of which the most common included the following important elements. It was indicated that the opportunity should be:

- Short and Time effective
- New Business opportunity
- Target Market Orientated
- Cost Effective

Having regard to the flowing chart it is noticeable that in most instances it was indicated that the opportunity should be target market orientated. However, nearly every respondent has advised that they are not analysing their target market, as will be discussed later.

Figure 3.7: Opportunities



Having regard to the opportunity and what such opportunity should entail, a variety of needs was discussed. However, the most common denominator included that the opportunity should be target market orientated (52.94%) and bring new business (23.53%). It was further emphasised that the opportunity should be directed at new clients and not necessarily at existing clients.

It was clear that the small organisations were also cost driven and that costs (17.65%) had an impact on its decision to spend additional promotional costs. In some instances it was even indicated that no additional costs would be spent on promotion, despite what such opportunity may entail. It was clear after further

investigation that in such instance, the organisation was content with its clientele and had no perspective of increasing its client base.

Lastly, the question was extended to request from organisations how much more would they spend on promotion should the opportunity present itself.

Table 3.11: Frequency table: percentage costs for promotion

Additional costs	%
0%	12.5
10%	37.5
15%	50.0
>15%	0

It was established that 50% of the organisations indicated that they would spend up to 15% more on promotion should the opportunity present itself.

A Spearman correlation was drawn between the actual monthly turnover and the percentages which the organisations indicated they would spend on promotion should the opportunity present itself.

Table 3.12: Spearman correlation between turnover and promotion

			B1	B5
Spearman's rho	B1	Correlation Coefficient	1.000	.038
		Sig. (2-tailed)	.	.888
		N	16	16
	B5	Correlation Coefficient	.038	1.000
		Sig. (2-tailed)	.888	.
		N	16	16

In this instance $r = 0.038$ which indicated that a practically insignificant correlation was present. Consequently, nearly no correlation existed between the turnover of the organisation and the amount which they are willing to spend in addition on promotion should the opportunity present itself. This is a clear indication that

organisations are more concerned about the opportunity than the actual cost to be spent in addition on the promotion.

3.4 PROMOTION

In this part of the interview it was attempted to ascertain what each organisation consider to be of importance when considering promotion. The type of promotion was discussed as well as the different elements of promotion. Respondents were, in some instance, specifically limited to only one response.

3.4.1 Most important element of promotion

The respondents were asked which element they considered to be the most important regarding promotion. Four options were presented and respondents were limited to only one response.

Table 3.13: Elements of promotion

Promotional element	%Percent
Advertising	12.5
Personal Selling	18.8
Service Promotion	25.0
Client Relations	43.8

It is noticeable that 43.8% of the organisations indicated that Client Relations is the most important element. This is most likely due to the fact that legal organisations have a trust and personal relationship with its clientele and hence the relationship is considered to be the most important. Only 12.5% of the organisations indicated that Advertising is the most important element.

3.4.2 Importance of promotion for survival

On a Likert scale (1= Minimum and 5 = Maximum) respondents were asked whether they consider promotion important for the survival of the organisations.

Table 3.14: Frequency table: Likert scale

Ordinal Scale	Percent
Not at all	6.3
Moderately	25.0
Important	12.5
Reasonably Important	12.5
Extremely Important	43.8

68.8% of the respondents considered promotion to be of reasonably to extremely important for the survival of the organisations. A descriptive analysis of the data indicated a Mean = 3.63 with a Standard Deviation = 1.455. The distribution is slightly left skewed. 31.3% of the respondents did not consider promotion to be of importance for the survival of the organisation.

3.4.3 Method of promotion

A distinction was made between a direct and indirect method of promoting the specific organisation. It was explained to the respondents that direct marketing entails the reaching of the target market audience without traditional formal channels such as TV, newspapers or radio but rather includes direct methods such as brochures, catalogues and street advertising. Indirect marketing therefore includes the use of more traditional methods such as TV, radio and newspapers.

Table 3.15: Frequency table: direct versus indirect marketing

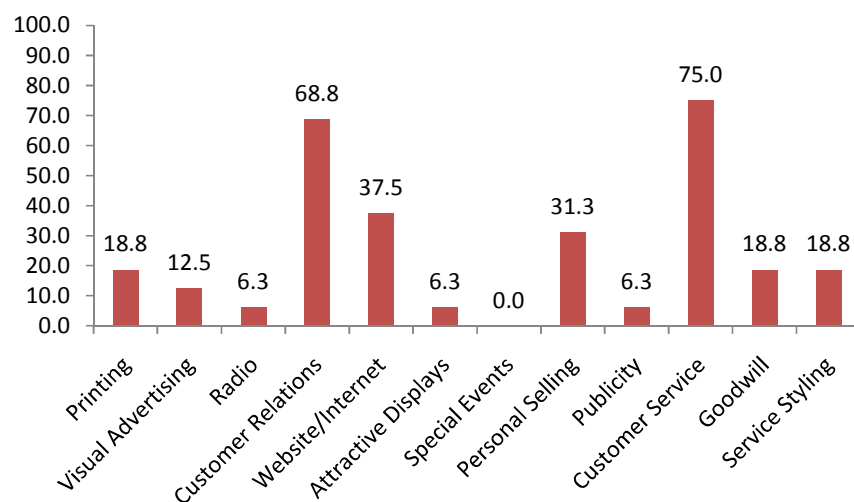
Method of Advertising	% Percentage
Direct	31.3
Indirect	50.0
Both	18.8

The half of the respondents indicated that they make use of only indirect promotion, 31.3% make use of direct promotion and 18.8% make us of both direct and indirect promotion.

3.4.4 Promotional types of most importance

Respondents were asked to indicate at least three types of promotion which they considered to be of most importance. Twelve options were presented to each respondent and included: Printing; Visual Advertising; Radio; Customer Relations; Website/Internet; Attractive Displays (Kiosk); Special Events; Personal Selling; Publicity; Customer Service; Goodwill and Product/Service Styling.

