



KINGS COURT TRUST
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A changing landscape

The Will writing industry in 2017



Introduction

A groundbreaking research paper that generates new and insightful findings about the Will writing industry in the UK.

The Will writing industry has undergone a number of changes in recent years. As Will writing services sit outside the jurisdiction of 'reserved legal activities', there has been an influx of providers into the market place in the last decade, all of whom have begun to challenge the dominance of the traditional solution for the public – high street solicitors.

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Foreword

61% of Brits do not currently have a Will.

Or to put it another way only around 4 in 10 adults in the country have a document to state how they want their estate to be distributed when they pass away.

It's a startling figure, particularly when you consider that our ageing and wealthy population is arguably more focused on later life planning than ever before. Why are so many people prepared to think about their pension, investments and life after work, but not about the legacy they want to leave for their loved ones?

This report, produced for us by an independent researcher, investigates the public's attitude towards Wills, exploring the key drivers that cause families to document their final wishes and how they choose professional advice to help them do so.

The findings of this report draw on a survey conducted on our behalf by YouGov, which collected results from over 2,000 adults in Great Britain.

As part of this research we also commissioned a series of interviews with Will writers from across the country. How do they see the industry changing? Does the advent of online document drafting services render face-to-face

advice obsolete? Can professional Will writers compete commercially against traditional high street solicitors?

A number of demographic and technological changes have taken place in recent times, including the advent of the internet and an ever increasing life expectancy. The implications of these for the Will writing industry have yet to be conclusively determined, but we do explore some of the potential consequences within this report.

As one of the UK's leading estate administration providers, we have seen first-hand how the industry has changed over the past 15 years. This report highlights some of the challenges

facing the Will writing industry but also looks at the opportunities that exist for Will writing professionals if they adapt and cater to the changing needs of the consumer.

This is the first edition of what will become an annual report into the Will writing industry. In time, we want it to become the point of reference that documents how this sector is constantly evolving. In the meantime, we hope it offers some interesting insights for our business partners and the wider Will writing industry.

The public perception of Will writing

More than six in ten people in Great Britain (61%) do not have a Will. This figure is perhaps unsurprising given that death remains largely a 'taboo' subject within the UK and planning for our eventual demise remains low on the agenda of many people. However, closer investigation of the data highlights interesting trends in the number of people with a Will in place between age groups.

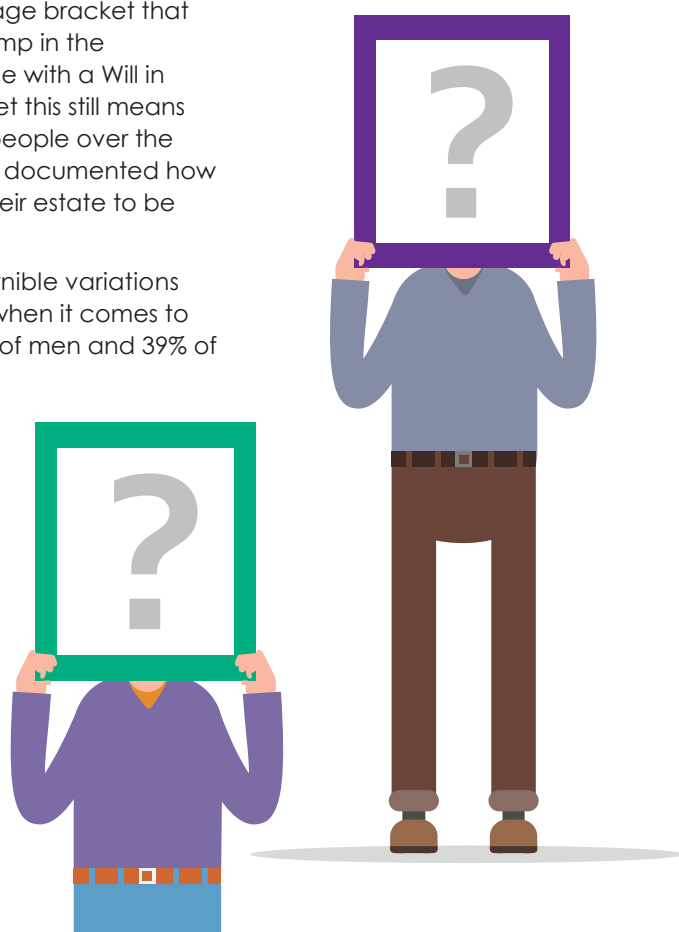
For example, it is perhaps unsurprising that only 8% of people aged between 18-24 have written a Will. And yet the proportion of people with a Will aged between 35-44 only increases to 17%, despite the fact that many individuals in this age bracket are likely to be married, have dependants and be a home owner. Even the 45-54 age group only have Wills in 39% of cases, despite potentially being only a few years from retirement.

