

The final gift: targeting the potential charity legator

Adrian Sargeant* and T. Hilton

Henley Management College, UK

- *Although legacy income is of enormous importance to many of the UK's fundraising charities, little reliable information exists to assist practitioners in targeting potential legators with appropriate messages. In particular, the motives for making a legacy gift and the differences between those doing so and the general supporter base are unknown. This makes segmentation and the subsequent development of strategy problematic.*
- *This exploratory study seeks to address these issues and compare the motives of individuals who support charities during their lifetime with the motives of individuals who, in addition, pledge a legacy. The authors conclude that fundraisers looking to increase legacy income should target their older supporters, particularly those in their mid to late 60s', as well as users of their services. The findings also suggest that communications to these groups should stress organizational performance and service quality commitments.*

Copyright © 2005 John Wiley & Sons, Ltd.

Introduction

Legacy or bequest income is of enormous importance to many of the UK's fundraising charities, accounting for 29% of the total voluntary income of the top 500 fundraising charities in 1998–99 (Pharoah and Street, 2001). Demographic movement means that legacy giving is about to enter a period of great change. The annual death rate in the UK has remained relatively static for over 100 years at around 1% of the population. This annual number of deaths is due to increase over the next 40 years by 25% due to the passing of the first 'baby boomer' generation. Indeed, the number of people aged 65+ and thus legacy prospects will almost double (Radcliffe, 2002).

This is also an era of rapid change in lifestyles and social values. Those generations holding 'traditional' values are passing, to be replaced by generations with very different approaches to consumerism, religious belief and civic society. The next generation to consider legacy giving will also feature large numbers of single households and will reflect our increasingly multiethnic and multicultural society (Sargeant and Lee, 2002).

Charitable fundraisers, under pressure to maintain or expand income from legacy giving, are developing strategies in response to actual and predicted changes in both current and future audiences. Legacy communication routes have changed greatly over recent years, moving from low-profile communications to solicitors, through direct mail and press advertising to donors, to face-to-face legacy solicitation and events. The creative propositions, language and tone used in these communications have also altered radically over recent

*Correspondence to: Professor Adrian Sargeant, Centre for Voluntary Sector Management, Henley Management College, Greenlands, Henley-on-Thames, Oxon, RG9 3AU, UK.
E-mail: adrians@henleymc.ac.uk

years in response to donor feedback and the ongoing testing of, particularly, direct marketing activity (Burnett, 2001). A notable recent change has been the move away from the cold recruitment of legacy prospects through mail or press advertising, to a focus on the solicitation of legacies from existing donors (Sargeant *et al.*, 2003).

Some sector commentators have expressed concern that a number of the fundraising methods used in legacy promotion are inappropriate, are viewed as insensitive by donors and are therefore unlikely to encourage legacy gifts. Indeed, some have argued that the very act of soliciting a legacy, particularly through the use of direct marketing channels, can result in the recipient donors deciding to terminate their support altogether (Radcliffe, 2001). Other writers, such as Burnett (2002), have argued that legacy communications are often perceived as inappropriate because the charities have failed to understand the needs of potential legators and how these might differ from the balance of the supporter database.

Extant research into legacy giving is scant. Currently there is little reliable information available to legacy fundraising practitioners to assist in targeting potential legators with appropriate fundraising messages. In particular, data are lacking in respect of the motives underlying legacy bequests and the differences between legacy pledgers and the general supporter base, making the segmentation and development of strategies to target potential legators problematic. There is also little understanding of the attitudes of these individuals and whether their expectations of the nature of their interaction with the organization might differ in any way. This exploratory study is the first to address these issues.

Legacy giving

While a plethora of studies have now been published on the factors driving the donation of time and financial resources to good causes (for reviews see Bendapudi, *et al.*, 1996; Burnett and Wood, 1988; Guy and Patton, 1989; Sargeant, 1999), only a handful have

addressed this specifically in relation to legacy giving. Extant studies have focused primarily on pledger/legator demographics and psychographics. Most recently Chang *et al.* (1999) analysed data from the 1992 US Gallup National Survey of National Giving and Volunteering and concluded that the individual most likely to leave a legacy to a charity:

'...has lived in the same residence for 2-9 years, is an unmarried, self-employed, non-Jewish white male, who believes strongly that charitable organizations are both needed and are unwasteful in funds; he also believes in a moral duty to help others and puts the goals of others before his.' (p. 81).

