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Quick, intuitive thinking drives decisions on whether to use a lawyer

The **Legal Services Board** publishes today three reports which together deliver new insight into consumers' behaviour when deciding whether or not to seek legal advice and into the proportionality of regulation.

Two of the three reports consider why and how consumers make the decisions they do when it comes to legal services. The third report considers the proportionality of key elements of solicitor and barrister regulation.

The reports

- Understanding decision making in legal services: Lessons from behavioural economics
- Consumers use of legal services: Understanding consumers who don't use, don't choose or don't trust legal services providers, and
- The proportionality of legal services regulation

The findings are clear.

The reports show that people make quick, intuitive decisions when it comes to opting for legal support. People trust lawyers in the same way that they trust other people, no more and no less. This means that in many areas such as divorce, conveyancing, criminal need, general trust is but one of a number of factors in deciding whether or not to use a lawyer.

While there is a high level of respect for a lawyers training, knowledge and experience, views are more negative about the transparency of services offered and costs.

In practice though, the behavioural economics research demonstrates that decisions to use or not use legal services are more likely to be taken on instinct and previous personal experience than on detailed analysis. Despite this speed of decision making and imbalance in information, however, the decisions are very often sensible in practice.

The research therefore also shows the challenges regulators face in ensuring that regulation of legal services is targeted and proportionate. As more is understood about consumer behaviour, it will be important to continue to analyse prevailing regulation to ensure it really delivers its expected benefits.

Chief Executive of the Legal Services Board, Chris Kenny said:

"People have a variety of rational and emotional reasons for deciding whether or not to go to a lawyer. Cost is a major rational reason which is consistently to the forefront when deciding whether or not to opt for legal advice. But it is not the only one.

Other factors such as a perceived poor level of customer service, a lack of transparency, and a fear of dealing with lawyers may get in the way of consumers seeking necessary services and lawyers providing them.

But experience shows that it is possible for lawyers to provide better value, more information and variety in their service offerings to help people find legal services that meet their needs.

In doing so lawyers can improve the public's awareness and perception and so improve access to justice."

ENDS

For more information please contact the LSB's Communications Manager <u>Vincent McGovern</u> on 020 7271 0068 / 0795 622 6562.

Notes for editors:

- 1. The reports can be found on the Legal Services Board research <u>website</u>.
- 2. Further detailed information about the **understanding decision making in legal services** report (and the report itself) can be found <u>here</u>.
- 3. Similar information on the **consumers use of legal services** report (and the report itself) can be found <u>here</u>.
- 4. And see <u>here</u> for details of the **proportionality of legal services regulation** report (and for the report itself).
- 5. The *understanding decision making in legal services* report was prepared for the LSB by <u>Professor John</u> <u>Maule</u>.
- 6. The *consumers use of legal services* report was prepared by Nicky Spicer, Sharron Worton, Jo Smith, Ian Sparham, Richard Fincham and Ellie Inman at <u>Optimisa Research</u>.
- 7. The proportionality of legal services regulation report was prepared for the LSB by Kyla Malcolm.
- 8. The Legal Services Act 2007 created the Legal Services Board as a new regulator with responsibility for overseeing the regulation of legal services in England and Wales. The new regulatory regime became active on 1 January 2010.
- 9. The LSB oversees eight approved regulators, which in turn regulate individual lawyers and organisations. The eight approved regulators, designated under Part 1 of Schedule 4 of the 2007 Act, are the Law Society, the Bar Council, the Master of the Faculties, the Chartered Institute of Legal Executives, the Council for Licensed Conveyancers, the Chartered Institute of Patent Attorneys, the Institute of Trade Mark Attorneys and the Association of Law Costs Draftsmen.

In addition, the Institute of Chartered Accountants in Scotland and the Association of Chartered Certified Accountants are listed as approved regulators in relation only to reserved probate activities.

10. As of 1 April 2013, the legal profession comprised 126,624 solicitors, 15,335 barristers, 7,947 chartered legal executives and 4,184 other individuals operating in other areas of the legal profession such as conveyancing. The sector is valued at £25.49 billion per annum (total turnover in 2010).