Only 5% of people surveyed online with a Will used an online service, although the 'digital Wills' are seen as a growing influence within the sector.

According to the ONS, the GB 55+ population is 18,564,301. Based on the YouGov results and calculations by Kings Court Trust, 28.95% of adults aged 55 and over do not have a Will. This equates to 5,374,365 adults

It is only in the 55+ age bracket that we see a distinct jump in the proportion of people with a Will in place (71%). And yet this still means that over 5 million people over the age of 55 have not documented how they would want their estate to be distributed.

There are no discernible variations between genders when it comes to having a Will – 38% of men and 39% of women.



What causes people to write a Will?

There are a number of 'life events' that are likely to contribute to people writing a Will. Increasing age is the most obvious factor (it is interesting to note the jump between age 35-44 and 45-54 and after the age of 55), and certain life events such as marriage, the birth of a child, or the death of a spouse will also play a part in the decision making process.

Unsurprisingly, parents are much more likely to have a Will (50%) compared to the GB average and those without a children (39% and 23% respectively).

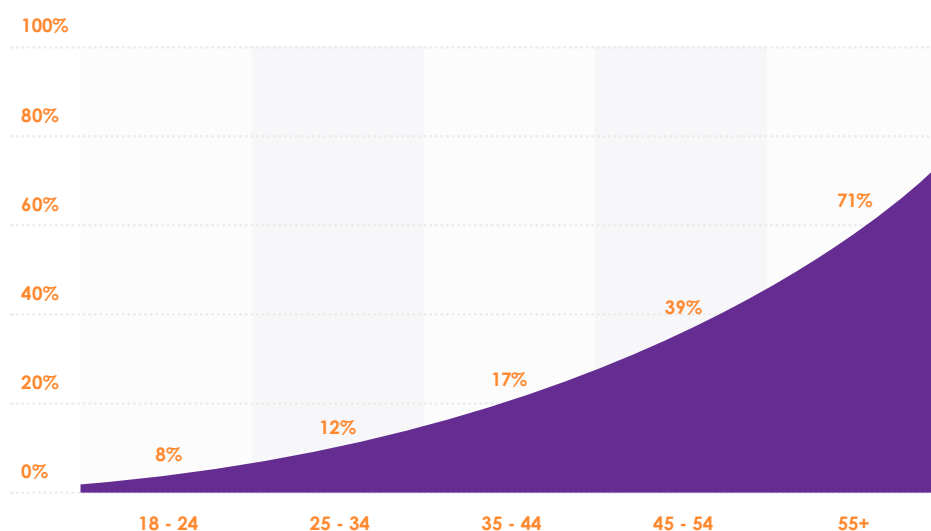
People who are unemployed are less likely to write a Will compared to those who are employed, with only 13% of those who are out of work stating they have one in place, compared to 33% of workers. This suggests that employment status and/or disposable income is also likely to be a determining factor.

Although only a guide for income, people in the ABC1 social grade (44%) are more likely to have a Will than those in the C2DE social grade (32%).

Households with a child aged 18 or under are less likely to have a Will than those without.



Figure 1: Proportion of GB adults with a Will



Why people do not write a Will?

23%

Putting it off until they are older

13%

It never occurred to them

16%

Didn't think they would have enough left to be worth passing on when they die

11%

Assuming that their estate will automatically go to the right person when they die

Of those people that have a Will, data from a survey by Will Aid shows that over 25% may have had a change in circumstances (e.g. marriage, children, divorce) which could mean their most recent Will is either invalid or no longer reflects their wishes.

How do people choose Will writing services?

Of those who have a Will, most people used a solicitor (60%) for their most recent Will, whilst 14% used a face-to-face service and just 5% utilised an online service (not DIY).

Data from Prudential (September 2016)

Motivating factors for writing a Will...

As people get older, they are more likely to write a Will. Nearly eight out of ten people (78%) who are retired have a Will and 69% of people that are widowed have a Will.

Certain life events, for instance marriage or having children also prompt people to have a Will (53% and 50% respectively). People who are unemployed are less likely to write a Will, with only 13% of unemployed people stating that they have a Will in place which suggests that people with low incomes are less likely to have a Will.