Auten and Joulfaian (1996) used matched income tax records of older and wealthy parents and their children to analyse the effects of US bequest taxes and the children's income on the parents' lifetime charitable giving and legacies. Their results indicate that the higher the children's income, the more the parents donate to charity and that a 1% increase in the tax rate on a taxable estate will reduce legacy donations by 2.5%.

Boskin (1976) hypothesized that the decision to leave a charitable legacy was influenced by an individual's initial wealth, labour income, savings and the tax rules that affected the net cost of giving. Legacies have also been hypothesized to vary by state of residence, age, sex, marital status, number of dependents and the form of the legacy (i.e. cash versus fixed assets, non-charitable legacies or lifetime gift giving) (McNees, 1973; Clotfelter, 1985). All these studies utilized US data sourced primarily from tax returns and therefore do not incorporate individual motives for charity giving.

The only study the authors were able to source pertaining to the motives for charitable bequests was a historical study of 17th-century wills. McGranahan (2000) found that the documents studied provided a rudimentary profile of charitable legators indicating that *'...wealthier individuals are more likely to give to the poor, as are the more religious and those with fewer children'* (p. 1288).

McGranahan (2000: 1289) posits that the documentary evidence also suggests that:

'In the case of wills, individuals give to charity in order to influence how they will be remembered. The notion that individuals give in part to influence how they will be perceived also corresponds well with the public nature of many charitable gifts and the lack of anonymity in giving.'

No further literature pertaining to the profile of legators or their motives for offering such support could be identified. However, extensive empirical data are available in respect of the profile of charity donors and their motives for supporting charities during their lifetime. This study combined this knowledge with that gained from focus groups, to develop a measurement instrument that enabled the profile and motives of those pledging a legacy to be compared quantitatively with other categories of supporter.

Methodology

A two-stage methodology was adopted in partnership with five major national UK charities representing a variety of different categories of cause. In the preliminary stage focus groups were conducted with legacy pledgers from each participant organization.

The aim of the focus groups was to elicit the motives of donors for becoming legacy pledgers to the participant organization and to derive a series of factors that could then be tested quantitatively in the second stage. As the reader will appreciate, many of the factors to emerge from focus group discussions reflected extant themes in the wider giving behaviour literature. We thus integrated pertinent literature in our discussion below. Each group ran for around 90 minutes and discussions were taped, transcribed and subjected to a content analysis employing QSR NUD*IST. This analysis suggested that three distinct categories of factor should be considered, namely:

- (1) specific legacy motives
- (2) individual factors
- (3) organizational factors.

The model being suggested here is illustrated in **Figure 1**. Each key category will now be discussed in turn. Selected quotations from the focus groups are offered for illustrative purposes rather than in a scientific manner.

Organizational factors

Performance

The extent to which nonprofit organizations are seen to be effective in fulfilling their mission is widely regarded as a critical contributory

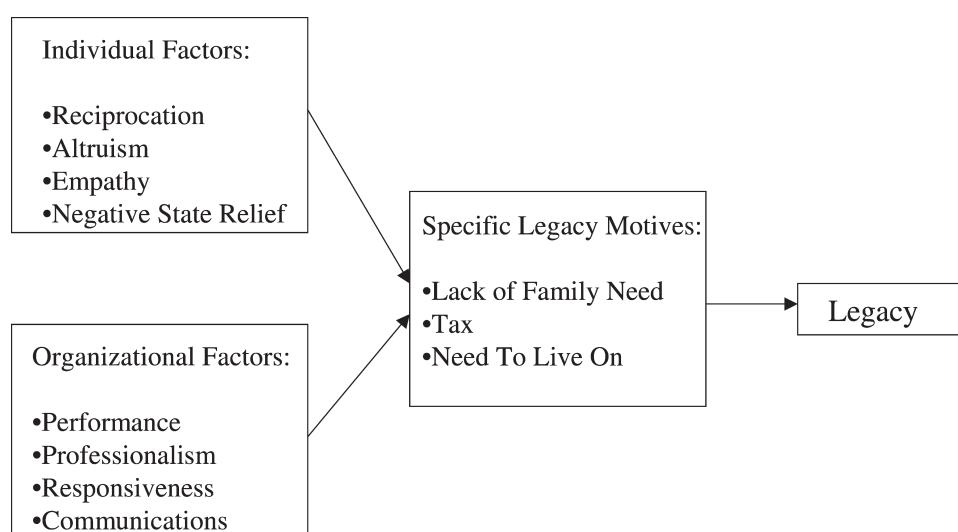


Figure 1. Focus Group Model.

