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| GLOBAL LEGAL MARKETING

The Annual GC Survey

the relationship between Israeli GCs and
their Israeli and international law firms

July 2023

ACC Association of
Corporate Counsel
ISRAEL

Nishlis Legal Marketing

Nishlis is a leading global legal marketing company with headquarters in London and offices in Helsinki and Tel Aviv and affiliates in New York, and Warsaw. Established in 2014, the company leverages its extensive experience within major global law firms and publishers to provide comprehensive marketing solutions to law firms across Europe, the Middle East, Africa, Asia, and the U.S. Nishlis specialises in international business development, strategic marketing, digital marketing, content and submissions, as well as, thought leadership initiatives tailored to the legal industry.

ACC Israel

ACC Israel serves in-house attorneys in Israel through networking, knowledge sharing, continuing legal education and advocacy on behalf of the in-house profession. ACC Israel offers a strong local presence in Israel, with the affiliation and support of an international resource. ACC is the only organized source of information and network in Israel that is dedicated to in-house counsel.

Introduction

There is no doubt that the legal landscape looks different in 2023 compared to previous years.

2021 was an amazing year for the legal sector with record breaking matters and transactions. 2022 was an interesting and eventful year for the legal industry, affected by constant changes to the working environment and global events.

Our annual GC survey taps directly into these trends and paint an interesting picture of how GCs choose their legal providers, what influences them in their decisions, type of legal work that goes out (as opposed to work staying in) and more.

Though we interviewed Israeli GCs, this report is applicable to the entire legal industry.

Law firms who will read the report and learn the challenges and opportunities facing in-house council will better position themselves and create a competitive advantage.

Demographics

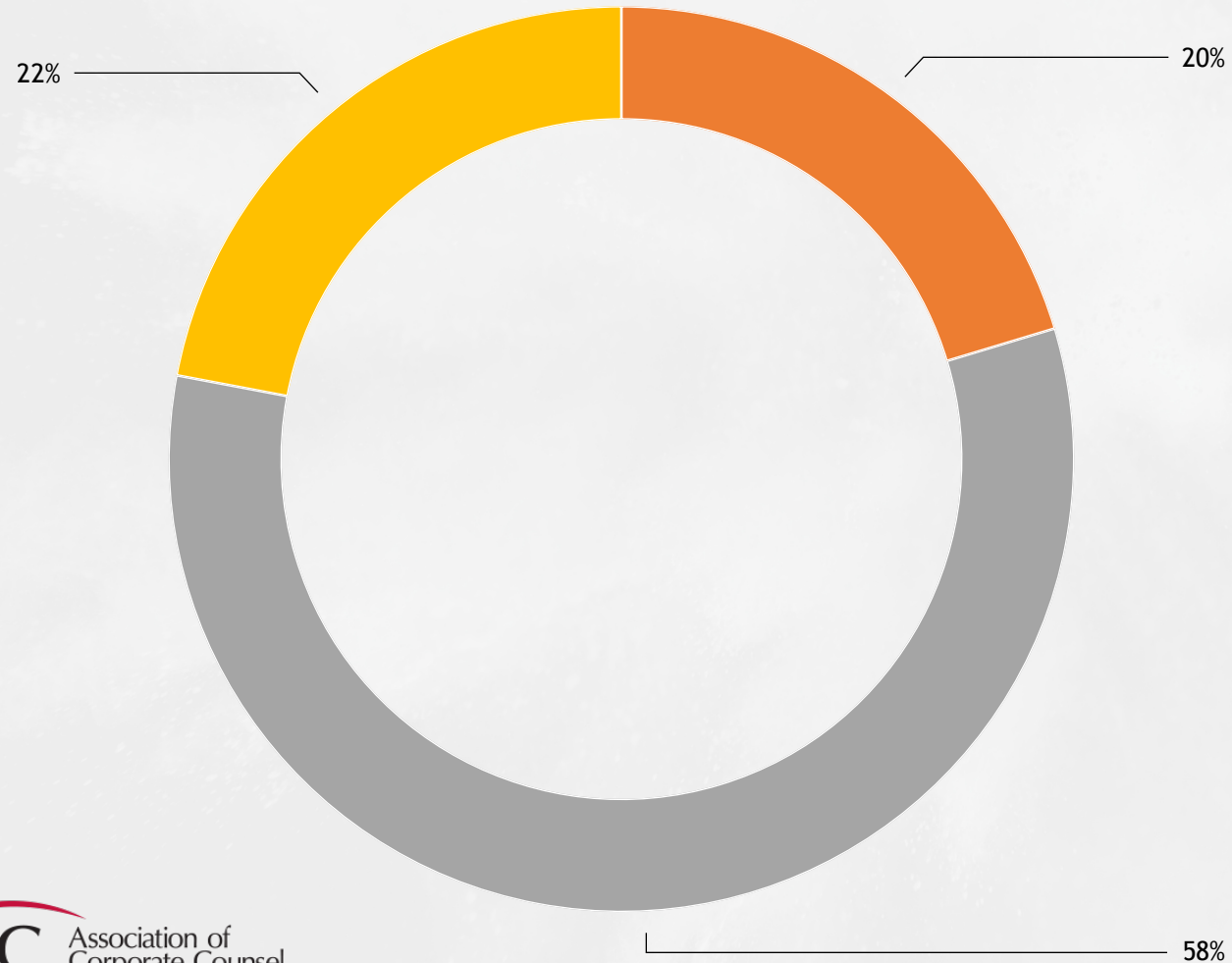
who are the GC's that took part?

