



MARKETING PLANNED GIFTS

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The marketing of planned gifts should be viewed as an educational process for your donors and prospects. The more they understand that there are alternative ways to make a gift to your organization, the more likely they will be to make a gift. Many of your constituents, particularly the elderly, often are reluctant to make gifts, even annual, low level gifts, because of a fear that they will need the money “tomorrow”. However, these same people may feel very strongly about your mission and would be more than happy to support your organization with a gift at their death or through some means that will alleviate their fear of running out of money – Hence, the Planned Gift!

The question becomes how can we do this most effectively.

BROCHURES

An extremely cost effective strategy is to piggy-back on existing materials. Be sure that all of your organizations other marketing and acknowledgment materials have a planned giving message on them. It can be as simple as a check-off box that reads, “Have you thought about naming XYZ charity in your estate plans? For further information on this way to make a gift please call 123-4567”. This line should be on your annual solicitations, on thank you letters, in your annual report, on all periodic mailings such as newsletters, updates, or programs. Any reply mechanism for other gifts should include such a question.

⇒ Be sure those individuals who open the mail are looking for those checkmarks! The last thing you want is to be unresponsive to someone seeking information on planned gifts. Make sure the responses get to the right development people in your organization for prompt action!

Brochures specific to planned giving are excellent tools, particularly as a leave behind or response to inquiry. The production of such brochures can take two forms. You can design a piece in-house or purchase generic booklets from any one of numerous vendors that specialize in such materials.

The most important thing is to be sure the materials accurately and passionately portray your mission. That is difficult to accomplish with a generic brochure. They are produced to be marketed all over the country to all types of organizations with limited personalization, usually only as to name and logo. Your mission is generally not a focus. However, these brochures are reasonably priced and can be a cost effective way to satisfy immediate marketing needs. You can be sure, too, that the information disclosed will be up to date and conforming to federal (if not state) guidelines.

The better alternative, from our point of view, is a personally designed brochure. By choosing this method you can tailor the piece to the needs of the organization and put forth a strong argument for the gift based on mission. You can use testimonials from donors that have done planned gifts – a very powerful motivator to others. With the proper design, including appropriate photos, there can be no mistake about which organization it refers to. Care must be taken to provide information that is accurate and timely. A well-designed planned giving brochure will be compatible with the other marketing materials your organization utilizes – reinforcing the message of who you are and what you do.

⇒ For a bequest brochure be sure to include the legal name of your organization (this is particularly important for national organizations with localized fundraising campaigns) and contact information.

“PERSONAL LETTERS”

For targeted, segmented mailings a personal letter may be the choice to make. We all know that with the invention of the word processor and mail merge we can make letters look personal even when they are part of a mass mailing. A letter signed by a member of your legacy society encouraging others to follow his/her example is a great way to do a testimonial-style solicitation for planned gifts. You write the letter for the donor’s signature and send it to those within the same age range or with a similar giving history. The power of peer to peer works in face to face solicitations and it works very well in mailings also. Be sure to have the appropriate response mechanism and contact information back to the organization.

Want to have some fun – and success – with these mailings? Try to segment your database using the title “Miss”. Chances are good that you will be sending to a group of elderly, single women – a great source for planned gifts. You can also identify “old” names on your database such as Gertrude, Beatrice, and Herman. You’ll be amazed at the clues you have as to age without having done an age overlay!

⇒ Add a P.S. to the letter with the donor writing, “looking forward to meeting you at the next legacy society event”.

WEBSITE

More and more individuals, including the elderly (a prime source of planned gifts) are turning to websites to gather information they need. This can be particularly true when it comes to contemplated gifts. The web is a perfect, non-threatening, private, confidential way to initiate the gift process. Your organization's website must, therefore, contain useful information about your planned giving program.

As you design the website, pay particular attention to the means of finding the planned giving pages. You must make the site easy to navigate. The home page itself should have links to "planned giving" or "other ways to give" or "gift plans" etc. Too often the planned gift information is buried within membership or annual campaign pages and may distract or frustrate your potential donors.

While you may choose to describe different gift options on your website, the most important information should be what you offer and who to contact. Make the planned giving pages interesting – as with brochures, use testimonials and pictures. Tell your donors what a planned gift will really do for the organization. Let them know that they can endow a program or establish a named endowment fund.

