

Home Moving in the Age of the Consumer

People want efficiency,
clarity and communication.
But is the conveyancing
industry able to deliver it?

In June 2017, the estate agents Countrywide reported a 98% drop in pre-tax profits. Around the same time, the Royal Institute of Chartered Surveyors released its monthly report, focusing on four months of decline in house sales. Then, later in the year, Savills announced a 1.5% fall in London house prices, with a predicted further 2% drop in 2018.

Although the stats from Savills focus on one city, the impact of them can be felt around the UK. **The housing market in Britain is changing and fluctuating.** It's a situation that's compounded by reduced consumer confidence caused by Brexit, the political climate, household income pressures and interest rate uncertainty. The effect of which is a potential slowdown in the housing market, which will hit everyone from the bank lending the money, to the buyer who's considering whether or not to up sticks.

For conveyancers, this changeable and unpredictable market has potentially huge consequences. When sales slow, consumers become more powerful, as they vote with their feet if service isn't up to standard. **As such, businesses involved in home moving have to work harder to ensure they win business.** Otherwise they risk losing out on what's becoming a shallower pool of opportunity in a sluggish market characterised by a growing sense among many that it's better to put moving plans on ice, until some of the political and economic uncertainty in the UK lifts.



At the same time **technology has fundamentally changed consumer expectations**, as people look for 'always on', instant and constantly improving experiences. People are looking for better across the board, asking more questions about what they get for their money, and are seeking the transparency they have come to enjoy in other service industries. Although conveyancing firms and solicitors are not immune from these changing consumer expectations, many are struggling with them.

Home Moving in the Age of the Consumer is a new report from InfoTrack that investigates **how a changing market and 21st century consumer expectations mean that every conveyancing business has to think hard about how they use technology** to modernise, as well as the implications for their business if they don't.



The Consumer View

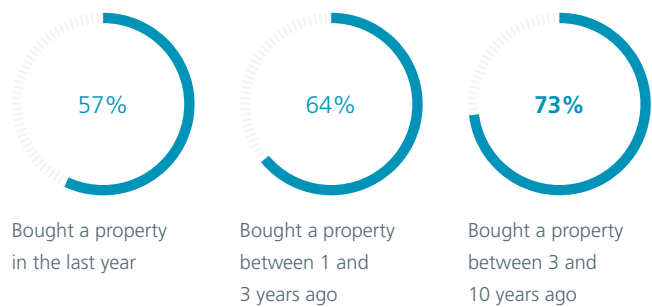
The **Home Moving in the Age of the Consumer** research reveals a number of behavioural trends that sit behind the significant changes taking place in conveyancing and home moving. Chief among them is the growing shift towards using specialists. Indeed as Fig.1 shows, just **57%** of those who bought within the last year used a local solicitor, against **73%** of those that bought between three and ten years ago.

Filling the gap is a rise in popularity for local or online conveyancers (the latter having experienced pronounced growth, from **8%** to **20%**) – a switch that's being motivated by a greater deal of willingness to shop around.

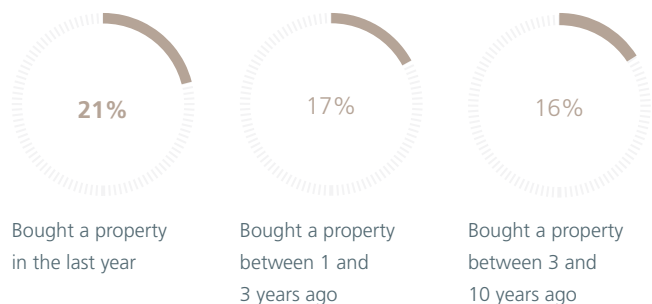
Traditionally, only a minority of home movers (**24%**) took the time to get more than one quote before choosing a conveyancer. That number has now risen to **59%** taking two or more quotes, and could well rise again. Particularly as consumers turn away from phone or face-to-face communication and towards technology. This is a trend that may well be driven by the fact that home movers now expect a 24/7, always on operation and therefore available out of hours, when people are searching for quotes.

