

Business Legal Services

Focus Group Report

February 2018

Prepared for

Utah State Bar



Lighthouse Research & Development, Inc.

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Business Legal Services Focus Group Report

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Introduction

Lighthouse Research & Development, Inc. was contracted by the Utah State Bar to conduct two focus groups with business owners and leaders regarding their perceptions and usage of legal services.

Objectives

The main objective of this research project was to discover participants' perceptions and usage of legal services. To accomplish the project objectives, participants were guided through a discussion that encompassed the following topics and themes:

Identify Usage of and Perceptions of Legal Services

- Gather general perceptions of lawyers
- Identify the perceived value of lawyers, according to participants
- Determine the point at which participants would consider using a lawyer

Discover the Barriers Preventing Individuals from Using Legal Services

- Identify the barriers preventing individuals from using the services provided by a lawyer
- Determine if participants agree or disagree with possible barriers for using legal services

Understanding the Selection Process

- Identify the resources participants would rely on to find a lawyer
- Identify factors that are important to participants in choosing a lawyer
- Discover the process participants would go through to select the right lawyer for them

Determine Fee Preferences

- Determine why cost is such a barrier to using a lawyer's services (i.e. up-front cost, hourly cost, and cost vs. benefit)
- Discover whether participants prefer a flat fee or an income-based fee when paying for legal services
- Determine the reason for participants' preferences

Project Overview

The specific scope of work for this research project is described below:

- Recruitment of participants for each group
- Confirmation emails and reminder telephone calls to each participant
- Development of a moderator's guide and participant handout, including specific discussion topics, questions, and ratings
- Facilitation of the focus groups
- Development of a written report of results

Research Methodology

The research methods used to complete the project are outlined in detail below.

Screener Design and Development

Lighthouse Research, in consultation with Utah State Bar personnel, prepared the participant screener. The information collected during the screening process was used to verify participant eligibility and gather demographic information.

Sampling Procedures

The recruiting for the focus groups was conducted using general public sample.

Recruiting

Experienced executive recruiters from the Lighthouse Research facility in Riverton, Utah, conducted the recruiting. Interviewers were briefed thoroughly on the screener before proceeding with recruiting. Calling hours for this recruit were between 9:00 a.m. and 9:00 p.m. on weekdays. Participants received personal emails confirming their invitation to participate and indicating the date and time of the discussion group. Careful attention was paid during the recruiting process to ensure only qualified individuals were invited.

Development of Moderator's Guide

Lighthouse Research designed the moderator's guide for the focus groups. The questionnaire encompassed the following topic areas:

- Identify Usage of and Perceptions of Legal Services
- Discover the Barriers Preventing Individuals from Using Legal Services
- Understanding the Selection Process
- Determine Fee Preference

Focus Group Fulfillment

A total of two focus groups were facilitated by Christie Leake, who guided participants through the topic areas outlined in the moderator's guide. The focus groups were held February 7, 2018 at the offices of Lighthouse Research & Development, Inc. in Salt Lake City, Utah.

Organization of the Report

Data collected during the interviews was analyzed for reporting. The results were compiled and are presented in this report, organized by the following areas:

- Introduction
- Conclusions and Opportunities
- Detailed Results
- Appendices

The Conclusions and Opportunities section of this report includes a summary of the research findings from the focus groups.

The Detailed Results portion of this report presents the complete findings of the research organized by topic.

The Appendices section provides frequency of results for the participant screener and focus group handout questions, verbatim open-ended responses provided by participants, and a copy of the moderator's discussion guide.

This report represents the deliverable for this portion of this contract and is presented respectfully to the project sponsors.

Conclusions and Opportunities

Based on the results of the research findings, Lighthouse Research respectfully makes the following conclusions.

Identify Usage of and Perceptions of Legal Services

- When identifying the words, thoughts and phrases that come to mind when they think of lawyers, participants mentioned both positive and negative associations. When discussing their positive associations of lawyers, multiple participants indicated that lawyers are essential in business, as they protect business from trouble and can save businesses money in the long run. However, some participants have had negative experiences with lawyers that cause them to feel they are dishonest and expensive.
- When asked to rate their perceptions of lawyers, participants, on average, gave a mid-range rating of 4.88 on the one-to-seven rating scale.
- When asked to identify the value lawyers provide to businesses, participants most frequently indicated that lawyers are beneficial 1) in an advisory capacity and 2) in protecting the business.
- When discussing the point at which they would engage the services of a lawyer, participants generally fell into one of two groups: 1) those who have lawyers on retainer and utilize their services frequently, and 2) those who would only engage a lawyer when need arises.

Understanding the Selection Process

- Participants most frequently said they would ask friends or family members for referrals, or that they would ask other lawyers they knew for a recommendation, if they needed to find a lawyer today.
- When identifying the top factors they consider when choosing a lawyer, participants most frequently mentioned 1) experience and 2) area of expertise.

Discover the Barriers Preventing Individuals from Using Legal Services

- When asked to identify the barriers that prevent businesses from using the services provided by a lawyer, participants' main reason was cost. However, multiple participants said they choose not to use a lawyer, as they don't see the need, as they feel they can handle many issues or situations on their own, or because they wonder if engaging a lawyer is "worth it."
- When asked why cost is such a barrier to using legal services, participants indicated the following:
 - Legal services are far too expensive
 - Small and new businesses feel they can't afford legal services or justify such a cost
 - Business owners feel they can handle certain issues on their own at a fraction of the cost
 - Sometimes it is less expensive to settle or pay a claim than to engage a lawyer
 - It is difficult for some business owners to recognize the value provided by lawyers
 - "Money is competing for a lot of different things"

- When asked to rate their agreement with various statements relating to the barriers preventing businesses from using their services, participants, on average, gave the highest rating to “lawyers’ fees are too costly,” indicating they agree most with this statement.

Determine Fee Preference

- When asked to describe what lawyers do, participants frequently commented that lawyers assist businesses in providing legal defense and protection.
- When asked if they are aware of how lawyers charge, nearly all participants indicated that lawyers charge by the hour.
- When asked what they would be willing to pay for legal services if they needed to use a lawyer today, participants most frequently said they would be willing to pay \$100 to \$200 an hour, though participants indicated they would be willing to pay more in situations of crisis.
- When asked how valuable they would consider a one-hour meeting with a lawyer to be in various situations, participants gave the highest average mean rating to “purchase and sale of a business,” the second highest rating to “writing or negotiating a contract,” and the third highest rating to “real estate needs, including leases,” indicating these are the situations where participants consider a consult with a lawyer to be most valuable.
- When asked how much they would be willing to pay for a one-hour meeting in each of the aforementioned situations, participants, on average, said they would pay the most for work performed on the purchase or sale of a business, followed by work related to real estate needs.
- Some participants indicated that they would be willing to pay a \$100 per month retainer for access to a lawyer. When asked what they would expect to get for that monthly fee, participants said they would, at the very least, expect time and attention.
- More than one-half of participants indicated they would prefer to pay a flat fee, as opposed to an hourly fee or a sliding scale. Participants who said they would prefer a flat fee indicated that such a fee is easier to budget and plan for.
- In conclusion of the groups, participants recommended that lawyers educate business owners on the benefits lawyers can provide to businesses and show how lawyers’ services are of value.