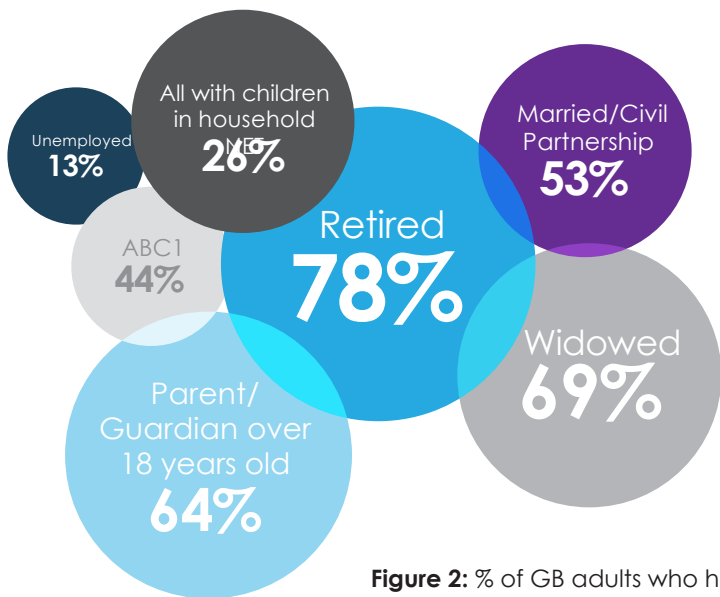


Figure 2: % of GB adults who have a Will.

Will writing methods

Methods of writing a Will by age group

There are marginal differences in the type of service used according to age group, with the younger generation showing a clear preference for online methods. For those who have a Will, there were clear age differences in how their most recent version was made. There was an increase in the use of solicitors for older respondents, whereby 66% of those aged 55 and over used one compared to 40% of those aged 35 to 44.

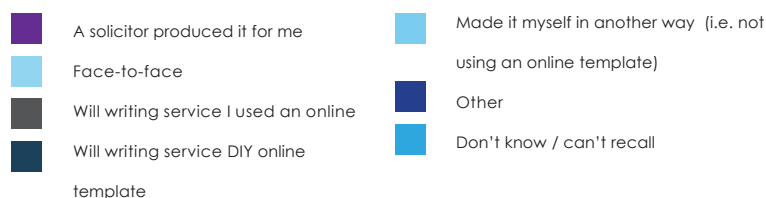


Figure 3: Information sourced from all GB adults who have a Will and are using an Online service to complete assist them.

Top three methods of Will writing by age group...

This data opposite highlights the fact that solicitors are still seen as the 'default option' for Will writing services by a large proportion of the public, particularly with the 35+ age group.

It is interesting to note that younger age groups do not share this view, perhaps because of perceptions of the cost involved with appointing a solicitor

	18-24	25-34	35-44	45-54	55+
1st	I made it myself using a template I found online (30%)	I used a face-to-face will-writing service (24%)	A solicitor produced it for me (40%)	A solicitor produced it for me (60%)	A solicitor produced it for me (66%)
2nd	I used an online will-writing service (19%)	A solicitor produced it for me (23%)	I used a face-to-face will-writing service (18%)	I used a face-to-face will-writing service (14%)	I used a face-to-face will-writing service (13%)
3rd	I used a face-to-face will-writing service (17%)	I made it myself using a template I found online (21%)	I made it myself in another way (i.e. not using an online template) (16%)	I made it myself in another way (i.e. not using an online template) (7%)	I made it myself in another way (i.e. not using an online template) (8%)

Changing the public perception of Will writing

A key challenge for professional Will writers is to change the public perception that a solicitor should be their first port of call when it comes to having their documents drafted.

