Legal Services Consumer Panel

Tracker Survey 2020

How consumers are choosing legal services

August 2020

Contents

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Key findings

- 30% of consumers say they shop around before choosing their legal services provider; this has increased steadily from 23% in 2012.
- 74% of consumers feel they have a wide range of choice when choosing a provider, continuing an upward trend since 2016 (68%).
- Reputation (81%) continues to be the primary consideration when choosing a legal service provider, followed by price (72%) and providers being specialists in their area (71%). In line with previous trends, consumers are more price sensitive than previously. In 2020, 72% felt that price was important, an increase from 66% in 2012.
- Consumers more commonly find the price of their service from talking to their provider (64%) than through other means.
- When shopping around for a provider, 35% of consumers can recall seeing information on staff, services or timings for delivery, a fall from the 40% who saw those things in 2019.
- Most consumers (77%) find it easy to understand the information provided on the price of legal service.

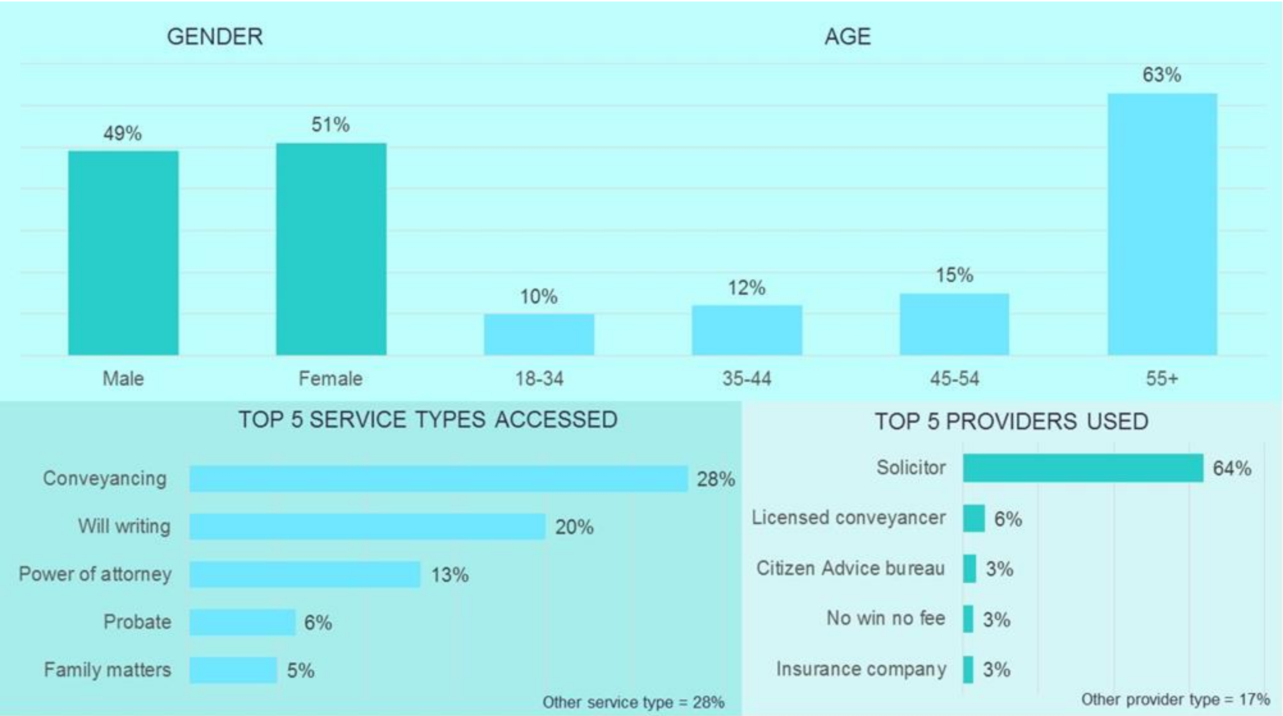
Note on the methodology

For the last nine years the Panel has commissioned YouGov to conduct an annual survey on a sample of people who have used legal services in the last two years. This year we spoke to 3623 legal service users.

