

Top 10 legacy fundraising principles from scientific research: Theory, statistics, and results from the lab

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Texas Tech University

1. If you want a larger audience, don't lead with death
2. Emphasize lasting social impact
3. Present a social norm default (*people like me do things like this*)
4. Advance the donor life story
5. Encourage tribute gifts in wills
6. Use family words not formal words
7. Don't count it and forget it
8. Don't go radio silent at the critical moment
9. Target the 3 C's (childlessness, consistency, capacity)
10. Go beyond the will

But, first, we start
with theory



We will get to...

EAT THIS
NOT THAT!



But first,
we need to learn...



**Why theory
first?**





Theory based strategies are more flexible than a list of techniques

- New techniques can emerge as circumstances change
- Guides practice even where (as in bequest and major giving) interim measurement is difficult
- “Best practices” might just be “practices”
- Just because a technique “works” for one organization ...

What you see



Seminar Tonight:
Estate Planning



What the subconscious sees



Seminar Tonight:
**Your Upcoming
Death**



- Regardless of terminology or packaging, estate planning is planning for one's own death.
- It is a strong reminder of the reality of one's own mortality.
- Experimental research has identified consistent reactions to mortality reminders.



1st Stage Defense

AVOIDANCE

Avoid death reminders, e.g., deny one's vulnerability, distract oneself, avoiding self-reflective thoughts



2nd Stage Defense

SYMBOLIC IMMORTALITY

Some part of one's self – one's family, achievements, community – will continue to exist after death (a form of autobiographical heroism)



Examples of avoidance

Distract: I'm too busy to think about that right now

Differentiate: It doesn't apply to me now because I (exercise, have good cholesterol, don't smoke...)

Deny: These worries are overstated

Delay: I definitely plan to think about this... later

Depart: I am going to stay away from that reminder



2nd stage defense: Symbolic immortality

(a form of autobiographical heroism)

Some part of one's self - one's
name, family, community,
achievements, values, goals, etc.
- will persist after death



As personal
mortality
awareness grows,
the desire for
investing in lasting
impact becomes
relatively more
attractive



Pursuit of symbolic immortality: something
reflecting the person's life story (community and
values) will live beyond them



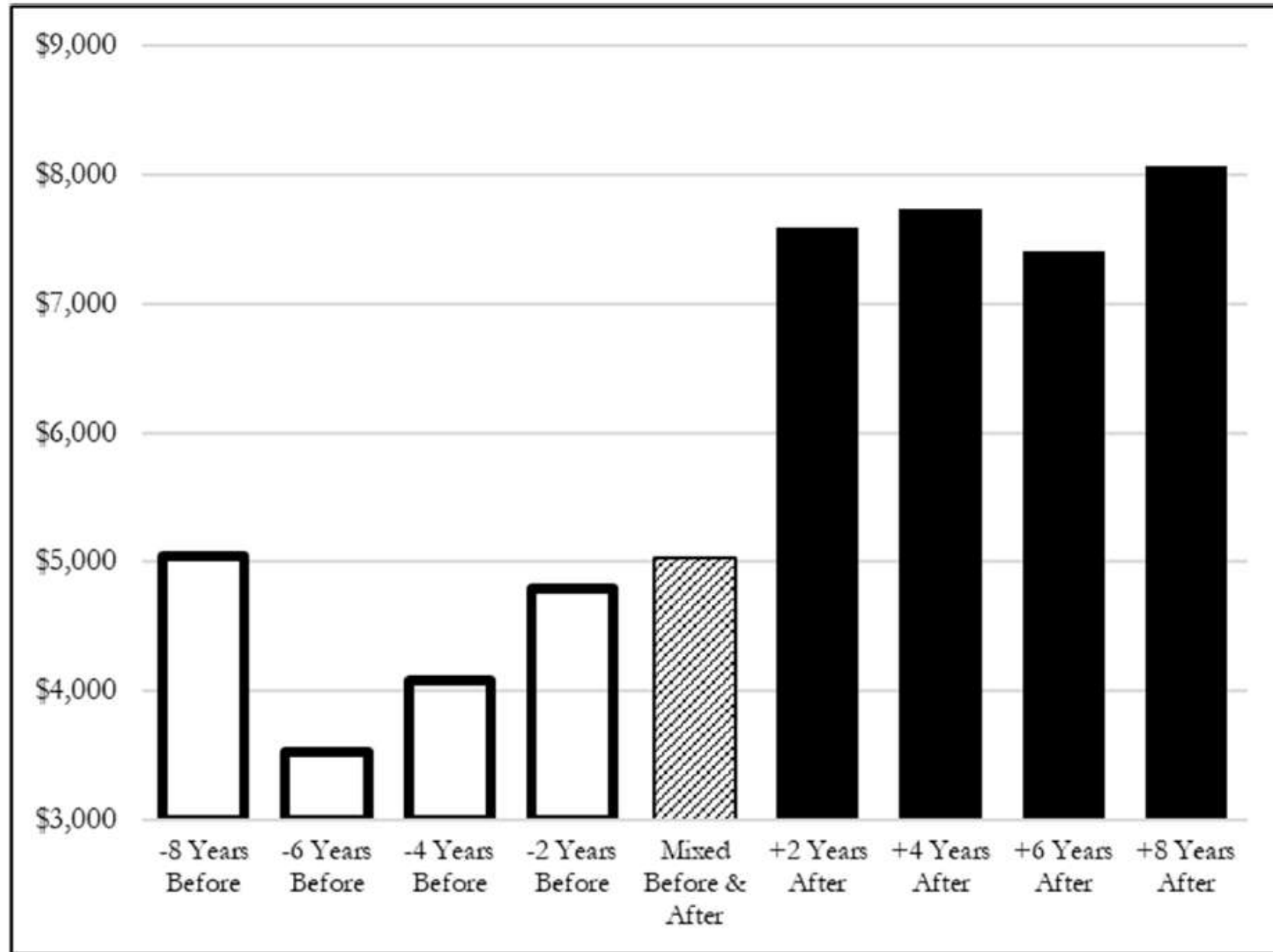
Death reminders increase support for one's surviving community ("in-group") and community values



You Can Do It!

Enough with the
academic theory...
Let's get practical!

Figure 1. Average Annual Charitable Donations Before and After Adding Charity to an Estate Plan



The most important transformation you can make with a donor who already cares about your cause is to get them to consider their wealth – not just their disposable income – as donation relevant.

The will plan as a gateway to major gifts of assets

Among 18,078 supporters (humanitarian charity) responding to the survey

Most supporters (80%) say they are unlikely to make a gift in a will to support the org

0.4%

Have made a “gift of assets (i.e., stock, real estate, retirement/ bank account or life insurance)”

2.2%

Would consider doing so

2.6%

Total asset gifting willingness

About 2% of supporters have already included a gift in their will

21.2%

Have made a “gift of assets (i.e., stock, real estate, retirement/ bank account or life insurance)”

15.6%

Would consider doing so

36.8%

Total asset gifting willingness

14X greater
openness to
asset gifting

If you want a larger audience, don't lead with death

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Communicating Obliquely

Personal mortality topics are subconsciously aversive to most people. Wrap them in other topics to sidestep the initial avoidance response.



A common theme in several successful approaches to introducing planned giving

The Oblique Seminar

You “just happen” to communicate about planned giving in the context of something else



Charitable Estate Planning

Tax-smart giving

- Current giving tips
- Planned giving tips

Christians and the Law

- Religious liberties
- Stewardship / estate planning

Stories from the frontlines

- Charity projects
- Stories of planned donors who fund it

Identity theft?

“Since you’re thinking about ways to protect yourself and your identity, why not think about ways to protect your estate, as well?”

We ended with an abbreviated seminar on how to be sure your estate is in order (with appropriate charitable bequests in place)."

-Barbara Diehl, **Journal of Gift Planning**, 2006

The Oblique Conversation

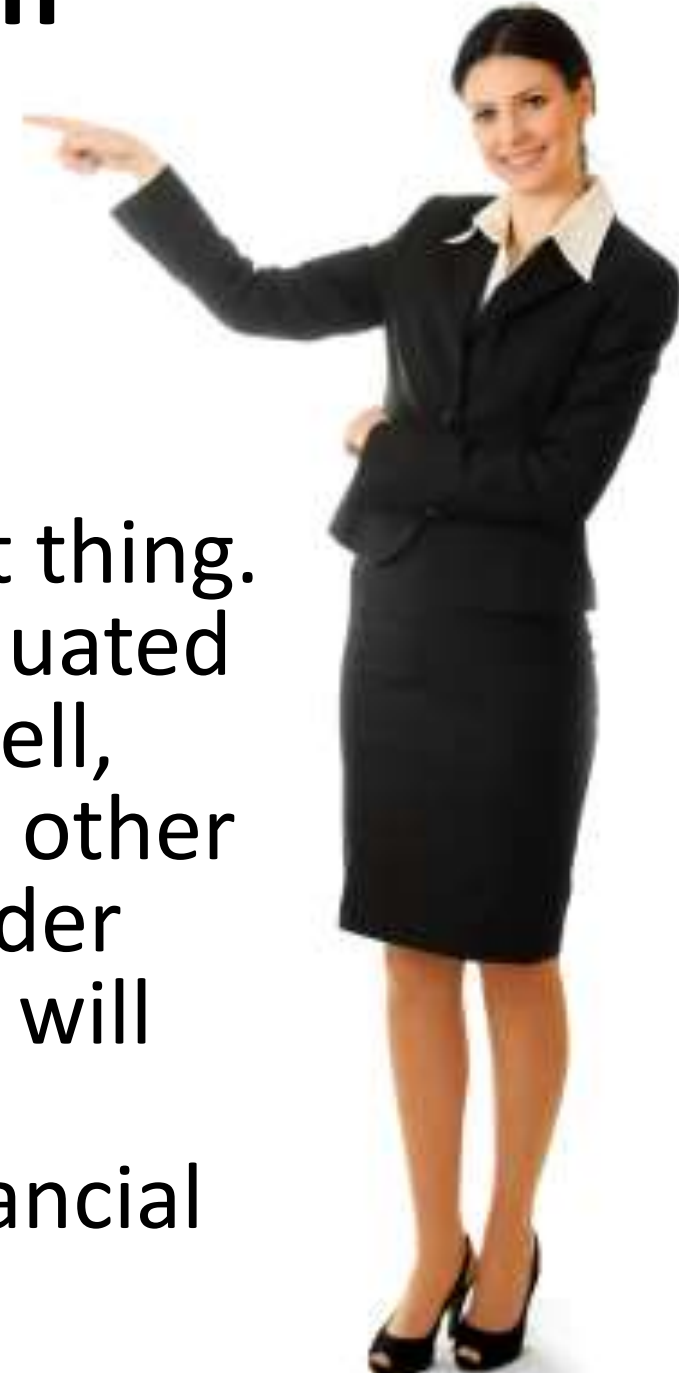
4 S

1. Story
2. Story
3. Story
4. Shut up

Concept from
Jeff Comfort,
Oregon State University

So, what's new at Texas Tech?

1. ... new coach ...
2. ... new building ...
3. Oh, and Mary Smith did a neat thing. Did you know Mary? She graduated two years before you... No? Well, Mary spent her career helping other people get their finances in order and she recently signed a new will that one day will endow a permanent scholarship for financial planning students.



The Oblique Survey

In the middle of an 8-10 question survey of opinions about the organization...



Many people like to leave a gift to [org] in their will to support a cause that has been important in their life. If you signed a will in the next three months, what is the likelihood that you might leave a gift to [org]? ☐ None ☐ Somewhat Unlikely ☐ Somewhat Likely ☐ Very Likely ☐ Definitely

or

Many friends of [org] like to receive a tax deduction and make a gift that pays them income for life. Rate your level of interest in making this type of gift.

☐ Will never be interested ☐ Not today, but some day ☐ Somewhat interested ☐ Definitely

The Oblique Focus Group

Bigelow & Kolmerten (*Journal of Gift Planning*, 2008) set up a donor focus group “about why no one seems willing to learn about planned giving by attending workshops ...The participants, in order to give advice about workshops on planned giving, had to ask questions about CRTs and CGAs...Thus, like scientists who discover a cure unexpectedly, we had inadvertently found our answer where we least expected it: the best venue to *teach* people about planned giving was not a workshop or a seminar but a focus group.”



The Oblique Investment

How is Death
Insurance Sold?



Annuity strategies: If you want a larger audience, don't lead with death

life

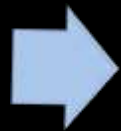
death

Changing annuity description from “each year you live” to “each year you live until you die”, and “if the annuity holder lives up to different ages” with “depending on the age when the annuity holder dies” increased death-related thoughts and consequently lowered interest in purchasing annuities. The reduction in interest was fully mediated by the change in death-related thoughts.



Avoidance suggests that we don't want to admit the likelihood of impending death as a reason to act

I don't
want to
think
about it



Yes

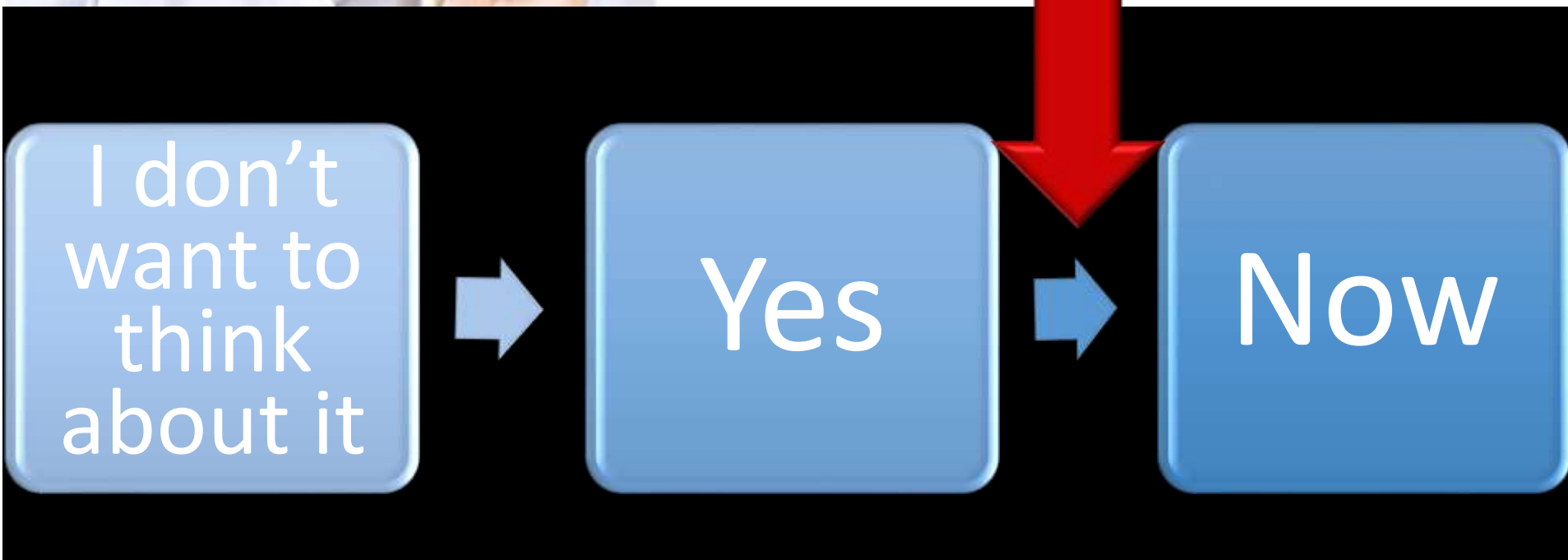


Now

So create another reason...



If I am not going to die tomorrow, why not deal with this later?



Attach a
**non-death
related**
negative
outcome to
“later”

Later

I don't
want to
think
about it



Yes



Now



Our campaign to reach 100 planned gifts in wills or trusts ends in 3 months, won't you consider joining these others?

**Left Out
of Group**

Later

**I don't
want to
think
about it**



Yes



Now



We are offering a
_____ for
anyone who signs
up for an
appointment
tonight only

No _____

Later

I don't
want to
think
about it




Yes



Now





People really take
their cue from
leaders like you.
Your action would
motivate many of
them to act.

Bad
Example

Later

I don't
want to
think
about it



Yes



Now



Pledge and follow-up

“To show a strong leadership commitment in this planned giving push, we want to announce board participation levels at the fall banquet. Can we count you in?”



*I commit to complete
an estate plan with a
gift to (organization)
within 6 months*

- ☐ *Yes*
- ☐ *No*
- ☐ *Already
Completed*

We really appreciate your commitment to make this bequest gift. Can I check back in a month to see how the planning process is going?

Violating
“Pledge”

Later

I don't
want to
think
about it



Yes



Now



Emphasize lasting social impact

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Strategies: When to lead with death

1. Captive audience

Increase mortality salience to heighten interest in lasting social impact through bequest

2. Low-hanging fruit

Intentionally limiting audience only to those ready for death planning (often related to some other external shock such as death of a loved one, negative diagnosis, estate planning)



Estate planning strategies: Emphasize lasting social impact

- Dynasty trusts, private foundations, and other long-term plans become attractive
- Without planning: Big pile of money for heirs to quickly blow, violating client values.
- With planning: Lasting impact expressing client values, e.g., education for offspring, retirement for spouse, wage matching trust payments.





Something reflecting the person's life story (community and values) will live beyond them



Permanent Gifts

Symbolic
immortality in
practice

Pursuit of lasting social impact

A poverty relief charity was described as an organization that focused on either ...		Normal Average Gift 	Death Reminded Average Gift 
“meeting the immediate needs of people” or		\$257.77	\$80.97
“creating lasting improvements that would benefit people in the future”		\$100.00	\$235.71

*participants giving share of potential \$1,000 award
K. A., Tost, L. P., Hernandez, M., & Larrick, R. P. (2012). It's Only a Matter of Time Death, Legacies, and Intergenerational Decisions. *Psychological Science*, 23(7), 704-709.)

Lasting gifts (endowments, named buildings, scholarship funds, etc.) to stable organizations may be particularly compelling



Consider developing permanent giving opportunities for mid-level bequest donors

- Scholarships, lectureships, annual performances, perpetual child sponsorship, perpetual rescued pet sponsorship, etc.
- Virtual endowments



An experiment to encourage a second memorial donation

IN MEMORY

Adding a
**permanence
goal** increased
intended giving
amount by
150%

Adding a
**recognition
goal**
increased
intended giving
\$ by **50%**

“unless total gifts exceed
\$10,000 at which point
this fund will become a
perpetual scholarship
fund”

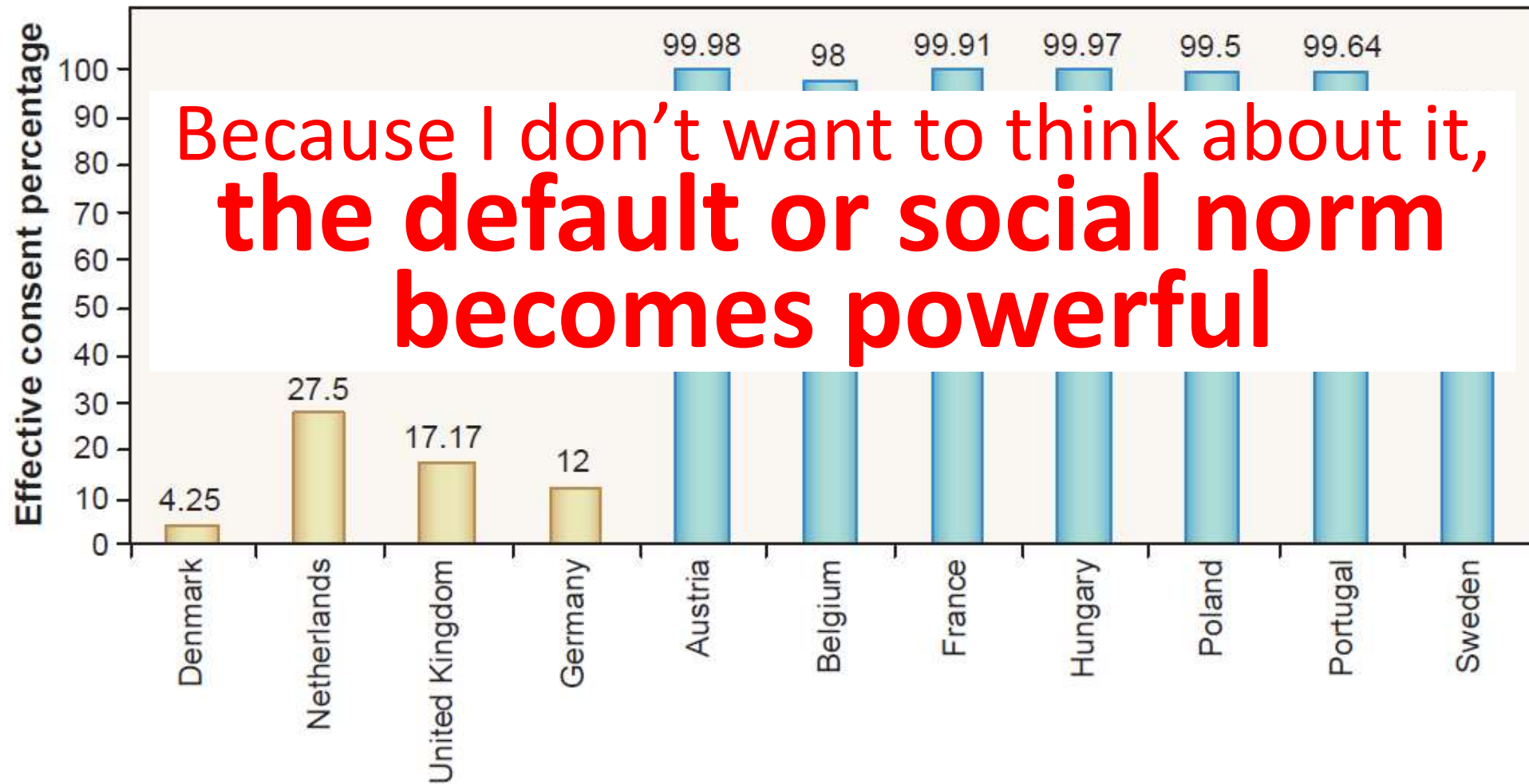
“If total gifts exceed \$10,000
this will be recognized in the
annual report as one of our
highest level “gold circle”
memorial tributes.”

