

BTI Practice Outlook 2025:

*Clients Face the Legal Firestorm and
Brace for Unprecedented Challenges*

Changes, Trends, and Opportunities for Law Firms



EXECUTIVE SUMMARY

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AT A GLANCE

- Outside counsel spending to set another record
- **7 practices command the highest rate premiums in years**
- Diverse needs demand use of outside counsel

Clients Face the Legal Firestorm: Brace for Unprecedented Challenges

Legal Controversy on All Fronts: New, complex issues are emerging from every corner, leaving companies scrambling for solutions. The stakes are higher than ever, with “bet-the-company” matters surging fourfold over last year.

Winning Without RFPs: Law firms leading with innovative, idea-based pitches are securing high-stakes cases without the hassle of formal Requests for Proposals. The race to provide strategic insights is more intense than ever.

High-Risk Issues Take Center Stage: Top executives are grappling with multiple, high-risk legal matters simultaneously. This unprecedented level of complexity is reshaping priorities and decision-making at the highest levels.

Budgets Skyrocket as Clients Invest Heavily: Legal budgets are expanding significantly, as clients push for comprehensive solutions. Spending increases on outside counsel has reached its highest point in a decade, reflecting a strategic shift in how companies are managing risk.

Mid-Sized Clients Under Siege: It’s not just the big players feeling the heat. Mid-sized companies are facing the same high-pressure legal environment, with no let-up in sight.

Turning to Outside Counsel Ever More: Clients don’t have the specialized resources to handle the far-reaching range of issues. Only outside counsel can offer the depth and scale to navigate this volatile landscape.

Top Practice Areas in the Spotlight: Seven key practice areas are experiencing unprecedented demand as clients seek seasoned, savvy counsel to guide the way.

BTI Practice Outlook 2025: Clients Face the Legal Firestorm and Brace for Unprecedented Challenges is your only guide to outside counsel spending as corporate counsel face a barrage of high-risk legal issues – unprecedented in modern times.

Guide your business development plans with precision straight from your clients – and your potential clients. Learn how they plan to divvy up their increase in outside counsel spending – and the tactics and tips to win the new business.

8 Trends in Corporate Legal Spending for 2025



Clients Face the Legal Firestorm: Unprecedented Challenges Coming from Every Direction



More bet-the-company issues than ever — **up 4x over last year**



Law firms with idea-based pitches **winning the new work without RFPs**



Multiple **high-risk issues** dominate client thinking



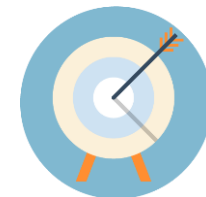
Clients with increased budgets making **BIG increases**



Spending for outside counsel reach a **10-year high**



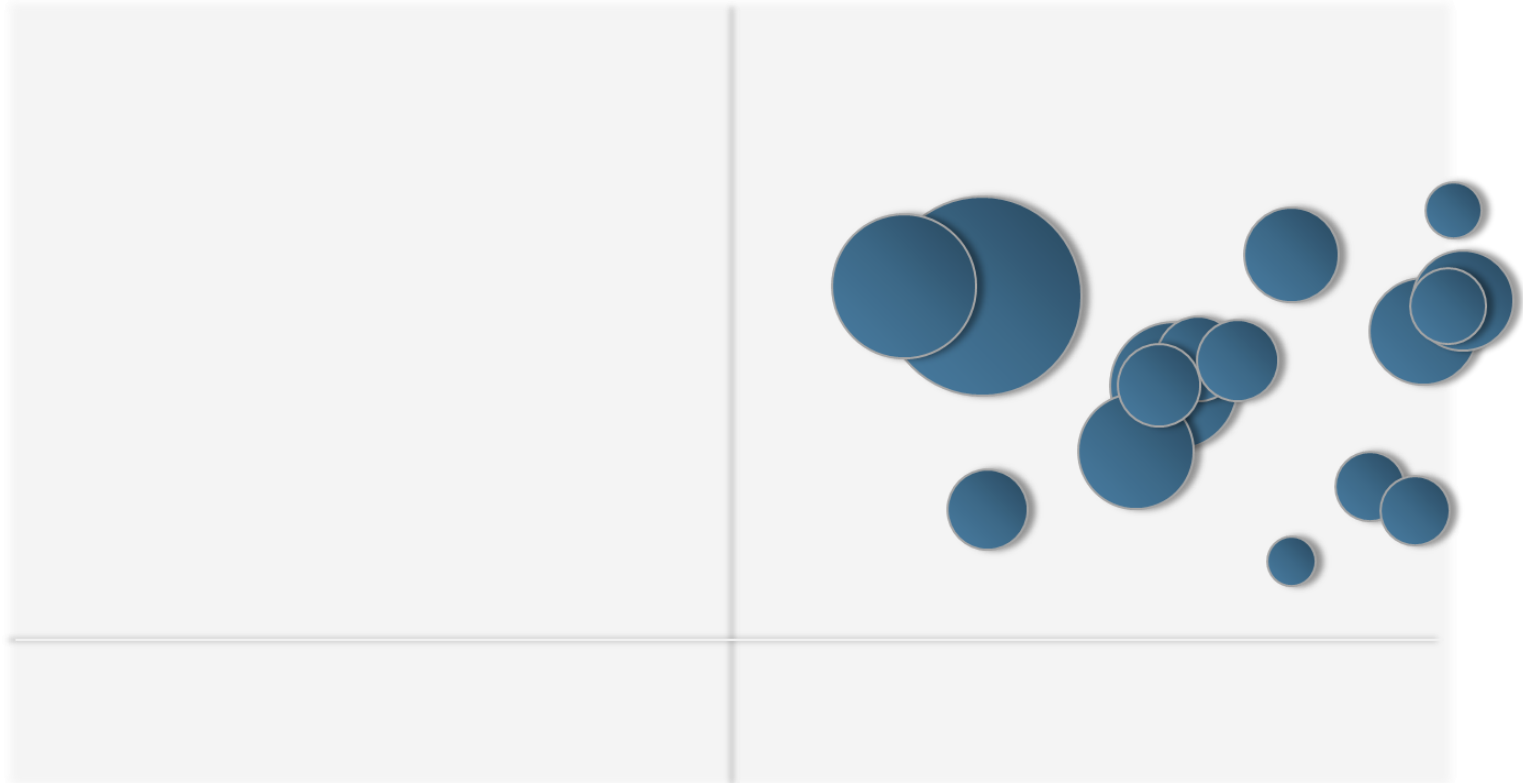
Clients **looking to outside counsel** instead of specialized resources