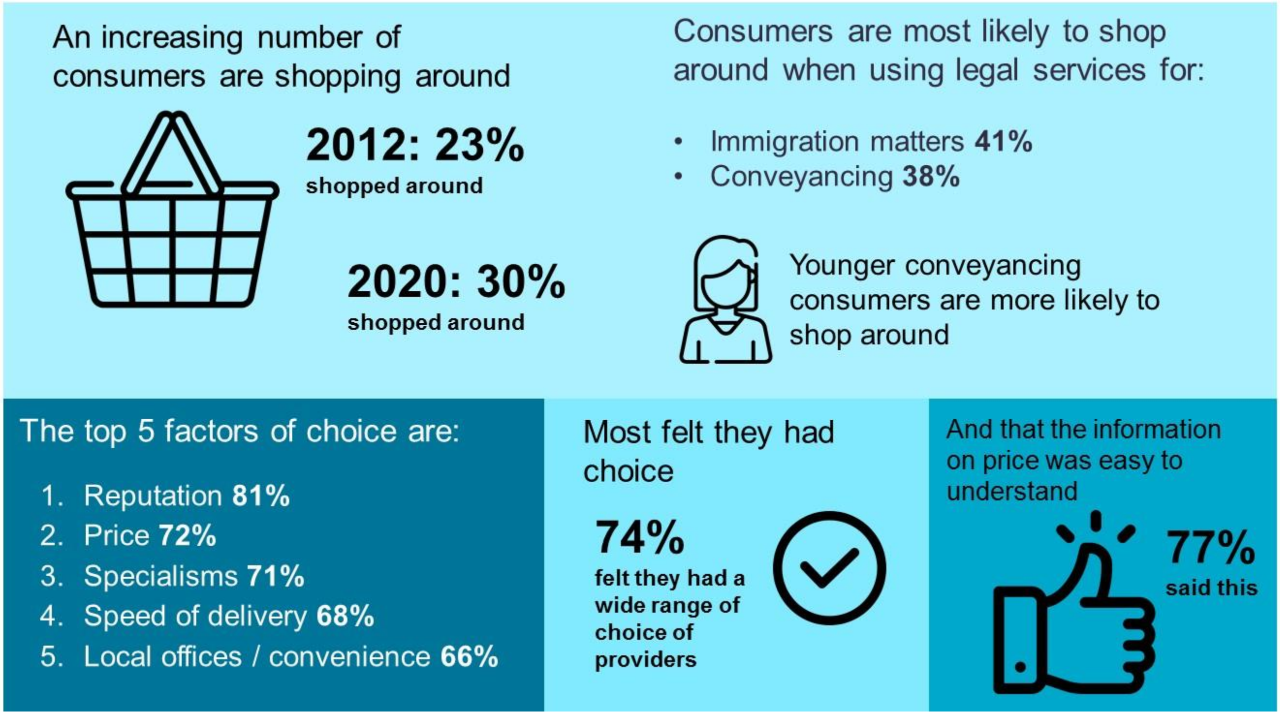
All the differences in the results amongst sub-groups, and over time, represent statistically significant differences. The results have been tested to 95% confidence level – this means we are 95% confident that these findings are not due to chance. Fieldwork took place between 17 February and 18 March 2020.

In 2016, the Competition and Markets Authority (CMA) published a report which assessed the legal services market. The report concluded that consumers' ability to choose the best option for legal support was hindered by insufficient information on price, quality and service. To help understand how the legal services market may have changed since 2016, where relevant, we have chosen to highlight differences between how people are choosing legal services in 2020 compared to2016.

Sample profile



How consumers are choosing legal services



Consumer behaviour

Who shops around?