FIG 1: Where did you go for help with the legal side of the purchase?
Please select one.

Local Solicitor



Local Conveyancer



Online Conveyancer



On a similar note, while **23%** of respondents had used their conveyancer before, the findings also suggest that blind loyalty to previously used firms is coming to an end, as consumers seek out the speed and convenience of instant quotes from conveyancers who offer always-open online services. The shift is unsurprising. Home movers are used to real-time comparison sites and near-instant service, and so too expect that from conveyancers.

However, despite the apparent appetite for shopping around online, **44%** said they find it hard to differentiate between conveyancing firms because they all seem the same, meaning other decision-making factors grow in importance.

Choice factors

In many industries price is the most influential choice factor for services and products. However, conveyancing bucks that trend. According to our research, just **12%** single it out as a reason for choosing a firm (solicitor or conveyancer), with factors such as recommendation and reputation seen as far more important (see Fig.2).

Of course, the challenge is developing a good reputation that will lead to recommendation. Particularly as people struggle to see the difference between one firm and the next. It's worth every conveyancer remembering the value of first impressions. Having an engaging online presence, complete with the right information and messaging is a perfect way to start the process. Put simply, the earlier and faster conveyancers engage at the initial quoting stage, the sooner instruction and thus, loyalty, will follow.

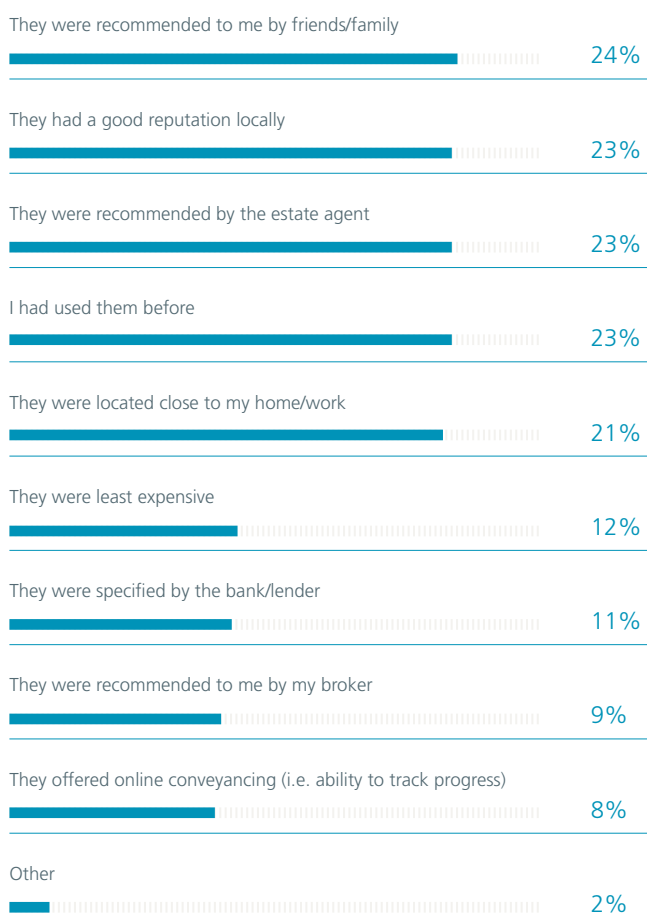


+ IMPORTANCE OF ONLINE

Home Moving in the Age of the Consumer research reveals that offering online services is hugely important to emerging generations. Almost a quarter say it's an influential choice factor, against **8%** overall.



FIG 2: Thinking about the solicitor/conveyancer you used for this property purchase, why did you choose them in the first place?



*31% more than three years ago to 42% within the last year.

There is, however, one very significant growing variable in this. Offering online conveyancing (important for just **8%** overall) is a pivotal reason for choosing a firm for **23%** of 18-24s. This makes it the joint third most influential choice factor in that age group. And suggests that the online aspect of a conveyancer's offer (through quoting tools and online portals to track progress) is hugely important for younger people. Essentially, the more a conveyancer can do online, the more likely they are to gain business from younger demographics.

