

Welcome, friends!



Please introduce yourself in the chat, and share **one thing bringing you joy this week.**



Think big! 5 ways to
expand legacy giving
outreach & acquire
new donors



Today's agenda

1. Intros
2. Understanding the trends in legacy giving
3. Key insights into legacy donors
4. Strategies to acquire new legacy donors
5. Next steps and breakouts



A decorative graphic on the left side of the slide, consisting of a grid of colored squares. The grid is 4 squares high and 3 squares wide. The colors are: top row (yellow), middle row (light blue, dark blue, medium blue), and bottom row (orange, orange).

Introductions



Intros

Co-CEOs: Jenny Xia Spradling & **Patrick Schmitt**



The FreeWill team



GROWING TEAM

185+

BEQUESTS, STOCKS, & QCDs RAISED

\$5.4 billion+



A decorative graphic on the left side of the slide, consisting of a grid of colored squares. The grid is 4 squares high and 3 squares wide. The colors are: top row (light yellow, light blue, light blue), second row (light blue, light blue, light blue), third row (orange, dark blue, light blue), and bottom row (orange, light blue, light blue).

Understanding the trends impacting legacy giving



The Great Wealth Transfer is coming

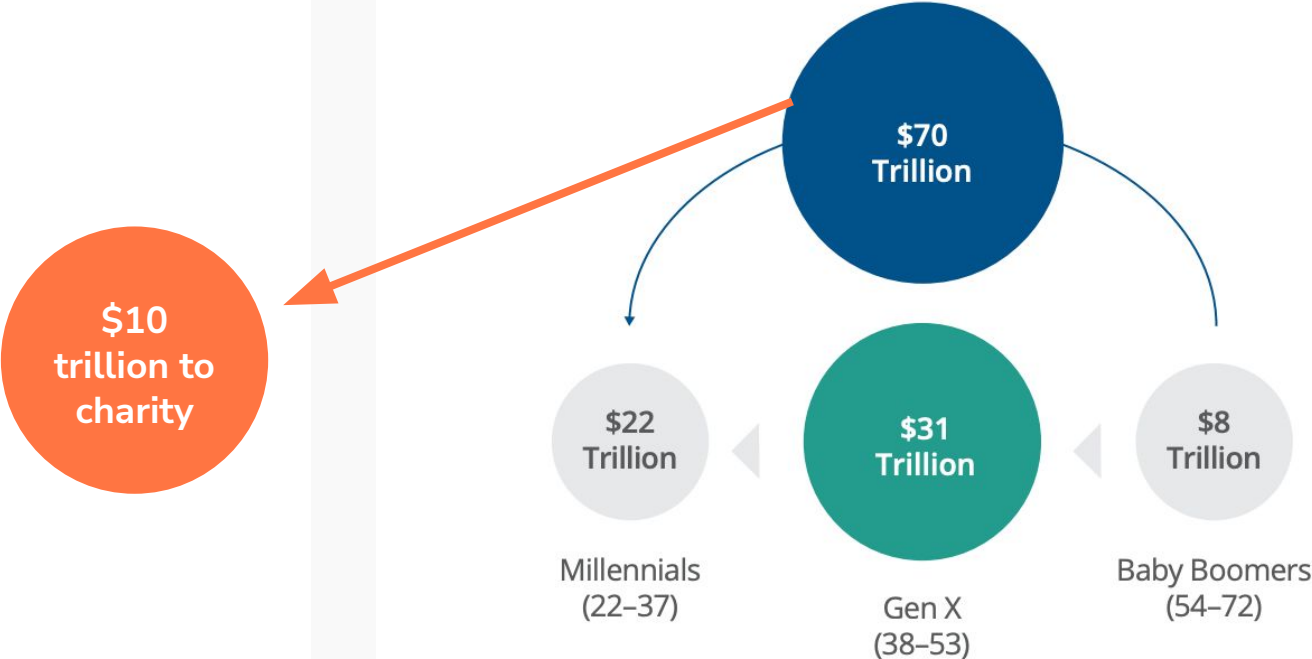


- In 2020, GivingUSA found that bequests made up 9% of all charitable contributions in the US
- An estimated \$30 to \$68 trillion is going to be passed on from wealthy older generations over the next 25 years
 - This will be from nearly 45 million US households
- Nonprofits that get these donors to commit to legacy gifts now will be more successful over the long-term