Figure 3.5: Types of promotion



It is notable that 75% of the organisations consider Customer Service to be of importance together with Customer Relations which 68.8% of the organisations indicated to be of importance.

Only 37.5% considered the internet and website promotion to be of importance whilst only 18.8% indicated service styling to be of importance. Once again this may be due to the special relationship which exists between the organisation and more particularly the attorney and his or her client.

3.4.5 Time spent on promotion

It was established that 68.8% of the respondents spent less than one day per month on promotion. 43.8% of the organisations spent no time whatsoever on promotion during the month.

Table 3.16: Frequency table: time spent on promotion

Time spent on promotion	% Percentage
Nothing at all	43.8
One day per month	25.0
Two days per month	6.3
Four days per month	6.3
More than 4 days per month	18.8

3.4.6 Elements of importance when selecting promotion

In this part of the interview respondents were requested to indicate which of the four elements: Market Behaviour, Client Behaviour, Location or Costs do they consider to be of most importance when selecting a certain type of promotion.

Table 3.17: Frequency table: elements of importance

Element	Percentage
Market Behaviour	12.5
Client Behaviour	43.8
Location	25.0
Costs	12.5
None of the above elements	6.3

Some 43.8% of the respondents indicated that they consider client behaviour the most important element when selecting the type of promotion. It is clear from the interview as well, that the respondents are mostly of the opinion that client behaviour is not influenced by the market behaviour but rather vice versa. 6.3% of the respondents have indicated that not any of the mentioned elements they considered to be of importance when selecting a certain type of promotion.

3.4.7 Internal, external or interactive marketing

Internal marketing was defined as the marketing within the organisation and more particularly to motivate its customer-contact employees and supporting service staff to function as a team to provide the best customer satisfaction. In short, internal marketing can be considered to be marketing between the organisations and its employees.

External marketing was defined as the marketing between the organisations and its customers. Consequently, it can be considered to be the more conventional type of marketing namely promotion. Interactive marketing was defined as the interaction between client and employee during the service encounter.

Some 18.8% of the organisations considered internal marketing to be of most importance, whilst 25% indicated external marketing to be important. 56.3% of the organisations considered interactive marketing to be the most important feature.

Although the respondents were provided with the option of indicating that all of the mentioned three marketing elements are important, not one respondent indicated that internal, external and interactive marketing were of importance.

3.4.8 Feedback from market

It was required from respondents to indicate whether they are receiving any feedback from their market. The method of feedback was limited to interviews, questionnaires, website feedback, word of mouth and other methods to be indicated.

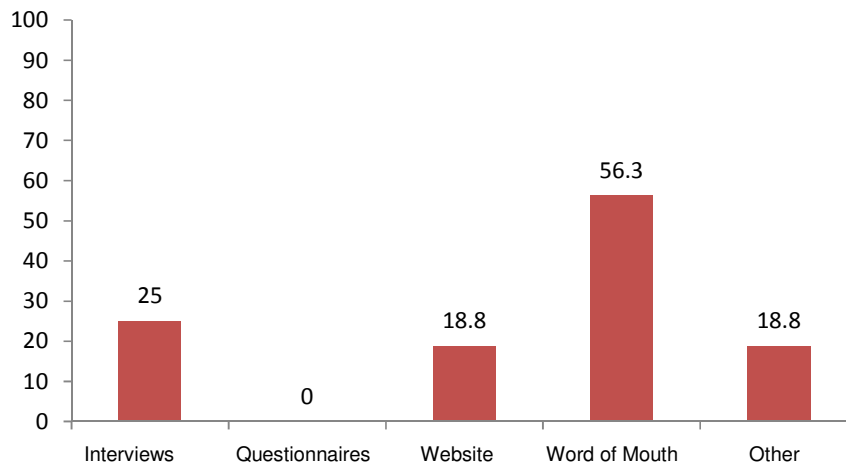
Table 3.18: Frequency table: feedback from market

	% Yes	% No
Feedback from Market	18.8	81.3

A total of 81.3% of the organisations do not obtain any feedback from their target market.

Figure 3.6 illustrates the results when respondents were asked how feedback was obtained.

Figure 3.6: Feedback from market



Mostly (56.3%) feedback is obtained via word of mouth and no formal structure.

It was further indicated by respondents (18.8%) that the amount of revenue and new instructions was also considered to be feedback.

3.4.9 Needs of target market

Respondents were asked to indicate how important they considered the needs of their clients to be to the organisation. A 5-point Likert scale was used (Minimum =1 and Maximum = 5).

In this instance 43.8% of the respondents indicated that the organisations considered the client's needs to be important whilst 56.3% considered their client's needs to be extremely important for the organisations.

By using descriptive analysis it was established that the Mean = 4.56 with a standard deviation of only 0.512. This is again an indication of a left skewed distribution indicating that the need of the client was considered to be very important.

Again it is interesting to note that although 100% of the respondents consider their clients' needs to be of importance, that very few organisations analyse its target

market. This raises the question that if you consider your client's needs to be of importance, how do you know what those needs entail?

3.4.10 Communication

After it was established that respondents considered their clients' needs to be very important, they were asked to indicate how important they consider communications to be when selecting a certain type of promotion (Same 5-point Likers scale employed as previous).

A mean of 4.88 was calculated with a Standard Deviation = 0.342 using descriptive statistics. The same phenomenon, predominantly a left skewed distribution, was present indicating that the communication was considered to be very important.

Making use of a frequency table, it was established that 87.5% of the respondents indicated that the communication was extremely important whilst 12.5% indicated that the communication was fairly important.

3.5 RECENT PROMOTION

During this stage of the interview, it was discussed whether any recent promotion has been undertaken by the organisation. It was important to establish whether the organisation is in fact doing what they consider to be of importance especially in relation to the type of promotion being utilised and whether they have analysed the target market recently.

The results discussed hereinafter relate to the organisations' recent promotional efforts and more particularly to the past month's promotion which has been undertaken.

3.5.1 Recent promotion of organisation

A Likert scale was utilised with a Minimum = 1 and a Maximum = 5. Respondents were specifically asked to indicate how often they promoted the business in the past month.