Understanding the process

Moving beyond the choice factors that determine how people choose a conveyancer, one of the key discoveries in **Home Moving in the Age of the Consumer** is public understanding of what conveyancers do.

Notably, there's been an 11 percentage point increase in 'complete understanding of the conveyancer's role' between people who bought a home more than three years ago and people who bought in the last year. However, regardless of the reason for this greater understanding, the result of it is a rise in expectations – and, unfortunately, frustrations.

+ TRANSPARENT COMMUNICATION

Having grown up with technology, online service is not the only thing that modern movers look for. Conveyancers can also gain ground by offering clarity and communication to their customers, alleviating frustrations around a lack of communication (**55%**), unexpected costs (**52%**) and surprises (**51%**) that were picked out in the research by those who purchased a property in the 12 months to October 2017.



Expectations and Frustrations

When a consumer-focused sector is faced with disruption, wider awareness of its role, a change in how services are provisioned, listening and understanding all become ever more vital. As such, the first thing conveyancers must get a handle on is where consumers see the most value in what they do.

According to **Home Moving in the Age of the Consumer** research, conveyancing is viewed by most as predominantly process driven. Factors like dealing with HM Land Registry (**28%**), managing the collection and transfer of funds (**26%**), drawing up contracts (**26%**) and conducting local searches (**23%**) are seen as the areas where a conveyancer is able to add the most value to the process.

Each is a core part of conveyancing. So while these are key consumer expectations to be fulfilled, none are particularly surprising. What's perhaps more interesting is that they are joined by widespread desire for consultancy about the home moving process (which **50%** agree that conveyancers should provide more of) and regular communication during the move – important to **64%**.

In the most basic terms, people want the most arduous administrative tasks taken care of, their money moved around safely and efficiently, and advice when needed. But, arguably, those requirements have always been there. What conveyancers really need to understand is that consumers also want to receive information about their purchase in the way that they want, when they want – and they won't use a business twice that fails to meet their needs.

The worry, therefore, is that Fig.3 shows a sizeable number of respondents to the research survey found their experience with a conveyancer to be frustrating, or felt neutral about it (which doesn't equate to a great write-up). And that the emerging generation of home movers (the same demographic suggesting they want more service online) actually over index here, with **53%** experiencing frustration. Meanwhile, Fig.4 shows that the root of that frustration is primarily in delays, lack of control and communication.

FIG 3: Overall, how did you find the process of using a solicitor/conveyancer to buy a property?