Sample size

70

GCs took part in the survey

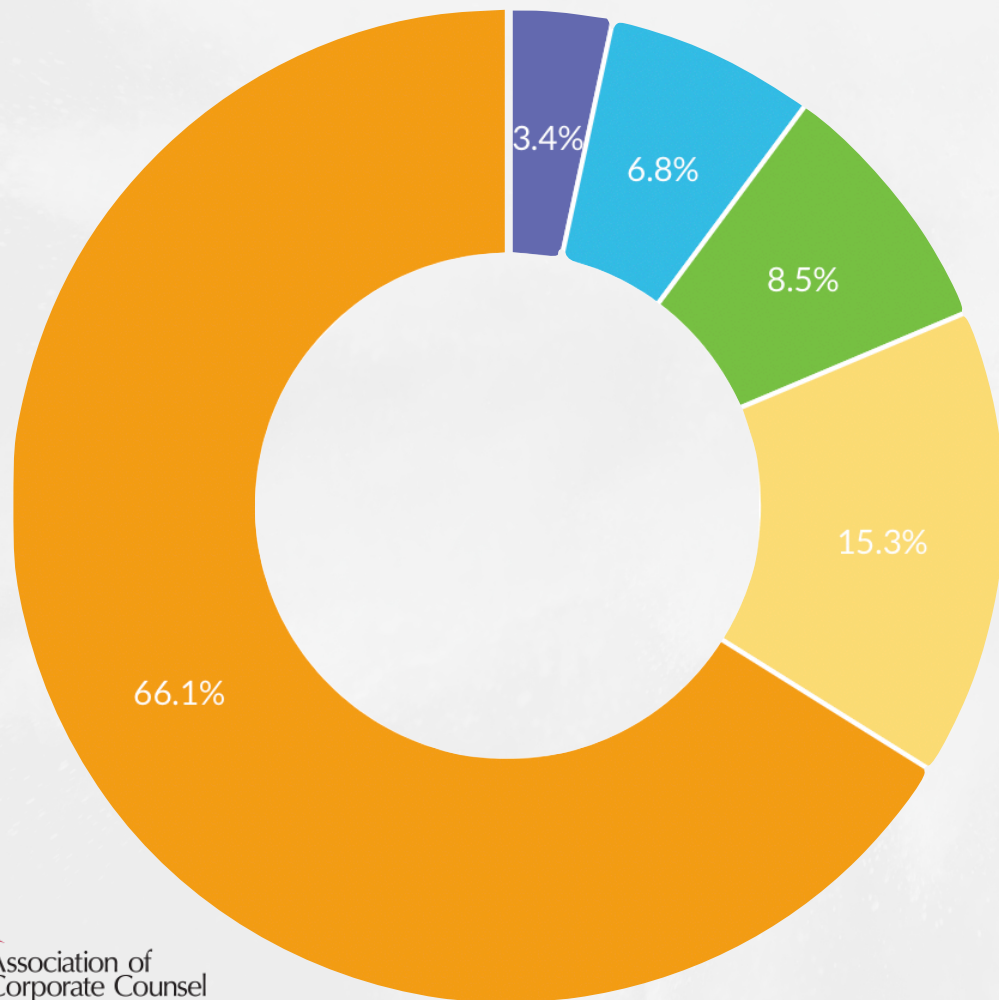
Age



mostly senior GCs

- Under 30
- 30-40
- 40-50
- Over 50

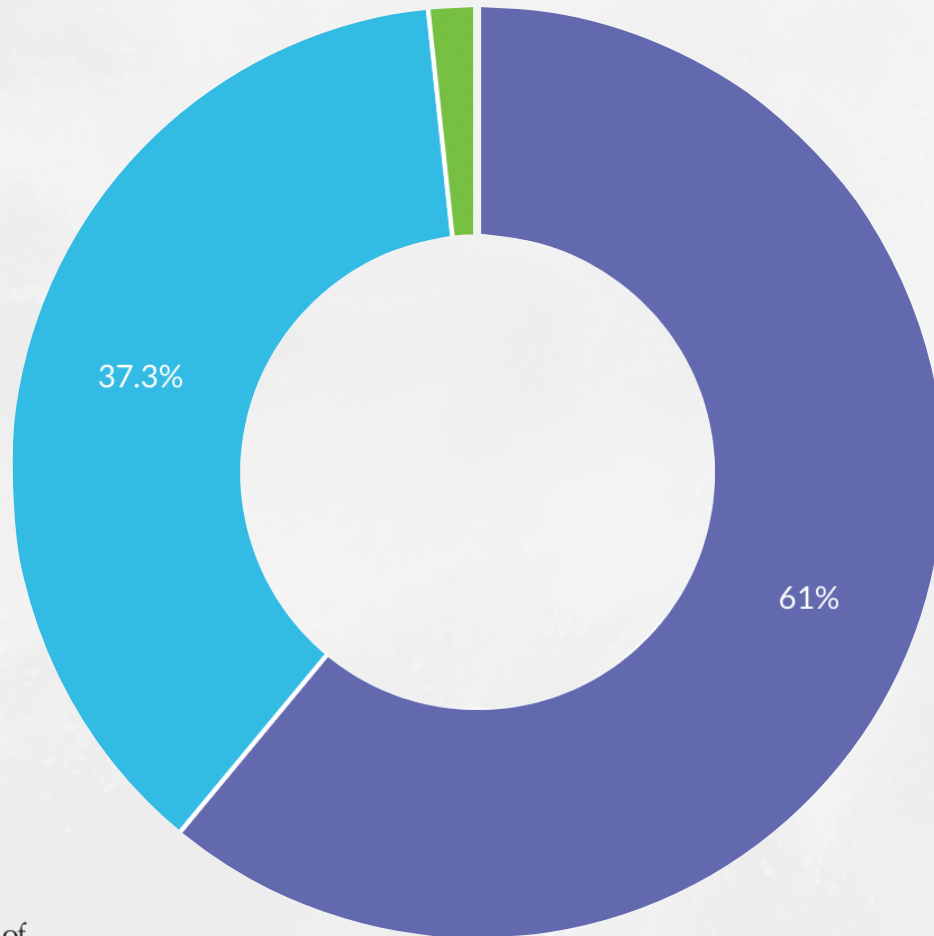
Experience



GCs surveyed are well experienced - better take this survey seriously

- 0-2
- 3-4
- 5-7
- 8-12
- over 12 years

Gender



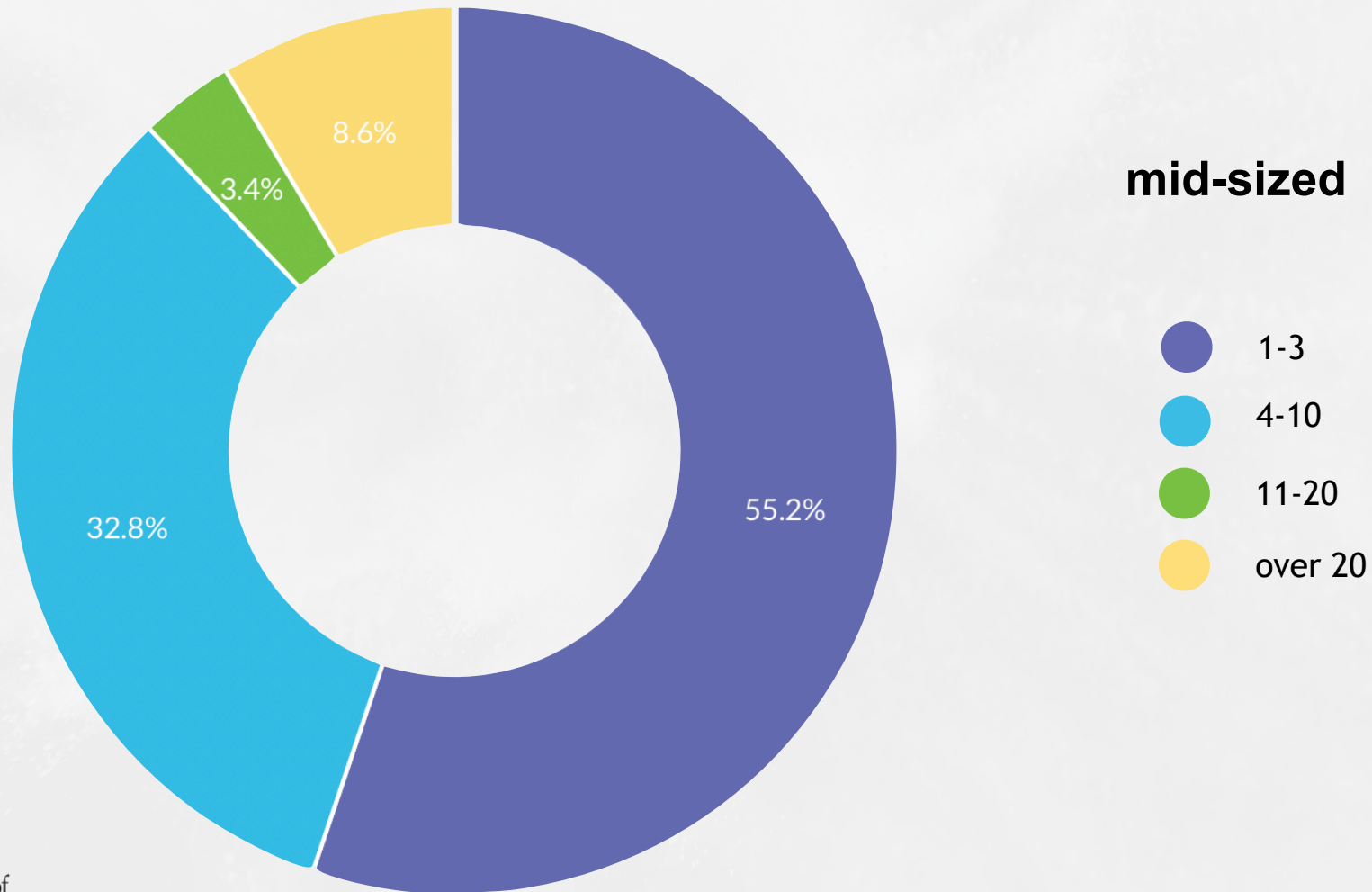
mostly female

- male
- female
- other



Important to know your target audience

Size of legal department

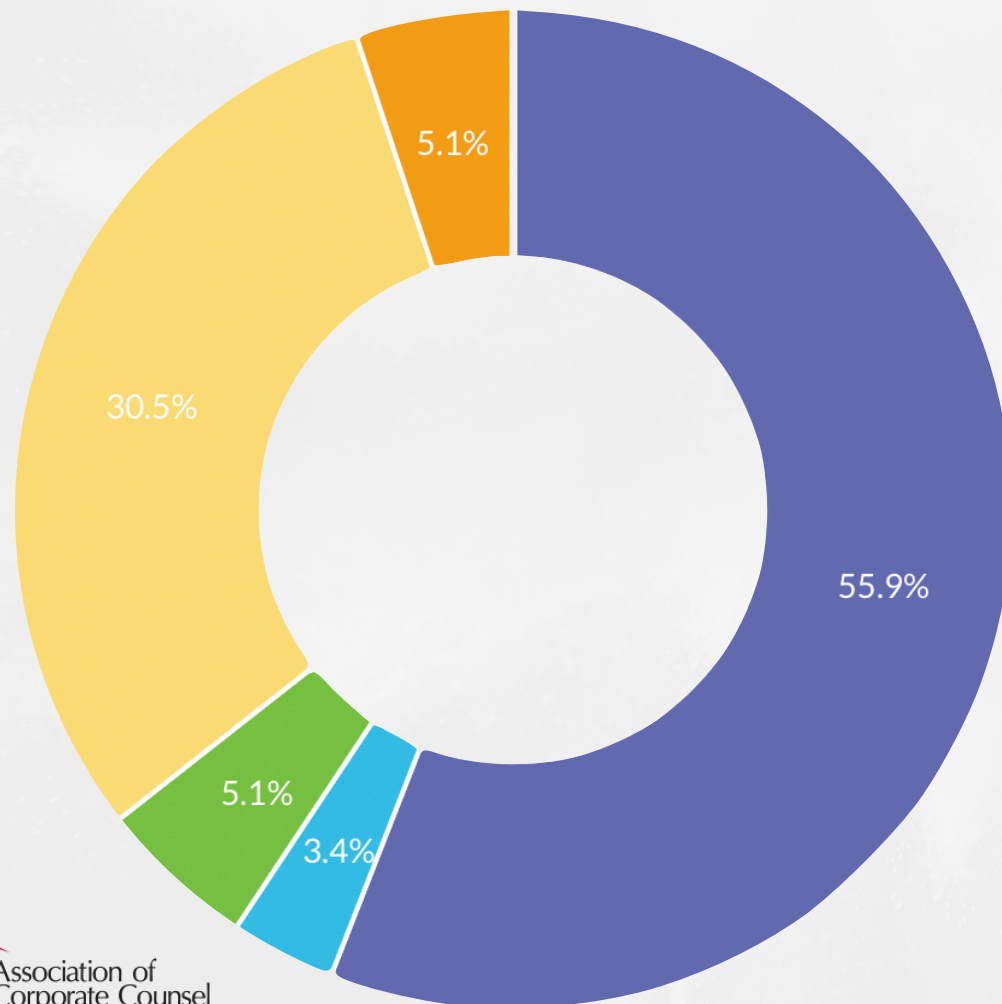




Who in-house counsel work with

an insight into how legal
departments in Israel operate

Size of law firms hired



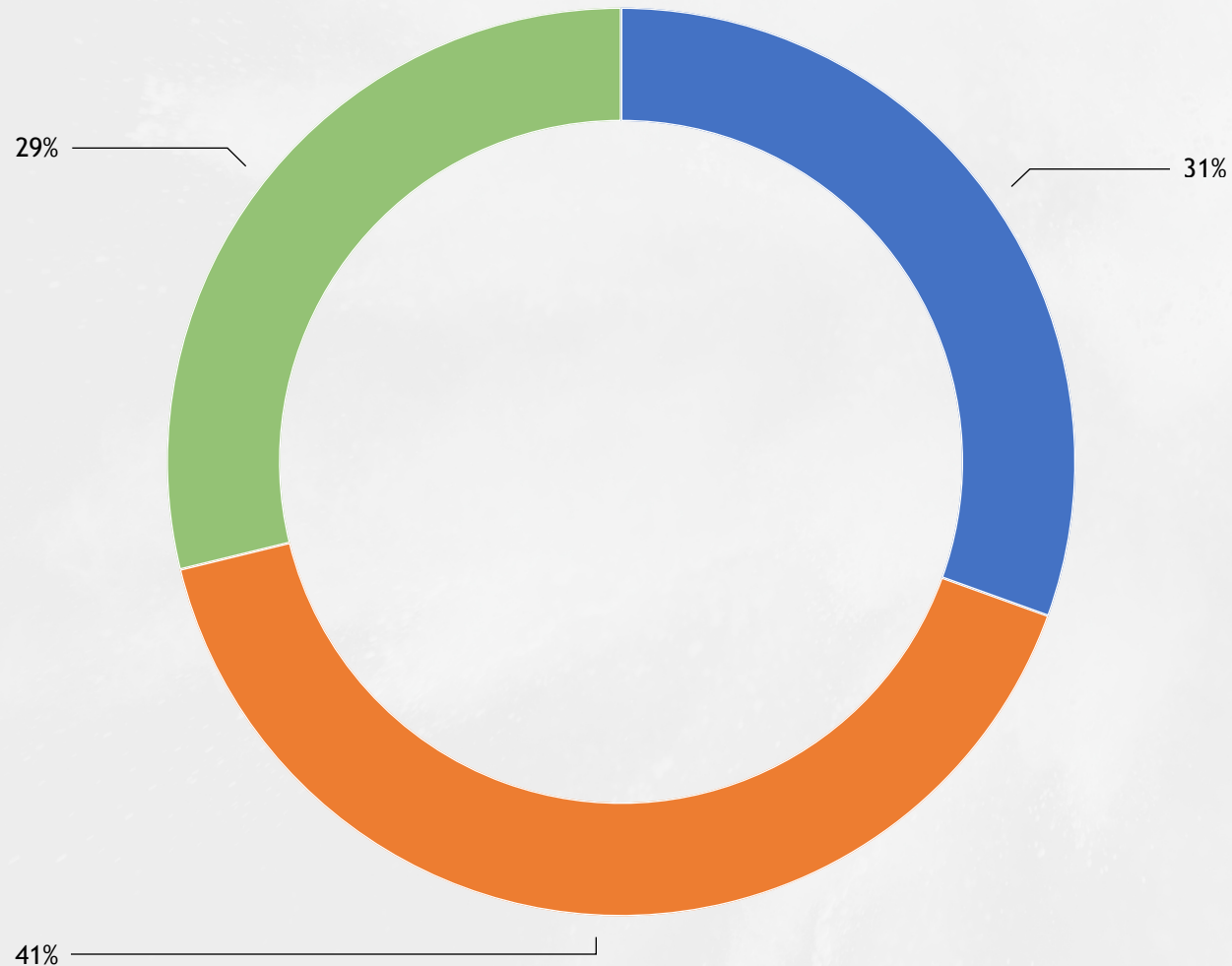
size matters but also practice expertise

- large, top-20
- small law firms
- boutique firm
- varies - depends on practice area needed
- no preference, other factors are more important



Coincides with the recent merger trend we are witnessing among law firms. Large firms are more attractive, but also smaller firms who can position themselves as a go-to-firm with focus expertise.