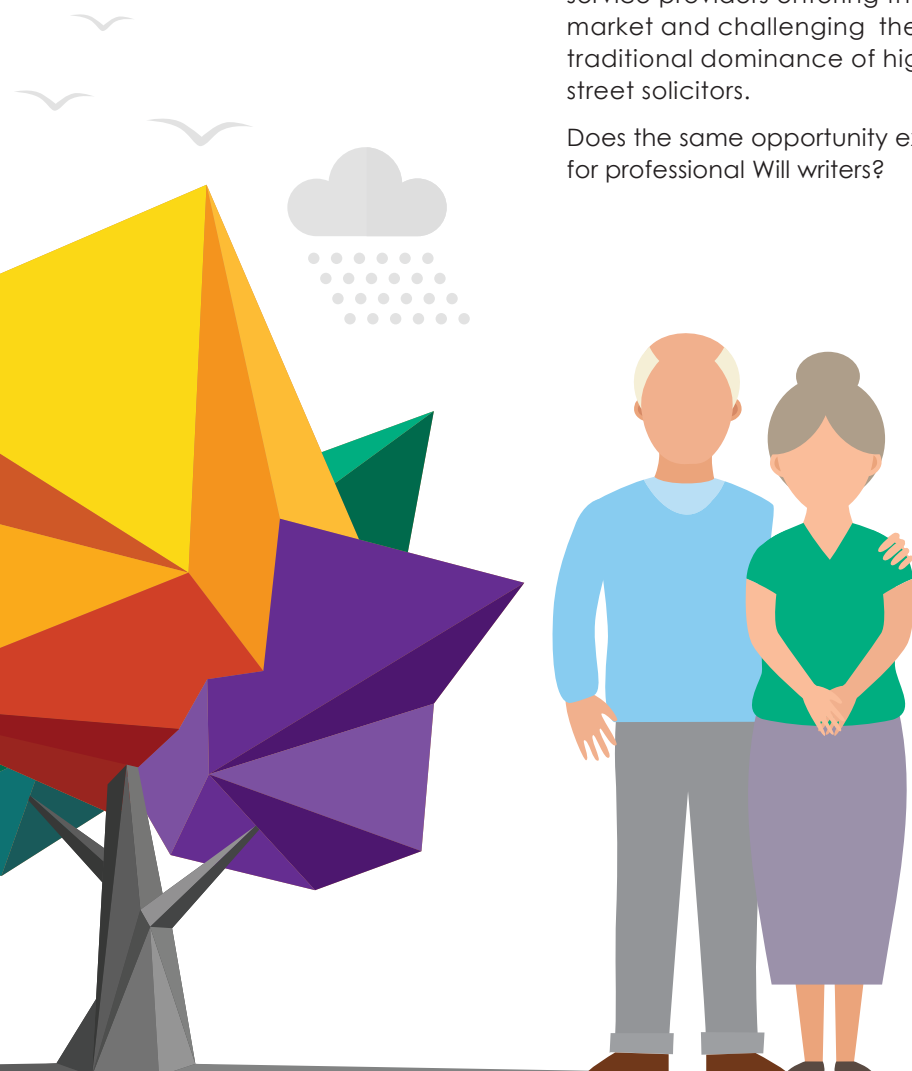
However, the legal services industry is changing rapidly, with an increasing trend of specialist service providers entering the market and challenging the traditional dominance of high street solicitors.

Does the same opportunity exist for professional Will writers?

According to data from the Legal Ombudsman, Wills and probate work is the third most complained about area of legal services, so there may be an opportunity for professional Will writers to position themselves attractively to customers using expertise, specialist knowledge and customer service as key marketing messages.

“Solicitors now need to catch up a bit – it’s still quite an antiquated service that they offer. High street solicitors’ days are numbered unless they bring themselves right up to date with technology and how the public shop for services”

Matt Walkden, MW Legal Services



Considerations when choosing a Will writing service

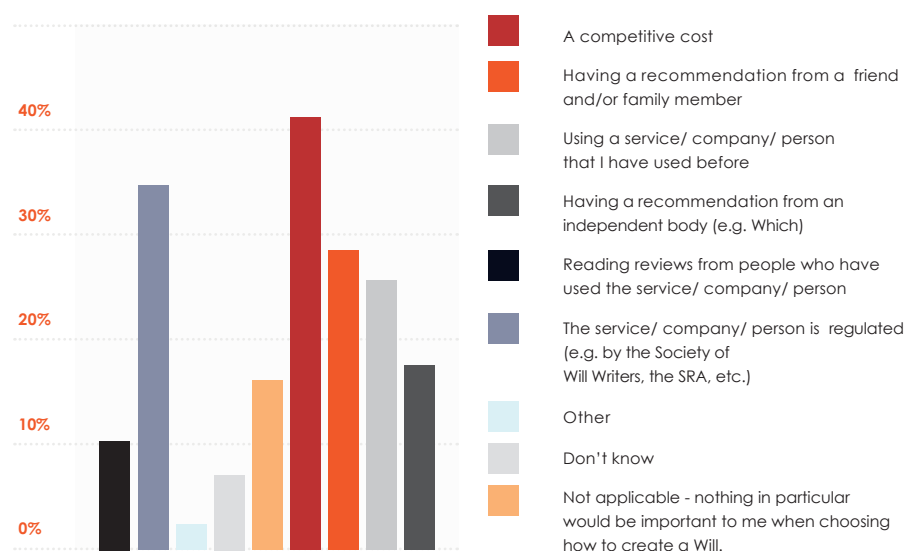
There are differences in the preferences of people who have written a Will compared to those that have not.