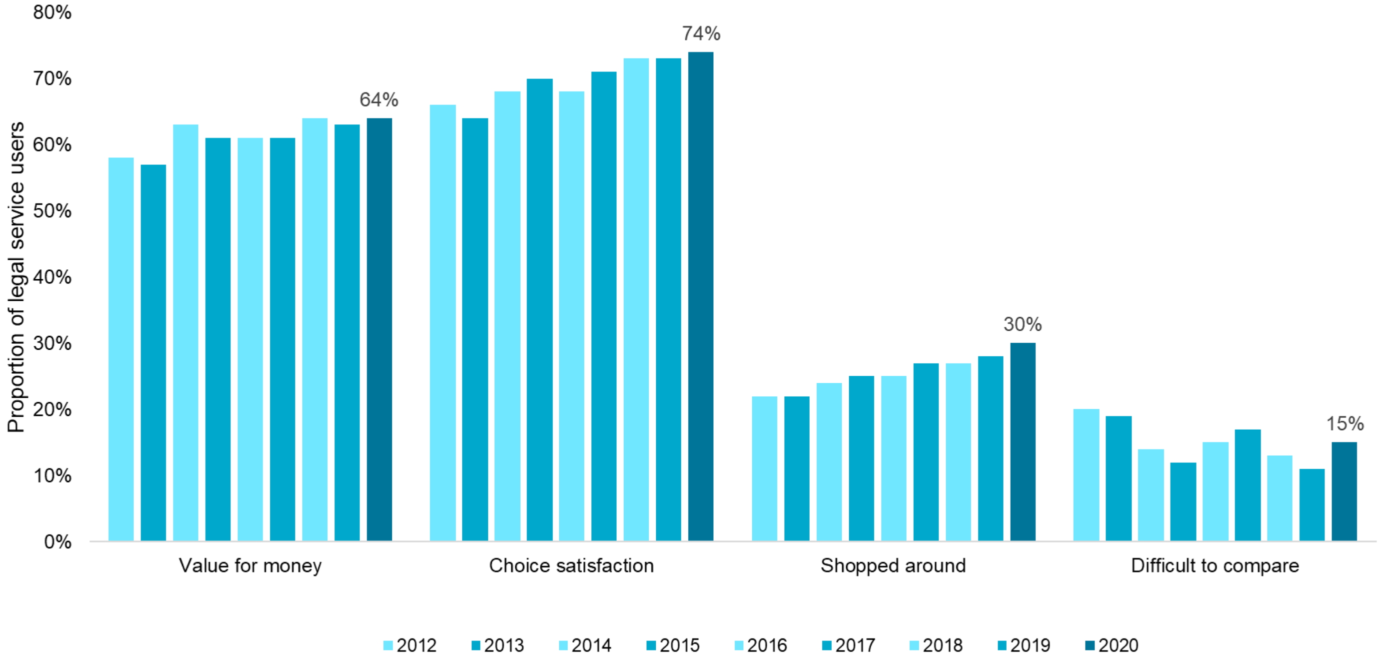
The proportion of consumers who shop around and compare services or prices before choosing a legal services provider has increased since this research started tracking consumers' behaviour, to 30% at present from 23% in 2012 and 25% in 2016.

Those who use a service for immigration matters (41%) or a conveyancing service (38%) are most likely to shop around. Contrastingly, only 18% of consumers using services for probate shop around, showing the disparity between service types.

While younger consumers remain more likely than older ones to say that they shop around (with 44% of 18-34 year olds doing so in comparison to 26% of those aged 55+), this can mainly be explained by the difference in the types of services older consumers are more likely to use (e.g. will writing, probate). However, within a service such as conveyancing, we do find that younger consumers are more likely to shop around for a provider than older consumers:

- 49% of 25-34 years olds and 44% of 35-44 year olds shop around for a conveyancing provider compared with 34% of those aged 55+

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, 2020=3623)

When shopping around, most commonly, 44% of consumers compare three providers and 20% compare four providers. Many do not take long to choose a provider, with 37% saying the search process took a day or less. With regards to comparing prices across providers, the majority (59%) find it easy and 15% find it difficult – levels of ease and difficulty are unchanged since 2018.

How much choice do people have?

Perceptions of levels of choice in the market remain unchanged for the past three years, with 74% of consumers reporting a fair or great deal of choice. This has increased from 68% in 2016, suggesting that while consumers perceive there is now greater choice, perception of choice in the market has stalled.

Older consumers, though less likely to shop around, remain more likely than their younger counterparts to say they had a fair or great deal of choice (78% of 55+ vs. 66% of 18-34). By service type, perceptions of level of choice may be influenced by complexity. While 88% say they have choice in basic services such as will writing and 84% in conveyancing, for more complex matters such as accident or injury claims or advice and appeals about benefits or tax credits the responses are (44%) and (34%) respectively.