Detailed Results

Identify Usage of and Perceptions of Legal Services

Word Association

When identifying the words, thoughts and phrases that come to mind when they think of lawyers, participants mentioned both positive and negative associations. When discussing their positive associations of lawyers, multiple participants indicated that lawyers are essential in business, as they protect businesses from trouble and can save businesses money in the long run. However, some participants reported having negative perceptions of lawyers, as they have had negative experiences with lawyers that caused them to feel that lawyers are dishonest and expensive. For details, please see Table 1.

Table 1
What words, thoughts, or phrases come to your mind when you think of “lawyers”?

Positive	Negative	Neutral
<ul style="list-style-type: none"> • Can save your business money • Good resource for businesses <ul style="list-style-type: none"> ○ “They’re a good resource for making business decisions. Kind of keeps you out of trouble if you have someone you trust.” ○ “Lawyers are a good resource for writing and preparing contracts.” • Good when they are on your side • Great when you need them • Keeps your business out of trouble • Necessary <ul style="list-style-type: none"> ○ Can’t get by without them • “They know the law better than we do.” 	<ul style="list-style-type: none"> • Complicated • Dishonest <ul style="list-style-type: none"> ○ “Crooks” ○ “Liars” ○ “Spinners” ○ “Unethical” • Expensive <ul style="list-style-type: none"> ○ The best lawyers cost the most money • Lawsuits • Necessary evil • Too many lawyers 	<ul style="list-style-type: none"> • Contracts • Licensed varies from state to state

When asked to rate their perceptions of lawyers, participants, on average, gave a mid-range rating of 4.88 on the one-to-seven rating scale.

Multiple participants gave high perception ratings when rating their impression of lawyers, as they have utilized lawyers and recognize the value they provide. One participant said, “They’ve been a tremendous resource to me throughout my career,” while another said, “When you’re doing business and you want to stay in business, you want to do it right. Those are the guys you go to.”

Some participants who gave high ratings to their perceptions of lawyers indicated that they know lawyers who have impacted their impression. One participant said, “They’re good people, honest people,” while another said, “Most of the ones that I’ve dealt with have been very much the same, very smart, knowledgeable.”

Multiple participants gave low or mid-range ratings to describe their impressions of lawyers. These participants have either had negative experiences with lawyers, or limited experience with lawyers, in general.

Value of Lawyers

When asked to identify the value lawyers provide to businesses, participants most frequently indicated that lawyers are beneficial 1) in an advisory capacity and 2) in protecting the business.

Multiple participants said lawyers are valuable in an advisory capacity. One participant said, “We use ours in an advisory position. They consult with us on a regular, four-month basis, kind of recap what’s been going on, and where we’re headed. They give us some advice and consult with us. We use them in a proactive role.”

Other participants indicated that lawyers are valuable in protecting their businesses. One participant said, “They can help set up your business the right way,” while another said, “They can keep you from getting sued.” One participant said his lawyer is valuable in terms of “risk management,” while another said, “I found it really helpful to have lawyers review my contracts.”

Participants also indicated that lawyers are valuable to businesses in that they provide peace of mind. One participant said, “Knowing you’ve got someone on your side to help you with your legal battles gives you peace of mind.”

Engaging a Lawyer

When discussing the point at which they would engage the services of a lawyer, participants generally fell into one of two groups: 1) those who have lawyers on retainer and utilize their services frequently, and 2) those who would only engage a lawyer when need arises.

Participants who said they would engage the services of a lawyer frequently indicated that they have seen the value of using a lawyer in an advisory capacity. One participant said, “I have [lawyers] on retainer, so I pull the trigger every day now.” Another said, “When my partner and I bought our business, we didn’t engage a lawyer at that point and time, but there are certain things that, looking back, we wish we would have done. Since that time, we’ve been a little bit more proactive with having attorneys on retainer and

trying to stay ahead of potential issues. We feel like it is [worth it]. It's helped us avoid a lot of mistakes. It helps us protect parts of our business that we wouldn't know how to protect it legally."

Other participants don't believe they need a lawyer except in certain situations. One participants said, "I've been pretty fortunate so far; we haven't had anything really big to pull an attorney in on."

Understanding the Selection Process

Useful Resources

When asked how they would find a lawyer if they needed to find one today, participants most frequently said they would ask friends or family members for referrals, or that they would ask other lawyers they knew for a recommendation. One participant said, "I trust my own network more than anyone," while another said, "I would check with friends who are lawyers."

Some participants said they would turn to social media to find a lawyer, while others said they would rely on networking groups. One participant said, "I recently looked at a lawyer who could set up franchises. I think I heard about it in one of those networking groups that meets early in the morning."

Others indicated they would use an online search engine to search for a lawyer if they needed one.

Important Factors in Choosing a Lawyer

When identifying the top factors they consider when choosing a lawyer, participants most frequently mentioned 1) experience and 2) area of expertise. For further details, see Table 2.

Table 2
What are the top factors you would consider before choosing a lawyer?

	Most Important	Second Most Important	Third Most Important	Overall
Experience	1	6	4	11
Area of expertise	4	2	4	10
Referrals, references	6	1	1	8
Competent	3	3	0	6
Communication	0	1	3	4
Cost, rate	1	2	1	4
Reputation	1	1	0	2
Fits with personality	0	0	2	2
Dealing with lawyer vs paralegal	0	0	1	1

Other factors participants said they would consider when choosing a lawyer include:

- Risks, expectations of outcome
- Success with similar cases
- How long it takes to resolve an issue
- Education
- Google reviews

When further explaining important factors they would consider when choosing a lawyer, participants mentioned the following:

- “I don’t want a sloppy attorney who has experience but can’t hit the mark.”
- “I look for somebody that’s competent. That, to me, is the most critical key factor. We interview them. We judge based on previous experience and previous cases. Do they know what they’re talking about?”
- “I need someone who fits in with my personality. I tend to be a little more relaxed and less formal culture, so I don’t fit in very well with a more of a formal, Kirton and McConkie culture.”
- “In a business setting you need to ask cost versus recovery.”
- “Reputation is important. We needed a bull dog a few years ago, we asked around and found one.”

Discover the Barriers Preventing Individuals from Using Legal Services

Top Barriers

When asked to identify the barriers that prevent businesses from using the services provided by a lawyer, participants’ main reason was cost.

However, multiple participants said they choose not to use a lawyer, as they don’t see the need or as they don’t know at what point they should engage a lawyer. One participant said, “Where is that breaking point of when I do need one? Should I have that competence? And when is it worth the cost to get that?”

Some participants said that businesses may not even realize they need the services of a lawyer. One participant said, “Sometimes you just don’t even realize you need one. When we started up our company, we just went down, got our business license, and started plugging along. We figured things out as we went along. We just researched on our own and just did everything.”

Other participants said that businesses are hesitant to use a lawyer, as they feel they can handle many issues or situations on their own. In some instances, participants questioned what more a lawyer could do for them than they already do for themselves.