7 practice areas with the **most acute needs**

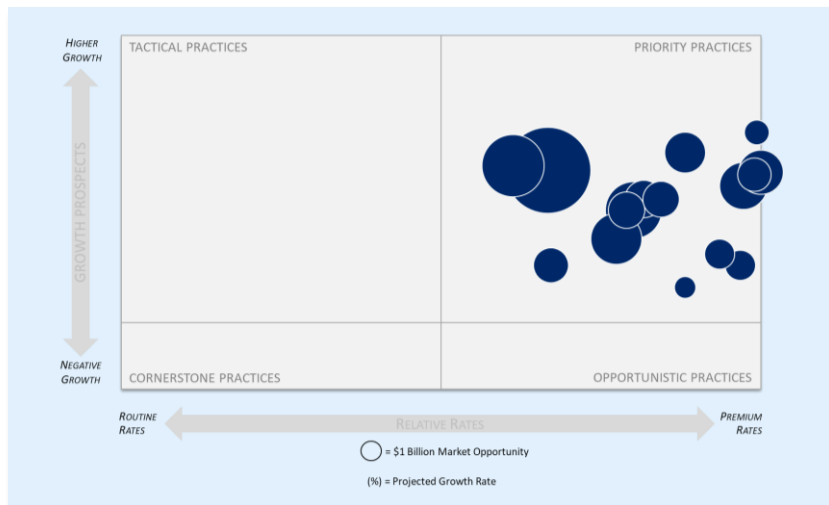
BTI Practice Outlook

WHERE TO FIND GROWTH IN 2025



Opportunity Hot Spots in 2025: Looking for Growth by Practice & Industry

As spending with outside counsel takes an unexpected turn up, growth for law firms is dependent on targeting the right clients with the right needs. BTI translates its unmatched research, based on in-depth telephone interviews with top legal decision makers into the best opportunities for growth — by practice and by industry.



Practice Trends

BTI’s Practice Roadmap details how companies are changing the way they allocate their legal budgets in 2025 and what impact these changes will have on the opportunities available to law firms. Each practice has a distinct set of characteristics law firms can use to their advantage. Firms can use this to assemble their strategies and resources with tremendous precision to drive the highest returns.

Industry Needs

BTI takes this analysis one step further in our Industry Opportunity Matrix. This chart identifies industries with the largest and most compelling needs in 2025. This tool offers the deepest insight into exactly where the opportunities are. You can use it to target opportunities and your pitches.

How to Read BTI's Practice Roadmap 2025

The practice opportunities for law firms in terms of growing market share and profitability in 2025 are organized around 3 core criteria in BTI's Practice Roadmap 2025.

Relative Rate Premiums



Legal decision makers have been putting more rate pressure on their law firms. We evaluate each practice, and the rates clients are paying — or plan to pay. Savvy law firms will have clear strategies to capture premium rates and have different strategies to work more efficiently in practices with higher rate pressure. Practice areas with the most potential for premium rates are on the right side of the roadmap.