Table 3.19: Frequency table: recent promotion

Ordinal Scale	Percent
Not at all	31.3
Rarely	12.5
Occasionally	18.8
Regularly	18.8
Continuously	18.8

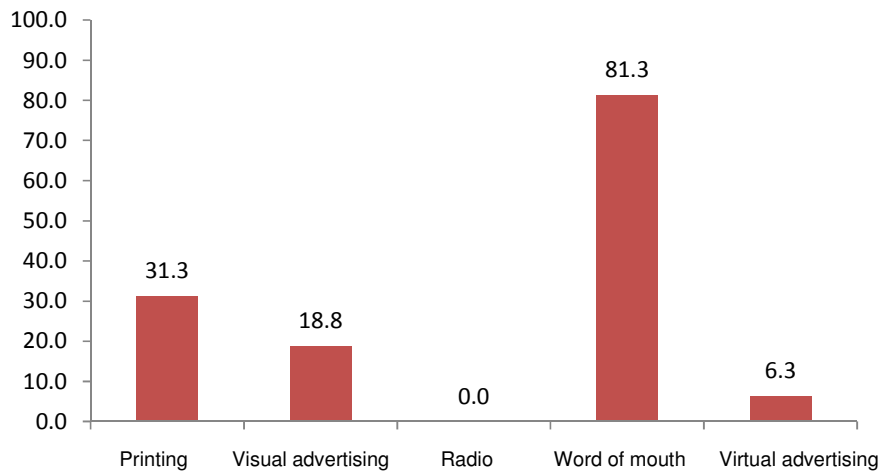
Using descriptive statistics a Mean = 2.81 with a Standard Deviation = 1.559 were calculated. It is interesting to note that 43.8% of the sample have not marketed their services or have only marketed their services rarely during the past month.

Only 18.8% of the sample organisation indicated that they have continuously been marketing their services.

3.5.2 Type of promotion

The type of promotion was limited to Printing, Visual Advertising, Radio, Word of Mouth and Virtual Advertising. Respondents were not limited to one particular type of promotion and in many instances more than one type has been indicated.

Figure 3.7: Type of promotion



A total of 81.3% of the sample have indicated that they have at least done word of mouth marketing of their services. Furthermore, 31.3% indicated that they have promoted their services by means of printing.

3.5.3 Feedback from market

Having asked the question as to whether promotion has recently been done, it was also important to establish how feedback from the market was received, if any.

Table 3.20: Frequency table: feedback from the market

Feedback	% Percentage
Don't Care	0.0
Never	12.5
Occasionally	31.3
Regularly	43.8
Continuously	12.5

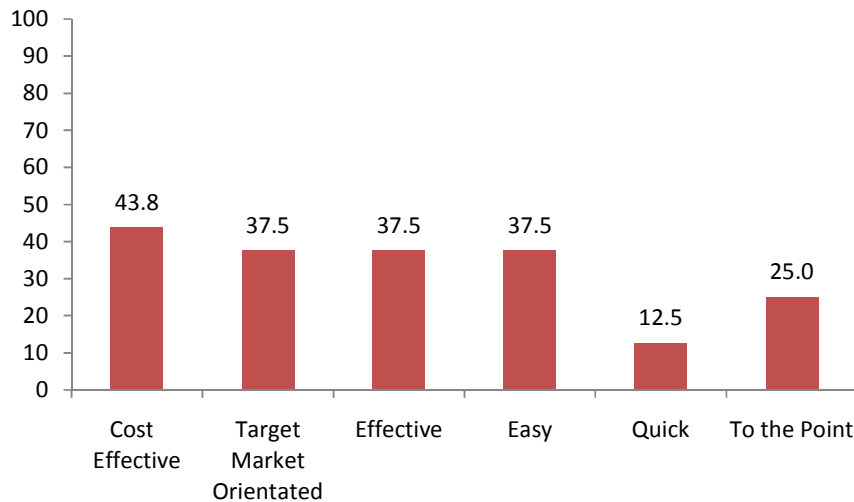
Some 56.3% of the respondents indicated that they are at least regularly obtaining feedback from the market on their promotion. Few (12.5%) have indicated that they never obtain any feedback from the market. This poses the question, if you don't obtain feedback from the market, how do you know it is working?

3.5.4 Reasons for specific promotion

The sample organisations were requested to give an indication as to why they chose a specific promotion type during recent promotion. The respondents were not limited to only one and had the opportunity to choose multiple elements.

The options which were given were that the promotion was: Cost Effective, Target Market Orientated, Effective, Easy, Quick and To the Point.

Figure 7: Reasons for specific promotion



Some 43.8% of the sample indicated that the type of promotion was selected because it was cost effective. 37.5% of the sample indicated that they selected a specific type of promotion because it was target market orientated, effective and easy to do.

3.5.5 Target Market

The respondents were asked to firstly indicate which sector (Private or Corporate) they targeted and whether they have analysed the target market before commencing with promotion.

Table 3.21: Frequency table: target market

Target Market	% Percentage
Private	50.0
Corporate	6.3
Both	43.8

Half of the respondents indicated that their target market was Private whilst 43.8% indicated that their target market was both Private and Corporate. Only 6.3% indicated that the target market was only Corporate.

When presented with the question whether the organisations have analysed its target market before commencing with promotion, 62.5% indicated that they have not analysed their target market, this despite the fact that the organisations are fully aware of their target market. The respondents were further asked to indicate that in the event that they did or would have analysed their target market, what important features they noticed or discovered. It was indicated that it was necessary to work hard to obtain quality service. Also important was to discover where clients tend to search for attorneys.

It was further indicated by organisations that they would have discovered that word of mouth promotion was important and that clients tend to refer other clients if the service was of good quality and professional. One respondent particularly indicated that costs are a major factor and that it would be discovered that cost effective promotion is important.

In the event that the target market would have been analysed, the organisation would become aware of its clients' needs and the emotion involved when making a purchasing decision.

