



LegacyForesight

Consortium Research Proposals 2018/19

March 2018



Introduction

In 2018/19 we are planning two major new consortium research projects: understanding legacy stewardship and baby boomer legacies.

We are publishing our proposals for both projects together, so that clients can make an informed choice of what to invest in over the coming year - hopefully both topics will be of interest. Charities which sign up to both projects are being offered a discount on the combined cost.

Understanding legacy stewardship

May – December 2018

As our recent Legacy Marketing Benchmarks project has confirmed, there is growing emphasis on 'stewarding' legacy pledgers and prospects, as a way of converting, retaining and growing the value of bequests from known supporters. But the tactics used and the underlying objectives vary significantly from one charity to another. And with such a long lag between communications and outcome, evidence on the impact and effectiveness of stewardship activity is inevitably limited. This project will aim to understand more about stewardship from both the charities' and the donors' perspective, using a combination of member charity surveys, detailed case studies and in-depth supporter interviews.

Baby boomer legacies

October 2018 – May 2019

As every legacy fundraiser knows, the boomers are a vital audience for legacy communications. We have researched into this large, affluent and demanding group on three previous occasions (2007/2010/2014) comparing and contrasting them with the older 'War Baby' generation. This new project will update the desk and consumer research, exploring important new issues such as Brexit and the recent charity scandals. This time around we will compare the 'core' boomers (now in their sixties) with the 'shadow' boomers and the earliest Generation X (people now in their fifties). As well as providing valuable insight into the attitudes and expectations of these cohorts, we will use the findings to update our long-term market model.

Detailed descriptions of both projects are overleaf. More information on Legacy Foresight can be found on the back pages.

The cost per charity for each project is £3,000+VAT. Those charities which sign up for both projects will be offered a discount of £500+VAT – i.e. a combined project cost of £5,500+VAT.

The deadline for signing up to the stewardship project is Monday April 30th. We would like expressions of interest in the baby boomer project on the same date, but project membership will be held open until Monday 2nd July.

Understanding legacy stewardship

Stewardship is a hot topic among legacy fundraisers at present, as a way of converting, retaining and (potentially) growing the value of gifts from known supporters. The issue is even more topical in the light of our recent Invisible Legator research, which showed that ‘disclosed’ legacy donors are very much in the minority. And that many legacy donors ‘claimed’ that they did not want to be treated any differently because of their gift. So what is ‘stewardship’? How effective is it? And how do donors feel about – and respond to – being treated in this way?

Issues to explore

From the charities’ perspective:

Defining stewardship

- Who does legacy stewardship target? Just known pledgers? Pledgers and prospects? Or the wider potential legator pool?
- What is it trying to achieve? For example, converting prospects into pledgers? Encouraging pledgers to keep the legacy in their will? Increasing the value of the gift?

Designing the stewardship experience

- What do fundraisers believe makes for a good stewardship experience?
- What are the different stewardship strategies and tactics? (e.g. events, visits to your facilities, home visits to donors, tailored communications, gifts, supporter ‘clubs’ etc...)
- Are there different approaches for different types of supporter, e.g. pledgers, prospects, volunteers, free will participants...
- Can you / should you differentiate between (potentially) major legacy donors and the rest?
- Is it feasible or desirable to tailor stewardship to the needs of individual donors?

Measuring stewardship effectiveness

- How do you measure ‘success’ and what evidence do you have of that success?
- Is stewardship cost effective? I.e. the effort expended vs the return (eventually) achieved?
- How much control do legacy fundraising teams have over the donor experience, and how much influence do other departments have? (e.g. communications, services)

The future of stewardship

- How will GDPR impact on charities’ ability to communicate with their legacy donors?
- How will changing social and sector trends impact on charities’ ability to conduct stewardship? On donors’ response to this approach?
- Will stewardship become more or less important over the next ten years? What are the challenges and opportunities?