factor in giving (Saxton, 1995). Tonkiss and Passey (1999) argue that the extent to which a potential donor has 'trust' in the sector to deliver the outcomes it promises will drive subsequent giving behaviour. The performance achieved by a particular organization was a key factor in determining whether a legacy gift would be offered. As one Focus Group Member (FGM) noted: '*A legacy is a bigger decision. I thought long and hard about which charity to leave it to. I wanted to be sure they wouldn't squander it.*' Others indicated that they had conducted a more thorough information search than had been the case for other types of giving in which they had engaged. '*I looked carefully at what they'd achieved and how they used their money. I had to be sure it would get to where it was needed.*' Thus it is posited that:

H₁: Legacy pledgers have a greater concern with the performance of the charity than other categories of donor.

Professionalism

The perceived professionalism of an organization may also impact on the voluntary funds it is able to attract. Nonprofit organizations with well-known 'household' names and good management will engender more support than those which lack this perception (Grounds and Harkness, 1998; Saxton, 1995). Focus group data suggest, however, that this need for professionalism might be greater for legacy pledgers. As one FGM noted: '*I'd never support organizations that were poorly managed — not with a legacy. I might send them a small donation if I really liked the cause, but not a legacy.*' Many pledgers had sought information and advice from the charity before changing or making their will. This personal contact had caused many to form a view about the professionalism of the charity and, in a number of cases, deterred a donor from making a bequest. '*You can forgive a lot from charities. After all they're focused on their work aren't they. But there's a limit you know. If I'm making such a major decision I expect them to behave*

professionally'. This leads to the following hypothesis:

H₂: Legacy pledgers have a greater concern with the professionalism of the charity than other categories of donor.

Responsiveness

FGMs stressed the uniquely personal nature of the legacy gift. For most it would be the single largest gift they would ever be able to offer to a charity. There was thus a strong sense that this gift was in some way 'special' and that in offering it they were strengthening the bond between themselves and the organization. The financial and moral significance of the gift appeared to generate higher expectations of how the organization might deal with them in future. As one FGM noted: '*It was a really big thing for me. I'd had to discuss it with my family and go along to the solicitors. I think the least they can do in return is answer my letters and be prepared to call me if I have any queries or concerns.*' Others indicated that the notion of responsiveness could also be a factor for them in deciding which charities to support with a legacy. '*I knew I couldn't support all eight of my favourites and I really wanted there to be a big gift, not lots of small ones. So I thought back about how I'd been treated and who seemed genuinely interested in me, who cared enough to send a personal letter and thank me properly.*' Many respondents felt that a legacy was such a substantial gift that those who wanted recognition (perhaps a mention in a book of remembrance) should be afforded this. Indeed, the importance of responsiveness to donor needs is stressed in the relationship fundraising literature (e.g. Burnett, 2002) and it has been suggested that higher-value donors place greater emphasis on an organization's perceived responsiveness to their needs (Sargeant and MacKenzie, 1998; Burlingame, 1997). It thus seems fair to posit:

H₃: Legacy pledgers have a greater concern with the responsiveness of the charity than other categories of donor.

Communications

Donors are generally satisfied with the quality of communications they receive from the nonprofit organizations they support (Morrison, 1998). Donors like to be kept informed about how their gift has been used and the issues/challenges facing those organizations. Donor development communications play an essential role in supplying these data (Greenfield, 1996). Schlegelmilch *et al.* (1992) examined the role of the quality of communication in gift solicitation and found that, by optimizing communications, organizations could maximize gifts. Legacy pledgers were found to be particularly concerned with the quality of communications received and many felt that this was linked to their pledge. *'When I was giving just a few pounds a month I didn't really pay much attention to what they sent me. When I changed my will I guess I needed reassurance I'd made the right decision and I read everything they send me now.'* Others indicated that communications were particularly important because they cared passionately about the cause. It was felt that anyone leaving a legacy to a charity by definition cared particularly about its work and, as a consequence, would be particularly interested in keeping up to date with that work. As one FGM noted: *'I don't read half of the charity solicitations I receive, but I lost my wife to cancer and (their work) really matters you know—that's why I'll remember them in my will.'* The quality of these communications was felt to be important and pledgers were highly focused on being kept regularly up to date with information about what was being achieved. It thus seems fair to hypothesize:

H₄: Legacy pledgers have a greater concern with the quality of communications generated by the charity than other categories of donor.