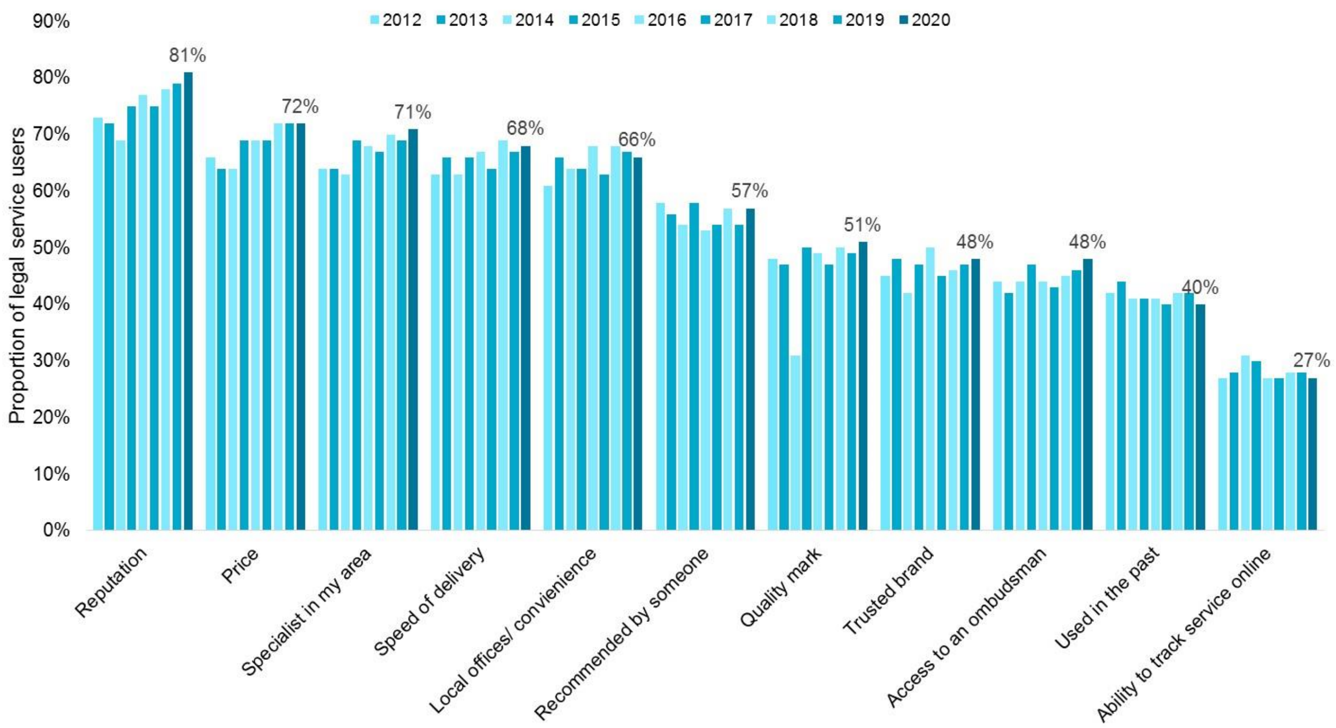
Do services provide value for money?

Perceptions of value for money remain relatively high but static, with 64% saying the overall service and advice provided was good value for money, while 9% say it was poor value for money. Satisfaction with value for money is highest among those dealing with matters such as a will writing (78%) and lowest for people dealing with more complex issues such as family matters (49%).

Drivers of consumers' decision making

Figure 2. Consumers choice factors

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



2018=3535, 2019=3589, 2020=3623)

For both providers and regulators, understanding what drives consumer decision-making is key to assessing whether the market is responding to consumers' needs or empowering consumers to make informed decisions from pertinent and accessible information.

When choosing a provider, reputation remains the most important factor (81%), with its importance growing steadily over time (73% in 2012). The top five factors choice factors are:

1. Reputation
2. Price

3. Specialism
4. Speed of delivery
5. Local offices / convenience.

Price and speed of delivery are the most important in choosing conveyancing providers compared with other service areas, 82% of conveyancing consumers rate price and 77% speed of delivery as an important factor in choice.

Those who use an accident or injury claims service are most likely to say that having local offices is not important (35%). For consumers using a service for an employment dispute it is far more important that the provider is local (86%).

A service being available online that can be accessed at any time and tracked is rated as more important for the following service areas:

1. Problems with consumer services or goods (50%)
2. Housing, landlord or tenant problems (44%)
3. Accident or injury claims (42%)
4. Immigration matters (41%)
5. No win no fee (41%).

Price transparency

Consumers most commonly find the price of the service through talking to a provider rather than other means (64% - unchanged since 2017). However, 7% found out the price on receipt of the bill, 6% on the provider's website, 3% in an advertisement and 3% on a comparison website (see *Figure 3*).

