Solicitors Regulation Authority

Year Three Evaluation of the SRA Transparency Rules

24 October 2023

The various elements of the SRA Transparency Rules were introduced in 2018/19 to give the public and small businesses easier access to details to help make informed decisions when purchasing legal services. This was a key element of our long-term reform programme, which we began to develop in 2014.

We worked with a wide range of stakeholders on our transparency requirements, and moved to publication consultation [https://contact.sra.org.uk/sra/consultations/consultation-listing/lttf-better-information-consultation/] in 2017. We also commissioned external research looking at the case for, and potential benefits of, greater transparency in legal market for both the public [https://contact.sra.org.uk/sra/research-publications/price-transparency-legal-services-market/] and small businesses. [https://contact.sra.org.uk/sra/research-publications/price-transparency/]

Introduction of the rules was also partly a response to the Competition and Markets Authority's (CMA) legal services market study of 2016, which concluded that the absence of sufficient information on price, quality and service hindered the ability of consumers and small businesses to engage with the market. The CMA recommended regulators set a new minimum standard for the information published by firms they regulated.

This report

This report considers what impact the rules have had in the first three years since their introduction. It includes the findings of externally commissioned research and a summary of our wider work to support both adoption of the rules and wider issues relating to increasing the availability of information to the consumer. The report also outlines the next steps we intend to take as we continue to monitor the long-term impact of these reforms and promote increased transparency in the market.

In particular we wanted to find out whether the rules are having the desired benefits for consumers, the profession, and the wider legal services market. We also wanted to know what more we should be doing to make sure the reforms will lead to the intended outcomes.

This work is part of our wider five-year evaluation programme looking into the impact of our Standards and Regulations and associated reforms. We previously published one-year reviews looking at the 'direction of travel' in terms of both the SRA Transparency Rules

[https://contact.sra.org.uk/news/news/press/2020-press-release-archive/transparency-research-2020/] and the wider Standards and Regulations [https://contact.sra.org.uk/sra/research-publications/year-one-evaluation-standards-regulations/] reforms.

This three-year review provides a full impact evaluation of the transparency rules. A three-year review of the Standards and Regulations will follow. These will be followed by five-year reviews of each, assessing the wider impact of the reforms on the market.

The SRA Transparency Rules

The SRA Transparency Rules require all law firms that we regulate to publish the following information on their website:

- Price and service information for certain legal services
- Details on the teams/individuals who will provide services in these specified areas
- Details of their complaints procedure, including how and when issues can be referred to us or the Legal Ombudsman.

Firms who do not have a website must make this information easily available in another format.

Since November 2019, all firms with a website must also display the SRA clickable logo. By clicking on the logo, online visitors link through to personalised information which confirms the firm is regulated and outlines the protections clients can expect to receive when dealing with that regulated firm.

We introduced our Solicitors Register [https://contact.sra.org.uk/consumers/register/] in October 2019. The register provides a searchable directory of more than 165,000 solicitors and 9,500 law firms we regulate. It includes key regulatory information on each individual/firm, including their name, registered address, what type of solicitor they are and details of any disciplinary record.

Independent research

We commissioned Economic Insight to undertake a year three independent evaluation of the transparency rules. This was designed to help us understand whether the information we have mandated to be made available is helping consumers to make informed choices when purchasing legal services, and whether publication of this information is stimulating competition in the market.

Research was conducted between June and September 2022, engaging more than 3,000 participants from diverse backgrounds and organisations.

This research involved:

- Online surveys of 2,022 individual users of legal services and 1,021 small businesses
- In-depth interviews with 27 individuals and 29 small business owners/managers
- An online survey of 274 regulated law firms and 7 unregulated firms
- In-depth interviews with 13 regulated law firms
- One-to-one interviews with key consumer, professional and regulatory organisations.

Key findings

The findings of our independent research suggest that the transparency rules are beginning to deliver tangible results. Not only are firms making more information publicly available, but consumers are increasingly looking for and using this information when they have a legal need.

This should in turn not only help consumers make more informed decisions, but also improve access to justice, especially among those who previously did not have ready access to such information. This was one of the key outcomes the reforms were designed to help achieve.

The evaluation also found that since 2019, confidence in the legal services market and trust in solicitors had increased. It is hard to link the extent to which changes in how consumers act or feel about the legal sector are related to the new rules coming into effect. However the changed public perceptions and behaviours identified in our research might be a contributory factor.

Consumers

Fifty-five per cent of individuals and 60% of small and medium enterprises (SMEs) reported proactively comparing prices and services of legal services providers before engaging a specific supplier. These figures are up from 46% and 48% who reported doing this during our one-year review.

Fifty-five per cent of individuals and 61% of SMEs who instructed solicitors found it easy to compare the costs and services of different legal services providers.

A fifth (21% of individuals and 20% of SMEs) of consumers reported difficulties comparing providers, mainly due to price and services information being presented differently by different providers.

Half of individuals (50%) and 62% of SMEs thought quality of service was easy or very easy to compare.

Assessing quality of advice was more difficult due to how infrequently consumers use legal service providers. Those surveyed suggested they would try to refer to information such as a solicitor's qualifications, how long the solicitor or the firm has been operating, or their areas of specialism to help inform them.

Awareness of digital comparison tools (DCTs) and review sites is increasing. The research found that 41% of individuals and 55% of SME consumers were aware of legal services price comparison sites. 13% and 22%, respectively reported actively using them to compare legal services providers.

Awareness and usage of online review websites is higher than that of price comparison websites. 51% of individuals and 57% of SME consumers were aware of customer reviews / ratings websites and 21% and 26% respectively, had used them.

The majority (80%) of consumers who instructed a solicitor are satisfied or very satisfied with the service they received. This is a higher rate than for other non-solicitor providers. Levels of trust and confidence in solicitors was also higher than in our one-year review.

Around three quarters of consumers (73% of individuals and 74% of SMEs) who wanted information on their consumer rights and protections and looked at their solicitor's website found it.

Consumers are more aware and are engaging more with the SRA clickable logo compared with year one. The proportion of consumers who instructed solicitors who stated they saw the clickable logo on their solicitor's website has increased significantly from year one, from 15% to 55% for individuals and from 19% to 65% for SMEs.

The majority of consumers who saw the logo on their solicitor's website agreed that the SRA clickable logo gave them confidence in a range of benefits of regulation. Seventy-four per cent of individuals and 80% of SMEs who saw or clicked on the SRA clickable logo also had better understanding of their protections. However 48% of consumers who instructed a solicitor believed that all legal services providers were regulated (up from 42% in year one).

Consumers' awareness of the Solicitors Register has increased, but usage has decreased compared to what was seen in our one-year review. Half of consumers (50%) were aware of the Solicitors Register (up from 44%) however the percentage who actively used it fell back from 11% to 8%.

Law firms

Most firms report they are now publishing information in the public domain which will help consumers when shopping around. For each individual element of the SRA Transparency Rules a significant majority

stated that they are complying with our requirements, and in many cases going beyond them.

However more clearly needs to be done to make sure all firms comply with all aspects of the rules. There are no optional elements.

Our own ongoing enforcement work checking law firm websites would also suggest an apparent gap between what firms think they need to do to comply, and what the rules actually require. In as many as two-thirds of cases where law firms had previously declared to us that their site was compliant, we are finding areas of non-compliance.

We continue to explore how we can work with firms to improve this situation, with respondents to our survey suggesting they would like more support materials and clarity around certain elements of the rules.

Overall rule compliance

When asked if they were complying with the individual aspects of the transparency rules, a majority of firms said they were providing some of/all the required information:

- 75% price and service information
- 88% displaying the SRA clickable logo
- 88% complaints procedures
- 76% details of how to complain to the SRA/Legal Ombudsman

However in terms of price and service information, only 42% said they were publishing all the required information. This means more than half of firms are not fully complying with the rules in that area alone.

In 2021 the SRA asked all law firms with a website to complete a mandatory declaration confirming that they were complying with the transparency rules. Following on from this, we are conducting spot checks of law firm sites. The emerging evidence from this work is that even among firms who declared that they are complying, most are not meeting all the requirements of the rules.

Common areas where the spot checks are finding that firms are not compliant, include:

- compliance with only certain aspects of rules (for example publishing price and service information but complaints information is missing)
- only complying with the rules for some of the service areas they apply to, including where firms have different websites or sections of websites for different areas of law not including price and service information for all areas covered by the rules
- publishing price information but not all the required information on how services will be delivered and by whom

- not displaying the SRA clickable logo properly, so that the dynamic link to information about the firm on the SRA website works

Individual rule requirements

Almost three quarters (74%) of firms who offer the specified legal services said they published some of the required price and services information and 42% said they were fully complaint and published all the required price and services information (compared with 39% at year one). Self-reported non-compliance with publishing the required price and services information was 4% compared with 12% at year one.

Some firms said it was difficult to know how to set out price and services information and further clear and easy-to-follow guidance and templates would be helpful.

Some firms think publishing price and service information would be beneficial to other areas of law and should be expanded. The research found 21% of firms were already voluntarily publishing price and service information for other practice areas and 16% said they plan to extend to do so (compared with 12% at year one).

Almost three quarters (74%) of firms with a website said they publish all the required information relating to complaints (they publish their complaints procedure, how and when to complain to the Legal Ombudsman, and how and when to complain to the SRA). 88% of regulated firms with a website said they publish their complaints procedure (up from 78% in year one), and 76% (up from 74% in year one) said they publish how and when to complain to the Legal Ombudsman and to the SRA.

The majority of firms (88%) said they display the SRA's clickable logo online.

More firms are using the Solicitors Register (64% compared with 59% at year one). The main reason firms use the Register remains to validate details of other solicitors they deal with.

The research found that some areas of the transparency rules (principally publishing price and service information) could benefit from increased clarity which could lead to improvements in compliance from legal services providers. Suggestions from firms included clarity on how cost information should be set out and more examples of best practice and templates.

Almost a third (32%) of SRA-regulated firms consider that the transparency rules are good for business and 42% consider them to be beneficial to consumers.

Our wider work

Our priority is to help and support firms to comply with the rules, while working with others to improve the public's opportunity to have access to the information at their point of need.

Throughout the period covered by this report we engaged in a wide range of activity to raise awareness of rules among law firms, and to support them in complying. Key highlights of this work included:

- 'Regular articles to law firms and the profession in our monthly SRA Update ebulletins, circulated to 180,000 solicitors every month
- More than 1,000 compliance officers attending our dedicated sessions on the SRA Transparency Rules at our 2021 and 2022 annual Compliance Officers Conference
- More than 500 views of our transparency rules Q&A webinars
- Promotional activity leading to 61 media articles about or mentioning the SRA Transparency Rules in legal, consumer and national news media
- Regular promotion of the rules and available support materials on all SRA social media channels and through our wider stakeholder network.

Checking firm websites

In 2021 we wrote to 4,000 law firms asking them to complete a mandatory declaration to confirm that their website complied with the requirements of the SRA Transparency Rules, including displaying the SRA clickable logo.

The majority of firms replied that they were in compliance, but where they did not, we contacted them again to advise that they needed to rectify this situation immediately or face potential disciplinary action.

Following this exercise we then conducted 'spot checks' on a sample of websites run by those firms who stated they were complying. This sampling suggested that as many as two-thirds were not actually in full compliance with the rules.

As a result we are now engaged in an ongoing programme of proactive web sweeps checking law firm websites. As part of this work, where we find sites not compliant with all elements of the rules, we contact firms to let them know what is missing. We give them a relatively short period of a few weeks to address our concerns and if they fail to do so, we investigate and take appropriate action. Once our fixed penalties regime is in place, we anticipate applying it in this area.

Fixed penalties

As part of our wider reforms of our approach to issuing financial penalties, we have introduced a fixed penalty regime for dealing with lower level/administrative breaches of our rules. This involves fines of £750 for first offences, and £1,500 for subsequent breaches. One of the areas where we are using fixed penalties is for 'failure to publish the required costs or complaints information, or display a clickable logo, in accordance with the SRA Transparency Rules'.

Quality indicators and customer reviews

While the Legal Services Consumer Panels' 2023 tracker survey found the proportion of people shopping around when looking for legal services had dipped slightly year-on-year (39% compared to 43% in 2022), this still represents more than one third of consumers. It is also a significantly higher percentage than found pre-Covid.

We recently published the findings of our research report and pilot into the use of quality indicators, including customer review websites, within the legal sector.

The review found that while online information and customer reviews were not referred to as widely as for many other services when the public are shopping around, usage was on the increase. The report suggested more than one-fifth (22%) looked at online information and customer review websites before choosing a legal services provider.

The report also highlighted that three-quarters of all those who read such information online found it useful in helping them to make an informed decision about where to get help.

In terms of firms, we found that many were still unsure about the value of sharing information online, and in particular engaging with comparison or customer review websites. But a significant number of those who did, including those who took part in our pilot, reported positive outcomes both in terms of customer relationships and winning new business.

Conclusion and next steps

Overall, the year three evaluation is positive. It shows that the transparency rules are having an impact and helping consumers to compare legal services providers and make informed choices. It indicates that more consumers are using the information firms are publishing to shop around, confidence in providers is growing, and that the SRA clickable logo is helping consumers who engage with it to understand their protections.

The evaluation also highlights areas where there is still more to do. In particular, a substantial minority of consumers still find it difficult to

compare providers because information can be presented differently by each provider.

While use of comparison websites and online reviews is increasing, those who engage with them still represent a minority, leaving the remainder unsure on how to compare providers or get information on quality of service. Many law firms also remain sceptical about over how to engage with such sites.

While a significant majority of firms stated they are fully complying with all the requirements of the transparency rules, we know that many are not.

For the sake of the public, and their ability to make informed decisions, it is important that firms fully understand and comply with all requirements of the rules. We are taking the necessary steps to enforce our rules and to provide further supporting material for firms.

Taking into account the findings from this research, alongside wider feedback and evidence from a range of stakeholders we are also considering the case for future changes or additions to our transparency requirements. The programme of research [https://www.legalservicesconsumerpanel.org.uk/what-we-do/research-and-reports] carried out by the Legal Services Consumer Panel is also informing this review.

We are also taking into account the Competition and Markets Authority's past work on the legal services market [https://www.gov.uk/cma-cases/review-of-the-legal-services-market-study-in-england-and-wales] , and the Legal Services Board's 2022 policy statement on empowering consumers [https://legalservicesboard.org.uk/wp-content/uploads/2022/04/Statement-of-policy-on-empowering-consumers.pdf] .

We will engage with stakeholders on any emerging proposals for change, which may include alterations to our regulatory arrangements and/or other activities aimed at fostering greater transparency for consumers of legal services. We would use consumer testing to ensure that any new regulatory requirements are aligned with how consumers look for help on legal issues.

The year three evaluation shows that the firms we regulate are making progress in giving consumers the information they need to choose a legal adviser. We want to see that progress continue, in order to support consumers and promote competition in the legal market. We plan to assess these wider impacts in the year five evaluation of the transparency rules.

Open all [#]

1. Executive summary

The Solicitors Regulation Authority (SRA) implemented the Transparency Rules in 2018-19 to help people make more informed decisions about legal services providers. This report provides an evaluation of whether the Transparency Rules are leading to the desired outcomes, building on the Year 1 Evaluation, undertaken in 2020. We find that in general consumers are engaging in the legal services market by comparing different providers across all areas of law, and that generally the Transparency Rules are leading to the desired outcomes for consumers. There remain some areas where increased clarity of the Transparency Rules could lead to increased self-reported compliance from legal services providers, and increased ease of comparison across different providers for consumers, as highlighted in both legal services provider and consumer interviews. Further, since the introduction of the Transparency Rules, confidence in the legal services market and trust in solicitors is increasing, though it is hard to tell whether this has been caused by the Transparency Rules alone.

1A. Background to our research and its objectives

This report sets out the results of a programme of research commissioned by the SRA to conduct the Year 3 Evaluation of its Transparency Rules. It is part of the SRA's commitment to monitoring and evaluation of the Transparency Rules' impacts, and builds on the Year 1 Evaluation undertaken in 2020, which was a 'direction of travel' assessment. The objectives of the current research are to consider whether the Transparency Rules are leading to the desired outcomes, and whether more could / should be done to ensure they will lead to the desired impacts at Year 5.

The overarching objective of the Transparency Rules is to "make sure that people have accurate and relevant information about a solicitor or firm when they are considering purchasing legal services, which will help members of the public and small businesses make informed choices and improve competition in the legal services market".[1 [#n1]]

The key objectives of the individual Transparency Rule requirements and brief details are illustrated in Table 1 (detailed descriptions of the requirements and their aims and objectives are set out in the subsequent chapters).

Table 1: Summary of Transparency Rules requirements

Requirement	Description
Requirements applicable to law firms providing services in certain areas of law	
Prices and services publication	The SRA requires firms to provide consumers with both price information and a description of their services for certain areas of law on their website.[2 [#n2]] Firms who do

	not have a website must provide this information upon request. The key objective of this requirement is to empower consumers in their choices, by giving them useful information to compare providers when they need help with a legal problem.
Requirements applicable to all law firms, regardless of what area of law they provide	
Complaints procedure publication	The SRA requires all law firms to set out their complaints procedure on their website, as well as information about how and when a complaint can be made to the Legal Ombudsman and the SRA. Firms who do not have a website must provide this information upon request. The purpose of this is to educate and enable consumers to complain when they feel that something has gone wrong. It also provides assurance to consumers thinking of employing a legal services provider that there is a mechanism in place if something goes wrong.
SRA clickable logo	All law firms regulated by the SRA must display the SRA clickable logo on their website. The key objective of this requirement is to provide a clear and consistent way for consumers to validate whether a firm is regulated by the SRA. Simultaneously, it is meant to increase consumer awareness and understanding of the protections that SRA regulation provides.
Solicitors Register	The SRA developed an online register which contains regulatory information on both law firms and solicitors, including the areas of law they practice in, as well as disciplinary decisions. The main objectives of the Solicitors Register are to help consumers validate their choice of law firm or solicitor, and to assist law firms when conducting due diligence.

Source: Economic Insight review of SRA publications.

1B. Overview of our research

We conducted an extensive primary and secondary research exercise between June and September 2022 involving over 3,000 participants. It consisted of: (i) a literature review; (ii) online surveys and in-depth interviews with SRA-regulated firms, unregulated firms, individual consumers of legal services, and small- and medium- sized enterprises (SME) consumers of legal services; and (iii) secondary data analysis. We set this out in more detail in the next chapter.

1C. Overarching findings and recommendations

Our overarching findings and recommendations in relation to the Transparency Rules are set against (i) before the Transparency Rules were introduced (i.e. 2018), where information on that time-frame is available; (ii) the Year 1 Evaluation findings (i.e. 2020), where comparable information is available; and (iii) areas of law covered by the Transparency Rules against those not covered. We consider (i) and (iii) as counterfactual scenarios[3 [#n3]](i.e. what would have happened if the Transparency Rules were not implemented) against which to measure change due to the Transparency Rules; and (ii) helps us understand any trends in relation to the implementation of the Transparency Rules.

In particular, we explore the extent to which the Transparency Rules have: (a) made it easier for consumers to make informed choices about their legal services provider; (b) improved competition; and (c) whether, taken together, the Transparency Rules are leading to the outcomes the SRA expected at Year 3. We then provide practical recommendations.

Have the Transparency Rules made it easier for consumers to make informed choices about their legal services provider?

Increased transparency appears to be enabling consumers to compare the prices and services of legal services providers. We find that more consumers are comparing prices and services of legal services providers now, compared with both before the introduction of the Transparency Rules and Year 1.

- Our survey finds that 55% of individuals who instructed solicitors state they compared prices and services of different providers before instructing one. This is significantly higher than the proportion of respondents who stated they compared providers at Year 1 (46% of individual consumers).[4 [#n4]] Compared with individual consumers, we find that a higher proportion of SME consumers who instructed solicitors compared prices and services of more than one provider (60% of SMEs). This is also significantly higher than the proportion of SMEs who stated they compared providers at Year 1 (48% of SME consumers).
- However, individual consumers whose legal service was covered by the Transparency Rules were less likely to compare providers than those not covered (49% of individuals covered by the Transparency Rules looked at the prices and services of more than one provider, significantly less than 60% of those not covered). This difference is likely due to significantly more individuals whose legal issue was covered by the Transparency Rules relying on previous experience when searching for a solicitor compared with those whose legal issue was not covered by the Transparency Rules (18% vs 13%), as well as those individuals being more likely to follow a business recommendation. This illustrates that despite all of the work done by the SRA to encourage consumers to shop around for legal services providers, there is still a heavy reliance on

recommendations. For SME consumers there was no significant difference between those requiring different legal services (55% of those covered by the Transparency Rules, and 61% of those not covered).
- Notwithstanding the above, individual and SME consumers whose legal issue was not covered by the Transparency Rules also wanted price and services information to help them make their decision, and could thus benefit from the information being made more widely available. Thus, there could be potential benefits from extending the Transparency Rules to further areas of law.

Consumers – individuals and SMEs – who looked at multiple legal services providers before instructing their provider generally find these easy to compare. Yet, about one fifth of consumers still find it difficult to compare providers, as prices and services are presented differently.

- Our survey finds that 55% of individual consumers who instructed solicitors think prices were easy or very easy to compare, but 21% of individual consumers who instructed solicitors think prices were difficult or very difficult to compare.[5 [#n5]]Generally, it seems SME consumers who instructed solicitors find prices slightly easier to compare than individual consumers, as 61% of SMEs who instructed solicitors think prices were easy or very easy to compare and 20% of SMEs who instructed solicitors think they were difficult or very difficult to compare.
- However, there was no significant difference in the ease of comparison between consumers whose legal issue was covered by the Transparency Rules and those whose legal issue was not covered by the Transparency Rules.
- Of those consumers who find prices, services, or quality difficult or very difficult to compare, the main reasons they found it difficult were because: (i) prices are presented differently (39% of individual and SME consumers stated this as a reason); (ii) services are described differently (37% of individual and 32% of SME consumers stated this as a reason); and (iii) it is difficult to compare the quality of providers (33% of individual and 37% of SME consumers stated this reason).[6 [#n6]]

Consumers – individuals and SMEs – who looked at multiple legal services providers before instructing their solicitor generally find quality of service easy to compare, whilst about a fifth of consumers find it difficult to compare.

- Quality might mean different things to different people. Thus we distinguish between quality of service and quality of advice, where the former might be more easily comparable (such as responding to requests promptly), whereas the latter might be more difficult to compare (especially for consumers with no legal background).

- We find that SME consumers generally think quality of service is easier to compare than individual consumers. In our in-depth interviews, consumers told us they tend to assess the quality of service of providers through various proxy measures, such as how professional the website looks, how quickly they respond to initial enquiries etc.
- 50% of individual consumers think quality of service was easy or very easy to compare, compared with 62% of SMEs who think the same, whereas 22% of individuals and 18% of SMEs found it difficult or very difficult. There was no significant difference between individual or SME consumers whose legal issue was covered by the Transparency Rules who found it easy to compare quality of services and those whose legal issue was not covered by the Transparency Rules.[7 [#n7]]
- On the other hand, quality of advice may be particularly difficult for consumers to assess, due to the nature of the services being purchased. In particular, consumers undertaking infrequent purchases, with high information asymmetry,[8 [#n8]] will find it particularly difficult to judge the quality of the advice received, even after the service has been delivered (unless something has gone wrong). Thus, determining what the likely quality of advice is before the event, and whether consumers are truly comparing this, is even more difficult. Most consumers we interviewed state they use information provided by their legal services provider under their services information to assess quality of advice, such as for example a solicitor's qualifications, how long the solicitor or the firm has been operating, or their area of specialism. Many also rely on reviews.

Consumers can (and do) complain when they need to. Our provider survey shows that 88% of SRA-regulated firms with a website state they show their complaints policy and procedure online.

- Our survey shows that 73% of individual consumers who instructed solicitors state they either did complain after dissatisfaction or would complain if dissatisfied. This is in line with 75% of individuals who stated they would complain if dissatisfied at Year 1. Most individual consumers state they would complain to the provider itself first. The proportions of respondents complaining in case of dissatisfaction or stating they would if they were to be dissatisfied were similar for SME consumers.

There has been limited improvement in awareness of the SRA and the Legal Ombudsman and the protections regulation provides.

- One of the key issues around increasing awareness of the SRA, the Legal Ombudsman and the protections regulation provides is that both prior to the Transparency Rules being implemented, and

following their implementation, many consumers (still) believe that all legal services providers are regulated.[9] [#n9]
- A significantly higher proportion of individual consumers who saw or clicked on the SRA clickable logo believe that some legal services are not regulated (47%) compared with those who looked at the website but did not see the logo (37%). This suggests that those who have seen or clicked on the logo – and in particular those who clicked it and read the information provided by the SRA – might have a better understanding of SRA regulation and the protections this provides.
- In our interviews, consumers – individuals and SMEs – generally expressed a strong preference for regulated providers once they had been told about the differences between them. Therefore, regulation seems important to consumers once understood properly.

Have the Transparency Rules improved competition?