3.5.6 Costs, effectiveness or time

The sample was requested to indicate which of the three elements, Costs, Effectiveness and Time were the most important features when promoting their services in the past month. It is important to note that at this stage the respondents were limited to only one selection.

Table 3.22: Frequency table: costs, effectiveness or time

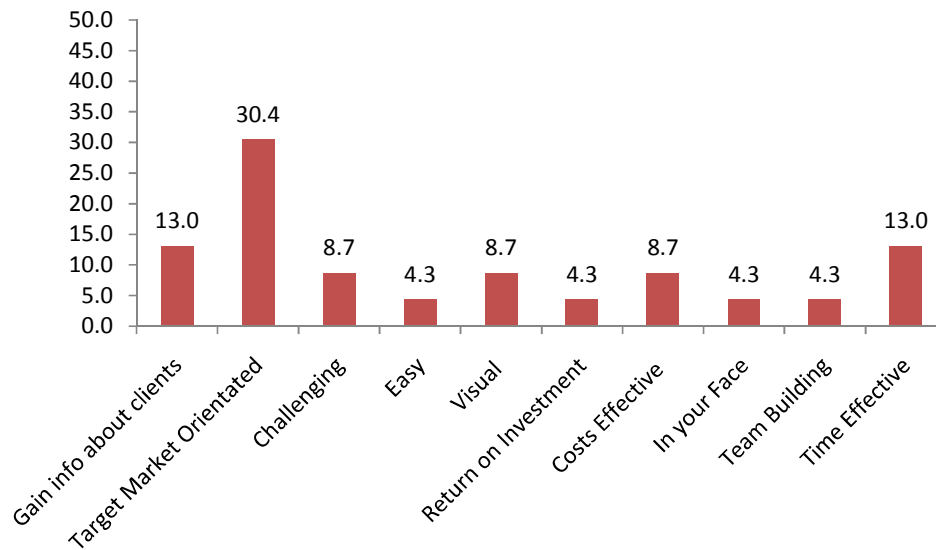
Element	% Percentage
Costs	37.5
Effectiveness	50.0
Time	12.5

It was extremely interesting to note that only 37.5% of the respondents indicated that costs is an important feature when deciding which type of promotion was to be utilised. 50% of the respondents indicated that effectiveness is the most important and not necessarily cost.

3.5.7 Attractiveness of the specific type of promotion

A last question during the interview afforded the respondent the opportunity to indicate what they most liked about the specific promotion used during the last month.

Figure 3.9: Attractiveness of specific promotion



During this part of the interview various responses were noted. Again, it is interesting to note that 30.4% of the organisations have indicated that the most attractive feature of the current promotion of the organisation is that it is target market orientated. Furthermore, 13% have indicated that gaining information about their targeted clients is extremely attractive and the fact that the promotion is time effective.

Some 8.7% of the organisations have indicated that the cost effectiveness of the type of promotion made it attractive.

3.6 Summary

Chapter 3 provided the empirical results of the study. The chapter sets off by discussing the research methodology used, and then discusses the results on the promotional activities of the legal firms. It uses tables and figures to present the results and increase readability. The next chapter is the final chapter of the study, and it presents the conclusions and recommendations of the research.

CHAPTER 4

CONCLUSIONS AND RECOMMENDATIONS

4.1 Introduction

This chapter includes a discussion to meet the relevant objectives as set out in Chapter 1.

This case study was undertaken in an attempt to determine whether small-sized organisations, especially within the legal profession, cut back on marketing expenses especially during a downturning economy and whether they are oblivious to the trade-off which exists between promotion and increase in revenue especially during the post recession period.

In general it was concluded that small-sized legal organisations within the West Rand of Gauteng, do cut back on expenses during a downturning economy. However, it was further concluded that many organisations are not even taking part in promotion, so they have no basis to cut back from at all.

It was also attempted to discover whether small-sized organisations analyse their target market before commencing with promotion and whether they cut back on expenses during a downturn in the economy in an attempt to survive. It was concluded that although very few of the sample organisations have analysed their target market, they do undertake unfocussed promotional activities. This resulted in unsuccessful marketing strategies as well as "trial and error" approaches which are costly and time consuming.

Within Chapter 4, conclusions are drawn from the literature review and empirical results. The recommendations derived from this study are discussed hereinafter.

Lastly, recommendations are made to small-sized legal organisations based on the literature review and the empirical results to ensure more effective marketing during a downturning economy.

4.2 Limitations of the study

As was discussed previously, this is a case study and a sample of only 16 organisations was selected.

An independent candidate was used to contact a variety of organisations within the geographical area of the West Rand of Gauteng. The organisations were contacted and requested whether they would be willing to participate in a case study. The nature of the case study was explained telephonically to the directorate of each organisation. It should be mentioned that of the total of approximately 25 organisations which were contacted, that only 16 organisations agreed to take part in the case study.

Consequently, the sample can be considered as that of a convenience sample. Furthermore, one or two organisations was specifically selected, but still had to agree to the participation in the study. The organisations were specifically selected as it was anticipated that the specific selected organisation would add value to the response value of the study.

Semi structured interviews were conducted with the directors of each participating organisation directly. The interviews were specifically conducted with the directors of each organisation to ensure accurate and to the point information. The limitation being that the view of only the director was obtained and that other minor partners might host different views.

It is important to note that the study was further limited by limiting the case study to only small-size organisations which had 10 or less professional employees. Professional employees were defined as any fee earner such as a Professional Assistant, Article Clerk or Director or Partner of the organisation.

Yet further, the study was limited to the geographical area of the West Rand of Gauteng. This area is considered to be one of the faster developing areas within Gauteng. However, larger corporate entities are still based mostly in areas such as Sandton, Bryanston and Randburg, whilst the West Rand area includes a fair

distribution of industrial industries. The market might thus differ from that of other small legal firms and care should be taken to extrapolate the results to other areas.

4.3 Conclusions

It was concluded that many organisations within the geographical area of the West Rand, Gauteng did cut back on expenses during the past recession. More importantly was that most of the reasons for cutting back on the expenses were that it was costly and that it was ineffective. Others simply did not use any promotional activities.