See Table 3, Column 4 of
James, R. N. III. (2019)
Encouraging repeated
memorial donations to a
scholarship fund: An
experimental test of
permanence goals and
anniversary
acknowledgements.
Philanthropy & Education

Present a social norm default

(people like me do things like this)

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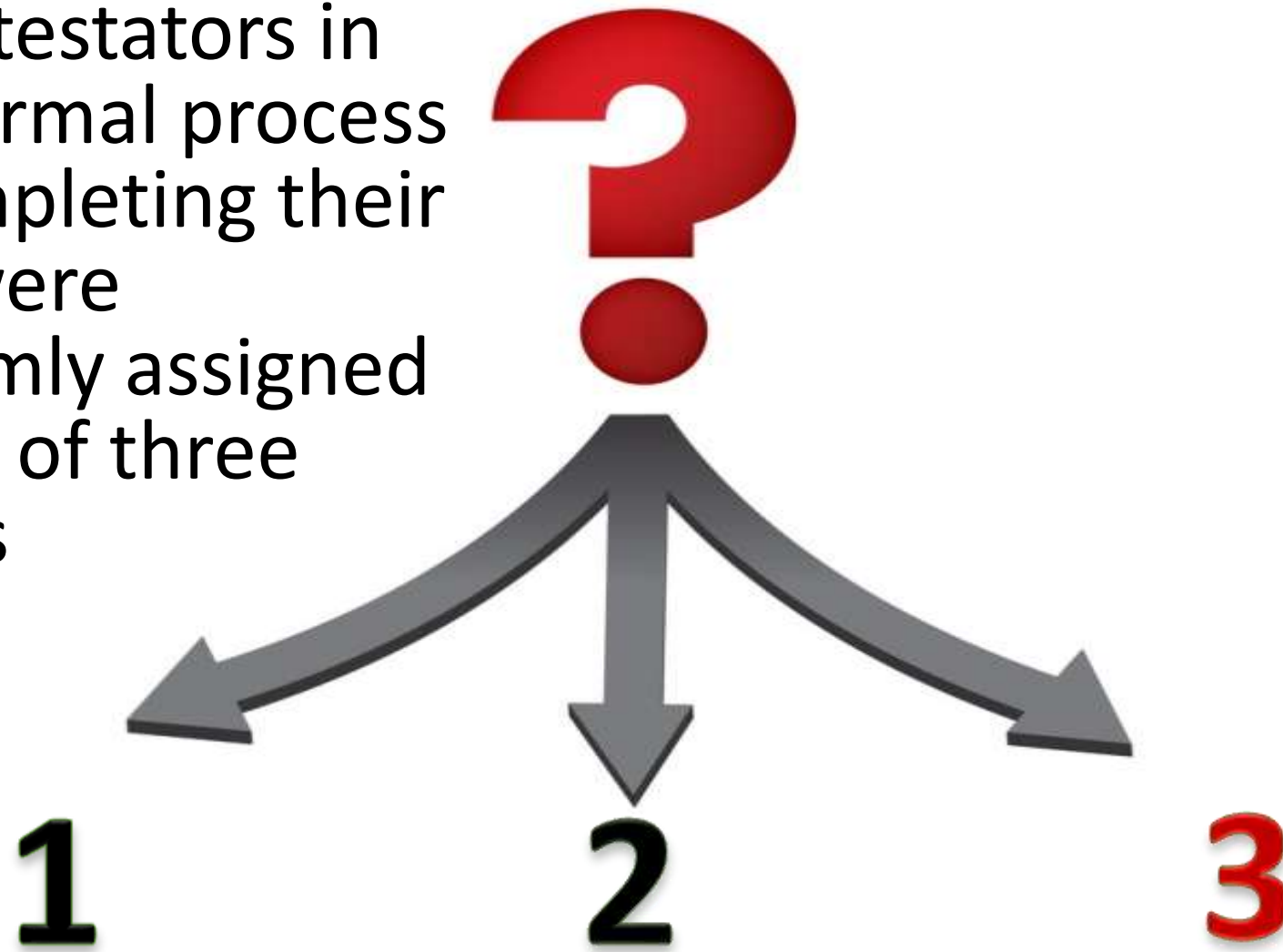


Effective consent rates, by country.

“Opt-in”
systems in Gold

“Opt-out”
systems in Blue

3,000 testators in the normal process of completing their wills were randomly assigned to one of three groups

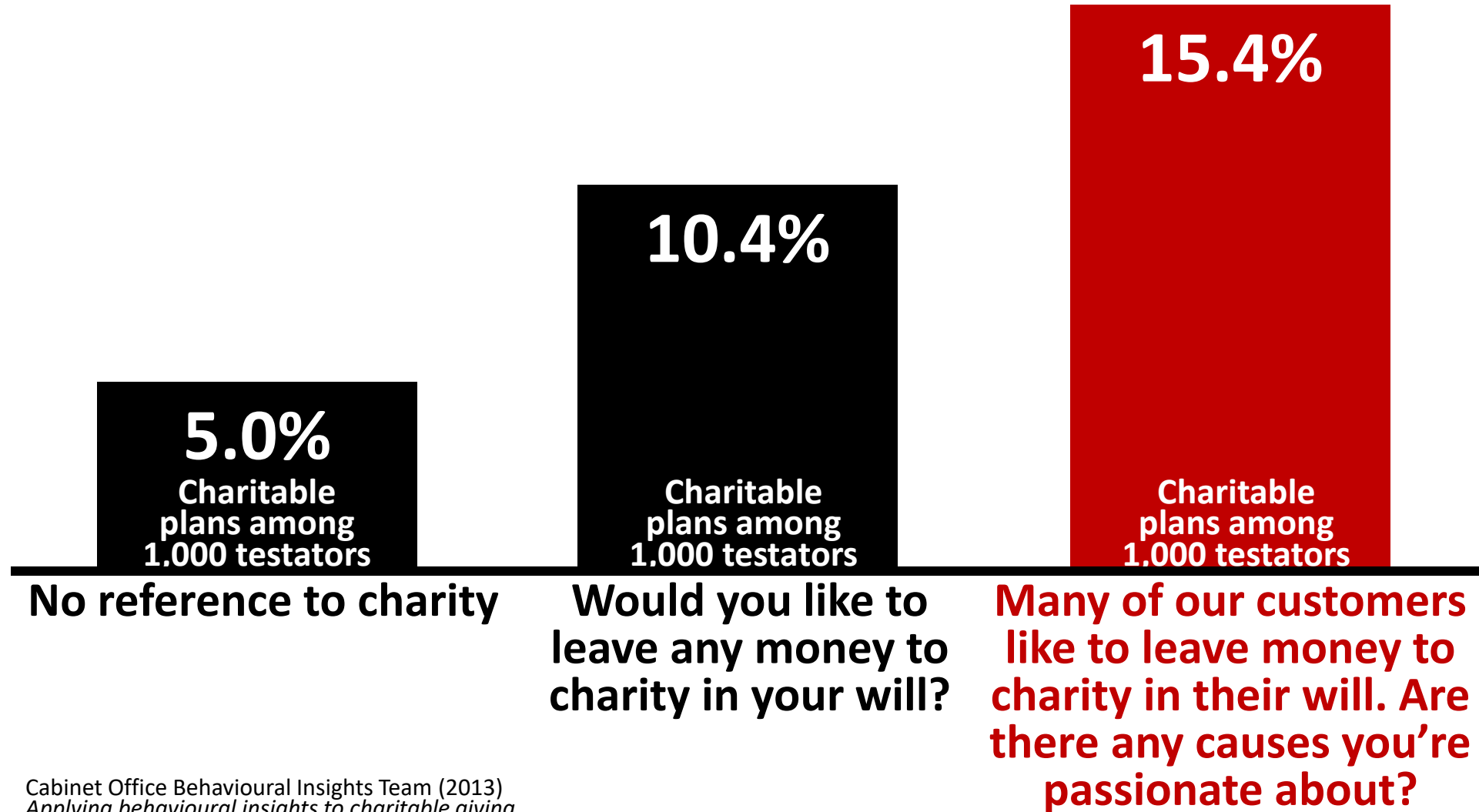


No reference to charity

Would you like to leave any money to charity in your will?

Many of our customers like to leave money to charity in their will. Are there any causes you're passionate about?

Charitable bequests are influenced by a simple social example



The social norm increased charitable bequest intentions

2,369 Respondents, Groups D/E/LateG+H

**Interested
Now**

31%

Many people like to leave a gift to charity in their will. Are there any causes you would support in this way?

**Will Never
Be
Interested**

9%

23%

Make a gift to charity in my will

12%

12%

Make a **bequest** gift to charity

14%

Testing Charitable Gift Annuity

*(lifetime income and
remainder to charity at
death)*

Messages



What “you” would do or what another donor has done?

You make a gift and receive a tax deduction and yearly income for life. Any unused gift amount will go to the charity at the end of your life.

Gift Annuity

Interested Now

Definitely/somewhat/slightly

All: _____%

55+: _____%

Sara made a gift and received a tax deduction and yearly income for life. Any unused gift amount will go to the charity at the end of her life.

Gift Annuity

All: _____%

55+: _____%

Please rate your interest in pursuing the above described charitable giving arrangement

What “you” would do or what another donor has done?

You make a gift and receive a tax deduction and yearly income for life. Any unused gift amount will go to the charity at the end of your life.

Gift Annuity

Interested Now

Definitely/somewhat/slightly

All: 33.5%

55+: 23.2%

Sara made a gift and received a tax deduction and yearly income for life. Any unused gift amount will go to the charity at the end of her life.

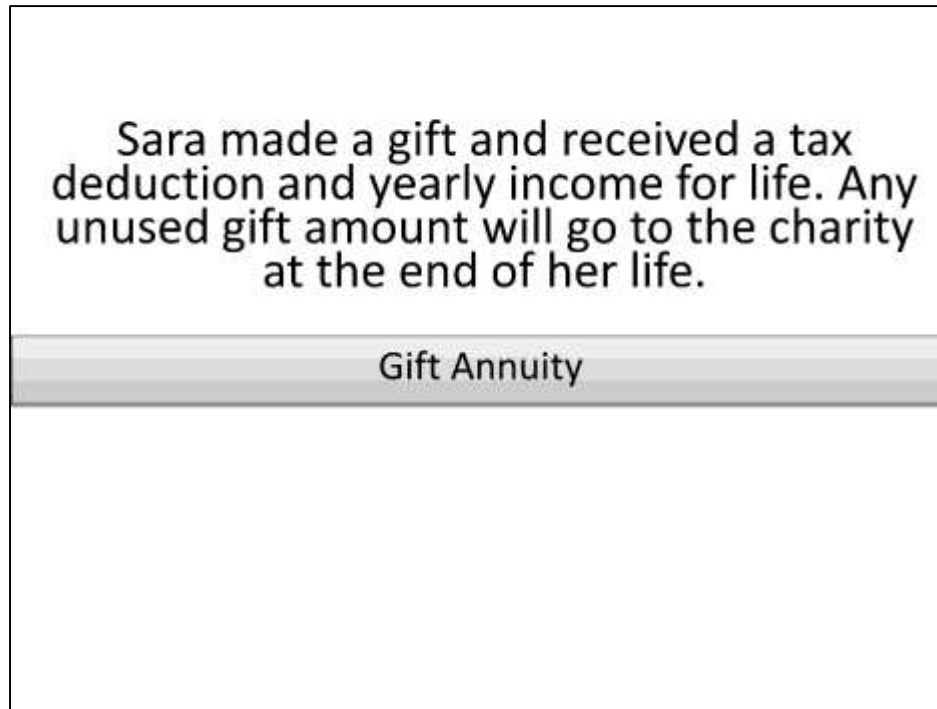
Gift Annuity

All: 38.6%

55+: 38.6%

Please rate your interest in pursuing the above described charitable giving arrangement

Text only or text and donor picture?



Please rate your interest in pursuing the above described charitable giving arrangement: % Interested now (definitely/somewhat /slightly)

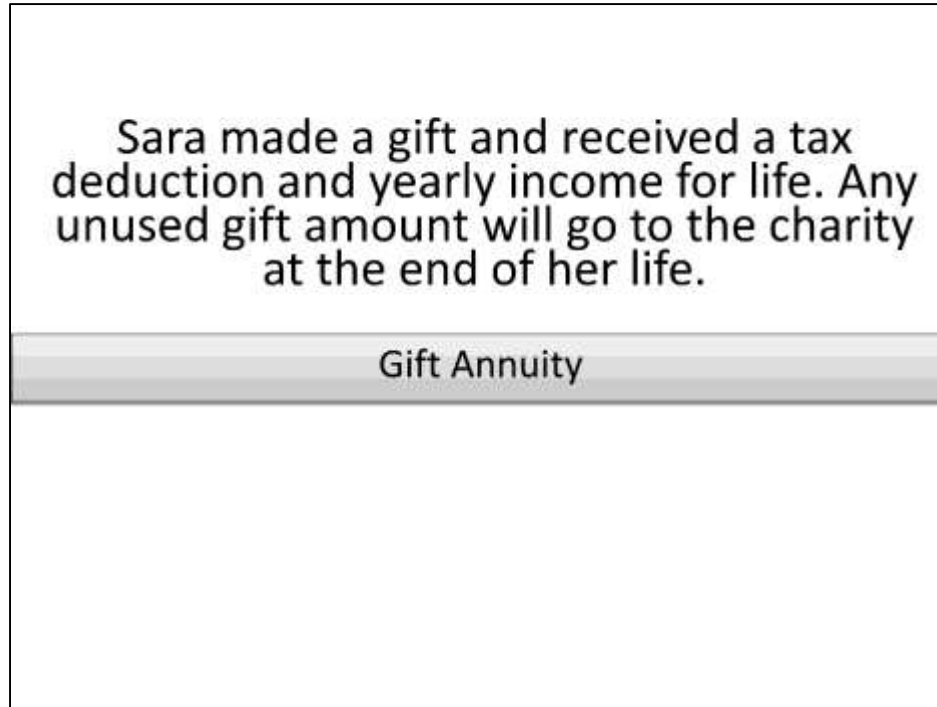
All: ____%

55+: ____%

All: ____%

55+: ____%

Text only or text and donor picture?



Please rate your interest in pursuing the above described charitable giving arrangement: % Interested now (definitely/somewhat /slightly)

All: 38.6%

55+: 38.6%

All: 31.1%

55+: 29.8%

What's the problem with the donor picture? Is it just this photo? This donor age? Is it photos in general or what?



Sara made a gift and received a tax deduction and yearly income for life. Any unused gift amount goes to the charity at the end of her life.



Gift Annuity

Interested now (definitely/somewhat /slightly)

55+
_____%

35-54
_____%

U-35
_____%

Sara made a gift and received a tax deduction and yearly income for life. Any unused gift amount goes to the charity at the end of her life.



Gift Annuity

_____%

_____%

_____%

Sara made a gift and received a tax deduction and yearly income for life. Any unused gift amount goes to the charity at the end of her life.



Gift Annuity

_____%

_____%

_____%

Sara made a gift and received a tax deduction and yearly income for life. Any unused gift amount goes to the charity at the end of her life.



Gift Annuity

Interested now (definitely/somewhat /slightly)

55+
24.4%

35-54
38.4%

U-35
44.5%

Sara made a gift and received a tax deduction and yearly income for life. Any unused gift amount goes to the charity at the end of her life.



Gift Annuity

22.0%

47.4%

32.6%

Sara made a gift and received a tax deduction and yearly income for life. Any unused gift amount goes to the charity at the end of her life.



Gift Annuity

41.1%

30.6%

30.2%

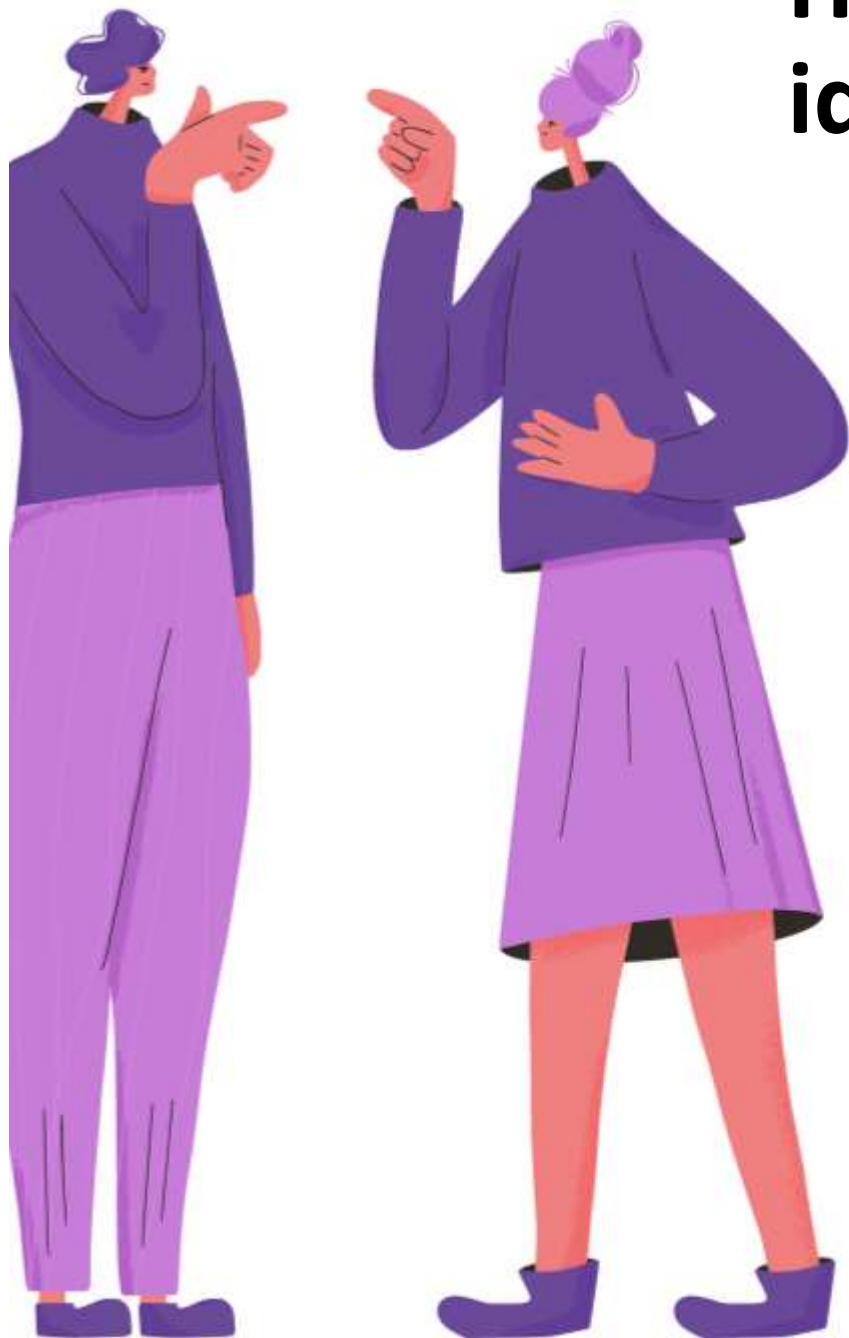
**Similar [dissimilar] age donor photos did better
[worse] than text only or non-donor photo**

Why?

**The association was
completely explained
(mediated) by the
answer to one
question...**



*Text
only*

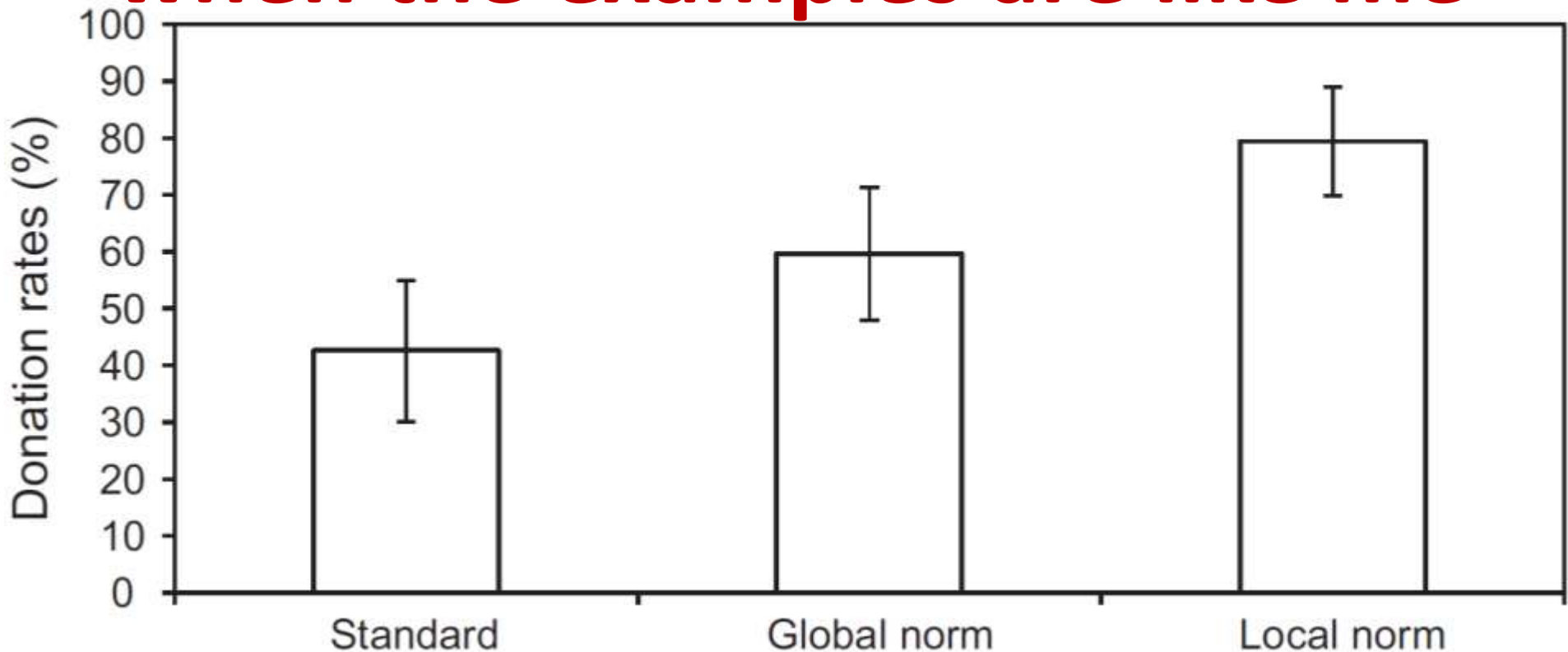


How much do you identify with Sara?