One might expect a more informed and engaged demand-side to impact the supply- side and overall competitive conditions in the legal services market. In particular, more engaged and informed consumers may be more discerning about providers' offers, and thus foster innovations, so solicitors can differentiate themselves from one another and attract these more engaged consumers. That is, consumers can drive competition by making informed purchasing decisions.

Assessing what different market outcomes imply about competition in the legal services market is difficult, as expectations about the usual indicators of competition, such as changes in quality, prices, etc. need to be carefully considered, as several factors could be affecting these. For example, price ranges may remain wide for the same legal services, given differences in the quality of the legal advice provided, or the complexity of the issue (such as for example the size of the estate for probate, the type of lease for conveyancing, etc.). Therefore, one needs to think carefully as to what the best outcomes metrics are in relation to competition, and what one would expect to observe at Year 5 (which we discuss subsequently).

We find that, although it is difficult to discern definite improvements in competition at Year 3, the currently available indicators suggest that there is no immediate cause for concern.

Price ranges for standardised scenarios across a range of legal services remain wide, and prices have been increasing over time. Even though one might expect price dispersion to narrow in a competitive market, features of the legal services market – such as the complexity of the issue, the quality (e.g. the solicitors, their years of experience, etc.), – may indicate that full convergence towards a competitive price level may not be achievable. We set this out in more detail in chapter 4. Notwithstanding this, we note the following.

- In 2020, the CMA considered that the Transparency Rules had a limited impact on competition between providers.[10 [#n10]]Research by the CMA / LSB found no evidence of a significant change in the level of price dispersion for tightly specified standardised scenarios across a range of legal services since the implementation of the Transparency Rules.[11 [#n11]]
- Moreover, the CMA / LSB research found that prices had increased more than decreased since 2017. Our provider survey corroborates this, where most SRA- regulated providers state that they increased prices for their services. However, against the backdrop of the current increase in the cost of living, some of these increases may be necessary and not a reflection of a reduction in competition.

Therefore, we consider that although price dispersion and price increases can help us determine the extent of competition to a degree, this needs to be carefully considered against a range of factors, as set out in more detail in chapter 4.

Consumers who have sought professional legal advice find legal services affordable. This suggests that even though prices for legal services may have increased, people are still willing and able to purchase legal services. Ultimately, we would want to understand the extent to which people who had a legal need and saw price information, but did not purchase the legal service, thought this was affordable.

- Our online survey finds that only 7% of individual consumers who instructed solicitors and saw price information before instructing their legal services provider thought the cost of legal services was unaffordable. This compares to 10% of individuals who thought the same at Year 1. A similar pattern holds for SME consumers.
- We note that this comparison is difficult to draw, as both Year 1 and Year 3 have been affected by COVID-19, and Year 3 is further affected by the current increase in the cost of living. Both of these (shock) events affect consumers' income, and thus, what they might deem affordable.
- Further, we note that the main reasons respondents to our online survey screening questions state that they did not pursue professional legal advice was not just due to the costs appearing too high. Other reasons for not seeking professional advice included that they found the information they needed themselves, that it was too stressful, or too difficult.

Consumers are satisfied with the service they receive, and thus, quality of service appears to be good. Generally, consumers can assess the quality of service in terms of whether they were treated appropriately by the legal services provider. However, assessing whether quality of advice is getting better over time is difficult, especially given the inherent information asymmetries in the legal services market, set out previously. The main way consumers can determine quality of advice is whether

their legal services provider has achieved a desirable outcome for them, which could or could not be linked to the quality of their advice.

- Our survey shows that over eight in ten individual consumers who instructed a solicitor are satisfied or very satisfied with the service they received – and that this satisfaction is significantly higher compared with consumers who instructed other legal services providers (such as conveyancers, legal advice services etc.). Nonetheless, satisfaction with all types of legal services providers – not just solicitors – is high across the market. This pattern in satisfaction rates holds for SME consumers. Therefore, we find that from a service delivery perspective, the legal services market appears to be working well for consumers.

Consumers state an increased trust in the market, as well as in solicitors specifically. This indicates that generally, confidence in using a legal services provider and trust in the market appear to be improving, compared with Year 1.

- Our survey finds that half (51%) of individual consumers who instructed solicitors state they would be more confident using a legal services provider in the future, given their most recent experience. This compares to 44% of individuals who stated they would be more confident at Year 1.
- It also finds that 57% of individual consumers agree that they have greater trust in the legal profession, following their most recent experience using any legal services provider. At Year 1, the proportion of individual consumers agreeing with that statement stood at 38%.

The market for digital comparison tools (DCTs) has not developed as initially expected by the SRA and CMA.[12 [#n12]]One of the key outcomes in relation to competition that both the SRA and the CMA had anticipated was that with increased transparency in the market, DCTs would flourish. This in turn would enable consumers to engage even more – and more easily – with the legal services market.

- Our surveys find that although some consumers are aware of and use some online price comparison websites and review websites for purchasing legal services, they are mostly unsure or unaware of DCTs in the legal services market. Moreover, only a very small proportion of legal services firms provide information to those websites, and they are mostly unsure of the value they add in the market.

We note that even at Year 5 it will be challenging to (a) discern the impacts on competition; and (b) determine the extent to which any impacts may be due to the Transparency Rules. We provide recommendations on how to address this subsequently.

Taken together, are the Transparency Rules leading to the outcomes the SRA expected at Year 3?

We find that most outcomes for consumers are improving, especially in relation to comparing providers. More consumers are comparing providers and the Transparency Rules are helping them make the right choices for them – with a high proportion of satisfied consumers, who consider legal services to be affordable – as set out above. This is a key outcome of interest at Year 3, for which we see improvements compared with both the baseline (before the Transparency Rules were implemented) and Year 1.

However, some difficulties remain, in particular around comparability of prices, services, and quality; as well as consumer understanding of protections regulation provides and regulation more generally. In particular, we find that one in every five consumers who compare providers is confused due to lack of consistent pricing information. Key reasons why comparability might be difficult for legal issues covered by the Transparency Rules' prices and services requirement include:

- Lack of self-reported compliance from firms. Where firms who should publish their prices and services online do not do so, this will impact the extent to which consumers are able to compare prices and services. Our online survey of SRA-regulated firms finds that over half of firms state they do not fully comply with the prices and services requirement and around a quarter of firms do not display all of the pricing information required. This could be contributing to this risk occurring. We also find that Transparency Rules requirements covering all areas of law have higher rates of self-reported compliance, and that some providers think the prices and services requirement should cover more areas of law.
- Those that do self-reportedly comply present the information differently. The SRA's guidance and templates for the prices and services publication requirement is very flexible. Therefore, even where firms state they are fully or partially complying with the prices and services requirements and are publishing this information online, this may not be easily comparable across providers, as they may present it differently.

Practical recommendations

- Based on the above, our practical recommendations include the following:The SRA might wish to explore additional ways to improve (self-reported) compliance with the Transparency Rules – in particular with the prices and services requirements. This could be done by:
    - undertaking targeted programmes explaining the Transparency Rules and how to implement them to the groups that struggle most with compliance,

    - which our survey identifies as being small firms and those covered by the prices and services requirements;[13](#n13)
    - expanding the areas of law that the prices and services requirements apply to, such that all firms have to comply with all Transparency Rules;
    - developing a checklist that can be shared with legal services providers so they can determine whether they are compliant with the prices and services requirements, setting out where on the website and what type of information the SRA will be looking for when it checks solicitors' websites for compliance;[14](#n14)
    - providing more specific guidance on 'what good looks like' for the above, in particular with regards to where the information should be displayed, and making the existing templates easier to implement based on 'standard' use cases, such that firms also have a better sense of what type of information the SRA expects to see.
- The SRA might wish to consider undertaking additional research to identify these 'standard' use cases for each respective area of law, such that it could provide additional guidance and templates in relation to a specific way of presenting prices and services information for consumers for these 'standard' use cases. This is so that consumers of legal services could compare providers on a like-for-like basis, even where their actual case may not be the 'standard' use one. This would ensure comparability, but would also allow providers flexibility in pricing all of their other cases. In particular, for each of the mandated areas of law, the SRA could identify the most common cases dealt with from the profession, how they are usually priced, and set out a very precise template for these 'standard' use cases that providers could easily implement.
- The SRA might consider exploring other areas of law the prices and services requirements could be applied to. Most consumers want to know information about their provider's prices and services before instructing them, regardless of area of law. Therefore, although generally consumers find comparing providers across all areas of law relatively easy, extending the areas covered by the Transparency Rules could further increase this ease of comparison. Moreover, as we explore in more depth in chapter 3, compliance with this requirement might also increase if it were to apply to all firms (rather than by exception). This is because there would be no ambiguity as to whether a firm has to publish this information online or not.

For the Year 5 Evaluation, we recommend the following:

- The SRA might explore in more depth how to assess the overarching market impacts of the Transparency Rules at Year 5. That is, the SRA might consider continuing to monitor the indicators presented in the Year 1 and 3 Evaluations.

However, this remains dependent on future developments over the next years, and the SRA might wish to continue with its flexible approach.[15] [#n15] Additionally, we recommend that at Year 5 the focus of any comparisons should be to the baseline before the Transparency Rules were implemented (where possible), as opposed to comparisons with Year 1 or 3. We acknowledge that in practice, there might be limited data and information with regards to before the Transparency Rules were implemented. However, to get closer to assessing the 'true' impact of the Transparency Rules, this point of comparison would be best, as the change between Year 5 and then would more closely capture the change of the requirements imposed by the SRA.

- The SRA could explore different research methodologies and / or samples to assess the market impacts in relation to the Transparency Rules, in particular in relation to the impacts on competition.
    - As the nature of legal services provision can be very local in some instances, we recommend that the SRA explores whether undertaking some more local/regional analyses of how competition is working in a particular area may provide more insightful results.
    - Similarly, entry and exit analysis into the market may further provide some indication about the strength of competition in the market.
    - Finally, to understand the extent of unmet legal need due to affordability concerns, or lack of identification of the issue as legal in nature, the SRA may wish to expand the research sample to consumers who have: (i) not used legal services providers to help them address their issues; (ii) used solicitors; and (iii) used other legal services providers (including unregulated ones) to help them address their issues, where they are asked more specifically about unmet needs.

1D. Structure of this report

The remainder of this report is structured as follows.

- **Chapter 2** provides a more detailed background to and overview of our research as well as a summary of the key outcomes the Transparency Rules are expected to deliver at Year 3.
- **Chapter 3** sets out the extent to which SRA-regulated firms state they have implemented the Transparency Rules requirements, as well as recommendations as to how this could be further enhanced.
- **Chapter 4** provides our assessment of whether the prices and services publication requirement is leading to the desired outcomes, and what more could be done to ensure these are achieved at Year 5.
- **Chapter 5** sets out the extent to which the complaints procedure publication requirement is leading to the desired outcomes, and

what more could be done to ensure these are achieved at Year 5.
- **Chapter 6** shows whether the SRA clickable logo is leading to the desired outcomes, and what more could be done to ensure these are achieved at Year 5.
- **Chapter 7** provides an assessment with regards to whether the Solicitors Register is leading to the desired outcomes, and what more could be done to ensure these are achieved at Year 5.
- **Chapter 8** summarises the key findings and conclusions from each individual requirement and provides a summary of our recommendations.

2. Background and research objectives

This chapter provides the background to and an overview of our research methods. Here, we also set out the key background to the Transparency Rules and the outcomes they are intended to achieve.

2A. Background to our research

The key objective of this research is to assess whether the Transparency Rules implemented by the SRA in 2018 are leading to the desired outcomes for consumers, providers of legal services, and other stakeholders, as well as improving access to justice.

This research builds on the Year 1 Evaluation undertaken by IRN Research[16 [#n16]] in 2020 and provides the 'bridge' between the Year 1 and the Year 5 Evaluations. That is, it seeks to assess whether the respective indicators for the desired outcomes are moving in the right direction, to ensure that the desired impacts will be achieved at Year 5.

Background to the Transparency Rules

The SRA implemented four key reforms aimed at providing consumers with more transparent information regarding prices of legal services and protections from regulation in 2018/19, known as the Transparency Rules. These are as follows.

Table 2: Transparency Rules requirements

Requirements	Description
Rule 1: Prices and services publication	From December 2018, all SRA-regulated firms must provide users of legal services with price information and a description of their services for the following areas of law on their website: • residential conveyancing; • probate (uncontested); • immigration (excluding asylum); • motoring offences (summary offences);

	• employment tribunals (unfair / wrongful dismissal); • debt recovery (up to £100,000) and; • licensing applications (business premises).
Rule 2: Complaints procedure publication	From December 2018, all SRA-regulated firms must publish details of their complaints handling procedure, as well as details about how and when consumers may complain to the SRA or the Legal Ombudsman on their website.
Rule 3: Publication of information from Rules 1 and 2	Where SRA-regulated firms do not have a website, they must provide the information required under Rules 1 and 2 on request in another format.
Rule 4: SRA clickable logo	From November 2019, all SRA-regulated firms with a website are required to display the SRA clickable logo on it. This clickable logo allows (prospective) clients to click on the logo to verify that the website belongs to a genuine SRA-regulated firm.
Solicitors Register	In October 2019, the SRA launched a digital register (the Solicitors Register), which compiles data regarding the firms and individuals it regulates in one place.

Source: Economic Insight review of SRA publications.

Key outcomes the Transparency Rules seek to achieve

The key outcomes that the Transparency Rules should realise for the respective stakeholders – the SRA and other regulatory bodies; SRA-regulated firms and individuals; users of legal services; and others, such as digital comparison tools (DCTs) – as well as respective risks and potential unintended outcomes, are as follows.

- Rule 1 (and 3): Prices and services publication. As mentioned previously, the key objective of this requirement is to empower consumers in their choices, by giving them useful information on either price or quality of service when they need help with a legal problem. Moreover, the increased availability of publicly available information is expected to lead consumers to rely less on personal recommendations and more on the available information when choosing a legal services provider.
    - At Year 3, we expect to observe increased transparency over prices and services, which in turn: (i) enables users of legal services to compare the price of legal service providers and what is included in this cost, moving away from consumers mostly relying on personal recommendations; (ii) reduces complaints in relation to prices / costs to legal services providers to the Legal Ombudsman / the SRA; and (iii) enables

DCTs to compile pricing information.[17 [#n17]] This could lead to the following additional outcomes for SRA- regulated firms and individuals: (i) clients with a better understanding of prices may pay for services more quickly; (ii) those offering non-mandated services may face an incentive to also publish their prices; and similarly, (iii) non-SRA regulated firms may face an incentive to also publish their prices online.
    - Notwithstanding the above positive outcomes from this requirement, this evaluation also seeks to identify (and suggest mitigations) for any of the following key risks, which may be occurring: (i) there remains a lack of engagement as users do not compare prices; and (ii) there is a lack of consistency over price publication, which may make comparison difficult and increase consumer confusion. Furthermore, possible unintended outcomes from this requirement include that consumers: (i) overfocus on price and ultimately are provided with inadequate service; (ii) may be frustrated at the lack of price information for other non-mandated services from regulated providers, or for mandated services from other, non-SRA regulated providers; or (iii) are confused.
    - Finally, at Year 5, this requirement is expected to lead to consumers being more confident when purchasing legal services, as better, more useful information is available to help them make decisions. Relatedly, engaged consumers making informed choices about their legal services provider is expected to help stimulate innovation and competition in the market.
- Rule 2 (and 3): Complaints procedure publication. The main aim of this requirement is to educate and enable consumers to complain when they feel that something has gone wrong.
    - At Year 3, key outcomes that we expect to observe include: (i) a reduction in complaints as firms / individuals improve their complaints handling process from lessons learnt from complaints received (about complaints handling);
    - that consumers can easily access information on complaints handling and are clearer on the complaints process and empowered to complain, which could in turn lead to an increase in the number of complaints to legal services providers, the SRA, or the Legal Ombudsman; and (iii) that clarity on complaints handling, leads to fewer complaints to the SRA and the Legal Ombudsman, where the complaint would not be in either of their jurisdictions.
    - Unintended outcomes from this requirement include that the publication of complaints processes can create a negative perception of service quality, and that the ease of access to information on how to complain may lead to spurious complaints.
- Rule 4: SRA clickable logo. The key objective of this requirement is to provide a clear and consistent way for consumers to validate

whether a firm is regulated by the SRA. Simultaneously, it is meant to increase consumer awareness and understanding of the protections SRA regulation provides.
    - At Year 3, key outcomes in relation to this requirement include that (i) there is an increased awareness of the SRA and its role in protecting consumers; At Year 3, key outcomes in relation to this requirement include that (i) there is an increased awareness of the SRA and its role in protecting consumers; (ii) legal services providers are better protected online by deterring identity cloning / impersonation; as well as (iii) consumers are more informed about protections when choosing a legal services provider. Importantly, through clicking on the logo, consumers have information on whether protections apply when purchasing legal services and they are more aware of the advantages of using a regulated provider.
    - The main potential risks identified in relation to this requirement are around consumers not understanding the role and function of the SRA, and thus, the clickable logo not having sufficient contextual meaning. Another key risk is that consumers simply do not understand what the clickable logo or regulatory protections mean.
    - At Year 5, the key impact from this requirement is that firms can promote the protections they offer through regulation and distinguish themselves from unregulated providers.
- The Solicitors Register. The main objectives of the Solicitors Register are to help users of legal services validate their choices of law firm or solicitor and to assist law firms when conducting due diligence.
    - At Year 3, key outcomes observable from this requirement include the following. The SRA expects there to be a reduction in the handling of individual enquiries regarding a firm's regulatory status and there to be increased compliance with its Standards and Regulations if firms know information about their services will be published online. For legal services providers, one of the key outcomes is that they can validate firms on the other side in a transaction, using the Solicitors Register, as well as using it for due diligence in recruitment. Similarly, there is an expectation that the number of consumers being aware and accessing the Solicitors Register increases. There is also an expectation that more DCTs may enter the market, as they will be able to extract information from the Solicitors Register;[18 [#n18]]and that the availability of DCTs reduces search costs and helps more consumers access legal services.
- Finally, there are several cross-cutting expected outcomes that the Transparency Rules seek to achieve, as well as some unintended outcomes that might occur, for example that there is an increased cost of regulation, due to increased support to firms / users of legal services, as well as having to comply with the requirements.

At Year 5, we expect the Transparency Rules to lead to the following key impacts.

- There is improved confidence in the legal services market, as there is (a) greater transparency over: (i) the pricing of legal services; (ii) protections; and (iii) complaints handling; and (b) greater ease of accessing regulatory and legal services information.
- Relatedly, that there is an increased consumer trust in regulated solicitors and firms.
- Consumers can more easily access the legal services they need, especially small businesses (e.g. through debt recovery).
- Consumers are also more confident when purchasing legal services, as more useful and better information is available to help them make decisions. Relatedly, engaged consumers making informed choices about their legal services provider should help stimulate innovation and competition in the market.
- DCTs help in building a more competitive market, also leading to increased competition and innovation between firms.

Key findings from the Year 1 Evaluation

The Year 1 Evaluation took place when the requirements had recently been introduced and sought to establish whether initial evaluation indicators were going in the right direction. It found that users of legal services were referring to information available online when looking for legal support, and SRA regulated firms generally stated that they were publishing the required information. In particular, it found the following.

Findings in relation to SRA-regulated firms

- Overall, 68% of SRA-regulated firms said they were publishing the required information on prices and services, with 28% of firms also stating that they voluntarily report prices on wider legal services not covered by the Rules.
- Moreover, nine out of ten SRA-regulated firms said they were displaying the SRA clickable logo (90%), and almost four out of five stated they were publishing complaints procedures (78%).
- Other key findings from SRA-regulated firms included that 66% stated they found the Transparency Rules clear and 69% said the issued guidance was useful.
- Moreover, 59% of SRA-regulated firms stated they use the Solicitors Register. They stated that their main reason to use it is to validate details of other solicitors they deal with.

Findings in relation to users of legal services

- Most consumers (who reported looking at information on solicitors' websites before instructing a solicitor) believed the information

being published under the Transparency Rules had proven useful in helping them make 'good choices'.
- Only 10% of consumers said that they thought instructing a solicitor was an unaffordable option.
- Although some of the Transparency Rules had only been recently introduced,[19 [#n19]] nearly 20% of consumers had already used either the SRA clickable logo or Solicitors Register. 90% of those who used the logo said they found it useful and 75% of those who used the Register also said they found it useful.
- 37% of individual and 52% of SME consumers were aware of the Legal Choices website. In relation to digital comparison tools (DCTs), the research had found that 41% of individual and 55% of SME consumers were aware of legal services price comparison sites and 13% and 22%, respectively, had used them to compare legal services providers. Similarly, 51% of individual and 57% of SME consumers were aware of customer reviews / ratings websites, of which 21% and 26% respectively had used such sites in their search for a legal services provider.

2B. Overview of our research

This report sets out the results from the research we undertook to assess the impact of the Transparency Rules, three years following implementation. Specifically, it seeks to:

- understand whether key outcome indicators are moving in the right direction (which in certain instances is done by way of a comparison to the Year 1 Evaluation undertaken in 2020, or where possible, to indicators prior to the implementation of the Transparency Rules, i.e. 2018); and
- identify any areas where the SRA might wish to do more / less to strengthen the impact of the Transparency Rules.

Table 3 identifies the key pieces of research we have undertaken as part of this evaluation.

Table 3: Overview of our research methods

Date	Methodology	Sample
May-22	Literature review	-
	Online survey of SRA regulated law firms	274
	Online survey of unregulated firms[20 [#n20]]	7
Jul-22	Online survey of individual users of legal services	2,022
	Online survey of SME users of legal services	1,021

	In-depth interviews with stakeholders	6
	In-depth interviews with SRA-regulated law firms	13
August - September 2022	In-depth interviews with individual users of legal services	27
	In-depth interviews with SME users of legal services	29
	Additional secondary data analysis	-

Source: Economic Insight.

Where the findings of individual and SME users of legal services are grouped together in the results, they are referred to as users of legal services.

The following chapters set out our key findings in relation to the individual Transparency Rules requirements listed above in section 2A. We start by assessing the SRA-regulated firms' implementation of the Transparency Rules, followed by an individual assessment of outcomes in relation to each of the Transparency Rules requirements. The final chapter of this report concludes and brings together all of the individual recommendations.

3. Implementation of the Transparency Rules

This chapter provides an assessment of overall self-reported firm implementation of the Transparency Rules, as well as recommendations on how to improve compliance. This is because only where SRA-regulated firms have implemented the Transparency Rules, can these have an impact on the wider legal services market. Our survey of SRA-regulated firms finds that under half of firms who offer services in the mandated areas of law report to have fully implemented the price and services publication requirement, based on statements that they publish the required information online. However, our survey shows that almost three quarters of SRA-regulated firms state that they partially comply with the price and services publication requirement by displaying their prices online. Almost nine in ten firms report to adhere to the other requirements, including the publication of complaints information, as well as displaying the SRA clickable logo. Thus, we find that requirements applying to all SRA-regulated firms appear to have more support from the profession than those that only apply to a subset.

3A. Overview of key findings and recommendations

Key findings in relation to implementation of the Transparency Rules

We find that self-reported implementation of the Transparency Rules applicable to all SRA-regulated firms (regardless of area of law) is higher than implementation of the requirements that only apply to seven areas of law (the mandated areas of law).[21 [#n21]] Specifically, we find the following.[22 [#n22]]

Table 4: Summary of self-reported compliance with the Transparency Rules

Requirement	Compliance
Rule 1: Costs information	42% of SRA-regulated firms state they fully comply with this Rule, as: (i) 38% of firms offering services in the mandated areas of law state they publish all the following information online: prices; the services included in the price; qualifications and experience of the staff and supervisors; key stages of work; and typical timescales; and (ii) 4% of firms offering services in the mandated areas of law state they do not publicise their services in those areas online.
Rule 2: Complaints procedure information	74% of SRA-regulated firms with a website state they display their complaints policy and procedure, and how and when to complain to the Legal Ombudsman and the SRA.
Rule 3: Publication	We find some evidence supporting that compliance with this Rule is high, with 90% of individual consumers who state they wanted price information to decide on providers and who did not look at their solicitor's website saying they received this information before instructing a legal services provider.[23 [#n23]]
Rule 4: SRA clickable logo	88% of SRA-regulated firms with a website state they display the SRA's clickable logo online.

Source: Economic Insight review of SRA publications.

Rule 1, which only relates to seven mandated areas of law, commands lower levels of self-reported compliance – with just under half of all firms stating they display all the relevant information.

We consider there are two potential reasons for increased self-reported compliance with Rules that apply to all firms, compared with the Rule that only applies to a subset.

- There is no doubt that these Rules must be adhered to. As the Rules apply to all regulated individuals and firms, there is no uncertainty as to whether they must be followed, or not.
- Rules applicable to all SRA-regulated firms – and their accompanying guidance – are shorter and easier to follow. For

example, the guidance that the SRA has published alongside the complaints publication requirement provides a suggested text for firms, which they can just publish on their website, with little editing.[24 [#n24]] On the other hand, guidance in relation to the price and services requirement, which only applies by exception, gives firms providing those services templates, which require significant editing to add the relevant details as applicable to the firm.

Therefore, we provide some recommendations on how the SRA may seek to increase compliance with the Transparency Rules. We also highlight two additional developments, which may increase compliance with all aspects of the Transparency Rules further.

