

## Discovering the Secret Giver



---

---

---

---

---

---

---

---

### Objectives

- Scientifically document the world of bequest givers.
- Confirm current strategies that help nonprofits succeed in identifying and cultivating bequest givers.
- Develop data-driven tactics to help make nonprofits even more successful.

---

---

---

---

---

---

---

---

### Inspired by nationwide focus groups

- Focus groups were held in 2007 in Washington, D.C., and Des Moines, Iowa.
- Participants included consistent donors and bequest donors age 40+.

---

---

---

---

---

---

---

---

## Methodology

<b>Sample frame:</b>	Adults aged 40 and over throughout the United States.
<b>Sample size:</b>	901 adults, divided into a main sample of 601 and an oversample of 300 current or likely bequest givers. Respondents were contacted using a random sample of listed telephone numbers and screened for age as well as in the oversample, likelihood to include a nonprofit in their will. The data were weighted.
<b>Margin of error:</b>	±3.3 percentage points for the entire sample.
<b>Method/length:</b>	Telephone interviews lasting approximately 13 minutes.
<b>Field dates:</b>	Feb. 27 through March 12, 2008

---

---

---

---

---

---

---

---

## What makes this project significant?

- The first study to scientifically document the universe of bequest givers and prospects living in America
- Builds upon past research
- Provides a foundation upon which to compare new sources of information

---

---

---

---

---

---

---

---

## The first things we learned:

- We now know how many bequest givers there are in the U.S. among adults aged 40 and over.
- We also know how many prospects are inclined to include charitable bequests in their will.

---

---

---

---

---

---

---

---

### To what can this be compared?

- Only other data is an IRS computation of decedents who pay estate tax.
  - This is 2% of annual deaths in 2005.
- Of these estates in 2006, 19% included a charitable deduction.
- The 8% that is often cited from **Giving USA**:
  - “Bequest giving is 7.6% of total estimated giving for 2007.”
  - Which is not the same thing, as it is based on dollars, not people.

---

---

---

---

---

---

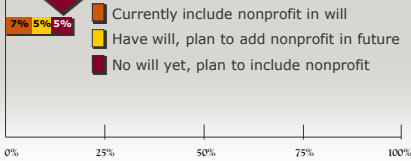
---

---

### 7% name a nonprofit in their current will.

#### Current and prospective bequest givers

Most of these (73%) intend to create wills within the next five years.




---

---

---

---

---

---

---

---

### Who are these current and future givers?

- The following slides show the demographics for:
  - Current givers
  - Prospects who already have wills
  - Prospects who do not yet have wills
- What is exciting is how one group differs substantially from the other two.
- These are the Secret Givers.
  - Secret, because they are not on anyone’s radar screen.

---

---

---

---

---

---

---

---

### Profile highlights: Income

	General Population (%)	Bequest Givers (%)	Prospects with will (%)	Prospects without will (%)
<b>Income</b>				
\$100,000 or more	18	29	32	21
\$50,000–\$99,999	25	22	20	28
Under \$50,000	37	26	19	42
Refused/Not sure	20	23	29	9

---

---

---

---

---

---

---

---

### Profile highlights: Education

	General Population (%)	Bequest Givers (%)	Prospects with will (%)	Prospects without will (%)
<b>Education</b>				
High school grad or less	35	17	22	45
Some college	21	17	15	20
College degree or more	42	65	61	34

---

---

---

---

---

---

---

---

### Profile highlights: Age

	General Population (%)	Bequest Givers (%)	Prospects with will (%)	Prospects without will (%)
<b>Age</b>				
40 to 54	37	32	39	65
55 to 69	37	39	36	30
70 and over	26	29	25	5

---

---

---

---

---

---

---

---

**This makes it clear that solicitations must differentiate by age.**

- The strongest identifying trait among those who are good prospects without wills is **age**.
- Many nonprofits ignore those under age 55 when targeting bequest givers.
- That kind of thinking is outdated.

---

---

---

---

---

---

---

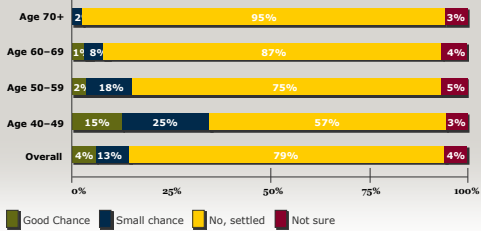
---

---

---

**The likelihood of changing the minds of unlikely givers decreases as they age.**

Possibility of changing mind in future to include nonprofit in will\*



\*Among those who are unlikely to include a bequest, both with and without a will; n=499

---

---

---

---

---

---

---

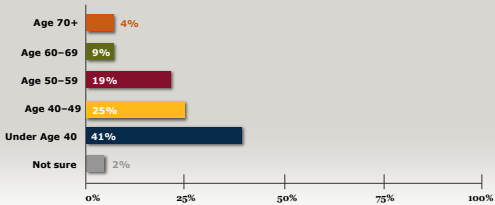
---

---

---

**U.S. residents are making wills at an increasingly younger age.**

Age when created first will  
(Among those who currently have a will; n=594)




---

---

---

---

---

---

---

---

---

---

**One of the most important things we learned:**

- Once a nonprofit is in a will, it is rarely removed.
- That means there is little risk in cultivating givers at too young an age.
- The greater risk is waiting too long.
  - Will may be “filled up” with worthy nonprofits.