- ☐ She is not at all like me
- ☐ She is not really like me
- ☐ She is a little bit like me
- ☐ She is somewhat like me
- ☐ She is a lot like me

People like me do things like this

Social norms are more powerful when the examples are like me



You can support Golomolo by donating 20 Swedish crowns.

You can support Golomolo by donating 20 Swedish crowns. **73% of University students in Sweden** who were asked for a contribution have donated 20 Swedish crowns to Golomolo.

You can support Golomolo by donating 20 Swedish crowns. **73% of Linnaeus University students** who were asked for a contribution have donated 20 Swedish crowns to Golomolo.

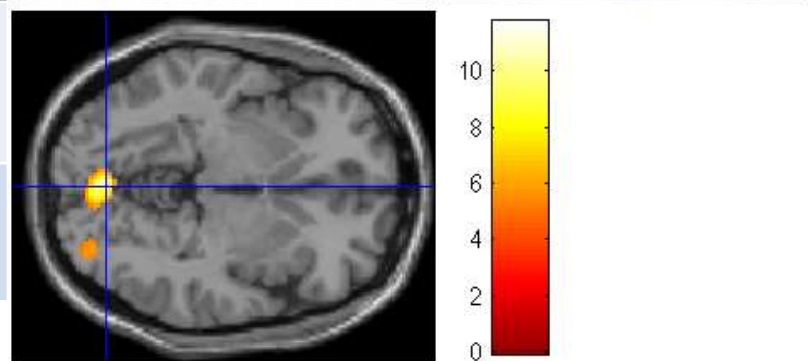
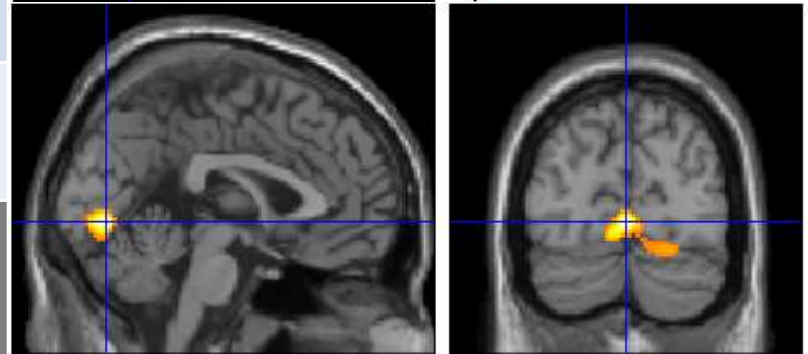
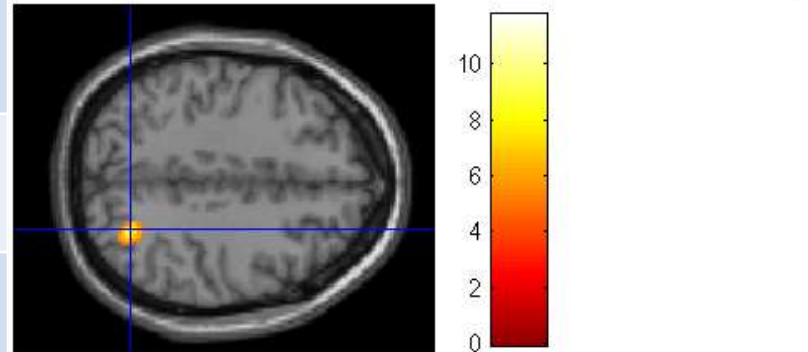
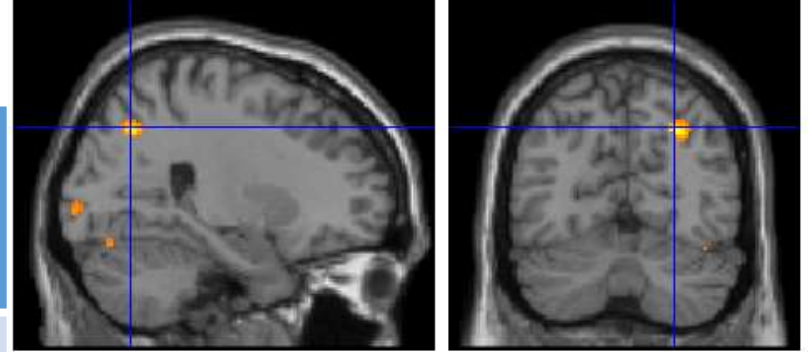
Advance the donor life story

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Charitable bequest decision-making v.
giving or volunteering decision-making



Contrast	Brain Region	MNI co-ordinates	Peak p FWE	Clust -er p FWE
(1) Beq> Give	Lingual Gyrus	-2, -78, -2	.004	.000
	Precuneus	26, -66, 42	.102	.009
(2) Beq> Vol	Lingual Gyrus	2, -80, -4	.007	.000
	Precuneus	30, -66, 40	.180	.004
	Precentral Gyrus	-34, -3, 36	.397	.001
(3) Beq> (Give+ Vol)	Lingual Gyrus	0, -78, -4	.001	.000
	Precuneus	26, -66, 42	.007	.001



lingual gyrus is part of the visual system, damage can result in losing the ability to dream
precuneus has been called “the mind’s eye,” used in taking a 3rd person perspective on one’s self

Visualized autobiography

visualization + 3rd person perspective on self





Life stories

Summarizing a series of interviews with planned donors, Dr. Claire Routley wrote...

*“when discussing which charities they had chosen to remember, there was a clear link with the **life narratives** of many respondents”*

References to “important in your life” increase interest

1,822 Respondents

**Interested
Now**

**Will Never
Be
Interested**

40%

Make a gift to charity in your will to support causes that have been important in your life

6%

30%

Make a gift to charity in your will

7%

12%

Make a bequest gift to charity

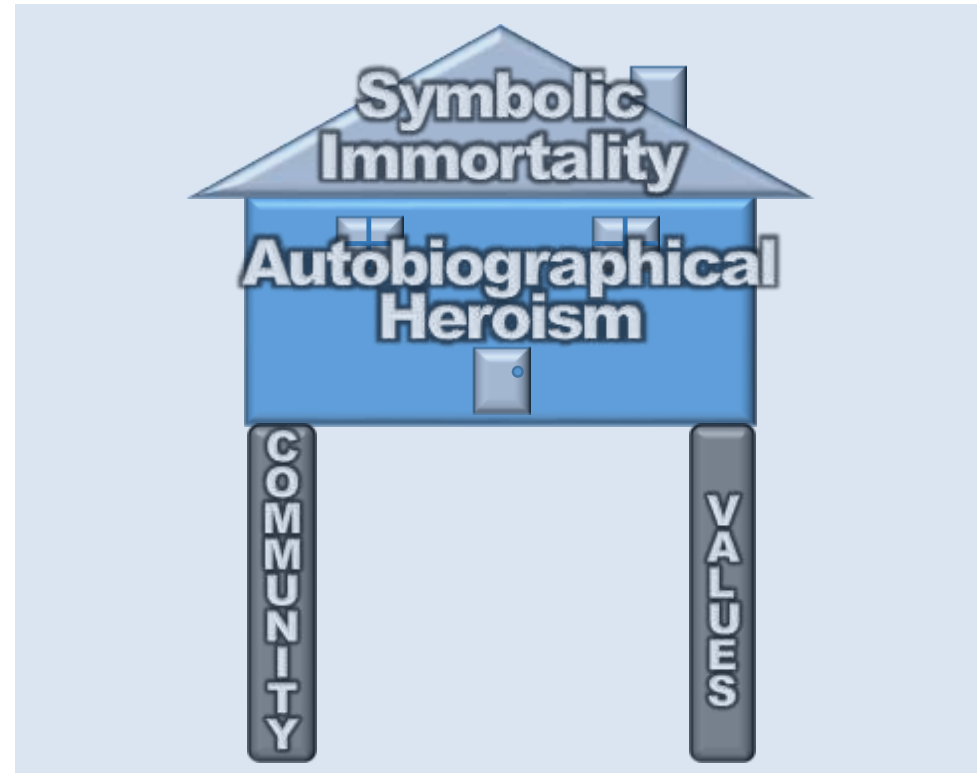
14%

Living donor stories outperformed all other messages for 40 out of 40 charities tested





Is this cause (or
charity) an
important part of
my life story?





Start with

“So, tell me about
your connection to
(organization).”

A man in a dark pinstriped suit jacket and a white dress shirt is pulling open the shirt with both hands. Underneath the white shirt, a bright blue V-shaped area is visible, resembling a superhero's chest. The text "Gifts that advance the donor hero story" is overlaid in white on the blue area.

**Gifts that
advance the
donor hero
story**

Death reminders increase attraction to personal heroism

1. Death reminders after delay increase self-reported similarity with a hero
2. After a death reminder, describing one's own hero (but not another's) reduces death-related thoughts
3. After a death reminder, reading of a heroic act reduces death-related thoughts only when the hero is reported to share the participant's birthdate

McCabe, S., Carpenter, R. W., & Arndt, J. (2016). The role of mortality awareness in hero identification. *Self and Identity*, 15(6), 707-726.



Pursuit of symbolic immortality: something reflecting the person's life story (community and values) will live beyond them

Large gifts come with lots of instructions



- Instructions make the gift compelling
- They reflect the donor's values, life story, and identity



In two studies of wills from the 1800s, charitable bequests were restricted in

- 14% of small cash gifts
- 58% of real estate or large cash gifts
- 70% of gifts of a share of the entire estate

James III, R. N. (2020). American Charitable Bequest Transfers across the Centuries: Empirical Findings and Implications for Policy and Practice. *Estate Planning & Community Property Law Journal*, 12, 235-285.

Gift restrictions make gifts larger in experiments



Helms, S. E., Scott, B. L., & Thornton, J. P. (2012). Choosing to give more: Experimental evidence on restricted gifts and charitable behaviour. *Applied Economics Letters*, 19(8), 745-748

- The most extreme version of gift instructions: Foundations, funds, and trusts.
- Pages of detailed instructions controlling the gift for decades or even generations



We have competition for instructions: The private family foundation

A large, 3D-rendered graphic of the number '78%' in a vibrant orange-to-yellow gradient. The numbers and the percentage symbol are thick and have a metallic sheen, casting soft shadows on the white background.

Among decedents in 2004 and 2007 with estates of more than \$5 million, the share of charitable dollars going to private foundations was 70% and 78%, respectively

The magic follow-up question for escalating estate gifts

- “Have you ever thought about how you would like your gift to be used?”
- Share stories about planned gifts from another donor of a specific size (e.g., endowing a particular item)
- Permanence goals work well in estate experiments



Encourage tribute gifts in wills

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Bequest charity representing loved ones

*'The reason I selected Help the Aged...it was **after my mother died**...And I just thought – she'd been in a care home for probably three or four years. And I just wanted to help the elderly...I'd also support things like Cancer Research, because **people I've known have died**...An animal charity as well, **I had a couple of cats.**'*

*“[In my will I have a gift to] the Cancer Research. **My father died of cancer** and so I have supported them ever since he died.’*

*Female, 63
widowed*

*Male, 89
married*

Testing the tribute bequest

4500+ respondents

Do you have a deceased friend or deceased family member who would have appreciated your support of an *International relief* organization such as *CARE* or *UNICEF*?

Also tested for living friend or family member

Alzheimer's *The Alzheimer's Association, The Alzheimer's Foundation*

Diabetes *Joslin Diabetes Center, The American Diabetes Association*

Wild Birds Preservation *National Audubon Society, Ducks Unlimited*

Wildlife *World Wildlife Fund, Wildlife Conservation Society*

Minority College Fund *United Negro College Fund, American Indian College Fund*

Blindness related nonprofit *Foundation Fighting Blindness, Prevent Blindness America*

Youth-related charitable *Girl Scouts, Boy Scouts, YMCA, YWCA, Big Brothers / Big Sisters of America, Boys and Girls Clubs of America*

AIDS research and care *San Francisco AIDS Foundation, AIDS Project Los Angeles*

Animal welfare *American Society for Prevention of Cruelty to Animals, The American Humane Association*

International relief *UNICEF, Care*

Cancer research *American Cancer Society, National Cancer Coalition, M.D. Anderson Cancer Center, Dana Farber Cancer Institute*

Guide dogs *Guide Dogs for the Blind, Canine Companions for Independence*

Breast cancer research *Breast Cancer Research Foundation, National Breast Cancer Foundation, Susan G. Komen Breast Cancer Foundation*

If so, please state your relationship to them and write at least 25 words describing their interest in or connection with this cause.

If you signed a will in the next 3 months, what is the likelihood you might leave a BEQUEST gift **honoring** a living [deceased] friend or family member to _____

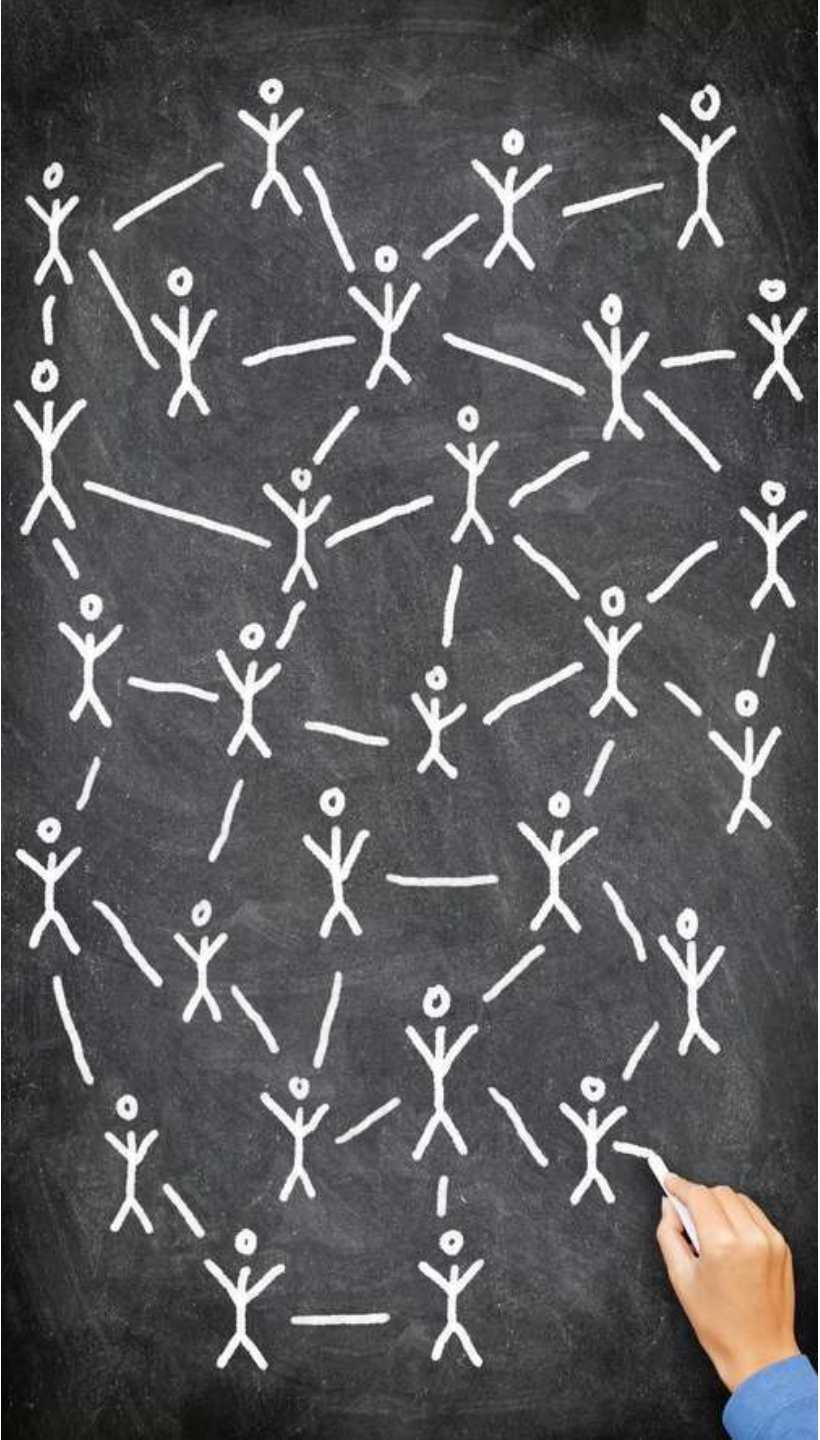
Reminder/tribute increases interest from initial response

Change in likelihood of charitable
bequest for those with family/friend
connection

	Total	Age 50+	Male	Female
Memorial reminder	+14.0	+14.0	+13.5	+14.0
Living reminder	+9.2	+9.3	+7.7	+9.9

Average share with family/friend
connections to each cause

	Total	Age 50+	Male	Female
Memorial reminder	22.1%	27.1%	19.5%	23.6%
Living reminder	34.2%	36.1%	30.4%	36.6%



Simple implementations

Samples courtesy of Phyllis
Freedman, President of
SmartGiving and
“The Planned Giving Blogger”

☒ I have included NIF in my will or trust, as a beneficiary of a retirement account or other planned gift.

My gift is in ☐ honor of ☐ memory of: _____

Relationship: _____

☐ I wish to remain anonymous.


☒ **YES, I want to leave a personal legacy in the fight against cancer and other serious illnesses.**

☐ I have already included City of Hope in my will, as a beneficiary of a retirement account or other plans.

☐ I wish to remain anonymous.

My gift is in ☐ honor of ☐ memory of _____

Relationship: _____



1 in 4 increased
their intention to leave
a charitable bequest
when given the option



to “honor a friend or family member by making a memorial gift to charity in my last will & testament”

Use family words not formal words

1. If you want a larger audience, don't lead with death
2. Emphasize lasting social impact
3. Present a social norm default (*people like me do things like this*)
4. Advance the donor life story
5. Encourage tribute gifts in wills
6. Use family words not formal words
7. Don't count it and forget it
8. Don't go radio silent at the critical moment
9. Target the 3 C's (childlessness, consistency, capacity)
10. Go beyond the will



Social Realm (identity)

I help people
because of who I
am

**Use
family
language**

**Stories
and
simple
words**

**Avoid
market
language**

**Formal,
legal, or
contract
terms**



Market Realm (exchange)

I engage in
transactions by
formal contract

**Would you say it in a normal
conversation with your grandmother?**

Formal terms lower charitable interest

1,246 Respondents, Groups D/E

**Interested
Now**

23%

Make a gift to charity in
my will

**Will Never
Be
Interested**

12%

12%

Make a **bequest** gift
to charity

14%



Describing a CRT



Make a gift

where you get an immediate tax deduction, still control the investment of the assets and receive income from the investments for the rest of your life with anything left over going to charity at your death.

Make a transfer of assets

where you get an immediate tax deduction, still control the investment of the assets and receive income from the investments for the rest of your life with anything left over going to charity at your death.