Number of Israeli law firms hired



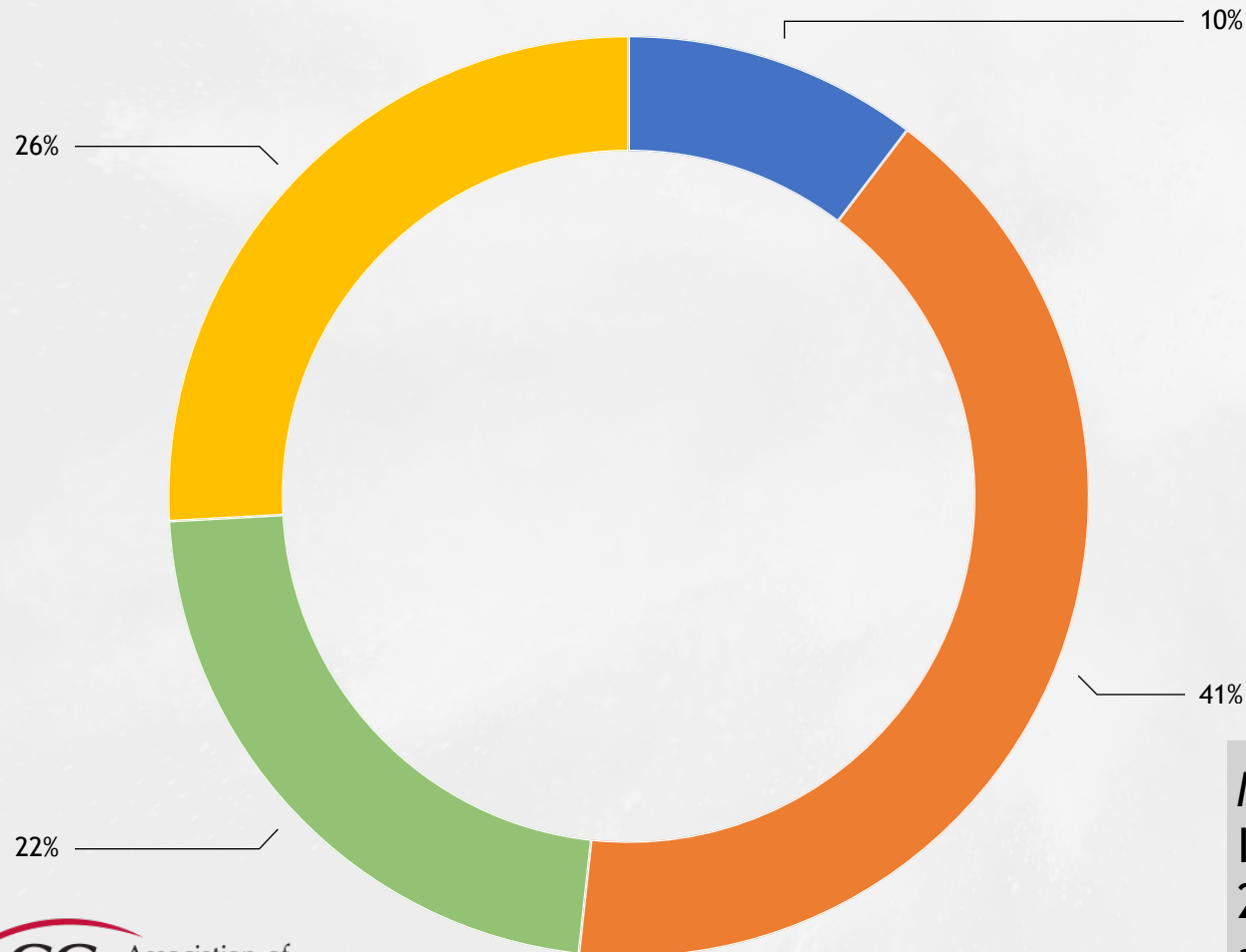
most legal departments will hire more than three law firms

- 1-2
- 3-5
- more than 5



GCs are focusing their work with fewer firms than in the past (in 2020, 36% hired more than 5 firms)-more work is done in-house, tighter budget and concentration of work.

Number of international law firms hired



most legal departments will hire more than three law firms

- none
- 1-2
- 3-5
- more than 5

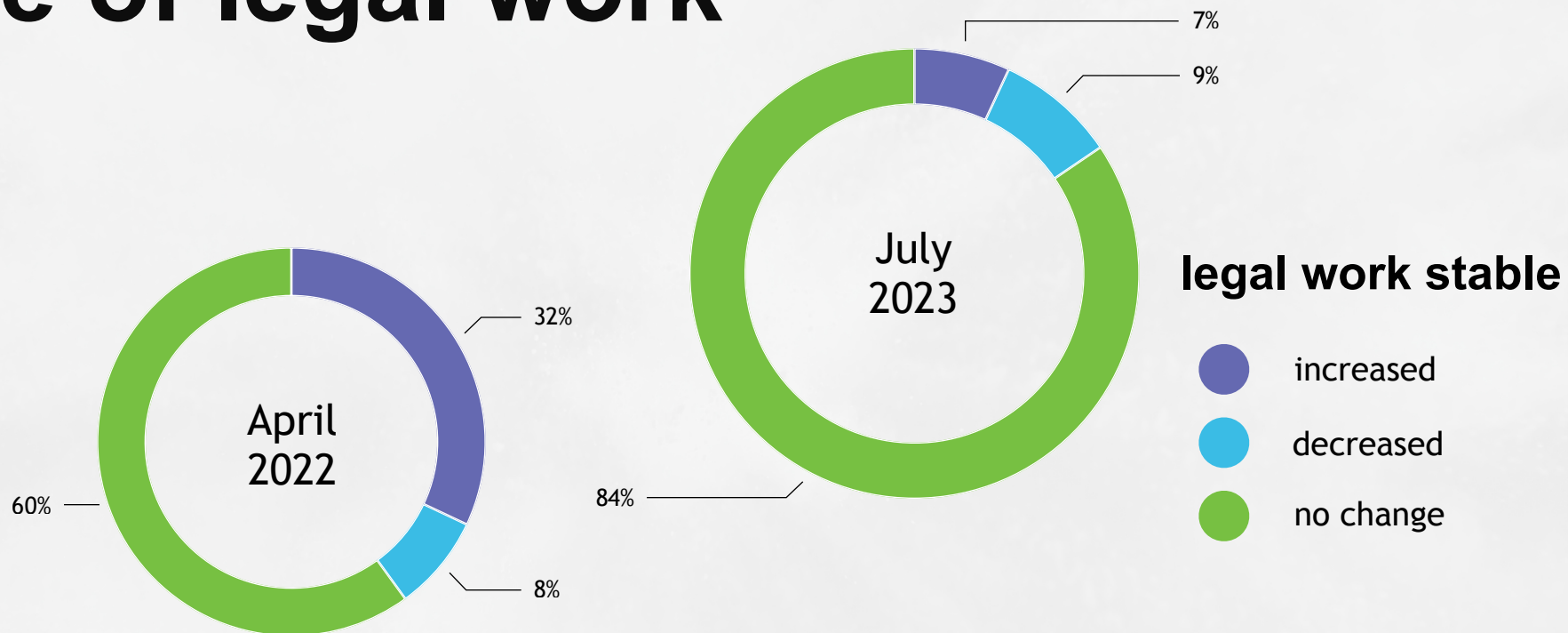


More Israeli companies are expanding outside of Israel and using international law firms. In the 2020 survey, 28% did not hire international counsel at all!

How the downturn is influencing legal spend

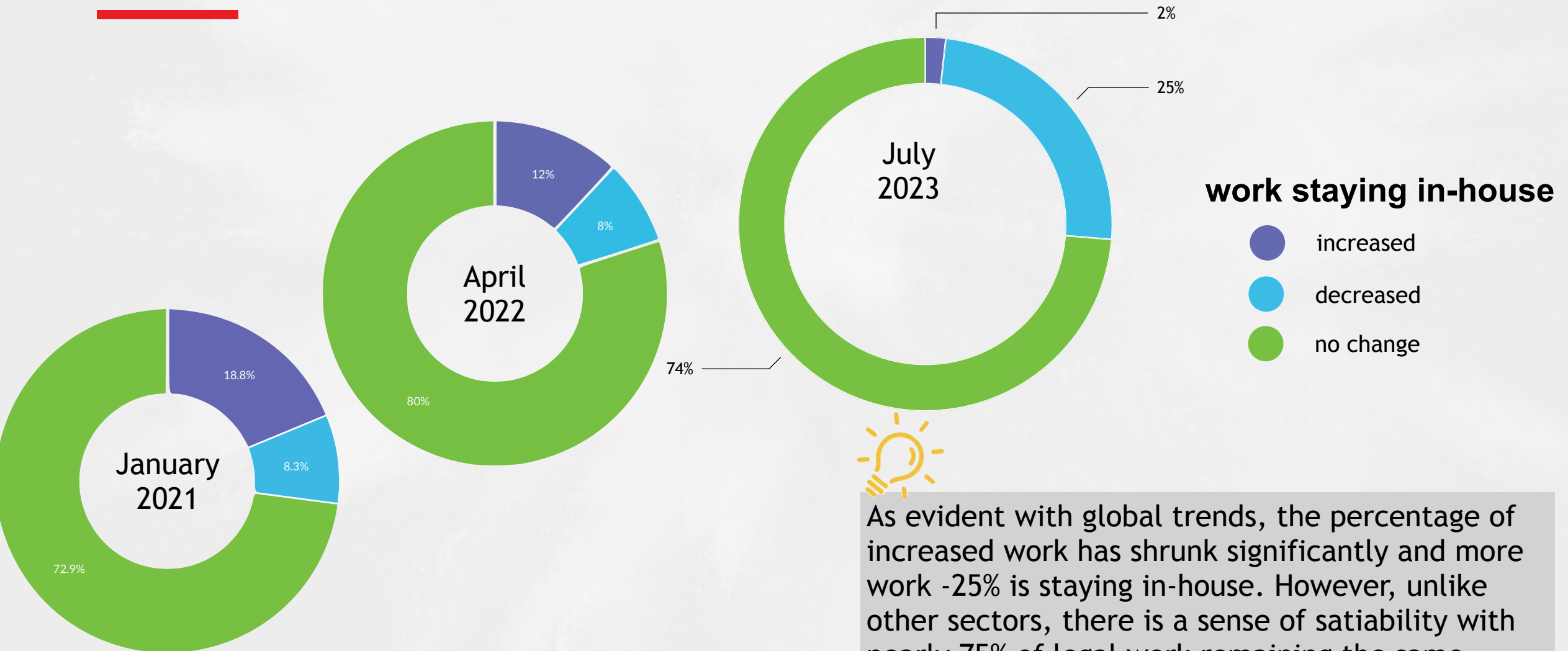
an insight into how legal
departments in Israel operate

Volume of legal work



As evident with global trends, the percentage of increased work has shrunk significantly. However, unlike other sectors, there is a sense of satiability with nearly 85% of legal work remaining the same.

