How to Market Bequests
The delicate art of asking for that final gift

Tom Ahern

“In just four years, our legacy society doubled in size. Last year, we had 33 sign up.”

Average bequest for this charity: $1 million
Marketing budget at launch: $100K

Purpose of a legacy society?
“You can’t thank them when they’re dead.”

Legacy society:
1. Project income
2. Thank them
3. Build family

“Synthetic family”

Source: Russell James III, 2014
One of the things you can sell is membership in a special group.

The group is what’s called “social proof.” I.e., “People like me do things like that...”
To start the pipeline flowing

Look to your board first.

Encourage ALL board members to make bequests ... and publicize these in your newsletter and other publications. Source: Marts & Lundy.

A successful bequest marketing effort requires an organizational commitment of time (years) and probably some money.

Or...

© TOM AHERN 2015
“Drip, drip, drip. Planned gifts are prompted by life events – death, birth, marriage, health, travel, retirement.” [People write or rewrite a will on such occasions.] “That’s why it’s so important to have a regular cadence of marketing messages. Because you never know when the time might be right.”

Source: 2012, Jeff Comfort; Georgetown; via Phyllis Freedman’s Planned Giving Blog

Create an offer

A plain-spoken information piece people can request.
> No jargon!
> Stories.
> Promises.
> Visions.

© TOM AHERN 2015
“Dr. Death,” mega-researcher Richard Radcliffe

A “Joy Brochure,” not a “Death Brochure.”

Key messages
The best 2-step plan for legacy gift marketing

1. Generate leads using social norms, family reminders and non-death-related packages
   Social norms = "Many of our supporters have done this too!"
   Family reminders = "You can honor or memorialize a loved one by making a gift in your will."
   Non-death-related packages = Value-based offers that do not scare your supporters by talking about death and taxes

2. Cultivate those leads forever with the same messaging

Greg Warner, MarketSmart, 2015

You don’t have to be rich to make a meaningful charitable bequest.

For those who want to give back, this will probably be the biggest charitable gift they’ll ever make. This is exciting stuff!
Bequests are “major gifts for the rest of us.” I.e., you are marketing to the middle class.

“Just a reminder...”

“Fundraising is NOT about money.”

Source: UK fundraisers going back to the 1960s
The advantage of endowment

Bequests that endow funds offer donors something like immortality.

Oldest endowment?
Est. by bequest 1249 at Oxford.
How a modest bequest grows over time into a powerful engine for doing good, given NYCT’s normal rates of return.

The power of endowment.

How it Works

By making your fund a permanently endowed Legacy Fund, your charitable gift can do more good than you ever thought possible. Try our endowment calculator below to see what your gift can accomplish.

Promote the offer relentlessly
In ads:


In ads

Ran for years in the obituary pages of the daily newspaper

Will Power

At least 50% of Americans die without a will.

Experts estimate that more than half the people in the U.S. now die without a will.

This can spell trouble for your survivors. Die "intentions" (without a valid will) and a judge will divide up your estates according to Rhode Island probate law. There could be some unpleasant surprises for your heirs.

Twice monthly advertorials ran in the local daily...
You can easily learn more about charitable bequests by requesting a copy of our booklet, Leaving a Request to Charity. It's a free, one technical guide to charitable bequests and commonly asked questions.

To reserve your free copy of Leaving a Request to Charity, go to www.cf-foundation.org and type “bequest booklet” in the SEARCH box, or call Kim Butler, 274-4564, at The Rhode Island Foundation.

... that always ended with an offer.

Recurring ads in your newsletters

On your homepage:
On your homepage:

In email footers:

“15-second spots on public radio work best for us.”

Hampton Roads Community Foundation, 2015
“Support comes from Hampton Roads Community Foundation. Teacher Byron Babcock died in 2009. Today he helps communities and schools encourage struggling students to succeed. Visit Leave a Bequest.org to learn how you can live forever through philanthropy.”

LEAVEABLEQUEST.ORG takes you to a landing page.
Billboards didn’t work.

You already know your best bequest prospects.
Bequest marketing ... is about getting a small number of very large gifts from your ‘average’ donors. These are the donors who aren’t on your radar screen already, who aren’t interested in tea and banana bread with a planned giving officer, but who are very loyal to your cause.

“We’re not there yet.”
In a study that tracked 20,000 Americans over the age of 50 from 1995 to 2006, Professor Russell N. James III ... found that among people who donate $500 a year or more to charity, fewer than 9.5 percent had a charitable estate plan.