Individual factors

Reciprocation

The motivation for giving to a number of charities, notably those connected in some way

with medical research, may be related to a great extent to the level of involvement an individual might have with the problem addressed by a charity. Those individuals who either suffer from a particular complaint, or who are related to a sufferer will be somewhat more disposed to giving than those who have no such association. Schervish (1993, 1997) refers to these links as *'communities of participation'*. Such effects are particularly noteworthy in the case of service users who may feel that they should donate to give something back in return for the services offered (see for example Bruce, 1998 or Nichols, 1992). Writers such as Radcliffe (2002) or Smee & Ford (2003) have stressed that legacies offer donors a unique opportunity to thank charities for assistance, information or support offered to them or their families. This was a motive mentioned by many FGMs. *'They took such great care of (my husband)—gave him back his dignity and created real pleasure in the face of so much pain—I can never forget their kindness—that's why I'll give.'* Some FGMs recognised that this would be their only real opportunity to 'pay back' the charity. *'They were a real help to my family, but I don't earn a lot, so I've never been able to really thank them properly in my lifetime. I give what I can, but it's only small amounts. When I go it'll mean something.'* Thus it is posited that:

H₅: Legacy pledgers have a stronger need for reciprocation than other categories of donor.

Altruism

It was interesting to note that those FGMs who lacked a strong need for reciprocation, as outlined above, saw themselves as giving altruistically, suggesting two key segments of motivation. The following two quotations are illustrative of the comments made. *'I can't see how you can really get any benefit leaving them in your will—I mean you'll be dead—it will be your relatives they'll thank'* and *'when my daughter asked me why—I couldn't really say—it's just the right thing to do'*.

There is considerable support in the literature for the existence of altruistic motives for giving (Batson *et al.*, 1986; Fultz *et al.*, 1986; Griffin *et al.*, 1993). Indeed, a number of researchers have explored differences in behaviour between those egoistically motivated and those motivated by altruism. Davis (1994), for example, argued that the support offered by donors motivated by egoistic concerns would be transitory, since once their own needs were satisfied they would abandon the cause. Those motivated by altruism, in contrast, were significantly more likely to continue their support until the needs of the beneficiary were met. Similarly, Clary and Orenstein (1991) noted that altruistic motives were significantly more likely to lead to 'serious' help than token help. It thus seems fair to posit:

H₆: Legacy pledgers are more altruistic than other categories of donor.

Empathy

Empathy may be defined as an individual's emotional arousal elicited by the expression of emotion in another (Aronfreed, 1968; Berger, 1962; Shelton and Rogers, 1981). Having said this the most commonly employed operationalization of empathy is that of 'cognitive perspective taking' (Eisenberg and Miller, 1987). Despite the difficulties in definition, a number of studies have explicitly addressed the impact of empathy on giving behaviour and found a strong association between the level of empathy attained and the likelihood of providing help (e.g. Coke *et al.*, 1978; Eisenberg and Miller, 1987; Mount and Quirion, 1988). Of course, a degree of empathy may well facilitate many forms of giving, but focus group data consistently suggested that legacy pledgers identified strongly with the causes they supported, either wanting to spare someone else the suffering a loved one had endured or, in the case of charities dealing with physical impairment, seeking to improve the lot of others with a similar condition. As one FGM put it: '*we know just how debilitating this can be—and we*

understand what people will go through. We wanted to plan a big gift that might just tip the balance in some way.' Thus it is posited that:

H₇: Legacy pledgers are more empathetic than other categories of donor.

Negative state relief

In the same way that donors may perceive a benefit accruing from charitable support that makes them feel good about themselves, there is evidence that donors also may be motivated by a desire not to feel bad about themselves. Indeed, some individuals may be motivated by the extent to which they perceive that their support of an organization will allow them to mitigate some personal distress (Kidd and Berkowitz, 1976). This form of response has been widely referred to as the utility derived from personal mood management or negative state relief (Cialdini *et al.*, 1982; Cialdini *et al.*, 1987). It is interesting to note that, in the context of legacy fundraising, this factor may be less of a motivator for donors than in other contexts. There was fundamental agreement among FGMs that offering a bequest was a lengthy process, involving considerable consultation and taking up a disproportionate amount of time compared with other categories of gift they had offered. The need to mitigate a particular mood state at a particular point in time was therefore of considerably less relevance. FGMs also reported that offering a legacy gift had made them feel good about themselves and that this feeling had been stronger than had been the case for other categories of donation. '*I think you feel good because it's so much bigger than you've ever been able to offer before. I mean it's a real accomplishment isn't it. Why wouldn't you feel good about it afterwards.*' '*Yes it's different—you get all the satisfaction now—and it doesn't cost you a penny!*' It therefore seems fair to posit:

H₈: Legacy pledgers have less need for negative state relief than other categories of donor.