Different groups rate their interest after receiving different descriptions

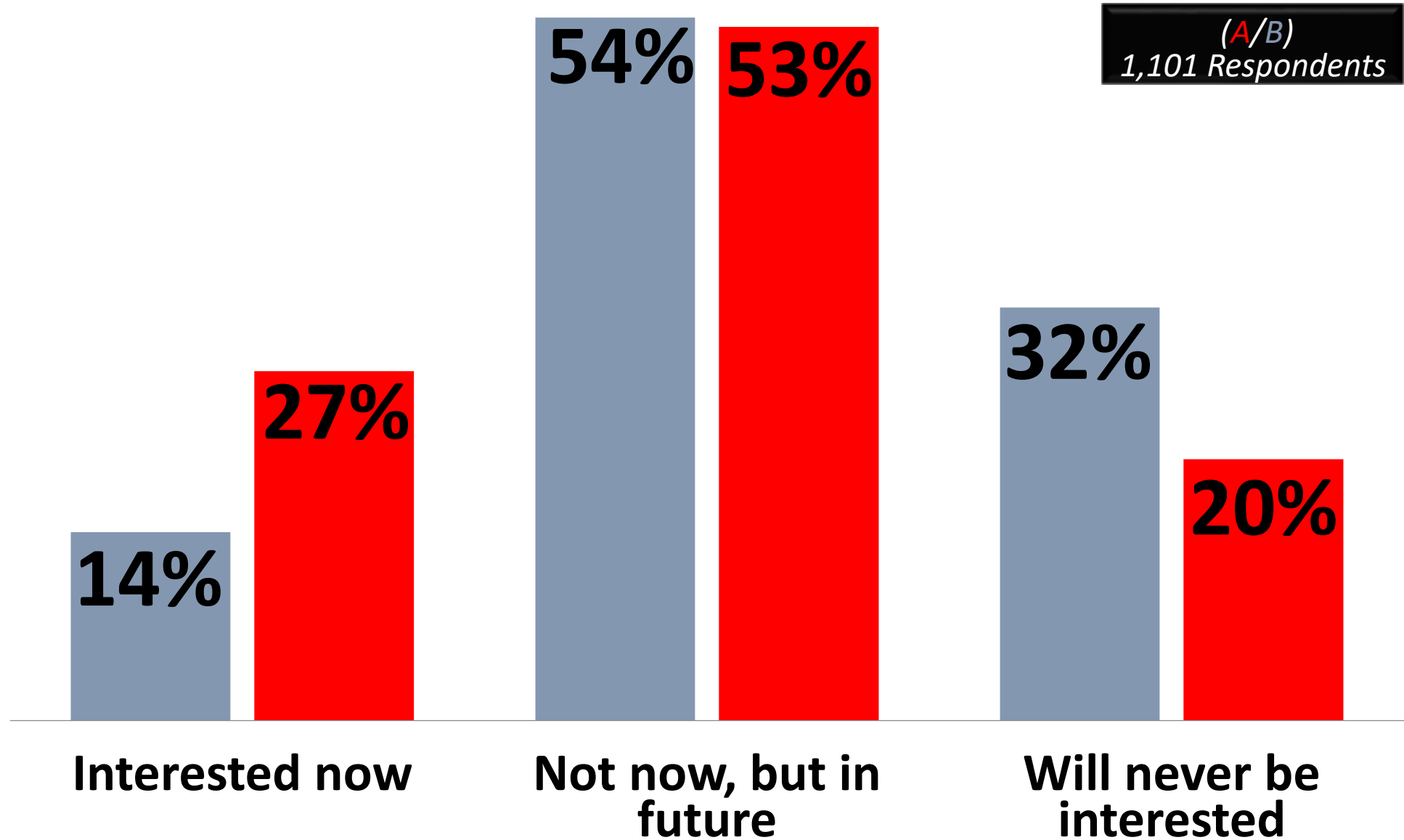
Does it make much difference?

■ Make a transfer of assets

where you get an immediate tax deduction, still control the investment of the assets and receive income from the investments for the rest of your life with anything left over going to charity at your death.

■ Make a gift

where you get an immediate tax deduction, still control the investment of the assets and receive income from the investments for the rest of your life with anything left over going to charity at your death.





Describing a CGA



**Make a
gift**

and in exchange receive a
guaranteed lifetime income from
the charity.

**Enter into a
contract with a
charity where
you transfer your
cash or property**

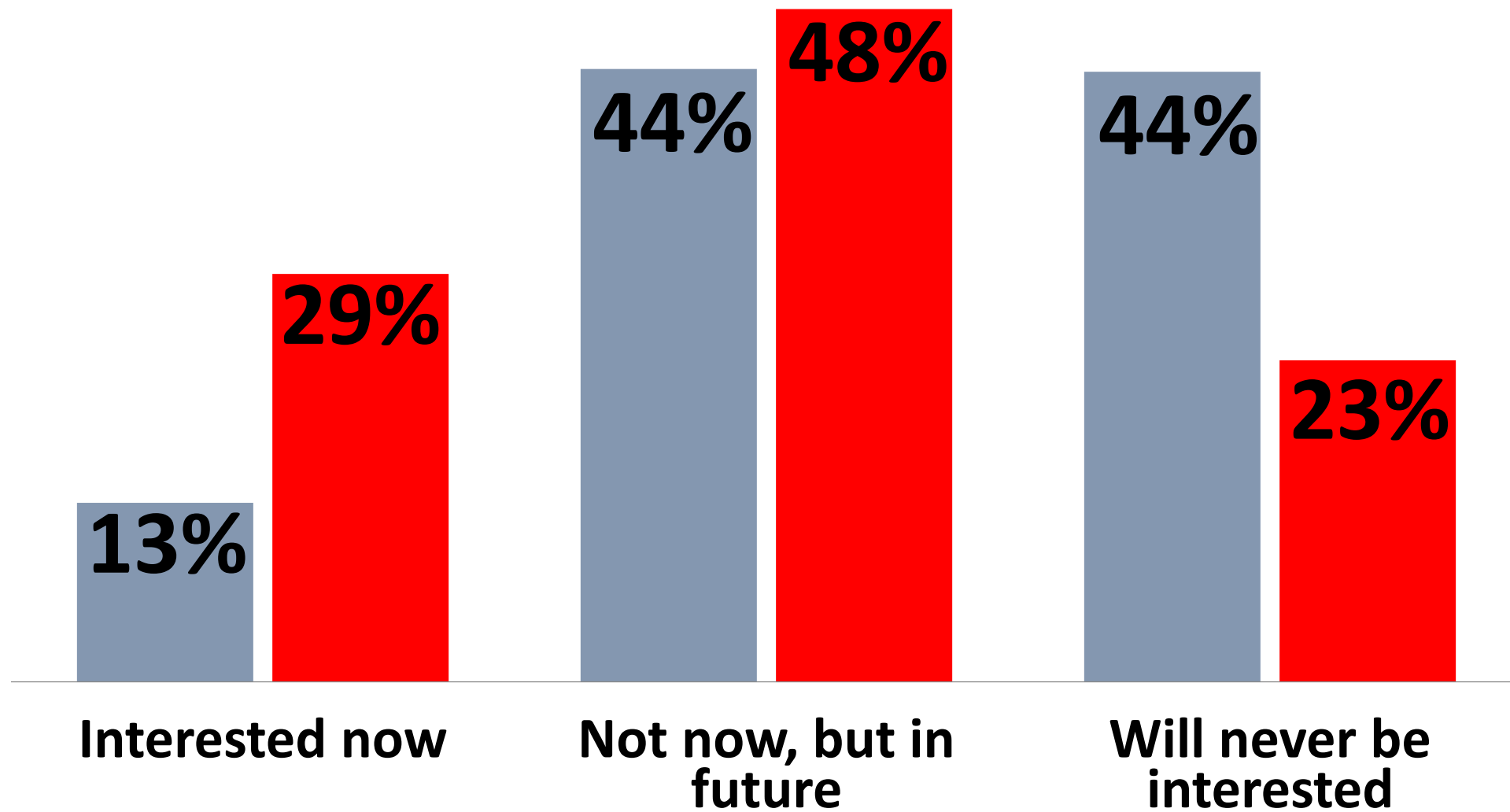
and in exchange receive a
guaranteed lifetime income from
the charity.

Does it make much difference?

■ **Contract** Enter into a contract with a charity where you transfer your cash or property and in exchange receive a guaranteed lifetime income from the charity

■ **Gift** Make a gift and in exchange receive a guaranteed lifetime income from the charity

(A/B)
1,101 Respondents



Formal terms lower charitable interest

1,417 Respondents, Group F/G

**Interested
Now**

36%

Get an immediate tax deduction and still receive income from your investments for the rest of your life by making a gift where you control the investment of the assets, but anything left over goes to charity at your death.

**Will Never
Be
Interested**

14%

22%

Get an immediate tax deduction and still receive income from your investments for the rest of your life by making a gift

**using a “Charitable
Remainder Trust”**

where you control the investment of the assets, but anything left over goes to charity at your death.

23%

Formal terms lower charitable interest

1,418 Respondents, Group F/G

**Interested
Now**

50%

Receive a tax deduction and
make a gift that pays you
income for life

23%

Receive a tax deduction and
make a gift that pays you
income for life

**called a “Charitable
Gift Annuity”**

**Will Never
Be
Interested**

8%

19%

Formal terms lower charitable interest

1,422 Respondents, Group **F**/G

**Interested
Now**

26%

Immediately receive a tax deduction for 70% of the value of a house or land by making a charitable gift of the property, but keeping the right to use it for the rest of your life.

15%

Immediately receive a tax deduction for 70% of the value of a house or land by making a charitable gift of the property, **using a “Remainder Interest Deed”** but keeping the right to use it for the rest of your life.

**Will Never
Be
Interested**

23%

30%

What is the best “front door” phrase to get people to read about planned giving information?

They have to be interested in finding out more



Suppose you are viewing the website of a charity representing a cause that is important in your life. In addition to a “Donate Now” button, the following buttons appear on the website. Please rate your level of interest in clicking on the button to read the corresponding information.

I am
definitely
interested

3%

Gift planning

4%

Planned giving

7%

Giving now & later

16%

Other ways to give

20%

Other ways to give smarter

What is the best “front door” phrase to get people to read about planned giving information?

Which of the following types of information would you expect when clicking on the button labeled
" _____ "

They have to expect to see planned giving information (i.e., not “bait and switch”)



12 types of planned giving information

Which of the following types of information would you expect when clicking on the button labeled "_____"? How to...

1. make a gift of stocks
2. make a gift of bonds
3. make a gift of real estate
4. make a gift in your will
5. make a gift in your living trust
6. make a gift by naming a charity as death beneficiary of your life insurance policy
7. make a gift by naming a charity as death beneficiary of your IRA or retirement account
8. make a gift by naming a charity as death beneficiary of your bank account
9. make a gift and, in return, receive lifetime income from the charity
10. avoid capital gains taxes by making charitable gifts
11. avoid estate taxes by making charitable gifts
12. avoid income taxes by making charitable gifts

Combined Results

12 types of PG
info average

I am definitely
interested

I definitely
expected this

3%	Gift planning	20%
4%	Planned giving	12%
7%	Giving now & later	7%
16%	Other ways to give	15%
20%	Other ways to give smarter	19%

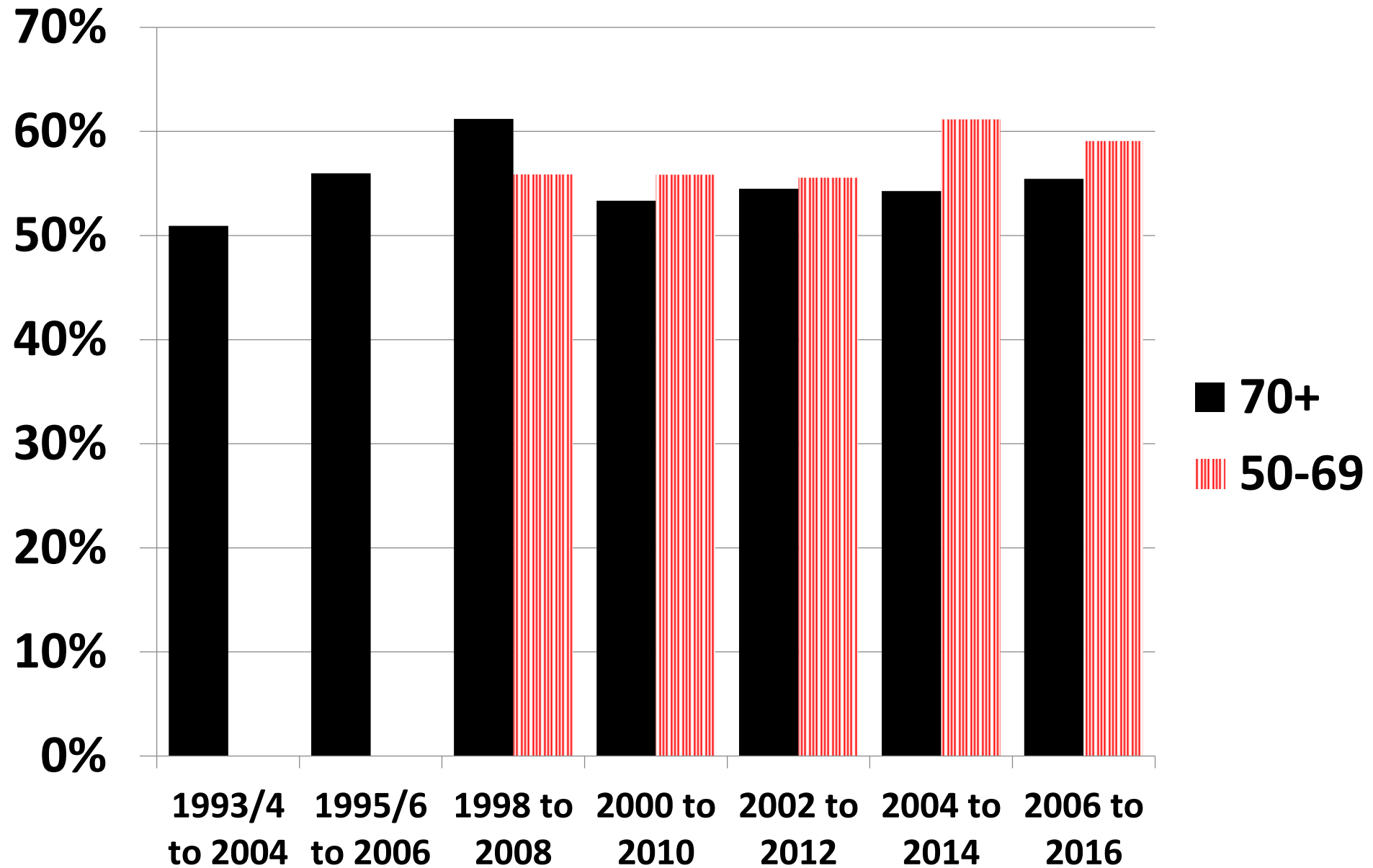
**Do we communicate with
donor language or insider
language?**



Don't count it and forget it

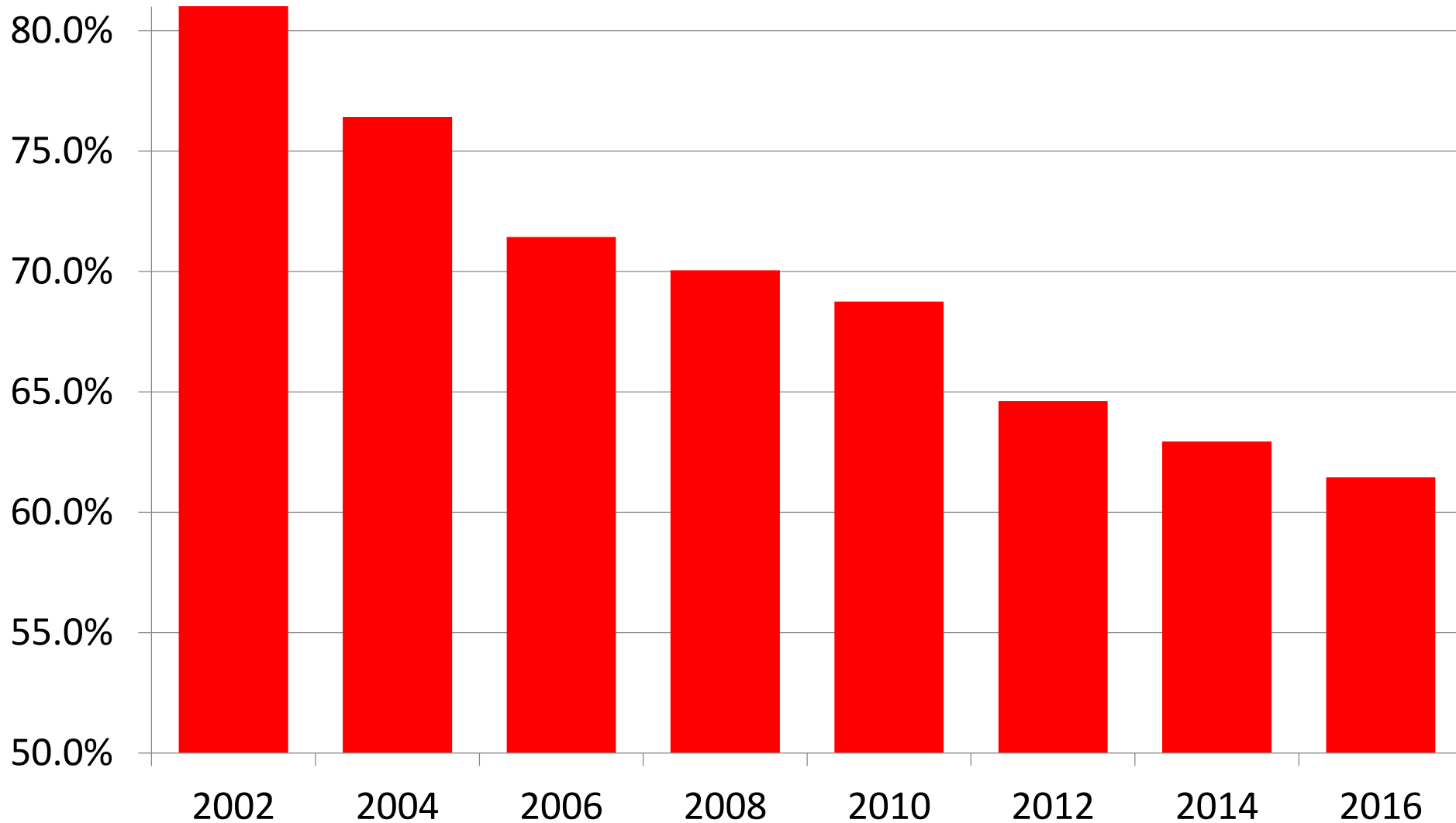
1. If you want a larger audience, don't lead with death
2. Emphasize lasting social impact
3. Present a social norm default (*people like me do things like this*)
4. Advance the donor life story
5. Encourage tribute gifts in wills
6. Use family words not formal words
7. **Don't count it and forget it**
8. Don't go radio silent at the critical moment
9. Target the 3 C's (childlessness, consistency, capacity)
10. Go beyond the will

10-Year Retention of Charitable Estate Component



Charitable Plan Loss Trajectory

Among those still alive and answering the same question who reported having a charitable component in BOTH 1998 & 2000



Practice suggestions

What now?



**“Count it and forget it”
doesn’t work!**





A bequest commitment is the beginning, not the end

Higher value
in converting
to irrevocable
commitments:
gift annuities,
charitable
remainder trusts,
remainder interests
in homes and farms.



Charitable
plans signed
earlier

DO

produce larger
gifts,

IF

they stay in (or
they return
later)

Don't go radio silent at the critical moment

1. If you want a larger audience, don't lead with death
2. Emphasize lasting social impact
3. Present a social norm default (*people like me do things like this*)
4. Advance the donor life story
5. Encourage tribute gifts in wills
6. Use family words not formal words
7. Don't count it and forget it
8. Don't go radio silent at the critical moment
9. Target the 3 C's (childlessness, consistency, capacity)
10. Go beyond the will

When do plans change?