For those that have written a Will, a larger proportion state that a competitive cost, a regulated service and using a service that they have used for something else before is more important to them, compared to those who haven't written a Will. For people who have not written a Will, over a third (34%) say a recommendation from friends and/or family would be important to them, compared to 28% of those who have written one, whilst just under one in five (18%) said they don't know what would be important to them.

Interestingly, over a quarter (26%) of people with a Will state an important consideration would be that they used a service they had used for something in the past, which is over double the proportion of people without a will who say this is important (12%).

Figure 4:

Considerations that would be important when choosing how to create a will, among those who have a Will.



Cost is the main determining factor for choosing how to create a Will, with just over one in three people (36%) stating this would be an important aspect of their decision making process.

Other important considerations include a recommendation from a friend and/or family member (31%) and the service/ company/person being regulated (31%). Just under one in five people (19%) state that a recommendation from an independent body would be a consideration that was taken into account.

It is perhaps unsurprising that cost is named as the strongest influence, but it is interesting to note that recommendations, from friends, family and professional bodies, play a significant role in the decision making process.

Given that writing a Will is likely to be a service that most consumers will have very little experience of, selecting a service provider who they feel is trustworthy and reputable is evidently a key driver. How can professional Will writers use these findings to their advantage?

Membership of professional bodies (such as the IPW or SSW) and promotion of any relevant qualifications could be a simple way to highlight professionalism. Asking existing clients for referrals and introductions to other potential customers is also a simple yet effective way of generating new business. While some Will writing professionals may feel awkward in asking such a 'direct question', this is a tactic that other professional services (particularly financial advisers) have used effectively for many years.

The changing face of Will writing

Perceived levels of professionalism within the Will writing industry has increased greatly in the last 20 years as the sector has matured.

As it falls outside of the 'reserved legal activities' category, Will writing is a service that can be provided by people who are not regulated legal professionals. The Law Society and other professional bodies have regularly campaigned for Will writing to become a regulated activity, citing increased professionalism and protection for the consumer as the main potential benefits.

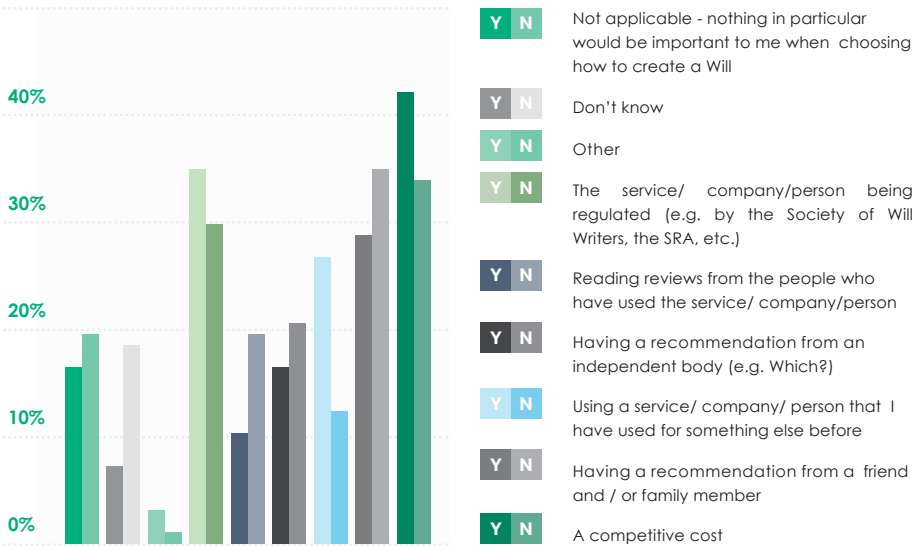
Many of the professional Will writers interviewed as part of this research report

had at least 10-15 years of experience in the industry and reported that they had seen it grow into a more competitive market, with an increasing number of players, as well as a more professional outlook, thanks largely to the advent of professional bodies such as the Institute of Professional Will writers and Society of Will writers.

The de-regulation of the Will writing industry has attracted professionals with varied skills into the sector. People with

backgrounds in business, legal and financial services, alongside more traditional high street solicitors, has allowed for a greater diversification of skills amongst firms offering their services. This has meant that the Will writing industry has been able to adapt to meet the greater complexity of people's financial and personal arrangements, as expertise from other sectors provides a different perspective on client needs.