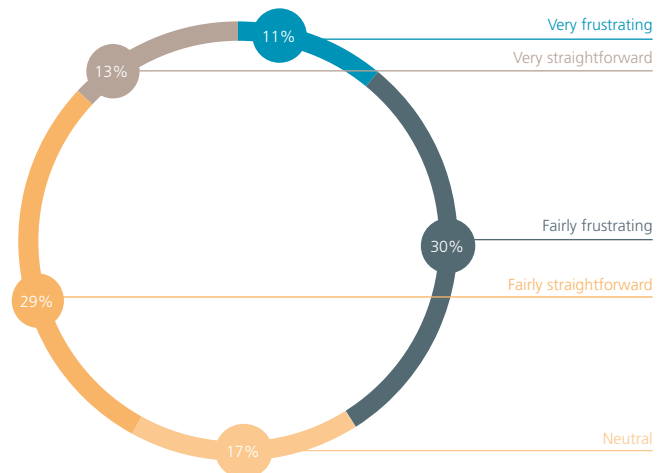
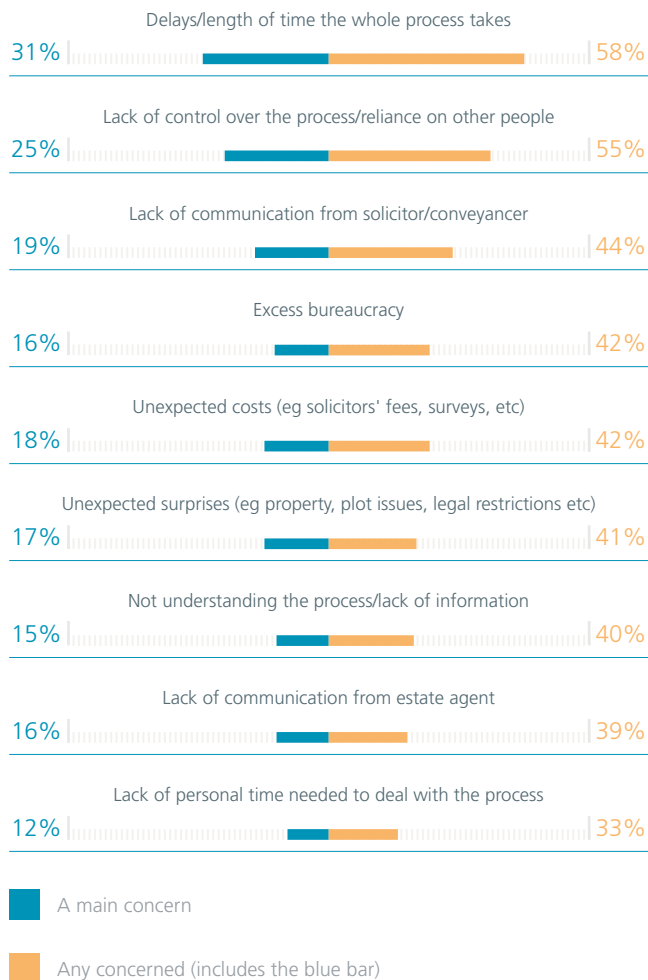


FIG 4: How much was each of the following a concern or frustration with using a solicitor/conveyancer to buy a property?



Reducing frustration, meeting expectation

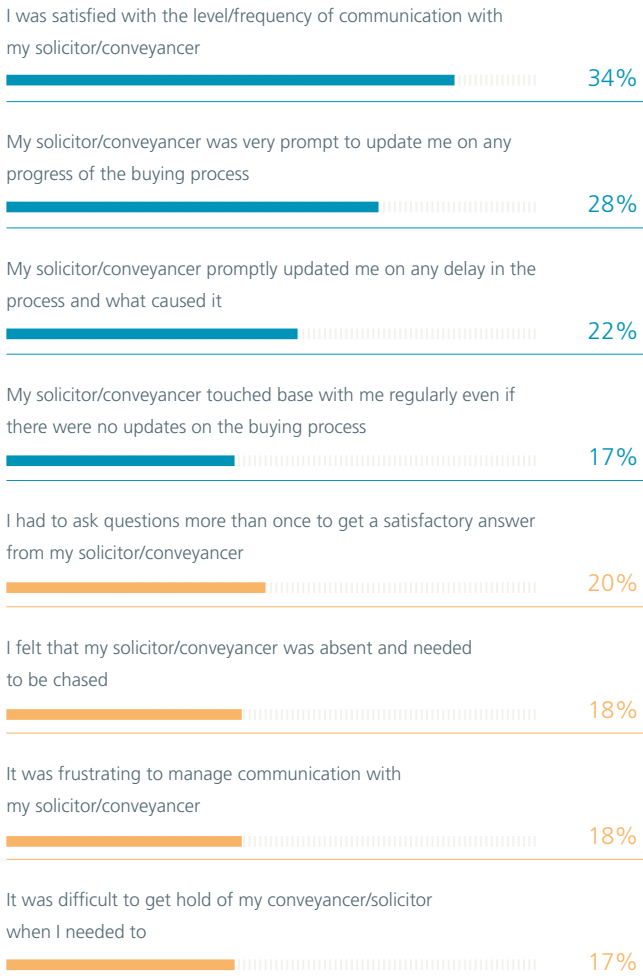
These statistics paint a picture of people wanting a high degree of efficiency when it comes to communication and advice from conveyancers. The upshot of which is an evolution in the word 'service'.