From the donors' perspective:

Tracking the legacy journey

- What motivated their interest in leaving a legacy to charity X? Why that charity? Why that time? Is this part of a 'portfolio' of charities supported in their will, or a one-off decision?
- Do they remember any specific communications which triggered the gift?
- Have they changed their charitable legacies over time (adding or removing gifts, changing the value) And if so, why?

Building the donor experience

- What contact/relationship do they have with their charity now?
- How did this start and then evolve over time?
- What have they particularly appreciated and what was less helpful?
- Are they aware of being treated differently? Why do they think it's happening?
- What effect has it had on their understanding of the charity and feelings towards it?
- What effect has it had on the way they feel appreciated?
- How do they feel about the way they are treated – is it a good use of the charity's resources?
- Does it affect their attitudes and their behaviour towards that charity? Does it make them more committed and/or generous?

Our proposed approach

May 2018

1. Conversations with legacy experts to develop a thorough working definition of 'stewardship'
2. Online survey of consortium members' current stewardship activities, including time spent/number of people involved and their roles/ costs of stewardship approaches/ any data on the effectiveness of the approach

June 2018

3. Client workshop to define and discuss different stewardship approaches, agree issues to explore in the research and identify potential case studies

July – August 2018

4. Eight charity case studies, ensuring a cross-section of approaches, charity sizes (broad vs niche appeal) and cause areas. The case studies will focus on innovative and/or well-established stewardship approaches. We will aim to showcase the charities involved at the final project workshop, with the direct participation of the fundraisers concerned where possible

September – October 2018

5. Sixteen – twenty depth telephone interviews with supporters who have been 'stewarded' – these contacts will be supplied by the eight case study charities

November – December 2018

6. Conclusions, presentation and reporting. The conclusions will be presented at an interactive client workshop in December 2018.

What we need from member charities

- Participation in survey on your current stewardship activities
- Attendance at the initial workshop (June) and final presentation (December)
- Possible case study participation (8 charities), including the provision of contact details for donor research (up to 10 names per case study charity)

NB This project is open to all charities, not just those with an advanced stewardship programme.

Project outputs

The results will be produced as a PowerPoint-style report and an executive summary for circulation to the wider client team. Tailored presentations at client offices can be arranged for an extra cost.

Costs

Cost per charity: **£3,000+VAT¹**

Project management

As always, we plan to recruit a sounding board of 4-5 people to provide feedback and suggestions on the work as it develops, assure the quality of outputs on behalf of the consortium, and agree on the final dissemination of findings. The sounding board will meet 'virtually' (via teleconference) twice: to agree the research specification, case study selection and evaluation criteria (June 2018) and to discuss the initial project conclusions (November 2018).

If you would like to be considered for the sounding board, please let us know when you confirm your participation in the project.

Next steps

- Deadline for sign-up: **Monday 30th April 2018**
- Confirmation of final consortium: **Friday 4th May 2018**
- Project kick off/invoice: **Monday 7th May**

To express your interest or for more information, contact Meg Abdy at:

m.abdy@legacyforesight.co.uk

¹ These costs are based on a minimum consortium size. Legacy Foresight reserves the right to cancel or postpone the project if sign up is not high enough

Key team members



Meg Abdy (project direction) has been analysing the legacy market since 1994, when she coordinated the first ever legacy forecasting project, now known as Legacy Monitor.

Today she is responsible for programme management and business development at Legacy Foresight, with particular interests in in-memory giving, international markets and donor research.

Meg regularly speaks at charity conferences and her view on the future of the sector is frequently featured in the third-sector press. She has a BA in Social Studies from the University of Manchester and an MBA from the London Business School.



Sue Pedley (donor research) is responsible for in-depth qualitative and quantitative consumer research at Legacy Foresight and has considerable experience of clients in both the private and charity sectors.

She has worked with Legacy Foresight since 2007, on the original Baby Boomers project (Living Forever: Baby Boomers and Legacies, 2007) and the subsequent updates (2010/2014). Since 2011 she has also facilitated focus groups and depth interviews for the In-Memory Insight programme and most recently master-minded the Invisible

Legator project.

Sue's previous voluntary sector clients include Parentline Plus, NCVO, the Charity Commission, NSPCC and WWF UK. She has an MBA from Kingston University.