- The SRA will start a rolling programme of checks on solicitors' websites from September 2022, to ensure that solicitors are complying with all aspects of the Transparency Rules.[25 [#n25]] This includes both firms who have previously filled in a self-declaration stating that they are fully compliant, and those who have not.
- The SRA is consulting on its financial penalties framework, where it is proposing to introduce a fixed penalty scheme for specified breaches of its Rules. Specifically, there is a proposal to include a fixed penalty for "failure to publish the required costs or complaints information, or display a clickable logo, in accordance with the SRA Transparency Rules"[26 [#n26]]. As the SRA notes in the consultation document, to date, it has issued ten fines for failing to publish information required by the Transparency Rules, with six of these attracting the maximum financial penalty of £2,000, and the other fines ranging from £750 to £1,200.

Recommendations

Therefore, we suggest the following.

- Where Rules only apply to a subset of the regulated community (i.e. Rule 1), the SRA may explore ways through which to ensure that firms who fall within the remit of the Rule are both (a) aware of it, and (b) understand how to apply it.
    - Our research identifies that smaller firms state they find it harder to know how to comply with the Transparency Rules (or do not comply at all), and that firms offering legal services in the mandated areas of law also state they find it more difficult to know how to comply with Rule 1. Therefore, the SRA could consider undertaking additional educational and outreach programmes targeting these types of firms specifically, to ensure they understand how to implement the Transparency Rules appropriately.[27 [#n27]]
    - The SRA may also consider expanding the areas of law the prices and services requirement applies to, such that all firms

    - have to comply with all Transparency Rules requirements without doubt.
    - Furthermore, the SRA may wish to develop more specific guidance on 'what good looks like', in particular with regards to where the information should be displayed, and making the existing templates easier to implement based on 'standard' use cases, such that firms have a better sense of what type of information the SRA expects to see.
- The SRA may wish to consider undertaking additional research to identify these 'standard' use cases for each respective area of law, such that it could provide additional guidance and templates in relation to a specific way of presenting prices and services information for these 'standard' use cases.
- Finally, the SRA may wish to consider clearly setting out its approach to monitoring and enforcement. By being transparent about this, more firms who state they are currently not complying with the Rules may feel compelled to do so. For example, the SRA could provide a checklist that would help assess compliance with the rules, as the Bar Standards Board (BSB) does.[28 [#n28]]

In the following sections, we set out the evidence in relation to the implementation of the Transparency Rules by SRA-regulated firms, by each individual Rule, as well as recommendations for the SRA to increase overall (self-reported) compliance.

3B. Rule 1: Costs information

Background to Rule 1

As set out in Section 2A, this Rule only applies to seven legal services provided by SRA-regulated firms. In particular, para. 1.5 of the Transparency Rules specifies that for these mandated areas of law, costs information must include the following: (i) the total cost of the service (or the average cost or range of costs); (ii) the basis for the charges, including any hourly rates or fixed fees; (iii) the experience and qualifications of anyone carrying out the work, and of their supervisors; (iv) a description of, and the cost of, any likely disbursements (or the average cost or range of costs); (v) whether any fees or disbursements attract VAT and if so the amount of VAT they attract; (vi) details of what services are included in the price displayed, including the key stages of the matter and likely timescales for each stage, and details of any services that might reasonably be expected to be included in the price displayed but are not; and (vii) if conditional fee or damages based agreements are used, the circumstances in which clients may have to make any payments themselves for the services (including from any damages).

SRA-regulated firms' implementation of Rule 1

At Year 3, 88% of SRA-regulated firms surveyed state they have a website (compared with 87% at Year 1). We note that the proportion of SRA-firms offering services in any of the mandated areas of law under the Transparency Rules who state they have a website (91%) is higher than those who do not offer services in any of these areas (80%).[29 [#n29]]

Of the surveyed firms who have a website, 12% state they launched it within the last two years.

To help determine the extent to which SRA-regulated firms have implemented this Rule, they were asked whether they show any of the following information on their website for a specific practice area:[30 [#n30]] (i) prices; (ii) the services included in the price; (iii) qualifications and experience of the staff and supervisors; (iv) key stages of work; (v) typical timescales; (vi) whether they do not provide any of this information online (none of these); (vii) whether they do not publicise this practice area online; and (viii) whether they do not know or cannot remember whether this information is published online.

The proportion of SRA-regulated firms offering services in the mandated areas of law with a website stating they fully comply with Rule 1 at Year 3 stands at 42%, with: (i) 38% of firms offering services in the mandated areas of law stating they publish all the relevant information online on their website; and (ii) 4% of firms offering services in the mandated areas of law stating they do not publicise their services in those areas online.

Self-reported full compliance[31 [#n31]] with Rule 1 stood at 39% at Year 1. We note that self- reported partial compliance[32 [#n32]] with the publication of prices is higher, with 74% of firms offering services in the mandated areas of law stating they are partially compliant with this requirement, namely 70% of firms reporting they publish prices online (compared with 68% at Year 1)[33 [#n33]], and 4% of firms stating they do not advertise the mandated areas of law online. Self-reported partial compliance with different aspects of service information varies, as illustrated in Figure 1 overleaf.

Figure 1: Proportion of SRA-regulated firms stating they show prices and services information on their website, by all practice areas covered under the TR costs rule (mean average across practice areas) (2020,2022)

% of SRA-regulated firms showing information on their website (mean average)

	All of these (%)	This information (%)	Total (%)

The services included in the price	**Y1**	39%	28%	67%
	Y2	38%	23%	61%
Qualifications and experience of the staff and supervisors	**Y1**	39%	37%	76%
	Y2	38%	33%	70%
Prices	**Y1**	39%	29%	68%
	Y2	38%	33%	70%
Key stages of work	**Y1**	39%	11%	50%
	Y2	38%	21%	58%
Typical timescales	**Y1**	39%	10%	49%
	Y2	38%	14%	52%
None of these	**Y1**	-	12%	12%
	Y2	-	4%	4%

Base: Y1=244; Y3=198

Note: Sums do not add up to 100% as this question has multiple answer options.

Source: Y1: IRN Research (2020); Y3: Economic Insight regulated provider survey.

Moreover, at Year 3, 4% of SRA-regulated firms offering services in the mandated areas of law with a website state that they do not publicise those services online, thus remaining compliant with Rule 1.

Self-reported non-compliance with Rule 1 (i.e. firms answering none of these in Figure 1) at Year 3 stands at 4%, compared with 12% at Year 1. At Year 3, firms stating they do not comply with Rule 1 tended to be smaller firms, who may struggle to find the resource to amend their website, struggle to know how much information to set out, who are in the process of setting up their website, or simply do not have one. For example, an interviewed provider providing services in the mandated areas of law noted the following: "We used to have a website in three languages but then with the Rules we had to update the one in English. Because every time we change the fees we need to update the website and unless you are a very big firm, this takes time and effort, now I have to update the one in Portuguese and Spanish. So at the moment we have only one website in English, the other two are not live at the moment".

Finally, we note that at Year 3, 9% of SRA-regulated firms offering services in the mandated areas of law state they did not know or remember whether their firm published the relevant information online.

3C. Rule 2: Complaints information

Background to Rule 2

Rule 2 requires all SRA-regulated firms to publish their complaints procedure, including details about how and when to make a complaint to the Legal Ombudsman and the SRA, on their website.

SRA-regulated firms' implementation of Rule 2

74% of SRA-regulated firms with a website state they are fully compliant with Rule 2, in that they state they publish their complaints procedure, how and when to complain to the Legal Ombudsman, and how and when to complain to the SRA online.

- 88% of SRA-regulated firms with a website state they show their complaints policy and procedure (compared with 78% at Year 1), illustrated in Figure 2.[34 [#n34]] This increases to 90% of firms offering any of the mandated areas of law with a website, compared with 79% of firms offering non-mandated areas of law.[35 [#n35]]
- 76% of SRA-regulated firms with a website also state they show how and when to complain to the Legal Ombudsman and the SRA (compared with 74% at Year 1). Here again, the proportion of SRA-regulated firms with a website offering any of the mandated areas of law self-report higher compliance with this Rule, than those offering non-mandated areas of law.

Figure 2: Proportion of SRA-regulated firms with a website stating they show (a) their complaints policy and procedure; (b) how and when to make a complaint to the Legal Ombudsman and the SRA; (c) how and when to make a complaint to the Legal Ombudsman; and (d) how and when to make a complaint to the SRA (2020, 2022)[36 [#n36]]

	% of SRA-regulated firms with a website showing this information	
	Y1	Y3
Your complaints policy and procedure	78%	88%
How and when a complaint can be made to the Legal Ombudsman and the SRA	74%	76%
How and when a complaint can be made to the legal Ombudsman	-	82%
How and when a complaint can be made to the SRA	-	78%

Base: Y1=419; Y3=242.

Source: IRN Research for Y1, Economic Insight for Y3.

Furthermore, at Year 3 we have asked firms about details about complaints to the Legal Ombudsman and the SRA separately, as they are separate processes and firms may present one, and not the other. As Figure 2 illustrates, 4% more SRA-regulated firms with a website state they show how and when to complain to the Legal Ombudsman, compared with how and when to complain to the SRA.

3D. Rule 3: Publication

Background to Rule 3

This Rule states that SRA-regulated firms (or individuals) that do not have a website, must make the information required under Rules 1 and 2 available on request.

SRA-regulated firms' implementation of Rule 3

11% of SRA-regulated firms that responded to the Year 3 survey did not have a website (compared with 13% of SRA-regulated firms that responded to the Year 1 survey). This translates to 32 and 67 respondents respectively for Year 3 and Year 1. Therefore, we cannot assess in detail whether SRA-regulated firms are providing the information set out under Rules 1 and 2 on request to prospective clients, as only 5 respondents state they have pre-prepared information available to share with potential clients on request.

The main reason SRA-regulated firms state they do not have a website is that they never needed one. For example, one respondent stated they had "sufficient client volumes, even without one".

However, our online consumer survey shows that 90% of individual consumers who state that they wanted price information to decide on providers and did not look at their solicitor's website received this information upon request. Therefore, firms appear to be complying with this requirement.

3E. Rule 4: Regulatory information

Background to Rule 4

Rule 4 (para. 4.1) of the SRA's Transparency Rules37 requires all SRA-regulated firms with a website to display the SRA clickable logo in a prominent place on their website.

SRA-regulated firms' implementation of Rule 4

88% of SRA-regulated firms with a website state they display the clickable logo on their websites (compared with 90% of SRA-regulated firms with a website who stated they showed the clickable logo at Year 1).38 This indicates that there have not been marked changes in the implementation of this Rule and chimes with findings from our online consumer surveys, whereby more consumers are taking notice of the clickable logo. For example, 55% of individuals and 65% of SMEs state they remember seeing the clickable logo, a significant increase from Year 1, where 15% of individuals and 19% of SMEs remember seeing the logo.[39 [#n39]]

Moreover, queries to the SRA Contact Centre from SRA-regulated firms or individuals in relation to the clickable logo have reduced between 2019 and 2021, as illustrated in Table 5. This suggests that firms might be finding it easier to implement the Rule, or find the answers to their queries elsewhere. For example, one firm we interviewed noted that: "All we had to do was add the logo, and we've got an in-house development team. The in-house development team made sure that the correct information was put on our website to comply with the rules and the costs have been re-absorbed."

Table 5: Number of queries to the SRA Contact Centre from the profession in relation to the clickable logo, 2019 – 2021

	2019	2020	2021
Queries in relation to the clickable logo	178	130	93

3F. Recommendations to improve implementation of the Transparency Rules

There are several reasons why firms might not be (self-reportedly) complying with the Transparency Rules. Below, we explore two key reasons for non-compliance, as well as ways in which to improve compliance with the Rules.[40 [#n40]]

- The degree to which the target group knows and comprehends the regulatory requirements. Where non-compliance occurs because the target group does not know or understand the rules, communications to inform and explain the rules to the target group could increase compliance with the rules.
- The degree to which the target group is willing to comply – either because of economic incentives, acceptance of policy goals, or pressure from enforcement activities. Here, depending on the reasons for the (un)willingness to comply with the requirements, regulators can use several policy instruments to influence the behaviour of the target group, backed up with a variety of enforcement activities (such as inspections and sanctions).

Below, we seek to understand to what extent non-compliance with the Transparency Rules might be due to any of the above.

We then also consider the extent to which Rule 1 should apply to other areas of law.

Are firms not complying with the Transparency Rules due to a lack of knowledge or comprehension?

To explore whether firms state they are not complying with the Transparency Rules due to a lack of knowledge or comprehension, we first need to highlight that there are two distinct target populations to which the Transparency Rules apply.

- SRA-regulated firms who offer services in the mandated areas of law. Rule 1 (and relatedly 3) only applies to SRA-regulated firms who offer services in seven areas of law – and within those, only for certain issues (e.g. uncontested probate, or debt recovery up to £100,000). This Rule only applies by exception to firms offering these specific services. Thus, by not being a universal requirement, it might create some issues in terms of firms (a) knowing that they need to comply with this Rule; and then (b) understanding how this Rule is applied in practice.
- All SRA-regulated firms, regardless of area of law. Rules 2 (and relatedly 3) and 4 apply to all SRA-regulated firms, regardless of what areas of law they offer. This makes it easier for a firm to know whether it should comply with the Transparency Rules or not, as it is a universal requirement. Therefore for these requirements, all firms: (a) know that these Rules apply to them; and only have to focus on (b) understanding how to apply them in practice.

The online survey of SRA-regulated firms shows there is evidence that a higher proportion of SRA-regulated firms offering services in the mandated areas of law state they consider the Transparency Rules to be unclear, compared with all other firms.

Although over two thirds (68%) of SRA-regulated firms who had read the Transparency Rules think that they are clear or very clear (compared with 66% of firms at Year 1), 14% think that they are not very clear or not clear at all. Here, a significant proportion of firms who offer services in the mandated areas of law think they are unclear (15%) compared with those who do not offer any of those services (8%).

This could be due to the relative length of Rule 1 compared with the other Rules, proxied by number of paragraphs of the Rule and word count, as illustrated in Table 6.[41 [#n41]]

Table 6: Comparison of length of Transparency Rules[42 [#n42]]

SRA Transparency Rules	Number of paragraphs	Word count	Reading time[43] [#n43]
1: Costs information	6	492	ca. 2 mins
2: Complaints information	1	60	less than 1 min
3: Publication	1	49	less than 1 min
4: Regulatory information	4	191	ca. 1 min

Source: Economic Insight analysis of SRA information.

We can see that Rule 1 is by far the longest, both in terms of word count, as well as number of paragraphs. Rules applicable to all SRA-regulated firms, regardless of area of law offered, are shorter both in terms of word count (60 and 191 words, respectively) and number of paragraphs (1 and 4, respectively).

Notwithstanding the length of Rule 1, which applies to a subset of firms, some firms still believe that more guidance and examples could be provided, to help make the Rule clearer. Suggestions from SRA-regulated firms who think that the Rules are not clear include: (i) providing more clarity on how costs information should be set out;(ii) providing more examples and templates on best-practice, as well as (iii) making the Rules simpler and applicable to all. Moreover, interviewed firms also suggested that more clarity on where certain bits of information should be laid out, such as the costs information, would be helpful for implementing the Rules.

Firms who offer services covered by Rule 1 state they desire unambiguous and easy to follow guidance and templates. For example, the online survey of SRA- regulated firms suggests that further guidance and templates for firms covered by Rule 1 would be helpful.

Of those SRA-regulated firms that have read (or partially read) the accompanying guidance and templates, 72% state they find them useful or very useful (compared with 69% who found them useful or very useful at Year 1).

However, as noted above, there appears to be a desire for more simplicity, as well as further guidance for those firms that offer services in the mandated areas of law. For example, 41% of SRA-regulated firms offering services in the mandated areas of law consider the SRA should publish further guidance, compared with 28% of SRA- regulated firms offering services in the other areas of law. This difference is statistically significant.

The type of guidance desired by companies tends to be around providing further examples, and more templates that all firms should adhere to.

Firms also express a desire for more clarity, simplicity, and ease of access.

This desire for further guidance and templates chimes with SRA-regulated firms with a website who state that the main challenge related to complying with the Transparency Rules is in relation to the difficulty in knowing how much information to give and how to set it out, as illustrated in Table 7.

Table 7: Proportion of SRA-regulated firms with a website who experienced any of the following challenges related to (self-reportedly) complying with the Transparency Rules over the last two years (2020, 2022)[44] [#n44]

	Year 1	Year 3
Difficult to know how much information to give	38%	44%
Difficult to know how to set out the information	26%	37%
Difficult to know where to put the information on the website	18%	22%
Too difficult to change the website	8%	7%
Too expensive to change the website	11%	7%
We don't have the expertise to change the website	10%	0%
Don't know	4%	5%
None of these	48%	42%

Base: Y1=399; Y3=194.

Source: IRN Research for Y1; Economic Insight for Y3.

It should be noted that 42% of SRA-regulated firms with a website state that they have not experienced any challenges in (self-reportedly) complying with the Transparency Rules, as set out above.

Moreover, we note that firms find it generally more difficult to know how to set out price and services information (with only 9% of SRA-regulated firms who offer legal services in the mandated areas of law with a website not experiencing any challenges in providing pricing information, as set out in Table 8) compared with complaints information (with 83% of all SRA-regulated firms with a website not experiencing any challenges in providing complaints information, as set out in Table 9).

This supports that there appear to be more challenges in relation to implementing Rule 1 than the other Rules, and that firms could benefit from additional guidance and / or the development of 'standard' use case, which they could all display in the same way on their websites.

Table 8 shows the proportion of SRA-regulated firms offering legal services in the mandated areas of law with a website who experienced any of the following challenges related to providing pricing information at Year 1 and Year 3. As can be seen, the main challenges firms face have not changed between the years, with firms still considering that matters can be complex and variable to be the main challenge in relation to providing pricing information. Just under a third of all of those firms find it difficult to keep the information up to date and accurate, and to know how to set out the information.

Table 8: Proportion of SRA-regulated firms offering legal services in the mandated areas of law with a website who experienced any of the following challenges related to providing pricing information (2020, 2022)

	Year 1	Year 3
Matters can be complex and variable	80%	77%
It doesn't consider clients' different needs and budgets	63%	58%
Can confuse potential clients	52%	47%
We believe other firms publish artificially low prices	29%	31%
Difficult to keep it up to date and accurate	26%	29%
Difficult to know how to set out the information	29%	28%
Gives our competitors an advantage	34%	19%
None of these	7%	9%
Other	9%	8%
Don't know	2%	5%

Base: Y1=323; Y3=194.

Source: IRN Research for Y1; Economic Insight for Y3.

Again, given one of the main issues is that matters are complex and variable, the development by the SRA of a 'standard' use case by practice area, which all firms providing services in those areas could display, might help alleviate some of these challenges.

Table 9 shows the proportion of SRA-regulated firms with a website who experienced any of the following challenges related to providing complaints information at Year 1 and Year 3. As can be seen, over 80% of firms state they have not experienced any of these challenges at Year 1 or 3, with only 4% stating they find it difficult to know how to set out the information at Year 3.

Table 9: Proportion of SRA-regulated firms with a website who experienced any of the following challenges related to providing complaints information (2020, 2022)

	Year 1	Year 3
None of these	85%	83%
Difficult to know how to set out the information	10%	4%
Other	-	3%
We are concerned that complaints might increase	5%	2%
Number of complaints has increased	2%	2%

Base: Y1=323; Y3=214.

Source: IRN Research for Y1; Economic Insight for Y3.

Any targeted help from the SRA may consider focusing on both (a) the more challenging Rules to (self-reportedly) comply with; and (b) the firms who find it more challenging to (self-reportedly) comply.

As noted above, firms who struggle to self-reportedly comply because of incomprehension of the Rules are likely to be those offering services in the mandated areas of law – and thus, covered by Rule 1.

We also find that smaller firms (with less than 5 partners) tend to state they: (i) find it difficult to know how much information to give or how to set it out; and (ii) do not provide the relevant information under any of the Transparency Rules. For example, one respondent mentioned that "[i]t would be useful for the SRA to confirm what they expect to see on solicitors' websites when it comes to how an hourly rate or a fixed fee is calculated, or whether simply advising what the cost will be is sufficient in the regulator's view."

Hence, we recommend that the SRA considers the following in relation to Rule 1 specifically.

- Provide educational programmes and targeted explanations to firms covered under Rule 1. As this is the only Transparency Rule that does not apply universally, the SRA may seek to identify all the firms covered under the Rule and provide further explanations as to what it expects firms to provide on their websites, for the respective services. Moreover, as identified above, smaller firms tend to state they struggle more with implementation of the Transparency Rules and should therefore also be included in these target groups.
- Include all areas of law in the requirement. As universal Rules appear to command higher self-reported compliance rates, the SRA could mandate that this requirement applies to all areas of law. We explore this subsequently.

- Develop specific guidance on 'what good looks like', in particular in relation to where the information should be displayed, and making the existing templates easier to implement based on 'standard' use cases, such that firms have a better sense on what type of information the SRA expects to see.
- Undertake additional research to identify these 'standard' use cases for each respective area of law, such that it could provide additional guidance and templates in relation to a specific way of presenting prices and services information for these 'standard' use cases.

Are firms not complying with the Transparency Rules due to a lack of willingness to comply?

Where firms know and understand the regulatory requirements applicable to them, there may still be a range of reasons as to why they are unwilling to comply with these Rules. We explore these in turn, below.

Where (self-reported) compliance costs are too high, this might deter firms from complying with the regulatory requirements. However, we do not find evidence that self-reported compliance costs with the Transparency Rules are too high.

In both the online survey of SRA-regulated firms and interviews with them, firms did not raise the issue of the cost of complying with the Transparency Rules.

We note that Rules applicable to all firms require a one-off change to the firms' websites (i.e. adding the information about the complaints procedure and the SRA clickable logo), whereas Rule 1 – only applicable to certain mandated areas of law – requires updating a firm's website any time it either changes its prices, the way it presents its prices, or starts or stops offering a legal service in an area of law covered under Rule 1. Thus, compliance costs with Rule 1 might be higher than those with the other Rules, although still negligible – and thus not too high. From the online survey we find that:

- just under half (48%) of all SRA-regulated firms offering legal services in the mandated areas of law state they have increased their prices in the last two years, with 1% reducing their prices;
- just over a quarter (26%) of SRA-regulated firms offering services in the mandated areas of law state they have changed the way they display prices on their website in the last two years (to better follow the SRA's Transparency Rules and guidance); and
- a negligible proportion of firms state they have stopped offering services in specific areas of law.

This suggests that, at most, around half of all firms who were publishing their prices online would have had to update their website to remain compliant with Rule 1 specifically. As set out previously, only 7% of SRA-

regulated firms with a website considered it to be too difficult to change the website, and only 7% also considered it to be too expensive to change the website, to pose a challenge to complying with the Transparency Rules (as shown in Table 7). Thus, although in principle Rule 1 could have higher compliance costs, these would still be limited.

Therefore, we do not consider that there are any additional steps the SRA may wish to consider to reduce (self-reported) compliance costs for firms.

There is some evidence that SRA-regulated firms consider the Transparency Rules to be overly uniform and in some cases unreasonable for the situations under which they apply.

Overly technical rules can increase non-compliance by encouraging evasion and creative adaptation. As the technicality and complexity of regulation increases, so does the possibility for less scrupulous players to find loopholes in specific rules and engage in 'creative compliance'.

Although in general, SRA-regulated firms are supportive of the Transparency Rules, some consider that the "SRA's one-size-fits-all approach to transparency runs the risk of confusing people and leading to unrealistic expectations. It needs to be more realistic in what information can be given so as not to end up misleading people."

Another respondent noted that "[t]hey require a level of detail that is almost impossible to put, given the variety of ways we are instructed, leaving the firm with little choice, but to blandly put a price with a high number of caveats which make the process pointless".

In its 2020 review of the legal services market study[45 [#n45]], the CMA noted that the implementation of principles-based rules allows flexibility in how providers report price and service information, but may also make direct comparisons difficult for consumers. It suggested that this was because regulators' high level guidance left room for flexibility for providers, hampering comparability; and because consumers value information on quality alongside information on price, as well as their engagement remaining limited. Therefore, although there is a 'one-size fits all' approach, it gives providers sufficient flexibility in practice.

This flexible approach is both desirable, given the complexity of legal services, and their prices. However, it can also lead to different ways of presenting prices, and therefore, lead to consumer confusion.

Therefore, the SRA may wish to carefully consider how to balance this flexibility against comparability. In particular, as mentioned above, the SRA could explore identifying a 'standard' use case for the services covered by the Transparency Rules, and encourage all providers to publish prices for that 'standard' use case. That way, consumers would be able to compare between providers (albeit not for their specific case,

if it differs from the 'standard' case), and providers would know how to publish prices for the 'standard' case, with enough flexibility on pricing for all their other cases.

Relatedly to the above, where regulatory requirements are at odds with cultural practices, it might take more time to change these practices.

Traditionally, firms did not publish their prices online for some practice areas – or where they did, they did not follow specific Rules. Of course, the main objective of the Transparency Rules is to counter the previously prevailing market practice. However, if a rule cuts across existing culture and fails to build support through education, or market incentives, then it is unlikely to be effective at eliciting compliance.

