

Tracker Survey 2019

Briefing note: how consumers are choosing legal services.

Key findings:

- 28% of consumers say they shop around before choosing a legal services provider; this has slowly increased from 19% in 2011.
- 73% of consumers say they have a wide range of choice when choosing a provider, showing an upward trend since 2016 (68%).
- Will writing is rated highest in terms of both choice of providers (89%) and value for money of the service they receive (76%).
- Reputation remains the most important factor when choosing a provider (79%). This is followed by price (72%) and specialism (69%).
- 51% of consumers use a fixed fee arrangement. This rises to 69% of those using a will writing service, 63% conveyancing and 59% power of attorney.
- Consumers most commonly find the price of their service after talking to a provider (62%) rather than through other means.
- 77% of consumers report finding it easy to understand the information they are provided on price. But 44% of those who shopped around do not find it easy to make comparisons between different providers.

Note on methodology:

For the last eight years, the Panel has commissioned YouGov to conduct an annual survey in of a sample of people who have used legal services in the last two years. This year we spoke to 3589 legal service users. All differences in the results between sub-groups and over time presented in this report represent statistically significant differences. The results have been tested to the 95% confidence level – we are 95% confident that these findings are not due to chance. Fieldwork took place during 19 February and 26 March 2019.

Consumer behaviour

The proportion of consumers who shop around before choosing a legal services provider has slowly increased since 2011, when this research started, from 19% to 28% at present. However, it has remained fairly stagnant over the past three years.

Younger consumers are more likely than older consumers to report that they shop around, with 39% of 18-34 year olds doing so in comparison to 25% of those aged 55+. BAME consumers are also more likely to say they shop around than White British consumers (34% vs. 28%).

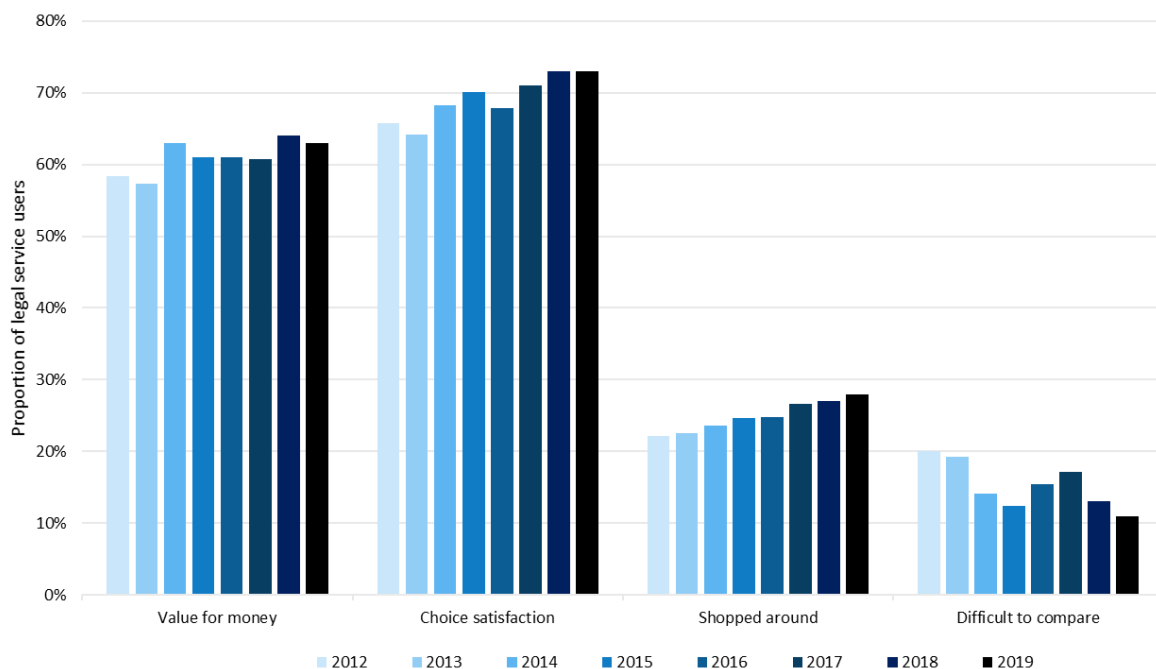
In line with last year's findings, those who use conveyancing are most likely to shop around (38%), followed by those using will writing (30%) and those using family services (29%). In contrast, only 16% of consumers using services for accident or injury claims report shopping around.