Projected Spending Growth

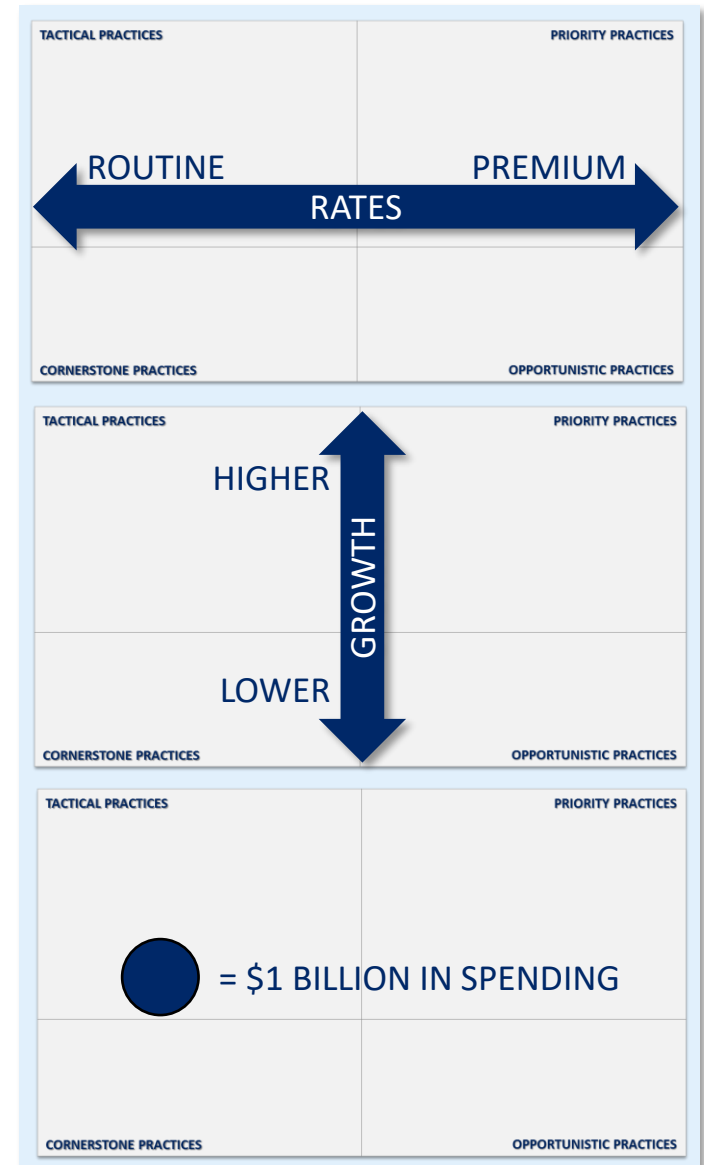


In the current legal market, predicting and reacting to how companies are allocating their legal budget can be a major source of advantage. Most law firms are expecting a soft and unstable market. But you can use this report to guide you to the best opportunities by rates, need, and industry. The practices expected to see the most growth in 2025 are on the top of the roadmap.

