

# The Power of Gifts in Wills

## Fundraising and the Importance of Investment



**INCLUDE  
A CHARITY**



**Fundraising  
Institute  
Australia**

# Current Gifts in Wills market statistics

From a 10-year study of 35 charities, gifts in Wills income has **DOUBLED** in Australia

GIFTS IN WILLS ACCOUNT FOR **20%** OF ALL FUNDRAISING REVENUE

CHARITIES NOW STEWARD MORE BEQUEST SUPPORTERS - A GROWTH OF 14% IN THE PAST FIVE YEARS

GROWTH IN RESIDUAL GIFTS - UP FROM \$157,000 TO \$250,000 IN THE LAST FIVE YEARS

**\$1.6B**  
TOTAL GIFTS IN WILLS INCOME IN AUSTRALIA IN FY24

THE NUMBER OF GIFTS IN WILLS IS EXPECTED TO BE AT LEAST **x2.3** HIGHER BY 2040

Gifts in Wills returns an annual average of \$24.50 for every \$1



invested.

THE AVERAGE PECUNIARY GIFT VALUE IS UP FROM \$59K TO \$92K

OF 61 CHARITIES BENCHMARKED, THE AVERAGE ANNUAL BEQUEST INCOME IS **\$7.2M PER ANNUM**

FIA

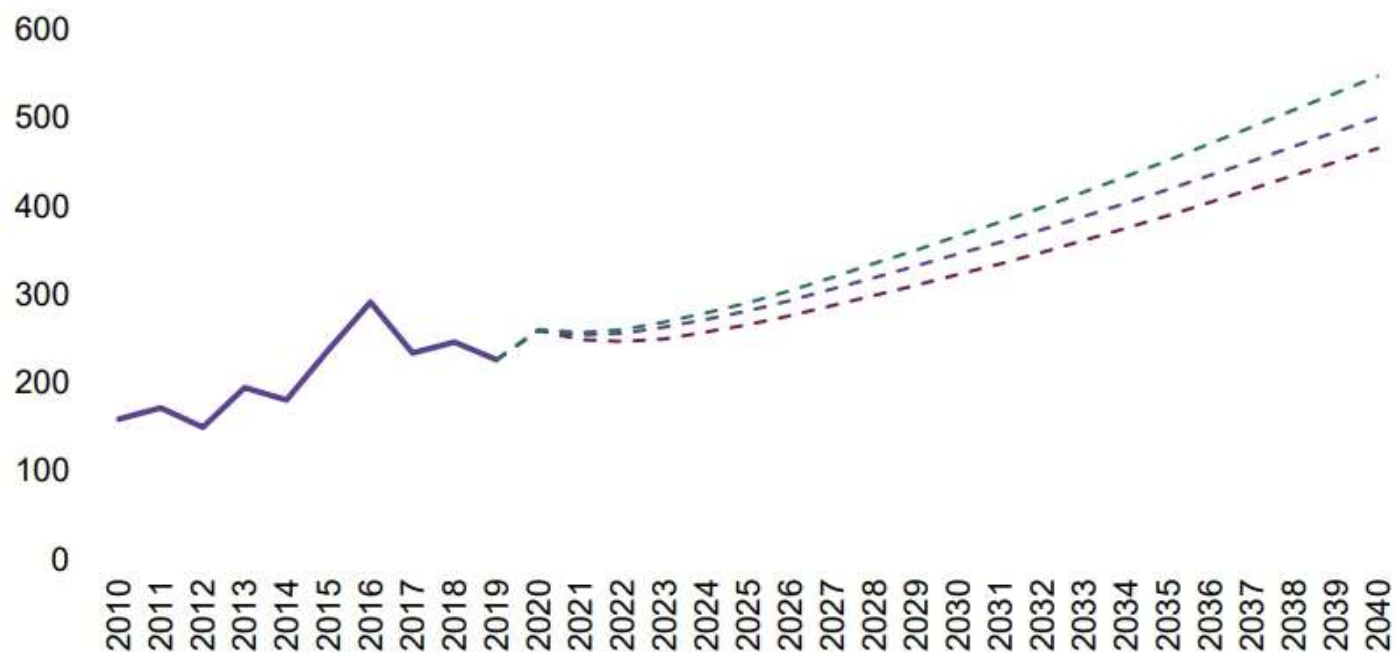
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# Gifts in wills income to double over next 25 years