**Factors predicting when
charitable plans are
ADDED**

1. *Approaching death (final pre-death survey)*
2. *Becoming a widow/widower*
3. *Diagnosed with cancer*
4. *Decline in self-reported health*
5. *Divorce*
6. *Diagnosed with heart problems*
7. *Diagnosed with a stroke*
8. *First grandchild*
9. *Increasing assets*
10. *Increasing charitable giving*





**Factors predicting when
charitable plans are
DROPPED**

1. *Decline in self-reported health*
2. *Approaching death (final pre-death survey)*
3. *Becoming a widow/widower*
4. *Divorce*
5. *Diagnosed with cancer*
6. *Diagnosed with heart problems*
7. *Diagnosed with a stroke*
8. *First grandchild*
9. *First child*
10. *Exiting homeownership*



Plans destabilize when

1. Death feels near

- *Final pre-death survey*
- *Decline in self-reported health*
- *Diagnosis with cancer*
- *Diagnosis with heart disease*
- *Diagnosis with stroke*
- *Becoming a widow or widower*

2. Family structure changes

- *Divorce*
- *First child*
- *First grandchild*
- *Becoming a widow or widower*

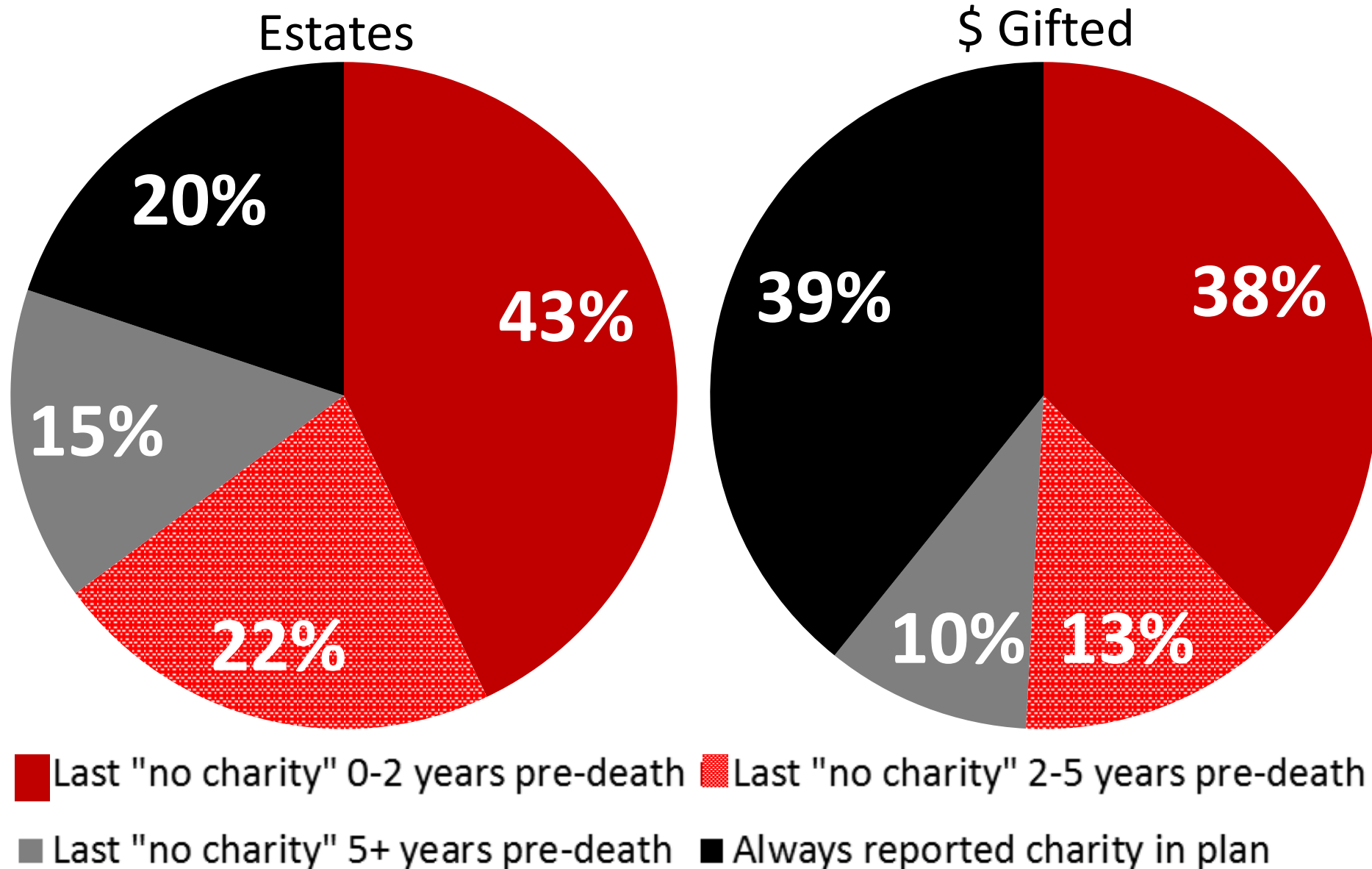


A 5% national sample of 2012 probate records in Australia showed an estimated

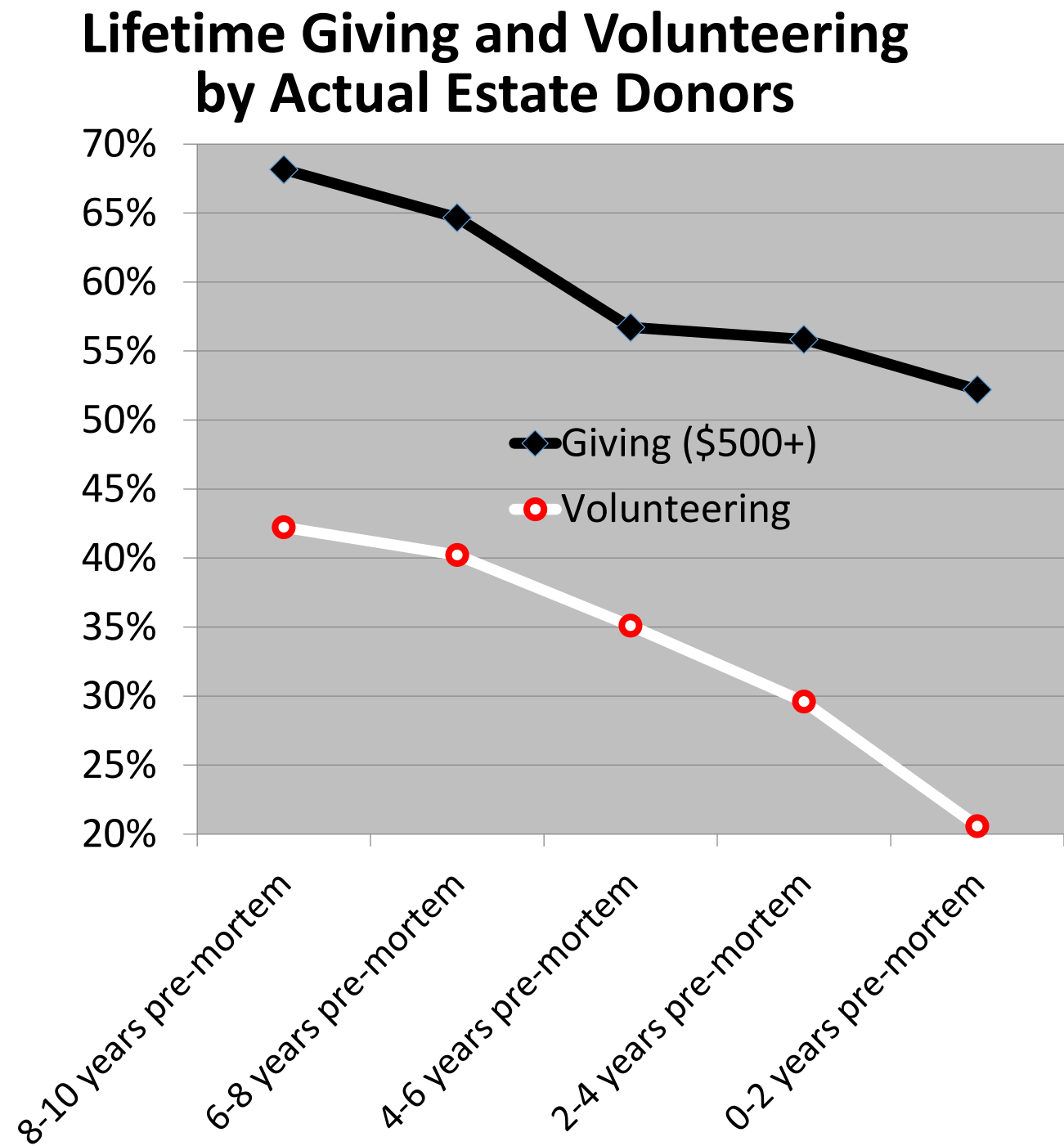
- 31% of charitable wills were signed within **2 years** of death
- 60% were signed within **5 years** of death



Most realized charitable plans (in red) added within 5 years of death

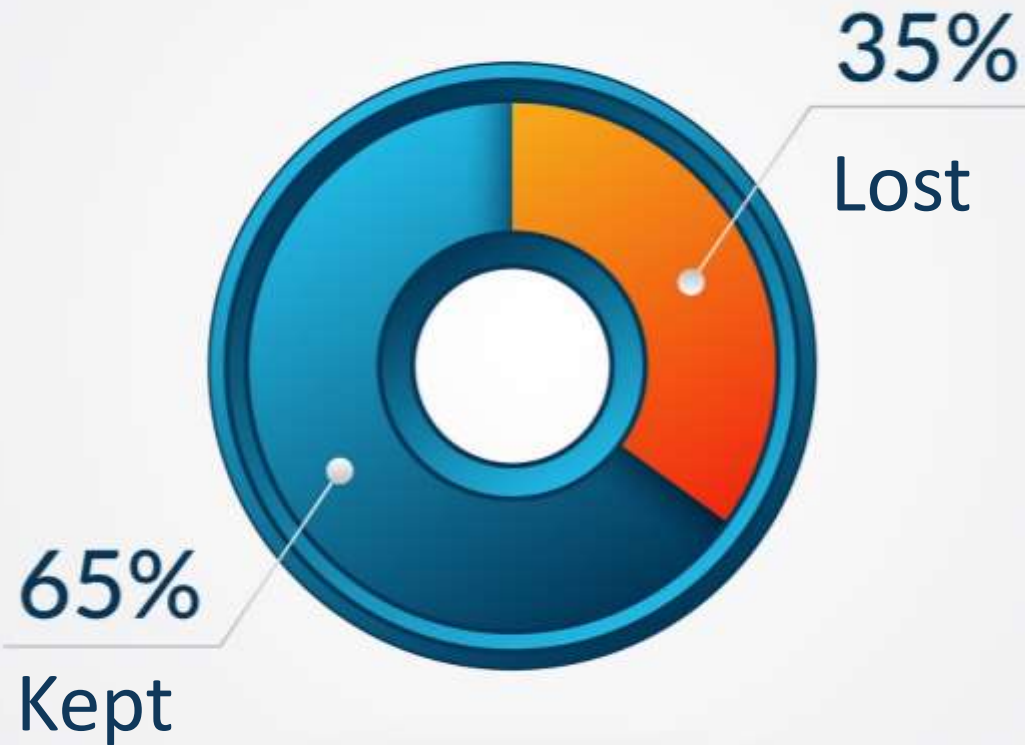


**Many
charities
go silent
at the
most
important
point of
decision.**



The new study

- Ten large Australian charities provided data from those dying in 2014-2017
- Among 700 known decedents who had confirmed the presence of a planned bequest gift to the charity during life, 65% generated an estate gift at death
- Because all estate gifts are known but not all deaths are known, these retention rates are estimated maximums



Wishart, R., & James III, R. N. (2021). The final outcome of charitable bequest gift intentions: Findings and implications for legacy fundraising. *Journal of Philanthropy and Marketing*, 26(4), e1703.

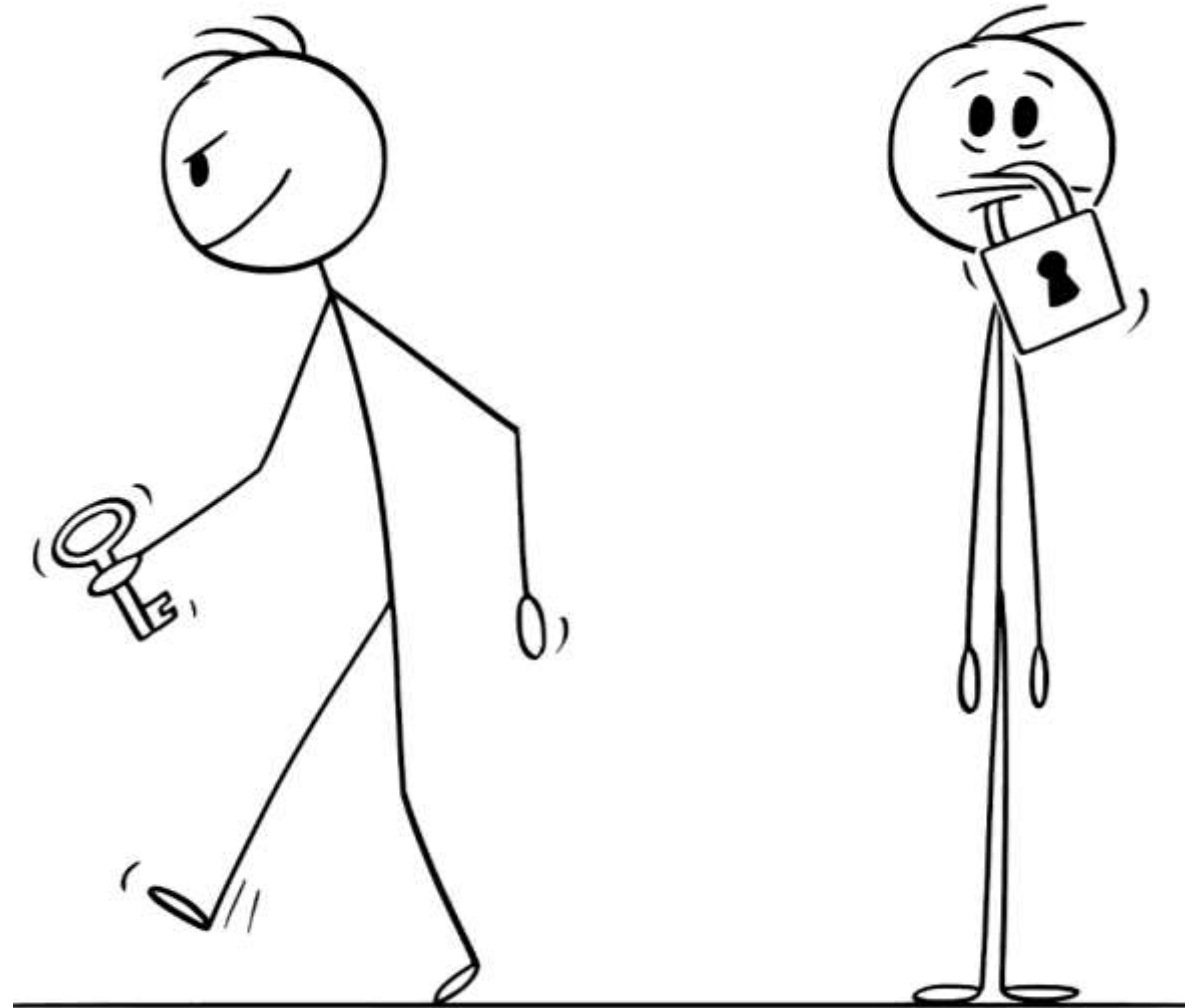


Some organizations did dramatically better than others

- The overall lost gift rate was 35%
- Different organizations' lost gift rates varied from 17% to 60%

Don't go “radio silent”

- The average loss rate was 24% when the charity had at least one communication with the decedent within two years of death, and 48% otherwise
- This gap is likely much larger, because deaths among those with no communications who generate no gifts are less likely to be known by the charity





Legacy societies
don't work
unless you do

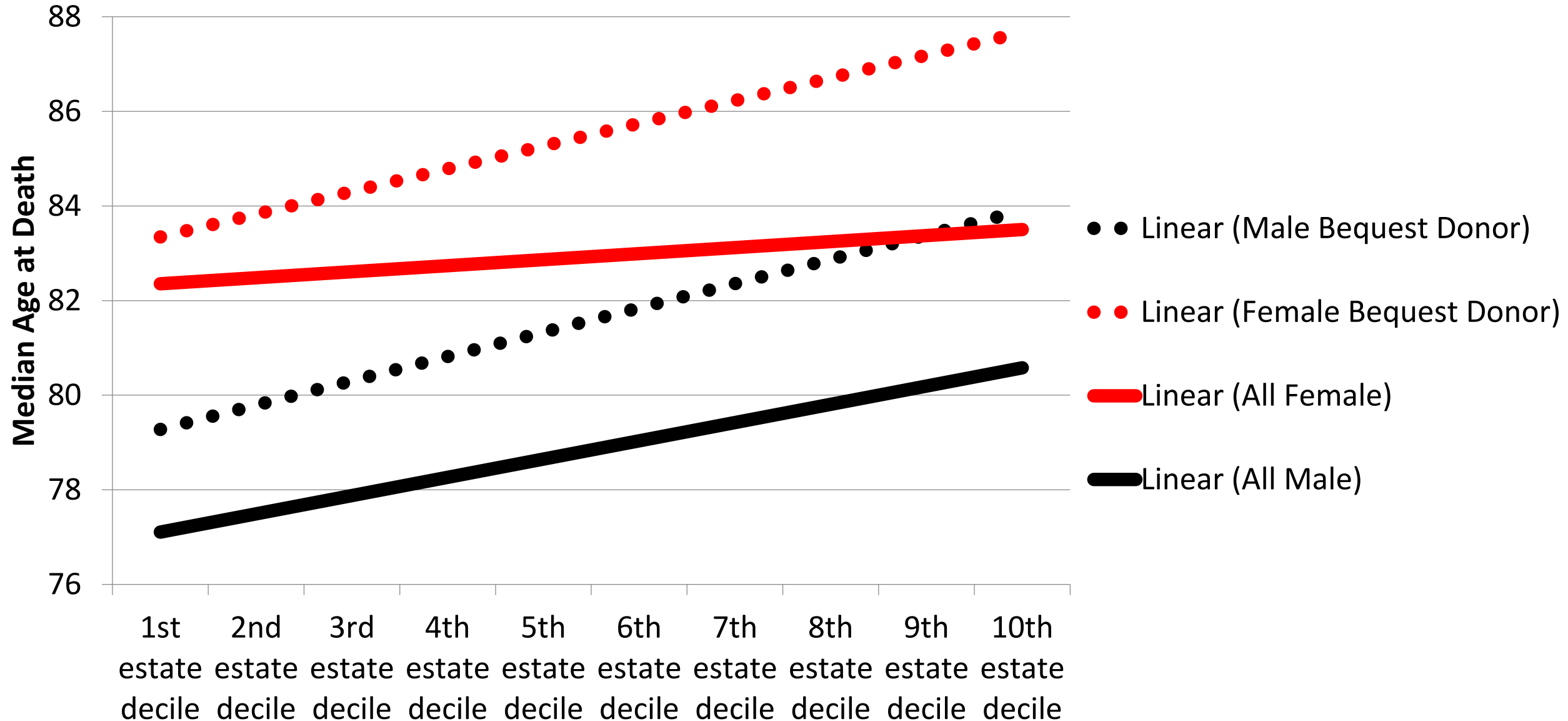
One in four who had confirmed the presence of a bequest gift to the charity did not receive a single communication of any type from the charity during their final two years of life

Don't
ignore
your
oldest
supporters



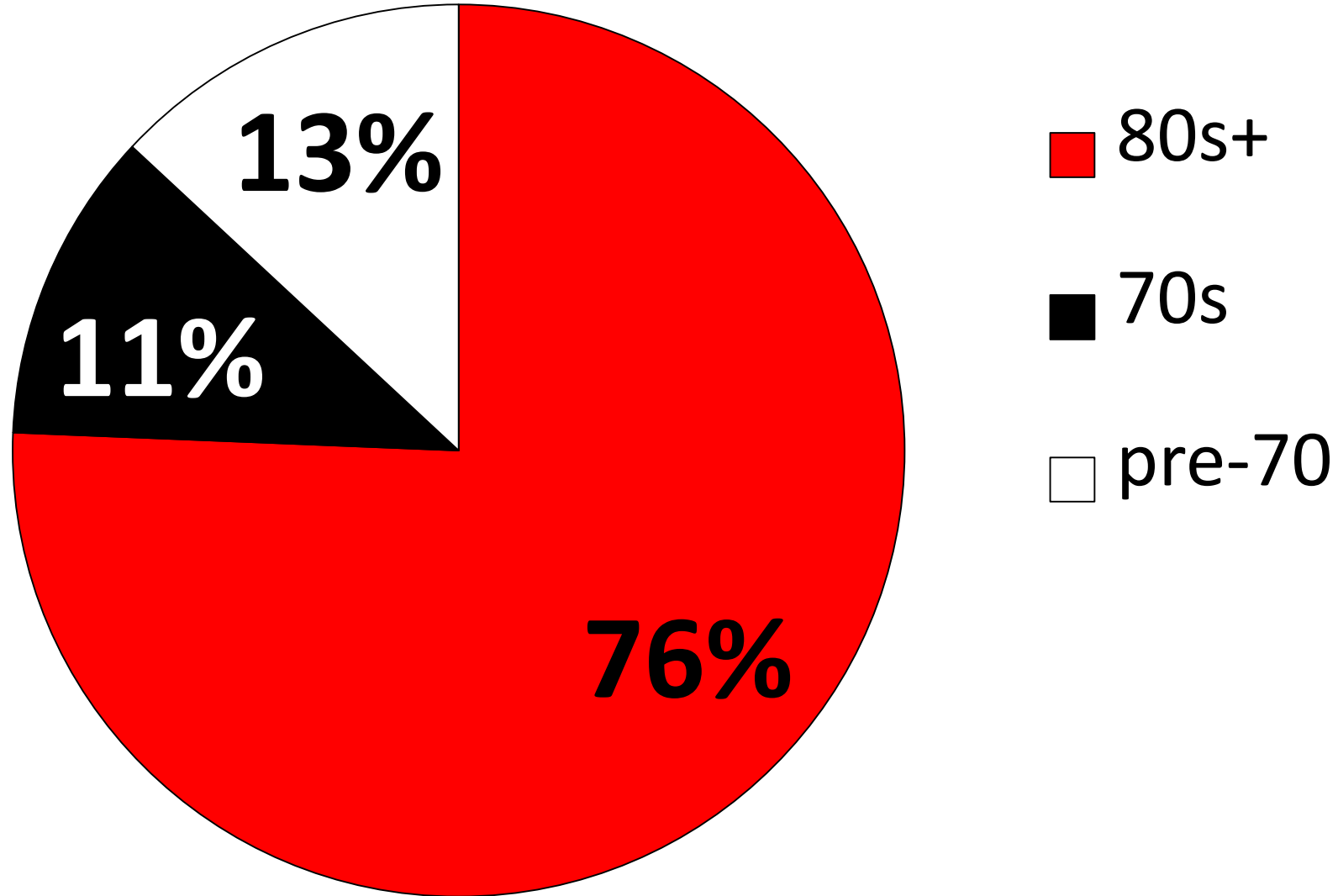
Wealthy people die old.

Wealthy bequest donors die even older.



Age at Will Signing

(by share of total charitable bequest \$ transferred)



Half of all charitable bequest dollars came
from decedents this age and older...