The two major planned gift software vendors can provide links from your website to theirs for the purpose of allowing your prospects to input information and retrieve projections about different gift planning options. While this may sound like an attractive feature, it gives us pause to worry. If your potential donor inputs erroneous information and gets back something very attractive to him/her (e.g. inputs age in error and comes up with a higher payout than is applicable for a gift annuity), you will be the one needing to point out the error, no matter how obvious it may be, and deflate the enthusiasm for the gift. We believe that you should control the gift planning process to the greatest extent possible – for the benefit of the organization and the donor.

SEMINARS

A very effective means to educate your donors and prospects about planned giving concepts is through the use of seminars. Through smartly designed invitations, you bring together a group for an informational session that includes discussion of the mission of your organization (see a pattern here?) and ways that they may support your work through attractive planned gift plans.

In addition to a speaker from your organization, you will want to have a presenter that can accurately and engagingly educate your audience about ways that they can make gifts. Often the speaker will focus on just one or two gift plans (e.g., gift annuities and charitable remainder trusts) and in other circumstances may offer a broader talk about estate planning and the use of charitable giving techniques to accomplish the donor's philanthropic and other financial goals.

⇒ Choose your professional speaker carefully. Be sure the speaker's underlying agenda is for the benefit of your organization. Get references. Try to attend a presentation by the speaker you are considering before the engagement. Note: Myerberg Shain &

Associates have been providing seminar presentations across the country to rave reviews for many years.

The logistics of the seminar are important to plan carefully. Of the utmost importance is the ability for all participants to easily hear the speakers and view any visuals that might be used. Encourage your invitees to bring guests, they will be more likely to come if they don't need to come alone. And make sure that you keep an accurate attendance list. This list will become a source for marketing for all future efforts, and will provide the information needed to do appropriate follow-up.

In addition to seminars for a donor/prospect population, it is very advisable to conduct seminars or workshops for the financial and legal professional communities. Accountants and financial planners, specifically, need to accrue continuing education credits in most states to retain their licenses. You may offer a seminar on charitable giving techniques, latest changes in charitable laws, or new gift options that will attract a professional audience for the information provided and to amass their continuing ed credits. Attorneys in many states are not required to have continuing legal education, but they, too, are often eager to hear from pros in the field of charitable giving in order to add value to their own client relationships.

By being the provider of professional seminars, your organization is linked to the very community that comes in contact with your donors for the purpose of estate and financial planning. If your organization is known to the "sources of influence" they will be able to promote your charity if the opportunity arises. In fact, forming a committee of such professional advisors (additionally, including stock brokers and trust bankers) is an excellent way to maintain connections with these people for your organization. The committee can also serve as a resource to you for legal and financial advice as needed in the furtherance of your work. Many such advisors welcome the opportunity to be associated with a charity that does good works within the community.

SPEAKING ENGAGEMENTS

The cost and logistics of providing educational seminars can be burdensome to some organizations. A very cost effective way to accomplish some of the same goals is to offer your services as a speaker to community groups. The service clubs (e.g., Rotary, Lions, Kiwanis, etc.), senior centers and senior housing facilities, and churches, temples, and synagogues are always in the market for interesting, educational, free lecturers. By offering to fill this need for the various clubs, you are putting your organization in the spotlight, providing useful information regarding your mission and charitable giving, and getting the stage in front of many prospects, donors and sources of influence than may otherwise be possible. This technique costs very little in terms of dollars, but yields incredible value to your organization.

⇒ Be sure you have materials to leave behind about your organization and about planned giving. If possible, obtain attendance lists.

AFTER GIFT MARKETING (A/K/A STEWARDSHIP)

The first step to a repeat gift is the successful completion of the first gift. With planned gifts this is even more significant since there may be ongoing activities that are required by the organization to fulfill the terms of the gift (e.g., delivery of gift annuity checks).

ACKNOWLEDGMENTS

It's been said that you can never thank a donor too often. Be sure to send appropriate acknowledgments from multiple leaders of your organization in a timely manner. The simple "thank you" aside, with life income gifts you must acknowledge and report tax information as soon as it can be determined. Be sure the charitable deduction is accurate, but do advise the donor to consult his/her own tax advisor. Donors of gift annuities and charitable trusts have a choice with regard to the month their deduction is calculated where the discount rate has changed. Proper notification of the differences should be provided to the donor with an appropriate explanation.