Therefore, to ensure firms feel that the requirement – even though at odds with cultural practices – is necessary and useful not just for consumers, but also them, the SRA may consider undertaking some additional engagement programmes, highlighting the benefits of the requirements to firms. Importantly, if the SRA is considering expanding the requirements to other areas of law, it may wish to ensure there are sufficient opportunities for it to demonstrate the benefits of the requirements to firms, consumers, and the wider legal services market.

Where a regulatory requirement is in the rulebook, but not monitored, it is unlikely to elicit compliance. The SRA's evolving approach to monitoring the Transparency Rules to date may have created some regulatory uncertainty.

Since the Transparency Rules came into force in 2018 and 2019 respectively, the SRA's approach to monitoring and enforcing the Rules has varied, as detailed below.

- Initially, the SRA undertook web sweeps of 500 randomly chosen firms, and checked whether they complied with the Rules. Where it found that firms' websites were not fully compliant, the regulator wrote to those firms explaining the areas in which they needed to make changes. It would then check their websites again in two months' time. If at that point they were still not publishing the required information, the SRA considered what further regulatory action, including potential enforcement action, was required.[46 [#n46]]
- In August 2021, the SRA changed its approach to monitoring the Transparency Rules by writing to Compliance Officers for Legal Practice (COLPs) and Compliance Officers for Finance and Administration (COFAs) at more than 4,000 firms, asking them to sign a declaration that they are adhering to the Transparency Rules.[47 [#n47]]The regulator also announced further work, including analysing websites of more than 3,000 further firms. Where the SRA found that the Rules were not being adhered to, it would follow this up with further direct communications.

- From September 2022, the SRA started a rolling programme of checks on solicitors' websites, to ensure that solicitors are complying with all aspects of the Transparency Rules.[48 [#n48]] This includes both firms who have previously filled in a self-declaration stating that they are fully compliant, and those who have not.

As illustrated by the evolving approach to monitoring of the Transparency Rules, the approach to enforcement of them has also evolved since their implementation. Importantly, the SRA's approach to enforcement of the Transparency Rules relies on direct and open communication with the firms, rather than sanctioning. This can be seen when we consider the total number of investigations the SRA undertook in relation to the Transparency Rules since implementation, compared with the number of final outcomes and decisions, where firms who have breached SRA Rules have been sanctioned.

There have been over 1,300 investigations where the initial investigation reason was in relation to any of the Transparency Rules between 2019 and 2021. Of those investigations, 18 have resulted in outcomes in relation to firms who failed to publish their prices and services information, and 3 have resulted in outcomes in relation to firms who have failed to publish their complaints procedure information or display the clickable logo, respectively. This is illustrated in Table 10, which sets out the investigations, decisions and fines in relation to the Transparency Rules between 2019 and 2021.

Table 10: Investigations, outcomes and decisions in relation to Transparency Rules, 2019-21

	Years	Investigations	Outcomes and decisions	… of which fines	… total fines (£s
Price publication failure	2019	235	0	0	£0
	2020	158	12	5	£8,000
	2021	400	6	4	£5,950
Complaints procedure publication failure	2019	5	0	0	£0
	2020	37	0	0	£0
	2021	273	3	2	£4,000
No clickable logo	2019	8	0	0	£0
	2020	76	0	0	£0
	2021	164	3	2	£4,000

Source: Economic Insight analysis of SRA data.

In terms of the severity of the fines applied to firms, these have ranged from £750 to £2,000 (the maximum financial penalty at the time)[49 [#n49]]

per infringement, with six firms being fined the maximum financial penalty for failing to publish information required by the Transparency Rules. Moreover, we also note that the Law Society had pushed the SRA to take a proportionate approach to enforcement during COVID-19,[50] [#n50] and that, therefore, some of the responses above between 2020 and 2021 may have been more muted due to this requirement.

As can be seen from the table above, even though the number of investigations has increased, the number of outcomes and decisions has not increased at the same pace. This could be because firms generally cooperate with the SRA and once their non- compliance with the Transparency Rules is discovered undertake the necessary steps to be compliant. However, to some it may appear as if the SRA's approach to monitoring and enforcement is not sufficiently strong. For example, one respondent noted: "Other firms are less compliant or non-compliant putting us at a disadvantage. There is apparently no action taken against firms that don't comply."

To help counter this impression that there is impunity for non-compliance with the Transparency Rules, the SRA is currently consulting on its financial penalties framework, where it is proposing to introduce a fixed penalty scheme for specified breaches of its Rules. Specifically, there is a proposal to include a fixed penalty for "failure to publish the required costs or complaints information, or display a clickable logo, in accordance with the SRA Transparency Rules".[51] [#n51]

Therefore, with both a more consistent approach to monitoring compliance and financial penalties, the SRA might expect more firms to comply with the Transparency Rules.

We suggest the SRA consider clearly setting out its approach to both monitoring and enforcement of the Transparency Rules. In particular, the SRA may wish to set out specifically what information it expects to see on firms' websites and target monitoring at high-risk areas. For example, it could provide a checklist that would help assess compliance with the rules, as the BSB does,[52] [#n52] or as one respondent noted: "Having a template style of acceptable information, so that we can all set it out in the same way. It wouldn't be a prescribed one, but it would be useful for them to show a template style, exactly what they're happy with seeing. Anything that makes our job easier in putting this information up, rather than reinventing the wheel. If you want to reinvent the wheel everyone has the opportunity to do that, but it's probably easier for people if they don't have to reinvent the wheel each time. And also from the point of view of consumers, seeing information that's presented in pretty much the same way, and having a much quicker comparison method between services that are offering by each firm".

Should Rule 1 apply to other / all areas of law?

Following from the above, a natural extension would be that Rule 1 ought to apply to all SRA-regulated firms, offering any legal services. On the one hand, this would ensure all firms know the Rule applies to them. On the other hand, it would create further complications in terms of ensuring all firms understand how to apply the Rule.

Furthermore, given the nature of legal services provided and the different issues, clients (individual vs. commercial), and funding arrangements of the legal advice, this might not be practicable nor desirable.

The SRA had decided on the seven areas of law for Rule 1, following consultation with its regulatory base and wider stakeholders. The key reasons it focused on these areas – and not all areas – were that: [53 [#n53]](#n53) ,[54 [#n54]](#n54)(i) they are common areas where individuals and small businesses need legal help and are likely to compare prices; (ii) some of these services are relatively commoditised compared with other legal services, which makes price transparency easier; and (iii) some areas offered the greatest opportunity to work with other legal services regulators[55 [#n55]](#n55) to introduce consistent price transparency requirements to cover the whole regulated market in relation to conveyancing, probate and immigration for all regulated firms offering these services.

Three years from implementation of Rule 1, just over a quarter (27%) of SRA- regulated firms covered by the Transparency Rules agree or strongly agree that Rule 1 should be extended to other areas of law. The most common areas those respondents consider should also be covered by Rule 1 include: (i) all practice areas (46%); (ii) divorce (27%); (iii) family / matrimonial (excl. divorce) (21%); and (iv) wills, trusts, and tax planning (20%).

This illustrates that just under half of SRA-regulated firms who consider that Rule 1 should be extended to other areas of law believe that a universal coverage of the Rule would be beneficial. This chimes with findings above, whereby this would simplify recognising whether the Rule applies to one's business or not. However, it also recognises that more than half of firms who think that Rule 1 should be extended to other areas of law do not think it would be appropriate to extend the Rule to all practice areas. Moreover, the specific areas identified above coincide with some of the areas originally proposed by the SRA in its 2017 consultation, such as, family – undefended divorce and financial disputes arising out of divorce; drafting of a will; drafting a lasting Power of Attorney; and personal injury claimant.

For most of these areas, the SRA had found that price information was already prevalent and that mandating it would only provide small incremental benefits. Findings from the online survey of SRA-regulated firms corroborate this, whereby 31%, 30% and 48% of SRA-regulated

firms with a website offering divorce, family law (excl. divorce) or wills services, respectively, stated that they publish price information online at Year 3. For most of these areas, this also shows an increase in SRA-regulated firms stating they publish prices in those areas, as at Year 1 29%, 20% and 29% of firms offering those services respectively, stated they publish their prices online. This is further evidenced by price research undertaken by the CMA and LSB (2020)[56 [#n56]], whereby price transparency had improved in areas of law not covered under Rule 1, such as divorce specifically. Had the SRA mandated that these areas of law are also covered under Rule 1, the rate of price publication might have increased even further though. In particular, we note that 70% of firms offering services in the mandated areas of law provide price information online. Thus, potentially mandating price publication across other areas of law, could have the potential to increase availability of pricing information even further.

However, this also supports the SRA's expectation that firms offering other legal services not mandated by Rule 1 also publish price information online more frequently. In particular, 16% of SRA-regulated firms state they plan to extend the Rule 1 requirements to other practice areas (compared with 12% at Year 1), with 21% stating they have already extended the prices and services requirement to other practice areas.

This suggests that some firms consider this requirement to be beneficial to other practice areas not currently covered by Rule 1. Importantly, it suggests that some of the areas initially identified by the SRA for inclusion in Rule 1, still remain relevant.

The regulatory body we interviewed wanted more information covered by the Transparency Rules: "Yes, I do think that all services provided to any consumer should be transparent at all costs and the service that can be expected. I can't say that I could think of anything off the top of my head, but I do believe that all legal services should be transparent on price and service." They also thought that the SRA ought to ensure that the Transparency Rules are followed. For example, when asked about what the SRA's priorities in relation to the Transparency Rules should be, they stated that: "...they should be enforcing the rules. You know, they should be ensuring that the law firms that are regulated by them are following the rules. And then if they're not following the rules, then they should be providing the necessary guidance and assistance to help the law firm move to the right direction."

Whereas another stakeholder we interviewed – a practitioner association – suggested the SRA may wish to speak to firms to see if the Rules need expanding.

Benefits of the Transparency Rules

Almost a third (32%) of SRA-regulated firms consider that the Transparency Rules are good for business, with 42% considering them beneficial to consumers. This compares to 27% of SRA-regulated firms who considered the publication of prices and services information is good for business at Year 1.

4. Prices and services offered publication

This chapter sets out our key findings in relation to whether the publication of prices and services offered for the mandated areas of law by the Transparency Rules is leading to the desired outcomes. Overall, our online consumer surveys and wider evidence review suggest that users of legal services are comparing providers, and finding prices easy to compare, allowing them to estimate the cost of the legal service. However, although our online surveys find that the majority of users have no difficulties comparing prices and services of different providers, about one fifth do – stemming from different presentation and description of prices and services. Furthermore, we find that the proportion of complaints in relation to cost to the Legal Ombudsman remained stable, albeit this cannot be directly attributed to the Transparency Rules. Finally, our consumer surveys and in-depth interviews find that users of legal services feel more confident in the legal services market.

The remainder of this chapter sets out evidence supporting the above in more detail. It sets out the key outcomes we identify and recommendations in relation to this requirement first; followed by the evidence to support this.

4A. Key outcomes and recommendations in relation to prices and services publication

Prior to the Transparency Rules being implemented, it could be hard to find useful information on either prices or descriptions of the service when people needed help with a legal problem. This made it difficult to make good choices and meant some people did not access professional legal help when they needed it. Moreover, when consumers did need professional legal help, only one in four shopped around for a law firm in 2018.[57 [#n57]] Now, four in ten people shop around for a law firm.[58 [#n58]]

As set out in Chapter 2, the SRA mandated that firms must provide consumers with price information and a description of their services for certain areas of law, to allow them to make good decisions. Specifically, firms (or, individual self-employed solicitors) offering any of the seven mandated services who have a website must publish this information online, while firms (or, individual self-employed solicitors) offering any of the seven mandated services who do not have a website must provide the same information upon request.

Outcomes in relation to prices and services publication

We find evidence supporting the following key outcomes in relation to this requirement. This is based on evidence across all of our research methods, and we provide more details in the subsequent sections.

- Increased transparency might be enabling consumers to compare the prices and services of legal services providers, and what is included in this cost.
- Consumers who looked at multiple legal services providers before instructing their provider generally find these easy to compare. Yet, about one fifth of consumers still find it difficult to compare providers, as prices and services are presented differently.
    - This suggests that one of the risks in relation to this requirement, namely that a lack of consistency over price publication may make comparison difficult and lead to increased consumer confusion, may be manifesting itself.
- Some of the SRA-regulated firms offering non-mandated services face an incentive to also publish their prices – as do non-SRA regulated firms.
- Price ranges for standardised scenarios across a range of legal services remain wide, and prices have been increasing over time.
- There is limited evidence that consumers with a better understanding of prices pay for services quicker.
- There is limited evidence that customer acquisition costs for legal services providers have reduced.

We do not find evidence that any of the following is occurring.

- Firms do not appear to move away from offering services in areas of law covered by the Transparency Rules.
- Users of legal services do not appear to focus on price comparisons and receive inadequate service.
- Legal services providers do not appear to game prices.
- The DCT market has not taken off as expected.

Recommendations in relation to prices and services publication

Based on the above, we recommend that the SRA consider the following to ensure this reform is leading to the desired impacts at Year 5.

- Undertake additional research to identify 'standard' use case scenarios across different areas of law, and provide legal services providers with additional guidance and templates on 'what good looks like'. We note that even in markets with more homogenous products (such as mobile phones / energy), it still remains difficult to compare tariffs. By providing solicitors with more guidance and best practice on how to present price and services information (as set out in chapter 3 [#_bookmark10]), as well as exploring how a

'standard' use case scenario could be presented to consumers (as set out in chapter 3, too), we consider that this could foster some homogeneity around how prices and services are displayed for the mandated areas of law.

Below, we set out more details in relation to the findings mentioned above.

4B. Transparency in the legal services market is improving

What information consumers want

The prices and services information the SRA requires solicitors to publish is the information most frequently desired by users of legal services to help them choose their legal services provider.

Individual consumers looking for legal services providers in the mandated areas of law tend to seek information on prices and services, as do about a third of those seeking legal services providers in the non-mandated areas of law.

On the other hand, SME consumers looking for legal services providers in the mandated areas of law do not tend to seek information on prices and services. However, those looking for legal services in non-mandated areas of law state they would like to have information on prices.

This suggests that both individuals and SME consumers would find it useful to expand the Transparency Rules to services across other areas of law.

We find that the information the Transparency Rules require solicitors to publish on their website corresponds well with what consumers want to know before instructing a solicitor.

Table 11 shows what information consumers wanted to know before instructing a solicitor. Prices were the most popular information wanted, with 40% of individuals and 37% of SMEs stating they wanted price information, followed by services (34% of individuals and 33% of SMEs).

Table 11: Proportion of consumers who instructed a solicitor who wanted information on … before choosing their provider (2022)

	Individuals	SMEs
Prices	40%	37%
Their services	34%	33%
Expertise or experience for the problem / issue	24%	29%
How quickly services could be accessed	18%	19%

How long it would take to do the work	19%	20%
Previous customer's experiences / customer reviews	19%	23%
Success rates for the problem / issue	18%	21%
Whether they were regulated	16%	17%
Your consumer rights and protections	12%	13%
Who would do the work	12%	17%
Key stages of the work	10%	13%
Accreditations	10%	15%
Their complaints policy and procedure	6%	8%
Professional indemnity insurance	7%	12%
An Ombudsman	5%	7%
The quality of their services[59 [#n59]]	3%	5%
Complaints received	5%	8%
Other	1%	0%
Did not require any information	7%	3%

Base: Individuals=1,003; SMEs=633.

Note: Sums do not add up to 100% as this question has multiple answer options. Source: Economic Insight.

When considering whether certain consumers would find different types of information more helpful, we find the following.

- Price information was significantly more desired by consumers who instructed a solicitor than those who instructed another type of legal services provider (40% vs 30% for individual consumers; 37% vs 30% for SMEs).
- A greater proportion of individuals who instructed a solicitor and whose legal issue was covered by the Transparency Rules wanted information on prices and services. 47% of those whose legal issue was covered by the Transparency Rules wanted information on prices, and 38% wanted information on services. This was significantly higher than 35% and 31% of those whose legal issues were in areas that were not covered by the Transparency Rules.
- However, the opposite is true for SMEs. Only 24% of those whose legal issue was covered by the Transparency Rules wanted price information, significantly less than 39% of those not covered. There was no significant difference in the need for services information. For SMEs using legal services providers in the mandated areas of law, reasons for not looking at price information included that they either had long-standing relationships with the firms, or that price was not the key determining factor in their choice. For example, one respondent stated: "with the local firm we usually use, there had been a wee bit of change, so to be fair I did look at another couple of lawyers, solicitors, close-by, but when I went to the director to

> ask for final guidance, I was told basically to stick with… While the firm we knew long term had been drastically altered, there's still a connection there that enabled us to continue to have trust in them and use them".

Information about quality of their services was not frequently desired by users of legal services, as illustrated in Table 11.

This is likely because users of legal services use some of the other information provided under services offered as a proxy for quality. For example, research undertaken by the LSB (2021)[60 [#n60]] found that three types of information were likely to inform consumers on the quality of a legal services provider: (i) objective data (such as number of complaints); (ii) consumers' feedback; and (iii) general information about providers (such as the areas of law they specialise in).

However, the LSB also found that consumers preferred customer reviews and information regarding firms. This is also borne out in Table 11, which illustrates that almost a quarter (23%) of SMEs wanted information on previous customers' experience, with a third of both individual and SME consumers wanting information on legal services providers' services.

Moreover, our interviews further corroborate that both individuals and SMEs use information contained under services offered as a proxy for quality of their services, as well as relying heavily on customer reviews and feedback. An individual interviewee mentioned that they "read reviews from people that had already used the service. I also communicated directly with the solicitor to get a feeling of how they measured up in my estimation". Similarly, an SME interviewee stated they assessed quality of service as follows: "I check their websites for pricing, turnaround time, success rate for applications, obviously for the training side of things, success rate or pass rate, and obviously reviews, because then you could actually see what people actually thought of their actual service, whether they felt like they were getting value for money and whether they would return or not". Another one used similar factors to assess quality of service, such as: "the cases that they have done, whether, they were in tune with what we had in mind", as well as looking at "reviews and feedback, obviously it's the normal Google search, the company's name and feedback reviews, that and of course, in amongst your peer groups, friends and people you work with."

What information consumers find and understand

Almost a third of individuals who wanted price information in an area of law mandated by the Transparency Rules did not find that information on their solicitor's website. This is consistent with the self-reported compliance rate stated in chapter 3. Notwithstanding this, over half of individuals with a legal issue covered by the Transparency Rules who did find the information, found it easy to find (55%) and understand (73%).

Just over a third of users of legal services wanted information about the services solicitors could provide before instructing one. Services information was more readily available, with only 2% of individuals whose legal issue was covered by the Transparency Rules who wanted that information unable to find it on their solicitor's website. Most of those who found it thought it was both easy to find (84%) and understand (82%).

72% of individual consumers using legal services across all areas of law – not just those mandated by the Transparency Rules – who wanted information on prices and looked at their solicitor's website found this information, whereas 23% looked for this information but could not find it.

However, individuals whose legal issue was covered by the Transparency Rules had more difficulties finding prices on their solicitor's website. 31% of those who wanted price information, looked at the website, and whose legal issue was covered by the Transparency Rules could not find it, significantly higher than 16% of those who wanted price information, looked at the website, and whose legal issue was not covered. However, the proportion of consumers whose legal issue was covered by the Transparency Rules unable to find pricing information online chimes with the proportion of SRA-regulated firms who state they do not publish price information in the mandated areas of law online.

Interviewed individual consumers vary in whether they found understanding and comparing pricing information easy or difficult, with some describing it as neither. A common issue seems to be clarity, both in terms of prices lacking breakdowns of costs and using legal terms that are not understandable. Many people felt the need to call providers, for example: "I would have liked to have clear pricing information available and I would say it wasn't always clear. So there were a couple of phone calls I needed to make to clarify that."

Of the individuals using legal services covered by the Transparency Rules who did find price information on their solicitor's website, 55% state it was easy or very easy to find, and 73% found it was easy or very easy to understand. Similarly, of those who found information about their solicitor's services on their website, 84% of individuals using legal services covered by the Transparency Rules found services information easy or very easy to find, and 82% found it was easy or very easy to understand.[61 [#n61]]

Our interviews with SME consumers show that most received price information right away, either as a quote or price ranges, however, some stated having to wait until they could speak to a provider. Largely, SMEs found it easy to get pricing information, with few describing it as neither easy nor difficult. Opinions on pricing information on providers' websites varied. Some interviewed SMEs expect to speak to providers to get

pricing, so they generally do not expect to see this information online. Others want to know pricing upfront, so they can narrow down their search.

Table 12 illustrates the proportion of individuals whose legal issue was covered by the Transparency Rules who were unable to find prices or services information on their solicitor's website, as well as those that found the information, but either found it difficult to find or understand.

Table 12: Ease of finding and understanding information among individual consumers who instructed a solicitor and whose legal issue was covered by the Transparency Rules (2022)

	Price	Service
Could not find … information on their solicitor's website	31%	2%
	Find	**Understand**
Found prices information online, but found it difficult or very difficult to …	21%	15%
Found services information online, but found it difficult or very difficult to …	8%	3%

Base: Could not find prices=138; Could not find services=122; Found prices, but found it difficult or very difficult to=89;

Found services, but found it difficult or very difficult to=118.

Source: Economic Insight.

In Year 1, of individuals who instructed solicitors and whose legal issue was covered by the Transparency Rules, 5% who did not look at services information on their provider's website stated this was because they could not find it. Compared with Table 12, this suggests more individuals are able to find information about services.

Interviews with various stakeholders, such as online comparison and review websites, as well as charities / consumer associations confirmed that generally users of legal services benefitted from this requirement.

The publication of prices and services information appears to stretch to other areas of law, not covered by the Transparency Rules. Therefore, this suggests that transparency overall is improving.

Viewing solicitor's websites increases consumer's stated understanding of legal services and prices. Table 13 shows the proportion of consumers who agreed or strongly agreed with statements concerning how their understanding of legal services and prices had changed following their most recent experience with a solicitor. For both individuals and SME consumers, the proportion of people who agree or strongly agree is

significantly higher amongst those who looked at their provider's website, thus suggesting that the Transparency Rules are having a positive effect on consumers' understanding of both prices and services of legal services providers.

Table 13: Proportion of (a) individual and (b) SME consumers who instructed a solicitor who agree or strongly agree with statements, by website usage (2022)

	Individuals		SMEs	
	Did not look at website	Looked at solicitor's websites	Did not look at website	Looked at solicitor's websites
I better understand how services are charged	50%	67%	56%	70%
I better understand legal advisors' services	44%	59%	55%	69%

Base: Individuals: Looked at website=691; Did not look at website=312; SMEs: Looked at website=498; Did not look at website=135.

Source: Economic Insight.

4C. Increased transparency appears to be enabling consumers to...

...compare the prices and services of legal services providers

A higher proportion of consumers look at prices and services of several providers, before instructing one now, than at Year 1. This suggests that even though a high proportion of users of legal services still only consider providers they have previously used, or know of, and thus would be unlikely to consider multiple providers, more are considering branching out to different providers.

More consumers are comparing prices and services offered by solicitors before choosing and instructing one. 55% of individual and 60% of SME consumers looked at prices and services of more than one provider in Year 3, significantly higher than 46% of individual and 48% of SME consumers who said they compared providers in Year 1.[62 [#n62]]

Of individual / SME consumers who did look at services and prices information of more than one legal services provider before instructing a

solicitor, most looked at details on prices and services for two or three providers (42% / 44% and 36% / 35% respectively).

Table 14 shows why consumers chose not to look at multiple providers. Of consumers who did not compare providers, 41% of individuals and 54% of SMEs who instructed solicitors state this was either because they already knew what provider they wanted, or they had previous experience with the provider.

Table 14: Why consumers (who instructed solicitors and did not compare providers) did not compare providers (aggregated categories)[63] [#n63] (2022)

	Individuals	SMEs
Already knew / previous experience	41%	54%
Recommended / referred	31%	25%
Not important	21%	21%
Lack of time	20%	12%
Difficult to find	15%	9%
Don't know / can't remember	7%	4%

Base: Individuals=374; SMEs=220.

Note: Sums do not add up to 100% as this question has multiple answer options.

Source: Economic Insight.

Further, the LSCP tracker survey found that in 2018, 27% of individuals had shopped around for the provider they chose, which increased to 43% of individuals by 2022. Thus, this suggests there is a change in the proportion of consumers shopping around now compared with prior to the Transparency Rules being implemented.

...estimate what is included in this cost

Users of legal services in the mandated areas of law by the Transparency Rules are more likely to pay what they expected, than those who used legal services in non-mandated areas of law.

Our online surveys find that about three quarters of users of legal services (76% of individuals and 72% of SMEs) felt the price information they saw online or received from their solicitor either helped them estimate the cost or made them aware of the actual cost.

Of individual consumers who looked at prices on their solicitor's website, half (50%) felt they could estimate the cost, and 36% said the information made them aware of the actual cost. Of those who got prices

elsewhere, 32% felt they could estimate the cost, and 51% were aware of the actual cost.

