

Tracker Survey 2017

Briefing note: Market transparency in legal services.

Key findings:

- Only 6% of consumers find price information on the provider's website.
- 61% of consumers have a conversation with their provider to determine the price.
- The perceived ease of comparison between providers has fallen from 57% in 2016 to 48% in 2017.
- 24% of consumers say they do not have a wide range of choice when choosing a provider compared to 28% in 2016.
- 87% of consumers who shop around say they have more choice than those who do not (67%).
- Out of the 27% consumers who shop around, 66% say it is easy to find information on cost and 16% find it difficult.
- 72% of White British consumers report it is easy to find information on regulation of services compared to 59% of BME consumers.
- 27% of England and Wales' populations have a good knowledge of what lawyers do, unchanged since 2015.
- 17% of young people (18-24 years old) and 19% of those from a lower social grade (C2DE) continue to have a poorer understanding of what lawyers do.

Note on methodology:

For the last seven years the Panel has commissioned YouGov to conduct an annual survey in two parts: a nationally representative sample (1,822 adults); and a sample of people who have used legal services in the last two years (1,625 adults). The two samples were weighted to be representative of each wider population. All the figures have been weighted and are representative of all adults in England and Wales (aged 18+). 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 the weeks of 21 February and 27 March 2017.

Price transparency

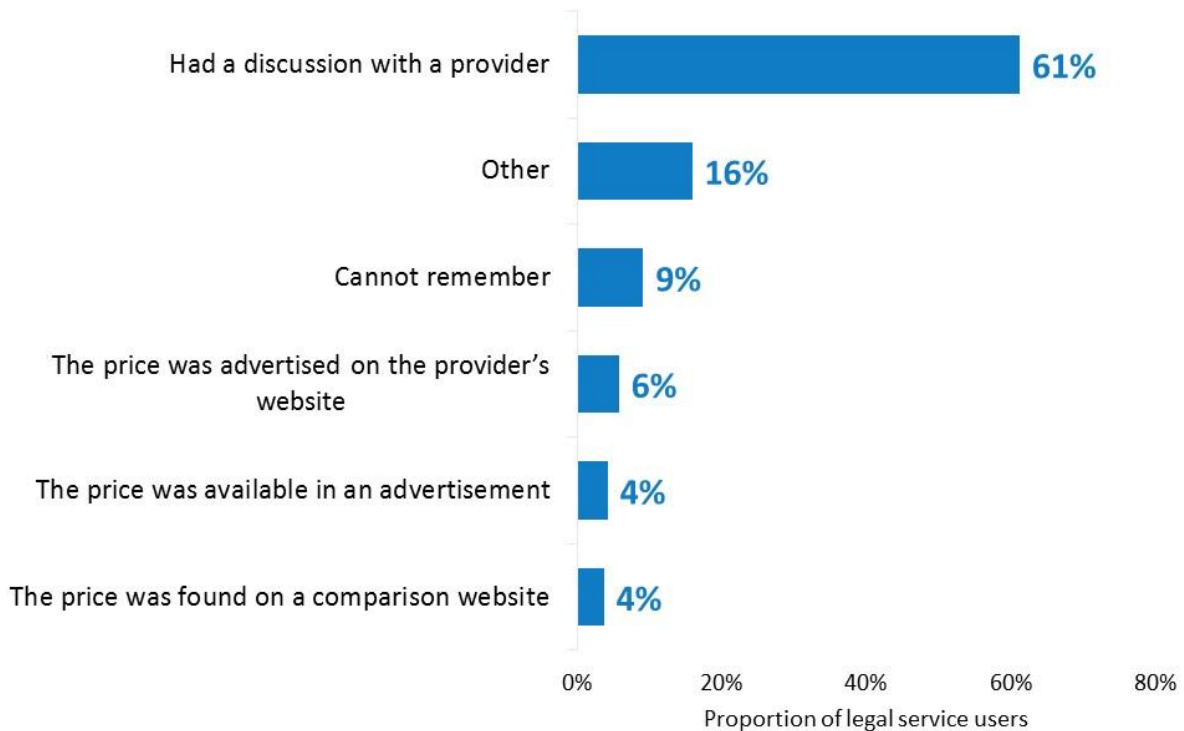
Transparent information about the costs of a service is critical to making a choice. Legal services consumers have several ways to find out the price of legal services. Overall, only 6% of consumers of legal services find the price on the provider's website and another 4% find it in an advertisement or on a price comparison website (see *Figure 1*). Low levels of price transparency suggest that consumers are hindered in making informed choices.

