

Bequests – the ultimate gift – inspiring your donors to leave a bequest

Evelyn Mason

Room

Thursday 11.00 – 12.00pm

Time

Learning Objectives

- Definitions
- Types of gifts
- Who are our Bequest prospects?
- Segmentation by Societal Generations, Stages of Human Development, Hierarchy of Needs and Developmental Shift
- Research
- Alternate Marketing Theory
- Donor's needs and wants

Definition of a bequest?

A gift of an identifiable asset (not money) to person/organisation in will.

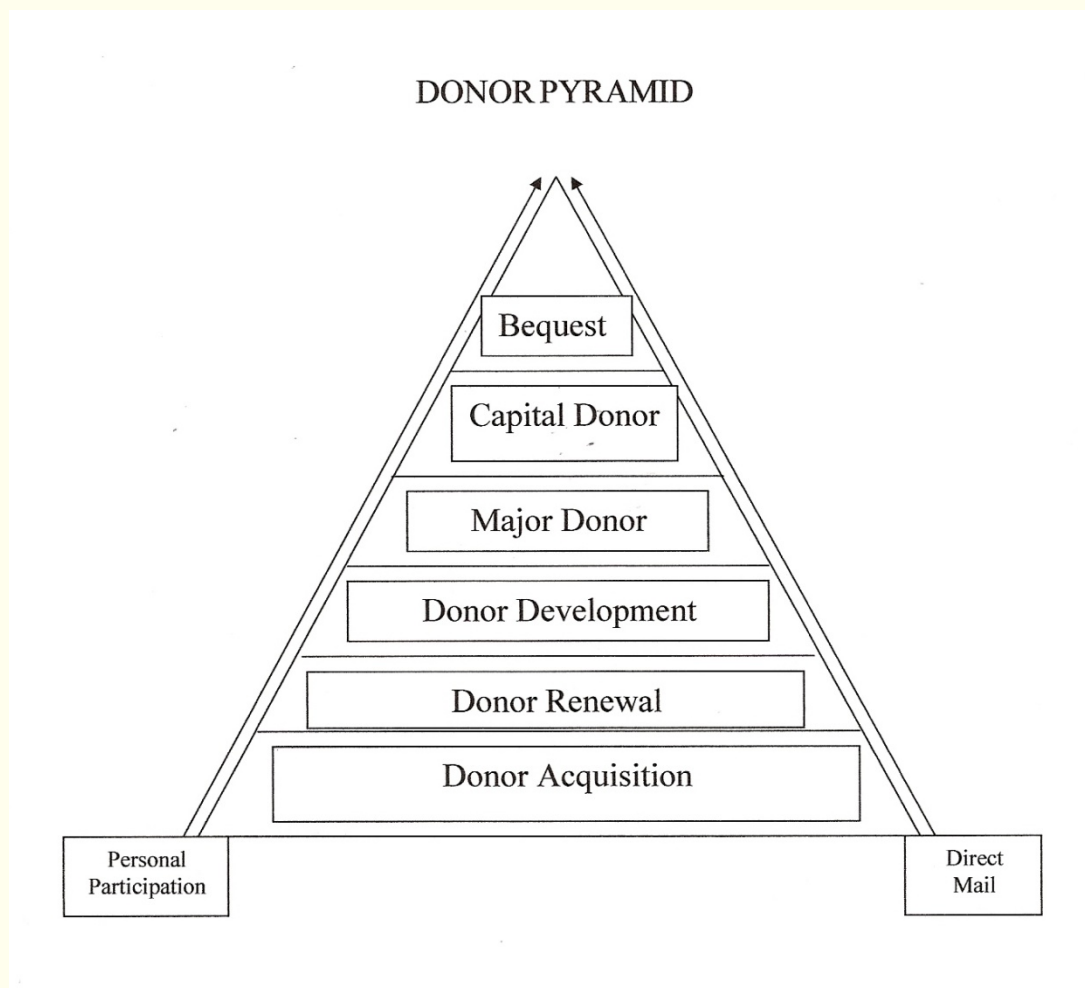
However, the terms **bequest** (not money) and **legacy** (money) are often used interchangeably in general usage.

<https://wiki.qut.edu.au/display/CPNS/Glossary+of+terms+in+wills+and+estates,+including+family+provision+applications>

What type of gift is a bequest?