Today, how conveyancers communicate is every bit as important as what they communicate. And there is a growing need for better communication via alternative means (fulfilling the demand for online portals, email and websites, instead of phone conversations).

Our digital world presents conveyancers with a raft of new expectations to meet, and how they connect with customers will be the difference between a positive and negative transaction.

But there's nothing to fear in this. The expectations present all conveyancers with huge opportunity, and the issues many consumers experience are relatively easy to solve through modernisation of the conveyancing service, as the next section of this report will explore.

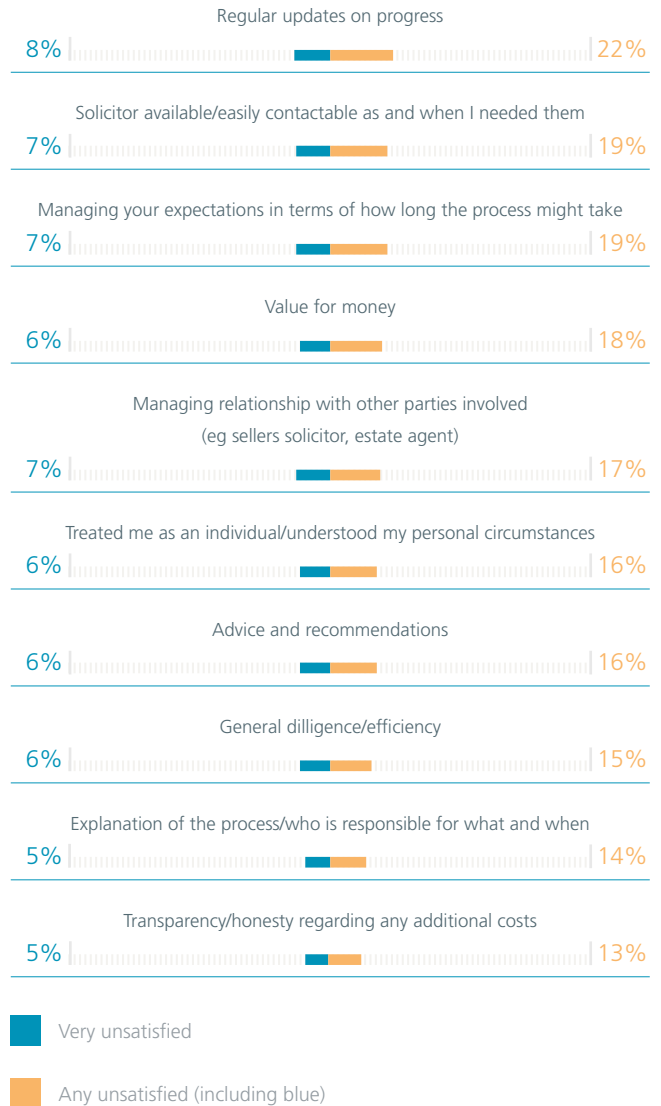
FIG 5: Which of the following statements reflects your experience with the solicitor/conveyancer that dealt with your buying process?



+ FOCUS ON COMMUNICATION

Fig.5 and Fig.6 demonstrate how communication is behind many consumer issues when progressing a property transaction. They reveal that satisfaction levels are low, and that there are problems with obtaining regular updates and with availability of their contact at their chosen conveyancer. Overcoming this will rely on digital transformation and tech modernisation to enable new, digital-first communication channels that will provide consumers with the right information, exactly when they need it.

FIG 6: Specifically, how would you rate your solicitor/conveyancer on the following aspects of their service?



Very unsatisfied

Any unsatisfied (including blue)



A New Future for Conveyancing

When considering how to modernise service for the 21st century, conveyancers could do worse than looking at other consumer-centric industries, and how they work with their customers.