Christine Reidy (charity case studies) has worked in fundraising in a variety of roles for the last seventeen years and has specialised in legacies for the last eleven. She describes legacies as her passion and she is committed to helping grow income and understanding in the sector. Until October 2014 she was Legacy Promotions Manager for the NSPCC, managing a team responsible for all legacy and in-memoriam marketing.

Christine is now a legacy consultant, undertaking a wide range of strategic projects and training for both local and national charities. In addition, she is Project Manager for a consortium of 27 charities under the umbrella of 'Your Catholic Legacy'. She holds a MSc in Charity Marketing and Fundraising, is past Chair of the Legacy & In-Memoriam Marketing Group Special Interest Group and remains on the committee.



Ashley Rowthorn (project advisor) has spent the last 10 years immersed in legacy giving. Starting out in a regional role, having legacy conversations in the community, to managing national legacy marketing campaigns. Then on to a consultancy position, working with a wide range of charity causes across the UK.

Today he is Managing Director of the Legacy Group of companies, including Legacy Voice, a specialist fundraising agency, dedicated to helping charities raise more money through the power of conversation; and Legacy Link, a legacy administration consultancy which takes care of its clients' legacy gifts through its network of experienced Legacy Administration Officers. Together, they support clients right through the legacy journey, and work with over 50 charities, who together bring in more than £100m in legacy income.

Baby boomer legacies

Baby boomers represent a significant opportunity for legacy fundraisers, and a vital source of future income. Due to their potential impact on legacy incomes over the next three decades, we have conducted extensive research into baby boomers legacies over the past 11 years; in 2007, 2010 and 2014.

Now in their fifties and sixties, the boomers are a key audience for legacy messages. Compared to previous generations – and perhaps the ones that follow – they are significantly more affluent. Our research suggests a greater openness to the idea of leaving a charitable will. But the boomers also have many other demands on their energies, assets and emotions. How can we ensure that they continue to make space for charity in their wills?

In reality, the broad Baby Boomer generation contains two distinct cohorts : the ‘core boomers’ (born 1946 – 57) and the ‘shadow boomers’ (born 1958 – 64). These two groups have significantly different attitudes, lifestyles and life courses, not least in terms of educational opportunity, gender roles, childrearing and financial risk. This project will assess the opportunities and challenges these two cohorts represent for legacy fundraisers, and forecast their long-term impact on legacy incomes and numbers.

Issues to explore

Demographic trends

- How many people are in these two cohorts today?
- What lifestage have they reached? (e.g. working or retired? empty nesters or stay-at-home kids? Full-time grandparents? Looking after aging parents? etc)
- What are their projected life expectancies? And projected death rates over the next 40 years?
- What % of women remain childless by age 45? (as we know, childlessness is a key predictor of legacy income)
- How do these patterns vary by socio-economic group? By location?

Economic projections

- What is the long-term outlook for the UK economy over the next 40 years?
- What are the upside and downside risks in these projections?
- What does this mean for key legacy income drivers, such as house prices, share prices, inflation?

Wealth and assets

- What % have been to university, by gender? How has this affected their employment trajectories?
- How do levels of wealth and the mix of assets held vary across and within cohorts?
- How do home ownership patterns vary?
- What about access to occupational pensions? Personal pensions?
- How fairly is wealth distributed within these cohorts? Equality or polarisation?

Attitudes and expectations

- How confident do they feel about their own financial position? The wider British economy?
- How is the imminent Brexit affecting their future plans and expectations?
- Are they supporting children and grandchildren financially now? And how do they envisage family needs will play out in the future?
- How confident do they feel about their ability to meet possible future care costs? And how does this make them feel about spending and saving now?
- How willing are they to downsize to free up capital? To take up equity release schemes?
- What are their expectations from suppliers of all kinds: value, service, convenience? And how does this translate to their dealings with charities?
- How do they use media channels to collect information? To connect with like-minded communities? Where do charities fit in all this?
- How charitably-minded are these cohorts, in terms of giving money? Giving time?
- How has recent negative publicity affected how they feel about charities? Their propensity to leave a legacy?

