



YOUR
PARTNER
IN PLANNED
GIVING
SUCCESS



Bequests: Who Wants To Make Them & How To Get Them



Gary Pforzheimer
President, PG Calc
gary@pgcalc.com
888-497-4970



Agenda

- Bequest giving behavior
 - ✓ Charitable bequest trends
 - ✓ Factors highly correlated to bequest giving
- Filling the bequest pipeline
 - ✓ Marketing
 - ✓ Messaging
- Motivating the Planned Giving Prospect
 - ✓ Easy and Urgent
 - ✓ Legacy Challenges



Bequest Giving Behavior: Charitable Bequest Trends

- Dr. Russell James, *American Charitable Bequest Demographics (1992-2012)*
- Encouragegenerosity.com
- Three factors influence the charitable bequest:
 - ✓ Trust in the charity
 - ✓ The presence or absence of heirs
 - ✓ Wealth: the greater the net worth, the more likely a person is to leave a charitable bequest



Bequest Giving Behavior: Charitable Bequest Trends

- Charitable estate giving is rare
- HRS study reports 5.7% of population with charitable estate plans
- Among the philanthropic*, 9.4% have charitable estate plans
 - * Defined as those 50 and over who make charitable gifts of \$500 a year to charity



Bequest Giving Behavior: Charitable Bequest Trends

- Creating or changing a will tied to life events
 - ✓ Leaving a Charitable Legacy, Routley (2011)
- Milestone age
- Retirement
- Medical diagnosis
- Move to retirement community
- No one reported being motivated by charity literature or contact



Charitable Bequest Trends: Correlating Factors

- A long giving history correlates with likelihood of a planned gift
 - ✓ Identification, Death and Bequest Giving, Sargeant, Sheng (2008).
- Annual gifts at higher than average amounts correlates with estate giving
 - ✓ (James 2008)
- Estate gift prospects may engage in other ways



Charitable Bequest Trends: Correlating Factors

- Presence or absence of heirs
- Charitable giving is a social act
- Charity acts as surrogate family
- Other factors being equal, childless most likely to engage in charitable estate giving
- Are you capturing childlessness in your database?



Filling the Bequest Pipeline: Awareness Marketing

- Why should donor support you?
- Integrate legacy giving message in all channels
- Segment? Yes Silo? No
- Make it easy for prospects to raise their hands
 - ✓ Bequest language
 - ✓ Contact information
 - ✓ Easy to find



Filling the Bequest Pipeline: Awareness Marketing

- Integrate bequest messaging everywhere
 - ✓ General newsletter
 - ✓ Receipt inserts (Do you wish you could do more?)
 - ✓ Messaging from leadership
- Segment those most likely for twice (minimum!) annual touches
 - ✓ Direct mail
 - ✓ Email campaigns
 - ✓ Legacy events



Filling the Bequest Pipeline: Content Marketing

- Don't focus on the enormity of your cause
 - ✓ Sends a message of apathy and hopelessness
 - ✓ Problem is too big, how can I make a difference?
- How is philanthropy making a difference?
 - ✓ Describe achievable goals and successes
 - ✓ Tell the story in a way that touches the heart
- Impact stories, compelling images
- Testimonials and bequest stories



Filling the Bequest Pipeline: Social Norming

- Giving is a social act
- Perception (correctly as it happens) is that estate giving is rare
- “Many of our supporters like you...”
- Consider the target demographic
- Use “family” words not “formal” words



Filling the Bequest Pipeline: Flexibility-Revocability

- Key feature of estate gifts
- Contingencies can ensure heirs and charity both provided for
- Flexibility discourages many from revealing intentions
- Honor donor's privacy
- Embarrassing if they change
- Want to be sure we can carry out your wishes



Filling the Bequest Pipeline: Staff Training

- “Remember us in your will.”
- Organization-wide message that estate giving is welcome and encouraged
- Listen for:
 - ✓ “I’d like to thank you for what you’ve done.”
 - ✓ “I wish there was more that I can do.”
- Look for triggers to refer to development team



Motivating the Planned Giving Prospect

- Inertia is the enemy
- Natural to avoid hard conversations
 - ✓ Death
 - ✓ Family
 - ✓ Money
- Focus on donor passion, emotional connection
- Let the donor tell their story



Making the Planned Gift *Easy*

- Beneficiary designations
 - ✓ IRAs and other retirement assets
 - ✓ Insurance policies
 - ✓ Commercial annuities
 - ✓ Financial accounts
- Assist in completion of forms as appropriate



Making the Planned Gift Easy

- Provide referrals to planning professionals
 - ✓ Not recommendations or endorsements
 - ✓ Give three
- Ethics of who pays for documents
- Conflict of interest
- Undue influence
- Err on the side of disclosure and transparency



Make the Planned Gift Urgent: Endowing the Annual Gift

- How will we replace your generous support?
- \$1,000 annual gift endowed with \$20,000 in endowment with 5% spend
- Memorial in perpetuity
- Consider virtual endowment
 - ✓ Create endowed fund for less than minimum
 - ✓ Annual gifts to create spending rate
 - ✓ Fully funded from bequest



Make the Planned Gift Urgent: Legacy Challenge Campaigns

- For each expectancy identified, a challenge donor will:
 - ✓ Provide outright gift (fixed amount, percentage of commitment) for each new expectancy, or
 - ✓ Increase match donor's expectancy to match newly identified expectancies
- Need major donor to underwrite
- Campaign is time limited
- Establish criteria to qualify



Make the Planned Gift Urgent: Legacy Challenge Campaigns

- What counts?
 - ✓ Revocable? Irrevocable?
 - ✓ Minimum commitment?
 - ✓ Documentation?
- Terms of the match must be clear
- Err on the side of inclusion



Make the Planned Gift Urgent: Legacy Gift Campaign

- Campaign built around securing bequests
- Follow traditional campaigning model
- Case for support
- Quiet phase - engage leadership and key donors
- Public phase



Make the Planned Gift Urgent: Legacy Gift Campaign

- Campaign Goal?
 - ✓ Signed pledge or letter of intent
 - ✓ Dollar goals if appropriate
- Establish time frame of campaign
 - ✓ Long enough to permit action
 - ✓ Short enough to create urgency
- Engage volunteers and senior leadership
 - ✓ Let me tell why I made my legacy commitment



Make the Planned Gift Urgent: Legacy Gift Campaign

- Changes the conversation about bequests
- Raises the profile of planned giving
- Documents the value of the bequest pipeline
- Increases support from volunteer leadership
- Makes planned gift conversation more natural



Conclusion

- Bequests deserve time and resources
- Continuously market bequests, educate, and solicit
- Target prospects most likely to give a bequest
- Make the bequest decision easy, compelling, and urgent



Questions?