Source: [Cerulli](#)



And where that wealth is going is being decided now



Wealth Inherited by Generation, 2018-2042E

Sources: Cerulli Associates, Federal Reserve, U.S. Census Bureau, Internal Revenue Service, Bureau of Labor Statistics, Social Security Administration

Analyst Note: Ages as of 2018. Figures may not add up to \$70 trillion due to a portion of assets that are estimated to go directly to charities.

Source: [Cerulli](#)



Younger donors are inheriting the “Great Wealth Transfer”



- GenX and Millennials will be the primary recipients of the wealth transfer
- By 2030, Millennials will have **5X as much wealth** as they have today
- Remember that Boomers had fewer children than their parents did, so **inheritances are more concentrated per child**

Source: [CNBC](#)



A decorative graphic on the left side of the slide, consisting of a grid of colored squares. The grid is 4 squares high and 3 squares wide. The colors of the squares are: top row (yellow, white, white), second row (light blue, white, white), third row (orange, dark blue, medium blue), and bottom row (orange, white, white).

So who is making legacy gifts?



Let's look at the data



- There are several ways to make legacy gifts, but estate plans are the easiest and most accessible way for supporters to do so
- Every year at FreeWill, we analyze the estate plans made on our free will-making software to uncover insights into legacy donors
- In 2021, we analyzed **more than 150,000 estate plans**, among which \$1.5 billion was committed to charity
- This taught us a lot about who makes estate plans and includes charitable bequests



First, good news: Americans are getting more charitable



- 19% of wills and trusts made on FreeWill from June 2020 through May 2021 included a gift to charity — a big jump from 13% the previous year
 - Even 18% of people with estates valued under \$100K still gave to charity
- The average value of a gift was \$41,000
- 65% of legacy donors shared their info with their chosen charities