U.S. study (1992-2014):

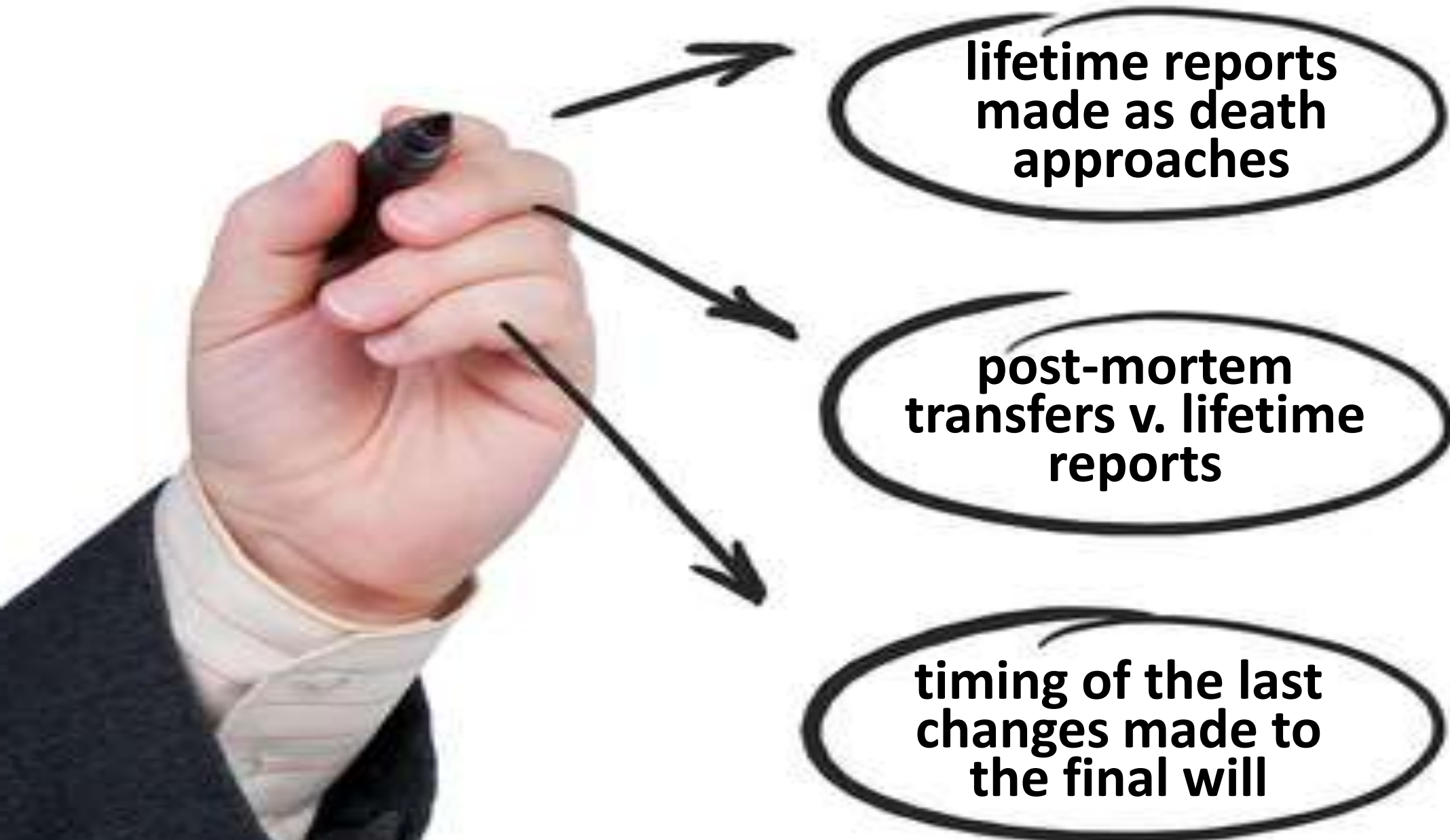
Age 88

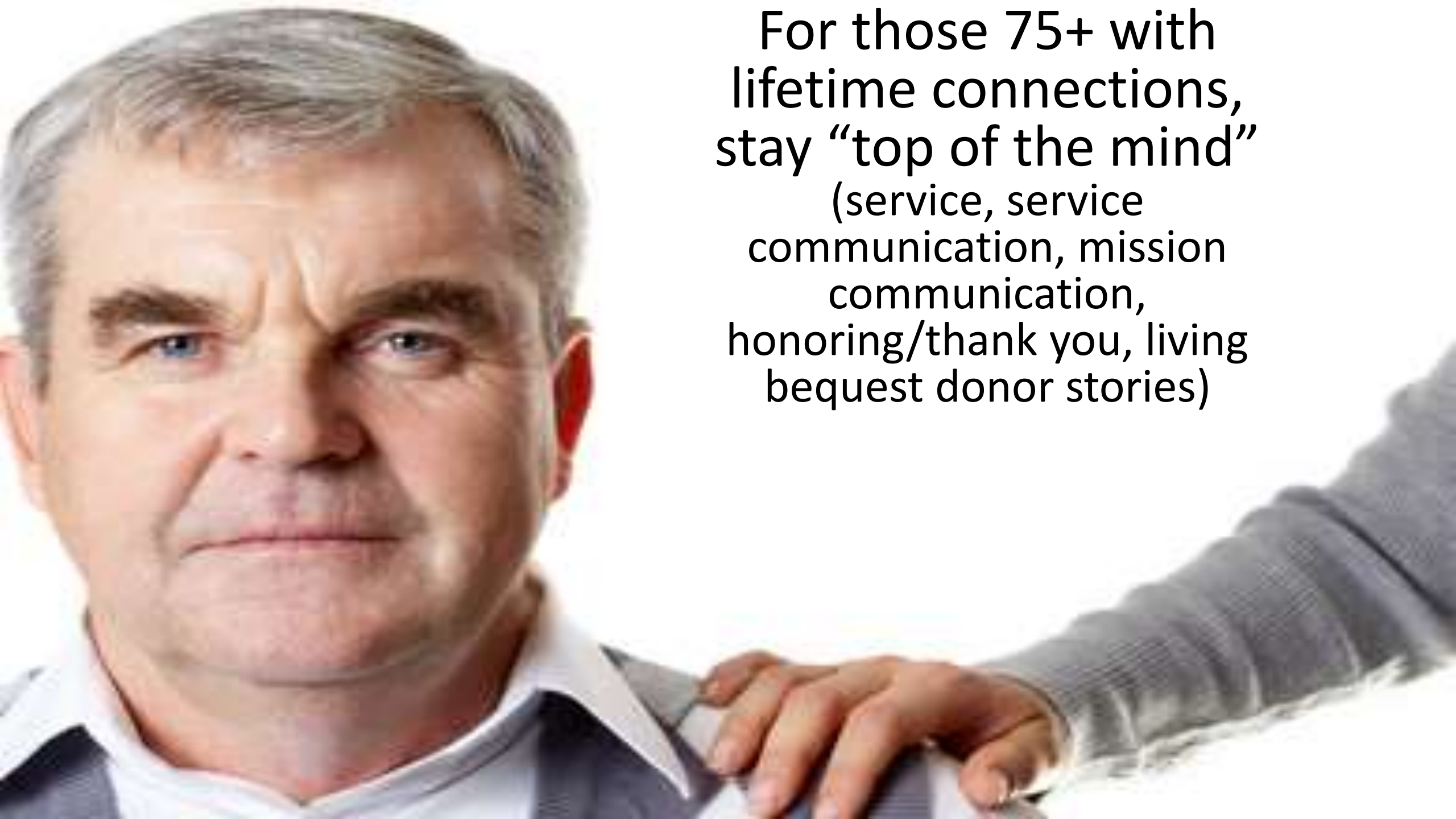
Australian study (5%
sample of national
probate files 2010):

Age 90

Remember that most realized charitable
bequests are added within 5 years of death

Plans destabilize as death approaches





For those 75+ with
lifetime connections,
stay “top of the mind”
(service, service
communication, mission
communication,
honoring/thank you, living
bequest donor stories)

The score doesn't count until the clock runs out

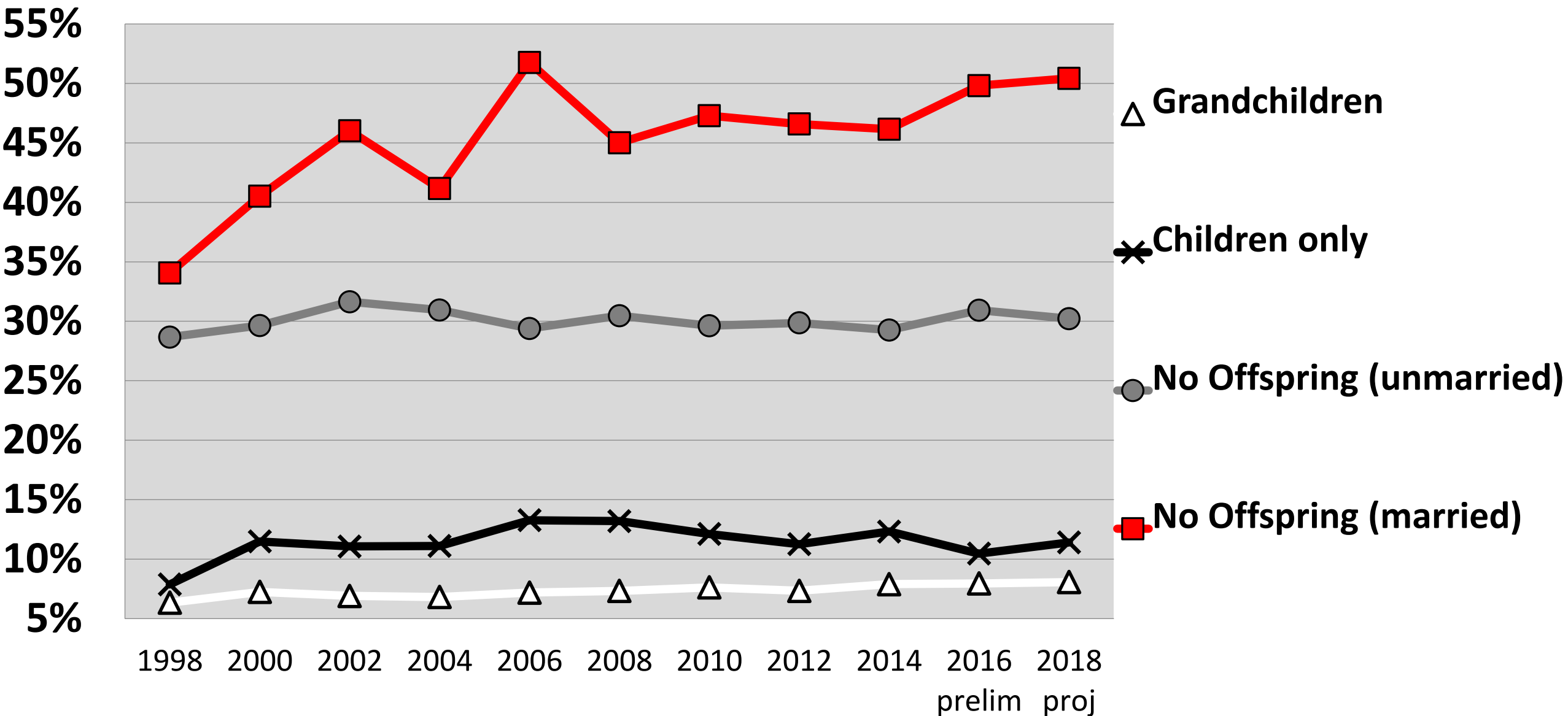


- Plans become unstable as death approaches
- Stay connected! Stay communicating!

Target the 3 C's (childlessness, consistency, capacity)

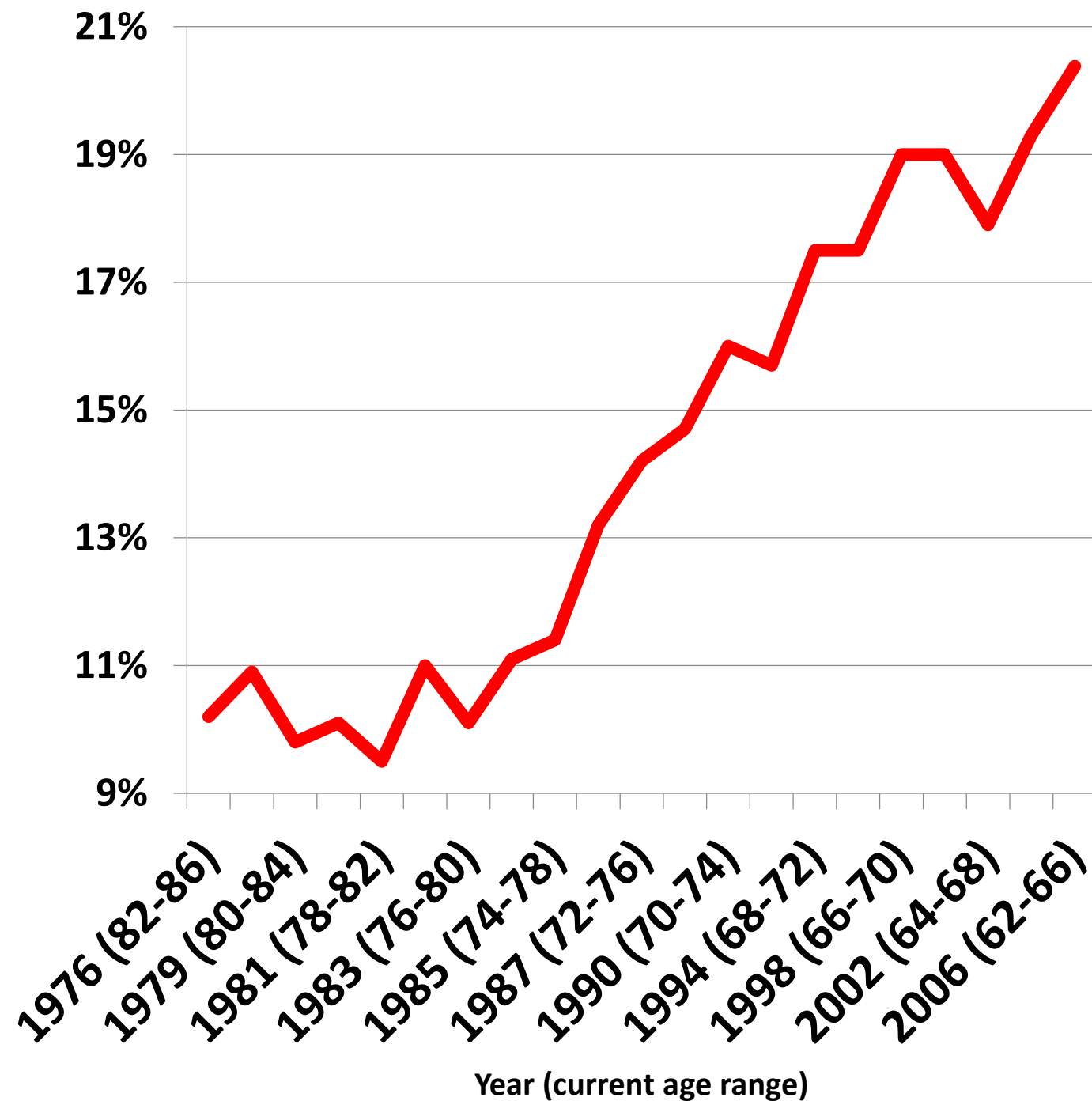
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9. Target the 3 C's (childlessness, consistency, capacity)
10. Go beyond the will

Age 55+ charitable recipient among those with will/trust by family status

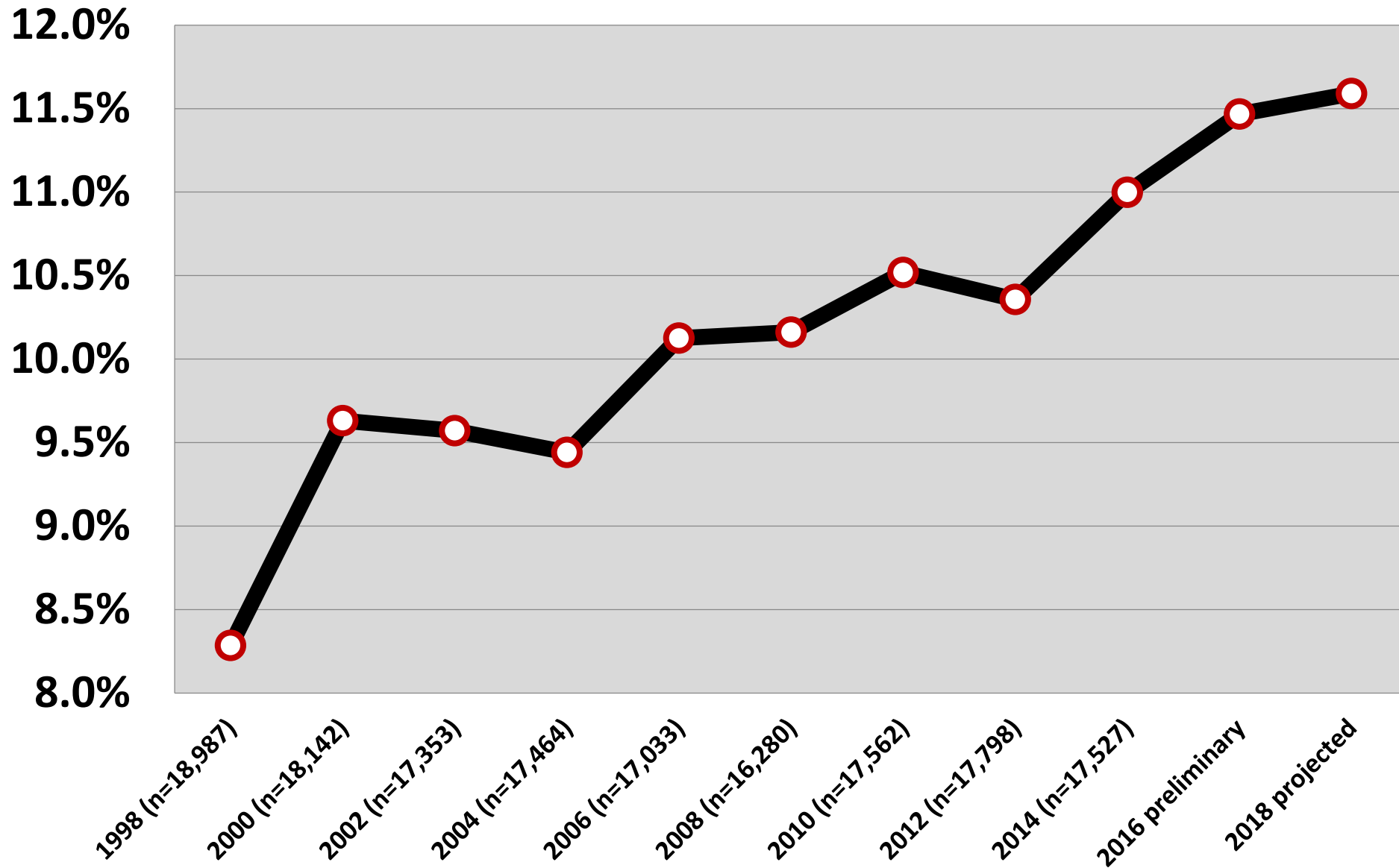


Percentage of U.S. women who were childless

(measured at age 40-44 showing year of measurement and current age range)



Charitable beneficiary among those aged 55+ with a will or trust



Predicting who ACTUALLY leaves a charitable estate gift AT DEATH





**Lifetime predictors of a
post-mortem bequest gift**

1. *% years giving*
2. *No offspring*
3. *Highest giving*
4. *% years reporting funded trust*
5. *Female*

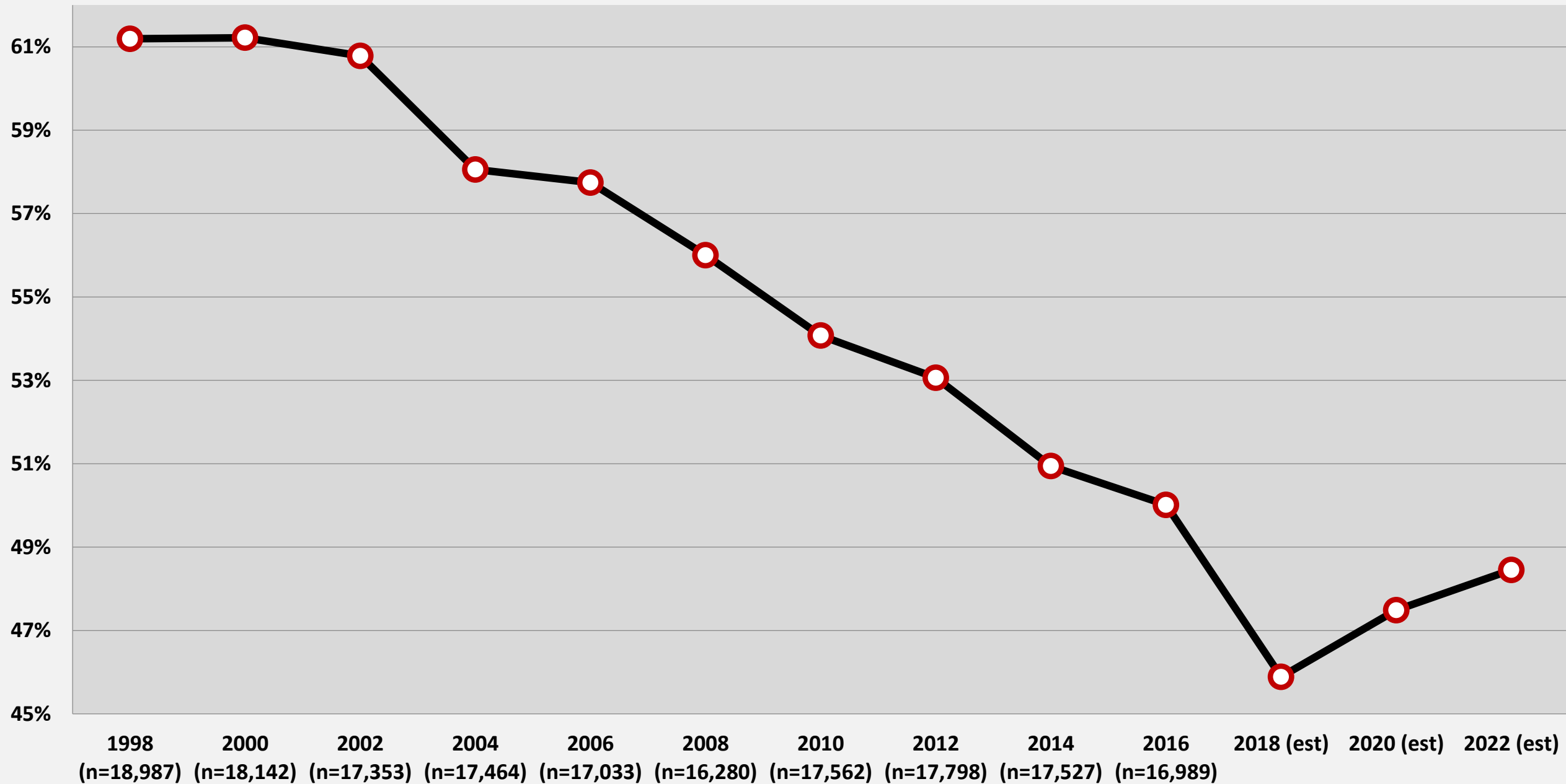
6. *Last reported wealth*
7. *Not married*
8. *Last reported giving*
9. *Growing wealth*
10. *% years volunteering*