When shopping around, 19% of consumers compare two providers, 43% compare three and 19% compare four providers. Only 13% of consumers compare five or more providers. When choosing a provider, many don't take long to do this, with 40% saying the search process took a day or less.

As with 2018, 73% of consumers report having a fair or great deal of choice (see *Figure 1*). This has increased from 64% in 2013, suggesting that the availability of choice has increased over time.

Older consumers, though less likely to shop around, are more likely than their younger counterparts to say they have a fair or great deal of choice (77% of 55+ vs. 64% of 18-34). This may tie in with the type of service older consumers are likely to be using, with 89% saying they have a choice in will writing and 82% in conveyancing, compared to accident or injury claims (43%) or advice and appeals about benefits or tax credits (35%).

Figure 1: How consumers experience the legal services market

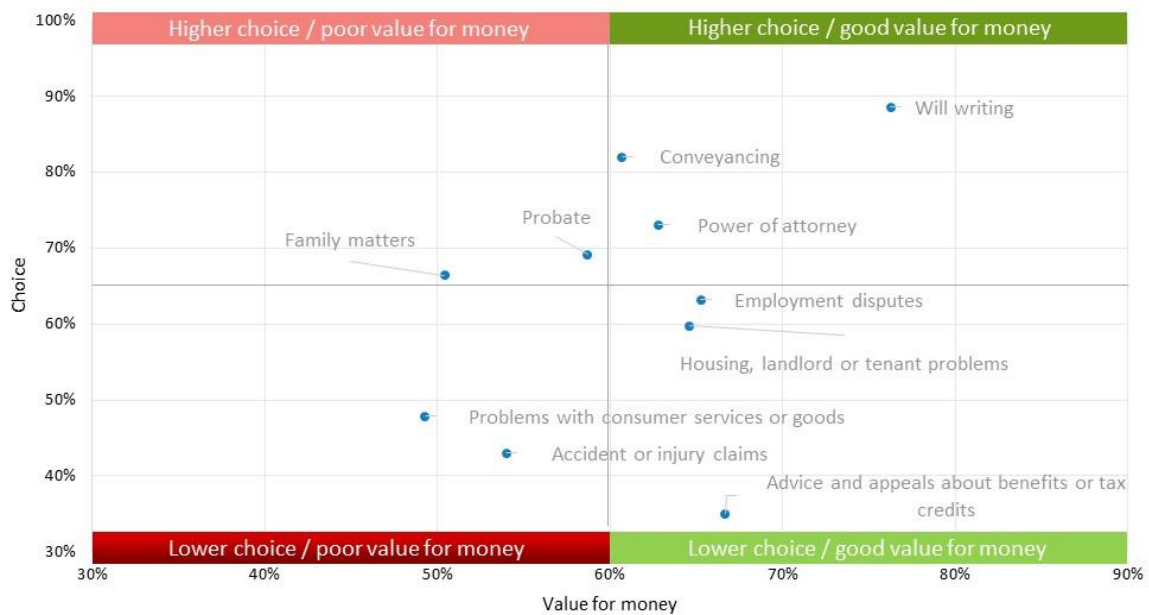


Base: All legal service users (2012=1435, 2013=1484, 2014=1060, 2015=1067, 2016=1523, 2017=1625, 2018=3535, 2019=3589).

Perceptions of value for money remains relatively high, with 63% saying the overall service and advice provided is good value for money, compared to just 9% saying it is poor value for money. Satisfaction with value for money is highest amongst those that use a will writing service (76%) and lowest for consumer issues (49%) and family matters (50%).

Figure 2 shows a comparison of how much choice consumers feel they have against the value for money they feel they receive across a number of different service areas. Consumers rate will writing highest in terms of both choice of providers and value for money of the service they receive. Conveyancing has relatively high levels of choice, though scores slightly lower for value for money. Accident and injury claims is the service area users rate as having the lowest choice and value for money.