There are clear variations according to age, as younger consumers are more likely than older ones to find the price in an advertisement or on a comparison website. However, the proportion is still low. Only 17% of consumers aged 18-24 find the price in an advertisement and 21% on a comparison website. Of those aged 35-44, 5% find the price in an advertisement and 11% through a comparison website. In contrast, just 2% of consumers aged 45-55 find the price in an advert and 1% through a comparison website.

61% of consumers have a conversation with a provider to determine the price of the service (see *Figure 1*). A breakdown by type of legal services shows higher figures for conveyancing (71%), will-writing (68%) and probate (67%).

The proportion of consumers finding the price through a comparison website is fairly low (4%). Nonetheless, employment disputes (10%) and housing, landlord or tenant problems (8%) are the most common areas of practice where the price is found via a comparison website.

Figure 1: How consumers find out about the price of the service.



Base: All legal service users, 2017=1625.

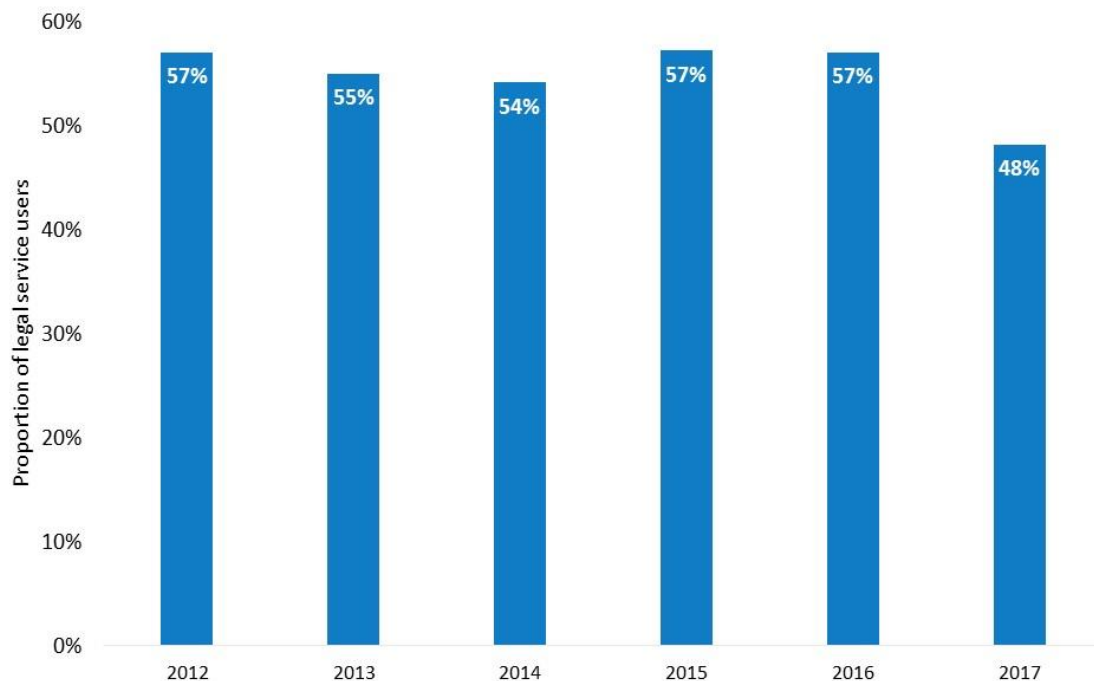
Choosing a legal services provider

In order to choose the most appropriate legal services provider to meet their needs, consumers need easy access to basic information about the range of services available to them. The survey asked a sample of all those who had used legal services how easy it is to compare and choose a provider. We also asked a sub-set of services users who shop around about their experience.

