

Uncovering the Invisible Legator



IAC Research Update September 2019



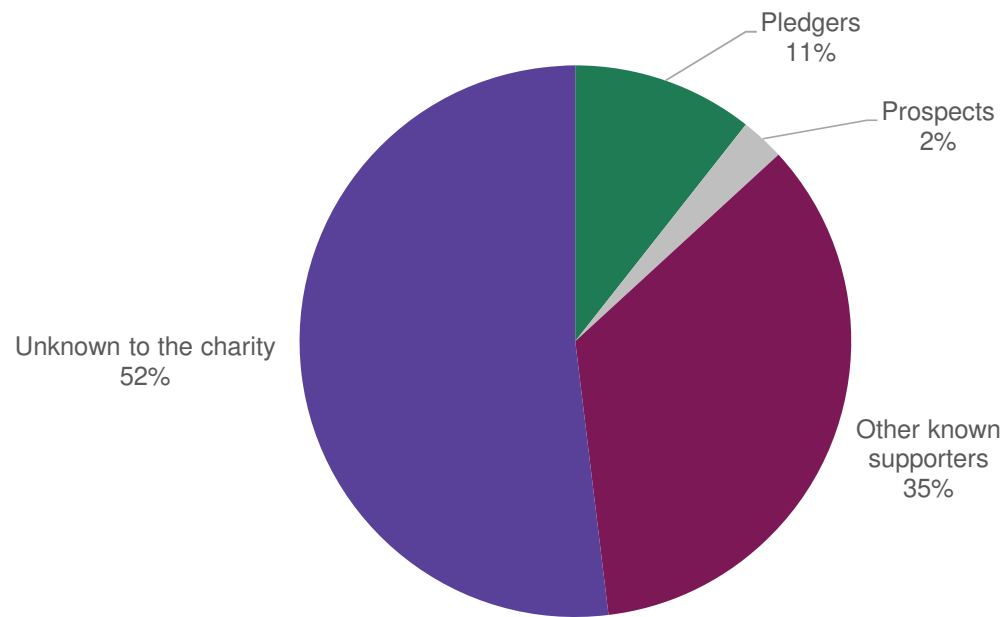
About this project

- The Invisible Legator investigated the many charity legacies which apparently arrive out of the blue
 - Whether from known supporters who had not disclosed their gift
 - Or from people from who cannot be traced on charities' databases
- We hope that by better understanding these donations we can
 - Help charities be more effective in their communications and stewardship
 - ... and perhaps ultimately inspire more people to leave a legacy



Our starting point: 87% of legacy gifts invisible

% of bequests by source



16 charities data, Legacy Marketing Benchmark Project 2016



We defined 4 legacy gift groups:

Disclosed legacy gifts	Which have been made known to the charity
Undisclosed legacy gifts	From known, current supporters who have not told the charity
Unrecognised legacy gifts	From those who consider themselves supporters but are not recognised as such by the charity (i.e. not on any current database)
Unknown legacy gifts	From those who have never had any relationship or contact, even though they respect the charity and/or feel an emotional connection



Our research approach

- Stage 1 – Profiling

Survey of 1,021 legacy donors, with 2,039 gifts in their wills

- Stage 2 – Understanding

Focus groups and depth interviews



This project was about ...

- Living people
- Who have already included charities in their will
- Of all ages and backgrounds
- The number and type of gifts they have included



This project was not about ...

- Dead people
- Very elderly people making their final will
- Very wealthy donors
- The value of the gifts left



The issues we explored

- Who makes up the different groups
- The similarities and differences between them
- Their charity relationships and contact
- The importance of the cause area
- How they felt about their charity's reputation
- Why they included the charity in their will



The issues we explored

- Why they have or haven't told the charity
- If bequest was disclosed, how this happened
- If not, what could persuade them to tell



Overall research findings




We now better understand the 4 groups

Disclosed	22%	Involved regular supporters who often feel proud about their bequest
Undisclosed	47%	Current supporters who are less 'hands on' but remarkably similar to the current supporters who have disclosed a bequest. They mainly have a different attitude to disclosure
Unrecognised	28%	Often former service users (or their relatives/friends) who have lost contact with their charity. Their lack of regular contact does not automatically mean they feel less strongly about their bequest
Unknown	4%	Highly likely to be childless people who feel that charities need or deserve their money more than their relatives. They often have no direct relationship, but the charity they support forms a backdrop to their lives