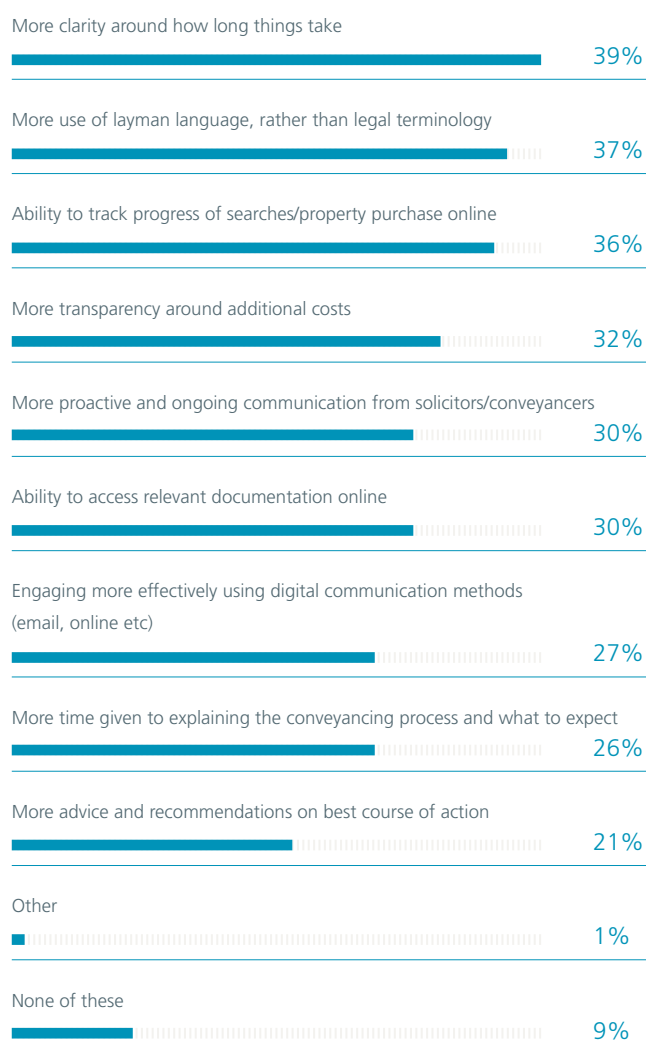
Retail, for example, has undergone a gradual (yet dramatic) shift over the past decade, with online ordering and live tracking of deliveries. Brands including Uber ensure constantly open digital communication and tracking for their customers, from the moment a ride is ordered to reviewing the driver at the end. While, at a higher price point, car sales are now going digital – most manufacturers have introduced configuration tools, and some even enable online purchasing.

Very different industries, but all have grasped the fact that consumers have certain expectations that govern what constitutes good service and value for money in their respective niches – and they are reacting to this with meaningful digital services that enable quick communication and easy updates.

In conveyancing, the demand for this kind of shift is already firmly set in. Use of online portals as a way to communicate with a conveyancer has more than doubled in the last three years. And Fig.7 showcases consumer desire for clarity (both in terms of information and jargon) and transparency in conveyancing.

These numbers are some of the most important in the research. Only **22%** of people said they were swiftly informed of delays during their home moving process, and just **28%** felt they received prompt progress reports. And if there's a single key lesson conveyancing firms should take from this report it's that people want to be comfortable and confident when making the biggest purchase of their lives.

FIG 7: In which of the following ways do you think solicitors/conveyancers could improve the service they offer home buyers?



Consumer led change

Today's consumers have a litany of frustrations regarding the efficiency of conveyancers and the level of communication on offer - from the initial quoting stage, through to the transaction itself.

Indeed, **Home Moving in the Age of the Consumer** reveals that well over half of consumers (**57%**) think conveyancing firms need more customer focus. Delays have been an unrelenting problem for over a decade. And **47%** openly want more digital communication – Fig.8 making it clear that recent buyers, in particular, value the efficiency and speed of digital communication more than traditional channels.