Significantly more SMEs in Year 3 are paying prices similar to what they expected, compared with Year 1. 73% of SMEs instructing solicitors stated the final price paid was about what they expected, compared with 61% in Year 1. 62% of individuals paid a price about as expected (66% in Year 1)[64 [#n64]]. Significantly more individual consumers are paying prices higher or much higher than expected, compared with Year 1 (16% vs 22%).

However, a significantly higher proportion of individuals whose legal issues was covered by the Transparency Rules paid a price about what they expected, compared with those not covered (66% vs 56%), as shown in Table 15.

Table 15: Proportion of individual consumers who instructed solicitors who paid a final price ... (2022)

	All areas	Covered by TR	Not covered by TR
Much lower than expected	5%	5%	5%
Slightly lower than expected	11%	8%	14%
About as expected	62%	66%	56%
Slightly higher than expected	18%	16%	20%
Much higher than expected	5%	4%	6%

Base: All areas=465; Covered by TR=265; Not covered by TR=200.

Source: Economic Insight.

4D. Consumers who looked at more than one legal services provider before instructing their provider…

…generally find these easy to compare

Choosing a legal services provider has not become more difficult. We note that fewer SME consumers find it difficult to choose a legal services provider now (10%) compared with Year 1 (15%), whereas the proportion for individual consumers remains unchanged (11%). This suggests that the legal services market is not becoming more difficult to navigate, given the Transparency Rules.

As noted above, over half of consumers looked at price and services information from more than one provider before choosing a solicitor to instruct. Amongst consumers who are comparing providers, the majority use their solicitor's website as a tool to decide. 90% of individual and 94% of SME consumers who compared providers also looked at their solicitor's website before instructing them.

Roughly seven in ten users of legal services have found it easy or very easy to find and choose a legal services provider (69% of individual consumers and 72% of SMEs who instructed solicitors). In Year 1, 76% of individuals who instructed solicitors found it easy or very easy to find and choose a provider, significantly higher than Year 3. The proportion who found it difficult or very difficult remains unchanged (11% in both years).

Generally, respondents felt it was easy to compare various aspects of the service before engaging a legal services provider, although some relied on their impression of the provider on the phone. For example, one individual respondent stated they compared "things like speed of service, the quality of communication from them, their reliability, that type of thing; because these are the values that I think would be important for that type of service, that you would have trust." That respondent compared the level of quality between providers in the following way: "I read reviews from people that had already used the service. I also communicated directly with the solicitor to get a feeling of how they measured up in my estimation. Because I just feel that you can get a sense of a person or a service reasonably quickly by just looking at things like reviews and talking to them directly. I think it comes out of them pretty quickly". Another individual respondent also relied on a solicitor's impression on the phone, when asked how they compared between providers: "The cost and like the way that they were on the phone really. That might sound daft but whether I got to speak to someone straight away, whether they seemed nice. That was a big thing".

Among SME consumers, there was no significant difference in the proportion of consumers who found it easy or very easy to choose a provider between Year 1 and Year 3 (71% of SMEs who instructed solicitors in Year 1 compared with72% in Year 3). However, the proportion who found it difficult or very difficult has significantly decreased, from 15% in Year 1 to 10% in Year 3.

One SME interviewee found it easy to compare, as they were looking to engage someone local: "It was easy in the sense that I knew we wanted to use local so it was between probably like I would have been about seven or eight that I would have been choosing from.". Another SME considered the following information when comparing providers: "Obviously, you go to the individual company's website, and kind of see what work they do and how many partners are there etc. So, it's basically how long they've been in business, who their partners are and

what they specialise in, as well as the size of the firm and if there was any customer feedback."

Of those who found the information about cost of service difficult to find, reasons for this included that no upfront information on prices was provided (42%), and presented prices were confusing (37%).

…however, about a fifth still find prices, services, or quality difficult to compare

There is some evidence that one of the risks of this requirement is materialising. Namely, that some consumers find it difficult to compare providers, because prices are presented differently.

Although overall most consumers find it easy to choose a provider, about one fifth of consumers find it difficult to compare various features between providers, as shown in Table 16.

Table 16: Proportion of consumers who instructed solicitors and looked at multiple providers who found it easy or difficult to compare... (2022)

% who found it … to compare	Services offered	Prices	Quality of services
	Individuals		
Easy or very easy	57%	55%	50%
Neither	2%	24%	27%
Difficult or very difficult	21%	21%	22%
	SMEs		
Easy or very easy	62%	61%	62%
Neither	21%	19%	20%
Difficult or very difficult	16%	20%	18%

Base: Individuals=538; SMEs=368.

Source: Economic Insight.

Figure 3 shows the most common reasons consumers found it difficult to compare providers. The most common reason consumers found it difficult to compare providers in our survey was that they presented prices differently (39% of both SME and individual consumers who instructed solicitors and found it difficult to compare providers). This is followed by differences in describing services for individuals (37%) and difficulty comparing quality for SMEs (37%).

Figure 3: Reasons why consumers who instructed solicitors and stated it was difficult or very difficult to

compare prices, services, or quality of services between providers (2022)

	% of consumers who instructed solicitors and found it difficult to compare	
	Individuals	SMEs
They presented prices differently	39%	39%
They described services differently	37%	32%
It was difficult to compare the quality of providers	33%	37%
It was difficult to tell how quickly they would complete work	25%	24%
It was difficult to know how quickly services could be accessed	21%	19%
It was difficult to know who would do the work	14%	24%
It was difficult to tell what their complaints policy was	14%	15%
It was difficult to tell whether they were regulated or not	12%	15%
Other, please specify:	3%	1%
Don't know / can't remember	0%	2%

Base: Individuals=214; SMEs =123.

Source: Economic Insight.

Of consumers who found it difficult to compare prices, 49% of individual and 51% of SME consumers state this was due to prices being presented differently (set out in more detail in the following section). For example, one individual interviewee whose legal issue was in conveyancing stated that they thought "it would be great if they would all use the same system, or the same way to provide a quote".

4E. Consumers do not appear to overfocus on price comparisons, but many still rely on recommendations

Although internet search is an important way to search for a legal services provider for consumers, and consumers do look for price and

services information, recommendations and prior use of the provider remain important aspects of a consumer's search journey. Internet searches are more important for both first-time users and those from ethnic minorities. One of the motivations to introduce the Transparency Rules was that consumers relied heavily on recommendations from friends and family, or their own previous experience when purchasing legal services.[65 [#n65]]Our research finds that this still remains valid, although there are signs that more consumers are starting their search journey online, in particular first-time users (who cannot rely on previous experience) and ethnic minority consumers.

As can be seen in Figure 4, internet search is the most popular method to find a legal services provider among both individual and SME consumers who instructed solicitors.

Figure 4: Search methods used by consumers when looking for a solicitor (only top methods shown)[66 [#n66]] (2022)

	% of consumers who instructed solicitors	
	Individuals	SMEs
Internet search	22%	20%
Previous experience of using the provider	15%	20%
Recommendation from professional network	-	18%
Recommendation from a family member / friend / work colleague	19%	17%
Find a solicitor (the Law Society)	9%	11%
Online customer review websites	8%	11%
Already knew the provider, but had not used	11%	8%

Base: Individuals=1,003; SMEs=633.

Source: Economic Insight.

22% of individual consumers used an internet search when looking for their solicitor, followed by recommendations and previous experience or knowledge of provider (19% and 15% respectively). Consumers from ethnic minorities rely significantly less on previous experience than non-ethnic minority consumers (7% vs 17%), and are significantly more likely to use the internet (33% vs 20%).

Our interviews with individual consumers corroborate that internet searches were the main method used, with a mixture of Google searches

and Facebook groups dedicated to the local area. However, following up on recommendations / word of mouth were still common reasons why some individuals only looked at a few providers (or just one). Consumers follow up recommendations from a range of people, not just from friends and family. For example, one individual followed a recommendation from a radiographer: "I was in hospital, I was given a little card, a business card by the person who does the x-ray [radiographer]", whereas another one followed a recommendation from a work colleague, combined with looking at online reviews: "[b]ut because somebody else, somebody actually I work with recommended them to me, I thought, well, because it's not cost related, it's just more service and testimonials, I didn't really have to look further, but I suppose I could have. But what would I have searched? I mean. If I put something in Google like, you know. I don't know, at least there's a way, I don't know what I'm going to get. At least this one it was the actual recommendation that it was an actual company that you know, which seemed reputable and had good testimonials so..."

As shown in Figure 4, 20% of SME consumers who instructed solicitors used an internet search, which was tied with previous experience as the most common way to search for a solicitor. 18% followed recommendations from professional networks, and 17% followed recommendations from family members / friends or work colleagues.

Interviews with SME consumers further corroborate that internet searches were the most common way to research legal services providers, with this being easy for most to do. SMEs used a mixture of Google searches and going directly to the website of known providers. Information seems to have been easily available to most, with some speaking to providers directly to find out more.

However, for repeat users of legal services who instructed solicitors, previous experience with their provider was the most common way for searching (28% of individuals, 31% of SMEs). Specifically, 29% of individual and 23% of SME first-time users used the internet, compared with 16% of individual and 19% of SME repeat users.[67 [#n67]] Individual consumers who are 45 and older were more likely to rely on previous experience than younger consumers (28% of consumers 45 and older stated they used previous experience to find their solicitor, significantly higher than 10% of those younger than 45).

Similarly, users of legal services who instructed solicitors were less likely to use an internet search than those who instructed other types of legal services providers (22% vs 32% for individuals, 20% vs 23% for SMEs)[68 [#n68]], and significantly more likely to rely on previous experience with their provider (15% vs 11% for individuals, 20% vs 13% for SMEs).

This chimes with responses from SRA-regulated firms, who state that the main source of new instructions was from repeat business and word of mouth recommendations. Figure 5 shows the proportion of SRA-regulated

firms who ranked each of the following sources of new instructions as being the most important one for their business.

Figure 5: Proportion of SRA-regulated firms ranking source of new instructions as the most important one (2022)

	% of SRA-regulated firms who ranked this first
Repeat business	39%
Word of mouth recommendation	24%
Refferals from third party	9%
Website enquiries	8%
Telephone enquiries	6%
Email enquiries	3%
Networking events / advertisements	2%
Other	2%
Social media	1%
They saw our local office	1%
SRA's Solicitors Register	1%
Online customer review websites	1%
Other price comparison websites	0%

Base: 274 responses.

Source: Economic Insight regulated provider survey.

As can be seen, over half of SRA-regulated firms considered either repeat business or word of mouth recommendations to be the most important sources of new instructions. This was followed by referrals from third parties and website enquiries, with 9% and 8% of SRA-regulated firms ranking these as the most important sources of new instructions. However, this still stands slightly at odds with internet search being the most common search method used by consumers.

Our interviews with legal services providers also find that word of mouth and recommendations / referrals were overwhelmingly the main source of new instructions. One provider noted: "I don't really do any marketing, it's all word of mouth. All my work is generated by word of mouth". Repeat business was mentioned a few times in the interviews, as this was due to providers offering services for which clients would return for.

For example, one provider noted: "We just have repeat clients. They turn over our business, or recommendations".

SRA-regulated firms' beliefs about their clients' use of their website does not match with consumers' stated use of their solicitors' website before instructing them. The firms believe that only a small proportion of their clients use their website before instructing them, while in fact over two thirds of users of legal services surveyed state they looked at their solicitor's website before instructing them. This suggests that any information solicitors put on their website might be more important than solicitors believe. In particular, consumers from vulnerable groups are more likely to consult solicitors' websites before instructing them.

41% of SRA-regulated firms with a website believe a small proportion of their clients (1%-15%) used their website before instructing them.

Only three of the 13 interviewed legal services providers thought their website was of any use to clients. They thought the main use of the website was so clients could see the staff. For example, one stated it is "essential to have a website, because it validates the firm and gives a sense of the ethos of the firm, and a bit more information about the firm. People particularly like to look up the individuals that they are dealing with." On the other hand, two of the 13 interviewed providers admitted they only have "the most basic website possible" – its only purpose being it to be a "landing page" or "shop front".

However, contrary to what firms believe, most consumers state that they looked at their solicitor's website before instructing them. 69% of individual and 79% of SME consumers who instructed solicitors look at their provider's website before instructing them, which is an increase compared with Year 1 (66% / 72% in Year 1, respectively)[69 [#n69]] and suggests the importance of a solicitor's website may be increasing.

Of consumers who did not look at their solicitor's website, the most common methods for finding information on prices and services offered were to ring the solicitor (44% of individuals / 47% of SMEs) or visit their office (24% of individuals / 31% of SMEs).

Consumers use various different pieces of information when deciding which legal services provider to instruct. At the time of choosing, most consumers value information on a provider's reputation, the price for the legal service, and whether they are a specialist in the required area of law and have been recommended to the user.

Although information on prices was the most popular information desired by consumers before making their decision, reputation was ranked slightly more frequently as the most important factor when choosing a provider, over prices for both individuals and SMEs. This is illustrated in Figure 6.

Figure 6: Factors consumers who instructed solicitors ranked as most important when choosing their legal provider (2022)

	% of consumers who instructed solicitors	
	Individuals	SMEs
Their reputation	13%	13%
Prices	12%	10%
Specialist in area of law	11%	12%
Friend referral / word of mouth	9%	5%
They were regulated	6%	8%
Whether you have used them previously	6%	8%
Recommended by another advisor	6%	5%
Convenience of where they are located	6%	4%

Base: Individuals=991; SMEs=633.

Source: Economic Insight.

However, for individuals who instructed solicitors, 15% of first-time users of legal services state price was the most important factor, significantly higher than 9% of those who had used legal services providers before (11% and 9% of SMEs respectively).[70 [#n70]]

About half (46% / 52%) of individuals / SMEs who instructed solicitors rank reputation in their top five most important factors. 46% of both rank prices in their top five, and 16% / 20% rank quality marks.

However, consumers are roughly divided on whether, between them, price or reputation is most important. Of individual / SME consumers who instructed solicitors, 34% / 39% rank price over reputation and 35% / 34% rank reputation over price when asked about their top 5 most important factors for choosing their solicitor.[71 [#n71]]

When asked about how they assessed a legal services provider's reputation, individual consumers mentioned a mix of recommendations, reviews and their own searches. For example, one individual respondent mentioned they only looked at online reviews: "Kind of just reviews. What other people would put on there, what their experiences with those were"; whereas another one followed family advice: "My cousin told us about them because her friend who lives on the estate that we live on now, they'd used the same solicitors. And yeah, she said that it was like really easy, comparatively quick. But obviously, we knew that during

lockdown it'd be longer, but it was that recommendation, yeah."; and another one relied on both personal and online recommendations: "I asked everyone, everyone at work, "Have you ever heard of 'X' company?" or whatnot. And then, looking at the reviews and seeing the different kind of things that people had said about them. Yeah, I definitely considered their reputation.".

Similarly, SME interviewees also relied on internet searches, as well as recommendations, and also considered the relevance of previous cases to their situation, to assess a firm's reputation as follows. Some SME interviewees relied on online reviews: "Again, Trustpilot, feedback... obviously if they've got bad customers there will be some bad reviews, isn't it? People are always willing to speak a lot when they experience negative aspects of their cases."; whereas others were looking for evidence on the partners of the firms: "It's based on the partners. So obviously, you do a search of who the partners of the firm are and what kind of cases they have brought.". Other SMEs relied on past experience and word of mouth, as well as a general internet search: "Yeah, definitely that came more from a little bit of past experience of them and word of mouth and the one that we used has been local to the area for probably about 30 years on it like with services just changing, but they've got a strong heritage in the area. I'm a local person as well, so [the firm] is a notion of being established around for a long time people talk so you hear about the ones that have slightly worse reputation so word of mouth. Looking at the websites, obviously." Whereas another SME used other proxies, such as how long firms have been operating in the market: "Just doing some research on the internet. Looking at the companies' backgrounds, how long they've been active. That sort of thing". Finally, one SME considers that third-party reviews are the best indicator of a firm's reputation: "I think that's the best way to assess the reputation, by checking the reviews and even by entering the name into Google and there's lot of information comes through that way as well. Not only by their website. To be honest I check first through the website, then I went onto Google and I enter the name of the firm and then there are review from Google as well...".

Figure 7: Proportion of consumers who stated the main reason they chose their solicitor was...[72] [#n72] (2022)

	% of consumers who instructed solicitors	
	Individuals	**SMEs**
Any form of recommendation	31%	26%
I had previous experience of using the provider	13%	19%
I chose the provider that I thought would provide the highest quality of service	10%	12%

I chose the provider which was located most conveniently	9%	14%
I chose the provider with most expertise in the area of law I needed	9%	14%
I chose the provider with the best reviews	8%	10%
I chose the provider that offered the best value for money	7%	7%
I chose the cheapest provider	5%	3%
I chose the provider that offered the quickest delivery	4%	4%

Base: Individuals=1,003; SMEs=633.

Source: Economic Insight.

This is consistent with other research undertaken in the legal services market.

- In June 2022, the SRA found that the most common way for individual consumers to find a legal services provider was to ask friends or family, followed by using a provider they had used before.[73 [#n73]]Consequently, 1 in 3 individual consumers only ever consider one provider.
- The 2022 LSCP tracker survey found that 22% of respondents had chosen their legal services provider because they (or a family member) had experience of using them before, with 15% following friend's / family's recommendations and 12% being referred to the provider by another organisation (e.g. estate agent, insurance company). Just 10% of respondents had searched for the provider on the internet and only 3% had used a price comparison or customer review website.

4F. Prices of legal services...

... are presented in various different ways to consumers

Prices of legal services are presented in various different ways. Fixed prices appear to be the most common way legal services in the mandated areas of law are priced, followed by price estimates.

Almost half (47%) of all SRA-regulated firms who show prices online state they did not change the way they display them in the last two years. 26% of SRA-regulated firms who display prices online in the mandated areas of law changed the way they display them. Respondents state they changed the way prices are displayed on their website to be more transparent and to follow SRA guidance. For example, one respondent stated they "brought the charges to a designated place on the website,

which is easily accessible by the viewer", whereas another stated they "provided more detailed information about how the conditional fee cases are funded". Most firms that only started displaying prices online in the last two years did so to comply with the Transparency Rules, or because they had only recently set up and / or started offering services in a mandated practice area.

The most common ways individual consumers saw prices displayed on their solicitor's website were a fixed price and estimates of prices that could be charged, with 27% and 24% of individuals stating they saw these.

27% of SMEs saw hourly rates displayed, and 21% saw estimates of prices and examples of prices charged.

Table 17: How individual consumers saw prices displayed on their solicitor's website, by areas of law covered by Transparency Rules (2020, 2022)

	Year 1			Year 3		
	All areas of law	**Covered by TR**	**Not covered by TR**	**All areas of law**	**Covered by TR**	**Not covered by TR**
Base	714	248	466	211	89	122
A fixed price	20%	18%	22%	27%	33%	24%
Estimates of prices that could be charged	27%	25%	28%	24%	26%	23%
An enquiry form	27%	27%	27%	21%	21%	20%
An hourly rate	19%	15%	21%	20%	12%	25%
Examples of prices charged for cases	11%	11%	12%	20%	17%	23%
A quote calculator	22%	22%	22%	18%	13%	20%
No win no fee	13%	11%	14%	18%	9%	25%
Minimum starting prices	24%	19%	26%	17%	16%	18%
A range of prices from	22%	23%	21%	14%	10%	16%

lowest to highest						
The maximum price	10%	7%	12%	12%	10%	13%
It was a free service	2%	3%	2%	9%	6%	11%
Legal Aid options	6%	5%	7%	8%	7%	9%
Other	1%	2%	1%	1%	1%	1%
Don't know / can't remember	6%	6%	6%	1%	3%	0%

Base: Year 1, All areas of law=274; Covered by TR=198; Not covered by TR=76.

Source: IRN Research for Year 1; Economic Insight for Year 3.

Table 18 sets out how SME consumers generally saw prices displayed. As can be seen, hourly rates and estimates were the common methods for SMEs to see prices on solicitors' websites.

Table 18: How SME consumers saw prices displayed on their solicitor's website, across all areas of law (2020, 2022)

	Year 1	Year 3
An hourly rate	24%	27%
Estimates of prices that could be charged	21%	21%
Examples of prices charged for cases	12%	21%
An enquiry form	35%	18%
A quote calculator	28%	18%
A fixed price	19%	18%
Minimum starting prices	31%	15%
A range of prices from lowest to highest	31%	15%
The maximum price	21%	14%
Legal Aid options	7%	11%
No win no fee	13%	10%
An annual or monthly retainer fee	7%	6%
It was a free service	3%	2%
Don't know / can't remember	1%	2%
Other	0%	0%

Base: Year 1=375; Year 3=131.[74 [#n74]]

Source: IRN Research for Year 1; Economic Insight for Year 3.

This chimes with responses from SRA-regulated firms, who state that the following pricing models were the main ones used across the mandated areas of law, as well as more generally.

Table 19: How SRA-regulated firms displayed price information on their website at Year 3, by all practice areas, those covered by the Transparency Rules, and those not covered by the Transparency Rules (2022)

	All areas of law	Covered by TR	Not covered by TR
Price range	52%	59%	46%
A fixed price	52%	48%	57%
An hourly rate	38%	37%	39%
Scenario based pricing	28%	34%	22%
Price calculator	4%	6%	3%

Base: All areas of law=274; Covered by TR=198; Not covered by TR=76.

Source: Economic Insight.

… are also presented by firms offering legal services in non-mandated areas of law

There is evidence that price transparency is also improving in areas of law not covered by the Transparency Rules.

Evidence from the SRA-regulated provider survey suggests that some firms offering non-mandated services also publish their prices online. In particular, 70% of SRA- regulated firms offering mandated services state they publish price information online, with a fifth of all SRA-regulated firms offering non-mandated services also stating they publish price information online.

Research by the CMA and the LSB (2020)75 also found that price transparency had improved in areas of law not covered by the Transparency Rules, such as divorce and wills.

…remain widely dispersed

There is evidence that price ranges of legal services remain wide. Whilst a range of prices is expected when there are differing levels of quality, the CMA and LSB would expect to see a narrowing of price ranges for similar scenarios.

Price ranges for standardised scenarios across a range of legal services remain wide. In a perfectly competitive market, where services are homogenous, one would expect competition to drive prices down to a single competitive level. However, legal services are not homogenous and vary across a range of dimensions, such as the complexity of the issue, the quality (e.g. the solicitors, their years of experience, etc.), price, etc. Therefore, there is no prior reason to believe that the price level in a competitive legal services market would be the same, and there is no obvious way to identify the competitive price level. Nonetheless, to the extent that competition should be improving, one might expect price dispersion to be decreasing if providers are moving towards a single competitive level of price and quality (for a given level of complexity).

However, even where one believes that there is a single competitive level of price and quality, a reduction in price dispersion in and of itself is not indicative of increased competition. Instead, we would need to understand why the price dispersion reduced. For example, did price dispersion reduce because those charging high prices reduced their prices (this could be because, due to increased price transparency, consumers will only pick lower priced providers, all else being equal); or because those charging low prices increased their prices (this could also be due to the increased price transparency, whereby providers anchor their prices to their competitor's prices, all else being equal); or something else? Thus, as can be seen, there are many forces at play in relation to increases or decreases in price dispersion and how this impacts competition.

In 2020, the CMA considered that the Transparency Rules had a limited impact on competition between providers.[76 [#n76]]Prior to that, research by the CMA and the LSB found no evidence of a significant change in the level of price dispersion for tightly specified standardised scenarios across a range of legal services since the implementation of the Transparency Rules.[77 [#n77]]In particular, the CMA expected to see a narrowing of the price dispersion if firms were behaving more competitively – allowing for legitimate factors that could explain variations such as the location of a provider or the experience of the provider. They found that these price variations tend to be largely driven by region; fee types (with fixed fee service being cheaper than those based on estimates); and one-person providers being cheaper than larger providers. Importantly, quality differences may further be driving large price ranges, and thus be aligned with competitive outcomes for the market.

… have increased or stayed the same

Prices of legal services – across all areas of law – have increased.

Evidence from our online survey of SRA-regulated firms suggests that across all areas of law, prices for legal services have either increased (42% of SRA-regulated firms) or stayed the same (43% of SRA-regulated firms) during the last two years. This compares to 19% of SRA-regulated firms who had increased their prices at Year 1, and 69% of firms who had kept prices the same.

The main factor that influenced firms' changes in prices were changes to overheads / fixed costs, with 74% of SRA-regulated firms who changed their prices stating this as a reason (78% of firms offering services in areas covered by the Transparency Rules, 54% of firms offering services not covered by the Transparency Rules). 45% of firms attribute these changes to changes in demand for their services, whereas 34% of SRA-regulated firms state they changed their prices because their competitors changed their prices.

… do not make legal services seem unaffordable

Consumers who have sought professional legal advice find legal services affordable. This suggests that people are still willing and able to purchase legal services.

Similarly, although cost was one of the main reasons consumers did not seek, or gave up seeking professional legal advice, other factors, such as finding the information to resolve the issue without help, or thinking it would be too difficult or stressful also appear to contribute to these decisions.