Wills good, but powerful documents

- Had the potential to upset
- Essentially private documents
- At best, statements of intent
- Subject to ‘what-if’s’ about needs and assets
- People wanted to keep their options open
- Generally pessimistic about their needs



“I don’t
have a
crystal
ball”



The importance of 'need' and 'deserving'

- Key factors in people's bequest decisions
- Both for family and charity
- Need could lead to unequal bequests to children
- Other relatives included or excluded on these dimensions
- Charitable need included: limited funding, important research, awareness raising, growing area, ability to continue the service or support
- 'Deserving' included: approval of work, expenditure, fundraising methods



Reasons for choosing charities remarkably similar

Reasons for leaving legacy to that particular charity

	Disclosed	Undisclosed	Unrecognised	Unknown
	%	%	%	%
Impact	60	68	61	49
Empathy	59	67	58	45
Trust/reputation	26	21	20	12
Financial need	17	23	22	23
Direct/indirect benefit	12	15	23	5
Enjoyment	21	15	12	9



Trust in their charity was a given

- All charities included in wills were trusted
- They would not be there otherwise
- Two-thirds had done no research beforehand
- People judged more generally
- Trusted their own instincts

“If you don’t trust them, you don’t leave any money to them. You have to be confident the charities you’ve chosen are going to do right by it”



Change more likely to dislodge than disapproval

- All hoped their charity was doing good work and spending wisely
- No one wanted to feel their bequest would be wasted
- Newsletters & updates often helped to reassure/reaffirm
- Only a minority actively checked out their charity regularly
- Would take a lot to remove a charity for ‘bad behaviour’
- Change more likely a result of new circumstances or allegiances

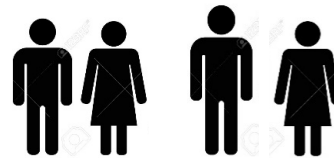
“I think what would make me change is if there was someone in my family who had been really helped by a charity – then I would look at it”



Childless people have different motivations



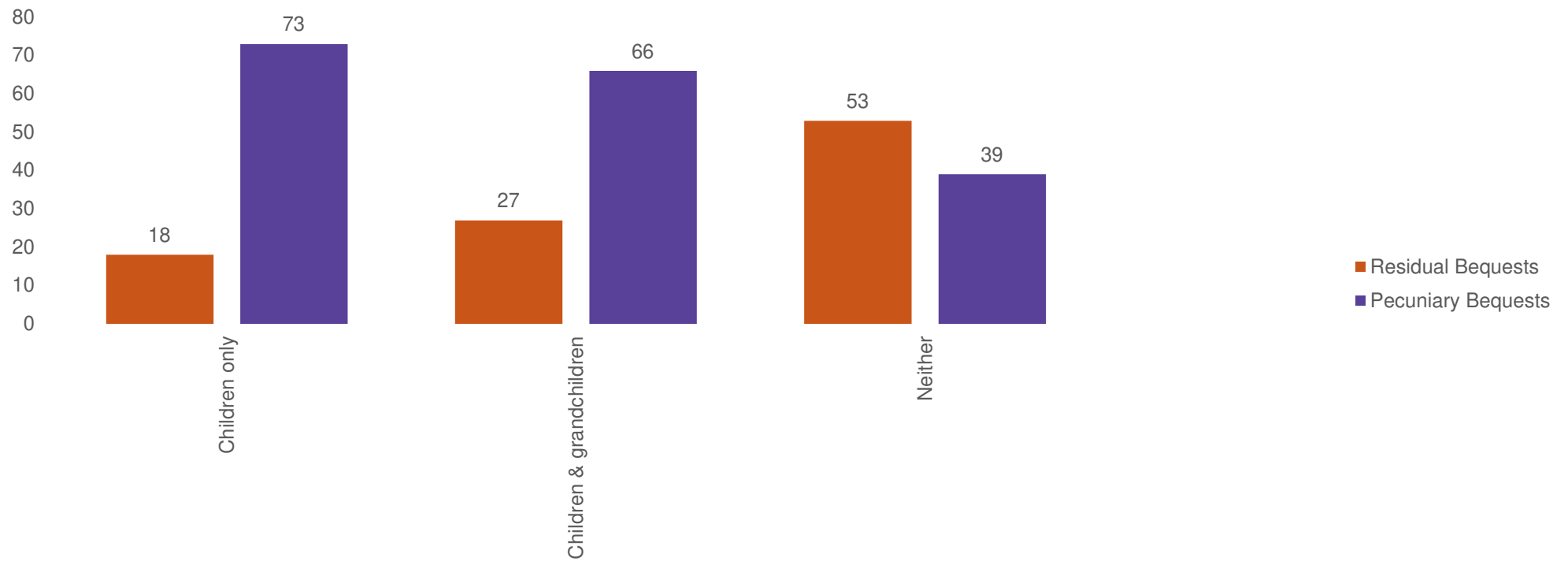
- Family paramount
- Acutely aware of children's needs
- ... and grandchildren's
- But room for charities that had touched their lives
- Or the lives of loved-ones
- Or might make the future better when they have gone



