WILLS THAT WON’T
NEW DATA ON CHARITABLE PLANNING AND DISTRIBUTIONS 1992-2012
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We are very pleased to share Dr. Russell James’ findings from his revolutionary research on the evolution of American charitable estate planning and the key factors that are driving the trends.

After analyzing data from a 20-year federally funded, in-person, nationally representative study, Dr. James discovered the factors influencing the propensity to add and drop charity bequests, as well as developed strategies to ensure charities retain the largest amounts of bequests.

The Dr. James’ findings are especially significant, since they are based on the first of a kind study that allowed the researchers to collect multiple data points for each individual, providing much more thorough findings than ever before.

This eBook will give you a brief overview of the research methodology, as well as present several key findings and strategies for success. Enjoy!

**Greg Warner**
CEO
MarketSmart

Available on Amazon.com
*American Charitable Bequest Demographics: (1992-2012)*
An extensive review of the changing nature of American charitable estate planning with over 50 charts and graphs illustrating key data and findings.

by Dr. Russell James III
(Author)
Paperback
April 27, 2013

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HAVE YOU FELT IT YET?

THE PERCENTAGE OF U.S. POPULATION WITH **WILLS AND TRUSTS** IS DECLINING, **FAST**, SO CHANCES ARE YOUR ORGANIZATION WILL BE FEELING THOSE EFFECTS **SOON**

![Graph showing the percentage of U.S. population with wills and trusts from 1998 to 2012.](chart.png)
IS ALL HOPE LOST?

NO!

As a smart marketer you know that an effective strategy and smart decisions result in higher donations even in the toughest of times.

BUT TO DEVELOP A SMART STRATEGY AND MAKE SMART DECISIONS YOU NEED SMART DATA
HOW IS THIS NEW DATA SMART?

OLD DATA LETS YOU SEE A SNAPSHOT IN TIME
one-time self reports or post-mortems for largest estates

NEW DATA PROVIDES YOU WITH A TREND OF LIFETIME RESPONSES, SO YOU CAN SEE THE WHOLE PICTURE
matched sequences of lifetime responses and post-mortem distributions

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KEY POINTS

1. People increasingly want to include charities as a beneficiary.

8.3% 1998
10+% 2012

U.S. population aged 55 and over with a will or trust including a charity as a beneficiary

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KEY POINTS

WILLS ARE GOING DOWN
AND TRUSTS ARE GOING UP

WHY?

NON-PROBATE TRANSFER TITLES
EVEN FOR REAL ESTATE

61% 51%
1998 2012

U.S. population aged 55 and over with a will

1995 2013

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OVER 80% OF CHARITABLE BEQUEST DOLLARS COME FROM DECEDEENTS AGED 80+
THE REALITY
CHARITABLE BEQUEST DOLLARS ARE TRENDING FLAT AND ARE MUCH LOWER THAN PREDICTED

BUT THIS IS TEMPORARY

Billions Annually


Estimated High (98-17)
Estimated Middle (98-17)
Estimated Low (98-17)
Received

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THE REASON

THE BABY BOOM

WITH BABY BOOMERS STILL IN THEIR 50s AND 60s THEY HAVEN’T REACHED THEIR PRIME YET

(REMEMBER MOST BEQUESTS COME FROM THOSE AGED 80+)
TOP 10 PREDICTORS OF A POSTMORTEM BEQUEST GIFT

- % YEARS GIVING $500+/YEAR
- NO OFFSPRING
- HIGHEST $ GIVING
- % YEARS REPORTING FUNDED TRUST
- FEMALE
- HIGH WEALTH
- NOT MARRIED
- RECENT GIVING
- GROWING WEALTH
- % YEARS VOLUNTEERING
TOP PREDICTORS OF:

**ADDING A CHARITABLE PLAN**
- Health Decline
- Changes in Marital Status
- Approaching Death
- First Grandchildren

**DROPPING A CHARITABLE PLAN**
- Health Decline
- Changes in Marital Status
- Approaching Death
- First Grandchildren

YOU READ IT RIGHT

anything that prompts adding a plan can also prompt dropping it.

SO HOW DO YOU TIP THE SCALES IN YOUR FAVOR?
FOCUS ON TARGET DEMOGRAPHICS

with the highest propensity to engage in charitable giving out of U.S. population aged 55+ with a charitable bequest in their will or trust

50% are married vs. 28% are unmarried

15% have a graduate school degree

3% have a high school degree

The top 20% more likely to use a funded trust

Marital Status  Education Level  Wealth Distribution

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MOST WILLS NEVER GET USED

Funded trusts are far more likely to be used for postmortem estate distribution. The will is often only a back up.

TO MAXIMIZE THE VALUE OF BEQUEATHED GIFTS, FOCUS ON TITLING, BENEFICIARY DESIGNATIONS AND ENCOURAGE TRUST PLANNING.

WILLS PROBATED

38%

FUNDED TRUSTS
used for assets transfer

75%

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SECURE GIFTS EARLY AND FOCUS ON RETENTION

THE ULTIMATE VALUE OF 1 LONG-TERM GIFT IS EQUAL TO THE VALUE OF 4 SHORT-TERM GIFTS

Inspire your supporters to plan early. Then encourage them to disclose their gift intentions to you. Those who plan a gift earlier in their lifetime leave 4 times more than those who plan a gift near the end of their lifetime. Remember, a bequest commitment is the beginning of a relationship, not the end goal.
You will get more gifts if you stay engaged, since your supporters will be more likely to add your organization to their estate plans and less likely to drop it from their estate plans.

**MOST CHARITABLE PLANS ARE ADDED WITHIN 5 YEARS OF DEATH SO STAY ENGAGED BY:**

1. **THANK YOU**
   Always thanking your donors for their gifts

2. **Gift**
   Reporting on the results of their gift

3. **Chat**
   Creating engagement experiences to fuel their interest in your cause

4. **Profile**
   Featuring stories of living bequest donors.

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**STRATEGY + CREATIVE + TECHNOLOGY = RESULTS**

**majorgiftmaker**
Find passionate donors in real time, and close more major gifts – faster. MajorGiftmaker® gives you a 360° view of individual donors’ interests, demographics, and preferences.

**giftmakerconnect**
Donors want to give where they live. With GiftmakerConnect®, you can tap into the power of smarter fundraising by connecting the disconnected and empowering your chapters or affiliates.

**legacygiftmaker**
Generate more leads, cultivate more donors and find more legacy gifts. Individual tracking reports show who is interested in your organization and why, so you can engage and build effective relationships with potential donors.

**legacygiftmaker+**
Take the guesswork out of marketing by using proven technology to rank, score, and automatically nurture leads with relevant, timely, personalized messages. You’ll maximize your gift disclosures by spending your time with the most qualified and interested donor prospects, and letting LegacyGiftmaker+® take care of the rest.

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U.S. patent applied for MajorGiftmaker®, GiftmakerConnect®, LegacyGiftmaker® and LegacyGiftmaker+®.