Three Types of Organisational Gifts:

Current/operational	➔	tied to calendar	➔	100% asking
Capital/project	➔	tied to special gifts	➔	50% cultivation 50% asking
Bequest/ultimate	➔	tied to need of the individual	➔	90% cultivation 10% asking



Who leaves bequests?

People who believe in and respect your organisation and your cause:

- Donors
- Recipients of your services e.g. patients
- Grateful family members
- Volunteers
- Former board and staff members
- Impressed public
- ...

Ways of looking at your bequest prospects

Segmentation

Segmentation by Societal Generations

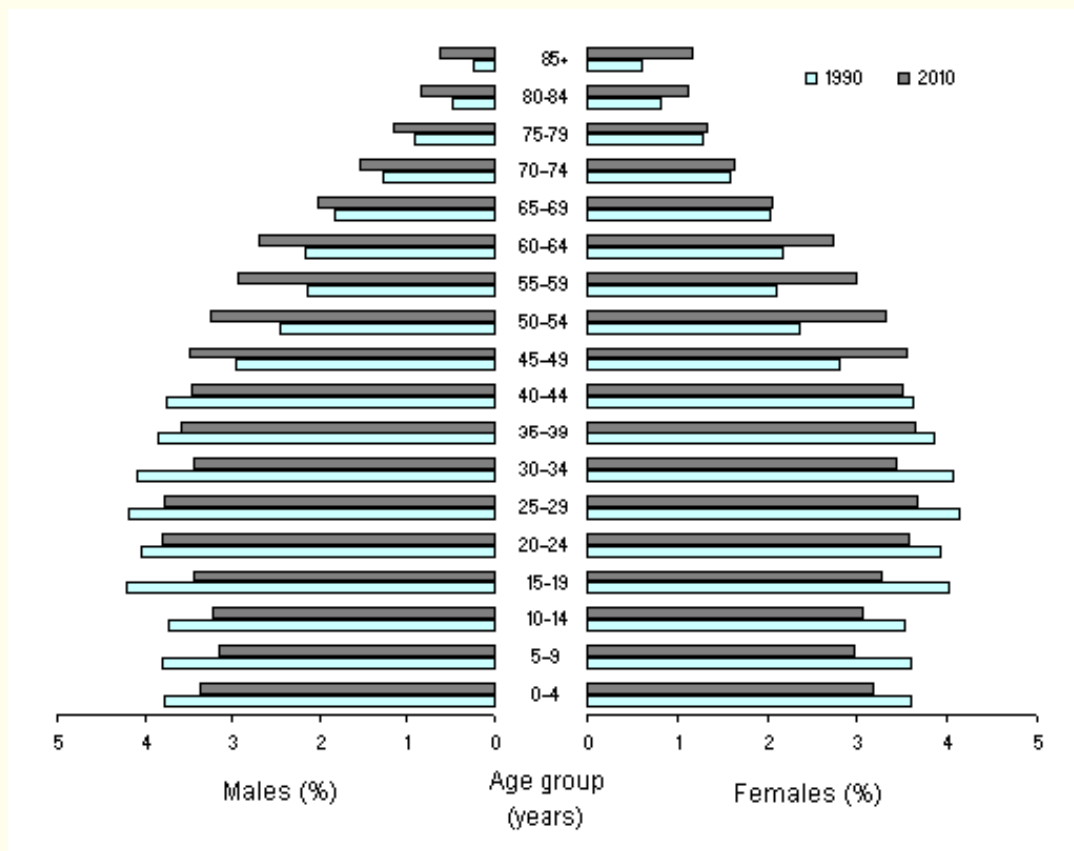
- The Frugals (born 1920's – early 1930s)
- The Silent Generation (1930's – 1945)
- The Baby Boomers (1946 – 1964)
- Generation X (born 1965 – 1977)
- Generation Y (born 1978 – 1994)

Each generation has quite different views of the world.