It was also concluded that many organisations did not do proper market analysis of their target market or their clients' needs.

4.3.1 Organisational structure

Most of the sample organisations (62.5%) employed less than three professional employees. This may be considered as a fairly small organisation with a fairly low monthly turnover.

The organisations specialises in a variety of fields which included Litigation, Conveyancing and Intellectual Property. The Litigation field was subdivided into Private and Corporate. Likewise, the Conveyancing was subdivided into Residential and Commercial. The field of Litigation included all types of litigation in all competent courts (Magistrate's & High Courts of South Africa).

It was important to distinguish between the various fields as most respondents were fully aware of the fact that the Commercial and Corporate sectors of the respective fields were completely different from the Residential and Private sector. The respondents were aware that the physical evidence of the organisation had a major impact on its particular market and clientele.

The physical evidence of the organisation included its buildings and more particularly its pricing structure. The organisations specialising in the Commercial

and Corporate sectors in general had a much higher fee structure than those organisations which specialised in the Residential and Private sectors. However, the fee structure and its influence on the relevant target market, was considered to be beyond the scope of this study and a subject for further studies in the future.

It was furthermore important to establish whether organisations were diversified. Once an organisation was specialising in more than one sector of a specific field, and simultaneously specialised in more than one field of expertise, it was considered that an organisation was diversified.

It was interesting to note that 43.8% of the organisation specialised in both Residential and Commercial sectors within the field of Conveyancing. Having regard to the various sectors of the litigation field, 50% of the organisations specialised in both Corporate and Private. However, only 6.3% of the organisations also included an Intellectual Property field.

It can be concluded that with regard to Litigation as well as Conveyancing, that the sample of 16 organisations were fairly representative. However, in the field of Intellectual Property, the 16 sample was not a fair representation. This may be as a result of the highly specialised field of Intellectual Property. Consequently, it can be concluded that the sample of 16 organisations were fairly represented in all fields of specialisation, excluding Intellectual Property.

The structure of each organisation was further extended to establish whether they included a marketing department within the organisation. It was established that only one (6.3%) of the organisations included a marketing department within its structure. An attempt to correlate the amount of employees within the organisation with that of a marketing department was unsuccessful as the sample was considered to be too small. However, it was interesting to note that the legal firms which did include marketing departments were employing less than three professional employees. In fact, in one particular organisation, the marketing department employed more employees than any other fields of expertise within the organisation.

Asked during the interview, why the organisation did not include a marketing department, most respondents indicated that it was a luxury and that the organisation can ill afford a marketing department in the current economic crisis.

4.3.2 Financial structure of the organisation

It was determined that 50% of the organisations had a monthly turnover of more than R 150 000.00 per month. Furthermore, it was determined that 37.5% of the organisations had a monthly turnover of more than R 50 000.00.

What is concerning is that 62.5% of the organisations budgeted less than 5% of its monthly turnover for promotion. Not one single organisation has budgeted more than 10% of its monthly turnover for promotional purposes.

Making use of a Spearman correlation it could be concluded that a correlation does exist between the actual monthly turnover of an organisation and its willingness to spend a portion of its monthly turnover on promotion.

However, as 0% of the organisations spent more than 10% of its monthly turnover on promotion, it was not possible to draw any conclusions between the actual amounts spent on promotion. It can be concluded that although organisations within this case study are aware that it should budget for promotion, the amount to be budgeted has not been established or determined. It was therefore not possible to compare such results with that of the literature.

Respondents were further asked whether they would consider spending additional costs on promotion should an opportunity present itself. It was extremely satisfying to determine that nearly 93.8% of the organisations indicated that they would definitely spend additional costs on promotion. It was concluded that the lack of spending costs on promotion was not necessarily due to financial constraints, but rather due to the lack of opportunities. However, having regard to the amount budgeted for promotional purposes, it appears that the majority of organisations are uneducated with regard to promotion. This may be as a result of the lack in analysing the target market.

Directing the question towards the opportunity and what such opportunity must entail, it was concluded that 52.94% of the sample advised that the opportunity should be target market orientated. Interestingly enough, only 17.65% of the organisations indicated that cost were of importance. This may be because so many of the organisations already under spent on promotion and hence they have excess cash flow allowing them to invest into additional promotion. It was furthermore established that 50% of the organisations indicated that they would spend an additional 15% on promotion should the opportunity be of relevance. Strangely, this is more than what is currently spent by any organisation on promotion.

A Spearman correlation was drawn between the monthly turnover and the amounts indicated by the organisation which they are prepared to spend on additional promotion. Absolutely no correlation existed between the monthly turnover and the amount indicated would be spent additionally on promotion should an opportunity present itself.

Although more than 50% of the organisations indicated that the opportunity should be target market orientated, very few organisations conducted any research of its target market at all.

It is therefore concluded that although many organisation are prepared to spend additional costs on promotion, they are not aware of the needs in their target market, which may result in unsuccessful promotion of its services.

4.3.3 Promotion

The four elements of promotion namely Advertising, Personal Selling, Service Promotion and Client Relations were investigated.

It was established that 43.8% of the organisations consider Client Relations to be the most important element of promotion. As the legal profession is based mainly on client relations and trust, it is understandable that most organisations consider

this to be the most important element. Only 12.5% of the organisations indicated that Advertising is the most important feature of promotion.

It was further concluded that 25% of the organisations considered Service Promotion to be the most important element of promotion. Again, as will be discussed later, it is notable that many organisations indicate that Client Relations are important, this despite the fact that very few of the organisations analyse their target market.

The interview was directed to establish the importance of promotion for the survival of the organisations. It was concluded that 68.8% of the organisations consider promotion to be important. The fact that 31.3% of the organisations consider promotion to be unimportant is worrying.

It was further concluded that only 18.8% of the organisations made use of both direct and indirect marketing methods. It is notable that only 31.3% of the organisation makes use of direct marketing.