Figure 5: Important considerations when choosing how to write a Will, by those who do or don't have a Will. Represented in the chart by Y - Yes I do and N - No I don't have a Will.



"When I first looked at the Will writers industry there were independent Will drafters from lots of backgrounds. They were not really professional at drafting or using the systems available to them. It was the solicitors that were doing it [Will writing] on a professional basis. But a lot of people have realised that it is a lucrative market and the professionalism is NOW quite high. It used to take three weeks to draft a Will. I have invested in the professionalism and we guarantee a five working day turnaround but it can be as quick as 20 minutes."

Stephen Oliver, The Will Company

The influence of demographic change

Demographic shifts such as the increase in 'blended families' and life expectancy has resulted in increasing demand for complex Wills. These circumstances may stimulate growth of use in Will writing services.

'Multi-family' households (described as where members of two or more families are cohabiting) were the fastest growing household type in the last decade according to the Office for National Statistics, seeing an increase of 66% in the last decade.

During the same time, the number of cohabiting families (families who live together but that do not include married

parents) saw a 233% rise, from 1.9 million to 6.4 million. This trend poses opportunities for Will writers given the potential complexities that these arrangements could cause from an estate planning perspective. However, there is also a need to educate these families regarding how their estate would be inherited, particularly for those who have children from former marriages.

There is a need to educate these families regarding how their estate would be inherited

Face-to-face vs online

Of those people that have written a Will, 14% of them used a face-to-face professional Will writing service, compared to just 5% who have used an online Will writing service. However, as our world becomes more and more digital, is it only a matter of time before face-to-face meetings to write a Will with a professional becomes a thing of the past?

The public do see the advantages of using DIY online Will writing templates, with 53% thinking they offer good value for money and 55% thinking they are easy to use.

The value of face-to-face advice

So there are undoubtedly still opportunities for professional Will writers to capitalise on the perceived value of face-to-face advice; but what considerations are taken into account by people that have used a face-to-face Will writing service?

Cost was clearly a determining factor. Respondents were also asked what would make them more likely to use a Will writing service to create or update their Will. Price still clearly stands out as a determining factor (26%), but positive independent reviews of the service are also key.

Interestingly, accessibility was valued most by those aged 45-54 (21%). This is likely to be a result of greater demands on their time, such as work commitments and wanting to spend time with their family. Therefore, the fact that many professional Will writers offer their services outside of usual office hours, including meetings in the evening and on weekends, could be a significant marketing tool when competing with traditional high street solicitors.

The future landscape of Will writing

A number of trends were identified by people interviewed for this research as potentially leading to changes in the industry. The changes were viewed as opportunities, rather than challenges, although there are clearly some areas of debate that will need to be resolved in the next few years. This part of the report sets out the likely shifts that will impact on the industry.

The advent of online Will writing platforms will undoubtedly continue to influence the industry, especially with society's seemingly relentless pursuit of online solutions for service delivery. This delivery method offers simple, standardised Wills for a comparatively low cost. Given that competitive cost is an important consideration for many people writing a Will, this could prove to be an attractive option. However, there is still a perception that these could be potentially problematic and costly if drafted incorrectly.

A more contested technological shift involves the use of e-signatures on Wills and the subsequent loss of face-to-face interaction needed with the client to give instruction. While the Will writing professionals interviewed as part of this report viewed their use as a somewhat inevitable change in the market, it was questioned whether case law will allow e-signatures to be used and when we might see legal challenges to a digitised Will or one signed using electronic means. While e-signatures do not necessarily pose a threat to the industry, it does raise some uncertainties about what lies ahead.

"I would love to see e-contracts – there is no reason why we need a wet signature. This is antiquated. The technology is there. Use your thumb print to write a Will. The first digital will was approved in Australia on an iPhone – it was password protected. It's coming."

Matt Walkden, MW Legal Services

"The probate offices will not accept a digital Will for many years to come. There is an archaic attitude to a wet signature. This will take a while yet. We are in a litigious world and there will be more contested Wills. There is an onus on Will writers to make sure that they are not contested. We have advisers that use Skype. If I do a call with you over Skype, I don't know your mental capacity, if you are being coerced, if you are who you are say you are. We ask people to sign declarations about whether they have been influenced. There are only a few that are doing this. The litmus test is when these Wills go to Court and this is when we will know how robust it is."