Some participants indicated they are hesitant to engage legal services, as they are fearful of using a lawyer, or as they don’t perceive the stress and time involved to engage a lawyer as being “worth it.”

Cost Barrier

When asked why cost is such a barrier to engaging a lawyer, some participants said they feel legal services are far too expensive. One participant said, “The fees are too high. It’s extremely expensive.” Another said, “Why does it have to be three hundred bucks an hour? Really?”

Some participants indicated that cost is of the utmost importance to small businesses and new businesses with extremely limited funds. One participant said, “If you’re a really small business, it just doesn’t seem to fit in the budget.” Another said, “I remember when we started our business and the revenues were very, very low. We didn’t build that into our budget. It was extremely difficult. That expense was really, really hard. It goes quick, \$300 an hour is a fast burn rate.”

Multiple participants indicated that they don’t see the need for a lawyer, except in certain situations. As such, they don’t feel they can justify the cost for services they perceive they can handle themselves. One participant said, “If you’re starting out, you can go online and do an LLC for \$600. Call an attorney and it’s \$500 to \$1,000.” Another participant said, “I don’t really feel like I need one, and with the cost so high, I definitely don’t need. I just haven’t seen the value.” One participant said, “I think a lot of times you think you can handle it, you think it will resolve itself or it will go away.”

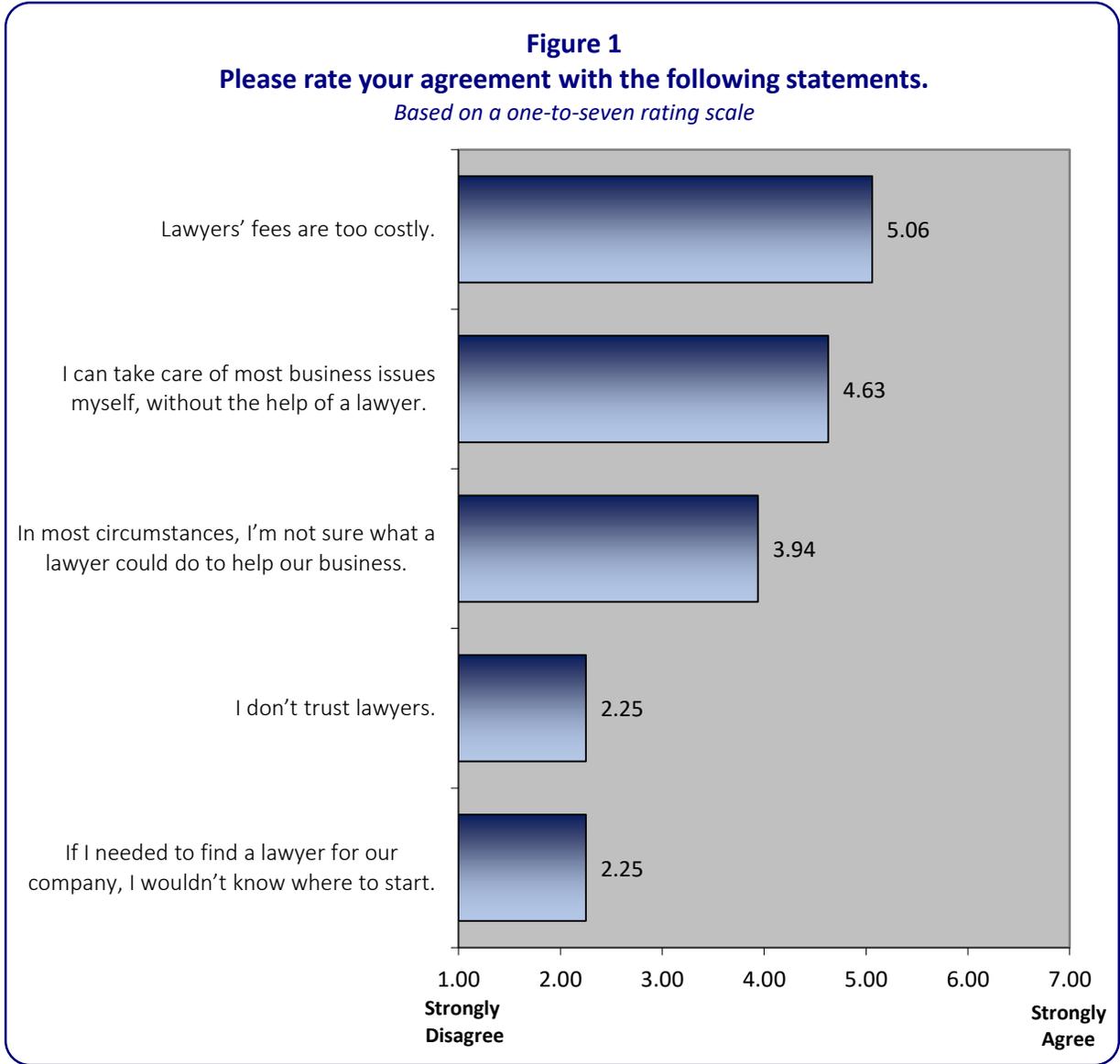
Still, other participants perceive it is less expensive to settle or pay a claim rather than use a lawyer. One participant said, “Sometimes the cost of the lawyer is as great or greater than negotiating the problem yourself.” Another said, “A lot of times it’s easier to just pay the claim rather than try to fight it, whether you were in the wrong or not. It’s just cheaper and easier.”

Some participants indicated that it is often difficult to see the value in the services lawyers provide. One participant said, “[With the services lawyers provide,] there’s no tangible thing that you see.” Another participant said, “I think sometimes it’s hard to fully appreciate the value you’re getting for the money you’re spending.”

Some participants indicated that they feel their money would be better spent on things besides legal services. One participant said, “Money is competing for a lot of different things. Am I going to do marketing, am I going to do legal?” Another participant said, “The more money you spend, the less money you get to spend on your grandkids. If you spend it on a lawyer it’s not in your own pocket.”

Barrier Ratings

When asked to rate their agreement with various statements relating to the barriers preventing businesses from using their services, participants, on average, gave the highest rating to “lawyers’ fees are too costly,” indicating they agree most with this statement. For further details, please see Figure 1.



Determine Fee Preference

Awareness of What Lawyers Do and How They Charge

When asked to describe what lawyers do, participants frequently commented that lawyers assist businesses in providing legal defense and protection. When describing what his lawyers do, one participant said, “They’re an advocate. They help us bridge the known and the unknown. We know our business really, really well, and they know the law side of things. Along those lines, they help us dot our I’s and cross our T’s They just help us to be compliant.”

When asked if they are aware of how lawyers charge, nearly all participants indicated that lawyers charge by the hour. One participant said, “We know the rate, but we don’t know how many hours they’re going to bill us. We don’t know what the final bill will be.”