Generic motives

As one would expect, focus group data also yielded information in respect of motives that appeared specific to the legacy context. Whilst it is not possible to employ these as the basis for comparison between donors and pledgers, their existence is of considerable relevance for fundraisers and thus is worthy of reporting here.

Family need

One of the key determinants of whether an individual would decide to leave a charitable bequest was identified as the lack of any family need. Only when family, and in some cases close friends, were adequately provided for was it felt reasonable to leave a legacy to a charity. As one FGM noted: *'my children all have good jobs and I don't feel they need the money. Sure — I'll leave them something, but the money will make a bigger difference for (the charity).'* It was interesting to note that in one case a pledger had deliberately decided not to leave her estate to her relatives, even when she perceived they would benefit from the income. *'I don't have a family any more. We haven't talked in over five years and if they don't care enough to pick up the' phone, why should they get all my money when I'm gone. I'll make sure someone gets it who deserves it.'* One might therefore additionally posit the existence of 'spite' as a motive for legacy giving.

Tax

The legacy literature (see above) suggests that the avoidance of estate or inheritance tax would be a key motive for legacy giving. The focus groups confirmed that in some cases this had been an issue, but it was important not to overstate its significance, since heirs would still be better off if all the estate had been left to them, even though tax would be payable on the inheritance. As one FGM noted: *'I wouldn't say tax was the biggest issue for me — but yes I don't see why the government should benefit*

from my death. They've had enough out of me in my lifetime!'

Need to live on

For some donors the legacy offered an opportunity to ensure that they would be remembered, either by those working in the charity, or by successive generations of people who would use its services thereafter. This need was typically expressed as an ego-need of the pledgers themselves or as a perceived need of their family for remembrance. The following quotations are illustrative of the views expressed. *'I suppose it will be nice to know they'll have a record of my gift somewhere. Other people will know it mattered to me.'* *'I think it'll be good for (my family). They can see what's been done with my money. I think they'll be proud — I hope they will.'*

Survey method

Having identified the factors likely to discriminate between legacy pledgers and other categories of donor it was possible to test the respective hypotheses in the second stage of the research. As previously, the research was conducted with the assistance of five partner organizations. Each charity was asked to supply a random sample of 100 legacy pledgers and 200 donors (who had not pledged a legacy). The stratification reflects other research objectives associated with the study. A postal questionnaire was then devised and, after an initial pilot (to check for errors and ambiguity in design), mailed to this sample. Overall, 402 replies were received of which 26 were incomplete or unusable. The results are therefore based on a usable response rate of 25.1%. It should be noted that it was not possible to assess the extent of non-response bias (Baalbaki and Malhotra, 1995) with respect to primary demographics (e.g. gender, age and employment) owing to the random method of sample selection and the low level of information held on the nonprofit databases. However, potential non-response bias was checked following the early versus late method suggested

by Armstrong and Overton (1977), with a chi-square of the responses for the first 25% of the respondents being compared to the final 25%. The tests revealed no significant differences ($p > 0.10$) between these two groups on any of the research variables. It was not possible to undertake a second, follow-up mailing to improve responses because a number of the nonprofit partners would not permit this, indicating that they did not wish their donors to feel 'pressured' or 'obligated' to respond.

Since the present study is exploratory, focus group data were utilized to develop a series of 27 attitudinal statements to measure the eight motivational constructs. Five-point Likert measurement scales were employed where 1 = strongly disagree and 5 = strongly agree. Whilst the researchers could have employed seven-point scales, given the elderly nature of many potential respondents it was felt that scales with clear meanings assigned to each point would be easier to comprehend and thus improve the overall response rate. The techniques of exploratory factor analysis and discriminant analysis were employed to test the hypotheses.