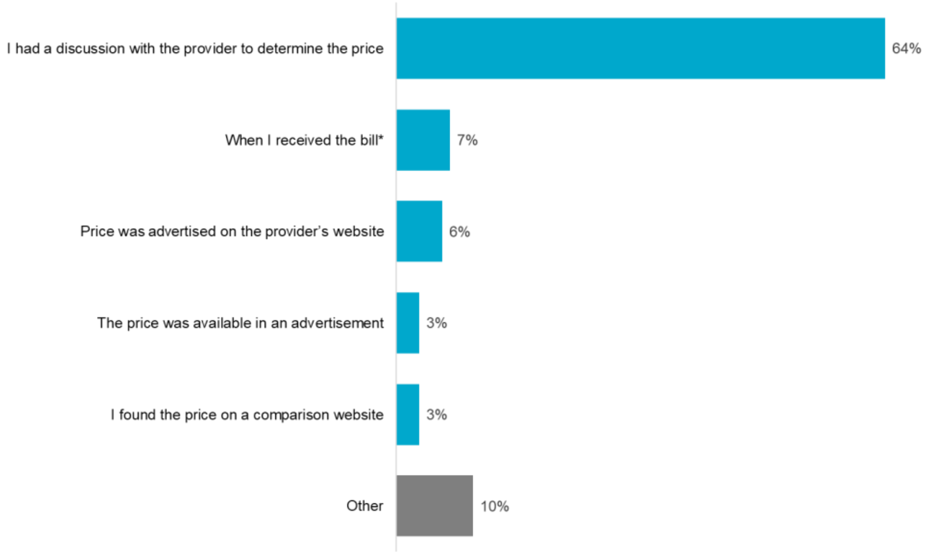
Users of family matters (25%) and no win, no fee (20%) services are most likely to only find out the price when they receive the bill. Those using a conveyancing service (78%), a will writing service (72%), probate (70%) or power of attorney (69%) are most likely to have had a discussion with the provider to determine the price.

When considering why consumers say it is difficult to find information about the cost of the service, we have seen an increase for the following reasons compared to last year:

- No upfront information on prices is provided - 47% in 2020 compared with 42% in 2019
- Consumers are presented with confusing prices - 33% in 2020 compared with 25% in 2019.

Consumers from a lower social grade - C2DE (41%) are more likely to say that they are presented with confusing prices than those from a higher social grade – ABC1 (31%). Furthermore, consumers using licensed conveyancers are more likely to say that are presented with confusing prices (39%). 67% of those using barristers say that no upfront information is provided compared to 56% using solicitors and 47% overall consumers.

Figure 3. How consumers find out about the price of the service



Base: All legal service users (2020=3623)

Ease of understanding price information

For the majority of consumers (77%), it is easy to understand the information about the price of the legal service they used. Just 5% of consumers found it difficult to understand the price information, unchanged since 2017 (4%).

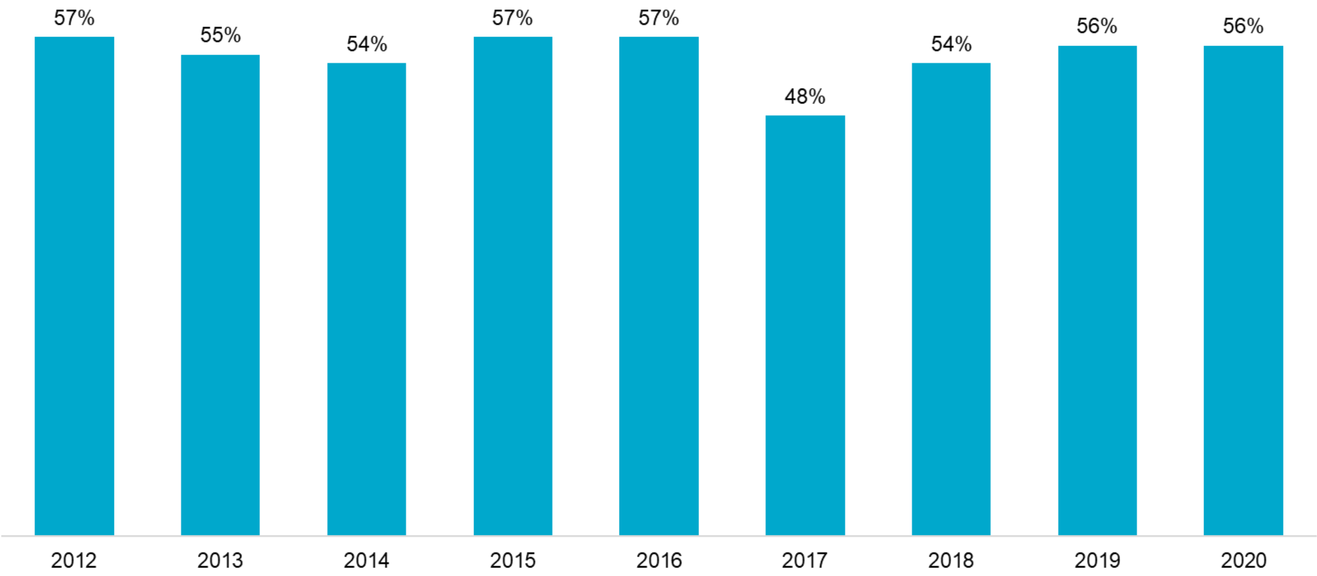
By service area, those using will writing service, were most likely to say they found it easy to understand the information about the price (91%). Conveyancing (79%) and power of attorney (83%) are also areas where consumers found it easy. By contrast, the most difficulty in understanding price information was found from those consumers accessing a more complex service for accident or injury claims (16%) or family matters (15%).