Practice Revenue Potential

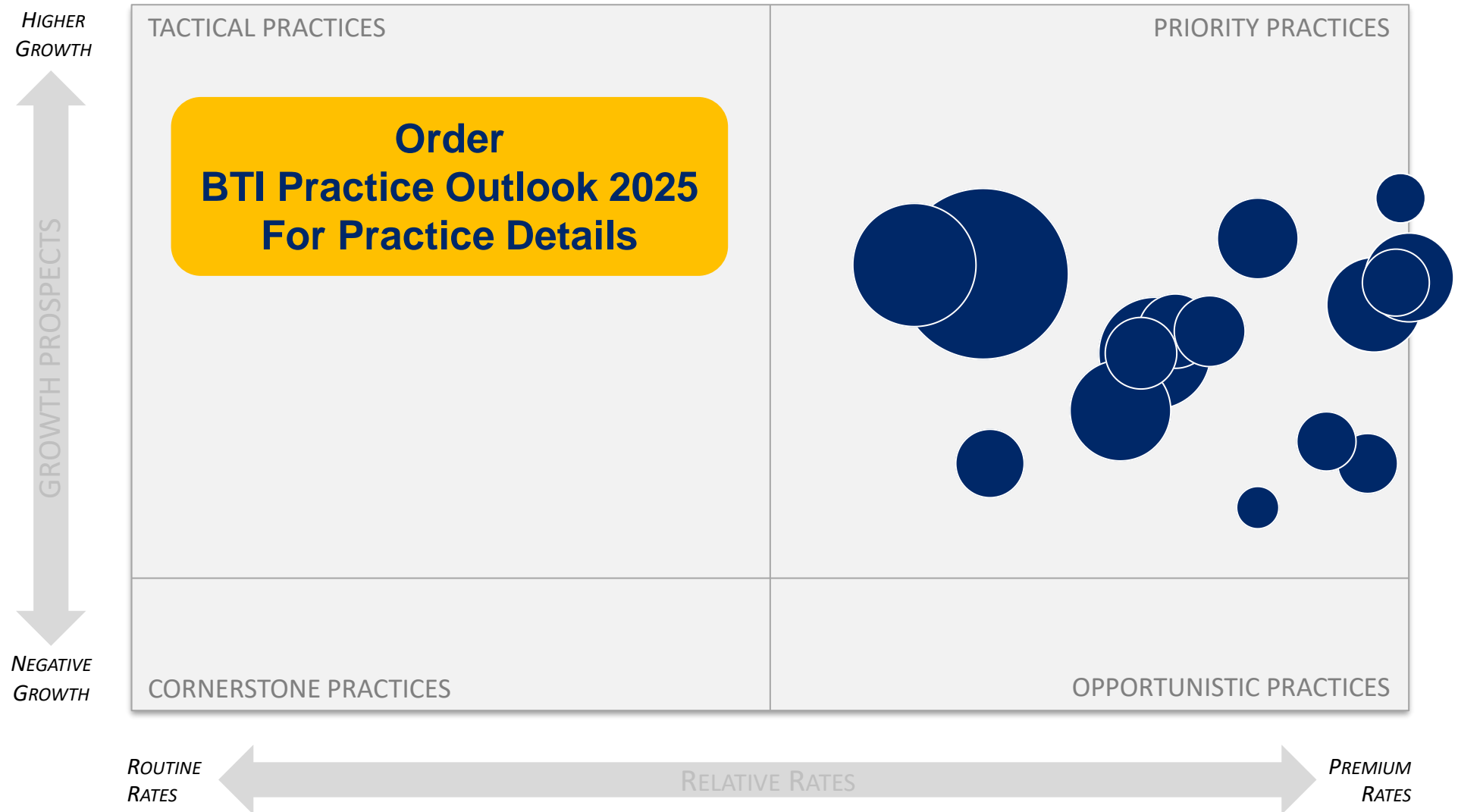


A critical factor for any law firm is understanding the total potential revenue a practice can deliver to your firm. This information helps inform several strategic decisions such as: practice offerings, resource allocation, lateral hiring, business development initiatives, and potential partnerships. The larger the bubble representing a practice, the more revenue potential.



BTI's Practice Roadmap 2025

Analysis of legal practices by growth, relative rates, and market size

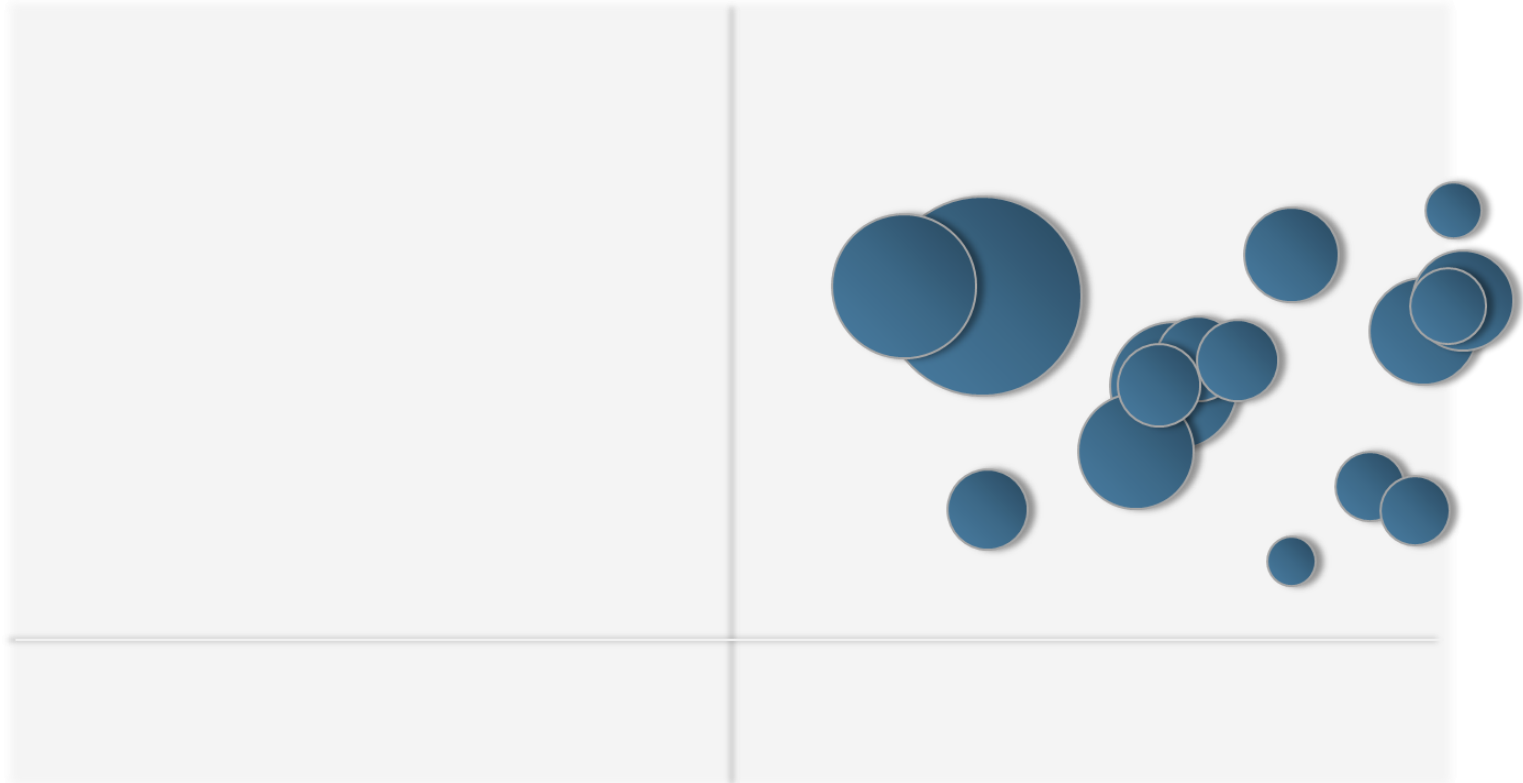


○ = \$1 Billion Market Opportunity

(%) = Projected Growth Rate

BTI Opportunity Zone

IDENTIFYING HOT SPOTS & PRESSURE POINTS IN 2025



How to Read BTI's Industry Opportunity Zone

For every major practice segment, BTI analyzes which client industries are expected to have increased needs and spending, and which are declining. BTI's Industry Opportunity Zone zeroes in on the industries and practice areas promising strong growth opportunities in 2025. Actively target clients within these industries for access to increased spending and premium billing rates.

