LEGAL MARKETING ASSOCIATION
LMA

SOURCE

The top challenge for legal CMOs: Building a next-generation growth engine

September 2025

Forewords

LMA Europe

The Legal Marketing Association, Europe (LMA Europe) is delighted to have partnered with Source Global Research to deliver this valuable report, which examines the evolving landscape facing chief marketing officers (CMO) in the legal sector.

The legal services market is experiencing unprecedented transformation. Industry consolidation is a prominent feature as firms look to scale, while alternative legal service providers (ALSPs) are making inroads, and private equity firms are investing in law firms like never before. Against this backdrop, firms are facing growing pressure to deliver more for less in an intensely competitive market.

This research reveals a fundamental shift in the role of marketing and business development (BD) professionals in law firms, in particular the role of the CMO. With 67% of respondents expecting the CMO's role in revenue generation to become more important in the future, it is clear that the profession is stepping into a more strategic, commercially-focused position. However, this evolution brings new responsibilities and skill requirements that we must address collectively as an industry.

As marketing leaders, it is important for us to embrace data analytics, develop stronger relationship-building capabilities, and become fluent in emerging technologies whilst maintaining our core expertise in brand management and client experience.

The recommendations in this report offer a practical roadmap for CMOs looking to succeed in the law firm of the future, from defining clear USPs in an increasingly competitive market to building revenue-centric cultures and investing wisely in technology.

The legal marketing profession is at an inflexion point, and how we respond to these challenges will determine our success in the years ahead.

Karen Morton
CMO of Cleary Gottlieb and President of LMA Europe

Source

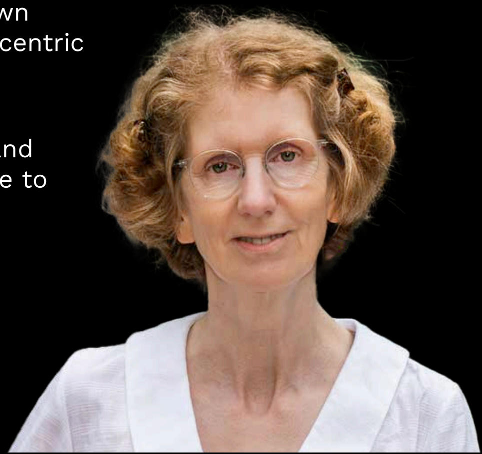
Across our research at Source, we are seeing market upheaval that has tipped us from an uncertain market into one that is unreliable. This is bringing fundamental changes in terms of how businesses operate, how they position themselves for growth, and the skills and mindset required for success.

This report, a collaboration between Source and LMA Europe, sheds light on how this new dynamic is reshaping what it takes to succeed as a legal services firm today. While the prolonged volatility in the macroeconomic environment means that an increasing number of clients and firms alike are worried—even frightened—by the situation and its impact on their ability to invest in their businesses, our research shows that marketing and BD leaders are determined to respond rapidly and thrive in this evolving ecosystem.

So, what does this look like on the ground? The research and interviews we carried out reveal leaders of marketing and BD teams who are stepping into more strategic roles—building influence across their organisations and recognising the part technologies can play in empowering their teams to drive efficiencies but also, crucially, drive growth.

The themes we've highlighted aim to inspire discussions on how marketing leaders can futureproof their own functions, whether by creating a revenue-centric culture, addressing specific skill gaps, or harnessing the power of new tech.

Let us know which findings, challenges, and actions resonate most with you—we'd like to continue the conversation.



Fiona Czerniawska
Founder and CEO of Source

Contents

1

Know what really matters

1 A shake up in the legal services market is putting pressure on firms

Industry consolidation is a prominent feature in the legal services market globally as firms look to scale—Europe is no exception. Meanwhile alternative legal service providers (ALSPs) and the Big Four are making inroads into key segments, and private equity firms, with deep pockets, are making investments in law firms. At the same time, clients are under pressure from macroeconomic uncertainty and want more for less.

To help their firms navigate this dynamic marketplace, marketing leaders are looking to highlight their firm's tech capabilities, be clear on their USP, and put expertise at the heart of their brand activation.

24%

of marketing leaders think buyers of legal services will prioritise global reach, and the same proportion seek tech & innovation capabilities

2 Expectations of marketing leaders are increasing

Growing expectations mean that CMOs need more than brand and marketing skills to succeed, with the role expanding to include business development and much more. The best marketing leaders are now seen as pivotal to strategy development, revenue growth, and client experience.

To deliver on this expanded role, CMOs will need to double down on leadership and relationship-building skills, while putting data analysis at the centre of their toolkit. Technology is set to be a powerful enabler for marketing leaders, who should also make sure they have the right people with the right skills supporting them.