ABS: POPULATION STRUCTURE, Age and sex - Australia - 1990-2010

Population change, Age group - 1990 to 2010

Age 65- 79 Silent Generation, Age 45 - 65 Baby Boomers, Age 34 – 47 Generation X, Age 17 – 33 Generation Y

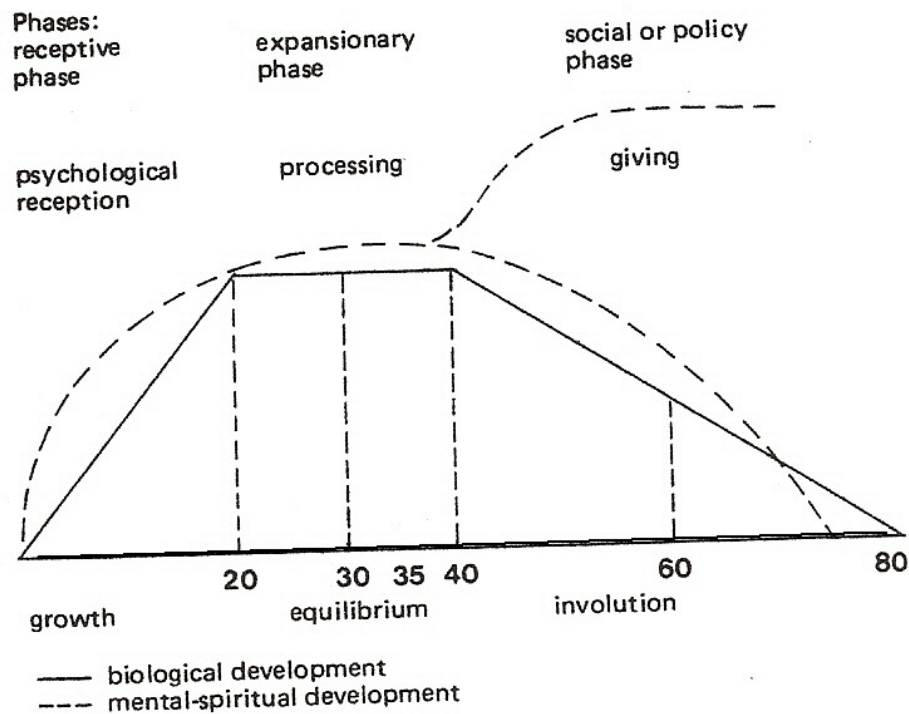


Which generation is more likely to leave the most charitable bequests?

Segmentation by the Stages of Human Development

- Bernard Lievegoed

Phases – crisis and development in the individual.
1979



Segmentation by Human Lifespan Development

3 levels of development:

- Physical
- Cognitive
- Socio/emotional

Concept promoted by Kongit Farrell

Development	Young Adulthood	Middle Adulthood	Late Adulthood
Physical	At the prime of their physical development. All of the systems are functioning optimally, making this the best time for reproduction.	The beginning of physical deterioration, such as the end of fertility in women, or menopause.	The decrease in physical abilities and health for both sexes continues through late adulthood.
Cognitive <i>the way we perceive and experience the world and deals with issues like memory, thinking and decision-making processes and concept comprehension</i>	At their cognitive prime, as the capacity for rapid and accurate memory, thought processing and information analysis function at peak levels. Perceptions of the world, judgment and morality become more sophisticated and complex.	During middle adulthood, humans are experts at problem solving, although they begin to experience some signs of decline with speed in processing and recall.	Late adulthood signifies the continued deterioration of cognitive abilities.

Development	Young Adulthood	Middle Adulthood	Late Adulthood
<p>Socio/Emotional <i>Socio/emotional development has to do with how an individual is able to handle emotions, relationships, social situations, and the various roles demanded of them by society.</i></p>	<p>The focus shifts from peers to career, social role, building external stability, finding a mate and starting a family.</p>	<p>Middle adulthood is met with the psychological and emotional challenges of facing the mid-life crisis, and a life analysis and inventory is taken.</p>	<p>Late adulthood marks the transition from the mid-life crisis. Life reflection, acceptance of death, and legacy building or making social contributions also occur at this phase.</p>

Press release:

Emotional intelligence peaks as we enter our 60s, research suggests.

- Two different UC Berkeley studies lead psychologist Robert Levenson to offer explanations for the problem as to why it is difficult to get younger people to give.
- They support the theory that "emotional intelligence and cognitive skills can actually sharpen as we enter our 60s."
- Posted on Mal Warwick's website by Jeff Brooks on 05 January 2011 at 08:54 in [Donor Psychology](#)
- [Jeff Brooks: Future Fundraising Now](#)—Formerly blogging at Donor Power

Findings according to Levenson

- Increasingly, it appears that the meaning of late life centers on social relationships and caring for and being cared for by others.
- Evolution seems to have tuned our nervous systems in ways that are optimal for these kinds of interpersonal and compassionate activities as we age.