Top growth prospects

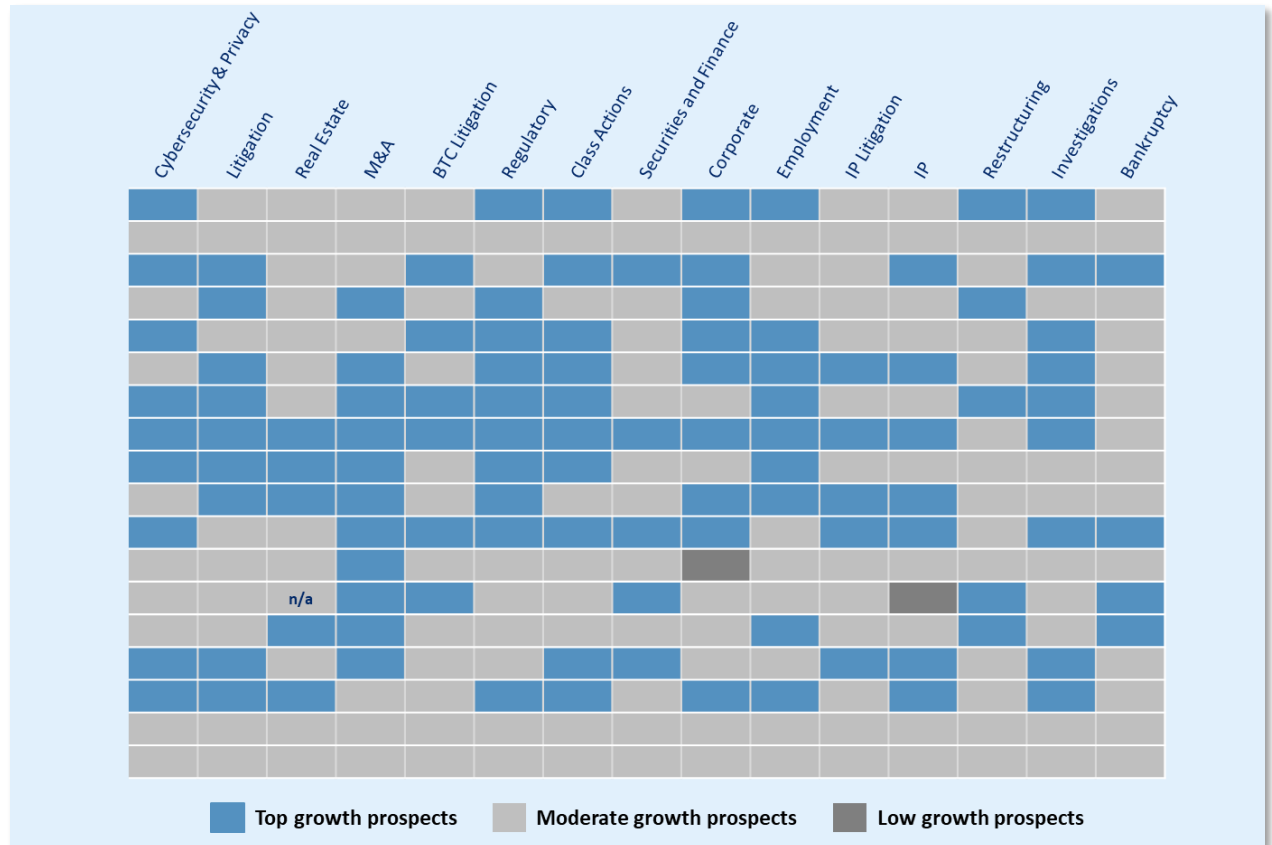
Even as the overall market for outside counsel services shows signs of growth, certain opportunities are more attractive than others. These areas are slated for prime growth and higher-than-market rates.

Moderate growth prospects

The legal market in 2025 will largely be neutral in terms of dollar growth. There will be little change in terms of spending and clients' needs in these practice segments.