- Not beholden to family
- Want control over assets
- Assessed needs & connections with family vs charity
- Charity often the obvious choice
- Decisions fulfilled a practical need
- Wanted to choose 'good' causes
- Modest about potentially large sums



Highly important to residual bequests



Legacy Foresight



Disclosure linked to regular & close relationships

- Those disclosing legacies are the most involved with their charities
- They have the most touchpoints and opportunities to tell
- Just under half had also been approached on the subject
- Beyond this, hard to make correlations
- Strong personal relationships can make people uncomfortable about telling
- Clear that the default position is *not* to tell their charity



Uncertainty important from focus groups

- Uncertainty about what might change or be left
- Did not want to be beholden to charity
- Pointless to tell about something that may never happen
- Could lead charities astray if planning on bequest
- Worse than not knowing in the first place

“I haven’t let them know because circumstances could change. My children might end up homeless and they may need it more. It’s uncertainty about the future.”



Hard to understand how disclosure a benefit

- Impossible to know when you were going to die and with how much
- Sceptical about the validity of assumptions
- Anticipating future sums somehow 'wrong'
- Better to rely on known income streams
- Plan for what you have to spend, not what you might have

“They get some regular amounts. They shouldn't stretch themselves, they've just got to live within their means. That's what we do.”



Desire to remain below the parapet

- Little desire to be contacted about their bequest
- Concern they might be asked to leave more
- Some ghoulish joking about whether the charity would check on their health
- Also did not want charity to spend money thanking them
- Did not want to be treated differently because of their gift

“I'll leave a large amount but I don't want praise. I just want to give it to them anonymously and help them and help people live longer.”



Those disclosing had very different attitudes

- *Could* see that it helped the charity to know
- To plan for the future or see if messages working
- Some felt proud of their gift and wanted to share
- Some disclosed during the course of (another) conversation
- Others did so in an emotionally charged situation
- A few wanted to stop further requests for money
- None wanted to be treated differently as a result



Some key conclusions



Conclusions

- Disclosure is linked to regular and engaged relationships
 - Your 'pledgers' feel especially strongly about you, and know you well
- Disclosed legacy donors have more touchpoints and chances to tell
 - Just under half had been asked about their gift ... the rest told the charity spontaneously, and the gift may well not be recorded
- Some highly engaged 'pledgers' welcome dialogue
 - They are fantastic donors/volunteers/ambassadors
- But many legacy donors regard 'stewardship' with bemusement
 - A waste of funds, or a ploy to ask for more



Conclusions

- Pledgers are in many respects unusual and far from representative
 - Difficult to turn non-pledgers into pledgers
- 80% of your legacy donors are 'hidden'
 - They're current donors, or current /former service users, or admirers
- So the majority of your target audiences are possible legacy donors
 - With implications for how messages are delivered and by whom
 - As well as measurement and 'currency'



Conclusions

- You cannot expect to uncover all your legacy donors
 - There are good reasons why many remain invisible
- Few legacy donors would expel a charity from their will
 - Unless it did something very wrong on a public or personal level
- But over time circumstances change, allegiances shift
 - To remain top of mind, your impact and empathy need to be constantly reinforced and refreshed

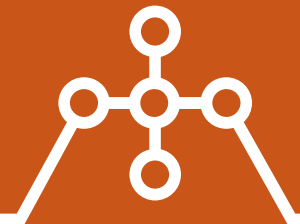


Thank you



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 @talkinglegacies

 @talkinginmemory