Age:
People give fewer gifts, but more money as they get older

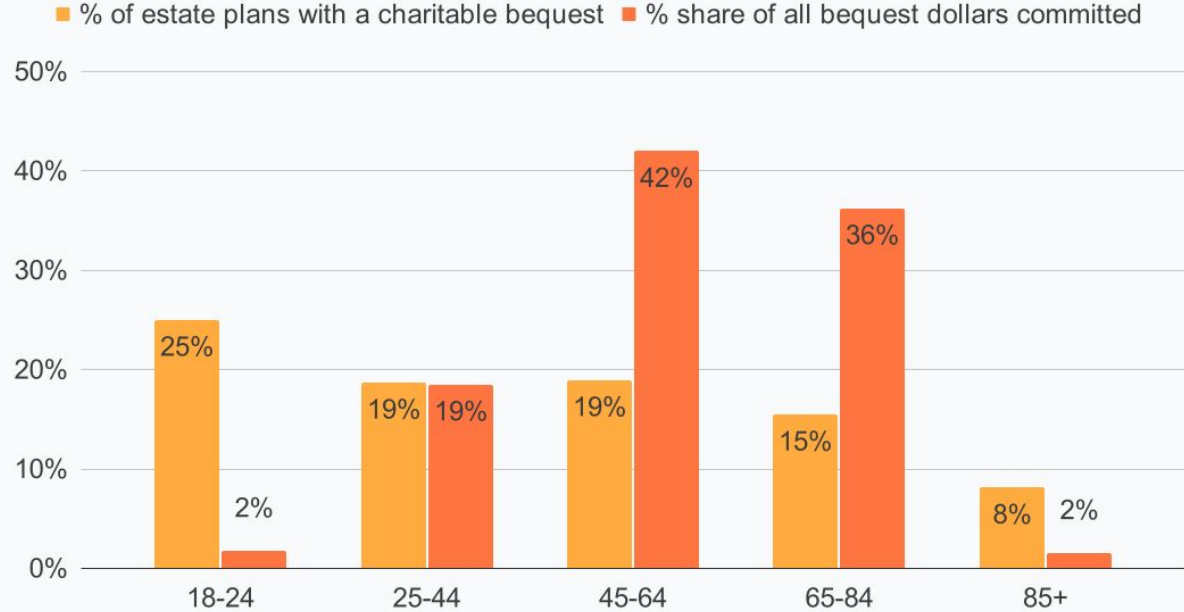


- Younger people make fewer estate plans, but 25% of those under 25 included a gift to charity vs only 15% of those over 65
- However, the value of gifts from 65+ donors were 3X larger on average
 - People 65+ only account for 17% of the US population, but gave nearly 40% of all charitable bequest dollars



Age:
People give fewer gifts, but more money as they get older

CHARITABLE BEQUESTS BY AGE



Gender:

Women surpassed men as the biggest legacy givers



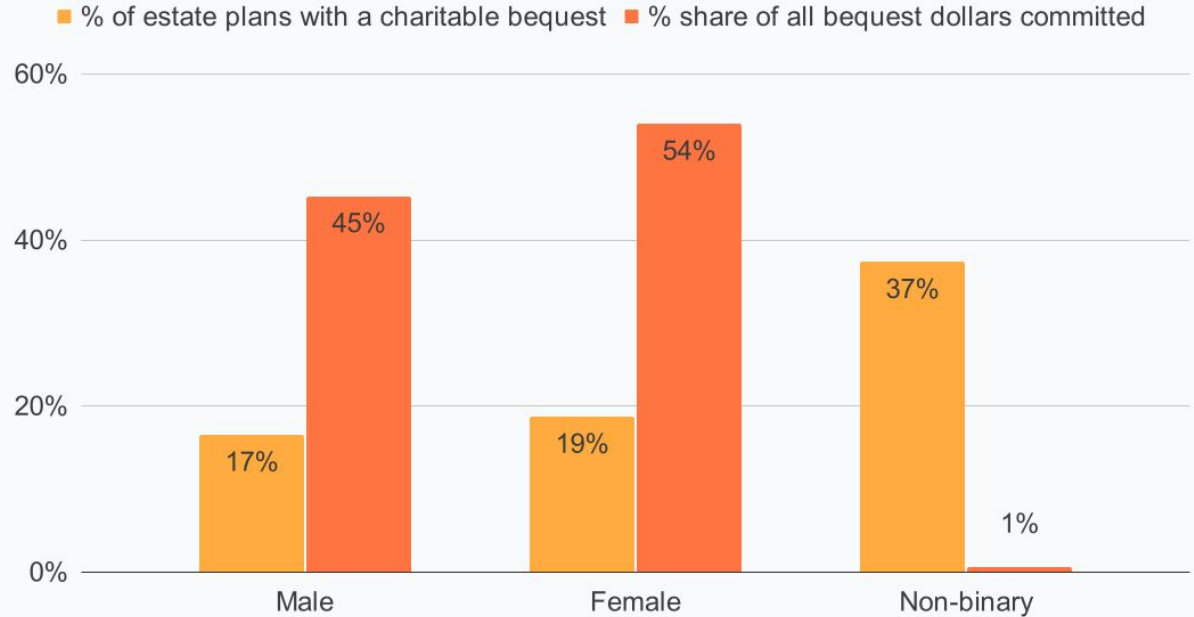
- **19% of women give to charity** in their estate plans, compared to 17% of men
- Their gifts are two-thirds the size of men's, on average
- However, because **nearly 60% of estate plans are made by women** and so many women give, **they now give a greater share of all bequest dollars than men** — 2021 was the first year this happened