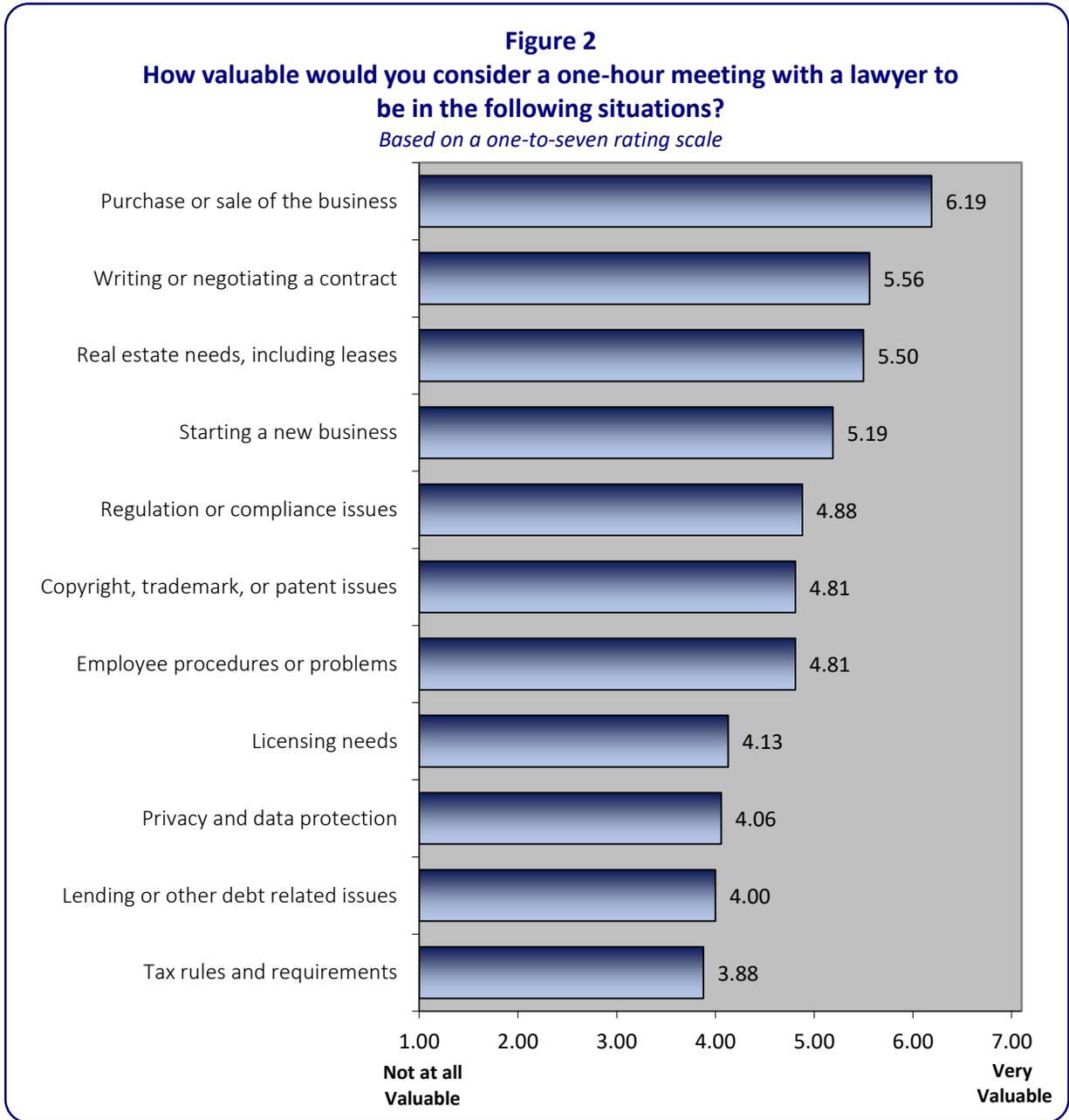
Willingness to Pay

When asked what they would be willing to pay for legal services if they needed to use a lawyer today, participants most frequently said they would be willing to pay \$100 to \$200, though one participant said she would only be willing to pay \$50, while another said he would be willing to pay a flat rate of \$1,000.

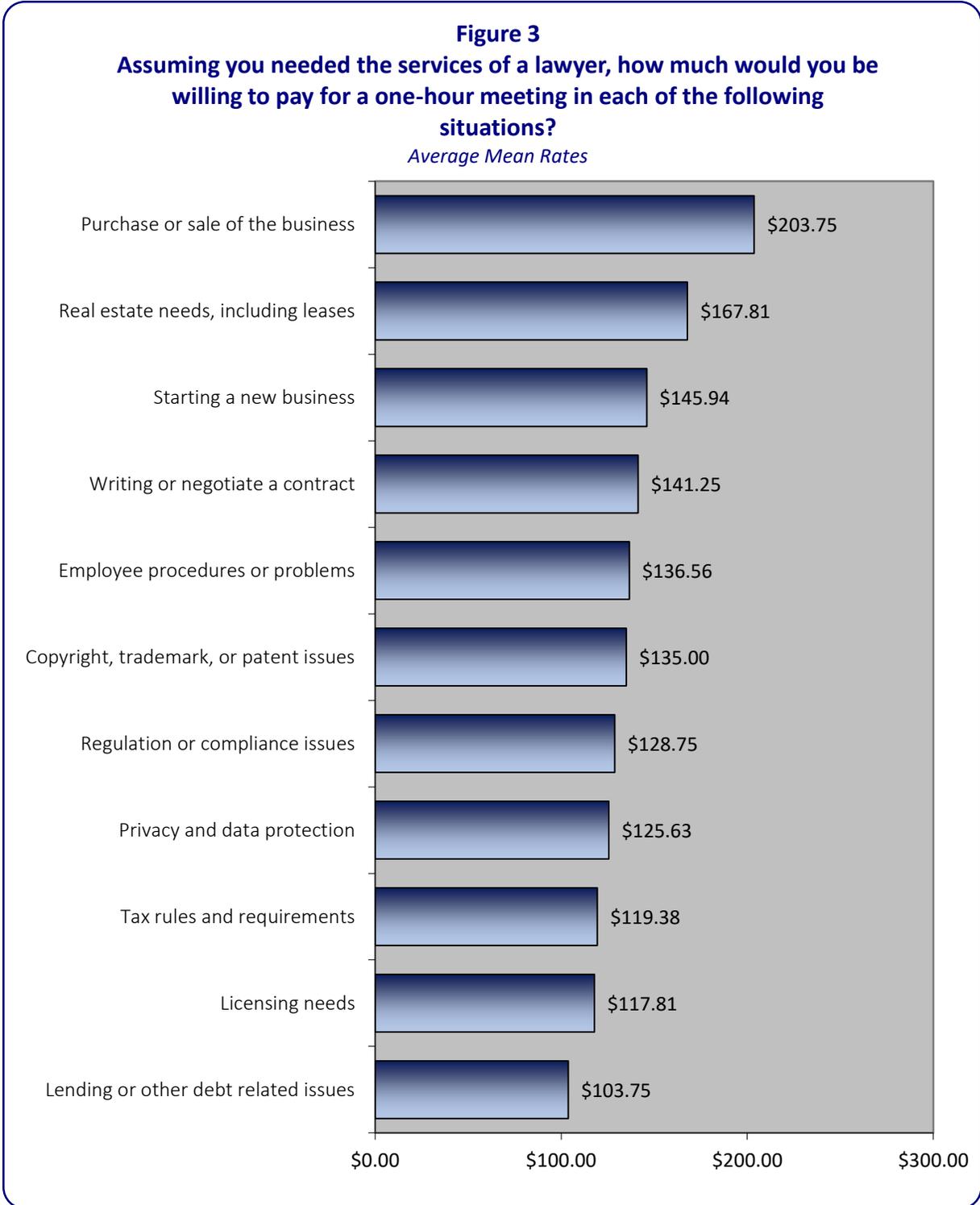
Participants, in general, indicated that they would be willing to pay more when facing a crisis. One participant said, “You’re willing to pay more to get out of it,” while another said, “Usually the crisis lawyers are a little pricier because they’re better at dealing with crises.” Participants also perceive that crises demand more time and attention, which ultimately increases cost. One participant said, “I would expect it to cost more because of the number of hours of dealing with a problem, but the per hour price should be the same.” Another participant said, “The perspective I have is that it’s the same problem, just something that’s come urgently and the unfortunate nature is that the lawyer can’t plan for that in his schedule. It’s more of a crisis on his schedule, so then it puts a premium on their time from their perspective.”