Levenson's findings continued

- Older people ... were the best at reinterpreting negative scenes in positive ways using positive reappraisal, a coping mechanism that draws heavily on life experience and lessons learned.
- ... younger and middle-aged participants were better at using "detached appraisal" to tune out and divert attention away from the unpleasant....

Levenson's Conclusion

In late life, individuals often become increasingly sensitized to sadness because the shared experience of sadness leads to greater intimacy in interpersonal relationships.

How does this relate to charitable giving?

- Who's more likely to give - someone who interprets a negative situation as an opportunity to make something good happen, or someone who tunes it out?
- Who is more likely to act compassionately and generously - someone who feels that sadness of a bad situation, or someone who doesn't?

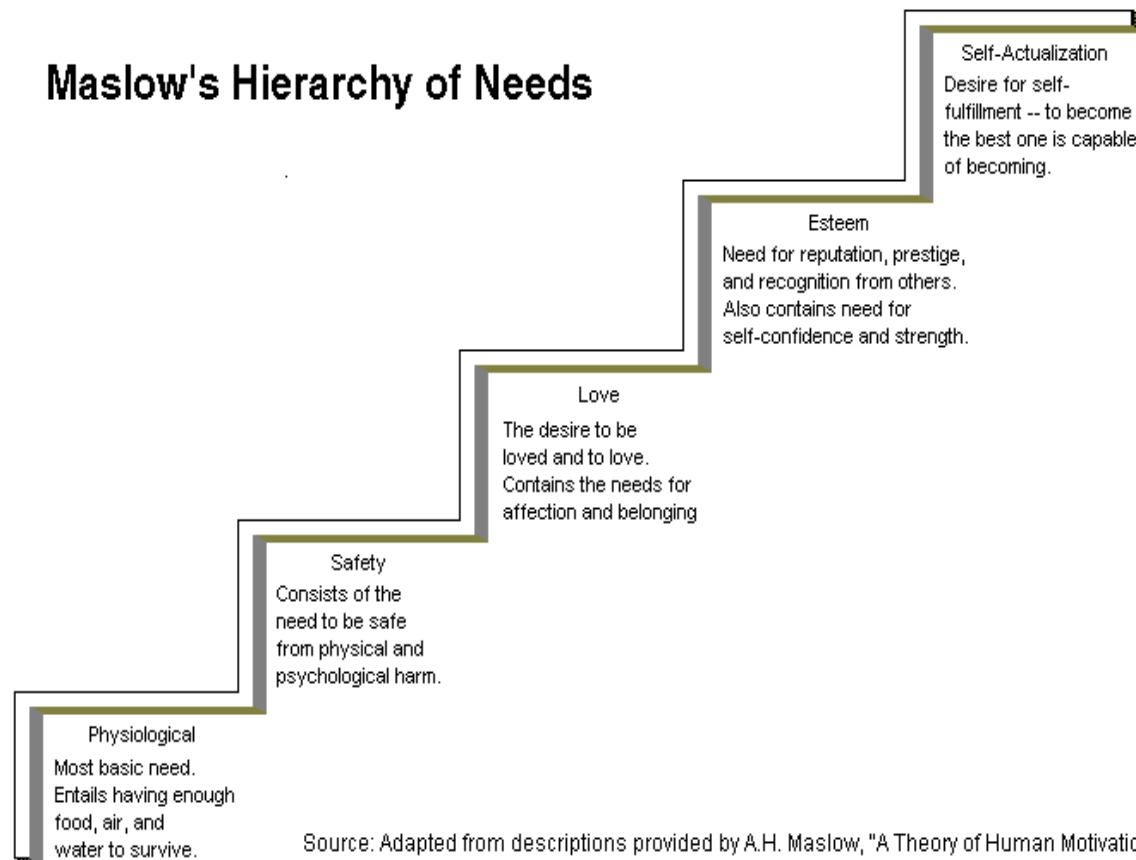
Who is more likely to give?