ON-GOING CONTACT

PAYMENTS AND TAX REPORTS

Frequently planned gifts take the form of a life income gift whereby the donor receives income for a term of years or lifetime(s). It is essential to good donor relations that the checks or direct deposits are done on time. Though a bank or other service provider might provide the service of cutting the checks or directing the deposits, it is a good idea for the organization to send a letter to accompany, or coincide with the receipt of, the payment. This gives the charity an opportunity to reiterate its appreciation for the gift, update the donor on events and charitable activities, and even ask for another gift.

⇒ Hand written notes at the bottom of a printed letter tells your donor that they are worthy of your time and effort. It may be only a few words, but it speaks volumes.

The same holds true for year-end tax statements. If the gift is such that a 1099R or K-1 is issued, use the opportunity to connect with the donor through a cover letter. Prompt distribution of 1099's or K-1's are of the utmost importance. Many donors have a ritual to assemble their income tax information after the close of the calendar year, and are unhappy when they have not received their tax reports on a timely basis.

⇒ As you know the IRS has a timetable for the issuance of these tax reports; be sure you adhere to it.

RECOGNITION SOCIETY

A recognition society with membership restricted to planned gift donors and those that have made known their bequest intentions is a powerful tool for acknowledging donors' commitments, cementing relationships (particularly important for revocable gifts), and enticing others to make similar plans. Often just an annual event specifically for this special group and listing in the annual report is sufficient. At your annual event be sure to allow guests to come with members – this encourages additional commitments. You may consider a token gift relevant to the organization to new members of the society. Often a newsletter just for society members is prepared. It would report successes of the organization, have gift testimonials, and a welcome to new members.

⇒ Be sure to respect the request for anonymity by those donors who do not wish to be listed by name.

THANK YOU GIFTS

There should be some token gift to indicate membership in the recognition society. This can be as simple as a lapel pin or certificate, or something closely associated with the organization. In all cases, the gift should bear the name of the organization and society so that it is evident to anyone that sees it what significance it has.

⇒ Be aware that many donors bristle at the idea of the organization spending too much money on a recognition gift. The gift should be thoughtful, yet not elaborate.

CALLS AND VISITS

Your planned gift donors are typically elderly. They often seek the company of others that they enjoy for meaningful conversation and social interaction. You can help provide this source of pleasure by phoning and visiting your donors on a periodic basis. You will be able to gauge their responsiveness to such interaction, and you should certainly take your cues from that as to whether to continue the pattern or not. Be sure to make clear that your conversation or visit is just to inquire about their well-being, update them on the activities of your organization, and answer any questions that may have arisen. You will be amazed at how these talks lead to discussions of additional gifts or leads to friends considering such gifts.

⇒ Calls just before significant holidays always seem particularly appreciated.
(Be careful that you know that the holiday is celebrated by that individual.)

INVITATIONS

Special events that your organization runs should include invitations to your planned gift donors. At least some of these events (though not necessarily all) should be free of charge for these special individuals. By having these donors participate in events, you will be nurturing the relationship between them and your organization. You also stand the chance of having them speak to others about the gifts they made, and thus encourage additional gifts.

At least once a year there should be an event specifically for your recognition society. It is suggested that this be a daytime event and that the members of the society (your planned gift donors) are encouraged to bring a guest. Once these guests are exposed to the fine treatment their friend receives and learns more about your organization, they often turn into planned gift donors themselves.

⇒ Many donors will tell you that they don't want to go to events for various reasons. Encourage them to let you send invitations anyway so that they are aware of the charities goings-on. You'll be amazed at how many eventually take advantage of the invitations.

BIRTHDAY CARDS

Since you will know the birthdates of many of your planned giving donors (those that have done life income gifts), remembering them with a card or letter on their birthday is another wonderful way to stay in touch. When a milestone birthday arises, it may warrant a phone call and invitation to lunch or other special treatment.

⇒ If your organization maintains a tribute program, this would be a very meaningful way to recognize your donor's birthday (same holds true for couple's special anniversaries, if you have this information).