Gender:

Women surpassed men as the biggest legacy givers

CHARITABLE BEQUESTS BY GENDER



Family:

People with fewer family attachments are much more likely to give



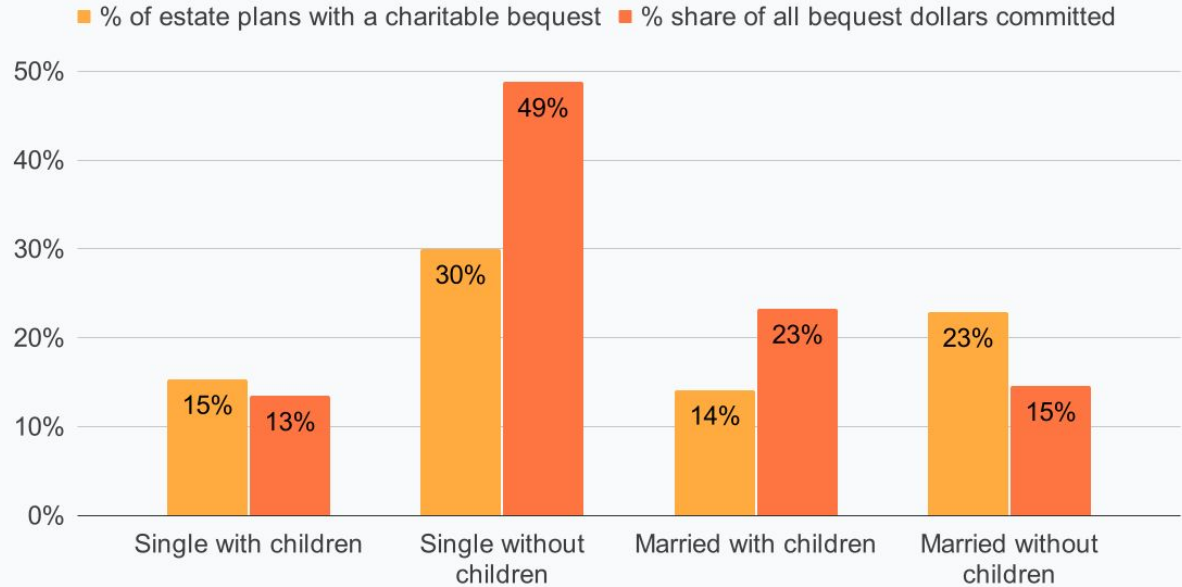
- People without immediate family are 2X as likely to make a gift in their estate plans than those with a spouse or children
- They only created 17% of estate plans on our platform, but **gave half of all bequest dollars**
- Being a parent had a greater impact than being married on whether a person included a gift



Family:

People with fewer family attachments are much more likely to give

CHARITABLE BEQUESTS BY FAMILY RELATIONSHIP



Pets:

Pet owners make more gifts, but their gifts are smaller



- People that included pets in their estate plans were 70% more likely to make a legacy gift
- However, the value of their gifts was about 9% lower on average



A decorative graphic on the left side of the slide, consisting of a grid of colored squares. The grid is 4 squares high and 3 squares wide. The colors of the squares are: top row (light yellow, light blue, light blue), second row (light blue, light blue, light blue), third row (orange, dark blue, light blue), and bottom row (orange, light blue, light blue).

How to expand outreach & acquire legacy donors



#1: Make legacy giving easy & accessible



- The first step to acquiring new legacy donors is to make it easy to commit to legacy gifts
- Many of your potential donors:
 - Assume it's difficult to make legacy gifts
 - Don't think they can make one (less wealthy)
 - Don't know about legacy giving at all



#1: Make legacy giving easy & accessible



- Place legacy giving information on your website, and if you have the resources to do so, point to easy ways to make estate plans (lowest hanging fruit for legacy giving)
- You can also educate donors on:
 - How to support your organization in a way that doesn't affect your donor financially today
 - Speak to donors about the importance of legacy giving — both for them and for the future of your organization