Stephen Oliver, The Will Company



Online Will writing platforms will continue to influence the industry

"Increasing technology 'de-skills' all industries. We are using software which doesn't allow us to write a wrong Will, with the client on an iPad, written in plain English, no need to have a solicitor and they can't argue that they don't know what they are signing. It does de-skill our industry but it makes us more efficient and reduces the chance of miscommunication on both sides. "

Keith Douglas, County Douglas Law

Demographic changes

There have been a number of demographic changes that have had an impact on the Will writing industry, albeit to a limited degree. The interviewees reflected on the growth in the number of blended families, divorce and remarriage which has added some complexity to the drafting of Wills. However, the extent to which this has impacted the type of Will being written or increased demand for Wills is less clear.

"There is no doubt that blended families will keep us busy. It's a big problem. You can have a couple who each has children from a first marriage and children together. The days of writing a Will and never changing it are over. And you also have older people getting married."

Hugh Goodale, Casey & Associates

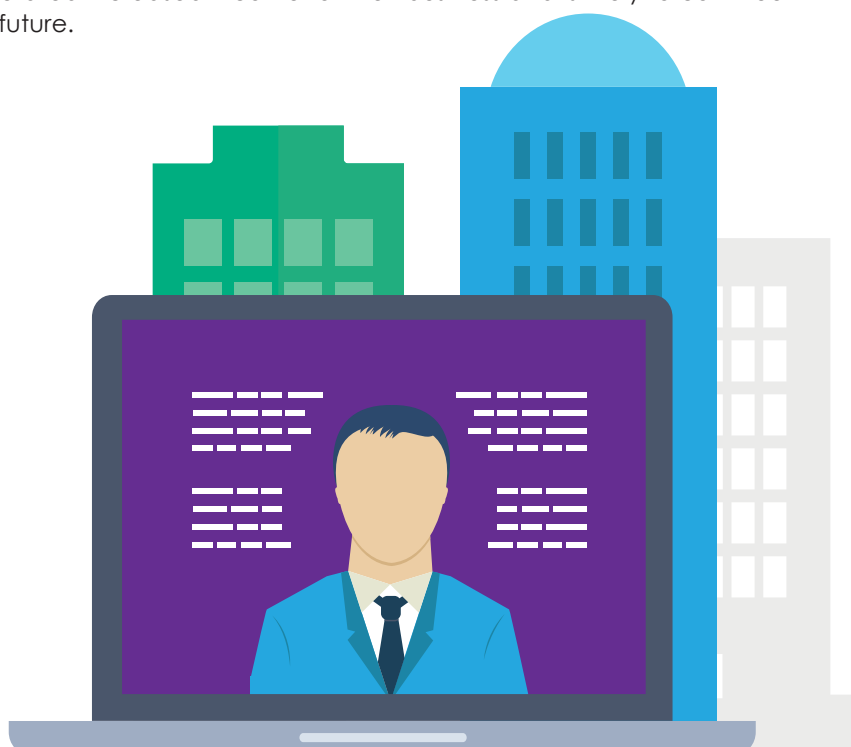
One area of change has been the growth in demand for advice on lasting power of attorney. The upward shift in life expectancy has also resulted in more years of ill health and increased likelihood of people losing mental capacity in later life.

Several of the interviewees stated that lasting power of attorney has generated increased income for their business and is likely to continue in the future.

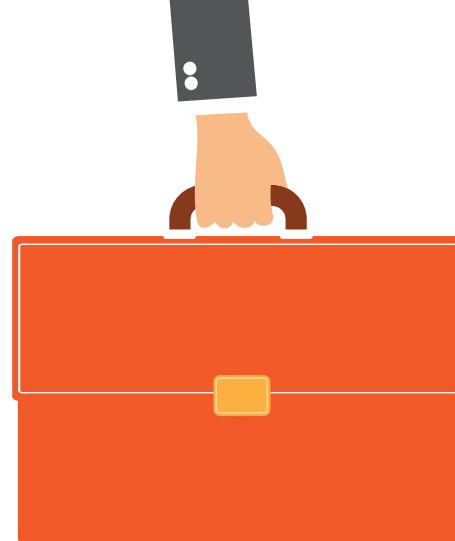
"I have been in lots of situations where I am working with people and they are more informed about what they need, such as sheltering assets, power of attorneys, different plans on death, as well as ill health."

I write a lot of powers of attorneys and people are aware of the complications. They are often worried that they may not be able to stay in their own home. This income stream will grow."

Chris Heiberg, Peace of Mind Wills



Industry regulation – for better or for worse?



The area of greatest contention amongst Will writers was regarding the regulation of the industry. Previous Government consultation on the proposed regulation of the Will writing industry had concluded that it was not needed at the time.