- That doesn't mean younger people don't give. It just points out something experienced fundraisers already know:
- Older people are just more primed to give than younger people.
- The neurological cards are stacked against you if you're looking for young donors.

Segmentation by Needs

Maslow's Hierarchy of Needs

Maslow's Hierarchy of Needs



Source: Adapted from descriptions provided by A.H. Maslow, "A Theory of Human Motivation." Psychological Review, July 1943. pp 370-96.

Segmentation by Developmental Shift

- When studying older consumers, a personal transformation is common. Typically, around age 50 there is a shift away from "success" and more towards "significance" as an underlying behavioral motivation.
- David Wolfe, author of *Ageless Marketing*, points out that such a shift isn't generational, it's developmental. Reach age 50 and beyond, and one's motivation for many decisions in life shifts.

Developmental shift involves - changes in people's worldviews, needs, motivations across their life span

Brain research indicate that the root of all motivations lie outside the realms of consciousness.

Latest psychological research

Researching the unconscious mind
to determine an individual's

motivating underlying values.

Motivations are born in unconscious realms of mental activity

- Neurologist Richard Restak says “We have reason to doubt that full awareness of our motives and other mental activities may be possible.”
- Huge sums are spent annually in customer research on the premise that “intentions and expectations are qualitatively conscious.” That this premise is in error, brain researchers are quick to point out, does not negate the idea of self-determination.
- Motivations are born in unconscious realms of mental activity, but the conscious mind performs the executive function of decision-making.
- Like a corporate CEO, the conscious mind gets information on needs and solutions from lower echelons.

Primary drivers of behaviour

Wolfe and McDonough state that our primary drivers of behaviour are being influenced by 5 continually changing systems of *motivating underlying values* (MUV). These values are:

- **Identity Values** - for self-awareness, self-image, self-preservation, and social image
- **Relationship Values** - for connections to others, institutional resources, and beliefs
- **Purpose Values** - for imparting meaning to and validation of one's life and actions
- **Adaptation Values** - for acquiring skills and knowledge to negotiate life
- **Energy Values** - for securing, maintaining and repairing physical and mental well-being

Alternate Marketing Theory

David B. Wolfe;

internationally recognized consumer behaviour expert originated
Developmental Relationship Marketing (DRM).

Author of *Serving the Ageless Market* (McGraw-Hill, 1990)

Developmental Relationship Marketing (DRM)

- DRM looks at the relationship between products and customers' *root motivations* – powerful urges to satisfy needs that can't be identified in traditional research because, as recent findings in brain science indicate, the roots of motivations lie outside the conscious mind.
- This is why frequent disconnects arise between what consumers tell researchers and what ultimately happens in the marketplace.

- (DRM) has particular value in today's markets because as boomers swell the ranks of older customers, many traditional marketing practices are becoming obsolete, for example, the idea that selling product features and benefits.
- The customer experience becomes more important.
- Aged 50 + experiential desires often overtake materialistic desires in their influence on lifestyles and buying behaviour.

So what does all this have to do with inspiring your donors to leave a bequest?

You need to:

- recognise what lifespan developmental phase your prospects are in
- adjust your language, stories and images
- create a sense of empathy and optimism
- recognise the deeper underlying motivators and meet these needs.

Your have to offer solutions to the donor's needs when establishing a Bequest Program

As with Maslow's hierarchy

- Make them feel loved
- Make them feel valued
- Make them feel fulfilled

What do donor's consciously want from you?

- Donors want you to do something that creates measurable impact
- Donors want to hear from you and communication with you in ways that are native to their preferences, not yours
- Donors want to be connected to the difference they are making
- Donors want to feel appreciated and know that they matter to you

- Donors want access to the key leaders, whether that be one-on-one, special speaking events or Q&A sessions, or through electronic media
- Donors want it to be easy for them to give when and how they want to give
- Donors want to be reassured regularly that they made the right decision when they decided to invest in you

What do all these things have in common?

- Donors seek relationships. You aren't just pushing buttons and getting revenue. You're interacting with people's hearts and minds.
- Donations aren't mere accounting transactions; they're human connection-points. Treat them as such, and you'll do well.

From Wayne Elsey's Blog

And the answer to the question...

Which generation is more likely to leave the most charitable bequests?

Questions and Answers

*Evelyn
Mason*
& ASSOCIATES

INSPIRED

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