Real income from gifts in wills, \$ millions (2019 prices), 2010 – 2040



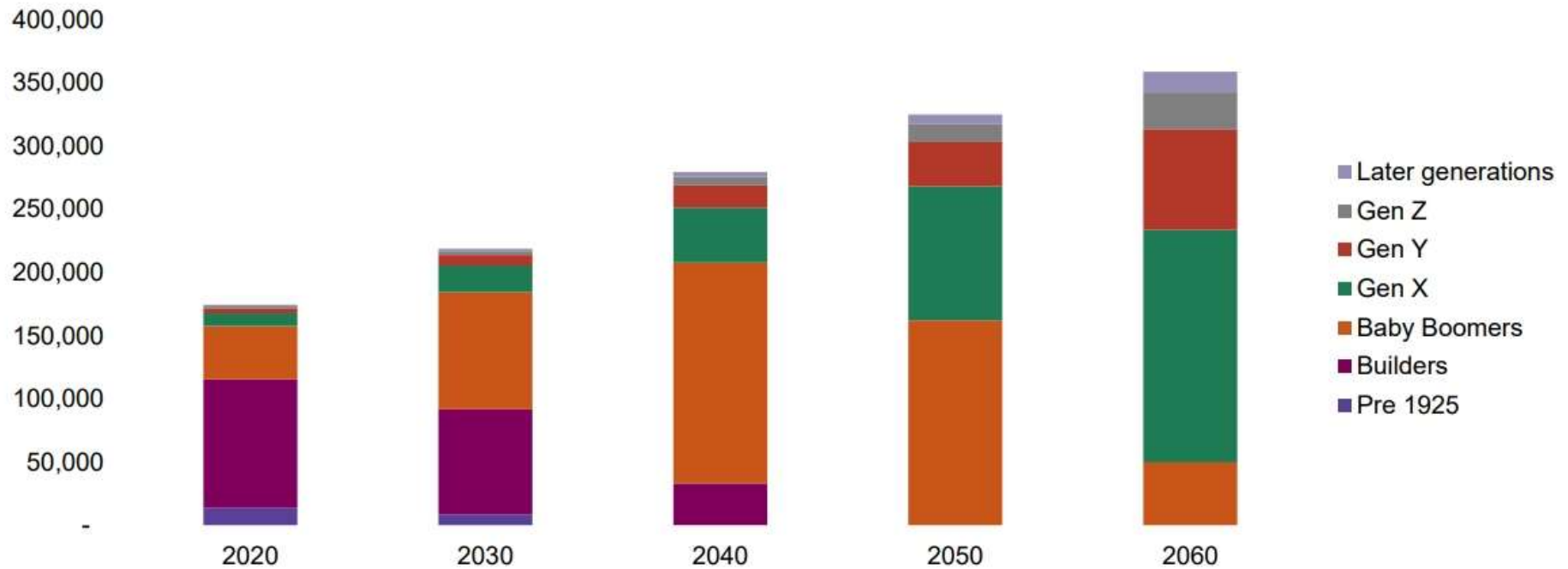
**x.2.2**

3.7% per annum

# As are deaths

Death rate to double over next 35 years

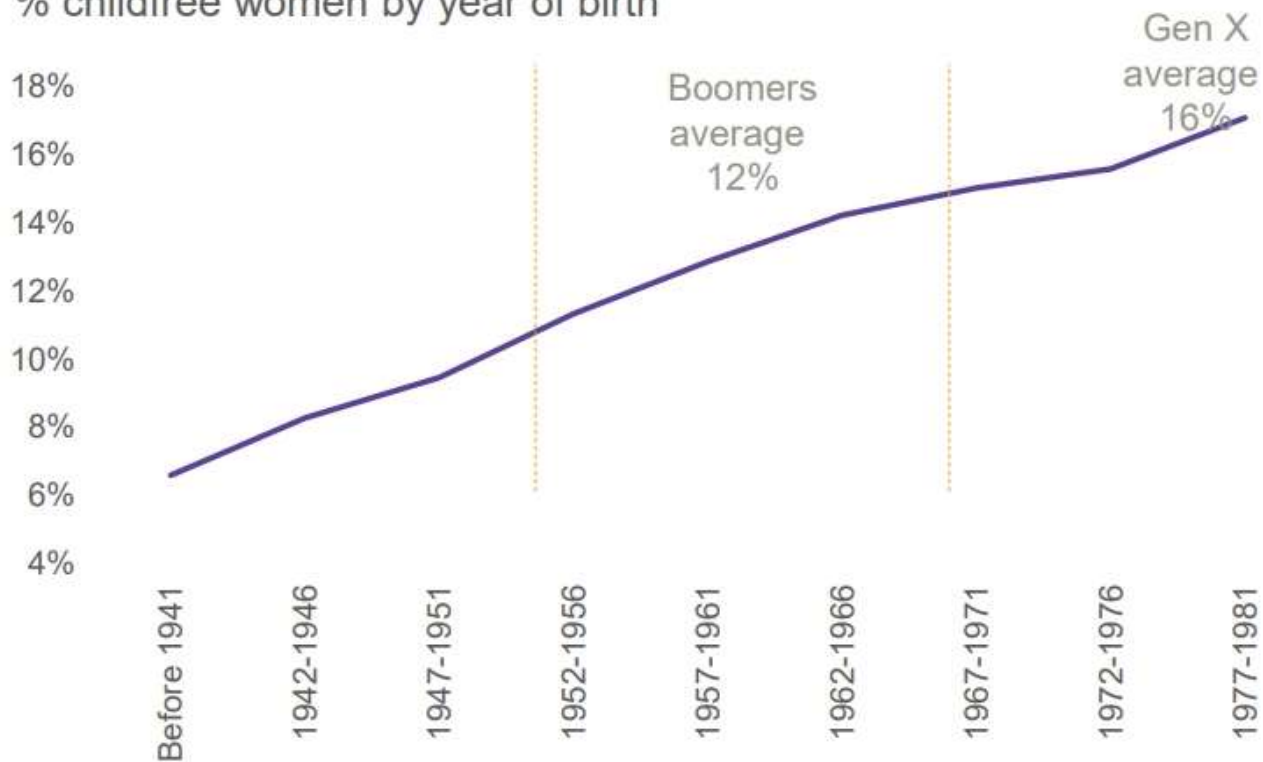
Projected deaths by cohort



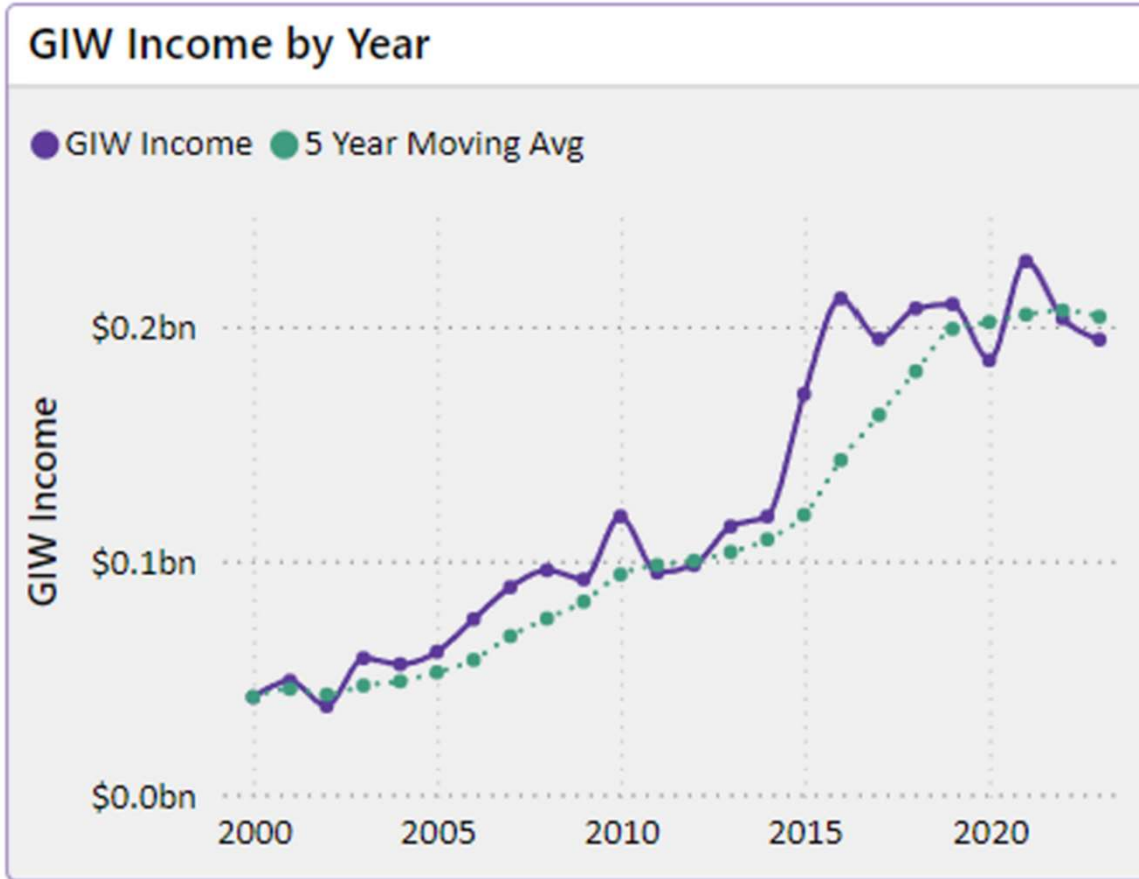
# Less and less likely to have children

ABS Census 2021

% childfree women by year of birth



## Gifts in Wills income continued to grow year on year



We observed a 20% increase in Gifts in Wills income over the past 5 years.

This is a Compound Average Growth rate of 6.8% over the past 5 years, and 2.8% over the past 8 years.

The 5 year moving average suggest a potential flattening in growth in the past 5 years.

# 10-yr income trend with property price



# Key factors driving Gifts in Wills income

## Demographics

Birth rates  
Death rates  
Life expectancy  
Family circumstances

## Economy and Wealth

House prices  
Share prices  
Wealth distribution  
Super annuation  
Care costs  
Equity release

## Attitudes towards charities

Attitudes to giving  
Awareness and trust  
Volunteering

## Gifts in Wills build resilience



“

Bequest income really did enable us to weather the storm. We felt confident that – even if legacy values dipped a little – the money would still make it through. It meant that we could plan. It gave us the ability to manage cashflow and some certainty at a time of uncertainty.