Figure 2: Choice and value for money by legal service type



Drivers of consumers' decision making

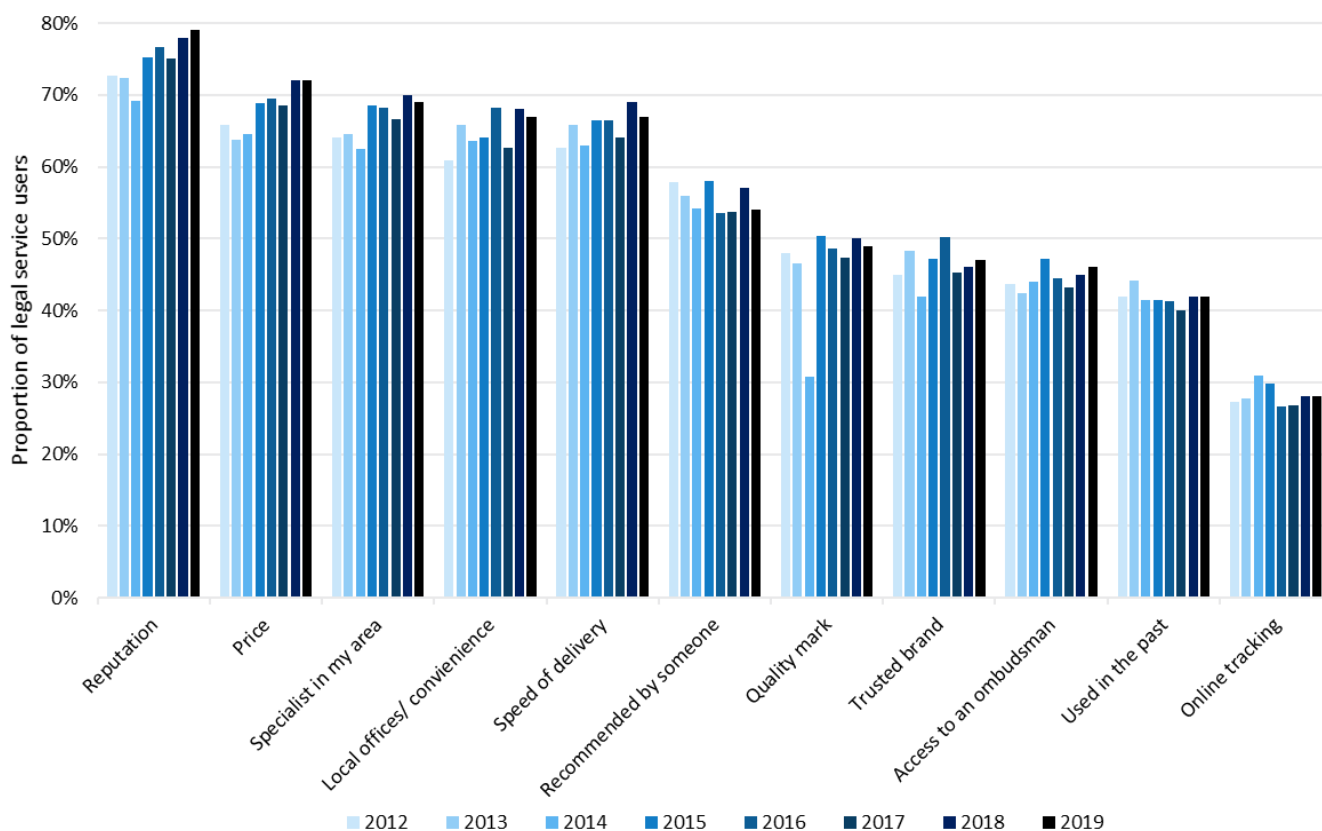
For both providers and regulators, understanding what drives consumer decision making is key to assessing whether the market is responding to consumers' needs and empowering consumers with relevant information to encourage informed decision making.

When choosing a provider, reputation is the most important factor for consumers (79%), more so than two years ago (75%), followed by price (72%) (see Figure 3). Price is most important in choosing conveyancing compared with other service areas (82%), while a lower proportion of those choosing a probate provider rate price as important (65%).