When respondents were asked to indicate at least three of the most important types of promotion within their organisations, it was again concluded that Customer Relations and Customer service was considered to be the most important. Once again, it is expected as within the legal profession, trust and client relations are considered to be extremely valuable to the relationship between an attorney and his or her client.

It is further notable that website and internet advertising is on the rise with nearly 40% of the organisations indicating that it is one of the most important types of promotion. The benefit of course is that the internet and website based advertising is cheaper and less time consuming.

It was also concluded that the time spent on promotion was not satisfactory. 43.8% of the organisations did not spend any time whatsoever on promotion, whilst only 18.8% of the organisations spent more than 4 days per month (one day per week) on advertising. Organisations are concerned about costs but are oblivious to the fact that continuous promotion is extremely important and may in some instances even be cheaper than existing methods.

Another important feature was that only 12.5% of the organisations considered market behaviour to be of importance when selecting a specific type of promotion. In return, 43.8% of the organisations consider client behaviour to be important. As was stated in the literature, clients are still willing to spend money on services; however, they need some convincing. It is therefore notable that most organisations are aware that client behaviour is important. It is however stated that client behaviour is generally dictated by the relevant market behaviour, for example, a downturned economy will change client behaviour. More important was that 12.5% of the organisations considered costs to be an important feature. It is therefore concluded that organisations are more concerned about the market behaviour than how their clientele will behave in a particular market condition such as a downturned economy.

Having regard to the market and client behaviour, only 18.8% of the organisations actually obtain feedback from their target market. It is worrying to note that 81.3% of the organisations are not obtaining any feedback from their target market. This raises the question that if organisations do not obtain feedback, how do they know whether their clients' needs are being satisfied. It is therefore concluded that although some feedback is obtained, that organisations in general are not aware of whether their clients' needs are being satisfied. In the limited event that organisations do obtain feedback, it is mostly done via word of mouth.

Asking the question during the interview whether clients' needs must be considered to be important, a staggering 100% indicated that their clients' needs are important. Organisations are aware that their clients have needs which need to be satisfied. However, as discussed hereinbefore, organisations rarely obtain feedback. Strangely enough, most organisations indicated that communication is very important during the process of promotion. It is concluded that although organisations are aware that communication is important during promotion, most organisations fail to obtain feedback from their clientele in order to establish their needs.

4.3.4 Recent promotion

This part of the interview was specifically directed to establish whether the organisation is indeed undertaking the promotion as advised by them. It was concluded that very few organisations are in fact doing what they say is the correct thing to do. In other words, very few organisations practice what they preach.

A mere 18.8% of the organisations continuously market their services. A worrying 31.3% are not conducting promotion at all. A further 12.5% are rarely conducting promotion. It was further concluded that more than 80% of the organisations rely on word of mouth advertising. Although this type of promotion is acknowledged, it is not sufficient and organisations should investigate other types of promotion as well to ensure brand awareness.

When requested whether feedback are obtained from the market, 31.3% organisations have indicated that they at least obtain feedback occasionally. It was further concluded that 12.5% of the organisations were not obtaining any feedback at all.

Conducting promotion, organisations were asked to indicate what the reasons were for selecting a specific type of promotion which was recently undertaken by the organisation. It was concluded that costs were a concern for most organisation as 43.8% of the organisations indicated that they selected the type of promotion as it was cost effective. Consequently, costs remain a major factor when selecting a specific type of promotion.

When asked whether the organisations have analysed their target market before commencing with promotion, a worrying 62.5% have not analysed their target market at all. It was concluded that as a result of lack of analysing target markets, that promotion which are undertaken carried the risk of being ineffective and not addressing the needs of the target market.

Based on the part of the interview in which respondents were asked to indicate between Cost, Effectiveness and Time and which element was the most important, it was discovered that 50% of the organisations indicated that Effectiveness was the

most important. This is contradictory in that organisations fail to analyse their target markets but simultaneously indicate that effectiveness is the most important feature. Surely your promotional efforts will be carrying a risk if the target market is not properly analysed.

When respondents were asked what was most attractive about their recent promotional efforts, 30.4% indicated that it was target market orientated. This again raises the question whether the promotion is effective even though it is directed at the target market. Respondents are aware of their target market, but fail to analyse the same.

It is concluded that because organisations fail to analyse their target market that the promotional effort carries risk and in some instances is ineffective. This shifted the attention of the organisation to promotional efforts which are more effective, instead of shifting the focus to the target market and its needs.

4.4 Recommendations

Under this heading, particular recommendations will be made specifically to attempt to alleviate some of the problems stated and furthermore to address some of the conclusions which were drawn hereinbefore.

4.4.1 Recommendations: structure of organisations

Although no real recommendation can be made with regard to the actual structure of the organisation especially in which field the organisation specialises, it can be recommended that organisations properly investigate the possibility of including a marketing department within the organisational structure. Various options exists which ranges from a full marketing department to employing only one candidate to undertake the marketing.

It can further be recommended that if an organisation is not inclined to include a marketing department, it may be advisable to contract a marketing candidate, even if only to guide the organisation in the initial stages of marketing.

In many instances, the directorate is of the opinion that each professional employee within the organisation is responsible for his or her own marketing. However, it is recommended that such employees be properly trained and provided with the correct methods of marketing and more particularly promoting the organisation.

As will be discussed hereinafter, if the correct methods are not utilised, the promotion effort will be costly and time consuming and of course ineffective. Proper market analysis has to be done in order to ensure that any employee or contractor is able to correctly and effectively perform the duty of promoting the organisation.

4.4.2 Recommendations: financial structure

It is recommended that organisations ensure that they are spending at least 10% of their monthly turnover on promotion especially during a downturning economy.

The monthly turnover of organisations is mostly fixed due to the structure of the organisation, but respondents must always be aware of the vital importance to spend a portion of their monthly turnover on promotion. It appears as if more than 90% of the organisations are aware of the fact that money should be spent on promotion. However, it is recommended that organisations spend at least 10% or more of their monthly turnover on promotion.