ID your best prospects:
• Loyal donors
• Donors making larger than average annual gifts

Source includes Caleb B. Rick, Legacy Giving
Send them a special letter every year, warmly inviting them to join the Legacy Society.

Just maybe think of a better name than “Legacy Society.”

“Leave a legacy” is not about my death. It’s about my life.
Opening: Thank your donor deeply ... humbly ... for years of help.

Middle: Put the Legacy Society offer in front of them, without coyness. Ask for their consideration, not an immediate action. “Next time you review....”

End: Thank your donor some more.

PS: Offer free information about charitable bequests.

“Humans are driven by a will to establish meaning in their lives. They need purpose.”

That’s your real job, in donor communications: to bestow purpose in exchange for support.
How do you start a miracle growing? You plant a gift in your will.

“Medical miracles” in children’s health care … … these breathtaking advances that, when you first hear of them, seem almost impossible to believe … … can often be traced back to just two things:
1. an idea in the right mind; and …
2. enough philanthropic investment to transform that wonderful idea into a healing reality.

Most important secret to success EVER!

Successful appeals are NOT about how wonderful your organization is.

Successful appeals ARE about how wonderful the donor is.

What we can learn from a 4-page letter … and why you probably shouldn’t write one
I still remember the dreadful chill that spread over me when my wife Leslie came out and said, “It’s cancer.”
It looks like Leslie will be fine.

Around half of all Australians are intestate:

- Free Will form [in the brochure the letter offers]
- Codicil form
- Help you get everything you need from our solicitor
- Effective treatments that may lessen the impact of this dreadful form of cancer
- Support to cancer patients
- Hostels for people having cancer treatment
- Join a very special group called the Daffodil Circle
- Special invitations

And remember, you don’t have to be rich to leave a bequest.

Whatever you do, please make sure you have a Will and that you provide for those you love.
Meet the donor

“A young donor is 60.”

Jeff Brooks

The strongest predictor of likelihood that someone will make a charitable bequest:

childlessness

Source: Russell James III, 2014
“While married couples with children were the majority decades ago, now nearly 57 percent of U.S. households are childless.”

Source: Reuters, August 2013

“Some say bequests constitute at least 80% of so-called planned gifts; others say 90% or more…”

Source: Mal Warwick, March 2004

BTW,
Why this workshop isn’t called “how to market planned giving”
So, if 80-90% of all “planned gifts” are bequests ... why are they an also-ran in this typical list?

“Huh?”

All fundraising copy should sound like someone talking.

-- George Smith, Tiny Essentials of Writing for Fundraising
Effective bequest marketing is a mass audience activity, similar to annual appeals. “Planned giving” is the WRONG department to entrust it to, as the weak results in the US possibly demonstrate.

First, there is no correlation between either income or wealth with the likelihood of giving by bequest.

Source: Mal Warwick, quoting Robert F. Sharpe, Jr., around 2005
Second, that the average bequest, now about $35,000 in the US, typically comes from the estate of a retired woman who either has no living children, or feels they’ve got enough money of their own.

Source: Mal Warwick, quoting Robert F. Sharpe, Jr., around 2005

Of average direct mail donors:

- 91% already had a Will
- 17% already had charity in that Will
- 18% planned to add charity to their Will
- 51% said no charity had ever asked for a bequest

Most gave to at least 6 charities a year, a third to 20 or more

100% of our estate goes to charity. We support dozens of causes a year. Yet not one has asked us to put a gift in our will. Not so we noticed, anyway.

Weak.
There’s a lot of room for growth in US

Source: Pareto, Australia

How big’s the prize?

“Direct mail programs typically spend a dollar to make two or three dollars over the course of a year. Legacy marketing pays off at a ratio of 20 to one or better.”
How much bequest revenue could you realize from your current donors?

Multiply the number of your active direct mail donors by $920.

A bequest EXPLODES the lifetime value (LTV) of a donor you already have.

25 years of $50 gifts = $1,250

Avg. US charitable bequest? $30-70K (Blackbaud, 2011)

Source: Pareto, 2014
It’s the donor’s story, not the organization’s

Donor-NEGLIGENT:
“We did this. We did that. We were amazing. Oh, by the way, thanks.”

Donor-CENTRIC:
“With your help, all these amazing things happened. And without your help, they won’t.”
“Bequests are life-driven, death activated....”

“The story’s about the donor

...every time someone donates to a good cause, they’re buying a story, a story that’s worth more than the amount they donated.

“It might be the story of doing the right thing, or fitting in, or pleasing a friend or honoring a memory, but the story has value. For many, it’s the story of what it means to be part of a community.”

“We support a charity ... because it gives us a chance to love something about ourselves.”