Reputation is particularly important for will writing (84%). This is a service with less of a time pressure in most cases, so unsurprisingly, 60% of will writing consumers say that speed of delivery is important compared to 79% of those using conveyancing.

Whether having used a provider in the past is most important to choice in probate and will writing, with 55% of probate consumers and 49% of power of attorney consumers rating this as important.

Figure 3: Consumers choice factors



Base: All legal service users (2012=1435, 2013=1484, 2014=1060, 2015=1067, 2016=1523, 2017=1625, 2018=3535, 2019=3589)

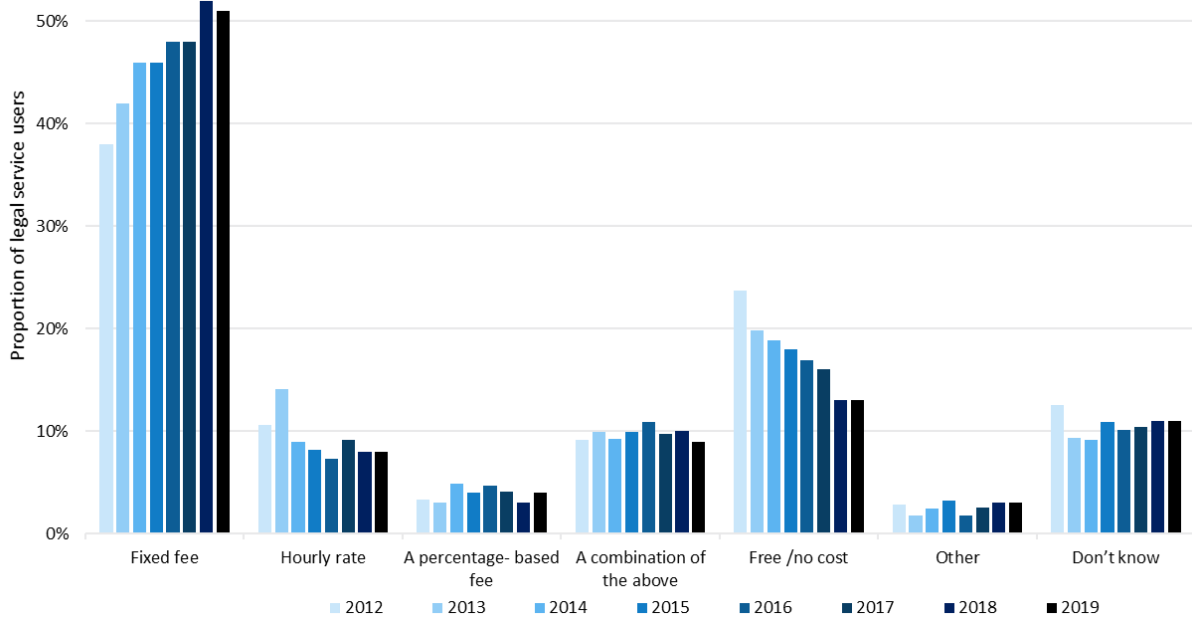
Charging methods

Fixed fees give consumers a clear idea of what a service is likely to cost, and enables them to compare prices and make an informed decision. Fixed fee arrangements are also an indicator of improved competition in the market, so there is value in tracking them over the years.

The overall use of fixed fee arrangements is in line with the previous year, with 51% of consumers using fixed fees. This is up from 38% in 2012. In contrast, there has been a decline in services being free of charge / no legal costs from 24% in 2012 to 13% at present (see *Figure 4*).

The use of fixed fees is highest for services relating to will writing (69%), conveyancing (63%), and power of attorney (59%). Those accessing services relating to advice and appeals about benefits or tax credits (60%) and accident and injury claims (55%) are more likely than those accessing any other legal service type, to access the services for no cost.