---

---

---

---

---

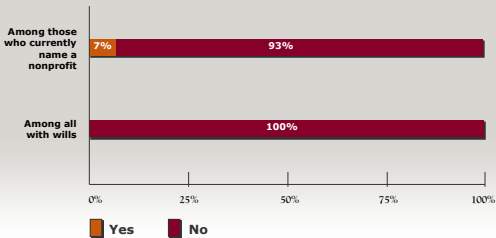
---

---

---

**Once a nonprofit is included in a will, there it stays.**

Removed a nonprofit from a will



---

---

---

---

---

---

---

---

**One more finding contributes to the idea of Secret Givers:**

- They do not want to tell nonprofits about their bequests.
- Their plans are secret now and may remain that way forever.

---

---

---

---

---

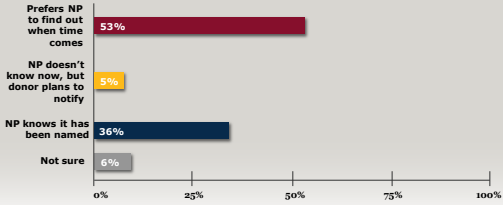
---

---

---

### A minority of planned givers have alerted the nonprofit of their gift.

Notifying nonprofits of decision to include bequest in will




---

---

---

---

---

---

---

---

---

---

### Concerns from bequest givers about notifying a nonprofit.

One of the main reasons for choosing not to notify nonprofit*	%
Donor's own business—no one else needs to know	80
Donor might change mind so better not to say anything	34
Worried he or she would be pestered with mailings and phone calls if the nonprofit knew donor was planning to make a bequest	26
Don't want organization acting like a vulture waiting for money	25
Might get special treatment/makes donor uncomfortable	24
Fear the organization would sell/give information to other nonprofits who would approach donor to help them as well	19

\*Among those who have named a nonprofit in their will but have chosen not to inform the organization; n=109

---

---

---

---

---

---

---

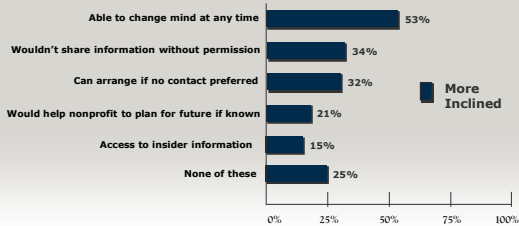
---

---

---

### It does not hurt to assure privacy and reinforce the donors' right to change their minds.

Details that may make donor feel more inclined to tell nonprofits that donor has provided for them in will




---

---

---

---

---

---

---

---

---

---

**Change Your Mind At Any Time**

We realize that circumstances change and your gift to us in your will may no longer be possible at some future date. Your family and friends come first, and that's why a bequest in a will works for so many of our donors -- you can change your mind at any time.

---

---

---

---

---

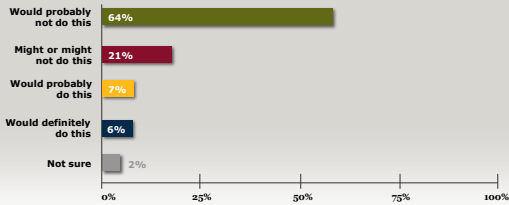
---

---

---

**Anonymous notification does not provide much incentive.**

Willingness to notify a nonprofit of a bequest anonymously\*



\*Among those who have named a nonprofit in their will but have chosen not to inform the nonprofit; n=109

---

---

---

---

---

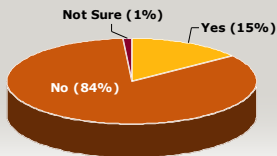
---

---

---

**Be careful not to present planned gifts as only for big donors.**

Consider self a major donor to any nonprofit




---

---

---

---

---

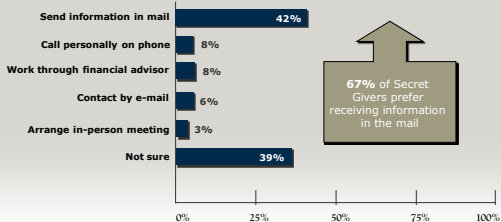
---

---

---

### Preferred modes of initial contact

Preferences for initial contact about including a nonprofit in will




---

---

---

---

---

---

---

---

---

---

---

---

### Stelter Focus Group Observations

- Be sure to include evidence of good stewardship
- Donors look at themselves as investors in your mission – they want to know what is their ROI
- Make it easy for donors to get more information
- Confirm you will keep donor's information confidential.

