

# WORDS THAT WORK:

{ THE PHRASES  
THAT ENCOURAGE  
PLANNED GIVING }



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Based on research by

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While in law school he received the United Missouri Bank Award for Most Outstanding Work in Gift and Estate Taxation and Planning. He holds a Ph.D. in consumer economics from the University of Missouri, where his dissertation was on the topic of charitable giving. He worked as the Director of Planned Giving for Central Christian College, Moberly, Missouri for six years and later served as president of the college for more than five years, where he had direct and supervisory responsibility for all fundraising. During his presidency the college successfully completed two major capital campaigns, built several new debt-free buildings, and operated in the black every year after having operated in the red for 10 of the 11 previous years.

Dr. James has over 100 publications in academic journals, conference proceedings, professional periodicals, and books including 20 on neuroimaging and neuroeconomics. He has been quoted in a variety of news sources including The New York Times, The Wall Street Journal, CNN, MSNBC, CNBC, ABC News, U.S. News & World Report, USA Today, the Associated Press, Bloomberg News and the Chronicle of Philanthropy.

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# SCIENCE HAS PROVEN THAT CHARITABLE GIVING:



- **ENGAGES** your brain's **reward centers** (giving money away is as rewarding as receiving money)



- **INVOLVES** oxytocin-rich brain regions (these are the social attachment regions of the brain used in maternal and romantic love... also known as the “**family bonding hormone**”)



- **DELIVERS** even greater activation to your brain's reward centers when **others watch you** make a gift to charity



- **USES** parts of the brain that help people understand one another's perspective and **have empathy for others**

# FUNDRAISING BASICS:

**PHILANTHROPY** is a “**synthetic family**” — a social act using the mechanisms of family bonding

So it's essential we use “family words.”



**SO WHAT  
ARE THE  
WORDS  
THAT  
WORK?**

# FAMILY WORDS OUTPERFORM FORMAL WORDS

When starting conversations about planned giving, **family words** are **2x** more effective than formal words

## FAMILY WORDS ARE:



- How you'd talk to your grandmother
- Social
- Simple

VS.

## FORMAL WORDS ARE:

- What you'd read in a contract
- Unemotional
- Complex



# KEY PHRASES



“**MAKE A GIFT**” performs better than “make a transfer of assets”

“**MAKE A GIFT**” performs better than “enter into a contract”

“**MAKE A GIFT**” performs better than “make a gift using a Charitable Remainder Trust”

“**MAKE A GIFT TO CHARITY IN MY WILL**” performs better than “make a bequest gift to charity”



Simply adding the name of a giving vehicle such as “Charitable Gift Annuity” or “Remainder Interest Deed” **DRAMATICALLY REDUCES EFFECTIVENESS.**



# SOCIAL NORMS INFLUENCE PLANNED GIVING DECISIONS

UK study involving **3,000** real people creating their estate plan



	WORDING	RESULT	AVERAGE GIFT \$
Group 1	No reference to charity (no legacy gift “ask”)	<b>5.0%</b> included a gift	<b>\$5,610</b>
Group 2	Would you like to leave money to charity in your will?	<b>10.4%</b> said yes (2x more than group 1)	<b>\$5,291</b>
Group 3	<b>Many of our customers</b> like to leave money to charity in their will. Are there any causes you’re passionate about? (a social norm message)	<b>15.5%</b> said yes (3x more than group 1 and 50% more than group 2)	<b>\$11,333</b>

Survey in U.S.A. involving **1,866** respondents



	WORDING	INTERESTED NOW	WILL NEVER BE INTERESTED
Group 1	Make a bequest gift to charity	<b>12%</b>	<b>14%</b>
Group 2	<b>Make a gift to charity in my will</b>	<b>23%</b>	<b>12%</b>
Group 3	<b>Many of our customers</b> like to leave a gift to charity in their will. Are there any causes you would support in this way? (a social norm message)	<b>30%</b>	<b>9%</b>

# LIVING DONORS' STORIES INFLUENCE PLANNED GIVING DECISION-MAKING



WHEN DISCUSSING WHICH CHARITIES THEY HAD CHOSEN TO REMEMBER, THERE WAS A CLEAR LINK WITH THE LIFE NARRATIVES OF MANY RESPONDENTS.