Figure 4: Breakdown of charging methods

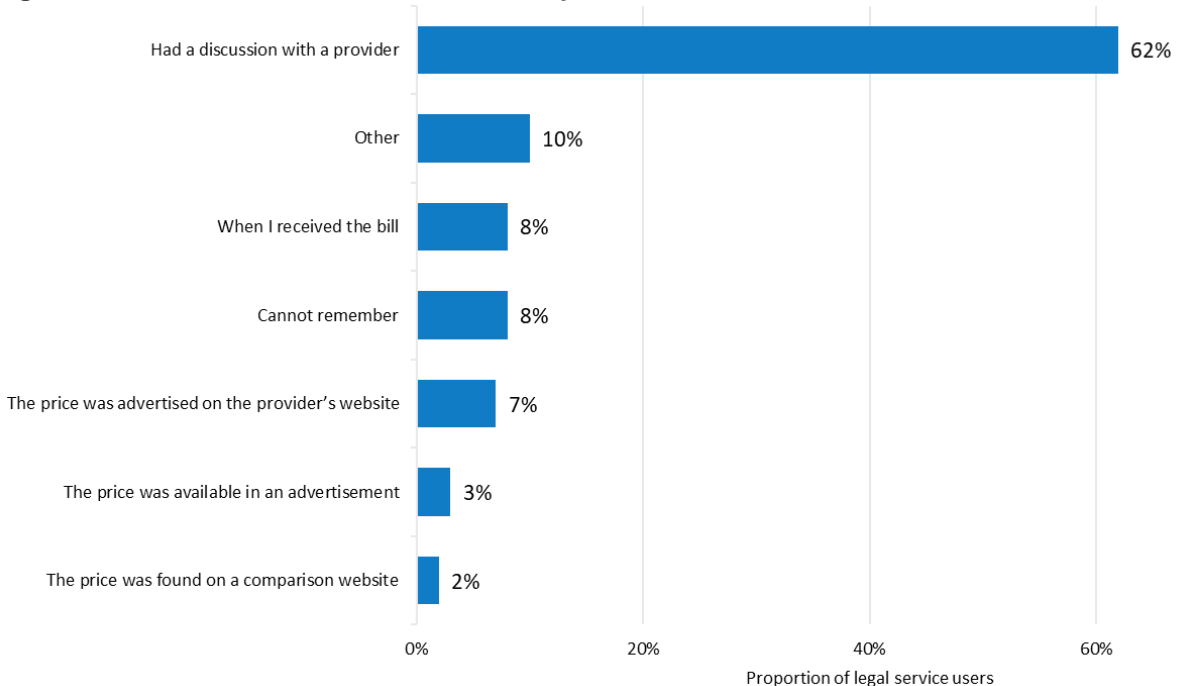


Base: All legal service users (2012=1435, 2013=1484, 2014=1060, 2015=1067, 2016=1523, 2017=1625, 2018=3535, 2019=3589)

Price transparency

In 2016, the Competition and Markets Authority (CMA) assessed the legal services market and found that the market is not working well for consumers and small businesses. The reason for this is information deficits on price and quality, amongst other issues. Consequently, the CMA recommended price publication before consumers choose services to empower them to make informed decisions when they shop around. Most of the approved regulators have now prescribed for rules around the publication of prices and we expect to begin to see the full effects of these changes next year.

Figure 5: How consumers find out about the price of the service



Base: All legal service users, 2019=3589

At present, consumers find the price of the service by talking to a provider (62%) rather than through other means (see *Figure 5* above). 8% find out the price on receipt of the bill, 7% on the provider's website, 3% in an advertisement and 2% on a comparison website (see *Figure 5*).

Users of probate services and family matters are most likely to only find out the price when they receive the bill (14% and 13%). Those using a conveyancing service (78%) or a will writing service (68%) are most likely to have had a discussion with the provider to determine the price (78%).