Volume of legal work sent to law firms

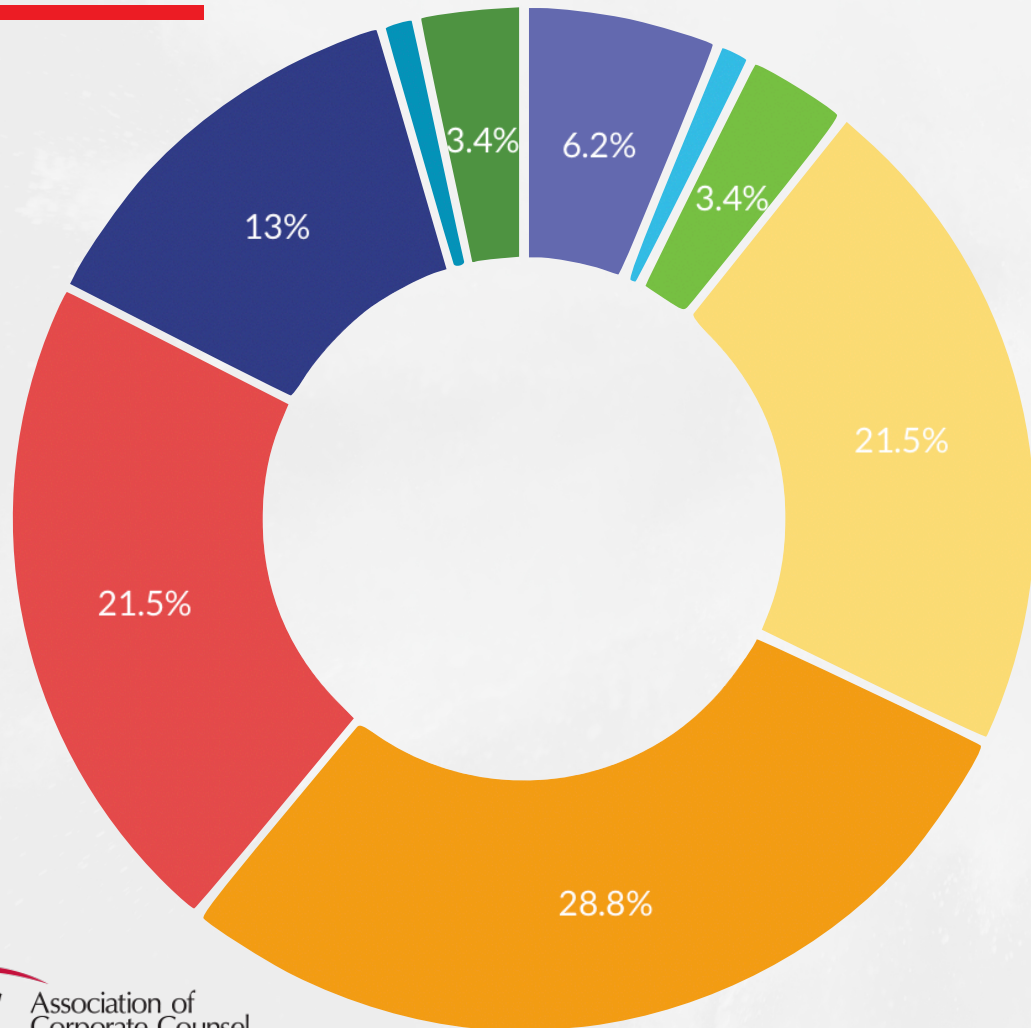


As evident with global trends, the percentage of increased work has shrunk significantly and more work -25% is staying in-house. However, unlike other sectors, there is a sense of satiability with nearly 75% of legal work remaining the same.

How in-house choose their legal counsel

and type of legal work provided

Influence in choosing an Israeli law firm



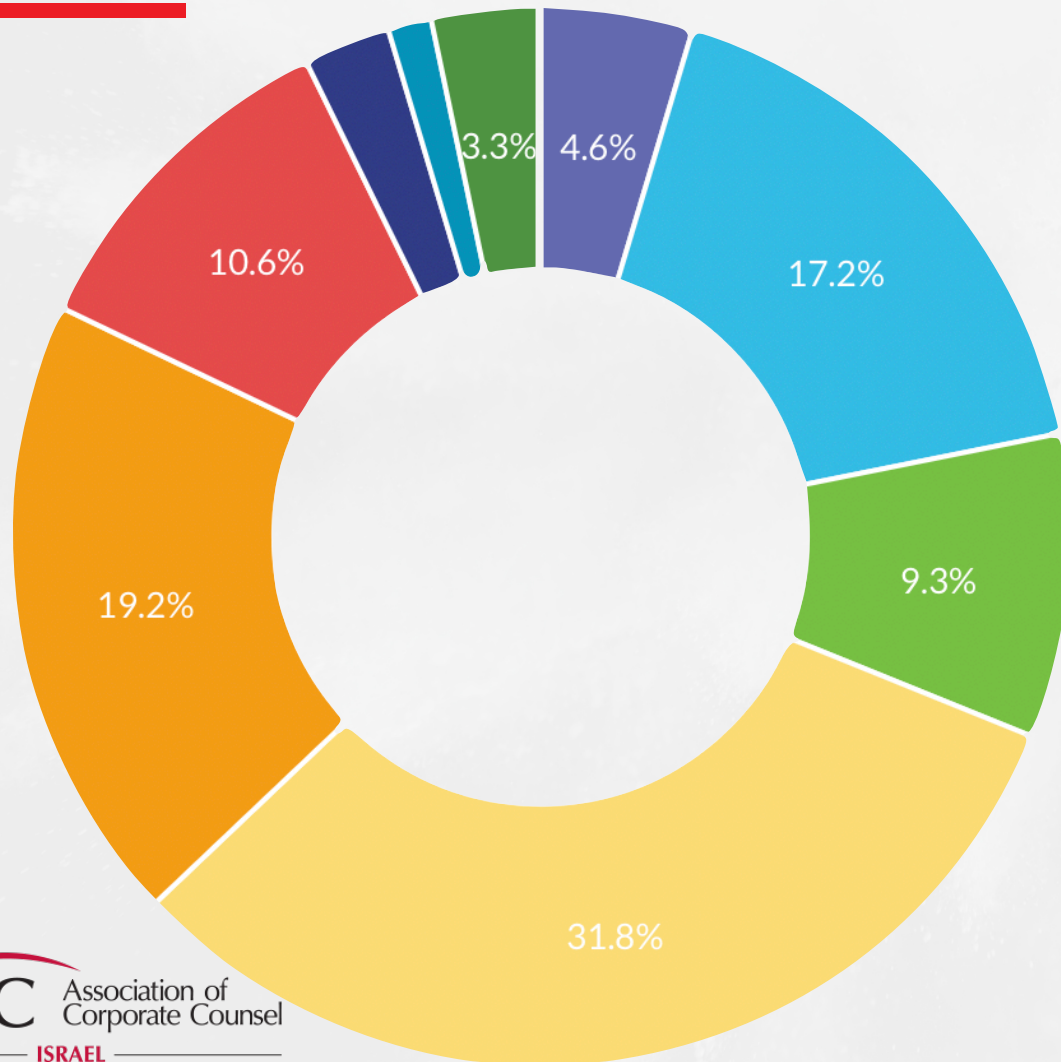
influence versus validation

- size
- domestic ranking guides
- international rankings guides
- recommendations
- prior legal engagement
- previous relationship
- comparison of legal fees
- online search
- other



Personal connection is the highest source of influence, accounting to about 70%.

Influence in choosing an international law firm



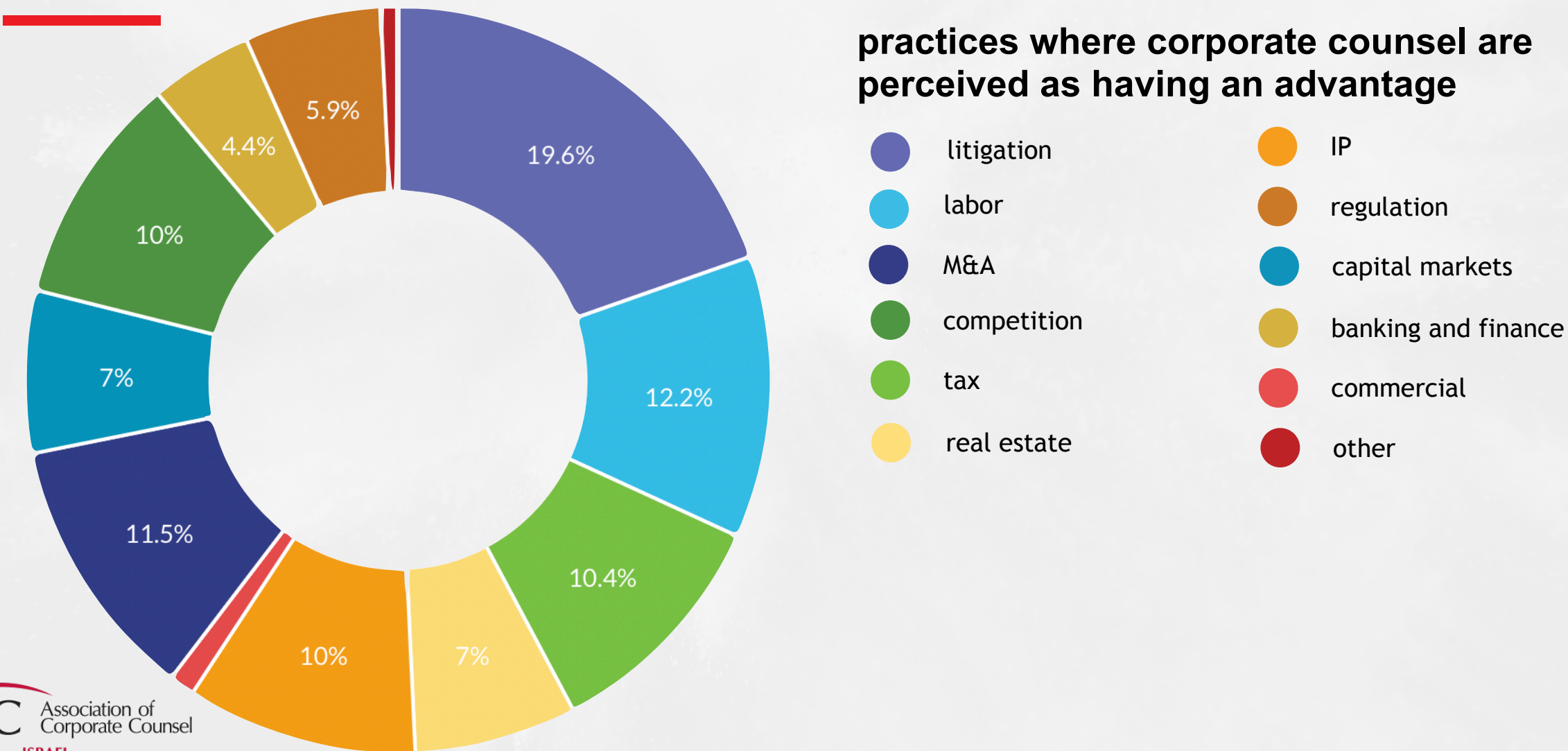
referrals and recommendations are key

- size
- referral from Israeli law firm
- international rankings guides
- recommendations
- prior legal engagement
- previous relationship
- company database
- online search
- other