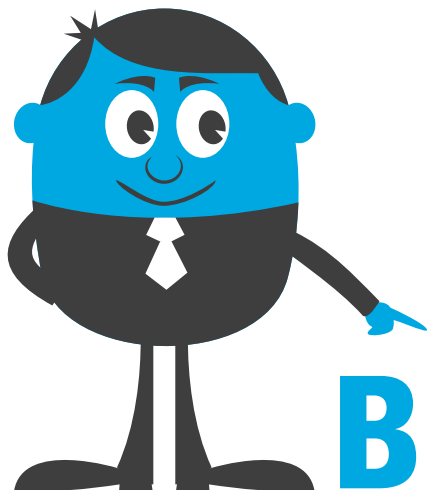


— Dr. Claire Routley  
*Chair of the Institute of Fundraising's Legacy and  
In Memoriam Special Interest Group*



LIVING DONOR STORIES

# WORK BETTER EVERY TIME



THIS WORKED  
**WELL:**

## DECEASED DONOR STORY

“School janitor Lester Holmes died in 1992. After school today, he’ll help an 8-year-old understand math.”

THIS WORKED  
**BETTER:**

## LIVING DONOR STORY

“School janitor Lester Holmes signed his will today. One day his charitable estate gift will help an 8-year-old understand math.”

# INSPIRE MORE LEGACY GIFTS BY CONNECTING DONORS' EMOTIONS AND MEMORIES ABOUT THEIR LOVED ONES TO A PLANNED GIVING DECISION

ROUSING MEMORIES OF LOVED ONES INVOLVE BOTH  
**EMOTION AND MEMORY.**



<b>BRAIN REGION</b>	<b>RESPONSE</b>
---------------------	-----------------

Mid/posterior cingulate cortex	EMOTION
Insula	EMOTION
Hippocampus	MEMORY

# HELP DONORS UNDERSTAND THAT A LEGACY GIFT CAN REPRESENT A LOVED ONE

Family members make bequests representing a loved one (and that loved one can even be a cat) because they **want to connect their EMOTIONS AND MEMORIES** of and about that person **to an action that will make a difference for others.**



## WORDS THAT **WORK:**

- Do you have a **deceased friend or deceased family member** who would have appreciated your support of *[insert name of organization]*?
- If so, please state **your relationship to them** and write at least 25 words describing their interest in or connection with *[insert name of organization]*.
- If you signed a will in the next 3 months, what is the likelihood you might leave a bequest gift **honoring a friend or family member** to *[insert name of organization]*?

**SMART TIP**

# CONSIDER USING CHECKBOXES

**TO OFFER THE OPTION OF HONORING A LOVED ONE**

**MY GIFT IS IN**

HONOR OF

MEMORY OF

\_\_\_\_\_  
[ Insert name ]

\_\_\_\_\_  
[ Insert relationship ]



# WORDS THAT MENTION TAX INCENTIVES WORK VERY WELL

## WORDS THAT WORK BEST:

- “**Receive a tax deduction** and make a gift that pays you income for life”
- “**Immediately receive a tax deduction for 70% of the value of a house or land** by making a charitable gift of the property, but keeping the RIGHT TO USE it for the rest of your life”
- “**Get an immediate tax deduction**, by making a gift where you still control the investment of the assets and receive income from the investments for the rest of your life with anything left over going to charity at your death”

**BUT BE CAREFUL BECAUSE YOU MUST REMEMBER THAT PHILANTHROPY IS A SOCIAL ACT.**

(Supporters will not want to admit that tax incentives really do have an impact on their legacy gift decision-making)

# USE SOCIAL NORMS FOR BENEFITS OF MAKING A PLANNED GIFT

But don't identify them as the motivating factor for making a planned gift



## DON'T

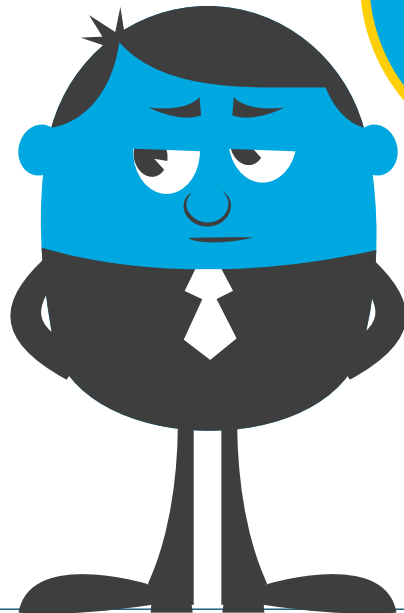
Destroy the social nature of the act of joining a legacy society by saying, "People join our legacy society **so everyone can know how philanthropic they are!**"



## DO

Use the social nature of the act of joining a legacy society by saying, "**Many people** join the legacy society **so their example can influence others** to make the same commitment."