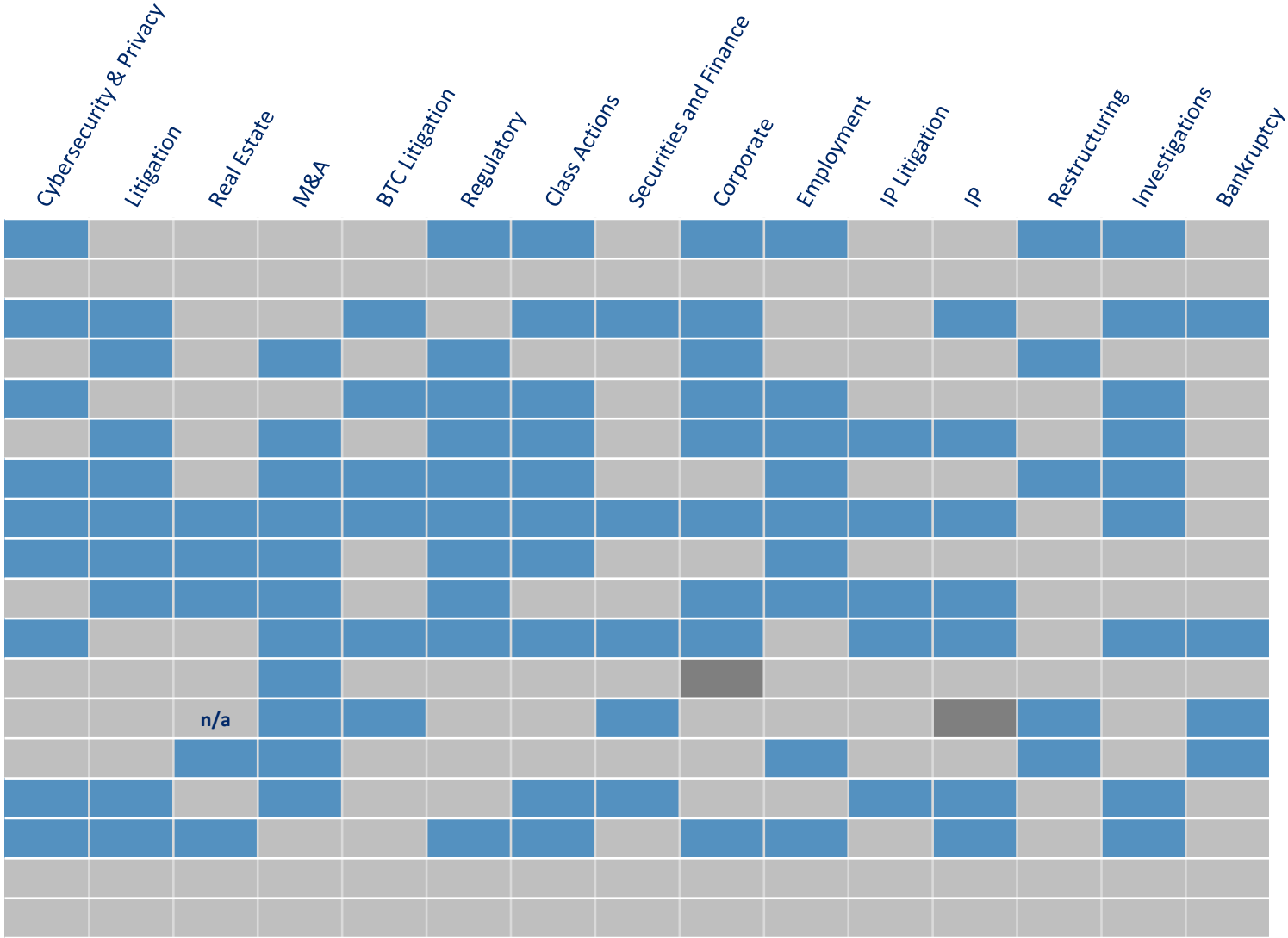
Low growth prospects

The most successful growth strategies are consistent with market realities — and in these low-growth-prospect sectors, rapid growth is not going to return in the near future.



BTI's Industry Opportunity Zone: Looking for Growth by Practice & Industry

**Order
BTI
Practice
Outlook
2025
For
Industry
Details**



■ Top growth prospects
 ■ Moderate growth prospects
 ■ Low growth prospects

Practice Spotlights

MARKET DRIVERS & TRENDS BY PRACTICE



Reading BTI's Practice Spotlights

PRACTICE DRIVERS

Current trends and developments impacting the type of opportunities available.

INDUSTRY OPPORTUNITY ZONE

For every major practice segment, BTI analyzes which client industries are expected to have increased needs and spending — and which are declining.

Top growth prospects

Even as the overall market for outside counsel services shows signs of growth, certain opportunities are more attractive than others. These areas are slated for prime growth and higher-than-market rates.

Moderate growth prospects

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Low growth prospects

The most successful growth strategies are consistent with market realities — and in these low-growth-prospect sectors rapid growth is not going to return soon.

Practice Outlook: Practice Trends and Winning the Work

Practice Trends

Class actions will grow for the 10th year in a row — more companies are facing class actions — and companies face more class actions. The areas showing the most growth include:

- ▶ False claims
- ▶ Product liability
- ▶ Discrimination
- ▶ Wage and hour
- ▶ Data privacy
- ▶ Unfair business practices
- ▶ Securities fraud
- ▶ Consumer fraud
- ▶ ESG
- ▶ Climate

Winning the Work

The law firms winning new class action work offer:

- Early risk assessment
- Strategic options for the approach
- How to drive quick cost-effective settlement
- Strong start to defense
- Aggressive stances

CLASS ACTIONS LITIGATION MARKET SIZE (\$B)