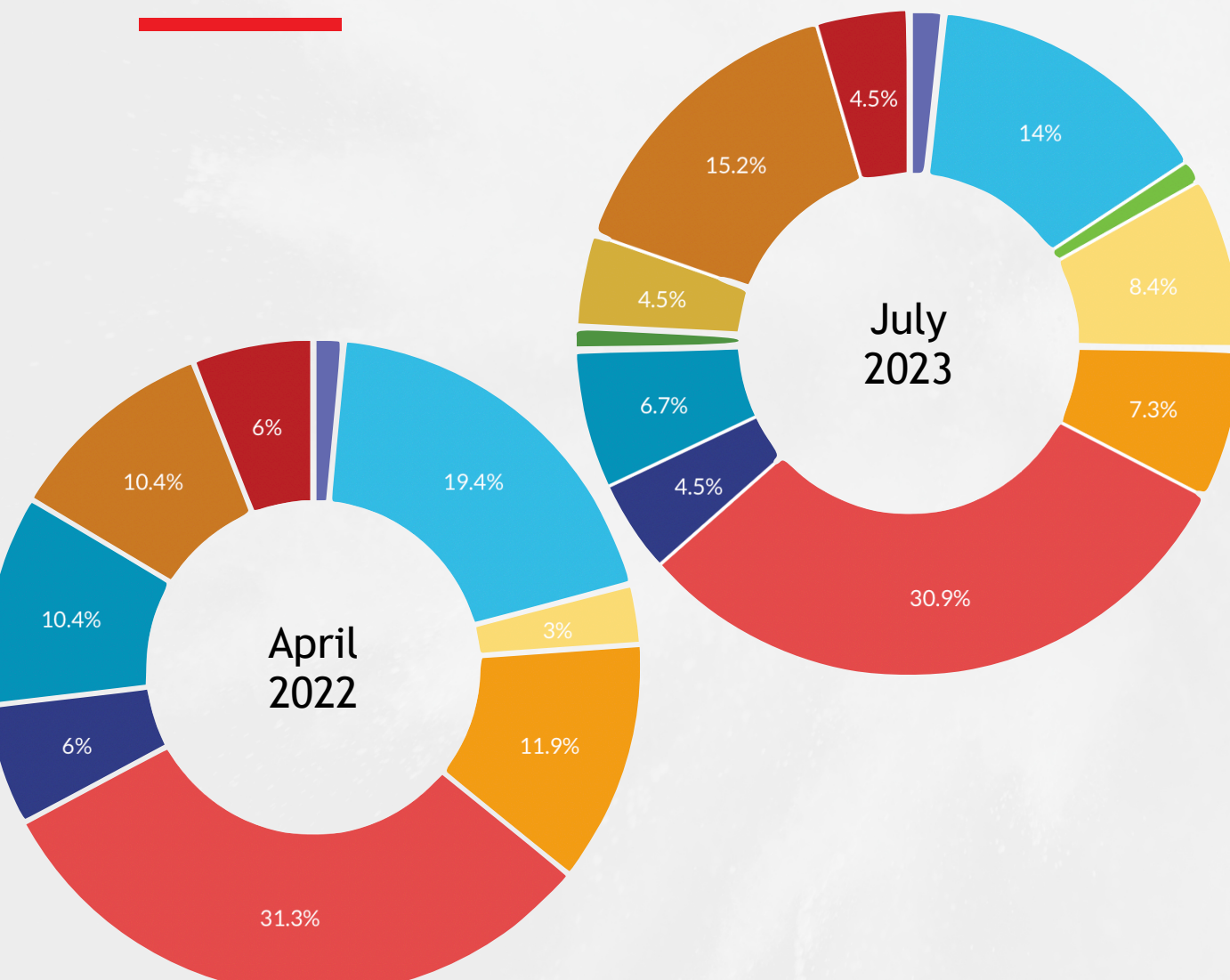


In addition to the personal factors, the third most important influencer is referrals from Israeli firms. With that being said - less GCs are relying on their law firms to refer the work, in comparison to recent years.

Legal work sent to law firms



Legal work kept in-house



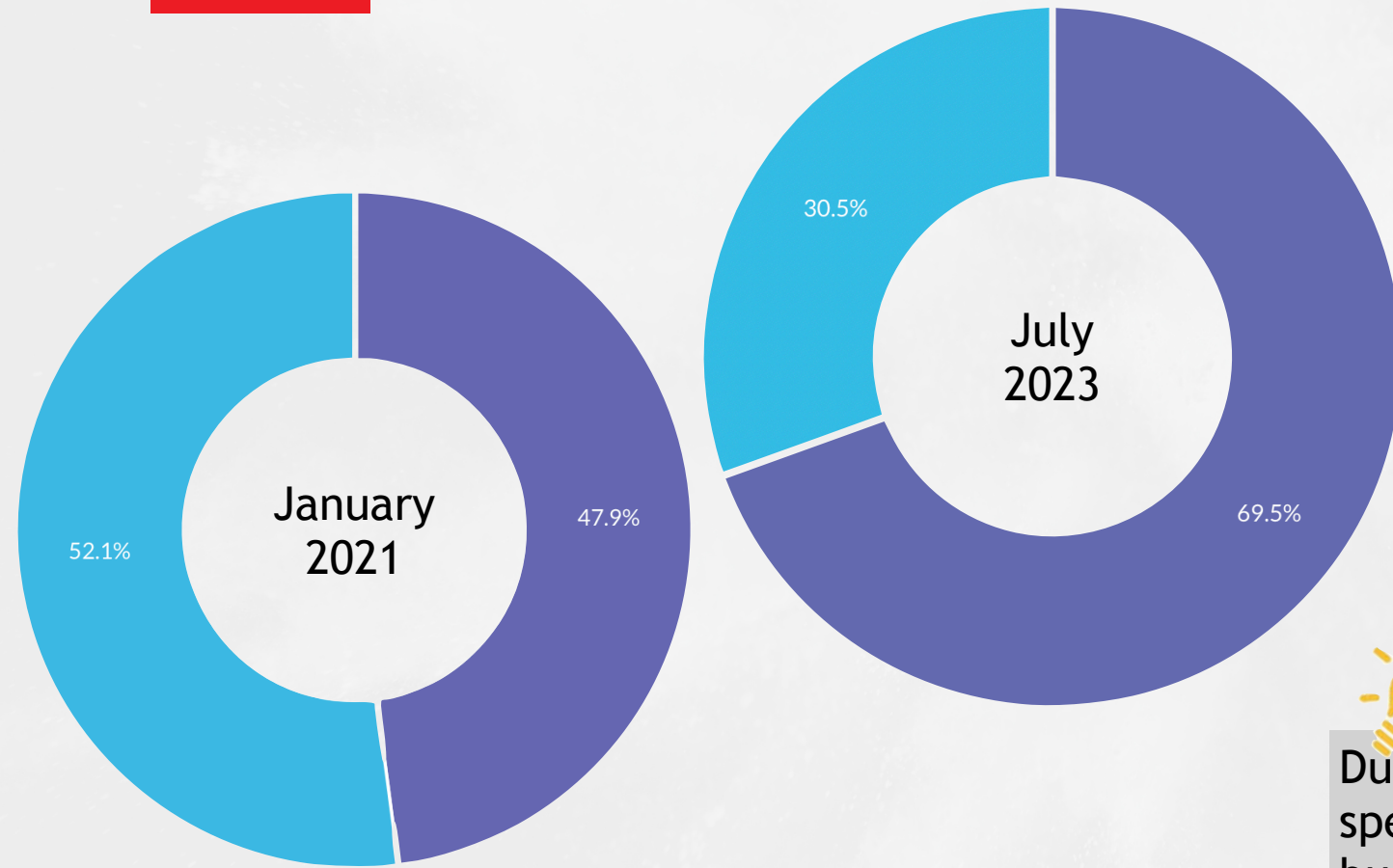
type of legal work GCs would rather handle

- commercial
- M&A
- regulation
- capital markets
- labor
- litigation
- other
- banking and finance
- IP
- real estate
- tax

Online, social media and development

factors influencing GCs

LinkedIn



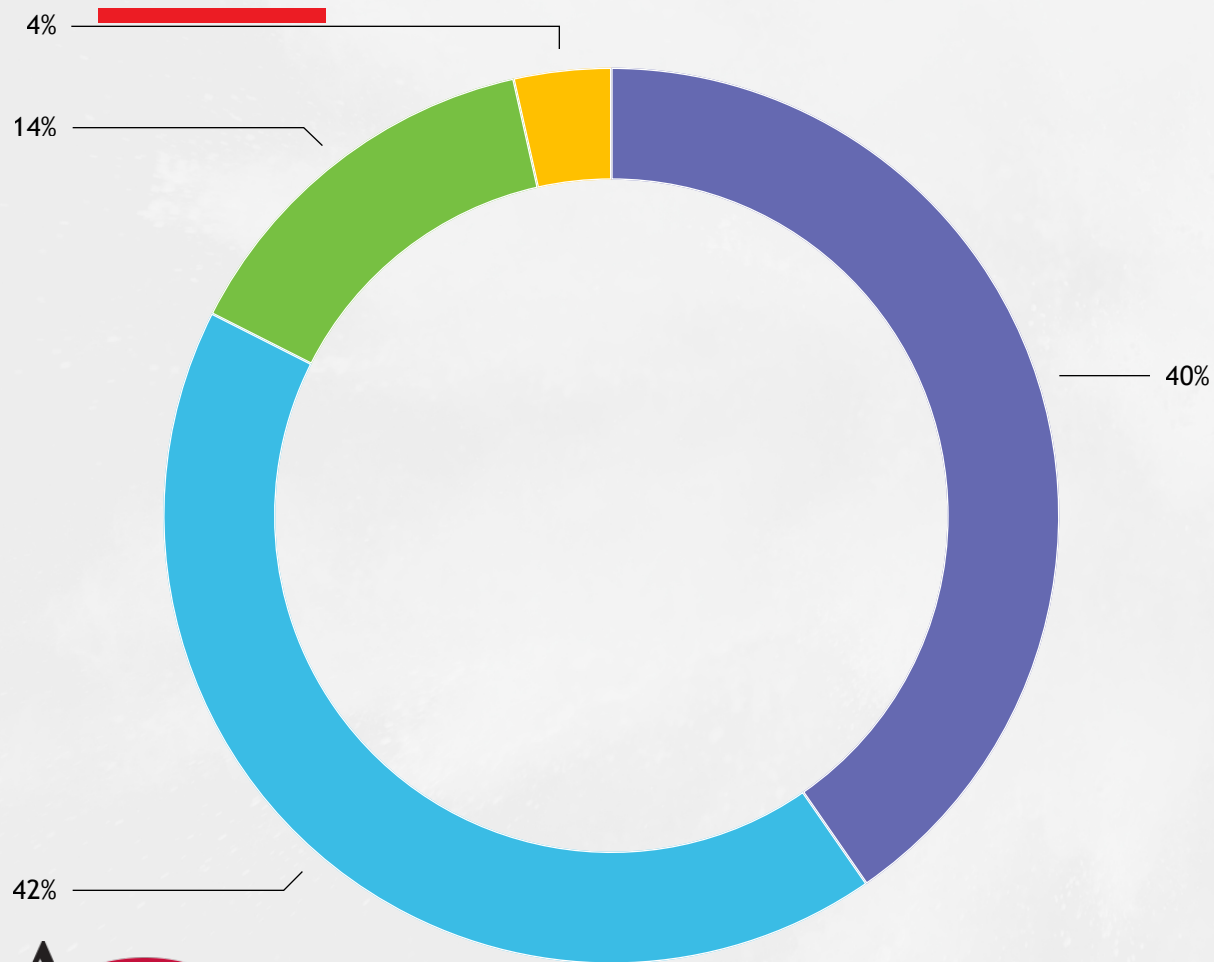
how active are GCs on LinkedIn?