Structural changes

- What are the potential future changes in government policies surrounding long-term health and social care?
- What new financial instruments are emerging to help older people finance their retirement? How affordable will these be? And what is the likely take-up?
- How will future governments raise the funds to finance our ageing society? For example, will they review inheritance tax rules? Capital gains tax on second homes?

Our proposed approach

October – December 2018

1. Desk research into core and shadow boomer assets, lifestyles and attitudes, drawing on a wide range of statistical and policy sources

January – February 2019

2. Eight focus groups across the two age ranges – including more/less affluent charitable donors, and those with children/childless.

March 2019

3. Omnibus survey to quantify the issues emerging from the focus groups

April 2019

4. Applying the desk and consumer research findings to update and extend our market model

May 2019

5. Conclusions, presentation and reporting. The conclusions will be presented at an interactive client workshop in May 2019

Project outputs

The results will be produced as a PowerPoint-style report and an executive summary for circulation to the wider client team, Tailored presentations at client offices can be arranged for an extra cost.

Costs

£3,000+VAT per charity²

Any charity taking part in the stewardship project too will be offered a £500 reduction in the fee for this project – ie it will cost £2,500+VAT – or **both projects together £5,500+VAT**

Project management

As with the stewardship project, we plan to recruit a sounding board of 4-5 people to provide feedback and suggestions on the work as it develops, assure the quality of outputs on behalf of the consortium, and agree on the final dissemination of findings. The sounding board will meet 'virtually' (via teleconference) three times: to discuss the emerging desk research findings and agree the consumer research specification (December 2018), to finalise the omnibus research questions and market model parameters (March 2019) and to discuss the initial project conclusions (April 2019).

If you would like to be considered for the sounding board, please let us know when you confirm your participation in the project.

Next steps

- Deadline for sign-up: **Monday 2nd July 2018** (an earlier indication of interest would be much appreciated)
- Confirmation of final consortium: **Monday 9th July 2018**
- Project kick off/invoice: **Monday 1st October 2018**

To express your interest or for more information, contact Meg Abdy at:
m.abdy@legacyforesight.co.uk

² These costs are based on a minimum consortium size. Legacy Foresight reserves the right to cancel or postpone the project if sign up is not high enough

Key team members



Meg Abdy (project direction) has been analysing the legacy market since 1994, when she coordinated the first ever legacy forecasting project, now known as Legacy Monitor.

Today she is responsible for programme management and business development at Legacy Foresight, with particular interests in in-memory giving, international markets and donor research.

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She has a BA in Social Studies from the University of Manchester and an MBA from the London Business School.



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Legator project.

Sue's previous voluntary sector clients include Parentline Plus, NCVO, the Charity Commission, NSPCC and WWF UK. She has an MBA from Kingston University.



Chris Farmelo (market modelling) specialises in quantitative modelling, forecasting and scenario planning at Legacy Foresight.

An economist by training, his expertise extends to pricing, revenue modelling and market sizing. What sets Chris's work apart from more traditional econometric modelling is his interest in the impact of changing social and demographic structures and consumer behaviour - a key feature of the legacy sector.

He was closely involved in the original legacy forecasting project in 1994, when he was Managing Director at the Henley Centre, with overall responsibility for the economics and modelling practices. Since then, Chris has worked on a variety of forecasting and strategy projects for charities ranging from Guide Dogs and Save the Children to WaterAid and St Wilfrid's Hospice.

Chris has a BA in economics from Newcastle University and an MSc in economics from the London School of Economics.



Emma Shindler (desk research) has over 15 years' experience in delivering strategic insights through analysis, with 11 years at the data driven loyalty consultancy Aimia and previously client-side at Marks and Spencer.

During her time at Aimia she delivered analysis to support the Nectar loyalty card, and worked with a wide range of clients including Sainsburys, eBay and Debenhams.

Emma has a BSc in Maths and French from Aston University and has since enjoyed developing her skills across a variety of analytical techniques and software packages.