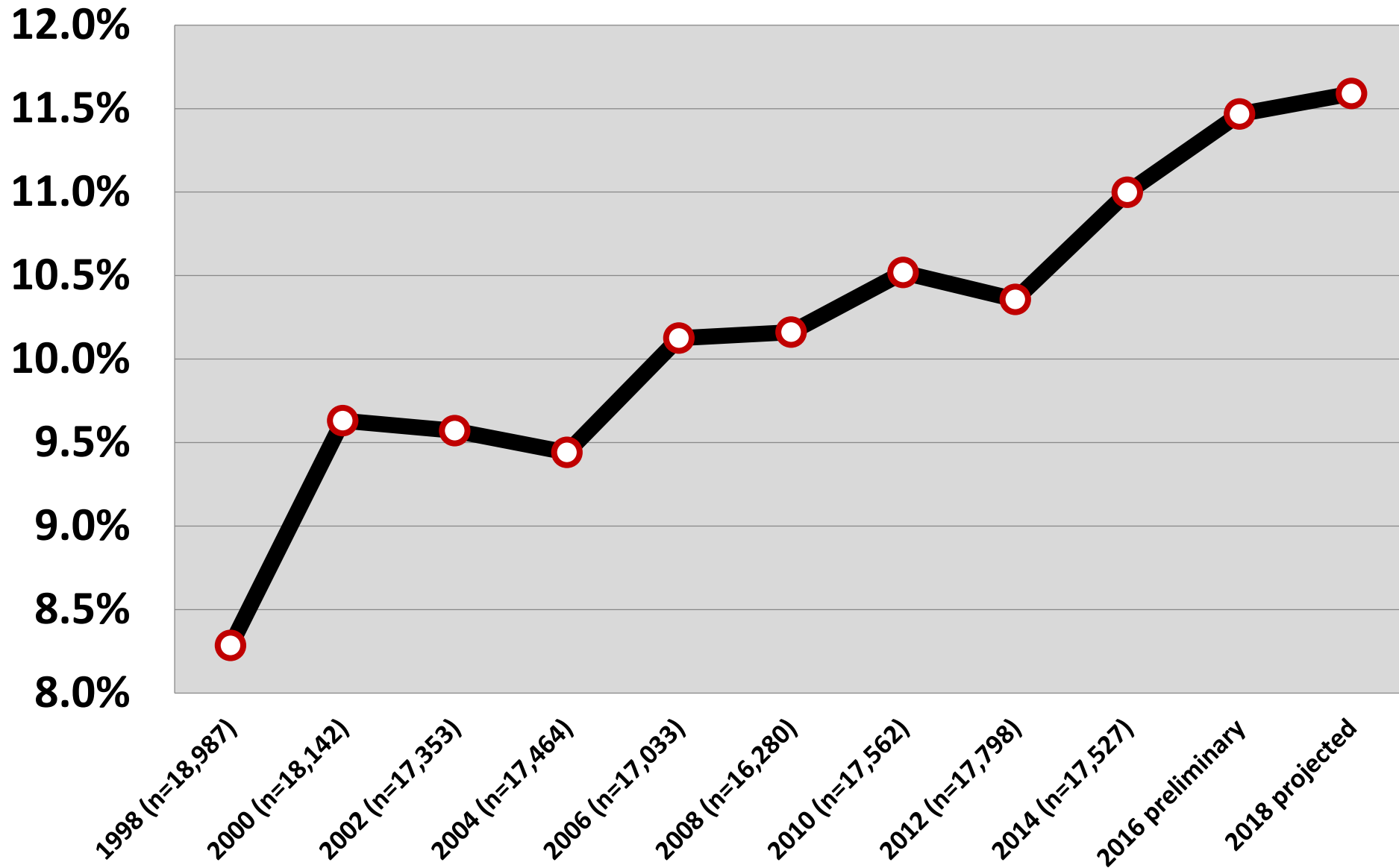
Go beyond the will

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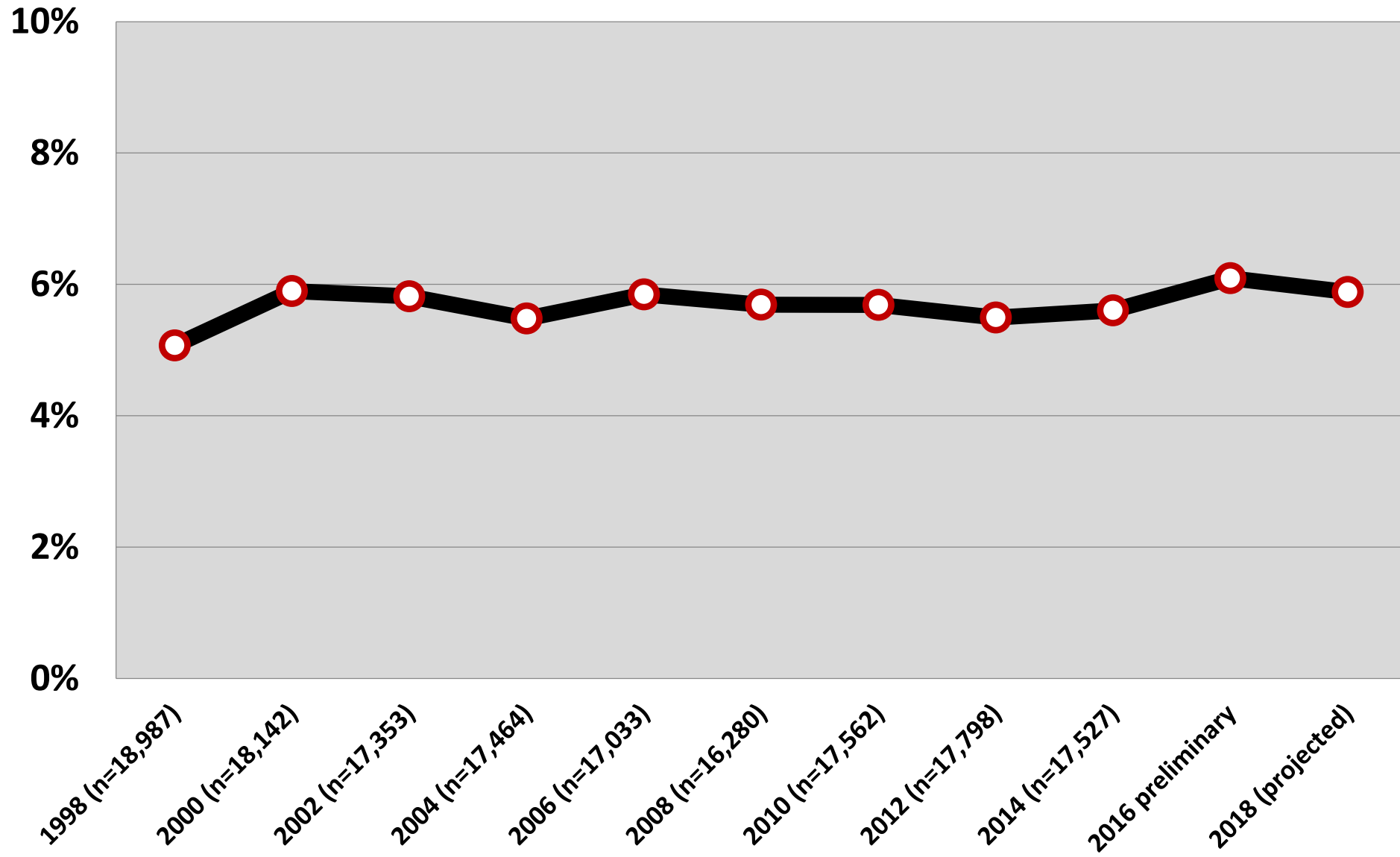
U.S. 55+ population with a will or trust



Charitable beneficiary among those aged 55+ with a will or trust

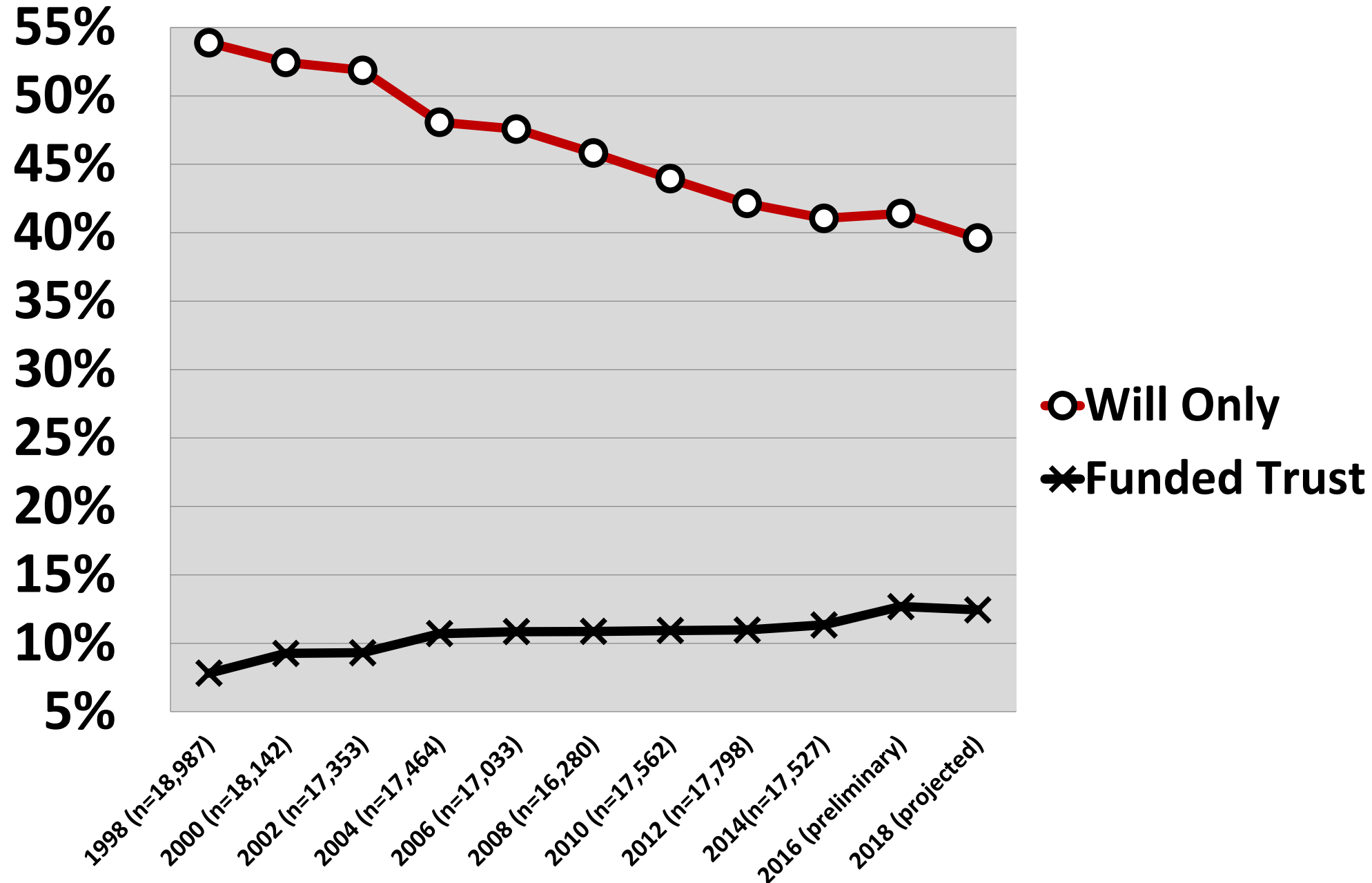


U.S. 55+ with a charitable beneficiary

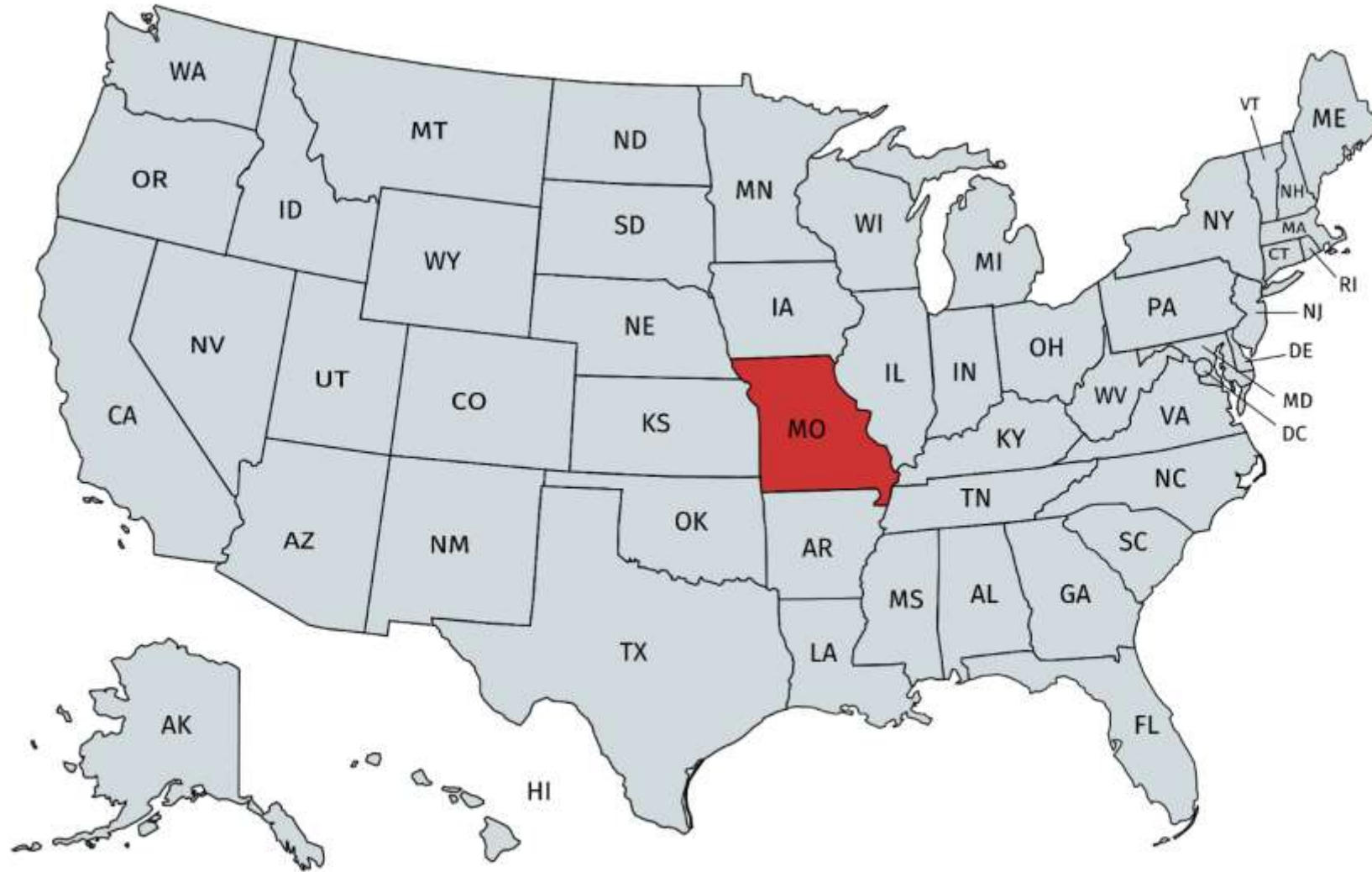


**Opposing
trends in use
of wills only
or funded
trusts**

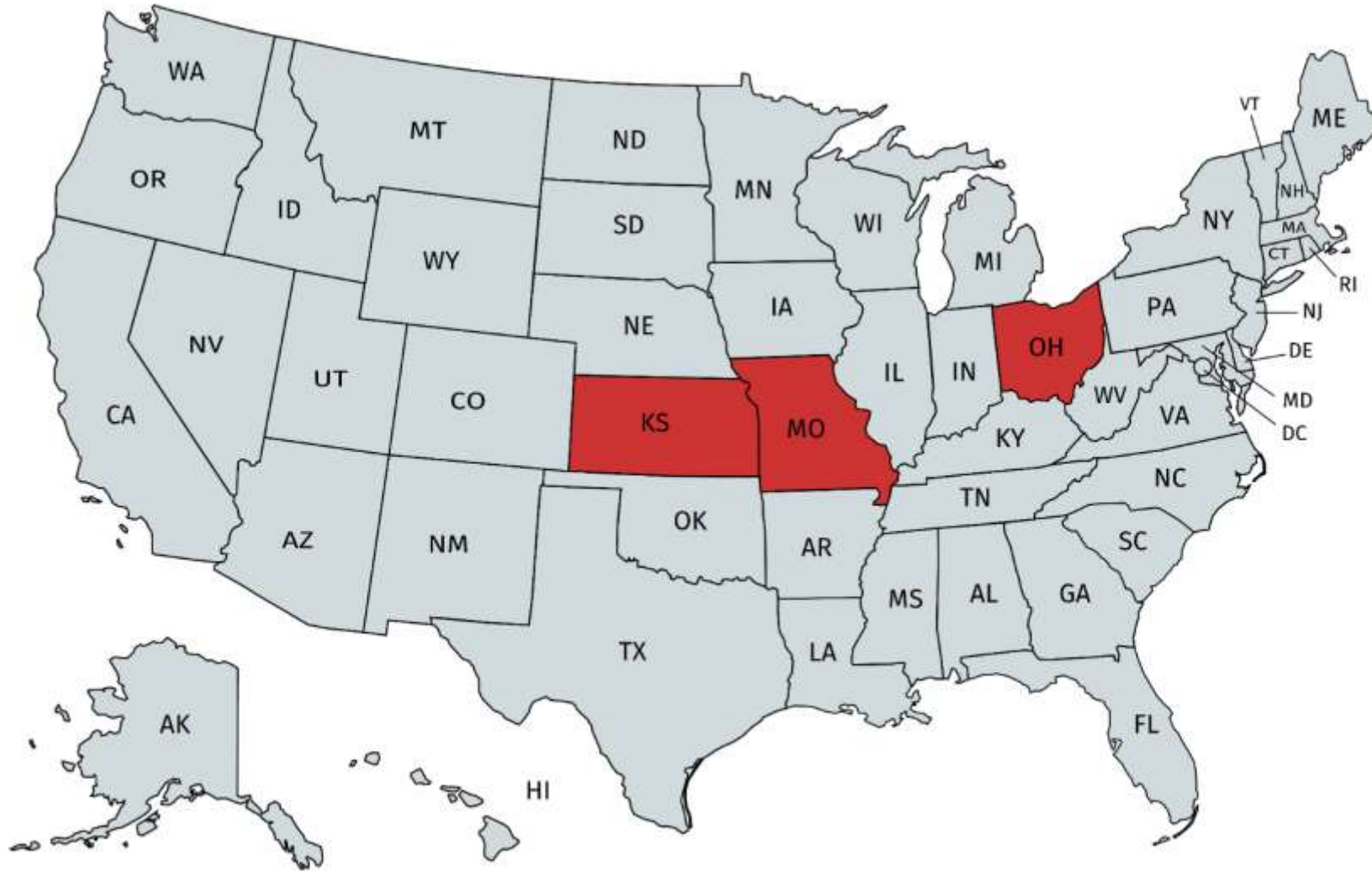
Age 55+ use of will alone or trust



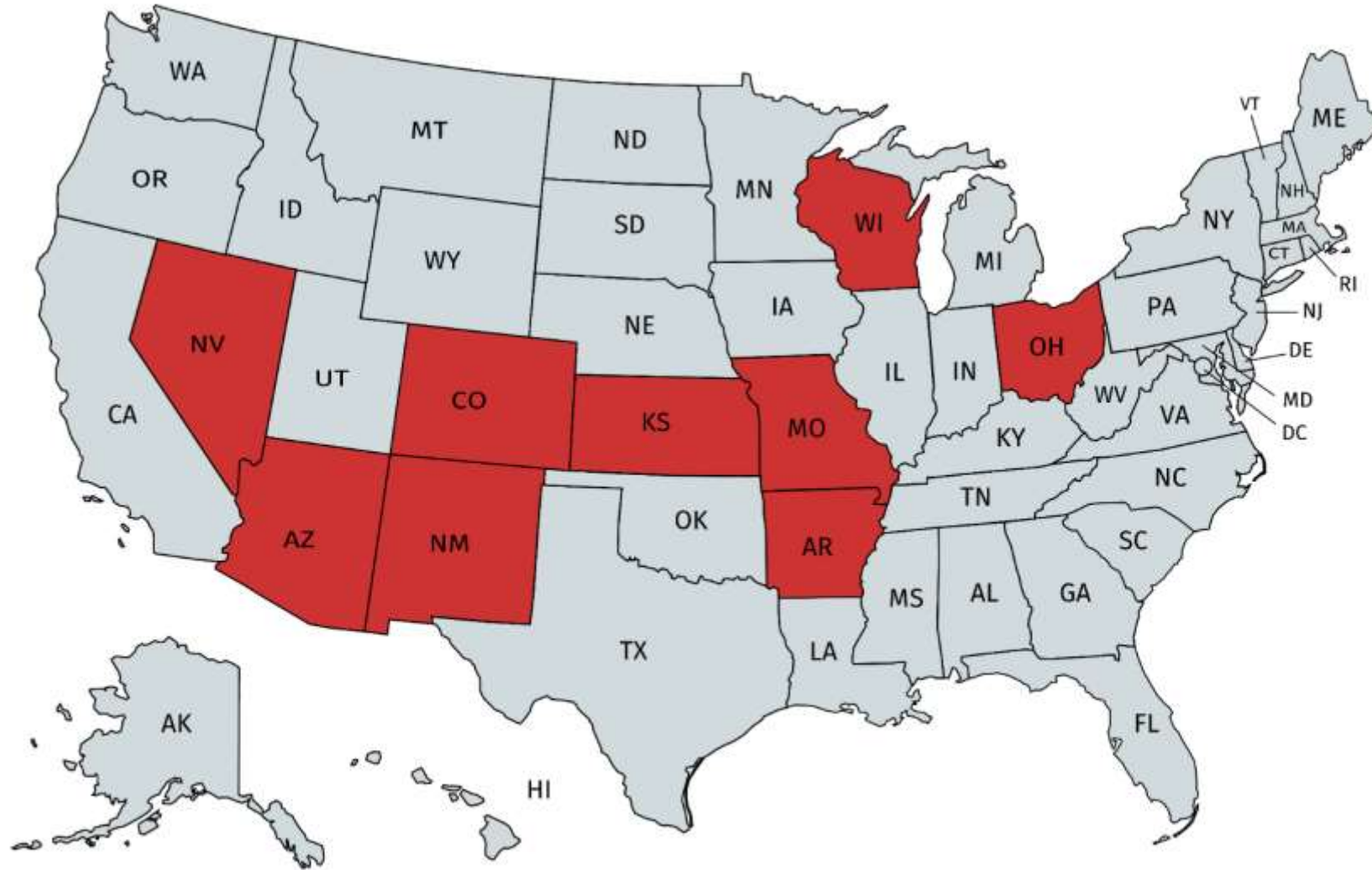
States allowing “Transfer on Death” deeds in 1994