Jayne George  
Director of Fundraising,  
Marketing and Media, RNLI

## Gifts in Wills historically under-invested in

Share of total  
fundraising spend  
for national charities



Legacy marketing spend

Share of total  
voluntary income  
for national charities



Legacy income

Legacy marketing spend is

**4%**

of total fundraising spend but  
legacy income is

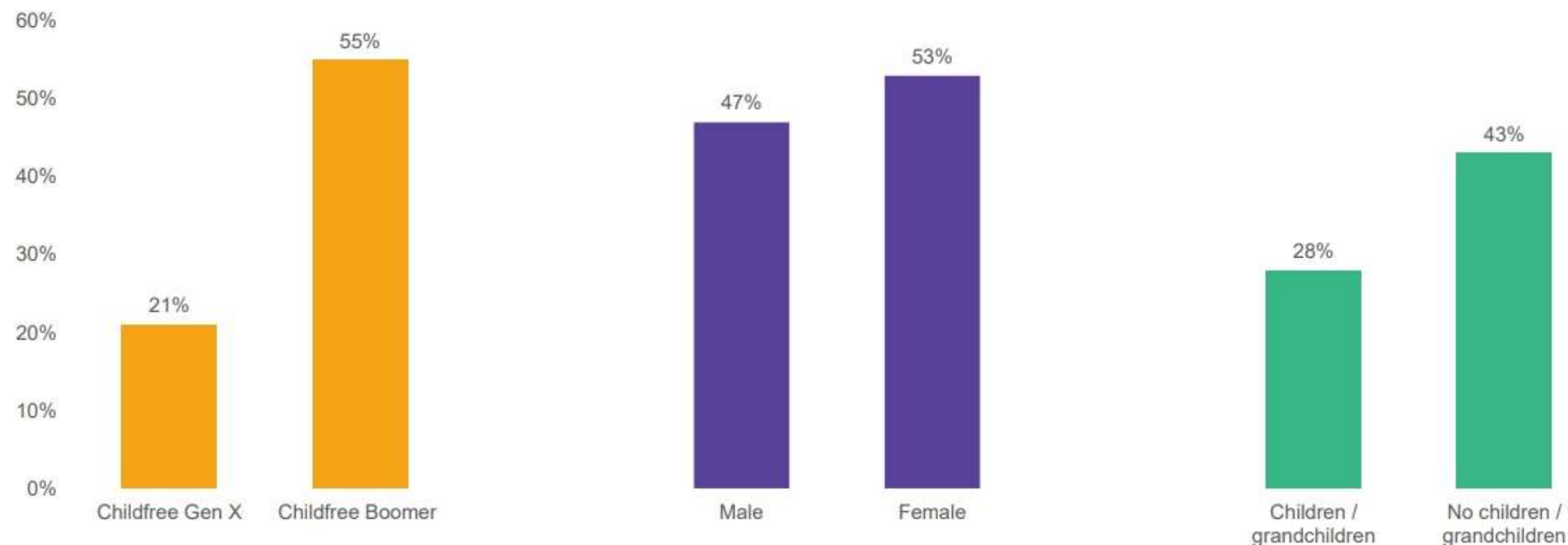
**44%**

of voluntary income

# Childfree people more likely to leave a gift

Populus online survey, June 2020, 543 adults

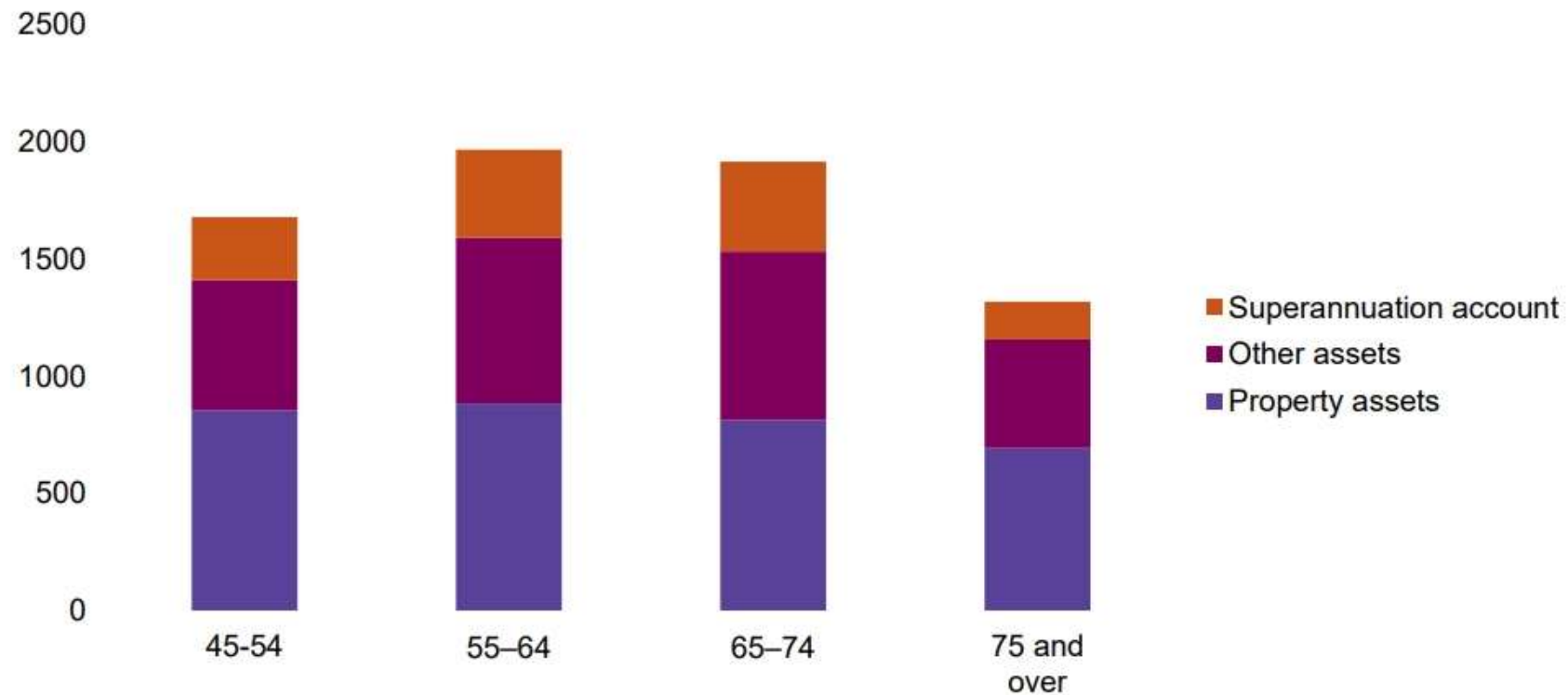
% of childfree people who have made a will that contains a gift to charity, UK