- not active
- active



During Covid, social platforms grew and people spent more time online. LinkedIn is the main business oriented platform and with majority of GCs active, law firms cannot underestimate its importance.

Influence in choosing a law firm



social media does not play a significant role

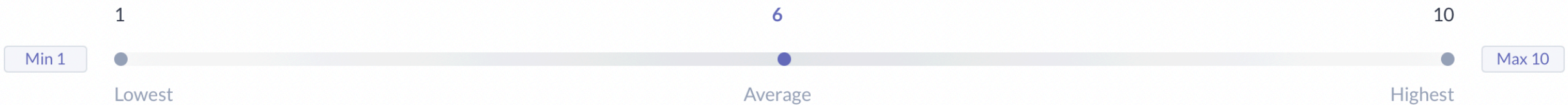
- not at all
- slightly
- haven't tried
- seldom
- always



Social media might not play a role in the process of choosing a law firm, but it does carry other merits, like professional development and top of mind.

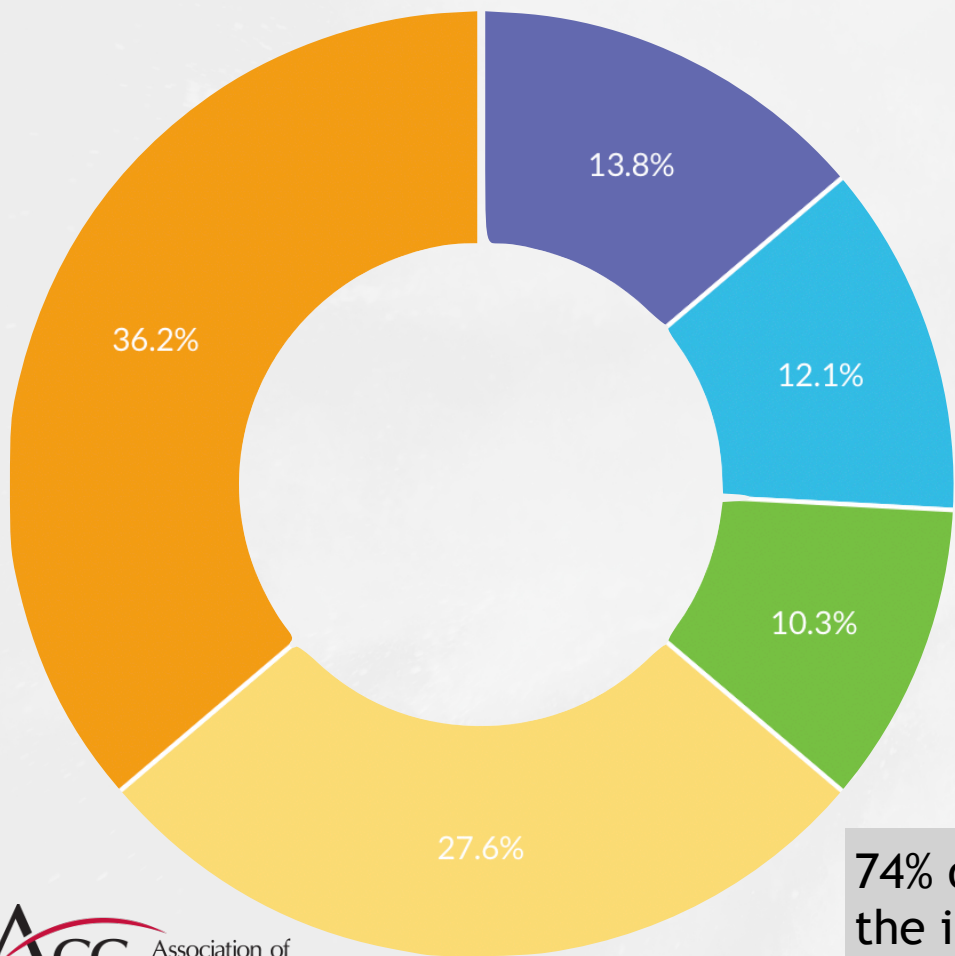
Technological influence when choosing a law firm

Fast growing trend



A “6” may seem average at a glance but just a couple years back there was nearly no influence at all.

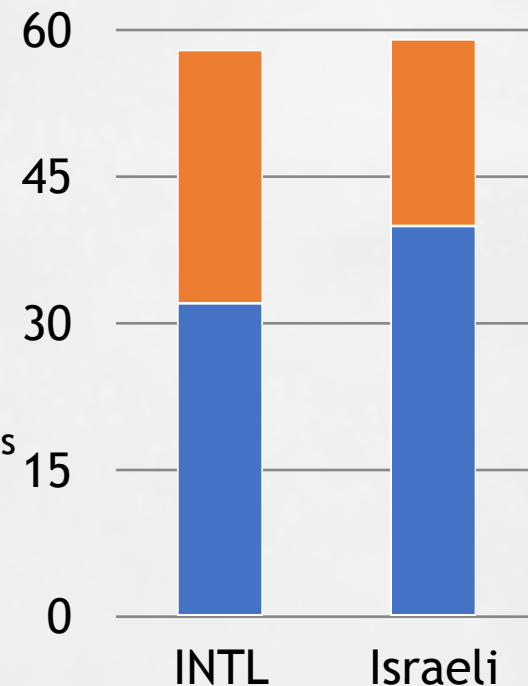
Influence of ranking guides when choosing a law firm



- validation
- assists in the choosing in process
- Information that cannot be obtained anywhere else
- source of comparison between firms
- no significance



International vs. Domestic



- Important
- Not important

74% of GCs find ranking guides useful, with the international guides (Chambers and Legal 500) much more reliant.