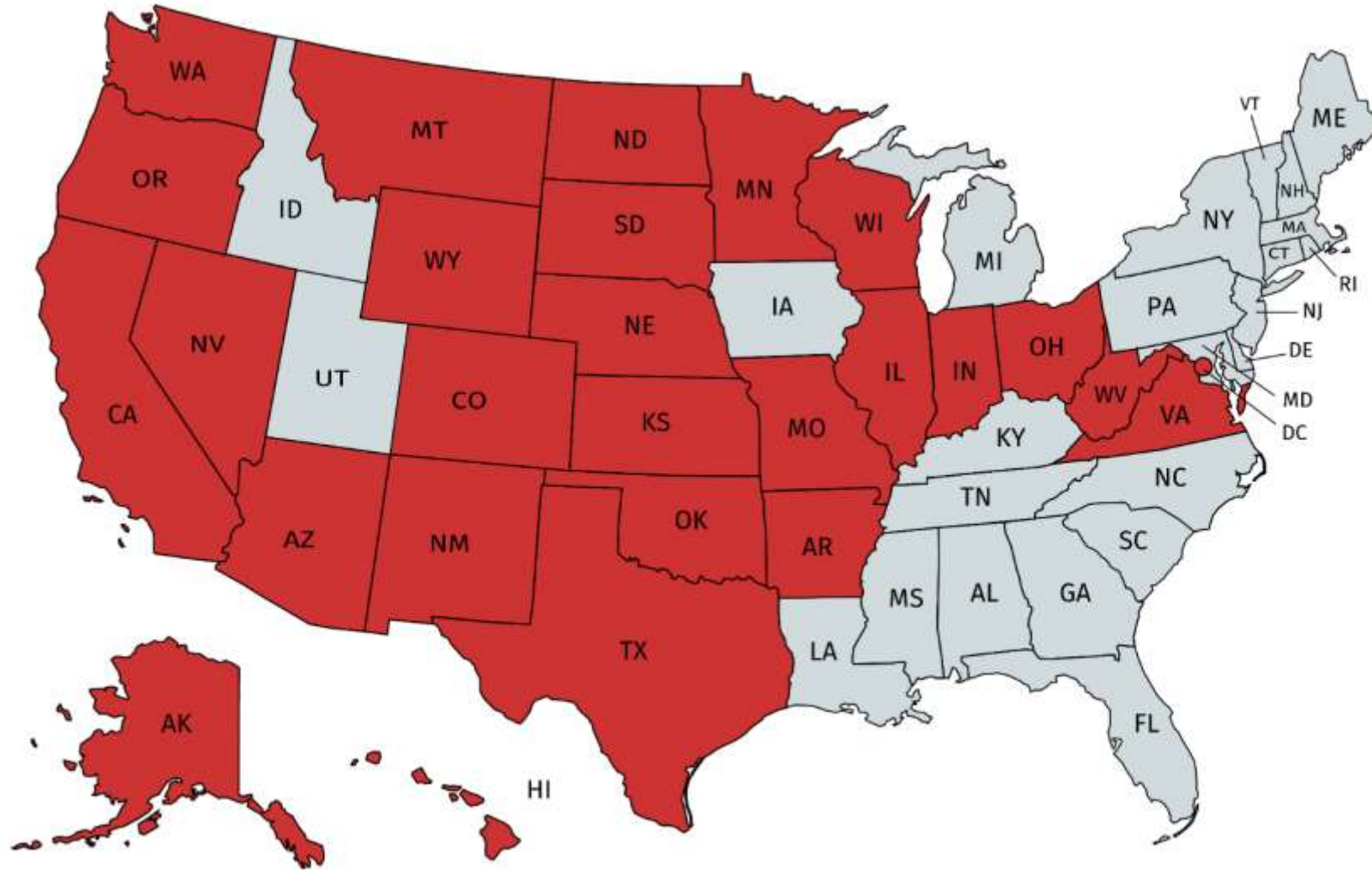
States allowing “Transfer on Death” deeds in 2000



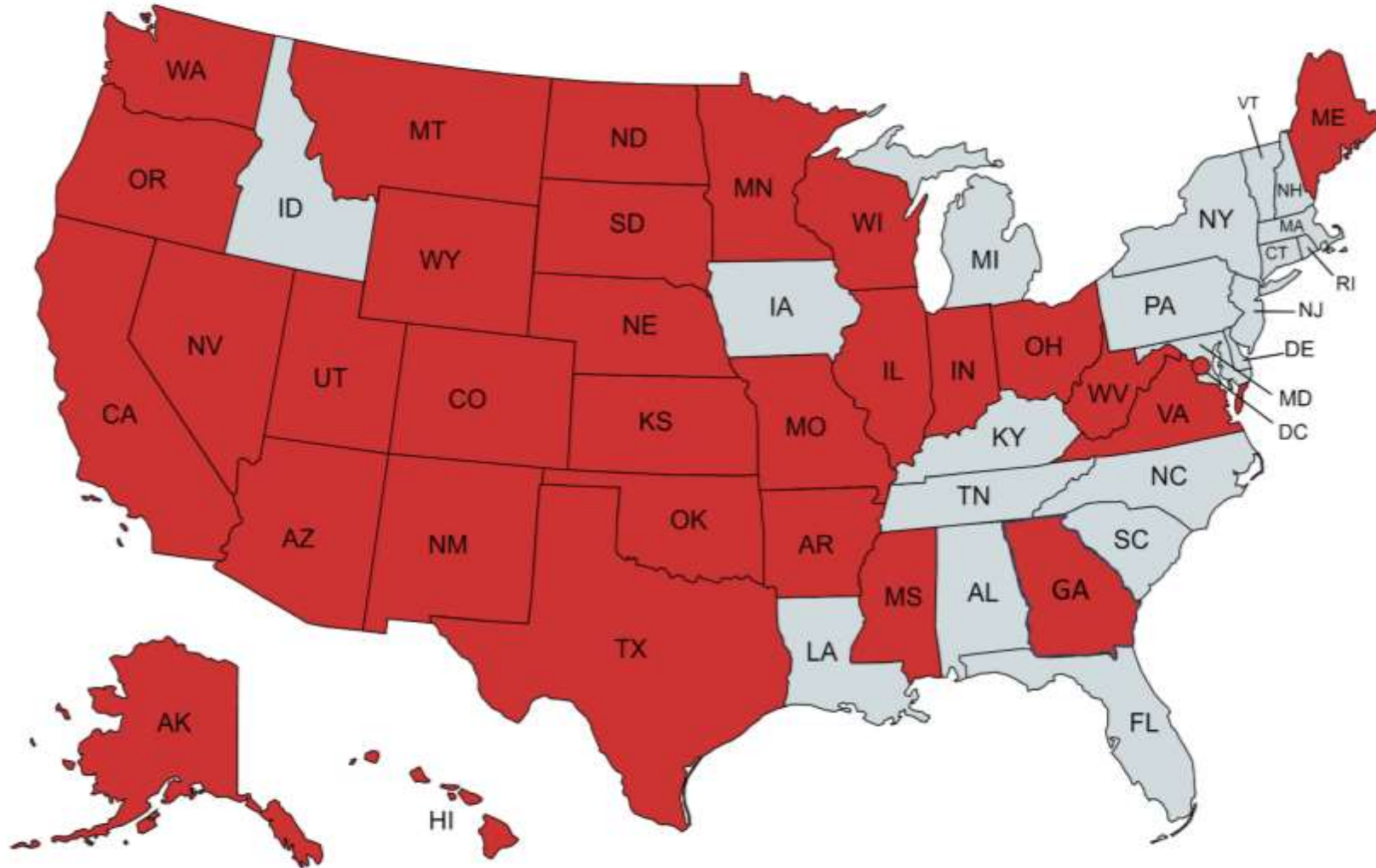
States allowing “Transfer on Death” deeds in 2005



States allowing “Transfer on Death” deeds in 2017



States allowing “Transfer on Death” deeds today

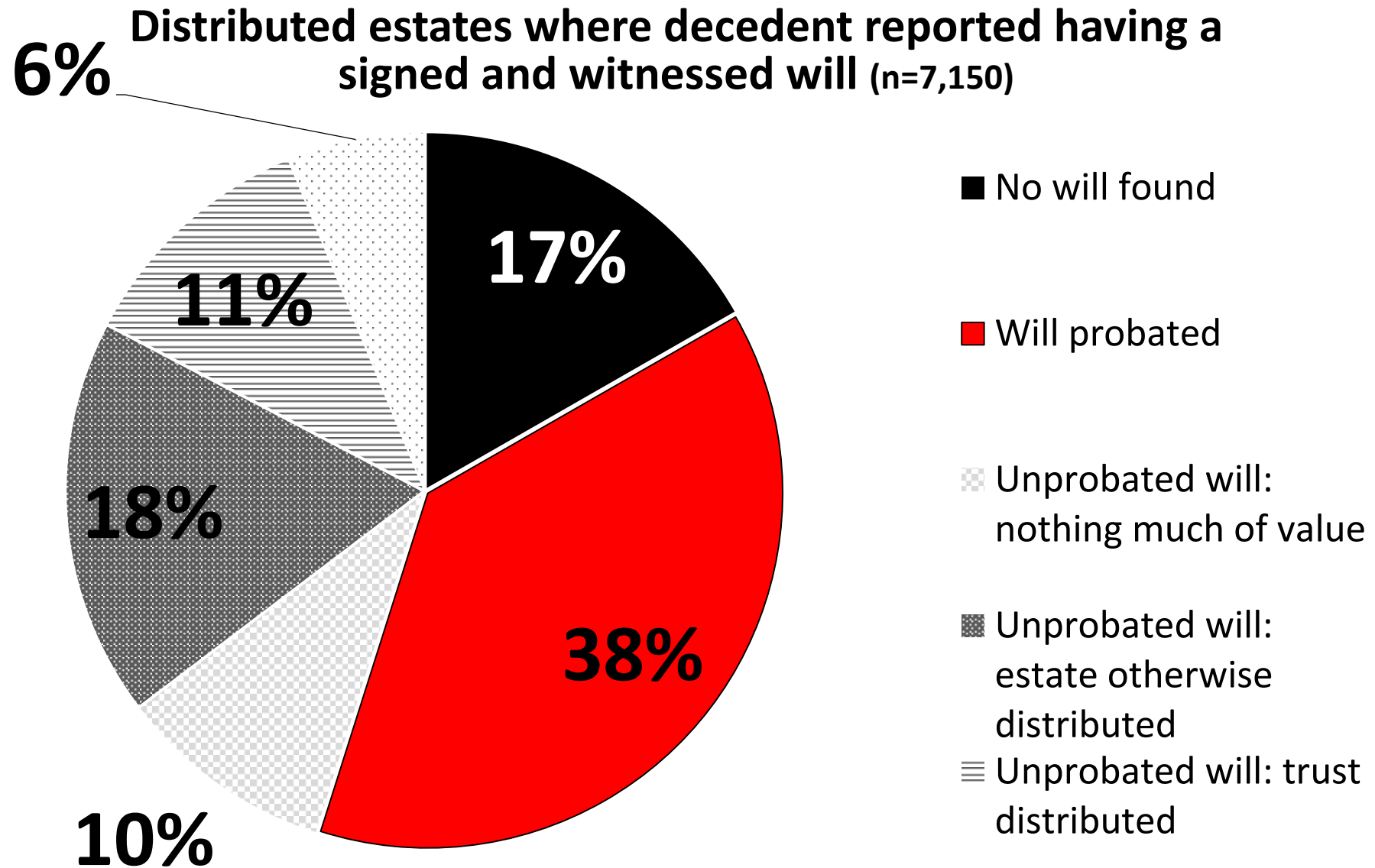


Wills that won't

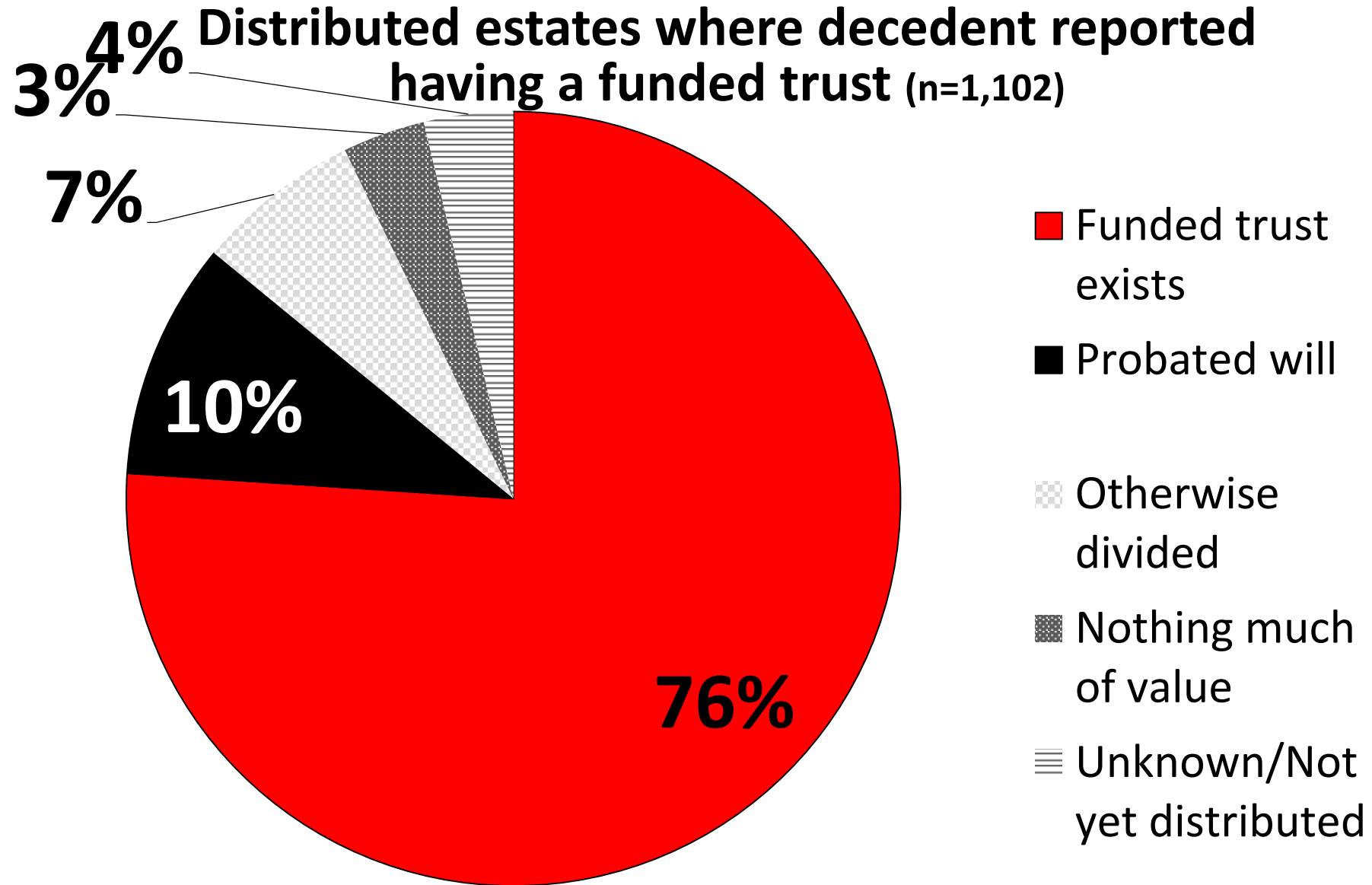
What ultimately
happened to those
written and witnessed
will documents
reported during life?



Reported wills are often unused

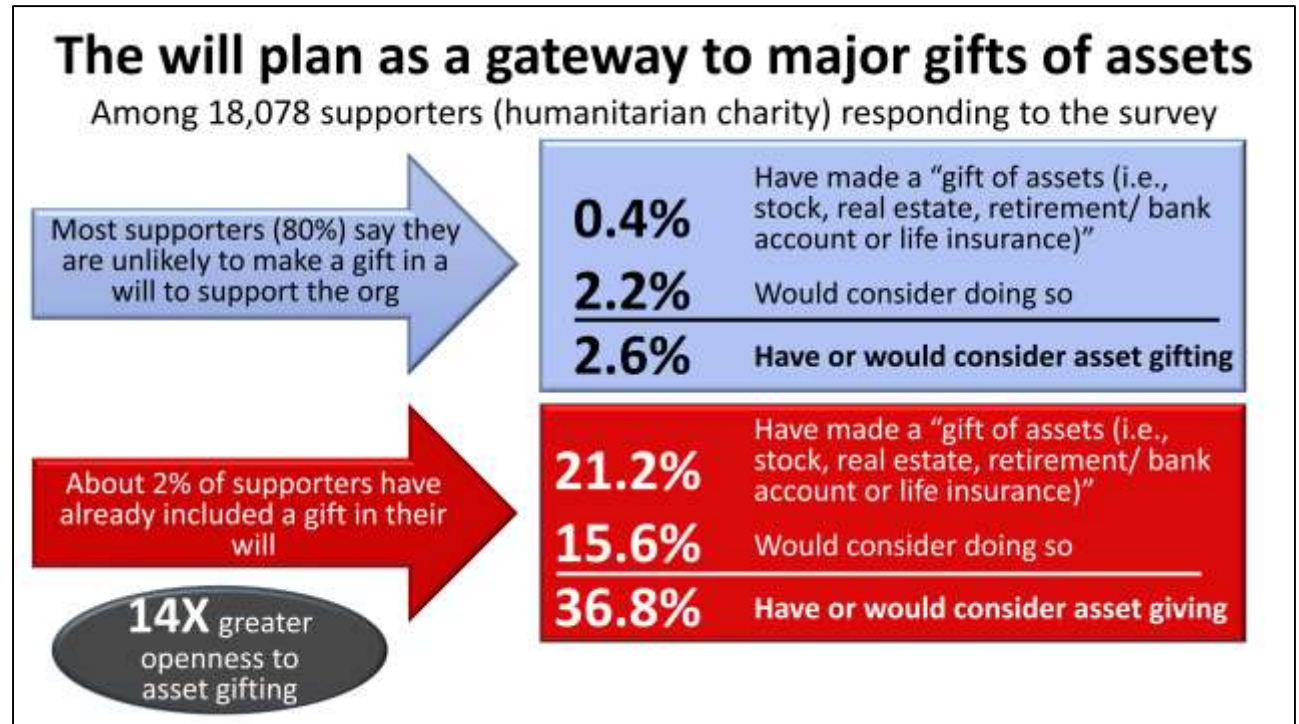


Funded trusts more likely to work



Which then naturally leads to the “gifts of assets” conversation

“Did you know if someone inherits money from your IRA or 401(k), they have to pay income taxes on it? But no taxes are taken out for any part that goes to us. It’s a smart way to give, and it takes less than 5 minutes online to add a beneficiary.”



Top 10 legacy fundraising principles from scientific research: Theory, statistics, and results from the lab

1. If you want a larger audience, don't lead with death
2. Emphasize lasting social impact
3. Prepare for the critical moment (prepare slides, videos, papers, books, connect on LinkedIn!)
4. Address donor life story
5. Encourage tribute gifts in wills
6. Use family words not formal words
7. Don't be silent at critical moment
8. Target the 3 C's (childlessness, consistency, capacity)
9. Go beyond the will
10. Go beyond the will

For free links to all my slides, videos, papers, books, connect on LinkedIn!

-Professor Russell James, Texas Tech University