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CONSUMERS START TO EXERT BUYING POWER, BUT ECONOMIC PICTURE TAKES ITS TOLL ON CONFIDENCE

There are signs that consumer power is at last starting to take a grip in the legal services market as more people shop around and demand fixed-fee deals, but the wider economic picture has knocked confidence in the sector. These are the findings of a recent YouGov survey commissioned by the Legal Services Consumer Panel.

This is the second year of the Panel's Tracker Survey and so the research shows what has changed in the market since 2011. Key findings include:

- 22% consumers now shop around, up from 19% last year. 57% now say they find it easy to compare providers compared to 51% in 2011;
- 58% of privately-paying consumers had a fixed-fee deal; and
- Satisfaction with value for money rose from 56% in 2011 to 59% in 2012.

However, less positively:

- Trust in lawyers has fallen still further, from 47% to 43%. Trust is particularly low among some ethnic groups – just 26% of Pakistani people say that they 'would generally trust lawyers to tell the truth';
- The public is less confident that their consumer rights will be protected when using lawyers – down from 51% in 2011 to 49% in 2012;
- Satisfaction with individual elements of customer service has also fallen – most notably, 5% fewer recent users (70%) felt they were treated as an individual, rather than as just another file;
- Dissatisfied consumers are more likely to do nothing – this saw a big increase from 35% in 2011 to 42% in 2012, although consumers are also more likely to make a formal complaint – up from 13% in 2011 to 21% in 2012; and
- There are signs that legal services are taking a back seat as household finances get tighter – 27% of the public used at least one legal service in the last two years, down from 31% in the 2011 survey.

The Legal Services Consumer Panel is releasing the findings of polling with consumers about their attitudes towards lawyers and experience of legal services. The research is being used to inform the Panel's second Consumer Impact Report – an annual health-check of the Legal Services Act reforms.

Commenting on the research, Elisabeth Davies, Chair of the Legal Services Consumer Panel, said:

“It’s good to see signs of consumers starting to use their buying muscle, although this needs to be just the beginning of a major power shift. Consumers clearly want fixed-fee deals, especially in tough times – and increasingly they are shopping around to get better value for money.

“It’s concerning that service standards are slipping, yet more and more dissatisfied consumers do nothing about the treatment they’ve received. The difficult economic climate is no excuse for lawyers to cut corners, but there’s also a need for regulators to make it easier for consumers who get a poor service to raise their concerns with providers.”

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For more information, contact Steve Brooker, Consumer Panel Manager, on 020 7271 0077.

Notes to editors

1. The Legal Services Consumer Panel was established under the Legal Services Act 2007 to provide independent advice to the Legal Services Board about the interests of consumers of legal services in England and Wales. We investigate issues that affect consumers and use this information to influence decisions about the regulation of legal services.
2. The research was undertaken by YouGov in February and March 2012. The survey was in two parts: first, with 1,796 members of the general public aged 18+ in England and Wales; second, with 1,435 adults in England and Wales who had used legal services in the last two years. Both parts of the survey included booster samples for Wales and six BME groups, but the results presented are weighted to be nationally representative.
3. A research highlights document is attached to this release and can be found here:
http://www.legalservicesconsumerpanel.org.uk/publications/research_and_reports/documents/10%20Highlights.pdf
4. The full data tables will be accessible on the Panel’s website and can be requested in advance:
http://www.legalservicesconsumerpanel.org.uk/publications/research_and_reports/index.html
5. The second edition of the Consumer Impact Report will be published in July. The Report will assess the progress of the legal services reforms against the Panel’s vision for the market based on the YouGov research and other evidence.