It is further recommended that organisations must analyse its target markets before commencing with promotion, especially during the exploring of new opportunities for marketing. In many instances it was indicated that the opportunity should be target market orientated. This automatically means that the organisation must analyse its target market to ensure that the opportunity is what it seems and that it will result in new or an increased business.

If the opportunity is not properly analysed, it will result in a complete waste of money and time as the attempt to explore additional promotional opportunities would be unsuccessful.

4.4.3 Recommendations: promotion

As the focus of this study was to establish whether organisations are aware of the trade-off which exists between promotion and survival and especially an increase of revenue during a post recession period, any recommendation would be made in view of increasing awareness of the importance of promotion. As the legal profession is based on trust and a client relationship, it is extremely important to determine what the organisation's clients' needs are, as these needs need to be satisfied to sustain a healthy client base.

It is recommended that organisations become aware of the fact that client relations are extremely important. With only 43.8% of organisations being aware of the importance of its client relations, it is recommended that the directorate strive to ensure that all its personnel are aware of the importance of client relations.

Service promotion is also very important as it is via service promotion that clients' needs can be satisfied. It is important that organisations properly analyse their target market to exactly determine clients' needs and how the organisation can satisfy such needs via its service promotion.

It is worrying to note that 31.8% of the sample indicated that promotion is not important for the survival of the organisation. This is dead wrong! Promotion is extremely important as is clear from the literature review in Chapter 2. Organisations should become aware that long gone is the time that a legal organisation owned its clients. Clients are becoming more knowledgeable of service and quality of such services. Value for money, especially during a downturning economy is extremely important to clients. Such needs need to be addressed by each organisation and value for money should be offered to clients in order to sustain a healthy client base.

Clients can be made aware of the value for money by using both direct and indirect methods of promotion. Although the internet and website based advertising is becoming more and more prominent, many clients today are still attracted to using direct as well as indirect methods such as TV, radio and printing. It is recommended that organisations combine these methods to obtain the best possible results.

However, organisations should concentrate on internet and website based promotion especially for the future. It was clearly indicated during the interview that nearly 40% of the organisations consider internet and website promotion to be important. Due to the extremely fast growing awareness and use of the internet, organisations should ensure that they are not left behind.

Potential clients are becoming more and more aware of value for money, and with the ease of use of the internet, "shopping around" is much easier.

It is furthermore recommended that organisations spend more time on promotion. Although it was recommended that organisations spend at least 10% of their monthly turnover on promotion, the amount of time spent on promotion is as important. If organisations fail to spend sufficient time on promotion, they may not become fully aware of their clients' needs.

It is also recommended that organisations spend at least one day a week on promotion. It is important that the services of the organisation are continuously promoted to ensure brand awareness. Especially in the instances where cost is a factor, it is recommended that organisations invest in cheaper methods of promotion, such as the internet, but to assign sufficient time to such promotional method.

When properly analysing the market, it will be discovered by organisations that client behaviour must surely be one of the most important features when considering promotion and especially which type of promotion to use. Client behaviour tends to be directed by the existing market behaviour. However, organisations should always realise that client behaviour is unpredictable and hence very difficult to control.

It is recommended that organisations attempt to predict client behaviour in various economic cycles. This can only be done by the organisation by assigning sufficient time and efforts and personnel. Clients will spend money during a downturning economy. However, where they will spend such money is the question to be answered by all organisations. In general, clients will seek the best value for money.

It is recommended that organisations obtain proper feedback from their clients. This can be achieved by various methods such as interviews, questionnaires or via the website. Asking specific questions, will ensure that the organisation is more in touch with their clients' needs and what the client is expecting. This will enable the organisation to structure its services to meet the needs of its existing and potential clients, which will result in a sustainable client base and an increase in revenue especially during the post recession period.

Again, if no feedback is obtained, how will the organisation become aware of its clients' needs? As the legal profession is mainly built on trust and a relationship between attorney and client, knowing your clients' exact needs become vital for the survival of the firm and building a sustainable client base.

During the interview it was established that 100% of the organisations indicated that their clients' needs are very important. However, from the study it follows that very few organisations obtain feedback. This is extremely unsatisfactory and hence it is recommended that organisations put proper procedures in place to ensure that they are fully aware of their clients' needs.

The procedures should be properly communicated to both clients and personnel to ensure that accurate and reliable information is obtained. Armed with this information, organisations will further be able to ensure that any promotional efforts will be target market orientated and also directed at the specific needs of each client.

4.4.4 Recommendation: recent promotion

Having regard to the recent promotional efforts made by most organisations it can be recommended that promotion should be done more regularly. Only 37.6% of the organisations regularly or continuously promote their services. This is not sufficient and it is recommended that organisations explore methods of promotion which is not necessarily time consuming but is effective. Such methods may include internet or website based promoting strategies.

Less than 25% of the organisations make use of virtual or visual advertising. It is recommended that these avenues of promotion be explored even though it may be more expensive, it is less time consuming and will result in more regular promotion.

Surely some of the most important recommendations which can be made in this case study is that organisations better analyse their target market. Regular feedback is essential to ensure that the clients' needs are communicated to the organisation. Having properly analysed the market will ensure that any promotional efforts will be effective and to the point. It will ensure that the clients' direct needs are addressed and will ensure that clients remain with the organisation as its brand is addressing the needs of the client. This is extremely important and it cannot be stressed more.

Effective target market analysis can be done making use of various methods such as the internet, questionnaires, interviews or website based feedback. However, the method of analysing the market falls beyond the scope of this study and may form a basis for future studies.

Although costs are a major factor, especially within smaller organisation and more so during a downturning economy, it is recommended that organisations explore methods of promotion which are more effective and less costly. It should always be remembered that a downturning economy normally influences almost all business including printing business. Thus, organisations should shop around for better deals to ensure that continuous promotion is done. However, it is again stressed that proper market analysis is required to ensure effective marketing and more particularly promotion.

It is satisfying to note that many organisations make the correct "sounds" but it is clear from analysing the data collected in this study that such organisations fail to ensure continuous and effective marketing. This is mostly due to financial reasons and a lack of proper analysis.

