



BAR
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REGULATING BARRISTERS

Research Summary

Consumer Behaviour and Attitudes to Price and Service Transparency

September 2018

Why we commissioned this research

In December 2016, the Competition and Markets Authority (CMA) published its market study into the provision of legal services in England and Wales¹. The CMA concluded that there was not enough information available on price, quality and service to help those who needed legal support to choose the best option, and that lack of transparency was weakening competition between providers and meant that some consumers did not obtain the legal advice they needed. The CMA recommended that regulators develop new minimum standards for disclosure of price, service, redress and regulatory status, and require legal service providers to adhere to them. In this context, the Bar Standards Board (BSB) commissioned independent research from YouGov and London Economics into the impact of price/service information on consumer understanding and decision-making, to complement the findings of previous studies on barristers' price and service transparency.

Key Findings

The research combined both qualitative and quantitative strands. The qualitative strand consisted of online focus groups with 22 members of the public who had used a barrister in the last two years, while the quantitative strand consisted of an online behavioural experiment with a nationally representative sample of 1,316 participants.

¹ Competition and Markets Authority (2016) Legal Services Market Study

The results of the focus groups suggest that:

- Consumers frequently do not search for a barrister themselves, preferring to use their solicitor's recommendation unless they do not trust their solicitor. Consumers using public access barristers frequently reported that they did so because they did not trust their solicitors;
- Those who looked for a barrister themselves did this mainly via online research and most of those who had a recommendation from their solicitor or friends / family also did some online research to make sure they were satisfied with the recommendation;
- Consumers value expertise and a proven track record. Price is less important than expertise - however, consumers would value price information to help them compare between barristers;
- Consumers often do not find the information they are looking for online; instead they are given information via email or at an initial meeting. Consumers have mixed opinions about whether the information they receive is easy to understand.

The online experiment tested responses to both different levels of transparency, as well as to different approaches to calculating and presenting fees. The experiment used 'mock-ups' of price and service information for fictitious barristers' chambers, and tested participants decision making, views and understanding of the information provided. Three different levels of transparency were used for the online testing, Minimum, Mandatory and Discretionary. These levels were based on the BSB's proposed rules on price and service transparency, ranging from minimum disclosure (which provided the least information on price and service) to discretionary disclosure (which provided the most information). In relation to transparency levels, the research found:

- Participants found the minimum disclosure treatment to be the least helpful way of showing price/service information, in terms of information needed to compare between barristers, their confidence in comparing, and overall understanding of information.
- Participants displayed broadly similar levels of confidence and understanding across mandatory and discretionary levels of transparency, although some differences were observed.
- The highest level of transparency made it easier for consumers to correctly identify some elements of the information provided, such as information on how timescales for a case may vary.
- However, the highest level of transparency made it more difficult for consumers to correctly identify other aspects, such as the cheaper option from two alternatives.
- Increasing transparency around price and service offered did not have any negative impact on consumers' opinions of barristers' skill, professionalism or expertise.

For participants in the mandatory and discretionary disclosure groups, the experiment also tested the following ways of presenting price/service information - fixed fee (a total fee for a case or individual stages of a case), hourly rates (hourly rates for barristers alongside estimated hours to complete a case or individual stages of a case), and scenario-based (a text-based presentation, providing examples of hourly rates and fixed fees for typical stages of work). The research found:

- Consumers preferred hourly fees to fixed fees or scenario-based pricing, in terms of confidence when comparing between barristers, providing all the information needed to compare between barristers, and perceived ease of understanding of the pricing/service information.
- Participants shown a fixed fee pricing model were more likely to say they did not have all the information they needed to compare between barristers than those shown hourly fees or scenario-based models
- Participants in the scenario-based pricing model were significantly less likely to identify pricing/service information elements compared to those in the fixed fees or hourly pricing model.

The main report, which sets out these findings and their implications in more detail can be found [on our website](#).

How will the BSB use these findings?

For the BSB, the findings provide valuable evidence to inform our response to the recommendations made by the CMA, specifically the introduction of new transparency requirements for the practising Bar. They support our efforts to:

- Ensure that barristers carefully consider and select which information to present upfront to consumers;
- Inform and educate barristers' clients about the implications of regulation and how they are protected;
- Ensure that consumers have readily accessible information on prices and services, which they can use when comparing between barristers and other legal services providers; and
- Help consumers to receive estimates regarding timescales of work, in order to help them understand the information on quote elements and compare between barristers.

What do the findings mean for key stakeholders?

The findings of the research are reflected in the BSB's Transparency Standards Guidance, which aims to (1) support those regulated by the BSB in complying with the mandatory rules and (2) encourage them to go beyond the mandatory rules.

We will continue to engage with the profession, Specialist Bar Associations and consumer groups to ensure our approach is robust and that the transparency requirements placed on barristers are reasonable, proportionate and most importantly, will benefit consumers.