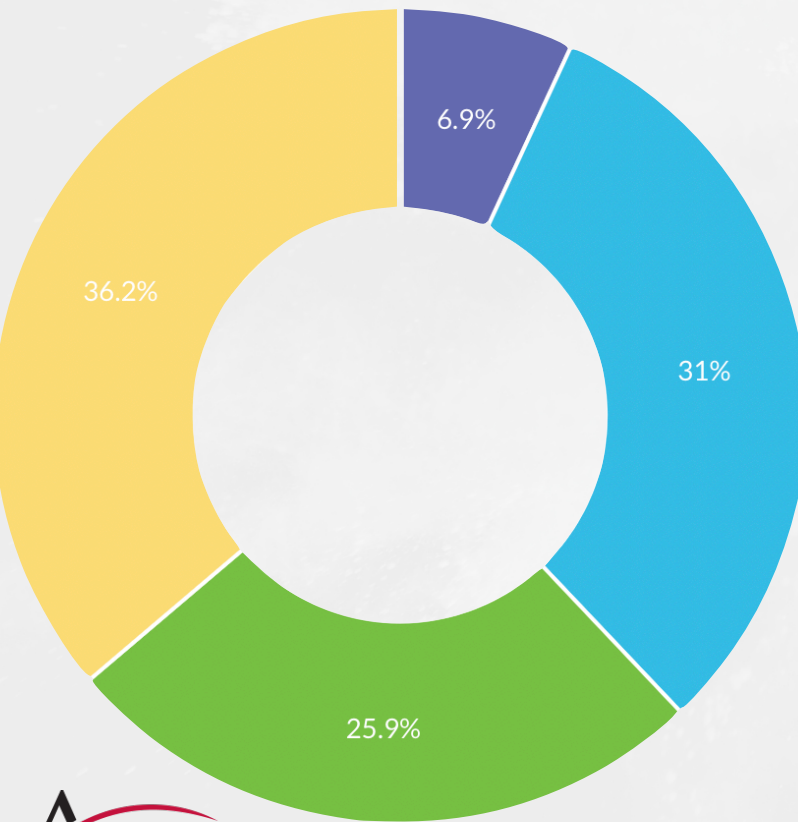


Diversity and Inclusion

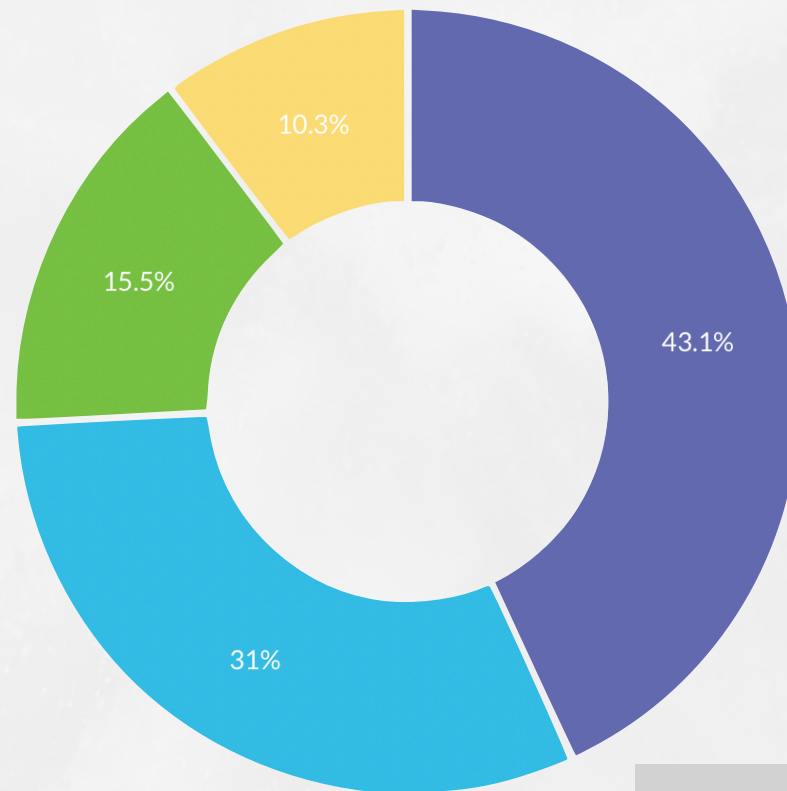
Action required

Influence and importance of DEI

Influence



Importance



GCs are content with their law firms

- Very important
- Important
- Somewhat important
- Not important

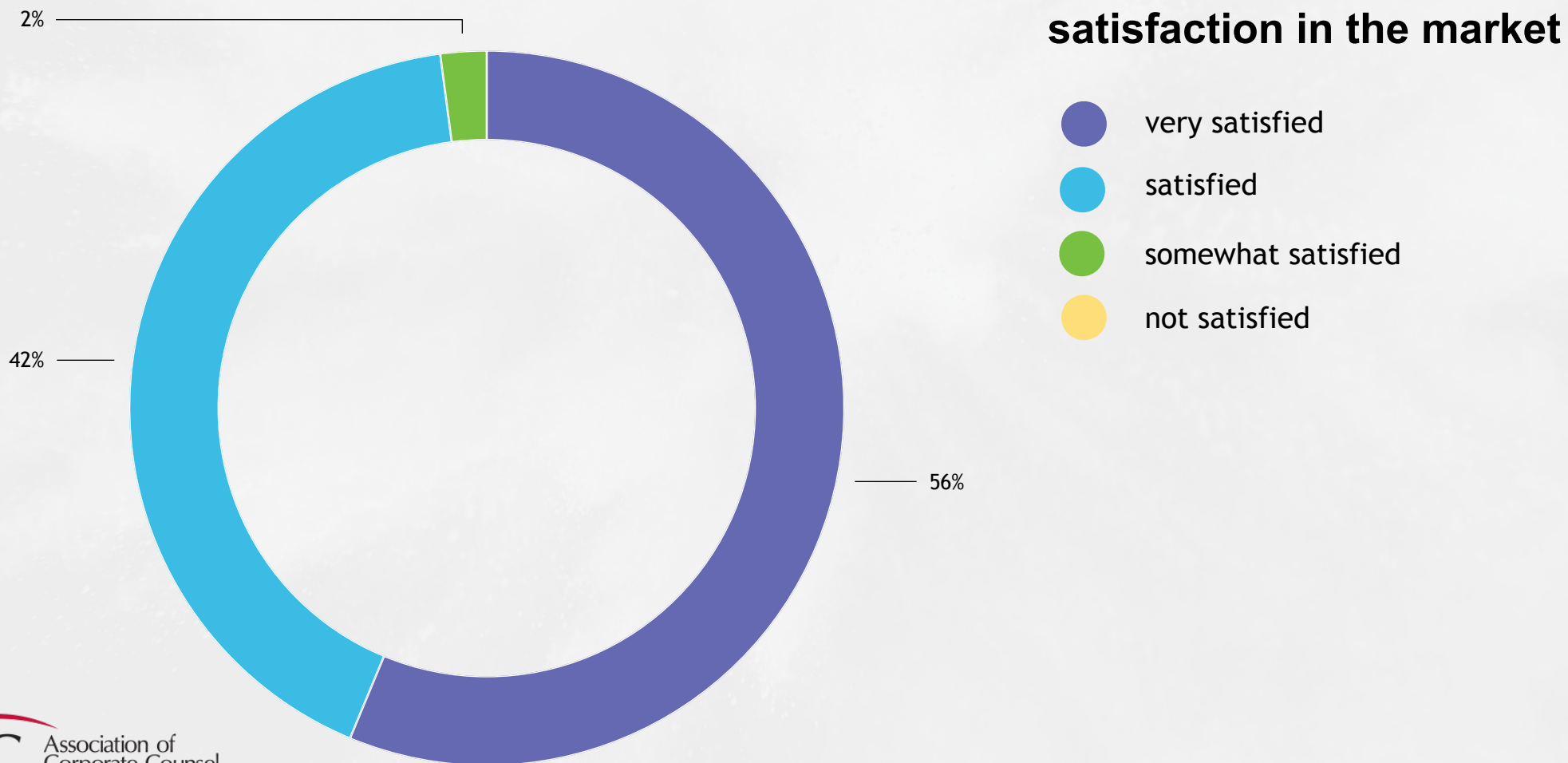


Majority of GCs recognize the importance but less claim it influences which law firm they will work with.

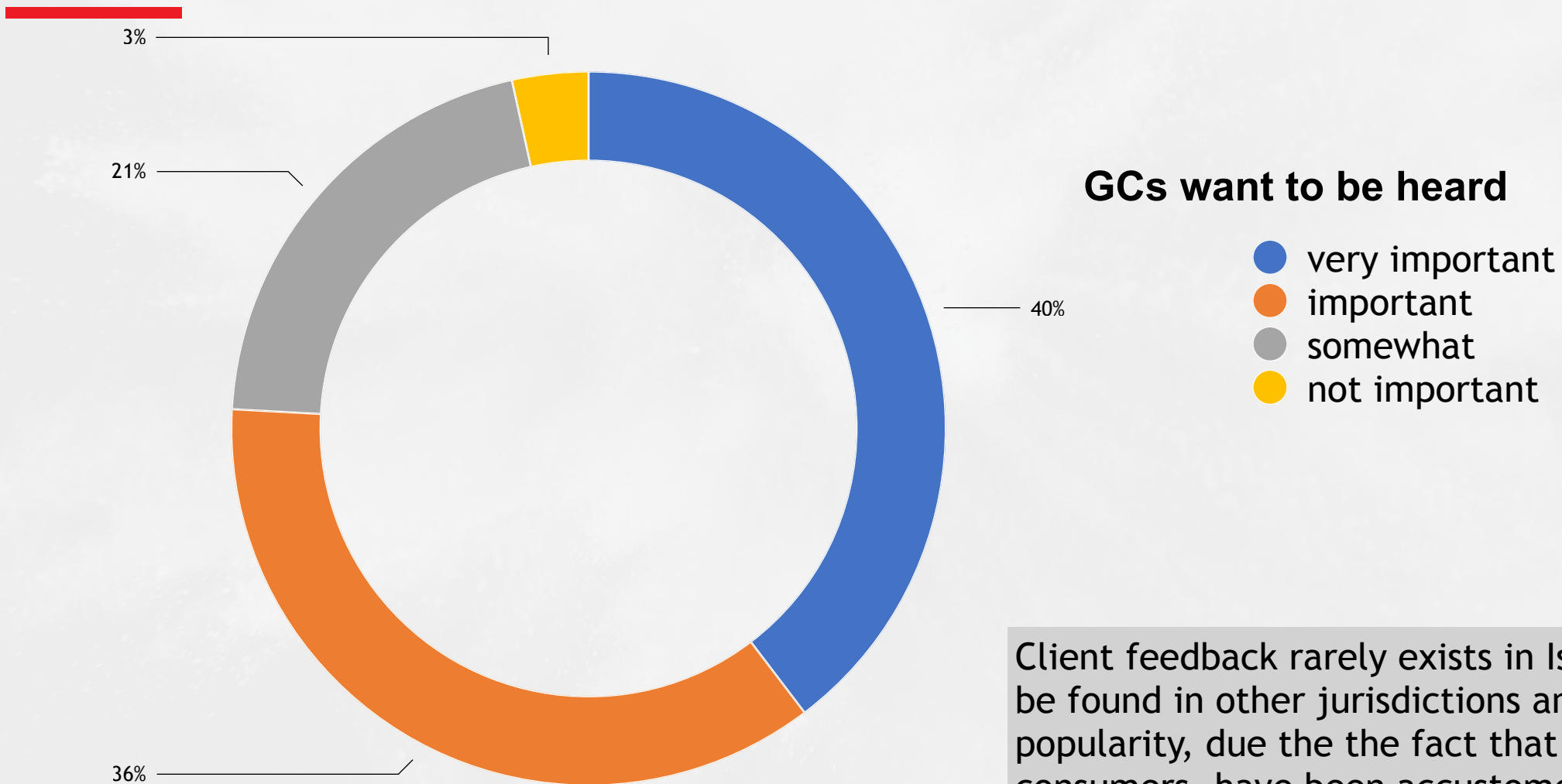
Added value

listen to the GCs

Satisfaction from primary law firm

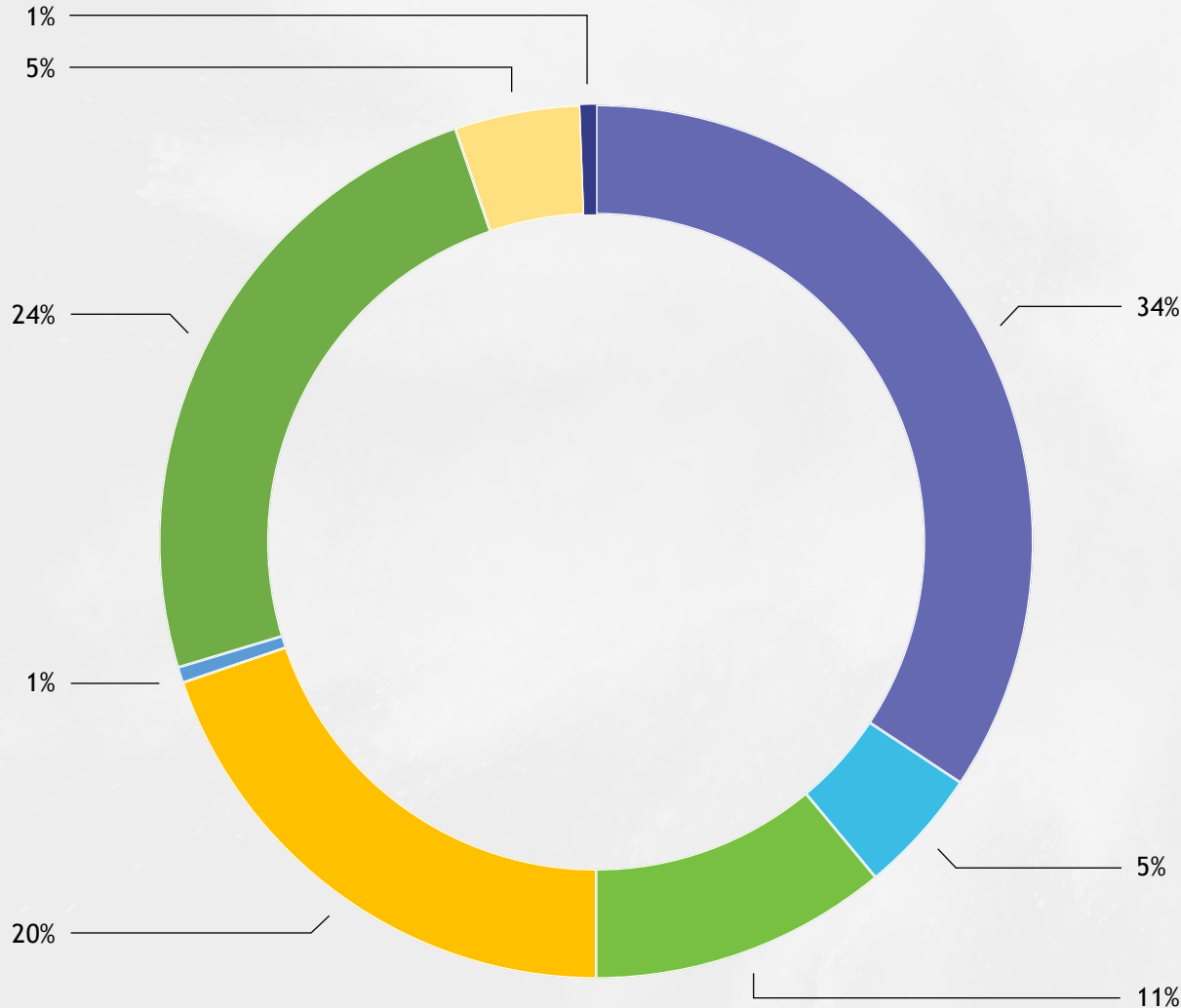


Client feedback



Client feedback rarely exists in Israel, though can be found in other jurisdictions and gaining popularity, due the the fact that we, as consumers, have been accustomed to this in other sectors.