Prior to the implementation of the Transparency Rules, various studies[78] [#n78] found that one of the key factors contributing to unmet legal need was that consumers perceived legal services as an unaffordable option, and therefore would not seek them out.

Our online survey finds that only 7% of individual consumers who instructed solicitors and saw price information before instructing their legal services provider thought the cost of legal services was unaffordable. This compares to 10% of individuals who thought the same at Year 1. A similar pattern holds for SME consumers.

Further, we note that this comparison is difficult to draw, as both Year 1 and Year 3 have been affected by COVID-19, and Year 3 is further affected by the current increase in the cost of living. Both of these (shock) events affect consumers' income, and thus, what they might deem affordable.

We also find evidence supporting that even consumers who have not sought professional legal advice, did not do so purely due to costs.

For example, our online survey screening questions asked respondents who did not seek professional legal advice, or who gave up seeking professional legal advice (after trying to) why they didn't seek it, or why they gave up seeking it, respectively.

Table 20: Top 5 reasons individuals and SMEs chose not to seek professional legal advice, from screening data

	Individuals	SMEs
Reason 1	I didn't need help	I found the information I needed myself
Reason 2	I was worried about the cost / thought it would be too expensive	I was worried about the cost / thought it would be too expensive
Reason 3	I found the information I needed myself	The issue resolved itself without need for professional advice
Reason 4	The issue was not important enough	I thought it would take too much time
Reason 5	I thought it would be too stressful	The issue was not important enough

Base: Individuals=5,763; SMEs=704.

Source: Economic Insight.

Table 21: Top 5 reasons individuals and SMEs gave up on seeking professional legal advice, from screening data

	Individuals	SMEs
Reason 1	It was too stressful	The cost would be too expensive
Reason 2	The cost would be too expensive	I found the information I needed myself
Reason 3	It was too difficult	It was too difficult
Reason 4	Professional advisers could not help me within the timeframe	It was too stressful
Reason 5	I didn't know where / how to get professional advice	Professional advisers were too far away / difficult to access

Bases: Individuals=928; SMEs=158.

Source: Economic Insight.

4G. Consumers do not appear to be paying for legal services quicker

There was an expectation that consumers with a better understanding of prices may pay for services quicker.[79] However, only 11% of SRA-regulated firms offering services in any of the mandated areas of law state that their clients are paying their fees more promptly, as shown in chapter 3. This suggests that this outcome in relation to the Transparency Rules has not been fully achieved.

Customer acquisition costs for legal services providers do not appear to have reduced

The commoditisation of services may reduce customer acquisition costs for legal services providers. However, only 14% of SRA-regulated firms offering services in any of the mandated areas of law state that they noticed an increased conversion of enquiries, with 20% stating they have increased web traffic. This indicates that there may not have been any noticeable improvements in customer acquisition costs for providers, yet.

4I. The proportion of complaints to the Legal Ombudsman in relation to costs has remained stable

There was an expectation that the Transparency Rules would lead to a reduction in the number of complaints in relation to costs specifically, given they would be more readily available.

We find that the proportion of complaints in relation to costs has remained stable between 2019/20 and 2020/21. However, we note that these figures might not be representative given the COVID-19 impact. We discuss this in more depth in chapter 5. Therefore, we cannot establish a strong relationship between the stability of the proportion of complaints in relation to costs with the Transparency Rules.

Table 22 shows both the total number of cases accepted by the Legal Ombudsman from the SRA, as well as the proportion of SRA complaints that were about cost between 2019/20 and 2020/21.

Table 22: Total (a) number of cases accepted by the Legal Ombudsman from the SRA; and (b) proportion of SRA complaints that were about cost (2019/20 – 2020/21)

	2019/20	2020/21
Cases accepted[80]	5,843	4,087
Year-on-year % change		-30%
Proportion of complaints that were about cost	15.30%	14.89%

Source: Legal Ombudsman, see here: https://www.legalombudsman.org.uk/information-centre/data-centre/complaints-data/ [https://www.legalombudsman.org.uk/information-centre/data-centre/complaints-data/] .

As can be seen, the proportion of complaints in relation to cost has remained stable. However, as we do not have a comparison point with before the Transparency Rules were implemented, the impact of them on this indicator is unclear.

Notwithstanding this, we do not consider that the period between 2020 and 2021 is reflective of the requirement's impacts, and rather is an artefact of less legal services having been sought out during the COVID-19 pandemic in certain areas of law, leading to overall fewer complaints – and relatedly fewer complaints in relation to costs, too. For example, during lockdowns there would have been a reduction in services in relation to conveyancing and motoring law offences, due to everyone working from home. However, as restrictions lifted, these would have picked up again, for example conveyancing increasing their workload, with temporary changes to stamp duty.[81] [#n81]

4J. SRA-regulated firms do not appear to…

… move away from offering legal services in the areas of law covered by the Transparency Rules

One concern in relation to the Transparency Rules was that SRA-regulated firms might stop offering services in the mandated areas of law altogether.

Evidence from both our online survey and SRA information does not suggest that SRA-regulated firms have moved away from offering legal services covered by the Transparency Rules.

Our online survey of SRA-regulated firms finds that 32 of surveyed SRA-regulated firms stopped working in any practice area during the last two years.[82] [#n82] The main reasons firms state they stopped working in a practice area tends to be either for commercial reasons, or because the fee earner has left the firm or retired.

Additionally, we analysed data provided by the SRA in relation to the number of firms in any given year between 2018 and 2021, as well as the proportion of revenue they derive from each practice area.

As Table 23 illustrates, the number of firms the SRA regulates, regardless of what legal services they offer, has declined from 10,306 in 2018 to 9,780 in 2021. The proportion of firms who derive revenue from at least one of the mandated areas of law by the Transparency Rules has also declined slightly between those years. We note that nearly two thirds

(59%) of SRA-regulated firms derive revenue from at least one of the mandated areas of law, suggesting a high proportion of firms offers legal services in the mandated areas of law by the Transparency Rules.

Table 23: Number of SRA-regulated firms regardless of what legal services they offer, and % of SRA-regulated firms deriving revenue from at least one of the mandated areas of law under Rule 1 (2018-2021)

	2018	2019	2020	2021
Number of SRA-regulated firms	10,306	10,223	10,136	9,780
% of SRA-regulated firms deriving revenue from at least one of the mandated areas of law	64%	64%	63%	59%

Source: Economic Insight analysis of SRA data.

... game prices

Under a third of SRA-regulated firms offering services in any of the mandated areas of law state they believe that other firms publish artificially low prices, as shown in Table 8 in chapter 3. Thus, although there is no way of verifying these claims, this does not appear to be a widespread issue amongst the legal services market.

4K. The DCT market has not developed as expected

The market for DCTs has not developed as initially expected by the SRA and CMA.

One of the key outcomes in relation to competition that both the SRA and the CMA had anticipated was that with increased transparency in the market, DCTs would flourish. This in turn would enable consumers to engage even more – and more easily – with the legal services market.

Our surveys find that although some consumers are aware of and use some online price comparison websites and review websites for purchasing legal services, they are mostly unsure or unaware of DCTs in the legal services market. Moreover, only a very small proportion of legal services firms provide information to those websites, and they are mostly unsure of the value they add in the market.[83 [#n83]]

The reasons that legal services DCTs, in particular price comparison websites, have not thrived might be threefold: (i) on the one hand, transparency may not be fully implemented yet – and as we have seen, a relatively small proportion of consumers still struggle with price and services comparison – thus restricting the extent to which DCTs can develop and grow; (ii) on the other hand, price comparison websites'

business models rely on providers listing their services with them, and as demonstrated above, many are reluctant to do so, or do not see the value in doing so; and (iii) similar to awareness issues around the regulatory protections, consumers and providers may not be aware that they can use DCTs for legal services.

5. Complaints procedure publication

This chapter sets out whether the requirement to publish the complaints procedure under the Transparency Rules is leading to the desired outcomes at Year 3. Overall, our online surveys suggest that both individual and SME consumers of legal services who want information about a provider's complaints procedure are able to find it. We also find that users of legal services state they feel empowered to complain and would know how to do so. Finally, information from the Legal Ombudsman suggests that there has been a reduction in cases it accepted from the SRA. However, this is set against fewer transactions during the COVID-19 pandemic, and thus may be masking the extent of actual reduction following the Transparency Rules.

The remainder of this chapter is structured as follows. First, we set out a summary of the key outcomes and recommendations in relation to this requirement. Then, we provide the underlying evidence in support of each of the identified outcomes.

5A. Key outcomes and recommendations in relation to the complaints procedure publication

Prior to the implementation of the Transparency Rules, many consumers were hesitant to complain, and some did not know how to complain when they wanted to.[84 [#n84]]

The SRA introduced this requirement with the expectation that providing information regarding the complaints process will educate people and enable those who feel that something has gone wrong to complain.

Outcomes in relation to complaints procedure publication

There is evidence that the following outcomes are being achieved.

- Satisfaction with the provision of legal services is high, which suggests there are not many instances where users of legal services would want to complain.
- Users of legal services can easily access information about complaints procedures.
    - Moreover, interviewees did not consider that the prominence of complaints procedure on a provider's website would lead to a negative perception of the service provided.

- Users of legal services appear to be clearer on the complaints process and empowered to complain, when addressing service dissatisfaction.
- Finally, we note that consumers' understanding of both the SRA and the Legal Ombudsman's roles is limited. However, we note that SME consumers value both the SRA and LeO more than individuals.

Recommendations in relation to complaints procedure publication

The evidence set out subsequently shows that this requirement is leading to the desired outcomes above. We note that the figures around the total number of complaints include a COVID-19 related reduction and that it would be useful to monitor these developments in the future. Our recommendation in relation to this requirement from the Transparency Rules is as follows.

- The SRA may wish to consider how to compare between the different time frames, and explicitly note the impact of the pandemic on certain areas of law – and thus the propensity to complain during that period – for the Year 5 Evaluation. Given COVID-19 has affected the need for the provision of certain legal services, the totality of number of complaints is likely to increase, following the lifting of any COVID-19 related restrictions, such as for instance the easing of travel and working from home restrictions. In particular, we consider that a comparison to Year 1 and / or 3 may not provide be the best comparator at Year 5, with a timeframe prior to the implementation of the Transparency Rules being preferred. This would be especially the case for indicators using information from the Legal Ombudsman.

In the remainder of this chapter, we set out the evidence supporting the above in more detail.

5B. Instances where users of legal services would want to complain appear to be low

The majority of consumers are satisfied with the service they received from their solicitor. 81% of individual and 88% of SME consumers were satisfied or very satisfied with the service they received from their solicitor. 6% and 2%, respectively, were dissatisfied or very dissatisfied. Additionally, satisfaction rates are significantly higher amongst users of legal services who instructed solicitors than those who instructed other providers (78% and 81% for individuals and SMEs who instructed other providers, respectively).

This is consistent with the LSCP tracker survey results, where over 8 out of 10 respondents are both satisfied with the service they received and the outcome of the legal matter.

This suggests that less than one in five customers of solicitors would have a reason to complain. Notwithstanding that, it is still important that those who feel dissatisfied can complain.

5C. Complaints information is easily accessible and reassuring to consumers

73% of individuals and 74% of SMEs who wanted information on their consumer rights and protections and looked at their solicitor's website found this information on the website. 15% of individuals tried, but could not find the information, whereas 11% did not try to find it. Similarly, 18% of SMEs tried to find this information and couldn't, whereas 5% of SMEs did not try to find it.[85 [#n85]]71% of individuals who looked for information on their solicitor's complaints policy found this on the website.[86 [#n86]]

Information on complaints policies was more desired by individuals with disabilities, and individuals who compared providers. For example, one individual with a disability thought the following about providers who would not publish their complaints policy online: "Basically I wouldn't be sure that they're not good. That way, you wouldn't know if you could make a complaint or make a claim or not" , whereas for those that published their complaints policies, they considered that "[i]t makes you quite satisfied, to be honest. It makes it believable. You know that that procedure is there. If anything happens that you would like to make a complaint, then you know that it's there in the index or that there is a certain complaint procedure".

Very few of individual consumers interviewed looked at their providers complaints procedures. A couple mentioned looking at them when they had issues with their provider. For example, one individual states they looked for it in the following situation: "Well, when it took them ages to send me a copy of my will, which I found annoying".

A minority of interviewed SMEs checked the complaints policy of their provider, with most not looking for it all.

68% of both individual and SME consumers found it easy or very easy to understand information on their solicitor's website about their consumer rights and protections. 10% of individuals and 12% of SMEs found the information difficult or very difficult to understand, whereas 21% of individuals and 19% of SMEs found it neither easy nor difficult to understand.

Amongst both individual and SME consumers who instructed solicitors, there has been an overall increase in the proportion who feel they have a greater understanding of their protections and right to complain.

Additionally, those who looked at their provider's website, and those who got complaints information (either from their provider's website or offline), had a greater understanding of these aspects than those who did not, illustrated in Figure 8.

Figure 8: Proportion of users of legal services who instructed solicitors who agree or strongly agree with the statement "I better understand how to complain about a legal services provider"[87] [#n87] (2022)

	SMEs	Individuals
Looked at / received complaints information	81%	71%
Looked at website	70%	62%
All	70%	56%
Did not look at / receive complaints information	67%	54%
Did not look at website	63%	43%

Individuals base: Looked at website=691; Did not look at website=312; Looked at / received complaints information=138; Did not look at / receive complaints information=865 ; All=1,003.

SMEs base: Looked at website=498; Did not look at website=135; Looked at / received complaints information=113; Did not look at / receive complaints information=520; All=633.

Source: Economic Insight.

Generally, users of legal services thought that legal services providers displaying their complaints procedure provided them with reassurance in case things would go wrong. Many users of legal services state that they consider a legal services provider publishing their complaints procedure akin to a retailer publishing their returns policy on their website.

Moreover, interviewed consumers were almost unanimously of the view that providers should put complaints procedures on their website, as it suggests reliability and trustworthiness. They also consider it to be transparent and reassuring, considering providers who do not publish this information online as untrustworthy and suspicious. Only one of 27 interviewed individual consumer was unsure whether publishing complaints procedure information would lead to a negative perception, as they deemed it could feel "impersonal I suppose. Obviously, you don't have that contact and sometimes it is easier to explain things face-to-face or via verbal conversation".

Thus, had this requirement not been implemented, we expect that fewer legal services providers would have published their complaints procedure online. In turn, this would have (potentially) led to an increase in

negative perception of service provided – especially as even though consumers may not read the information, they expect it to be available, should things go wrong in the future..

5D. Users of legal services appear to be better equipped when addressing service dissatisfaction

Consumers having access to clear information on complaints procedures empowers them to complain.

73% of individuals and SMEs who instructed solicitors state they either did complain after dissatisfaction or would complain if dissatisfied. 73% of each of those who were not dissatisfied with their most recent service stated they would complain if dissatisfied (compared with 75% of individuals and 73% of SMEs in Year 1).

Of individual consumers who instructed solicitors, those with higher annual incomes were significantly more likely to complain than those with lower incomes. 65% of individuals with an annual income less than £30,000 (who were satisfied this time with the service received from their solicitor) state they would complain if dissatisfied, compared with 75% of those with an income higher than £30,000.

There was no statistically significant difference in propensity to complain by firm type for SME consumers, be this in terms of employee numbers or turnover.

A significantly higher proportion of consumers who looked at their solicitor's website state they would complain if dissatisfied, compared with those who did not look at the website, as illustrated in Figure 9.

Figure 9: Proportion of users of legal services who instructed solicitors who would complain if dissatisfied (2022)

	SMEs	Individuals
Looked at / received complaints information	78%	78%
Looked at website (all)	76%	77%
Did not look at website	62%	63%

Bases: Individuals: Looked at website=650; Did not look at website=285; All=935. SMEs: Looked at website=485; Did not look at website=130; All=615.

Source: Economic Insight.

Consumers who looked at complaints information were also more likely to feel they would be more confident using a legal services provider in the future. 62% of individuals and 68% of SMEs who received complaints

information or looked at it on their solicitor's website would feel more confident, significantly higher than 49% of individual and SME consumers who did not look at the website.

Dissatisfied consumers would generally raise their complaint with the legal services provider first, informally, before raising a formal (first tier) complaint. Those that would complain in case of dissatisfaction (but who are currently satisfied), state they would raise a formal (first tier) complaint, first.

The most common response to dissatisfaction among consumers who were dissatisfied with their provider was to raise their concerns to their provider first, without making a formal complaint (33% of individual consumers who were dissatisfied).

On the other hand, 47% of individual and 55% of SME consumers who were not dissatisfied with their most recent experience, but who state they would complain (in case of dissatisfaction), would do this by raising a formal (first tier) complaint to their legal services provider.

The main barrier for consumers to raise a complaint with their legal services provider does not appear to be lack of information – rather, it is a belief that it would not help resolve the issue or be too stressful and time-consuming.

Of users of legal services who state they would not complain if dissatisfied (and instructed solicitors), the most common reason was that they believed complaining would not help resolve their issue (38% of individuals and 34% of SMEs), followed by the stress of complaining (37% of individuals and 26% of SMEs), shown in Figure 10.

Figure 10: Reasons why users of legal services would not complain if dissatisfied (2022)

	% of consumers who instructed solicitors and would not complain	
	Individuals	**SMEs**
it wouldn't help resolve my issue	38%	34%
it would be too stressful	37%	26%
it would take too long	28%	25%
it wold cost too much	19%	23%
Don't know / can't remember	5%	8%
Other, please specify	2%	2%

Base: Individuals=126; SMEs=88.

Source: Economic Insight.

Finally, all six stakeholders we spoke to unanimously felt that this requirement only brought about benefits to consumers. For example, one practitioner association mentioned that: "I think that's good because then they've got to have one. I think in any case like that, just being clear, I can't see a downside to that".

5E. Yet, the number of complaints has not increased…

… to solicitors

As we note that in chapter 3, only 2% of SRA-regulated firms state they have experienced an increase in the number of complaints following publishing their complaints procedure online.

The legal services providers interviewed almost all reported no changes in relation to complaints. Only one of the 13 interviewed providers mentioned receiving more complaints related to costs.

… to the Legal Ombudsman

The Legal Ombudsman provides information on the number of cases it accepts from different legal services regulator online. Table 24 illustrates the number of cases it accepted from the SRA, between 2019/20 and 2020/21. As can be seen, the number of complaints reduced by 30% between 2019/20 and 2020/21.

Table 24: Total number of cases accepted by the Legal Ombudsman from the SRA (2019/20 – 2020/21)

	2019	2020
Cases accepted[88 [#n88]]	5,843	4,087
Year-on-year % change		-30%

Source: Legal Ombudsman, see here: https://www.legalombudsman.org.uk/information-centre/data-centre/complaints-data/. [https://www.legalombudsman.org.uk/information-centre/data-centre/complaints-data/]

This stark reduction likely captures the impact of COVID-19 restrictions in place during the time periods set out above. In particular, certain legal services – which may drive some of the complaints to the Legal Ombudsman – were not taking place during those times. For example, one interviewed legal services provider noted that "with COVID-19 it [our workload] went down and then went back up, so we're probably a bit busier than we ever were. [Our workload decreased as] not so many people were driving their cars [and we only provide advice in the

following areas:] only road traffic, such as speeding, drink-driving and drugs."

Notwithstanding this, contrary to initial concerns that the publication of complaints procedures would increase the number of complaints to the Legal Ombudsman, there is no immediate indication this has happened, given the reduction in cases accepted by the Legal Ombudsman – albeit not fully attributable to the Transparency Rules.

Coupled with the high service satisfaction experienced by users of legal services, we expect that this trend continues, although we note that the absolute number is likely to increase following 2021, with both legal services and other aspects of people's lives resuming their pre-pandemic patterns.

5F. Consumer understanding of both the SRA and the Legal Ombudsman remains limited

When speaking to individual and SME consumers, we note that individual consumers have limited awareness of the SRA and the Legal Ombudsman. Yet, some SMEs, who require more specialised legal advice tend to value both SRA regulation and access to the Legal Ombudsman highly. For example, one SME respondent states they only use SRA-regulated providers, as they need to be certain of an avenue for redress, should things go wrong. For example, they said that "the first point of call was the SRA's site, then their own website, then a bit of research on feedback from the industry and everyone" and that they cared about SRA regulation "because of the fact that I'm assured that if something goes wrong, I can complain. I can get compensation or redressal of what is happening, and also about fees, which are regulated by the SRA so they adhere to certain norms and practices".

Finally, our online surveys also show that 35% of individual and 37% of SME consumers who instructed solicitors who looked at their provider's website believe regulation provides protections in complaints processes.

6. SRA clickable logo

The SRA's clickable logo is meant to provide consumers with a clear and consistent way to validate whether a firm is regulated by the SRA. It is also meant to increase consumer awareness and understanding of the protections SRA regulation provides. Our online surveys suggest that consumers are using the clickable logo to validate SRA regulated firms. We also find that consumers who see or click on the logo are more informed about the protections SRA regulation provides and that there is an increased trust and confidence in the legal services market. However, we find that awareness of the SRA remains low amongst individual consumers, with it gaining some more importance for SME consumers. The clickable logo is also expected to increase online protections for

solicitors. Yet, evidence from SRA investigations in relation to online fraud is mixed in this regard.

This chapter is structured as follows. We start by setting out the overall outcomes and recommendations in relation to the SRA clickable logo. This is followed by setting out the evidence in support of the outcomes we find in more depth.

6A. Key outcomes and recommendations in relation to the SRA clickable logo

The main objective of the SRA clickable logo is to provide a clear and consistent way for consumers to validate whether a firm is regulated by the SRA. Simultaneously, it is meant to increase consumer awareness and understanding of the protections SRA regulation provides.

It also serves as a verification that a website belongs to a genuine, SRA regulated firm. This is an important feature, given the prevalence of online fraud and the use of fake websites.

Outcomes in relation to the SRA clickable logo

Based on the above key objectives of this requirement, we find evidence in support of some key outcomes, which will help achieve the above objectives.

- There is increased awareness and use of the SRA clickable logo compared with Year 1.
- Consumers appear to be more informed about protections when choosing a legal services provider and have that information earlier than previously.
- Consumers appear to be more aware of the advantages of using a regulated provider, yet there is still some confusion around the coverage of regulation.
- There has been a 17% reduction in SRA-investigations with the initial investigation reason listed as 'ID theft / website cloning' between 2019 and 2020 (with no further reduction between 2020 and 2021).

Recommendations in relation to the SRA clickable logo

We find that users of legal services generally value the protections SRA regulation provides, yet, they may not be aware of the SRA. Therefore, our recommendations in relation to the SRA clickable logo are as follows.

- The SRA may wish to continue undertaking public awareness programmes, to increase consumer awareness in relation to its protections and services. The SRA may consider continuing with its Public Legal Education work, as well as its continued support for the

Legal Choices website, run with other legal services regulators in England and Wales, where it plays a major role.
- Users of legal services are engaging with the clickable logo, therefore, the SRA may wish to continue ensuring its global adoption by all firms it regulates. Although self-reported compliance with the SRA clickable logo is high (as set out in chapter 3), it is not universal. Therefore, to maximise the benefits from this requirement, the SRA may wish to continue ensuring that everyone who should publish a logo on their website, does so.
- It would be useful to continue monitoring users of legal services' engagement with the clickable logo at Year 5. This is to explore whether the way consumers use the logo has evolved since Year 1, as well as seeking to understand whether it is leading to the key impacts at Year 5.

6B. Consumer engagement with clickable logo has increased

Users of legal services are noticing and engaging more with the SRA clickable logo than in Year 1.

Awareness of logo

The proportion of consumers who instructed solicitors who state they saw the clickable logo on their solicitor's website has increased significantly from Year 1, from 15% to 55% for individuals and from 19% to 65% for SMEs. [89 [#n89]]

For example, one of the SMEs we interviewed was aware of regulation and the logo, when asked about whether all legal services providers are regulated: "Well, the regulated ones are, yes. There's plenty of unregulated providers as well. But yeah, the ones that have the SRA number at the bottom of their website, or have the SRA badge applicable logo on the website, those are all regulated entities".

Usage of logo

Consumer engagement with the clickable logo has significantly increased from Year 1, with 59% of individual consumers and 68% of SME consumers who saw the logo clicking on it (compared with 35% and 45% in Year 1, respectively).

Additionally, 14% of individual consumers and 17% of SME consumers who state their solicitor was regulated say they knew this because they saw the SRA's clickable logo on their solicitor's website. This is useful in assisting consumers to choose a provider, as 16% of individual and 17% of SME consumers wanted to know whether their solicitor was regulated before instructing them.

However, one of the interviewed stakeholders thought that logos were generally not understood by consumers, when asked whether they would be useful for consumers: "I'm not sure that it is, because I don't think people understand what that means".

Perceptions of logo

Seeing and engaging with the clickable logo increases consumers' stated confidence in their solicitor and the service they will receive.

Over three quarters (78%) of individual consumers who clicked on the logo state their trust in their solicitor increased, significantly higher than 64% in Year 1.[90 [#n90]] This is illustrated in Table 25.

Table 25: Change in trust in solicitor following clicking on the SRA clickable logo – individual consumers (2020, 2022)

	Year 1	Year 3
Increased	64%	78%
Unchanged	32%	19%
Decreased	2%	1%

Base: Y1=56; Y3=222.