In May 2013, the Lord Chancellor did not extend the scope of reserved legal activities to include Will writing, as recommended by the Legal Services Board. The decision favoured voluntary regulation in order to protect consumers and it was felt that this offered sufficient consumer protection whilst avoiding the additional cost of regulation to businesses.

Many of the interviewees felt that this debate will re-surface but there were differing views on whether regulation was necessary to improve the profession's reputation and to enhance practices in the industry. There was a consensus that regulation would reduce the number of professional Will writers and make the sector more competitive. However, it is less clear whether regulation would result in better consumer practices. In the absence of Government regulation, there are other ways in which an industry can be held in check. The use of online reviews and recommendations is and will be increasingly used, particularly as people who are more comfortable using the internet move into the older age groups.

"I understand the natural progression towards compliance. I am a member of the Society of Will writers. We have a voluntary code of practice. There needs to be regulation and compliance. [The Government] keep kicking it down the road as it's not enough of a problem. It is a necessity for those that do it well. Financial services are now regulated and you have to pay a lot for it, that's the path that regulation and compliance takes. Only 30% of the population has a valid Will. If there is increased regulation and compliance, it could be detrimental to the proportion of people writing Wills in the future."

Stephen Oliver, The Will Company

"I get frustrated with regulation. We need professional standards but the public is self-regulating. You could have a trip advisor style listing for reviews. Things are changing, people are more aware. They see that a solicitor will take a month to write a Will, but by using my online service I sometimes get back to them in an hour. There is no proof that regulation improves practice. Solicitors are regulated and there are just as many complaints about them."

Matt Walkden, MW Legal Services

"If I was a milk man with no qualifications, no insurance, I could set up as a Will writer. We are competing against this type of people as they don't have the overheads of training and insurance. If we can take these type of people out of the market, it would help. The only challenge of not having regulation is that there is always a chance that one bad Will writer will get bad press and people will think this is representative of the sector in general."

Chris Heiberg, Peace of Mind Wills

"The Government has decided that the industry didn't need to be regulated but I think we would have welcomed it to professionalise us. We are regulated by the law of the land, to write in plain English and contract law, but regulation would have shaken up the industry."

Keith Douglas, County Douglas Law

Conclusions and recommendations

The Will writing industry has seen, and will continue to experience, significant changes in client preferences, service delivery and regulatory influences. Below we set out three main recommendations based on the insights identified in this research report.

Technology will drive change

Will writers have demonstrated that they can and will embrace technology. We recognise that the law may not have adequately caught up with some of the implications of these technological changes, but in time consumers will expect and demand that Will writing services offer the same level of services. This will include apps and easily accessible online platforms. Will writers should explore what technological improvements can be made to their service and begin to invest in innovative online platforms.

Education of the public is key

Older adults are typically the main group that writes Wills, particularly following certain trigger events such as marriage, the birth of children or divorce. The Will writing industry is not likely to encourage younger people to start writing Wills although this age group does offer a potentially significant new market. People's life circumstances change frequently over the years and it is a challenge for the industry to ensure that existing Wills are updated with greater regularity to reflect this. However, better communication and marketing to existing clients should encourage reviews more frequently and with minimum time and cost burden.

Traditional solicitors remain the public's 'default option'

The Will writing industry will have to continue to prove that it is a credible alternative to traditional high street solicitors and that it is capable of self-regulation. People will expect that the industry can identify poor consumer practices and correct these appropriately. There is an important role for independent professional bodies to demonstrate that the industry does comply with certain standards and that it has the capability to identify those organisations that do not comply with these standards. Independent organisations will have to continue to publicise the advantages of membership to both prospective members as well as to the public who will want to make informed choices on Will writers.



"The level of professionalism and knowledge in the Will writing industry is astronomical. They are good at what they do and they will continue to survive."

Matt Walkden, MW Legal Services

Contact us

If you would like to talk to Kings Court Trust about this report, or how our market leading estate administration service could help support you and your clients, please contact us on **0300 303 9000** or **partners@kctrust.co.uk**

Acknowledgements

We would like to thank the following people for their contribution to this report:

- | | |
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| <ul style="list-style-type: none">• Keith Douglas, County Douglas Law• Hugh Goodale, Casey & Associates• Chris Heiberg, Peace of Mind Wills• Stephen Oliver, The Will Company• Matt Walkden, MW Legal Services | <p>All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,065 adults. Fieldwork was undertaken between 27th - 28th February 2017. The survey was carried out online.</p> <p>The figures have been weighted and are representative of all GB adults (aged 18+).</p> |
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This research was conducted by **Nina Mguni-Jones**.



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