Ease of understanding price information

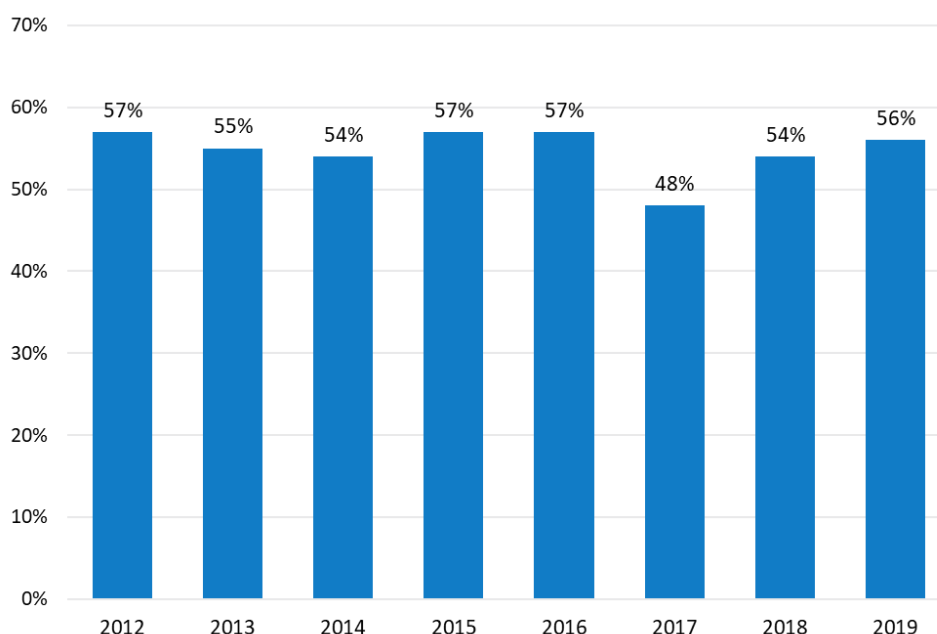
For the majority of consumers (77%) it is easy to understand the information about the price of the service they used. By service area, those using will writing are most likely to say they find it easy to understand the information about the price (89%). Conveyancing (80%), power of attorney (79%) and probate (76%) are also areas where consumers find it easy. By contrast, 13% of those using a service for family matters find it very or quite difficult.

White British consumers are more likely than BAME consumers to say that it is easy to understand the information about the price (79% vs. 67%). Older consumers, 55+ age group, who may have previous experience of using legal services, are most likely to say they find the information easy to understand (81%) compared with 35-44 years old (68%) and 25-34 years old (61%).

Making comparisons between providers

Over half of consumers (56%) say it is easy to make comparisons between different providers (see *Figure 6*), though there has been some fluctuation over the course of the tracking, the current figure is in line with 2012. In contrast, 13% of consumers believe it is difficult to make comparisons across providers.

Figure 6: Proportion of consumers saying it is easy to make comparisons between providers



Base: All legal service users who shopped around, 2012=361, 2013=296, 2014=277, 2015: 278, 2016: 388, 2017=457, 2018: 993, 2019:1033.

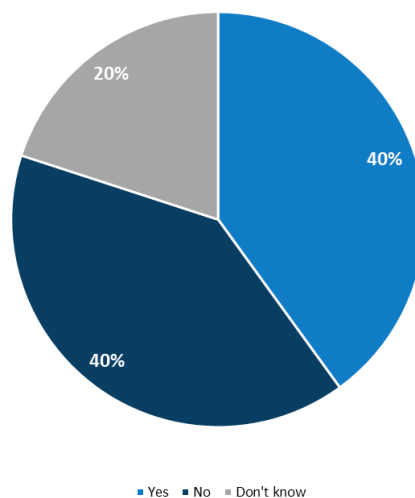
The CMA has also recommended that legal services providers should publish a description of their services, such as details of different staff who deliver services, a timeline showing when

key stages of the work will be completed and any factors that could affect these. When shopping around for a provider, 40% of consumers can recall seeing information on staff, services or timings for delivery, though the same proportion do not (see *Figure 7*) and 20% do not know. This is a fairly consistent trend across service types, though users of a conveyancing service are more likely to say they had not seen anything.

Since 2018, there has been an increase in those saying they do see the type of information recommended by the CMA when shopping around for a provider. The proportion who report this increased from 35% in 2018 to 40% in 2019. Those using conveyancing are less likely to see information when shopping around than those who use a will writing, a power of attorney or a probate service. 50% of conveyancing consumers say they don't see any information, compared with 33% of will writing, 33% of power of attorney and 30% of probate consumers.

Figure 7: Awareness of whether providers are publishing a description of services

When shopping around for a provider did you come across any of the things recommended by the CMA?