More about Legacy Foresight

Legacy Foresight are Britain's foremost analysts of the legacy and in-memory giving sectors. We appraise the state of the markets, produce income forecasts and research into donor motivations. Our work is used both for ongoing performance management and for long-term strategic development.

Our research programmes

We work with groups of charities to research issues of common interest, exploring new opportunities and challenges. This collaborative approach cuts costs, enables idea sharing and creates opportunities for joint campaigns. Recent research programmes include:

In-Memory Insight

This programme assesses the size, shape and scope of in-memory giving in the UK. We collect hard evidence to inform in-memory fundraising strategies and convince senior management of the value of in-memory giving. We work closely with a learning circle of leading charities – over seventy of them in the past seven years – who agree to pool their budgets, experiences and data.

In-Memory Insight is a rolling research programme, with each year building on the one before. Since 2011 we have explored a series of themes including: fundraising in memory through events (2014/15), charities' use of in-memory products (2015/16), the use of social and digital media in memory (2016/17), and the role of Funeral Directors in in-memory donations (2017/18).

Uncovering the Invisible Legator

The Invisible Legator project set out to investigate the many charity legacies which apparently arrive out of the blue; whether from known supporters who had not disclosed their gift, or from people who cannot be traced on charities' databases.

The project aimed to quantify, profile and understand the motivations driving four types of legacy donation:

- Disclosed legacy gifts – already made known to the charity
- Undisclosed legacy gifts – from known supporters who have not told the charity
- Unrecognised legacy gifts – from those who consider themselves supporters but are not recognised as such by the charity
- Unknown legacy gifts – from those who have never had any relationship or contact, even though they respect the charity and/or feel an emotional connection

The research uncovered just why invisible legators are so hard to detect; and in doing so, challenged many deep-rooted assumptions about how legacy fundraising works.

For more information on these research programmes, please contact Meg Abdy m.abdy@legacyforesight.co.uk

Benchmarking

We work with groups of charities to monitor and benchmark trends in legacy and in-memory giving. We examine patterns by charity size, age and sector and evaluate the drivers of past and future income.

Legacy Monitor UK

Our flagship benchmarking programme, in operation since 1994. Today, our consortium has grown to 83 charities, representing over half of all legacy income. Legacy performance data drawn directly from our members' databases are combined with big picture economic and social trends to create an in-depth analysis of the British legacy sector.

Legacy Monitor is run by Legacy Foresight in collaboration with Clear, producers of the FirstClass legacy management software. Legacy Foresight and Clear have been immersed in the legacy sector for over twenty years - our combined team has unparalleled experience, knowledge and contacts.

Legacy Marketing Benchmark

This biennial project compares and contrasts the ways that charities are investing in legacy marketing activities, at what scale, and how effective they are at generating a response. 38 charities signed up for the latest benchmarking cycle, which reported in February 2018.

Legacy Monitor Netherlands

Our first international benchmarking programme, run in partnership with European legacy expert Arjen van Ketel. We work with a group of leading Dutch charities (19 at present) to analyse and research legacy giving in the Netherlands.

Forecasting

In today's volatile legacy market, the need for objective, informed forecasts is greater than ever. Critically important for strategic development and budget setting, our legacy forecasts are now an integral feature of many charities' annual planning and review process. Our forecasts are based on statistical models developed and refined over the past two decades, which we populate with your own charity's legacy income and bequests history.

Medium-term forecasting

We have a reputation for accurate, timely medium-term forecasts, projecting your performance over the next 5-10 years. Alongside our central forecasts, we provide optimistic and pessimistic scenarios, to help with financial planning and risk management.

Over the past two years alone we have worked with over 30 forecasting clients; from Cancer Research UK to Princess Alice Hospice, National Trust to Dogs Trust.

Strategic forecasting

Our strategic forecasting service provides a long-term perspective on your legacy potential, by assessing the impact of your fundraising strategy, past performance and market positioning on future legacy income.

**For more information on these and other services, visit our website
www.legacyforesight.co.uk**