67%

think the CMO's role in revenue generation will become more important

3 Marketing and BD teams will need new skills

As the role of the CMO expands, so does the remit of their marketing and BD teams. Marketing leaders recognise that there are some challenges and skills gaps that must be addressed.

The capabilities that need strengthening closely reflect the ones that we've highlighted as crucial to CMOs today: data & analytics, competitor intelligence, and relationship building. And CMOs that can build a culture of continuous learning in today's rapidly changing world are likely to have a competitive advantage in the market.

33%

say employees cannot be adequately upskilled or lack the tech capabilities their firm needs

4 MarTech—only the tip of the tech iceberg

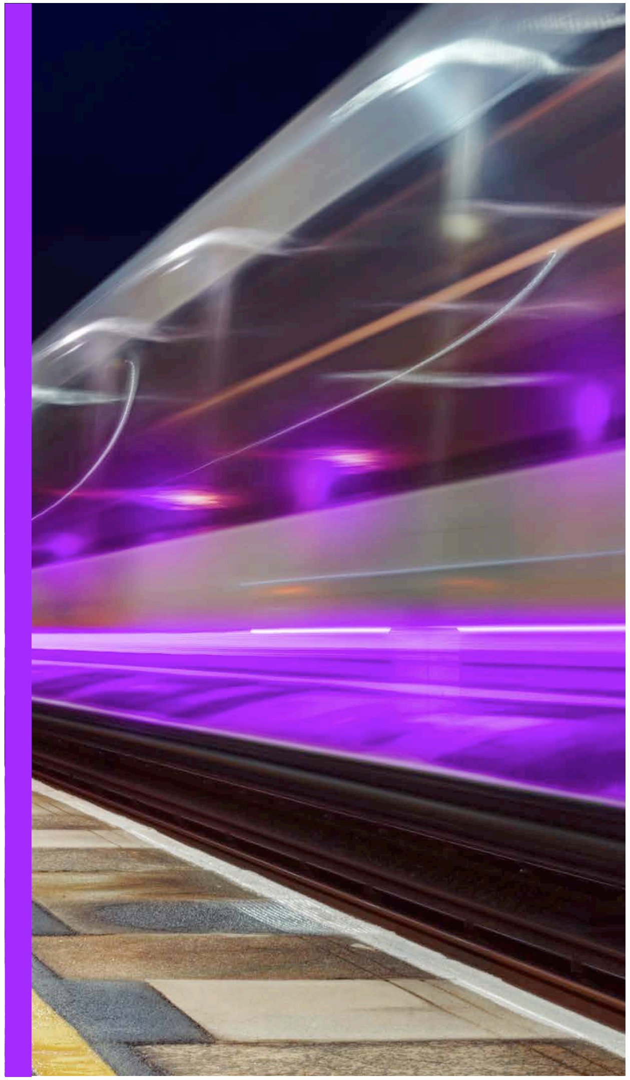
Technology is an increasingly important feature of how law firms go to market. However, for the marketing and BD functions specifically, there is a lot of talk about how to use new tech, including generative AI (GenAI), but less clarity about where value is truly being created.

Marketing leaders have a lot to gain from making sure they're maximising the potential of their current systems, that they have the right data foundations in place to support the use of emerging technologies, and that they are prioritising AI that will help them meet their firm's strategic goals.

96%

say their level of investment in BD & marketing tech will increase over the next 18 months

Introduction



From influencer to shaper

To be a leader in marketing today is no easy task.

In the space of just a few years, the market, once fairly reliable, has transformed. Challenges prevailed, but it was a question of when rather than what. But in today's market, one day often bears little semblance to the next. One day, new geopolitical tensions seem to arise. Another, economic conditions get tighter. Meanwhile, technologies continue to advance at a breakneck pace.

The result? An unreliable market.

Clients' needs and ways of working are changing. They are budget constrained, and for some types of work, show a greater appetite to shop around for external support. New players are challenging incumbents that are unable to keep up. This is particularly palpable in the legal industry, where everything from billing structures to attitudes around outsourced work is being transformed.

But where there is a challenge, there is an opportunity. Over the last few years, the diversity of tasks landing on the desks of marketing leaders has expanded. They have stepped outside their shoes as brand guardians and are increasingly being recognised as critical drivers of revenue growth.

It was against this background that Source was engaged by the Legal Marketing Association in Europe (LMA Europe) to investigate what legal marketing and business leaders make of the changing market environment—and crucially, what this means for their teams for the future. To do this, we surveyed 200 marketing executives in the legal and consulting industry globally. This was supplemented with 11 in-depth qualitative interviews with leaders in the field, where we dug into various themes.