Source: IRN Research for Y1, Economic Insight for Y3.

Individuals who clicked on the logo are significantly more likely to feel their trust in their solicitor increased (78%), compared with those who just saw the logo but did not click on it (63%).[91 [#n91]]

First time users of legal services are also significantly more likely to be reassured by the clickable logo.

- 90% of individual first time users agree or strongly agree that seeing the logo gave them confidence that solicitors would be appropriately trained and qualified, compared with 80% of repeat customers.
- 95% of SME first time users agree or strongly agree that seeing the logo gave them confidence that the SRA would make sure that the solicitor meets certain standards, compared with 86% of repeat customers.

On the other hand, for SME consumers, the proportion whose trust in their solicitor remained unchanged after seeing the clickable logo increased from 22% in Year 1 to 31% in Year 3, as illustrated in Table 26. This was coupled with a decrease in SMEs who stated their trust had increased, from 73% in Year 1 to 67% in Year 3, as well as a decrease in those whose trust decreased from 4% to 1%.[92 [#n92]]

Table 26: Change in trust in solicitor following clicking on the SRA clickable logo – SME consumers (2020, 2022)

	Year 1	Year 3
Increased	73%	67%
Unchanged	22%	31%
Decreased	4%	1%

Base: Y1=55; Y3=219.

Source: IRN Research for Y1, Economic Insight for Y3.

6C. Consumers are more informed about protections when choosing a legal services provider

Overall, the majority of users of legal services find seeing the logo on their solicitor's website assures them of the protections SRA regulation provides.

Consumers' agreement that the SRA clickable logo gave them confidence in various benefits of regulation are illustrated in Figure 11. A higher proportion of SMEs agree with the statements than individual consumers. This is likely due to SMEs generally being more aware of the SRA, with some only considering SRA-regulated providers for their legal issues. For example, one SME interviewee noted the 'peace of mind' SRA regulation provides: "I think a lot of the ones that I looked at were governed by the SRA, so that gave me peace of mind, but I think everyone that I looked up pretty much was similar in the sector".

Figure 11: Proportion of consumers who agree or strongly agree that the SRA clickable logo gave them confidence that... (2022)

	% of consumers who clicked on SRA clickable logo	
	Individuals	SMEs
the solicitor had appropriate insurance	80%	87%
the SRA would make sure that the solicitor meets certain standards	80%	89%
any complaint would be dealt with quickly and fairly	77%	82%
I could complain if things went wrong	79%	86%
my confidentiality would be respected	81%	84%

my best interests would be put first	81%	84%
my solicitor would be appropriately trained and qualified	84%	89%
I would receive a good service	80%	85%

Base: Individuals=378; SMEs=323.

Source: Economic Insight.

Users of legal services who saw or clicked on the logo state an increased confidence in understanding of their regulatory protections.

Both individual and SME consumers who saw the SRA clickable logo are significantly more likely to say they agree or strongly agree with the statement "I better understand my protections when instructing a legal services provider" than those who did not, as illustrated in Table 27.

Table 27: Proportion of (a) individual and (b) SME consumers who instructed solicitors who agree or disagree with the statement: "I better understand my protections when instructing a legal services provider", by clickable logo engagement (2022)

	Saw and / or clicked on clickable logo		**Did not see / don't remember seeing the logo on the website**	
Individuals	**SMEs**	**Individuals**	**SMEs**	
% who agree or strongly agree	74%	80%	55%	66%
% who neither agree nor disagree	17%	12%	32%	20%
% who disagree or strongly disagree	9%	7%	13%	14%

Base: Saw and / or clicked on clickable logo: Individuals=378; SMEs=323; Did not see / don't remember seeing the logo on the website: Individuals=313; SMEs=175.

Source: Economic Insight.

6D. Consumers are more aware of the advantages of using a regulated provider, yet there is still some confusion around the coverage of regulation

A significantly higher proportion of consumers who saw the clickable logo were aware of their solicitor's regulatory status, compared with those

who did not see the logo. Specifically, 54% of individuals and 60% of SMEs who saw the logo stated their solicitor was regulated and they knew who regulated them; compared with 27% of individuals and 31% of SMEs who did not see the logo.

This is in line with findings from the LSCP tracker survey, whereby over nine in ten respondents state they use a regulated provider. The clickable logo may be contributing to the ease with which consumers can find out whether their provider is regulated. For example, the 2022 LSCP tracker survey results show that 64% of respondents state that it was easy to find information about the regulation of services, compared with 49% of respondents stating the same in 2018. The clickable logo – as well as the other Transparency Rules requirements – may be contributing factors to this increased ease of access to information about the regulation of services.

Overall, the majority of users of legal services find seeing the logo on their solicitor's website assures them of the protections SRA regulation provides. 14% of individual consumers and 17% of SME consumers who state their solicitor was regulated say they knew this because they saw the SRA's clickable logo on their solicitor's website. This is useful in assisting consumers to choose a provider, as 16% of individual and 17% of SME consumers wanted to know whether their solicitor was regulated before instructing them, as shown in Table 11 in chapter 4. However, although the logo increases consumers' perceptions of how well they believe they understand regulation, in practice the impact is uncertain, as shown in the next section.

Additionally, 97% of individual consumers who saw the logo were aware of at least one protection regulation provides, significantly higher than 90% who did not see the logo on their solicitor's website.93 Generally, users of legal services consider regulation provides protections in relation to the complaints process, consumer protection rights, and Ombudsman services, amongst others illustrated in Figure 12.

Figure 12: Proportion of consumers who instructed solicitors who believed regulation provides protection in ...[94] [#n94] (2022)

	% of consumers who instructed solicitors	
	Individuals	**SMEs**
Complaints process	39%	38%
Consumer protection rights	36%	34%
Confidentiality / privacy	35%	32%
Ombudsman services	34%	37%
Fair treatment	34%	33%

Protection against negligence / poor service	34%	30%
Fraud protection	33%	33%

Base: Individuals=1,003; SMEs=633.

Source: Economic Insight.

The majority of interviewed individuals thought all legal services providers are regulated, and a few were aware of the protections provided by regulation. The most commonly mentioned protection individuals were aware of in the interviews was professional indemnity insurance.

Similarly, few interviewed SMEs were aware that not all legal services are regulated. The most commonly mentioned protections were also around professional indemnity insurance, and an ombudsman.

Although the logo increases consumers' perceptions of how well they believe they understand regulation, in practice the impact is uncertain. The proportion of individual consumers who believe that all legal services providers are regulated has significantly increased, compared with Year 1.

Amongst all individual consumers, regardless of whether they instructed a solicitor or another legal services provider, there was no change in terms of how many believed all legal services providers are regulated, with 43% of individuals thinking this. There was an increase in the proportion of individual consumers, regardless of which provider they instructed, that some legal services providers are not regulated, from 40% in Year 1, to 44% in Year 3.

Amongst individuals who instructed a solicitor, seeing the logo on their solicitor's website seems to improve understanding of regulation.

- A significantly higher proportion of individual consumers who saw the clickable logo on their provider's website (regardless of whether they clicked on it or not) believe that some legal services providers are not regulated, compared with those who looked at the website but did not see the logo (47% vs 37%), as shown in Figure 13.
- Significantly fewer consumers who saw the logo believe only law firms and solicitors are regulated (7% vs 12%). This difference is larger amongst those who clicked on the logo and those who saw but did not click on it (4% vs 12%).

Figure 13: Proportion of individual consumers' agreement with statements about regulation who looked at their solicitor's website, by whether they saw the clickable logo (2022)

	Saw and / or clicked	Did not see
All legal services providers are regulated	46%	50%
Some legal services providers are not regulated	47%	37%
Only law firms and solicitors are regulated	7%	12%
No legal services providers are regulated	0%	1%

Base: Saw and / or clicked on logo=378; Did not see logo=313.[95 [#n95]]

Source: Economic Insight.

Of all individual consumers who instructed a solicitor, regardless of whether they saw, clicked on, or did not see the logo, 48% believe all legal services providers are regulated, a significant increase from 42% in Year 1. In both years, 40% believed some legal services providers are not regulated.

On the other hand, amongst SMEs, regardless of what legal services provider they instructed, there was a decrease in those that believed that all legal services providers are regulated, from 45% in Year 1, to 39% in Year 3. Relatedly, there was an increase in the proportion of SMEs, regardless of legal services ultimately instructed, that thought some legal services providers are not regulated, from 43% in Year 1, to 48% in Year 3.

Understanding of regulation has improved overall amongst SME consumers who instructed solicitors. 42% of SMEs believe all legal services providers are regulated, and 46% believe some are regulated (47% and 40% in Year 1)96. However, a significantly higher proportion of SMEs who saw the clickable logo believe all legal services providers are regulated, compared with those who did not see the logo on their solicitor's website (46% vs 34%), as illustrated in Figure 14.

Figure 14: Proportion of SME consumers' agreement with statements about regulation who looked at their solicitor's website, by whether they saw the clickable logo (2022)

	Saw and / or clicked	Did not see
All legal services providers are regulated	46%	34%

Some legal services providers are not regulated	44%	52%
Only law firms and solicitors are regulated	10%	12%
No legal services providers are regulated	0%	2%

Base: Saw logo=323; Did not see logo=175.[97 [#n97]]

Source: Economic Insight.

For example, one SME interviewee noted that: "[i]t was pretty clear, everything was on the website. You can see what being regulated means. To be fair, I didn't understand a lot of the regulation when I was looking at it because we don't need it very often, but it was reassuring to see that it was on there."

Finally, a significantly higher proportion of individual consumers who said they would complain if dissatisfied and who saw the SRA clickable logo state they would complain to the SRA, compared with those who did not see the logo (21% of those who saw the logo, compared with 14% who did not see / can't remember seeing the logo on their solicitor's website). Moreover, 9% of individuals who were dissatisfied and complained did so by making a complaint to the SRA, although we cannot ascertain whether these complaints were within the SRA's remit or not.

6E. Firms might be facing better online protections

There has been a 17% reduction in SRA-investigations with the initial investigation reason listed as 'ID theft / website cloning' between 2019 and 2020 (with no reduction between 2020 and 2021).

The SRA clickable logo was expected to lead to better protections from online fraud, such as ID theft or website cloning, for SRA-regulated firms.

As Table 28 illustrates, the number of SRA investigations with the initial investigation reason listed as 'ID theft / website cloning'[98 [#n98]] has reduced by 17% between 2019 and 2020, and stayed the same between 2020 and 2021.

Table 28: Number of SRA investigations into any ID theft / cloning instances (2019-2021)

	2019	2020	2021
ID theft / cloning investigations	478	396	396
Year-on-year % change		-17%	0%

Source: Economic Insight analysis of SRA data.

This amounts to ca. 4% of all SRA-regulated firms having had issues in relation to ID theft / website cloning issues.

Notwithstanding the above, we cannot determine whether this decrease and then plateauing is due to the Transparency Rules or not. This is because many other factors could be influencing online fraud.

7. SRA Solicitors Register

Both solicitors and some users of legal services are using the Solicitors Register to validate their choices, which is its main aim. We find that there appears to be an increased use of the Solicitors Register by legal services providers, coupled with a decrease in validation requests for the SRA Contact Centre. The Solicitors Register does not appear to have fostered the DCT market, and thus we explore this in more depth in this chapter.

The structure of this chapter is as follows. First, we provide an overview of the key outcomes and recommendations in relation to the Solicitors Register. Second, we set out the supporting findings subsequently.

7A. Key outcomes and recommendations in relation to the Solicitors Register

The main objective of the Solicitors Register is to provide a way to validate one's choices in relation to a solicitor or firm, and increase the regulatory information available regarding legal services providers. In particular, it sought to enable the following.

- Allow consumers to validate their choices easily, by having all the regulatory information in one place.
- Save solicitors (and other third parties) search and time cost in validating the practising status of other solicitors. For example, either before they employ someone, or as part of a transaction.
- Give DCTs access to basic data, so they can provide comprehensive information to consumers, as they can play a role in an effective market.[99 [#n99]]

Outcomes in relation to the Solicitors Register

Following from the above objectives, we find some evidence supporting some of the following outcomes.

- There has been a reduction in the handling of individual queries regarding a firm's regulatory status by the SRA Contact Centre.
- The proportion of users of legal services aware of the Solicitors Register has increased, however their use of the Register has decreased (and remains low).

    - However, our individual consumer survey shows that awareness and usage of the Solicitors Register was significantly higher among consumers with disabilities, from ethnic minority backgrounds, and younger consumers.
- Our online survey of SRA-regulated firms indicates that under half (41%) of all surveyed firms believe that publishing regulatory decisions online deters firms from breaching regulatory requirements.
- We do not find evidence that DCTs reduce search costs and help more consumers access legal services. In particular, awareness and use of DCTs in the legal services market remains limited.
- There is no evidence that more DCTs have entered the market, as they can extract information from the Solicitors Register. Information about struck off solicitors shown on the Solicitors Register is likely to affect the reputation of a firm.

Recommendations

Overall, the Solicitors Register appears to be delivering the desired outcomes in relation to users of legal services, as well as providers of legal services. However, it does not appear to have led to the desired outcomes in relation to the DCT market. Therefore, based on the above findings, and expected impacts at Year 5, we recommend the following.

- The awareness and usage of the Solicitors Register should also be monitored at Year 5. This is so the SRA can continue to understand consumer trends in terms of its use and awareness, and also establish whether any of the risks or unintended consequences are materialising.

7B. Awareness and usage of Solicitors Register

In the following sections, we set out both the awareness and usage of the Solicitors Register amongst both SRA-regulated firms and users of legal services. We also set out any likely operational impacts arising from an increased use of the Register to validate solicitors and firms, compared with calling the SRA Contact Centre.

SRA-regulated firms

Nearly two-thirds of SRA-regulated firms state they use the Solicitors Register. The main reason they use it is to validate a third-party solicitor or firm is regulated. One of the main benefits of the Solicitors Register for SRA-regulated firms is that they can rely on the Register because only validated information is published.

64% of SRA-regulated firms state they use the Solicitors Register, compared with 59% of SRA-regulated firms stating they used it at Year 1.

Figure 15 shows that across both years, SRA-regulated firms mostly use the Solicitors Register to check a third-party solicitor / firm is regulated. There has been a slight increase in SRA-regulated firms using the Solicitors Register to check the regulatory record of both a potential employee or a third-party's solicitor / firm.

Figure 15: Proportion of SRA-regulated firms using Solicitors Register for different objectives (2020, 2022)

	% of SRA-regulated firms	
	Y1	Y3
Check a third party solicitor / firm is regulated	93%	83%
Check a third party solicitor / firm's current practice area	52%	51%
Check a third party solicitor / firm's regulation record	42%	55%
Check the record of a potential employee	47%	55%
Other, please specify:	3%	4%
Don't know / can't remember	1%	3%
None of these	-	2%

Base: Y1=272; Y3=174.

Source: IRN Research for Y1, Economic Insight for Y3.

Therefore, this provides support for one of the key outcomes the Solicitors Register seeks to achieve – namely helping law firms, consumers, and other stakeholders to validate solicitors.

Moreover, evidence from interviews with legal services providers consistently demonstrates that one of the key benefits of the Solicitors Register is that users of the Register can rely on the information, as it is validated by the SRA. For example, three providers (out of 13 interviewed) have noted that "[i]t's nice to know there's something you can rely on that isn't open to fraud"; "[i]t's definitely much easier because you know the information is validated and confirmed. You don't need to go to any other sources."; and "[a] benefit, like I said before, is that the information is validated."

One stakeholder described the Solicitors Register as "a source of truth", but that the key challenge was that consumers did not know of it, or where to find it.

There has been a reduction in the handling of individual queries regarding a firm's regulatory status

Evidence in relation to the SRA's Contact Centre number of queries in relation to validations[100 [#n100]], suggests that since the introduction of the Solicitors Register in November 2019, validations by the SRA Contact Centre have reduced by ca. 70% between 2019 and 2020, plateauing at ca. 4,000 – 5,000 validations per year from 2020 onwards from either consumers or providers, as illustrated in Table 29.

Table 29: Validations undertaken by SRA Contact Centre (2019-2021)

	2019	2020	2021
Number of validations undertaken by the SRA Contact Centre	13,785	4,244	4,718

Source: Economic Insight analysis of SRA data.

Similarly, queries to the SRA Contact Centre from the profession in relation to the Solicitors Register have decreased from 323 in 2019, to 32 in 2021. Queries from consumers to the SRA Contact Centre in relation to the Solicitors Register have only slightly increased from 9 in 2019, to 12 in 2021.

Publishing regulatory decisions online might deter firms from breaching regulatory requirements

Finally, when asked whether the publication of regulatory decisions information on the SRA's Solicitors Register might deter firms from breaching regulatory requirements, 41% of surveyed SRA-regulated firms thought the Solicitors Register had a deterrence effect, 33% thought it did not have a deterrence effect, and 26% were unsure or did not know.

Users of legal services

Among users of legal services, awareness of the Solicitors Register has increased, but usage has decreased, compared with Year 1. However, we note that awareness and usage was significantly higher for certain types of consumers.

Among individual consumers, awareness[101 [#n101]] of the Solicitors Register has significantly increased from 44% to 50% of individual consumers, but usage has significantly decreased from 11% to 8%.

This decrease in usage could be due to a decrease in those who have found it easy or very to use, which decreased from 79% in Year 1 to 63% in Year 3. The proportion of individual consumers who found it difficult increased from 3% to 12%, whereas the proportion of those who found it neither increased from 13% to 24% from Year 1 to Year 3.

Among individuals who had used the Solicitors Register, a lower proportion (78%) found the information useful or very useful compared with Year 1 (87%), with both the proportion of those finding it not useful or not useful at all increasing from 0% to 11%, and those finding it neither useful nor not useful increasing from 7% to 10%.

Awareness and usage was significantly higher among consumers with disabilities, from ethnic minority backgrounds, and younger consumers.

- 64% of those from ethnic minorities were aware or had used the Solicitors Register, and 12% had used it, compared with 48% and 7% of non-ethnic minority consumers.
- 59% of consumers with disabilities were aware or had used the Register, and 12% had used it, compared with 48% and 6% of consumers without disabilities.
- 53% of consumers under 45 were aware or had used the Register, and 9% had used it, compared with 43% and 4% of consumers 45 and older.

SME consumers have higher rates of awareness and usage of the Solicitors Register than individuals, and awareness remains similar compared with Year 1, but usage has decreased. 66% SME consumers were aware of or had used the Register (64% in Year 1)[102 [#n102]]. Usage has significantly reduced from 22% in Year 1 to 13% in Year 3.

The reasons users of legal services used the Solicitors Register are illustrated in Figure 16 and Figure 17.

Figure 16: Proportion of individual consumers who used the Solicitors Register for various purposes (2020, 2022)

	% of individual consumers who used the Solicitors Register	
	Y3	Y1
Check if the SRA regulates a solicitor or law firm	37%	51%
Check the regulatory record of a law firm	35%	34%
The legal services offered by a law firm	32%	47%
Check whether somebody is a solicitor	31%	44%
Check the regulatory record of a solicitor	28%	23%
Find out where a solicitor works	27%	43%

Other	-	3%

Base: Y1=227; Y3=153.

Source: IRN Research for Y1, Economic Insight for Y3.

Figure 17: Proportion of SME consumers who used the Solicitors Register for various purposes (2020, 2022)

	% of SME consumers who used the Solicitors Register	
	Y3	**Y1**
Check if the SRA regulates a solicitor or law firm	48%	43%
Check the regulatory record of a solicitor	42%	14%
The legal services offered by a law firm	41%	49%
Check the regulatory record of a law firm	32%	28%
Check whether somebody is a solicitor	29%	37%
Find out where a solicitor works	18%	33%

Base: Y1=326; Y3=136.

Source: IRN Research for Y1, Economic Insight for Y3.

Some interviewed SMEs who were aware of the Solicitors Register and had used it, did so mostly to check the qualifications of the solicitors they instructed. For example, one SME noted: "I did look at that. I just checked the names and qualifications of the solicitors in question". Other interviewed SMEs had existing relationships with the provider used, so they did not check the Solicitors Register.

Users of legal services find the information contained in the Solicitors Register useful, with 78% of individual consumers and 85% of SME consumers finding the information useful.

However, the proportion of individual consumers who found the information they got from the Solicitors Register useful has significantly decreased (87% to 78%), and the proportion who found it not useful has significantly increased (0% to 11%).

On the other hand, the proportion of SME consumers who found the information on the Register useful has increased from 81% to 85%, but the proportion who found it not useful has also increased from 4% to

6%.[103 [#n103]]This suggests that the information on the Register may be more useful to SME users than individuals, and that some individuals might find it less useful, as they expect it to be more like a DCT, where it is not.

7C. Awareness and usage of DCTs remains limited

We do not find strong evidence that DCTs reduce search costs and help more consumers access legal services. This is because engagement with price comparison websites in the legal services market remains low, both from the legal services providers' and users' side. However, users of legal services appear to value online review websites. Their use still remains low, too.

SRA-regulated firms

Engagement with price comparison websites remains low, with 4% of SRA-regulated firms stating they provide price and services information to price comparison websites (compared with 2% at Year 1). Only one of the 13 interviewed legal services providers thought price comparison websites could be useful, but not for pricing information. They note that it would not suit niche services: "I personally think they are probably very useful, but not if you're a niche, specialist, well-known law firm".

The main price comparison websites SRA-regulated firms state they provide information to is The Law Superstore.

The main reasons SRA-regulated firms do not engage with price comparison websites is that they do not believe they can communicate the quality of their services through a comparison site, and that they do not think they are appropriate for legal services, as illustrated in Table 30.

Table 30: Reasons firms do not provide prices and services information to price comparison websites (2022)

	% of SRA-regulated firms who do not provide information to price comparison websites
I don't believe I can communicate the quality of our service through a price comparison site	51%
I don't think they are appropriate for legal services	44%
I don't think we can provide accurate quotes based on the information provided	36%

I don't think my clients use them	34%
I think consumers will choose the cheapest option	21%
I think I would be put under pressure to reduce my prices	15%
I have not thought about it / was not aware	8%
Other	19%

Base: 250.

Source: Economic Insight regulated provider survey.

Not one of 13 the interviewed legal services providers thought they experienced any challenges by not using price comparison websites, with some providers criticising them. For example, some descriptions included: "a race to the bottom" and "a disaster for legal services". One provider said it was an advantage to not use them – "I've got every advantage in the world by not being on one of those websites".

Users of legal services

Digital search tools

Digital comparison and search tools play a relatively small but increasing role in consumers' process of searching for a solicitor.

Among individual / SME consumers who instructed a solicitor for their most recent legal issue, 6% / 5% used online price comparison tools, 8% / 11% used online customer review websites, and 9% / 11% used The Law Society's 'Find a Solicitor' tool when searching for their solicitor, as shown in Figure 4 in chapter 4. In comparison, 5% / 3% used advertisements, 4% / 3% used leaflets, suggesting digital comparison and search tools have a greater role in consumers' search for a solicitor than advertisements do.

Additionally, 5% of individual and 8% of SME consumers who instructed a solicitor in Year 1 used a legal price comparison website to find their provider, and 6% of individuals and 8% of SMEs used a website with consumer reviews.

Among all users of legal services, DCT awareness is high, but usage is relatively low, as shown in Table 31. Price comparison and customer ratings / review websites have the highest awareness and usage rates of online services to find legal services providers. Awareness and usage of online review websites is higher than that of price comparison websites, and SMEs have higher awareness and usage rates of DCTs than individual consumers.

Table 31: Awareness and usage of tools to search for legal services providers (2022)

	% aware or used		% used	
	Individuals	SMEs	Individuals	SMEs
Price comparison websites	72%	79%	16%	19%
Customer rating / review websites	77%	83%	15%	21%
Legal Choices	49%	63%	9%	13%
Juriosity[104 [#n104]]	6%	51%	37%	8%
Find a Solicitor	55%	72%	10%	15%

Base: Individuals=2,022; SMEs=1,021. Source: Economic Insight.

Younger consumers have significantly higher awareness and usage rates of both price comparison websites and customer review websites compared with older users. 18% and 17% of consumers under 45 had used price comparison websites and review sites respectively, compared with 13% and 12% of those 45 and older. 74% and 78% of those under 45 were aware or had used price comparison websites and review sites, compared with 66% and 72% of those 45 and older.

Consumers from ethnic minority backgrounds have significantly higher usage rates for price comparison and review websites, compared with those not from ethnic minorities. 22% of consumers from ethnic minority backgrounds had used price comparison and review sites, compared with 15% and 14% of non-ethnic minority consumers who had used price comparison websites and review sites respectively.

Compared with Year 1, awareness of price comparison and customer review websites is higher, while usage remains similar. In Year 1, 45% of individual and 64% of SME consumers were aware of price comparison websites,[105 [#n105]] and 13% of individuals and 22% of SMEs had used them.[106 [#n106]] 56% of individual and 68% of SME consumers were aware of websites with customer reviews and ratings,[107 [#n107]] and 21% of individuals and 26% of SMEs had used them.[108 [#n108]]

Recent research by the SRA (2022)[109 [#n109]] showed that under half (44%) of SRA-regulated firms directed their clients to submit reviews on a website, with no specific type of firms referring their clients to those websites. Some firms had raised concerns that, if clients complain online, they could not respond due to client confidentiality and would thus, be in breach of SRA Standards and Regulations. Importantly, this research mirrored firms' reluctance to engage with either digital price comparison tools or online review websites.