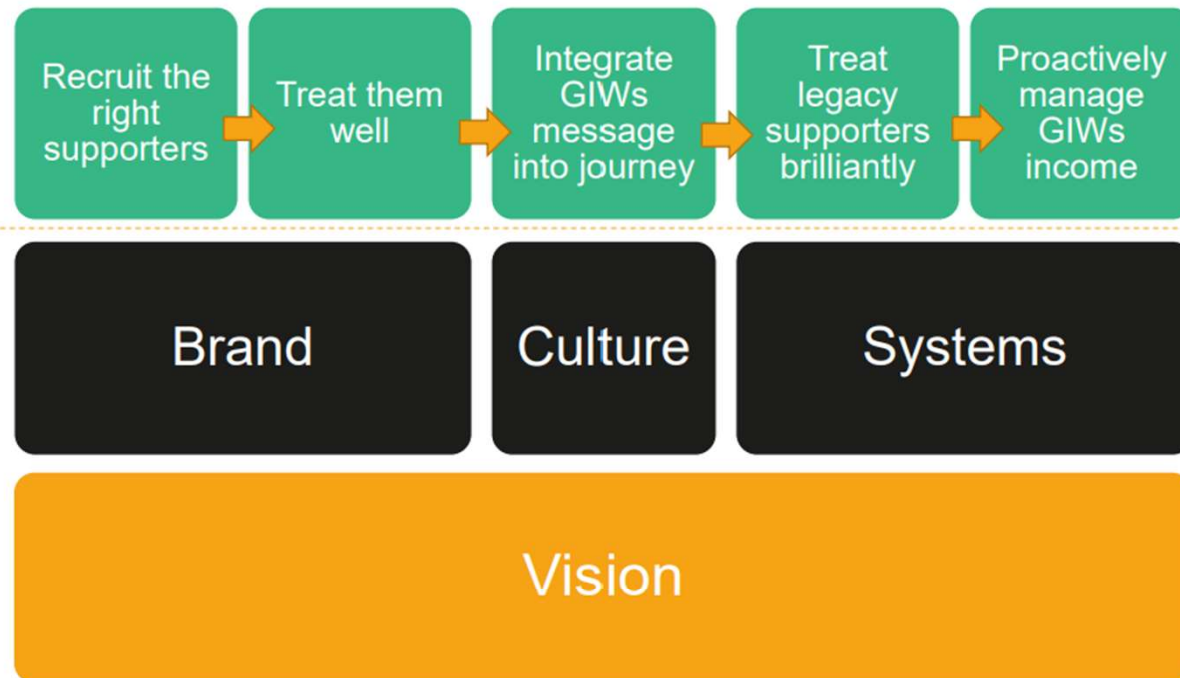
# Boomers wealthiest generation

ABS statistics, 2019–20 Survey of Income and Housing, excludes liabilities

Mean household wealth, \$'000s, 2019-20



## Getting it right



Full Return 2017-2021 Totals (Income / Cost)