Value of One-hour Meetings

When asked how valuable they would consider a one-hour meeting with a lawyer to be in various situations, participants gave the highest average mean rating to “purchase and sale of a business,” the second highest rating to “writing or negotiating a contract,” and the third highest rating to “real estate needs, including leases,” indicating these are the situations where participants consider a consult with a lawyer to be most valuable. Participants gave the lowest rating to “tax rules and requirements,” indicating this is the situation participants feel a consult with a lawyer would be less valuable. For further details, please see Figure 2.



When asked how much they would be willing to pay for a one-hour meeting in each of the aforementioned situations, participants, on average, said they would pay the most for work performed on the purchase or sale of a business, followed by work related to real estate needs. Figure 3 illustrates the average amounts participants would be willing to pay for a one-hour meeting in each of the following situations.



When further discussing what they would pay for a one-hour consult, one participant said, “I think it would be valuable to be educated on what a lawyer could do for me. I’d pay \$85. I think that’s what my mechanic is.” Another participant said, “Some problems cost thousands. So for just a consultation to discuss the business? Yeah, I’d pay one or two hundred bucks to see what’s going on.” One more participant said, “It might be worth a couple hundred bucks to have him come in and evaluate everything I’m doing.”

Other participants indicated that they would only consider a one-hour consult if it were offered at no cost. One participant said, “I don’t need a lawyer right now. If [the consult were] free, I’d be like, ‘Sure, I’d be interested in finding out what you can do for us.’ But if you’re going to charge me \$800 or \$300 or \$500 just to see what you can do for me? No, [I’m not interested].”

Retainer

Some participants indicated that they would be willing to pay a \$100 per month retainer for access to a lawyer. When asked what they would expect to get for that monthly fee, participants said they would, at the very least, expect time and attention. One participant said, “I would expect if I had somebody on retainer that they would at least answer my phone call when I call them. They need to pay attention to you, give you a little more priority.” Another said, “I expect somebody to answer the phone, whether it’s \$100 or \$12,000 a month. I expect them to answer the phone, number one.”

Other participants said they didn’t feel they could justify the cost of a monthly retainer. One participant said, “I’m not sure I could justify \$100 a month on our budget. I think it’s less expensive for me to use a lawyer as needed as opposed to having one on retainer that I may or may not use.” Another participant said, “I don’t know that I would spend much money on that type of thing just because of the infrequency of using them.”

Fee Preference

Participants were asked to indicate if they would prefer paying 1) a flat fee with all legal services provided in one lump sum or 2) an hourly fee or a fee based on a sliding scale. In response, more than one-half of participants indicated they would prefer to pay a flat fee.

Participants who said they would prefer a flat fee indicated that a flat fee is easier to budget and plan for. One participant said, “I would know what the cost is going to be and I wouldn’t have any surprises. I would just budget for it. With an hourly fee, you don’t know [what it’s going to cost]. I much prefer knowing how much.”

Participants who said they would prefer an hourly rate felt that such a fee structure would be least expensive. One participant said, “I don’t need them all the time. If I do, I’d rather just pay for what they give me when I need it.” Another said, “I don’t want to feel like I’m paying for something that maybe I’m not using.”

When asked if they would be interested in a fee that decreased in hourly cost after a certain number of hours, participants answered, “yes.” One participant said, “I think that just provides them some incentive to get it done quicker,” while another said, “I really like the idea of having them have some ownership.”

Conclusion

As a concluding question, participants were asked:

“Imagine you were part of a creative team tasked with increasing usage of legal services at a law firm. What three things would you do to overcome the barriers preventing businesses from using legal services and motivate them to use your firm?”

In response, participants offered the following suggestions:

- Be engaged in the community
- Demonstrate crises that can be averted by having a legal team
 - Can the lawyer can sell me prevention, like prove to me that we’re going to avoid some crisis down the road? Plumbers can charge a ton of money if a pipe bursts in the middle of the night, but if they can come and do a routine check on the pipes and prove to me that it’s going to burst, I’m going to pay to have that preventative stuff in place. If it’s a professional and it’s going to prevent me from some kind of crisis, I’ll do it.”
- Demonstrate how lawyers are different from the negative stigma or stereotype that exists
- Educate businesses on what lawyers can do for them
 - “Show me why I need you.”
- Emphasize specific skills and abilities that would benefit businesses
- Offer affordable, reasonable fees
- Offer flat fee pricing
- Offer initial consultations at no or low cost
- Show businesses how lawyers can improve their bottom line
- Show greater accessibility in advertising
- Show the value lawyers provide for the cost paid

Participants Demographics

The majority of participants (10) were men, though nearly one-third (6) were women.

Most participants (11) reported working in Salt Lake County, though some reported working in Davis (4) or other (1) counties.

Participants identified the following as their positions or titles:

- Business owner (4)
- Business owner, office manager
- COO
- Co-owner
- Division manager
- Online auction
- Owner (3)
- Owner, president
- President (2)
- President, owner

Participants represented both small, mid-sized, and large companies. The average participant reported having between 6 and 10 employees (3.31 average mean, 3.50 median).

Participants reported having revenues less than \$1 million to revenues of \$21 to 50 million. The average participant reported having an approximate annual revenue for their companies as less than \$1 million (1.56 average mean, 1.00 median).

Most participants (13) indicated that their companies have retained services provided by an attorney.

APPENDIX A: PARTICIPANT SCREENER

Hello, this is _____ calling from Lighthouse Research. Our company is conducting a research discussion with business decision makers in the Salt Lake City area. If you qualify, you will be invited to attend a discussion group, which will last no more than **90 minutes**. In appreciation for your help, you will receive **\$150.00 Cash** as a thank you for your time. I assure you that we are only interested in your opinions and you will not be asked to purchase anything. Do you mind if I ask you a few questions to see if you qualify?

1. I just need to verify that you are currently employed either part-time or full-time. Is that correct?

Note: This question asked for verification purposes only.

2. In which county do you work?

	Count
Salt Lake	11
Davis	4
Other	1

3. What is your position or title?

- Business owner (4)
- Business owner, office manager
- COO
- Co-owner
- Division manager
- Online auction
- Owner (3)
- Owner, president
- President (2)
- President, owner

4. Which of the following best describes your level of involvement in the decision-making process when it comes to your company needing legal services or advice?