4.5 Future studies

It is important to note that this case study was conducted within the geographical area of the West Rand, Gauteng and only included a sample size of 16 organisations. Consequently, there is many more future studies which can be conducted to support the findings.

With regard to the sample size, it should be understood that the sample size can be increased dramatically. However, the basis for this study was to focus on small-sized legal organisations. It will be interesting to establish whether larger organisations (more than 10 professional employees) mirror the same tendencies.

It is however predicted that larger organisations better analyse their target markets as they are not necessarily financially challenged during a downturning economy.

Also, future studies may be expanded to include other geographical areas such as Sandton and Bryanston (generally considered being upper class areas where more corporate entities are operating from). A comparison can be drawn between the various geographical areas to determine whether any trends are present.

It will furthermore be a subject of future study to ascertain whether the phenomena hereinbefore established is similar during a post recession period.

Candidates may further investigate whether the effectiveness of the current marketing efforts of the organisations is due to the lack of proper target market analysis or not. A comparison can be drawn between the organisation which did analyse their target market and the organisation which neglected to analyse its target market.

Yet further, a comparison can be drawn between organisations which specialise in the same areas of expertise and which are not necessarily diversified. Alternatively, a comparison can be made between organisations which are diversified.

Lastly, it may be investigated why organisations do not analyse their target markets. Is this due to financial constraints, or a lack of knowledge that a proper market analysis could result in more efficient and productive promotional efforts.

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APPENDIX A: QUESTIONNAIRE

INTERVIEW QUESTIONNAIRE

A. ORGANIZATIONAL STRUCTURE

1. How many employees are employed by the organization?

1 – 3 Employees	1
4 – 5 Employees	2
6 – 7 Employees	3
8 - 10 Employees	4

2. In which fields of expertise does your firm specialise:

Conveyancing	1
Litigation	2
Intellectual Property	3
All of the above	4

3. Which sector is your firm specialising in for conveyancing?

Commercial	1
Residential	2
Both	3

4. Which sector does your firm specialise in for Litigation?

Corporate	1
Private	2
Both	3

5. Do you have a Marketing Department?

Yes	1
No	2

6. How many employees are specifically employed within the Marketing Department?

Nil	1
Less than 2	2
More than 2	3

B. FINANCIAL

1. What is the approximately monthly turnover of the organization?

R 10 000 – R 50 000	1
R 50 000 – R 99 000	2
R 99 000 – R 150 000	3
More than R 150 000	4

2. What is the approximate monthly budget for promotion base on the monthly turn turnover?

Less than 5%	1
5% - 10%	2
10% - 15%	3
More than 15%	4

3. Will you consider spending additional promotional costs should the opportunity arise?

1 Strongly Agree	2 Agree	3 Neutral	4 Disagree	5 Strongly Disagree
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4. If so, what should the opportunity entail?

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5. How much more will you spend on promotion should the opportunity arise?

0%	1
10%	2
15%	3
More than 15%	4

C. PROMOTION

1. Having regard to Promotion, which of the following elements do you consider being the most important?

Advertising	1
Personal Selling	2
Service Promotion	3
Client Relations	4

2. How important do you consider promotion to be for the survival of the firm?

1 Not at all	2 Moderately	3 Important	4 Reasonably Important	5 Extremely Important
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3. What type of promotional method are you utilising within your firm?

1 Direct Method	2 Indirect Method
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4. Which of the following promotion do you consider to be of most importance?

Printing	1
Visual Advertising	2
Radio	3
Customer Relations	4
Website/Internet	5
Attractive Displays (Kiosk)	6
Special Events Sales	7
Personal Selling	8
Publicity	9
Customer Service	10
Goodwill	11
Product/Service Styling	12

5. Approximately how much time is spent on promotion per month?

1 Nothing	2 One day per month	3 Two days per month	4 Four days per month	5 More than 4 days per month
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6. Which element do you consider to be the most important when selecting a certain type of promotion?

Market behaviour	1
Client behaviour	2
Location	3
Costs	4
None of the above	5

7. Considering marketing, which of the following elements do you consider to be of importance?

Internal Marketing	1
External Marketing	2
Interactive marketing	3
All of the above	4
None of the above	5

8. How important do you consider the following elements to be a valuable contribution to promotion within your firm?

1 Not at all	2 Not that Important	3 Neutral	4 Important	5 Extremely Important
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Internal Marketing	1	2	3	4	5
External Marketing	1	2	3	4	5
Interactive marketing	1	2	3	4	5

Other:

9. Do you obtain feedback from your target market?

1	2
Yes	No

10. How do you obtain your feedback?

Interviews	1
Questionnaires	2
Website feedback	3
Word by mouth	4
Other (Please specify below)	5

Other:

11. How important to do you consider your client's needs to be when considering promotion within your firm?

1 Not at all	2 Not that Important	3 Neutral	4 Important	5 Extremely Important
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12. How important do you consider communication to be in the type of promotion you have elected?

1 Not at all	2 Not that Important	3 Neutral	4 Important	5 Extremely Important
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D. RECENT PROMOTION

1. In the past month, how have you promoted your business?

1 Not at all	2 Rarely	3 Occasionally	4 Regularly	5 Continuously
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2. What type of promotion did you do?

Printing	1
Visual Advertising	2
Radio	3
Word by mouth	4
Virtual Advertising	5

3. How often have you received any feedback on your promotion?

1 Don't care	2 Never	3 occasionally	4 Regularly	5 Continuously
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4. Why did you choose the specific type of promotion?

Cost effective	1
Target Market orientated	2
Effective	3
Easy	4
Quick	5
To the point	6

5. Your target market, was it?

Private	1
Corporate	2
Both	3

6. Have you analysed your target market before commencing with promotion?

No	1
Yes	2
Didn't care	3

7. If you have analysed your target market, what was the important features you discovered?

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.....

8. What were the most important features to consider when deciding which type of promotion to utilise?

Costs	1
Effectiveness	2
Time	3

9. What did you most like about the type of promotion that was considered?

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