Important factors in law firms



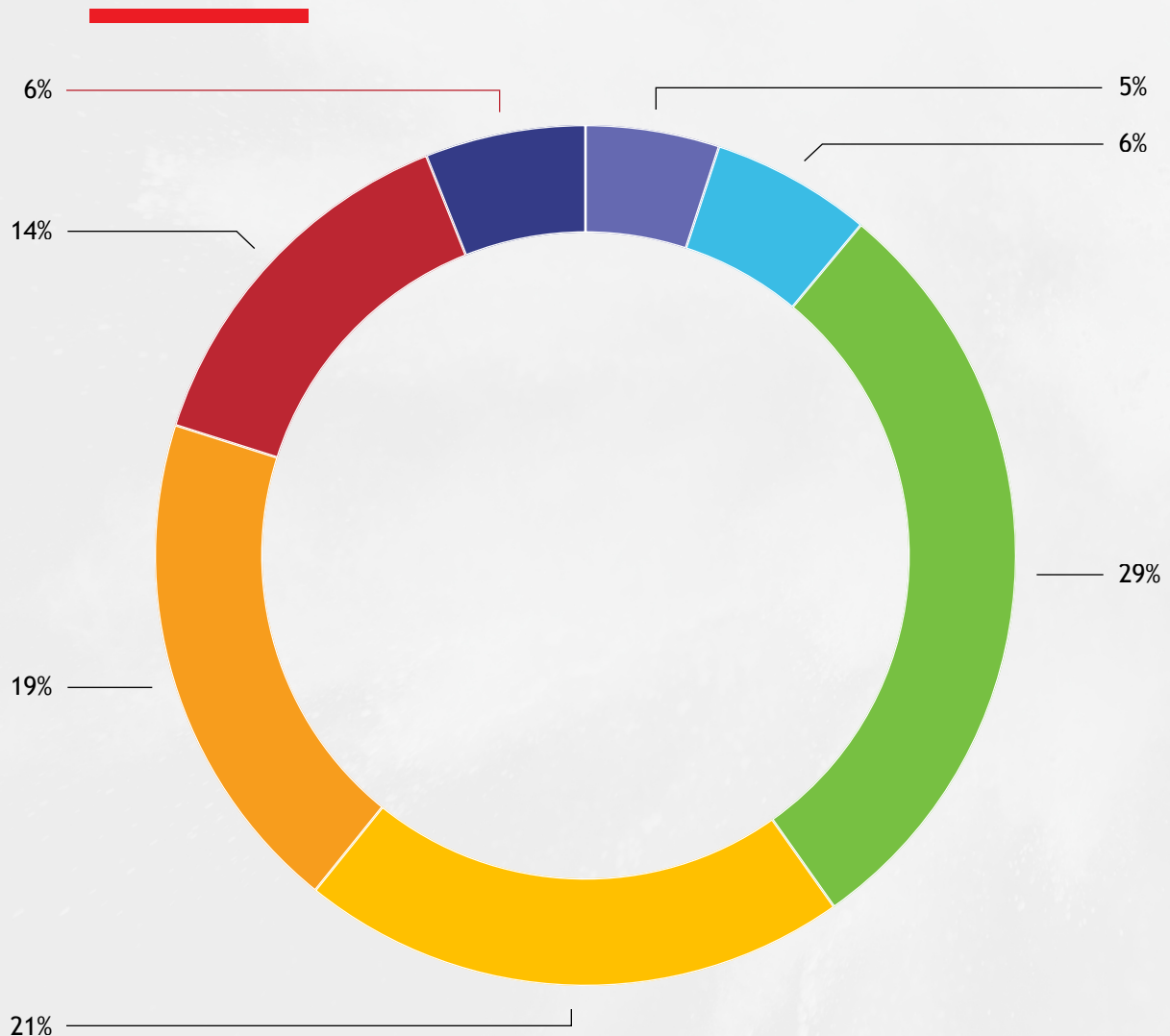
GCs claim the following are most important

- professionalism
- firm reputation
- head of practice
- legal fees
- added value
- client service
- English communication
- identity of firm clients
- rankings in legal guides



Client service comes to no surprise at number 2. Legal fees, which were at #4 last survey, appear again as #3 due to the global downturn.

How GCs learn about legal developments



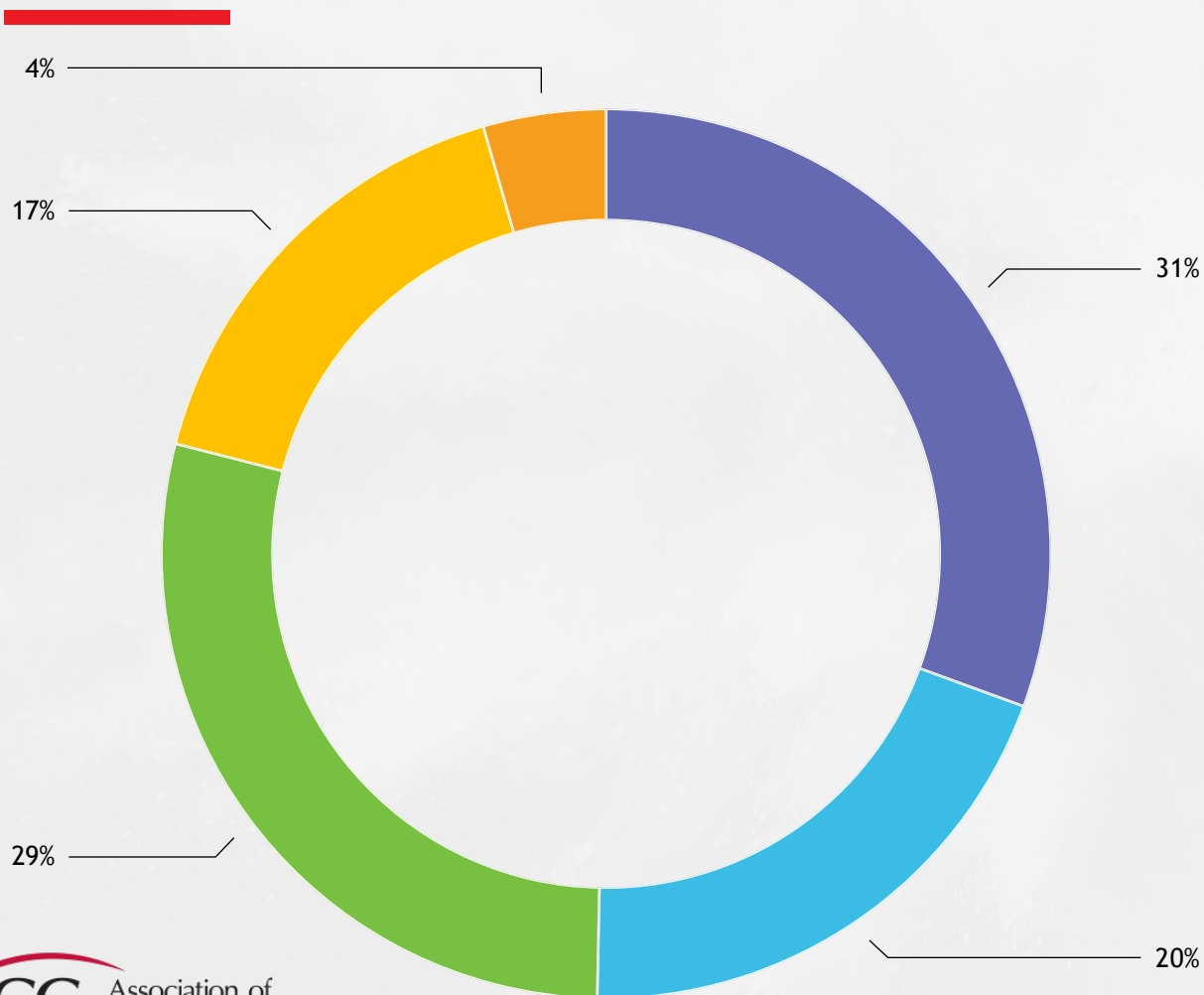
GCs claim the following are most important

- international legal guides
- domestic legal guides
- law firm client updates
- legal related websites
- social media
- press - online and print
- other



For the third straight year, GCs point out the importance of client updates and content in general. However, most firms are reluctant to oblige to this, thinking it is a burden.

Professional development



GCs want more of the following

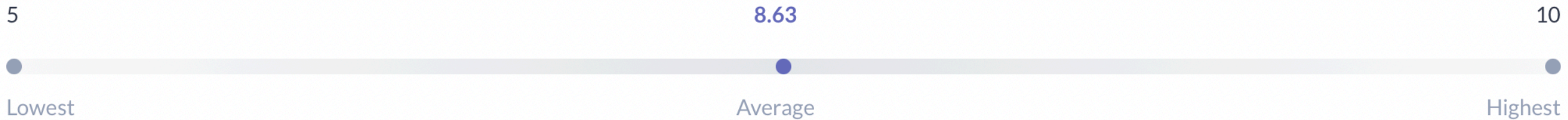
- webinars
- soft skills development
- client updates from Israeli firms
- client updates from international firms
- articles on marketing and BD



Among the noticeable trends during the downturn is an increase in professional development. Now is the time to do so and prepare for future.

Service

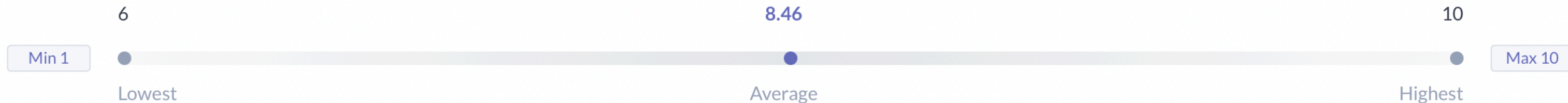
Service is the name of the game



Though GCs are mostly satisfied with the service they are receiving from their law firms, this comes to show the importance they see in client service.

Overall performance

GCs are satisfied with their primary law firm



In a post-Covid legal sector, where resources have shifted, budgets are reconsidered and service is the new buzz word, law firms are overall satisfied with their law firms.

The background is a grayscale image of a planet's surface, possibly Mars, with a prominent red diagonal line running from the top-left to the bottom-right. The text is centered in the white space.

Thanks



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