CLASS ACTIONS INDUSTRY OPPORTUNITY ZONE

- Top Growth Prospects
- Moderate Growth Prospects
- Low Growth Prospects

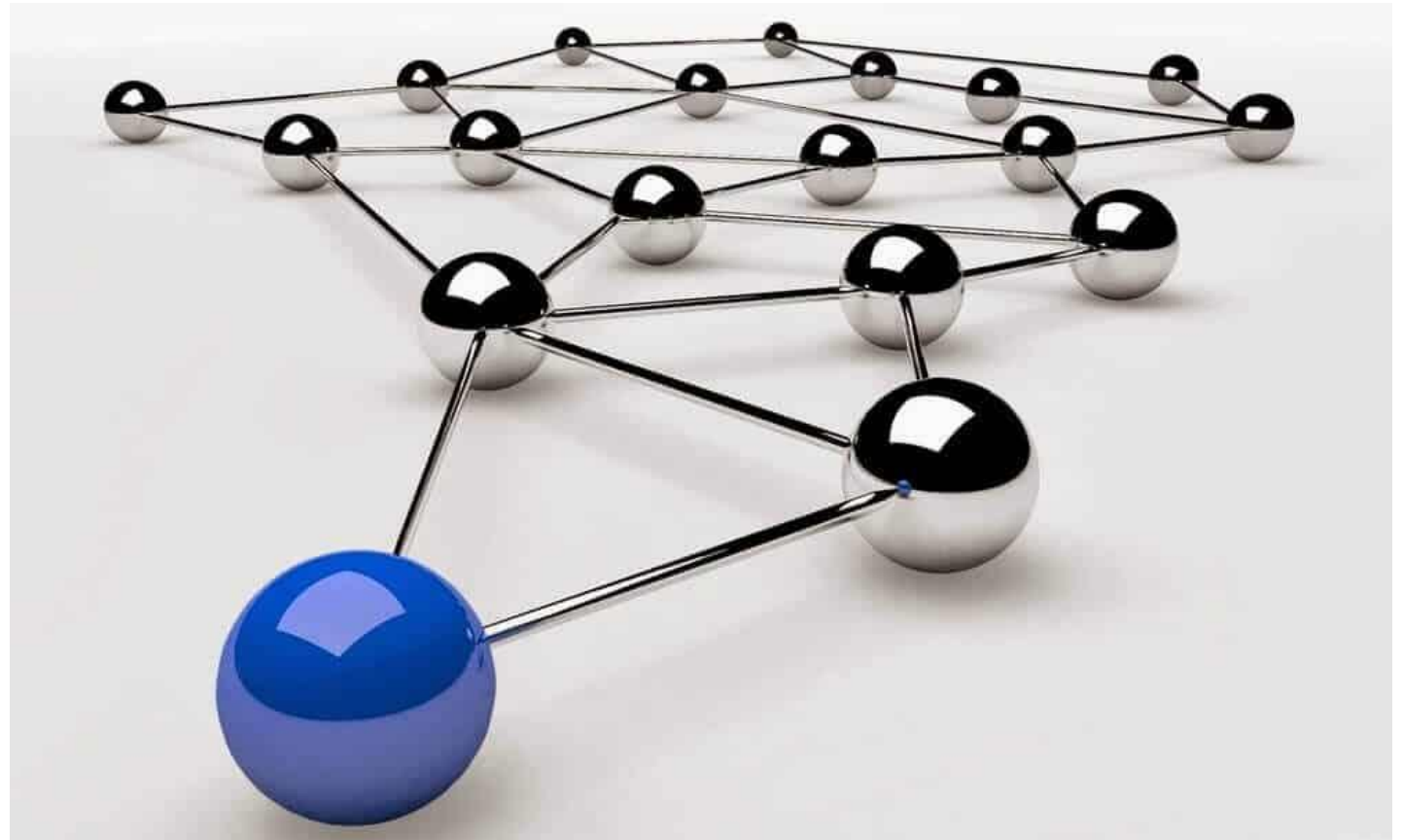


MARKET SIZE TRENDS

BTI has tracked the legal market for the past 24 years. Use this data to understand the potential revenue opportunities available in each practice — and how major changes have impacted your firm's ability to be profitable.

BTI Practice Outlook 2025

METHODOLOGY



BTI Methodology and Approach

INDEPENDENT, UNBIASED RESEARCH, BASED SOLELY ON CLIENT FEEDBACK

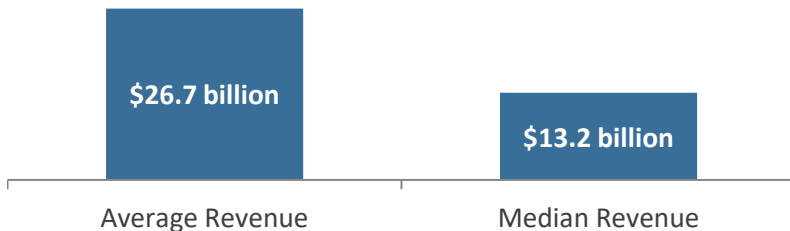
2025 Survey Participant Demographics

Research	More than 310 detailed surveys
Time Frame	Conducted between June 2024 and September 2024
Incentives	Respondents receive a complimentary report of benchmarks and metrics

Highest-Ranking Legal Decision Makers

- Chief Legal Officer
- General Counsel
- Deputy General Counsel
- Associate General Counsel
- Vice President – Legal
- Senior Counsel

Organizations with Highest Levels of Legal Spending



Representative of more than 15 Industry Segments

- Banking
- Chemicals
- Consumer Goods
- Energy
- Financial Services
- Food & Agricultural
- Healthcare
- High Tech
- Insurance
- Manufacturing
- Pharmaceuticals
- Professional Services
- Retail Trade
- Real Estate
- Telecom
- Transportation
- Utilities
- Wholesale Trade

BTI Practice Outlook 2025 is based solely on in-depth telephone interviews with leading legal decision makers. This comprehensive analysis trends data from more than 24,000 corporate counsel client interviews conducted over the span of 24 years.