Our findings point to a shift from marketing and business development (BD) teams being perceived as a support function to being seen as a shaper of firm-wide strategy. Their unique position within the business has made way for the CMO to emerge as a strategic orchestrator of an internal ecosystem at a time when the market requires firms to operate with greater efficiency and as a symphony. This report draws on some of the steps CMOs and their teams can take to step into that role with success.

2

A shake up in the legal services market is putting pressure on firms

A highly competitive market and changing client needs make for a challenging time

The market for legal services is an increasingly competitive one: Industry consolidation is a prominent feature in Europe as firms look for scale, while new entrants, including alternative legal services providers (ALSPs) and the Big Four, are making inroads into key segments, leveraging technology to gain competitive edge over traditional players. Private equity firms are also making waves, as they make investments in firms and bring along generous budgets to plough into cutting-edge technology solutions as a way to shake up the industry and steal a march on incumbents. Recent target law firms have included DWF Group in 2023 through to Stowe and FBC Manby Bowdler at the back end of 2024[1].

To make matters more challenging, an unreliable macroeconomic environment and rapid advances in technology are reshaping clients' needs and perceptions of value. AI, in particular, is providing another level of market disruption, with the more repetitive and commoditised legal services work being an obvious target. Against this backdrop, firms are facing growing pressure to deliver more for less, intensifying competition.

With a greater number of options on the table and a desire to keep costs down, clients may also be more willing to change advisors than in the past, particularly when it comes to transactional or less differentiated work. Jon Brewer, former CMO at Orrick, explained: "A really big thing that is driving a hugely competitive market is the lack of client loyalty combined with the fact that clients would rather shop around. Loyalty has declined over the last five years, and it's set to decline even more."

> **"There are too many law firms and legal providers in the market. That means that there will be winners and losers. We're beginning to see some of that fallout. Some firms have gone out of business or have had to be absorbed by other firms. In particular, the mid-market is very overcrowded, so you're going to see a lot of consolidation."**
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> **Adam Soames,** Global Chief Business Development Officer, Ashurst

1 Josh Gabert-Doyon, *Private equity money flows into UK's consumer law firms*, Financial Times, Jan. 13, 2025 (accessed June 13, 2025). Available at: https://www.ft.com/content/925dced8-e831-48f6-b679-39f86a84916e.

About us

We help professional services firms understand what really matters when facing decisions of vital importance.

The best decisions are based on evidence, objectivity, and a willingness to change. That's why, at Source, we tell you what you need to hear, rather than what you want to hear.

We draw upon our deep roots within the professional services sector to provide firms with a clear picture of their clients' worlds. Through comprehensive research and meticulous analysis, we pinpoint what truly matters and deliver actionable insights that help firms map out the right way forward.

We believe in thriving individually and succeeding together. And we would love to help your firm crack its latest conundrum.

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About the LMA Europe

Launched in 2021, the Legal Marketing Association's European Chapter (LMA Europe) brings together more than 250 legal marketing and business development professionals across the region. The community connects members to a wide range of regional initiatives — including mentoring, webinars, networking groups, social gatherings, and a regional conference — while also opening access to the LMA's extensive global resources. These include thought leadership from across the world, tailored training in the Body of Knowledge, advanced learning opportunities through the Practising Law Institute, complimentary access to a library of more than 300 on-demand webinars and 350+ conference recordings, as well as access to content from the LMA Annual Conference hosted each year in the United States.

Learn more about the LMA at: https://www.legalmarketing.org/

Publication schedule for 2025

2025		Market Trends Reports	Market Trends Briefings	Client Perceptions Studies	Emerging Trends Programme	White Space Reports	White Space Insights
Q1	January	Forecasts for 2025 UK US GCC France		UK US GCC France			Featured thought leadership (monthly) Quarterly webinar series
	February				Pricing: Expectations vs. Reality		
	March					Quality Ratings Report (QRR)	
Q2	April	Nordics DACH Australia East Asia South East Asia Africa	India South America	Germany Australia China Japan Retail Energy & Resources Financial Services Technology, Media & Telecoms	What's next for people, HR & change consulting?		Featured thought leadership (monthly) Quarterly webinar series
	May						
	June				Client attitudes to AI and barriers to implementation today	Client Perceptions of Thought Leadership	
Q3	July	Energy & Resources Financial Services Technology, Media & Telecoms Sustainability	Healthcare & Pharma	Risk Tax			Featured thought leadership (monthly) Quarterly webinar series
	August				How to talk to your clients about value		
	September					Thought Leadership Innovation	
Q4	October	Tax Risk Technology Planning for Growth in 2026	Public Sector	Audit Technology	The new consulting frontier: Adapting to global economic change		Featured thought leadership (monthly) Quarterly webinar series
	November						
	December				Predictions for 2026	Hot Topic Report	

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