On the other hand, research undertaken by the SRA (2022)[110 [#n110]] on the consumer side, found that 88% of individual consumers use review or

price comparison websites for goods and services other than legal services, with 22% of individual consumers stating they had used and online review website for legal services; and three quarters (75%) of respondents having found them useful.

Find a Solicitor website

Awareness and usage of The Law Society's 'Find a Solicitor' website is higher amongst SME than individual consumers. 72% of SMEs were aware of, and 15% had used it; compared with 55% and 10% of individuals. Awareness rates are lower than in Year 1, and usage remains similar.

Legal Choices website

Similarly, awareness and usage of the 'Legal Choices' website is higher amongst SMEs than individual consumers. 63% of SMEs were aware of, and 13% had used the 'Legal Choices' website, compared with 49% and 9% of individuals. Among SMEs, usage was significantly lower than in Year 1, and awareness was similar. For individuals, usage was similar but awareness was significantly higher than in Year 1.

Awareness of price comparison websites

Figure 18 shows usage and awareness rates for various price comparison websites. Although the main price comparison website firms provided information to The Law Superstore, this website has relatively low awareness and usage rates among consumers. Among both SME and individual consumer, Moneysupermarket and Search4legal are the price comparison websites offering legal services that have the highest awareness and usage rates.[111 [#n111]]

Figure 18: Proportion of individual consumers who were aware of price comparison websites who were aware of or used … (2022)

	% of individual consumers who instructed solicitors and were aware of price comparison websites	
	Aware or used	Used
Moneysupermarket	89%	58%
Search4legal	48%	17%
Compareandconvey	44%	18%
Conveyquote	40%	15%
reallymoving	39%	16%

The Law Superstore	38%	14%
Other	34%	12%

Base: The Law Superstore=319; Moneysupermarket=323; reallymoving=323; Conveyquote=321; Compareandconvey=322; Search4legal=321; Other=215.

Source: Economic Insight.

Figure 19: Proportion of SME consumers who were aware of price comparison websites who were aware of or used … (2022)

	% of SME consumers who instructed solicitors and were aware of price comparison websites	
	Aware or used	**Used**
Moneysupermarket	94%	61%
Search4legal	59%	11%
Compareandconvey	47%	11%
The Law Superstore	44%	17%
Conveyquote	39%	11%
reallymoving	32%	12%
Other	28%	7%

Base: The Law Superstore=195; Moneysupermarket=197; reallymoving=194; Conveyquote=196; Compareandconvey=194; Search4legal=195; Other=161.

Source: Economic Insight.

Price comparison websites were overwhelmingly not used by our interviewed individual consumers, with online review websites being more commonly used. One of the 27 interviewed individual consumers had used Moneysupermarket as a start to their search, but not anyone else. Trustpilot was mentioned several times by individuals we interviewed, as a way to reassure people about the choice they had made. Google appeared to also frequently be used for reviews, as one individual interviewee noted: "I went on Trustpilot, I looked on Google as well".

Few SMEs interviewed mentioned using either price comparison or online review websites. A common reason for not using such websites is that SMEs use existing providers, and because they are not aware of it. For example, one SME noted: "I didn't use any comparison sites. Actually, I'm

not aware of any, probably because I didn't know if they exist." SMEs were more likely to use online review websites, with one describing Trustpilot as "probably the most genuine source". On the other hand, another SME questioned their credibility, due to the negativity of reviews: "it's just very, very negative. It's not the same as normal retail shops where you get people happy with the services. On there [Trustpilot] it was generally just people complaining". A consumer body / charity we spoke to shared this view, stating that the issues with review sites are that people only use them when they have had a pleasing or displeasing service, which they described as a "five-star, one-star problem". Another SME respondent noted that the lack of suitability for business users was a cause of concern, as DCTs are "suited to the general public, rather than businesses".

Other interviewed practitioner association and consumer body / charity stakeholders considered that price comparison and review websites are only useful for judging service levels, but not the quality of the legal services provider.

8. Conclusions and recommendations

This chapter sets out our key conclusions and recommendations based on the findings in relation to the Transparency Rules from the previous chapters. Our online surveys suggest that consumers are engaging in the legal services market by comparing different providers, and that the Transparency Rules are leading to the desired outcomes for consumers at Year 3. There remain some areas where increased clarity of the Transparency Rules could lead to improvements in both self-reported compliance from legal services providers with the Transparency Rules requirements, and ease of comparing prices and services across different providers for consumers. Since the introduction of the Transparency Rules, confidence in the legal services market and trust in solicitors has increased, though it is hard to tell whether this has been caused by the requirements alone. Finally, we provide some suggestions on key areas to focus on in the final Year 5 evaluation of the Transparency Rules' impacts.

8A. Conclusions

We find that consumers' ability to make informed choices about their legal services provider has improved since the introduction of the Transparency Rules. It is difficult to attribute the extent to which all of the improvements are due to the Transparency Rules, but it appears that by more information being available, consumers are able to make better choices. For example, our research suggests that more consumers are comparing information from multiple providers before choosing one.

Our conclusions in relation to consumers' improved ability to make choices in the legal services market are as follows.

- Increased transparency appears to be enabling consumers to compare the prices and services of legal services providers. Specifically, we find that more consumers are comparing prices and services of legal services providers now, compared with both before the introduction of the Transparency Rules and Year 1.
- Consumers who looked at more than one legal services provider before instructing their provider generally find these easy to compare. Yet, about one fifth of consumers still find it difficult to compare providers, as prices and services are presented differently.
- Consumers who looked at more than one legal services provider before instructing their provider generally find quality of service easy to compare.
- Consumers can (and do) complain when they need to, but the overall number of complaints has not increased following implementation of the Transparency Rules.
- There has been limited improvement in awareness of the SRA and the Legal Ombudsman and the protections regulation provides.
- However, we also find that two areas for improvement remain, namely:
    - although the majority of consumers have no difficulties comparing prices and services of providers, about one fifth have difficulties, stemming from different presentation and description of prices and services; and
    - a high proportion of consumers (still) believe that all legal services providers are regulated.

Our conclusions in relation to competition in the legal services market are as follows.

- Price dispersion for legal services remains wide.
- Where consumers are more engaged in the market, one might expect a more engaged supply-side and overall competitive conditions in the legal services market, too. In particular, given consumers are more engaged in the legal services market, we find the following.
    - Consumers who have sought professional advice find legal services affordable, suggesting that people are willing and able to purchase legal services.
    - Consumers are satisfied with the service they receive, and thus, quality of services appears to be good.
    - Consumers state an increased trust in the market, as well as solicitors generally.
- However, the market for DCTs has not developed as initially expected by the SRA and CMA.

Therefore, taken together, we consider that most outcomes for consumers are improving, and that by corollary, outcomes in relation to competition are likely to be improving, too.

With the above conclusions in mind, we set out our recommendations next.

8B. Recommendations

Finally, we set out our overarching recommendations in relation to the Transparency Rules. We then provide more detailed recommendations in relation to the Year 5 Evaluation.

Recommendations in relation to the Transparency Rules

Our overarching recommendations are as follows.

- The SRA might wish to explore additional ways to improve (self-reported) compliance with the Transparency Rules – in particular with the prices and services requirement. This could be done by:
  - undertaking targeted programmes explaining the Transparency Rules and how to implement them to the groups that struggle most with compliance, which our survey identifies as being small firms and those covered by the prices and services requirement;[112 [#n112]]
  - expanding the areas of law that the prices and services requirement applies to, such that all firms have to comply with all Transparency Rules;
  - developing a checklist that can be shared with legal services providers so they can determine whether they are compliant with the prices and services requirement, setting out where on the website and what type of information the SRA will be looking for when it checks solicitors' websites for compliance;[113 [#n113]] and
  - providing more specific guidance on 'what good looks like' for the above, in particular with regards to where the information should be displayed, and making the existing templates easier to implement based on 'standard' use cases, such that firms also have a better sense on what type of information the SRA expects to see.
- The SRA might wish to consider undertaking additional research to identify these 'standard' use cases for each respective area of law, such that it could provide additional guidance and templates in relation to a specific way of presenting prices and services information for consumers for these 'standard' use cases. This is so that consumers of legal services could compare providers on a like-for-like basis, even where their actual case may not be the 'standard' use one. This would ensure comparability, but would also allow providers flexibility in pricing all of their other cases. In particular, for each of the mandated areas of law, the SRA could identify the most common cases dealt with from the profession, how

they are usually priced, and set out a very precise template for these 'standard' use cases that providers could easily implement.
- The SRA might consider exploring other areas of law the prices and services requirement could be applied to. Although generally consumers find comparing providers across all areas of law relatively easy, most still want to know information about their provider's prices and services before instructing them. Moreover, compliance with this requirement might also increase if it were to apply to all firms (rather than by exception).

Recommendations in relation to the Year 5 Evaluation

For the Year 5 Evaluation, we recommend the following.

- The SRA might explore in more depth how to assess the overarching market impacts of the Transparency Rules at Year 5. That is, the SRA might consider continuing to monitor the indicators presented in the Year 1 and 3 Evaluations. However, this remains dependent on future developments over the next years, and the SRA might wish to continue with its flexible approach.[114 [#n114]] Additionally, we recommend that at Year 5 the focus of any comparisons should be to the baseline before the Transparency Rules were implemented (where possible), as opposed to comparisons with Year 1 or 3. We acknowledge that in practice, there might be limited data and information with regards to before the Transparency Rules were implemented. However, to get closer to assessing the 'true' impact of the Transparency Rules, this point of comparison would be best, as the change between Year 5 and then would more closely capture the change of the requirements imposed by the SRA.
- Given the issues set out previously in terms of identifying indicators for and measuring impacts of competition, the SRA could explore different research methodologies and / or samples to assess the market impacts in relation to the Transparency Rules, in particular in relation to the impacts on competition.
    - As the nature of legal services provision can be very local in some instances, we recommend that the SRA explores whether undertaking some more local

      / regional analyses of how competition is working in a particular area may provide more insightful results.

    - Similarly, entry and exit analysis into the market may further provide some indication about the strength of competition in the market.
    - Finally, to understand the extent of unmet legal need due to affordability concerns, or lack of identification of the issue as legal in nature, the SRA may wish to expand the research sample to consumers who have: (i) not used legal services providers to help them address their issues; (ii) used solicitors;

and (iii) used other legal services providers (including unregulated ones) to help them address their issues.

Downloads

Download report: Year Three Evaluation of the SRA Transparency Rules (PDF 113 pages 1.7MB)
[https://contact.sra.org.uk/globalassets/documents/sra/research/year-three-evaluation-of-the-sra-transparency-rules.pdf]

Notes

1. SRA (September 2017), 'Looking to the future: better information, more choice – Consultation', page 3.
2. These include residential conveyancing, probate (uncontested), immigration (excluding asylum), motoring offences (summary offences), employment tribunals (unfair / wrongful dismissal), debt recovery (up to £100,000), and licensing applications (business premises).
3. We cannot undertake a like-for-like comparison to Year 1 due to differences in answer options. Year 3 included 'neither', whereas Year 1 did not. 'Notwithstanding this, at Year 1, about a fifth of consumers also found prices difficult to find.
4. We cannot undertake a like-for-like comparison to Year 1 due to differences in answer options. Year 3 included 'neither' whereas Year 1 did not. 'Notwithstanding this, at Year 1, about a fifth of consumers also found prices difficult to find.
5. We cannot undertake a like-for-like comparison to Year 1 due to differences in answer options. Year 3 included 'neither', whereas Year 1 did not. 'Notwithstanding this, at Year 1, about a fifth of consumers also found prices difficult to find.
6. However, the Transparency Rules were not designed to enable quality comparisons – rather they were implemented to enable price and service comparisons.
7. However, the Transparency Rules were not designed to enable quality comparisons – rather they were implemented to enable price and service comparisons.
8. Asymmetric information refers to situations where one party to an economic transaction has more or better information than another.
9. See for example: Prof Stephen Mayson (June 2020), 'Reforming legal services: Regulation beyond the echo chambers'; CMA (December 2016), 'Legal services market study: Final report'.
10. CMA (December 2020), 'Review of the legal services market study in England and Wales: An assessment of the implementation and impact of the CMA's market study recommendations'.
11. CMA and LSB (September 2020), 'Prices of Individual Consumer Legal Services in England and Wales 2020: Wave 3 of a survey of prices for commonly used legal services'.
12. We note that the SRA's understanding of DCTs' business models has evolved since implementation of the Transparency Rules, and thus

DCTs may not play such a large role in fostering competition as previously thought.

13. We recognise the SRA has already undertaken significant engagement work when the Transparency Rules were introduced.
14. IRN Research (October 2020), 'SRA Transparency Rules: Year 1 Evaluation'.
15. IRN Research (October 2020), 'SRA Transparency Rules: Year 1 Evaluation'.
16. IRN Research (October 2020), 'SRA Transparency Rules: Year 1 Evaluation';.
17. Since implementation of the Transparency Rules, the SRA's understanding of DCTs business models has improved, and therefore, this expected outcome does not apply anymore.
18. As mentioned previously, the SRA's understanding of the DCT market has evolved since the development of the Transparency Rules, and rather than facilitating access to the Solicitors Register, the SRA provides this information through an application programming interface (API).
19. The Solicitors Register had only been introduced in October 2019, and the SRA clickable logo in November 2019. The rest of the Transparency Rules were introduced in December 2018.
20. The survey was sent to a sample of unregulated firms obtained from an SRA-pilot project in relation to the unregulated legal services sector. We note that these contact details did not include many direct contacts and went to general e-mail addresses, thus yielding a low response rate.
21. We note that this is consistent with findings from the Bar Standards Board (BSB), who also found that instances of non-compliance were higher with the additional rules compared with the mandatory rules they implemented in relation to transparency. See: https://www.barstandardsboard.org.uk/uploads/assets/c9898093-bbc6-45d5b3af882dae99e05d/ 20220727-External-Transparency-RR-and-spot-check-report.pdf
22. Self-reported partial compliance with the Transparency Rules is higher and set out subsequently in this chapter.
23. We cannot tell whether consumers did not look at the website because the solicitor did not have one, or whether they simply looked for information elsewhere to start with.
24. See: https://www.sra.org.uk/solicitors/guidance/publishing-complaints-procedure/
25. See: https://www.sra.org.uk/sra/news/sra-update-107-transparency-rules-checks/
26. See: https://www.sra.org.uk/sra/consultations/consultation-listing/financial-penalties-2021/#download
27. We note the SRA has previously done this. However, given the issues identified, we consider there would be value in re-engaging with these types of firms.
28. See: https://www.barstandardsboard.org.uk/uploads/assets/dde798b7-

4e7b-41ff-ac89958321b094e6/ee6984ab45bb-4e95-9bee371e431ddd80/Transparency-Standards-Guidance-5-Section-4.pdf

29. This difference is statistically significant to a 95% confidence level.
30. We note that at Year 1, respondents were not given the option to state whether they did not publicise this practice area online, nor whether they did not know / couldn't remember whether their firm showed this information on their website for a specific practice area.
31. Self-reported full compliance means all the firms who stated they provide all of the mandated prices and services information online.
32. Self-reported partial compliance means firms who publish some, but not all the information online. It also includes the firms who fully comply, as they also present that information online. For example, the proportion of firms partially complying with the price publication requirement in Year 3 includes the 38% who fully comply with all of the Transparency Rules requirements, as well as those 33% who only publish prices (and/or other information, too).
33. This difference is not statistically significant to a 95% confidence level. Moreover, there are additional comparability issues to the Year 1 results in relation to the available answer options for this question, as set out in footnote 30.
34. This difference is statistically significant to a 95% confidence level.
35. This difference is statistically significant to a 95% confidence level.
36. We cannot compare like-for-like between Year 1 and Year 3 for all questions. For example, here, Year 1 only asked about how and when to make a complaint to the Legal Ombudsman and the SRA together. Thus, we cannot compare this to the proportion who show how and when to make a complaint to either the Legal Ombudsman or the SRA separately.
37. See here: https://www.sra.org.uk/solicitors/standards-regulations/transparency-rules/
38. This difference between Year 3 and Year 1 is not statistically significant to a 95% confidence level.
39. See chapter 6 for more details on consumer engagement with the SRA clickable logo.
40. Based on: https://www.oecd.org/gov/regulatory-policy/46466287.pdf
41. We consider length of the Transparency Rules, as it is difficult to objectively assess their clarity.
42. See: https://www.sra.org.uk/solicitors/standards-regulations/transparency-rules/
43. Calculated as follows: total word count divided by 200, where the number before the decimal is the estimated amount of minutes.
44. Note the Year 1 question covered a different time period and was phrased differently: 'Over the last 18 months, has your firm experienced any of the following challenges related to the Transparency Rules?'.
45. CMA (December 2020), 'Review of the legal services market study in England and Wales: An assessment of the implementation and impact of the CMA's market study recommendations'.

46. See: https://www.sra.org.uk/sra/research-publications/web-sweep/
47. See: https://www.sra.org.uk/sra/news/sra-update-95-transparency-declarations/
48. See: https://www.sra.org.uk/sra/news/sra-update-107-transparency-rules-checks/
49. As of July 2022, the SRA has fining powers up to £25,000.
50. The Law Society (May 2020), 'Larger law firms COVID-19 survey'.
51. See: https://www.sra.org.uk/sra/consultations/consultation-listing/financial-penalties-2021/#download.
52. See: https://www.barstandardsboard.org.uk/uploads/assets/dde798b7-4e7b-41ff-ac89958321b094e6/ee6984ab45bb-4e95-9bee371e431ddd80/Transparency-Standards-Guidance-5-Section-4.pdf
53. See: Consultation- Looking to the future: better information, more choice (sra.org.uk)
54. See: Better Information post consultation position paper (sra.org.uk)
55. Such as The Council for Licensed Conveyancers, the Chartered Institute of Legal Executives, and the Office of the Immigration Services Commissioner.;
56. CMA and LSB (September 2020), 'Prices of Individual Consumer Legal Services in England and Wales 2020: Wave 3 of a survey of prices for commonly used legal services'.
57. LSCP Tracker Survey (2018).
58. LSCP Tracker Survey (2022).
59. We note that the proportion of respondents looking for quality information appears relatively low. This could be because respondents consider some of the other information indicative of quality, such as information on the services, the complaints procedure, etc.
60. Legal Service Board (2021), 'Quality indicators discussion paper: response document'.
61. The number of SME respondents that wanted to know all of this information and were covered by the Transparency Rules was too low to allow for meaningful comparisons.
62. Year 1 question: Did you compare different advisors? Year 3 question: Did you look at services and prices information of more than one legal services provider before deciding which provider to instruct?
63. Note on category aggregation: Already knew / previous experience=unnecessary, as I had previous experience of using them; unnecessary, as I knew which provider I wanted. Recommended / referred=not considered, as they were a referral from / choice made by a professional intermediary (e.g. insurance company, mortgage provider etc.); unnecessary, as I trusted the recommendation I was given. Not important=unnecessary, as there is no apparent difference between providers; unnecessary, as I was happy with the first one I looked at; unnecessary, as my issue / problem was routine / simple. 'Lack of time=difficult, as my issue /

problem was urgent; too time consuming to do. 'Difficult to find=difficult, as relevant information is hard to find; difficult, as there is no directory or index of providers.

64. Not statistically significant to a 95% confidence level.
65. SRA (October 2016), 'Discussion paper: Regulatory data and consumer choice in legal services.' para. 7.
66. Only the top 5 categories for each set of consumers shown.
67. Statistically significant to a 95% confidence level for individuals, not for SMEs.
68. Statistically significant to a 95% confidence level for individuals, not for SMEs.
69. Statically significant to a 95% confidence level for SME consumers. 'Not statistically significant to a 95% confidence level for individual consumers.
70. Not statistically significant to a 95% confidence level.
71. If neither was ranked in the top five, we cannot say which was ranked higher.
72. Note: Individual recommendation categories excluded from chart and aggregated under 'any form of recommendation'. Don't know and other categories not shown in chart.
73. Solicitors Regulation Authority (June 2022), 'Consumer understanding and use of Digital Comparison Tools'.
74. SME bases for those looking for price information online by areas of law covered by the Transparency Rules were too low to present meaningful results. 'Therefore, this table shows price information for all areas of law'.
75. CMA and LSB (September 2020), 'Prices of Individual Consumer Legal Services in England and Wales 2020: Wave 3 of a survey of prices for commonly used legal services'.
76. CMA (December 2020), 'Review of the legal services market study in England and Wales: An assessment of the implementation and impact of the CMA's market study recommendations'.
77. CMA and LSB (September 2020), 'Prices of Individual Consumer Legal Services in England and Wales 2020: Wave 3 of a survey of prices for commonly used legal services'.
78. CMA (December 2016), 'Legal services market study: Final report'.
79. As found by the BSB.
80. Please note the number of cases accepted by the Legal Ombudsman might be lower than the total number of complaints received. This is because in some instances, complainers may not have exhausted the Tier 1 complaints process, and thus the Legal Ombudsman may not accept all the complaints it receives.
81. The Law Society (May 2020), 'Larger law firms COVID-19 survey'.
82. This number of firms stopping to offer any services is too low to allow us to infer whether they were more or less likely to stop working in one of the mandated areas of law (as it would be a proportion out of the 32 who stopped working in any area, rather than the whole sample).
83. See chapter 7 for more details on DCTs.

84. London Economics (October 2017), ';Research into the experiences and effectiveness of solicitors' first tier complaints handling processes'.
85. Note: Sums do not add to 100%, as respondents could also select 'don't know / can't remember'.
86. Please note bases for other types of complaints information are too low to make meaningful inferences.
87. All differences between groups are statistically significant to a 95% confidence level, except for SMEs who looked at a website.
88. Please note the number of cases accepted by the Legal Ombudsman might be lower than the total number of complaints received. This is because in some instances, complainers may not have exhausted the Tier 1 complaints process, and thus the Legal Ombudsman may not accept all the complaints it receives.
89. This increase could be due to both: (i) the clickable logo only having been recently implemented at Year 1, and thus not being widely available at the time the research was undertaken; and (ii) Year 3 survey respondents were shown the clickable logo and asked if they remember seeing it, whereas Year 1 survey respondents were only asked if they saw their provider's regulator's logo on their website.
90. For SME consumers, trust also increased, however the difference between years was not statically significant to a 95% confidence level, and therefore we do not report the figures here.
91. SME results not statistically significant to a 95% confidence level to report.
92. There is no evidence to the 95% confidence level that the percentage of SME consumers whose trust increased after clicking on the logo is different from Year 1 (from a binomial proportion test).
93. 98% of SMEs who saw the logo were aware of at least one protection regulation provides, compared with 97% of those who did not see the logo, but this difference was not statistically significantly different at a 95% confidence level.
94. Note: Only the top 5 categories for each set of consumers shown.
95. Note: Did not see logo contains those who did not remember / did not know seeing the logo, but who did look at their solicitor's website.;
96. Proportion who thought all services were regulated is not significant to a 95% confidence level (but is significant to a 90% confidence level). Proportion who thought only some were regulated is significant to a 95% confidence level.
97. Note: Did not see logo contains those who did not remember / did not know seeing the logo, but who did look at their solicitor's website.
98. We note that these could be related to any online aspect of the firms, and thus it cannot be fully attributed to the SRA clickable logo.
99. We note that this initial objective evolved since implementation of the Transparency Rules. In particular, the SRA provides information to republishers (such as DCTs) through a separate API.

100. A validation is a search the SRA Contact Centre Team conducts to find a firm or individual record. They then confirm whether or not a firm or individual is regulated by them, and they also check whether there are any Findings and Orders against them and / or if they have any conditions on their record.
101. We consider consumers to be aware if they have stated they were aware, and if they stated they used it.
102. Not statistically significant to a 95% confidence level.
103. Not statistically significant to a 95% confidence level.
104. Juriosity is a legal marketplace for barristers, solicitors and new law providers to showcase and commoditise their expertise, products and services to businesses, personal consumers and professional service customers.
105. Significantly lower than Year 3 to a 95% confidence level.
106. Significantly lower than Year 3 for individuals, not significant for SMEs to a 95% confidence level.
107. Significantly lower than Year 3 to a 95% confidence level.
108. Significantly higher than Year 3 to a 95% confidence level.
109. Solicitors Regulation Authority (June 2022), 'Law firms' views of customer review sites'.
110. Solicitors Regulation Authority (June 2022), 'Consumer understanding and use of Digital Comparison Tools.
111. These DCTs are not specific to legal services, and although the question specifies usage in relation to legal services providers, it is likely the higher awareness and usage may be (at least partially) due to non-legal related usage.
112. We recognise the SRA has already undertaken significant engagement work when the Transparency Rules were introduced
113. We provide examples in chapter 3.
114. In particular, given the implementation and the 'bedding in' of the Transparency Rules coincided with both the COVID-19 pandemic and the current increase in the cost of living.