This research is independent and unbiased — no law firm or organization other than BTI sponsors this study.

Each year, BTI reaches out to a strategically designed group of top legal decision makers at large organizations with \$1 billion or more in revenue. We target the decision makers in the industries who spend the most on legal affairs as well as thought leaders and innovative Chief Legal Officers. Our survey also includes Chief Legal Operating Officers and business executives who hire and influence the selection and hiring of law firms.

We grant interviewees confidentiality at the individual and organizational level.

BTI Consulting Group

ABOUT US



What We Do

For over 30 years, we've successfully helped our clients strategically drive revenue, boost performance, attract and retain clients, develop more business in new and existing markets, and create enduring relationships with our data-driven customized programs and solutions tailored to meet each client's specific and unique needs. We examine the market from your client's perspective with a measurable, innovative, and high-impact approach.

From in-depth independent research to one-on-one interviews with C-suite executives, top legal decision makers and market leaders, our expertise and insight will help you understand — as well as benchmark — how clients acquire, manage, and evaluate their professional services providers.



Client Feedback Programs

We help you reveal powerful, defining client insights you simply can't get anywhere else through innovative, world-class feedback.



Business Development Training

We help you and your firm catapult your business development skills, culture, and mindset, fast.



Client Service Excellence

We help you redefine how clients think about you and your firm for the short- and long-term.



Market Research & Insightful Client-Centric Reports

Authoritative, innovative & practical advice from our research. BTI's client service rankings, brand health assessments, market forecasts, and more are the industry gold standard.

Market Research, Expertise & Insights

Authoritative, innovative, and practical advice from our research

Law firms who would otherwise have little insight into corporate counsel hiring decisions, goals, law firm preferences, market positions, and detailed recommendations can now gain access to the same research used by the largest and best-performing firms in the world. The data and insight found in BTI's reports are used to train attorneys, guide business development, inform strategy, and calibrate market trends against firm tactics. In short, you get many of the benefits of a custom study commissioned for your firm, at a fraction of the cost. These insights are proven to drive growth and client retention and protect fees.

Our reports come with a 100% satisfaction guarantee and complete telephone support to help you maximize the value from our publications.

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BTI Litigation Outlook 2025



Our 15th BTI Litigation Outlook reveals the vast increase in complexity and spending in litigation. It also uncovers how much more aggressive litigation has become. Increased spending, complexity and aggressiveness create big opportunities for law firms. The *BTI Litigation Outlook 2025* is available now to help you decipher the new market dynamics and seize the opportunity.

 **Order Now**

BTI Client Service A-Team 2024



Long considered the gold standard in measuring client service performance by clients and law firms alike, the *BTI Client Service A-Team 2024* is the only source for measuring client service solely from the client perspective. Now in its 23rd year — this is the most important edition ever with more than 300 new, in-depth interviews.

 **Order Now**

BTI Benchmarking Law Firm LinkedIn Performance 2023

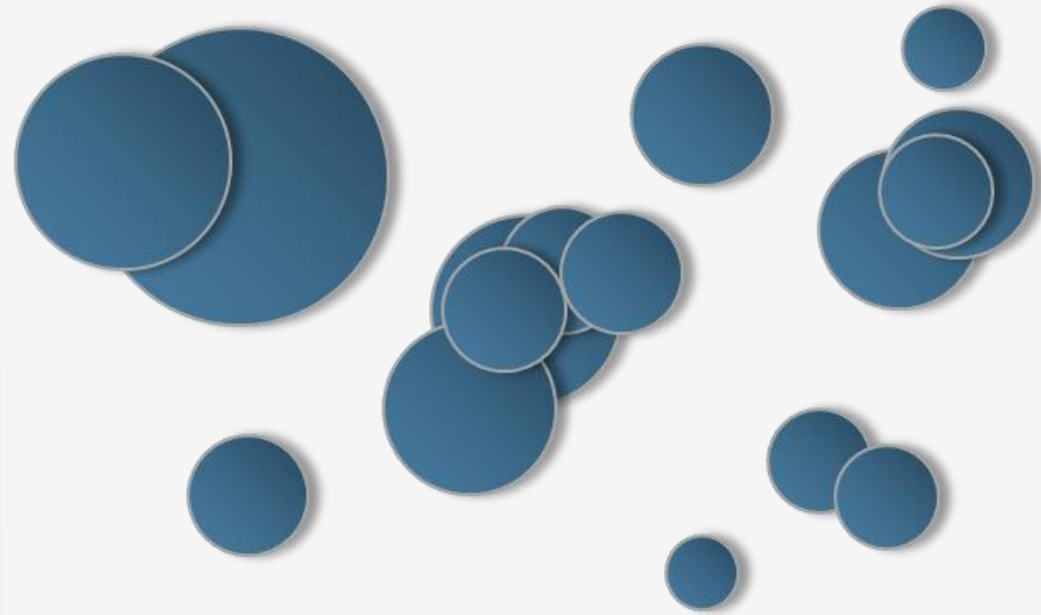


Your firm's LinkedIn engagement prowess drives new business, inbound leads, and provides an outlet for attorneys. *BTI Benchmarking Law Firm LinkedIn Performance 2023* delineates how law firms are performing along 12 key metrics and includes detailed recommendations on improving your position.

 **Order Now**

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