---

---

---

---

---

---

---

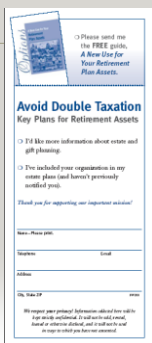
---

---

---

---

---




---

---

---

---

---

---

---

---

---

---

---

---



### What's Your Organization's ROI?

We would be happy to provide you with more information on how your support can help us achieve our goals and earn benefits for yourself. Give CARE a toll free call at 1 (800) 752-6004.

How CARE's Expenses Are Allocated



CARE's Programs By Activity



---

---

---

---

---

---

---

---

### Targeting Secret Givers



secret givers

- Be aware that they exist.
- Consider low-cost ways to cast a wider net to include younger groups

---

---

---

---

---

---

---

---

## NOW WHAT?

---

---

---

---

---

---

---

---

### Research driven strategies for success

- Stelter insight formula for marketing budgets
- Life Stage Library of content-print, web & eMarketing
- Trackable metrics in print to direct donors to your websites
- Online and offline methods to drive traffic to your websites
- Ongoing marketing research – recommendations
- Avoiding SPRAY AND PRAY marketing

---

---

---

---

---

---

---

---

### Avoid Spray and Pray Marketing

One format sent to one generic group featuring one generic message does not work any more!

---

---

---

---

---

---

---

---

### Rethink your formula for targeting donors.

#### Stelter Insight Formula™

First, revise how budget is spent to include younger ages.

Spend 15% on *motivating* prospects aged 70+.

Spend 55% on *transitioning* prospects aged 55–69.

Spend 25% on *recruiting* prospects aged 40–54.

Spend 5% *maintaining* current givers.



---

---

---

---

---

---

---

---





**Internet Facts**

Active users of the internet by age: \*

- 30 to 54 age group – 85% regular users
- 55 to 59 age group – 71% regular users
- 60 to 64 age group – 62% regular users
- 65 to 69 age group – 56% regular users
- 70 to 75 age group – 45% regular users
- Over 75 years old -- 27%

\* Source: Pewinternet.org, Feb. 2009

---

---

---

---

---

---

---

---

---

---

**Internet Facts**

Active users who shop online: \*

- 45 to 54 age group – 68% of regular users
- 55 to 63 age group – 72%
- 64 to 72 age group – 56%
- Over 73 age group - 47%

\* Source: Pewinternet.org, Feb. 2009

---

---

---

---

---

---

---

---

---

---



**eNewsletter**  
age-specific,  
life stage-oriented  
articles

---

---

---

---

---

---

---

---

---

---

### Connected Marketing Efforts



Newsletter

eNewsletter

Web Site

---

---

---

---

---

---

---

---

### 6 New Rules For Engaging Donors

1. No one format fits all donors




---

---

---

---

---

---

---

---

### 2. Changes to make Newsletters Better & Easier to Measure Return on Investment

**Redesigned Issue**  
Broken-up and Easy to Read Copy  
Visually Interesting Photo Related to Story  
Includes Trackable Metric




---

---

---

---

---

---

---

---



#### 4. Use a direct, easy-to-understand approach

Plan for life's ups and downs. At different times in life, special situations may arise that can affect to use your gift as you intended, whether it be directed to research, advocacy or diabetes education.

**Action List**  
What You Can Do Today

1. Keep up with the latest research by downloading the entire summary of our breakthrough from [diabetes.org/giving](http://diabetes.org/giving). Then share the info you need to ensure Forever, our research magazine.
2. Review tips for creating wills or updating your estate plans by requesting a FREE brochure from [diabetes.org/giving](http://diabetes.org/giving).
3. Contact us to get our official bequest language to include in your will when makes a gift to support cause diabetes research and education.

---

---

---

---

---

---

---

---

---

---

#### 5. Make it easy for donors to get information on their own terms

**Discover** How to Protect Your Legacy

**Yes** I am interested in the future of Central Michigan University.

**Need a hand? We can help!**

Visit [diabetes.org/giving](http://diabetes.org/giving) to get the **FREE eBrochure** in your language.

**Don't yet created a will... Need to Know About Wills** all the information you need.

**Will is up-to-date...** Five-Star Estate Plan identifies saving ideas that go above and beyond a basic will, to further secure your family's future.

Form fields: Name, Address, City, State, ZIP, Telephone, E-mail

---

---

---

---

---

---

---

---

---

---

#### 6. Track results; measure your ROI

- Response rates to your offerings
- E-mail opens and click throughs
- “Random” contacts from prospects -telephone calls, personal letters or emailed questions
- Web visitors, PURLs

---

---

---

---

---

---

---

---

---

---

---

Questions?

---

---

---

---

---

---

---

---