	Count
Somewhat involved	2
Very involved	14

5. Does your company have its own in-house legal department?

Note: This question asked for verification purposes only.

6. What is the name of your company?

- A&M Tool & Cutter & Grinder
- Bridge Healthcare Group
- Cubes Self Storage
- Details, Comforts for Your Home
- Janke Construction LLC
- Larsen & Malmquist Inc
- Lean on Me USA
- Online Auction
- Pentalon Corp.
- Resilient Solutions Inc.
- Scale & Tails Utah
- Sites by Sara
- Solar Window & Door, Inc.
- Swim Kids
- Walker Monument
- Western Walls Inc.

7. Have you or has anyone in your immediate family ever worked for a company in any of the following industries? **[If any of the industries below, Thank & Terminate]**

- Marketing
- Research
- Advertising
- Media (television, newspaper, radio, etc.)
- Legal sector (attorney, law, court system, etc.)
- Government
- No, none of the above **[Continue]**

Note: This question asked for verification purposes only.

8. How many people work for the company?

	Count
1 = 1 to 2	2
2 = 3 to 5	3
3 = 6 to 10	3
4 = 11 to 19	5
5 = 20 to 49	2
6 = 50 to 99	1
7 = 100 to 199	0
8 = 200 to 499	0
9 = 500 or more	0
<i>Average Mean</i>	3.31
<i>Median</i>	3.50

9. What is your company's approximate annual revenue?

	Count
1 = Less than \$1 million	10
2 = \$1 to \$5 million	5
3 = \$6 to \$10 million	0
4 = \$11 to \$20 million	0
5 = \$21 to \$50 million	1
6 = \$51 to \$100 million	0
7 = More than \$100 million	0
<i>Average Mean</i>	1.56
<i>Median</i>	1.00

10. Has your company ever retained services provided by an attorney?

	Count
Yes	13
No	3

11. How often does your company use these services?

- A few times a year
- About every other month
- As rarely as possible, last time was 5 years ago
- Every 3 to 4 years
- Every 6 months
- Monthly (2)
- Not often
- Not very often
- Once every 3 to 5 years
- Only once
- Only one time
- Quarterly

12. Record gender by observation.

	Count
Male	10
Female	6

INVITATION [FOR THOSE WHO QUALIFY]:

We would like to invite you to participate in a group discussion that will take place on **Tuesday, February 7th, 2018 at the Lighthouse Research facility located at 375 East 500 South, Salt Lake City.**

Again, I assure you we are not selling anything and you will not be asked to share any personal information, only your opinions and ideas. As we mentioned earlier, you will receive **\$85.00** at the conclusion of the first **90-minute** discussion group. Would you be willing to participate?

Group 1 – Tuesday, February 7th @ 5:00 PM

Group 2 – Tuesday, February 7th @ 6:30 PM

Great! We would like to be able to send you directions and a reminder before the group. Can you please confirm your name, address, and contact information? **(Collect participant contact information below)**

CONTACT INFORMATION

NAME _____

MAILING ADDRESS _____

CITY _____ **ZIPCODE** _____

HOME PHONE _____ **ALT. PHONE** _____

E-MAIL ADDRESS _____

RECRUITED BY _____ **DATE RECRUITED** _____

SOURCE OF RECRUIT _____

**If you have any questions or find that you can't attend, please call us right away at 801-446-4000 so we can find a replacement. We will be giving you a reminder call prior to the group. If you care for children, please do not bring them with you because we are unable to provide child-care at our facility. Thank you for your time and for agreeing to participate in the discussion.*

APPENDIX B: MODERATOR'S DISCUSSION GUIDE

Objectives

The main objective of this research project is to discover participants' perceptions and usage of legal services. To accomplish the project objectives, participants will be guided through a discussion that encompasses the following topics and themes:

Identify Usage of and Perceptions of Legal Services

- Identify the professionals participants would use in various situations
- Gather general perceptions of lawyers
- Identify the perceived value of lawyers, according to participants
- Identify situations in which participants would consider using a lawyer
- Determine the point at which participants would consider using a lawyer

Discover the Barriers Preventing Individuals from Using Legal Services

- Identify the barriers preventing individuals from using the services provided by a lawyer
- Determine if participants agree or disagree with possible barriers for using legal services

Understanding the Selection Process

- Determine if participants have used a lawyer's services in the past
- Discover how participants have found lawyers in the past
- Identify participants' reasons for choosing a particular lawyer
- Identify the resources participants would rely on to find a lawyer
- Identify factors that are important to participants in choosing a lawyer
- Discover the process participants would go through to select the right lawyer for them

Determine Fee Preferences

- Determine why cost is such a barrier to using a lawyer's services (i.e. up-front cost, hourly cost, and cost vs. benefit)
- Discover whether participants prefer a flat fee or an income-based fee when paying for legal services
- Determine the reason for participants' preferences

Part One: Introduction and Greeting

10 Minutes

Moderator Introduction

- Moderator introduction
- Ask participants to turn off cell phones
- Advise participants of video and audio taping
- Inform participants there is someone viewing the group to take notes and ensure participant ideas and opinions are recorded correctly

Purpose of Focus Group

“The reason we are here today is to gather your impressions about professional services your companies may or may not use. Each of you has been invited, based on your position within your company. I will be leading you through some discussion questions and activities to help us learn more about what you think. We are very interested in each of your personal thoughts and opinions.”

Moderator Role

- To introduce the discussion topics, ask probing questions, and guide the discussion through each of the relevant issues
- The moderator is not to guide the participants’ responses or give advice

Discussion Rules

- Speak one at a time; we want to hear all of your ideas.
- Everyone needs to participate; we need everyone’s ideas and comments.
- There are no wrong or right answers; we invited each of you here so we could understand what you know and how you feel about these topics.
- It is likely that your opinions will differ from someone else’s in the room; as such, please be respectful of others and their opinions.
- Your comments and responses will remain confidential.
- I am not an expert on the topic we will discuss. You are the experts, so please speak freely.

Participant Icebreaker

Participants will be asked to introduce themselves, including the following items in their introductions:

- Name
- Employer
- Job title and occupation
- Job description
- Favorite hobby or activity

Part Two: Identify Usage of and Perceptions of Legal Services

10 Minutes

- Q1.** What words, thoughts, or phrases come to your mind when you hear the word, “lawyers”?

The moderator will capture participants’ responses on the flipchart.

The moderator will ask participants to complete **Page 1** in their handouts.

- Q2.** Using a one-to-seven rating scale where one is “very negative” and seven is “very positive,” please rate your perception of lawyers. Explain.
- Q3.** What value do lawyers provide to businesses?
- Prompt: What are the benefits of using a lawyer?
- Q4.** In what situations would your company use a lawyer?
- Q5.** At what point would your company decide that it’s time to engage the services of a lawyer? Explain.
- Prompt: At the onset of an issues, after receiving advice from others, when you can’t handle an issue yourself, as a last resort

Part Three: Understanding the Selection Process

15 Minutes

- Q6.** If your company needed the services of a lawyer today, which resources would you turn to?
- Q7.** If you needed to find a lawyer for a business matter today, what steps would you go through before choosing a lawyer?
- Prompt: Step 1...
 - Prompt: Step 2...
 - Prompt: Step 3...
- Q8.** How do you determine if a lawyer is the right lawyer for your business needs?