71% of consumers say they have a wide range of choice when choosing a provider, and 24% say they do not have a choice. Differences can be seen by service type. Consumers say they have more choice in will-writing (88%), power of attorney (83%) and conveyancing (79%) than in accident or injury claims (43%).

48% say it is easy to make comparisons between different providers. This represents a 9 percentage points fall from 2016 (57%) (see *Figure 2*). Only 27% of consumers shop around before purchasing legal services, while 70% do not shop around.

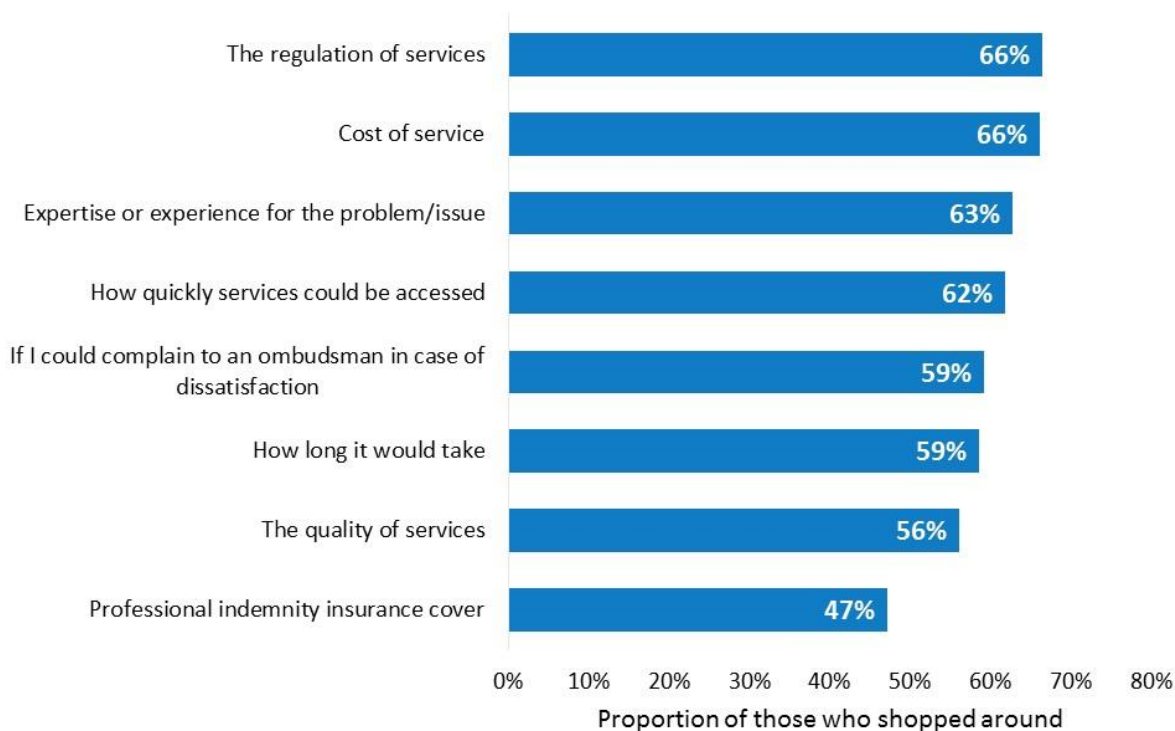
Figure 2: Consumers' view on ease of comparing between providers.



Base: All legal service users, 2017=1625.

Out of the 27% of consumers who shop around, 66% say it is easy to find information on cost (see *Figure 3*), but 16% find it difficult. 19% of consumers who shop around find it difficult to access information about the quality of service and 18% about how long their matter would take. However, those who shop around say they have more choice than those who do not (87% against 67% respectively).

Figure 3: Consumers who shop around and can easily find information on the following:



Base: All legal service users who shopped around, 2017=457.

The survey also highlights disparity amongst different groups of consumers. Consumers from a White British background are more likely than those from a Black and Minority Ethnic (BME) background to report that it is easy to find information on:

- regulation of services (72% White British, 59% BME)
- cost of services (71% White British, 60% BME)
- expertise or experience for the problem (67% White British, 56% BME)
- how quickly services could be accessed (69% White British, 52% BME)
- how to complain to the Legal Ombudsman if dissatisfied (64% White British, 53% BME).