#2: Email all your supporters about legacy giving



- Many organizations only do legacy giving outreach to their most loyal donors or wealthiest prospects
- But charitable bequests are the **only type of gift that anyone can make**
- Even supporters that can't regularly donate, can still make a legacy gift because it doesn't affect them financially during their lifetime



#2: Email all your supporters about legacy giving



- Once you make it easy to become a legacy donor, you need to promote legacy giving to your entire community
 - Email everyone with legacy giving info — think donors, volunteers, staff, alumni, etc.
- Across 100s of our nonprofit partners, we've found that **standalone emails on legacy giving generate 2X as many gifts** than other forms of outreach like newsletters or social posts



#3: Go big during urgent moments



- We've found there are a few key times throughout the year where making legacy gifts feels more urgent:
 - January for New Year's resolutions
 - August for Make-a-Will Month
 - October for National Estate Planning Awareness Week
- You should plan to promote legacy giving to *all* your supporters during these times



#3: Go big during urgent moments



- These are the biggest campaign times for our nonprofit partners at FreeWill
- Last August, in Make-a-Will Month, people using our site **committed \$410 million to charity** in their wills and trusts
- And during National Estate Planning Awareness Week in October, our partners raised **\$15 million in legacy gift commitments**



Bequests committed by month on FreeWill



#4: Focus resources on top prospects



- Yes, you should promote legacy giving to everyone
- But you should *also* spend the most time and energy on the donors who are the most ready to commit, and in the greatest amounts
- So identify key segments among your supporters to provide a more personalized experience (e.g. 1-1 calls, visits, etc)



#4: Focus resources on top prospects



- Older donors and those without spouses or children are key here
 - Gifts are much larger
 - There are fewer people who they will pass on inheritances
- Women and middle-aged donors will also be more likely to commit gifts of a significant size
 - More of these donors = more opportunity to capture gifts



#5: Don't forget about your younger donors



- Many organizations ignore donors under 45 when promoting legacy giving, but that's a mistake
- We've found in our research that these donors are MORE likely to include bequests in estate plans, even if smaller amounts — so there isn't a lack of interest in legacy giving
- They can also be stewarded for other types of giving
- Research shows that after a donor commits to a legacy gift, they **increase annual giving by 3X**



#5: Don't forget about your younger donors



- For younger donors, focus on how legacy gifts don't affect them financially today
- Millennials want to support a cause more than a specific organization
- And feeling like their gift “didn't matter” is the #1 reason for donor attrition among Millennials
- Emphasize legacy giving as a way that they can give that have a bigger impact on your cause



#5: Don't forget about your younger donors



- You can also be more casual in how you reach out and steward younger legacy donors
- Sometimes, gift officers fear it is “too unprofessional”, but Millennials strongly prefer **text messages** to phone calls
 - And 19% say “they never check voicemails”
- BUT voice notes can also be intimate, useful, and convenient
- AND “DMs” on Instagram are ok, too



The “thinking of you” note is wildly effective



1. Note something specific this person helped to fund.
2. Share something you saw in action.
3. Keep it very short.

Tip: Do this via text (& send pics!)

- If you don't want to give out your phone number, set up a Google Voice number to text.



The “thinking of you” note:



Subject: *“Thinking of you”*

Sean — I walked by Sam on campus today, and she was explaining a geometry concept to another student (and I think doing a pretty good job!).

I know you know that the scholarship you, Sarah, & Will funded is making a big difference to Sam, but I thought you'd like to know that it seems to be helping the other kids, too!

Have a great day! - Patrick



Next steps



Visit freewill.com/nonprofits to find:

- 2021 Planned Giving Report (40+ pages of insight and data to inform legacy giving work)
- Best-in-class planned & major giving tools to help you fundraise:
 - Charitable bequests
 - Stock gifts
 - Qualified Charitable Distributions
 - Crypto donations