The moderator will capture participants’ resources on the flipchart.

- Q9.** Imagine your company needed to use the services of a lawyer. What factors would you consider before deciding which lawyer to use? Explain.

The moderator will capture each response on a separate index card.

- Q10.** Which three factors are **MOST** important to you in selecting a lawyer for your business?
- **Green = Most important**
 - **Yellow = Second most important**
 - **Red = Third most important**

Part Four:

Discover the Barriers Preventing Individuals from Using Legal Services

15 Minutes

- Q11.** What barriers might prevent businesses from using the services of a lawyer? Explain.

The moderator will capture participants' responses on the flipchart.

- Q12.** Of the barriers listed, which are the top three biggest barriers for businesses choosing to use the services of a lawyer? Explain.

The moderator will label these barriers on the flipchart.

The moderator will ask participants to complete **Page 2** in their handouts.

- Q13.** Using a one-to-seven scale where one is "strongly disagree" and seven is "strongly agree," please rate your agreement with the following statements. Explain.
- Lawyers' fees are too costly.
 - If I needed to find a lawyer for our company, I wouldn't know where to start.
 - In most circumstances, I'm not sure what a lawyer could do to help our business.
 - I don't trust lawyers.
 - I can take care of most business issues myself, without the help of a lawyer.

The moderator will use this time to briefly consult with the client.

The moderator will ask participants to display their rating cards and explain.

- Q14.** Which of these statements do you agree with **MOST**?
- Prompt *if "cost" is mentioned*: Aside from cost, which statement do you agree with most?
- Q15.** Which of these statements do you **LEAST** agree with?

Part Five: Determine Fee Preference

25 Minutes

- Q16.** Do you know what services lawyers perform for businesses?
- Prompt: Please explain what you know.
 - Prompt: What interaction have you had with lawyers that has formed your perception of what they do (i.e. personal interaction, word of mouth, media portrayal, etc.)?
- Q17.** Do you think lawyers are portrayed accurately in the media? Explain.
- Prompt: How does the media portrayal of lawyers impact the general public's perception of lawyers?
 - Prompt: Does the media's portrayal of lawyers impact the general public's willingness to use a lawyer? Explain.
- Q18.** Are you aware of how lawyers charge businesses for their services?
- Prompt: What do you know about how lawyers charge for services?

The moderator will ask participants to complete **Pages 3 and 4** in their handouts.

- Q19.** If your company needed to use the services of a lawyer, what would you be willing to pay for legal services?
- Q20.** **[HANDOUT ONLY]** Using a one-to-seven rating scale where one is "not at all valuable" and seven is "very valuable," how valuable would you consider a one-hour meeting with a lawyer to be in the following business situations?
- Copyright, trademark, or patent issues
 - Employee procedures or problems
 - Lending or other debt related issues
 - Licensing needs
 - Privacy and data protection
 - Purchase or sale of the business
 - Real estate needs, including leases
 - Regulation or compliance issues
 - Starting a new business
 - Tax rules and requirements
 - Write or negotiate a contract

The moderator will use this time to briefly consult with the client.

- Q21.** In which situations would a one-hour consultation with a lawyer be **MOST** valuable?
- Q22.** In which situations would a one-hour consultation with a lawyer be **LEAST** valuable?

- Q23.** Assuming you needed the services of a lawyer, how much would you be willing to pay for a one-hour meeting in each of the following situations?
- Copyright, trademark, or patent issues
 - Employee procedures or problems
 - Lending or other debt related issues
 - Licensing needs
 - Privacy and data protection
 - Purchase or sale of the business
 - Real estate needs, including leases
 - Regulation or compliance issues
 - Starting a new business
 - Tax rules and requirements
 - Write or negotiate a contract
- Q24.** Some businesses consider cost as a barrier to using a lawyer's services.
- Prompt: **Why** is using a lawyer so cost prohibitive to some businesses?
 - Prompt: **How**, exactly, is cost a barrier to using legal services for business matters? (i.e. What is it about cost that is such a barrier? Up-front costs, hourly costs, cost vs. benefit, etc.)
- Q25.** Which of the following would you prefer? Explain.
- A flat fee, with all legal services provided for one lump sum
 - A sliding fee, where you pay for services based on company revenue
- Q26.** Why would a flat fee be appealing to some?

Part Six: Conclusion

10 Minutes

Small Group Activity

The moderator will divide participants into small groups and ask them to complete **Page 5** in their handouts and answer the following question.

- Q27.** Imagine you were part of a creative team tasked with increasing usage of legal services at a law firm. What three things would you do to overcome the barriers preventing businesses from using legal services and motivate them to use your firm?

The moderator will use this time to briefly consult with the client.

Moderator will ask participants if they have any additional comments. Moderator will also thank participants for their participation and remind them to pick up incentive envelopes.

APPENDIX C: PARTICIPANT HANDOUT

- Using a one-to-seven rating scale where one is “very negative” and seven is “very positive,” please rate your perception of lawyers.

	Count
1 = Very negative	0
2	1
3	0
4	5
5	4
6	6
7 = Very positive	0
<i>Average Mean</i>	4.88
<i>Median</i>	5.00

- Using a one-to-seven scale where one is “strongly disagree” and seven is “strongly agree,” please rate your agreement with the following statements.

Lawyers’ fees are too costly.

	Count
1 = Strongly disagree	0
2	1
3	1
4	3
5	4
6	5
7 = Strongly agree	2
<i>Average Mean</i>	5.06
<i>Median</i>	5.00

If I needed to find a lawyer for our company, I wouldn't know where to start.

	Count
1 = Strongly disagree	6
2	5
3	3
4	0
5	1
6	1
7 = Strongly agree	0
<i>Average Mean</i>	2.25
<i>Median</i>	2.00

In most circumstances, I'm not sure what a lawyer could do to help our business.

	Count
1 = Strongly disagree	2
2	5
3	0
4	1
5	3
6	3
7 = Strongly agree	2
<i>Average Mean</i>	3.94
<i>Median</i>	4.50

I don't trust lawyers.

	Count
1 = Strongly disagree	5
2	6
3	2
4	2
5	1
6	0
7 = Strongly agree	0
<i>Average Mean</i>	2.25
<i>Median</i>	2.00

I can take care of most business issues myself, without the help of a lawyer.

	Count
1 = Strongly disagree	0
2	2
3	2
4	3
5	5
6	1
7 = Strongly agree	3
<i>Average Mean</i>	4.63
<i>Median</i>	5.00

3. If your company needed to use the services of a lawyer, what would you be willing to pay for legal services?

- \$50 to \$200
- \$100 a month ongoing
- \$100 per hour
- \$100 per month
- \$150 monthly
- \$150 per hour (2)
- \$150 to \$200 per hour (2)
- \$200 per hour (2)
- \$200 to \$300
- \$200 to \$300 per hour
- \$300
- \$500 to \$1000

4. Using a one-to-seven rating scale where one is “not at all valuable” and seven is “very valuable,” how valuable would you consider a one-hour meeting with a lawyer to be in the following business situations?