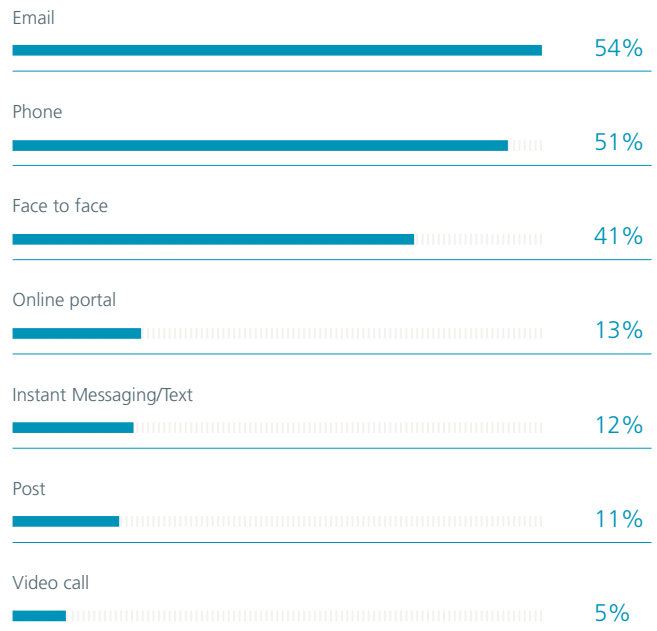
The question is how to react? How to modernise communication to the point that disruptors pose less of a threat? And how to deliver more during the process that makes the consumer feel like they are in control?

The challenge looks complex. But the solution to it is not. Adoption of technology enables conveyancers to remove inefficiencies and some administrative work from their workload, thereby enabling their people to work smarter on process-led tasks, and to put more into proactive client management, hitting the markers that consumers have set for them.

Naturally, for every business the ambition is to satisfy more customers, boosting loyalty and reputation in the process. Conveyancers must now understand that the way to do that is not by offering more phone conversations and letters. It's by fundamentally changing the way communication happens, with new digital mediums that are available to use 24/7, when customers need them, and which mirror the experience they enjoy elsewhere in service-focused world where documents are not printed, scanned or signed by pen.

Importantly, this is not a wholesale service change. Rather it's a pivot that helps firms to fight off the challenge of disruption, better manage their customer base, and regain consumer trust.

FIG 8: How would you prefer to interact with your solicitor/conveyancer?



The Age of Opportunity

We live in the age of consumer choice. People can book holidays in the middle of the night, buy cars at their desks and order shopping on the train. For many, digital service now means better service. And although home moving can sometimes be portrayed as a restrictive process, conveyancers are not immune from the changes that have taken place in the consumer world.

Now, as the housing market slows and movers gain power, changes in consumer expectations around what constitutes a positive experience (and how it's delivered) are becoming ever more important.

It's therefore a concern that the findings from the **Home Moving in the Age of the Consumer** research show that the current conveyancing market is often struggling to deliver the personable, efficient and user-friendly service today's home mover wants. Similarly, in an 'always on' consumer environment, the inflexible, process-focused nature of many firms is harming reputation and recommendation, as people look elsewhere for conveyancing.

But the outlook need not be bleak, and firms can use change to their advantage. By being willing to understand and accommodate 21st century mindsets, by evolving their service offering, and by employing disruptive technology, any conveyancer can become a well-regarded modern business.

Indeed, with **35%** of respondents to **Home Moving in the Age of the Consumer** suggesting that they'd pay more for a service with a premium customer service focus, modernising is about thriving more than it is surviving. If there's one lesson conveyancers can take from the survey it's that the rewards for meeting consumer expectations are out there. It's just a question of who moves first to claim them.

Research Methodology

Home Moving in the Age of the Consumer is a new research survey from InfoTrack, created in conjunction with the London-based independent research agency Loudhouse. We surveyed 1,000 consumers who have purchased a property in the last 10 years. Respondents were aged 18+, sourced from across the UK and split roughly equally between male (43%) and female (56%). The majority of respondents bought properties at a value of between £100,000 and £400,000.



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