Older consumers, who may have previous experience of legal service (and are more likely to be using a will writing service), are the age group most likely to say they found the information easy to understand (80% of 55+ age group compared with 71% of 35-44 and 71% of 25-34 year olds).

Making comparisons between providers

Over half (56%) of consumers say it is easy to make comparisons between different providers (see *Figure 4)*. This figure remains unchanged with no increase in how easy people find it to make comparisons between providers over the past three years. However, there are some consumers who find it less easy to make comparisons across providers. Those from a lower social grade - C2DE (49%) are less likely to find it easy than those from a higher social grade – ABC1 (57%).

Figure 4. Proportion of legal services consumers saying it was 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, 2020=1099.

The Competition and Markets Authority (CMA) has recommended in its legal services report[1] that legal services providers should publish a description of their services on their websites: 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.

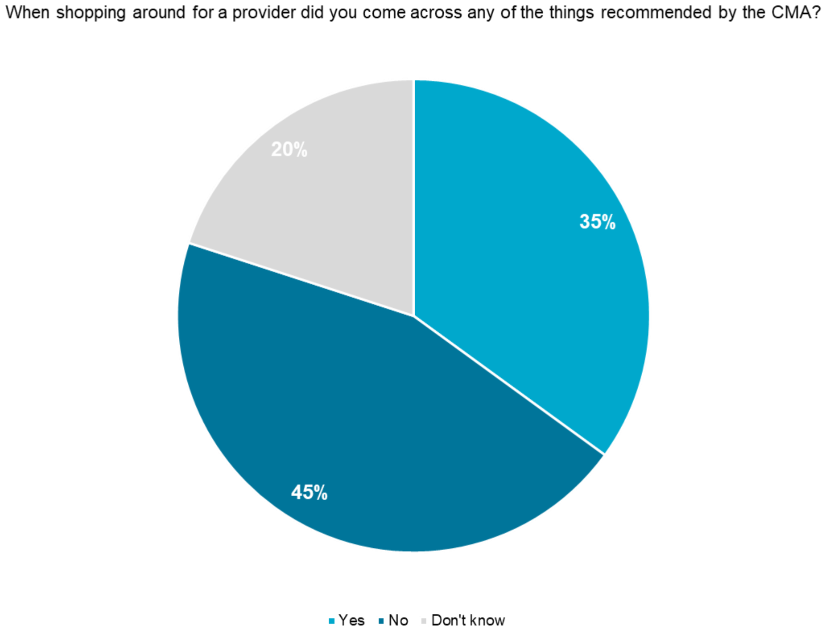
The tracker data shows that there has been limited progress towards that goal. When shopping around for a provider, 35% of consumers can recall seeing information on staff,

[1] CMA (2016) Legal Services Market Study

services or timings for delivery, a fall from 40% reporting seeing this information in 2019 and a return to the proportion of consumers who reported seeing that information in 2018.

By service type, those using conveyancing services (28%) are less likely to have seen information when shopping around and those using a probate service (54%) most likely

Figure 5. Awareness of whether providers are following the CMA recommendations on publishing a description of services provided on their websites



Base: All legal service users who shopped around, 2020=1099

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