Base: All legal service users who shopped around, 2019=1033

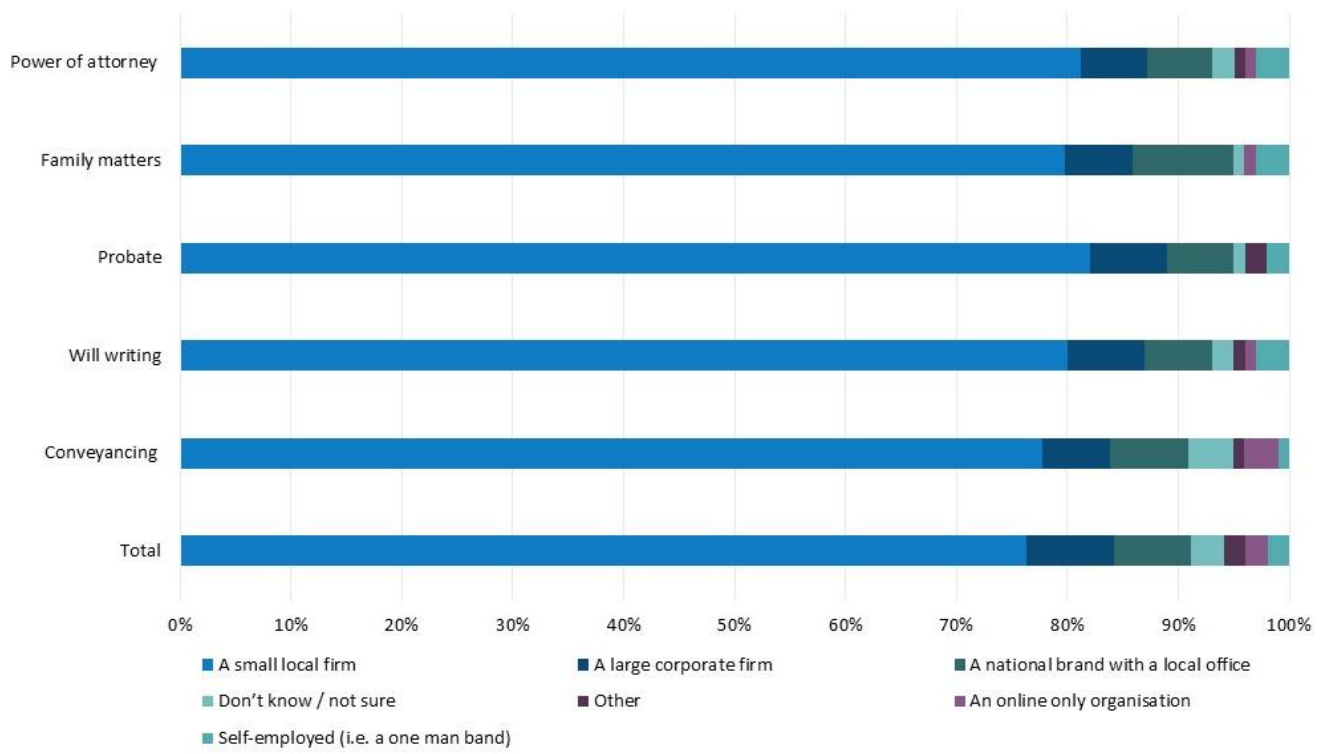
Overall, the majority of consumers do find it easy to find the information they are looking for when they shop around. However, consumers do report they find it most difficult to find information on the quality of the service (14%) and information on how long it would take (17%). Focusing on two of the largest service areas, it is more likely for conveyancing consumers to report it is difficult to find information on how long the service would take than on will writing (20% vs 6%). The same is valid when it comes to finding information on the quality of services (17% vs 8%).

Types of firms

64% of consumers use a solicitor, and 77% have done that within a small local firm, followed by a large corporate firm (8%) and a national brand with a local office (7%). The vast majority of consumers understand that the provider they use is regulated¹ (90%), 3% say that their provider they use is not regulated and 7% do not know. These figures are unchanged from the results we have seen in 2018.

¹ By “regulated” we mean providers that are authorised and must comply with requirements set out by a specific regulating body, including requirements concerning complaints handling (e.g. solicitors are regulated by the Solicitors Regulation Authority).

Figure 8: Type of solicitors firm used by type of legal service accessed



Base: All legal service users who used a solicitor, 2019=2362