Copyright, trademark, or patent issues

	Count
1 = Not at all valuable	3
2	1
3	1
4	1
5	1
6	3
7 = Very valuable	6
<i>Average Mean</i>	4.81
<i>Median</i>	6.00

Employee procedures or problems

	Count
1 = Not at all valuable	0
2	1
3	3
4	3
5	4
6	1
7 = Very valuable	4
<i>Average Mean</i>	<i>4.81</i>
<i>Median</i>	<i>5.00</i>

Lending or other debt related issues

	Count
1 = Not at all valuable	2
2	4
3	1
4	1
5	3
6	3
7 = Very valuable	2
<i>Average Mean</i>	<i>4.00</i>
<i>Median</i>	<i>4.50</i>

Licensing needs

	Count
1 = Not at all valuable	3
2	1
3	1
4	4
5	2
6	3
7 = Very valuable	2
<i>Average Mean</i>	4.13
<i>Median</i>	4.00

Privacy and data protection

	Count
1 = Not at all valuable	2
2	1
3	2
4	5
5	2
6	3
7 = Very valuable	1
<i>Average Mean</i>	4.06
<i>Median</i>	4.00

Purchase or sale of the business

	Count
1 = Not at all valuable	1
2	0
3	0
4	1
5	1
6	2
7 = Very valuable	11
<i>Average Mean</i>	<i>6.19</i>
<i>Median</i>	<i>7.00</i>

Real estate needs, including leases

	Count
1 = Not at all valuable	0
2	1
3	1
4	2
5	2
6	5
7 = Very valuable	5
<i>Average Mean</i>	<i>5.50</i>
<i>Median</i>	<i>6.00</i>

Regulation or compliance issues

	Count
1 = Not at all valuable	3
2	0
3	1
4	0
5	4
6	4
7 = Very valuable	4
<i>Average Mean</i>	4.88
<i>Median</i>	5.50

Starting a new business

	Count
1 = Not at all valuable	1
2	1
3	3
4	0
5	0
6	6
7 = Very valuable	5
<i>Average Mean</i>	5.19
<i>Median</i>	6.00

Tax rules and requirements

	Count
1 = Not at all valuable	3
2	2
3	1
4	4
5	1
6	4
7 = Very valuable	1
<i>Average Mean</i>	3.88
<i>Median</i>	4.00

Writing or negotiate a contract

	Count
1 = Not at all valuable	0
2	0
3	2
4	2
5	2
6	5
7 = Very valuable	5
<i>Average Mean</i>	5.56
<i>Median</i>	6.00

5. Assuming you needed the services of a lawyer for your business needs, how much would you be willing to pay for a one-hour meeting in each of the following situations?

Copyright, trademark, or patent issues

Average Mean: \$135.00, Median: \$125.00

- \$0 (2)
- \$50
- \$85
- \$100 (4)
- \$150 (2)
- \$150 to \$200
- \$200 (3)
- \$200 to \$300
- \$300

Employee procedures or problems

Average Mean: \$136.56, Median: \$150.00

- \$50 (2)
- \$75
- \$85
- \$100 (3)
- \$150 (4)
- \$150 to \$200
- \$200 (3)
- \$200 to \$300

Lending or other debt related issues

Average Mean: \$103.75, Median: \$100.00

- \$0
- \$50 (3)
- \$85
- \$100 (6)
- \$125 (2)
- \$150
- \$150 to \$200
- \$200 to \$300

Licensing needs

Average Mean: \$117.81, Median: \$100.00

- \$0
- \$50 (3)
- \$85
- \$100 (4)
- \$125
- \$150 (2)
- \$150 to \$200
- \$200 (2)
- \$200 to \$300

Privacy and data protection

Average Mean: \$125.63, Median: \$100.00

- \$0 (2)
- \$50
- \$85
- \$100 (5)
- \$150 (3)
- \$150 to \$200
- \$200
- \$200 to \$300
- \$300

Purchase or sale of the business

Average Mean: \$203.75, Median: \$200.00

- \$85
- \$100
- \$150 (3)
- \$150 to \$200
- \$200 (5)
- \$200 to \$300
- \$300 (2)
- \$500

Real estate needs, including leases

Average Mean: \$167.81, Median: \$150.00

- \$0
- \$85
- \$100 (4)
- \$150 (3)
- \$150 to \$200
- \$200 (3)
- \$200 to \$300
- \$225
- \$500

Regulation or compliance issues

Average Mean: \$128.75, Median: \$137.50

- \$0
- \$50
- \$75
- \$85
- \$100 (3)
- \$125
- \$150 (4)
- \$150 to \$200
- \$200 (2)
- \$200 to \$300

Starting a new business

Average Mean: \$145.94, Median: \$150.00

- \$50
- \$75
- \$85
- \$100 (4)
- \$150 (3)
- \$150 to \$200
- \$200 (3)
- \$200 to \$300
- \$250

Tax rules and requirements

Average Mean: \$119.38, Median: \$137.50

- \$0
- \$25
- \$85
- \$100 (3)
- \$125
- \$150 (5)
- \$150 to \$200
- \$200
- \$200 to \$300

Writing or negotiate a contract

Average Mean: \$141.25, Median: \$150.00

- \$0
- \$50
- \$85
- \$100
- \$150 (6)
- \$150 to \$200
- \$200
- \$200 to \$300
- \$300

6. Which of the following would you prefer?

	Count
A flat fee, with all legal services provided for one lump sum	9
A sliding scale (Group 1) or an hourly rate (Group 2)	7

7. Imagine you were part of a creative team tasked with increasing usage of legal services at a law firm. What three things would you do to overcome the barriers preventing businesses from using legal services and motivate them to use your firm?
- Flat rate fees. Improve advertising to show greater accessibility. Reasonable fees.
 - Give a heavy discount to get me in the door. Come check us out. Discuss rate and what a lawyer can provide for the company. Use best current marketing platform. Educate potential clients.
 - Make it affordable. Different cost strategy and payment options (bonus, profit sharing for speed and desired outcome). Make services worth what you pay. Educate business owners to what the costs give you. Lawyers should try to communicate similar specific cases. Communicate the process for you. Share ideas of how they can help you improve your bottom line. Pass the word when a lawyer does a good job. Have lawyers tell what makes them different than the stereotypical lawyer.
 - Personal visits. Provide education. Let them know your skills and abilities so they can see future benefits.
 - Show me why I need you. Person to person relationship. Be able to negotiate with clients. Examples of how they have helped businesses. Show me how you can save me money.
 - Tell me what the value is. What crisis can we avert by having a legal team. We are trustworthy advocates. We listen, we are available. We save you money with fair agreements, contracts, etc.
 - The fee has to be reasonable and explained up front. Low cost for the initial consultation. Offer corporate or partnership reviews. Offer rates depending on who is doing the work (i.e. paralegal).
 - We're on your side. Break the good old boys' society perception. Engage community, be part of the people.