# DON'T LEAD WITH DEATH WORDS THAT CREATE AVOIDANCE



I'm too busy  
to think about  
that right now.

I'm healthy  
so this doesn't  
apply to me.

I'll definitely  
plan to think  
about this...  
later!

PEOPLE AVOID THOUGHTS  
ABOUT THEIR OWN DEATH

**DEATH AND TAXES**  
ESTATE PLANNING  
REMINDS PEOPLE  
ABOUT THEIR  
**OWN MORTALITY**



# GIVE THEM “THE MEDICINE” WITH A **SPOONFUL OF SUGAR**



Offer the information in a **non-death-related package**. Then, motivate decision-making action to finalize a gift with **non-death-related reasons**

## **DON'T**

- Invite donors to a “**charitable estate planning**” seminar
- Write a letter asking donors if they would consider making a **charitable bequest gift**
- Suggest donors “Get a new brochure about **making a bequest**”
- Tell donors “You should **update your estate plan now in case you get hit by a truck**”

## **DO**

- Invite donors to a “**Learn tax-smart ways to make a bigger impact with less cost**” seminar
- Include the question about charitable bequest giving in the middle of an 8-10 question **donor survey asking for their opinions** about your organization
- Promote a new publication saying, “Many friends of [insert name of organization] love our new publication ‘Making your giving **cheaper, easier, and smarter**’”
- Say, “We have a sponsor willing to give \$1,000 cash right now every time a supporter notifies us about a gift they made in their will, estate plan or by beneficiary designation. **But the sponsor will only do so until November 1st.** Please let us know if you’ve completed your gift plan”



**STACKING MESSAGES**

# **GETS BETTER RESULTS**



**DONOR  
STORIES**



Memorial reminder  
ABOUT A  
LOVED ONE



**BETTER  
RESULTS**

# OTHER ODDS N' ENDS

- ✓ Older adults are initially more resistant to bequest giving but **MORE RESPONSIVE TO BEQUEST MARKETING**
- ✓ Drip marketing is **ESSENTIAL**  
Drip marketing (multiple personalized and relevant messages delivered consistently over time) helps you break through the initial resistance. **Once you penetrate the intransigence, they will become more responsive.** Plus, as you know, gifts from older donors will reach your organization faster.

## A SMART TWO-STEP PLAN

- 1. GENERATE LEADS**  
using social norms, family reminders, and non-death-related packages
- 2. CULTIVATE THOSE LEADS**  
**CONSISTENTLY** with messages that continue to employ social norms, family reminders, and non-death-related packages

# ABOUT MARKETSMART

[MarketSmart](#) is a revolutionary marketing software and services firm that helps fundraisers **raise more money more efficiently and be the best they can be.**

Customers include hundreds of large and mid-sized nonprofits around the world including the Smithsonian, Food for the Poor, City of Hope Cancer Research Center, The Navy-Marine Corps Relief Society, Human Rights Campaign, The San Francisco Opera, Ocean Conservancy, The United States Holocaust Museum, many colleges and universities along with other leading organizations in every sector.

MarketSmart's unique suite of solutions **help fundraisers zero-in on the donors most likely and ready to make mid-level, major or legacy gifts.** These game-changing Internet tracking technologies score each prospect's level of engagement online in order to help fundraisers prioritize who should be contacted most urgently. Additionally, our other products include:

- The [Fundraising Report Card](#) which helps nonprofits visualize their metrics while providing valuable benchmarks by sector (free for organizations with 5,000 or fewer donors);
- And the [DAFwidget](#) (BETA) which helps nonprofits generate more revenue from donor advised funds at no cost (free for all nonprofits).

Organizations implementing MarketSmart's systems and strategies have been able to revamp their approaches to mid-level, major gift and legacy gift marketing to **raise millions of dollars.**