Knowledge of what lawyers do

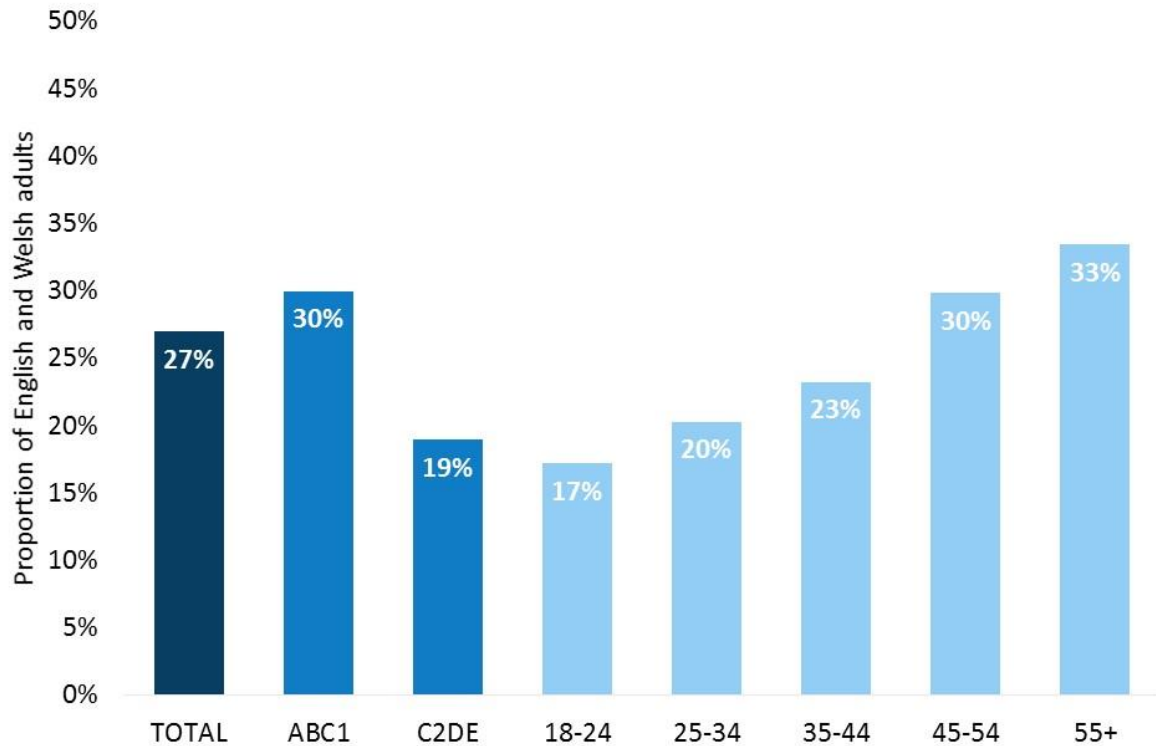
Knowledge of what lawyers do can be a proxy for measuring transparency. Just 27% of England and Wales populations have a good knowledge of what lawyers do, unchanged since 2015. This suggests that 73% have little or no knowledge and is an important issue when choosing an appropriate provider.

An understanding of what lawyers do continues to vary by demographics. Only 19% of those from a lower social grade¹ (C2DE) report having a good knowledge of what lawyers do compared to 30% of those from a higher social grade (ABC1) (see *Figure 4*).

¹ C2DE and ABC1 are drawn from a system of demographic classification originally developed by the National Readership Survey to classify readers, but now used as a standard for market research. ABC1 is classified as the highest social grade and C2DE classified as the lowest social grade.

Younger members of the public are also less likely to have good knowledge of what lawyers do. 17% of those aged 18-24 and 20% of those aged 25-34 have a good knowledge of what lawyers do, in contrast to 30% of those aged 45-54 and 33% of those aged over 55 (see *Figure 4*).

Figure 4: England and Wales populations' knowledge of what lawyers do, arranged by demographics.



Base: All English and Welsh adults, 2017=1822.