- Return on Bequest investment is 8.5 times that of Direct Marketing
- Our "controllable" income comes from expensive channels

## Return on investment

Forecasting Bequest income =  
Multiply the number of your confirmed bequests by your average bequest value.

NB: As only approx. 20% of people inform charities they have left a Gift in Will you can multiply total figure above to forecast known and unknown anticipated revenue.

(You can split out residual, pecuniary and other bequests for deeper insights)

- Forecasting revenue is a challenge in Gifts in Wills.
- **Facts:** 66% of bequestors are known to charity in some way
- Average bequest in Australia is about \$135,000
- Despite a very small number of records, very large size gifts/bequests.
- 7% of gifts make up 60% of GiW income.
- Program Consistency is key. Don't stop-start-stop-start your programs.
- You gain 10-15% more bequest \$\$ moving from *reactive* to *proactive* estate management. E.g. Annual GiW income of \$500,000 = extra \$50,000 to \$75,000, Annual GiW income of \$5 million = extra \$500,000-\$750,000.
- Online wills are a long game – invest more in quality, personal prospecting



# Invest in good collateral. Provides opportunity to talk through with Gifts in Wills prospects and donors



# Other useful pointers

- *What you focus on expands...* Ensure dedicated resource/time/KPIs for Gifts in Wills within the team, e.g. One day a week/25% of month/P-T staff member.
- *Create community...* develop donor-centric approach, in-memory or in-thanks for families and friends.
- *Make yourself visible...* Above-the-line marketing: tri-fold booklets, posters in bathrooms, GiW ads on broadcast screens, run an IAC Week stand in lobby.
- *Educate* everyone internally on the power of gifts in Wills. Run short sessions to build confidence and show impact. Just one fact at what a bequest has done.
- *Learn from those doing it well:* IAC Training Days and webinars on Member Portal with long-term members such as Peter MacCallum Cancer Foundation, Sydney Children's Hospital Foundation, Greenpeace, WWFN, Cancer Councils, The Alfred Hospital Foundation, Salvation Army.
- Attend IAC Training Days, Conference, IAC Week Roadshow. Read research.



Include A Charity and Bequest Assist  
2023 Gifts in Wills Report

**BEQUESTOR DATA ANALYSIS**

What 3,000 bequests tell us about the people who leave them, and the effect on the future



Bequest Assist

July 2023

# FINDINGS at a glance



Mean value of all gifts (pecuniary or residuary)

**\$134,501.55**

Percent of total estate income from residuary gifts

**85%**

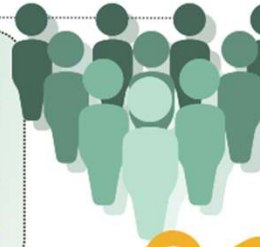
A residuary gift is worth

**12x** the value of a pecuniary gift on average

Women left **more** bequests than men, but **men left slightly higher value** bequests

81% of bequests come from individuals living in urban or semi-urban areas

61% of bequestors were known to the charity before death



Over **57%** of final wills are written after the age of 80

On average, final wills are written **2 years 11 months** before death

When a charitable bequest is left, on average there will be **5.4 charity beneficiaries**



Legacy  
Foresight  
Part of Legacy Futures

## The Future of Legacy Giving: Boomers and Beyond

Presentation

Ashley Rowthorn, Jon Franklin



## Cathedral thinking...



Those who laid the foundation stones would not see its completion. It was still a project worth pursuing. NFP leaders should adopt this thinking for Gifts in Wills to future-proof the organisation and revenue streams.