Results

Demographic and behavioural profile

An analysis of demographic data revealed that pledgers are predominantly female (64.9%) and in this regard are not significantly different from other categories of charity donor. Differences did emerge between donors and pledgers, however, in respect of household income ($X^2 = 46.98$, significance level 0.000), with pledgers earning significantly lower sums. Indeed 53.6% of legacy pledgers were found to be living on household incomes of below £20,000 per annum. This difference in income may be explained in part by the ages of pledgers/donors. The mean age of donors was found to be 59.2, whilst for supporters it was found to be 68.4 ($F = 53.06$, significance level 0.000). Significant differences between the two groups were also reported when examining the marital status of respondents.

Pledgers are significantly more likely to be living alone, either because they are single or because they have been widowed (Goodman and Kuskal tau value 0.061, significance level 0.000). Pledgers are also significantly less likely to have children ($X^2 = 107.55$, significance level 0.000). No significant differences could be detected between the two groups in terms of either religion or highest level of educational attainment. Similarly, no differences could be discerned between the two groups in relation to the total amount given to charity each year, with supporters offering £601 per annum and pledgers £701. It should be noted that the distributions in each case were highly skewed and that, as a consequence, a better measure of the typical amount given per annum is the median. The median amount donated per annum by both supporters and pledgers was found to be £300 in each case.

Motivational factors

Principle components analysis was then applied to the set of 27 attitudinal statements. Given the paucity of extant research to provide guidance to test specific psychometric structures, exploratory factor analysis was used. Prior to the extraction of factors, the Bartlett 'Test of Sphericity' and the KMO test of sampling adequacy confirmed that there was sufficient correlation among the variables to warrant the application of factor analysis. In order to simplify the factor pattern, Varimax rotation was conducted. A number of different extraction and rotation methods were explored and it should be noted that the choice of method had no significant effect on the final results.

The first step in a factor analysis is to determine the number of factors to extract from the dataset. It was decided to follow the convention of selecting those factors which have an eigenvalue of larger than 1.0 (Hair *et al.*, 1995). The eigenvalues are displayed in the penultimate row of **Table 1**. The eigenvalue criterion suggest an eight-factor solution. The last row of Table 1 shows the percentage variance in the full set of 27 attitudinal variables

Table 1. Factor analysis

Statement	F1	F2	F3	F4	F5	F6	F7	F8
I expect charity employees to be courteous in their dealings with supporters	0.84							
The quality of communications is important to me	0.80							
It is important that charity communications are timely	0.61							
It is important that charity communications are courteous	0.79							
I expect to be kept informed about how my money is being used		0.80						
I expect any charity I support to respond promptly to requests I might make for information		0.75						
I expect to receive individual attention from the charities I support		0.65						
I expect my gifts to be appropriately acknowledged		0.54						
It is important to give money to charities to help others			0.64					
When I give I expect nothing in return			0.70					
People should receive support from others			0.64					
I compare between organizations to find the one most likely to have an impact on the cause				0.74				
I look for charities which spend a high proportion of their income on the cause				0.76				
I want my gift to have the maximum possible impact				0.64				
I feel I understand the needs of others					0.80			
I find it easy to imagine how others might be feeling					0.63			
I can empathize with those in need					0.70			
I only support charities which are managed professionally						0.82		
I give to charities which have good reputations						0.71		
I support charities which approach me in a professional manner						0.67		
I give to charities which have been helpful to me or to someone I know							0.75	
I support charities that have assisted me in the past							0.71	
When I support a charity I look to receive some form of benefit in return for my gift							0.67	
If I never gave to charity I would feel bad about myself								0.76
I often give to charities because I would feel guilty if I didn't								0.67
Eigenvalue	3.44	3.12	2.16	1.96	1.73	1.57	1.52	1.41
Variance explained	12.8	11.4	8.2	7.3	6.4	5.8	5.7	5.2

that can be attributed to the eight factors. The cumulative value is 62.8%. The adequacy of the factor model is further confirmed by the fact that the communality of all 27 variables (i.e. the percentage of their variances captured by the x factors) is at least 54%.

The significant correlations between factors and statement variables are also shown in Table 1. Taking into account both practical and statistical significance the sample size suggests the selection of a cut-off value of 0.3 for correlation coefficients to be regarded as significant and included in the table (Hair *et al.*, 1995). For the sake of brevity, non-significant correlations have been omitted as

have the details of two statements that did not load significantly on any of the eight factors.

The next and most subjective step of factor analysis is to name the factors. The following suggestions are made in light of the loadings in Table 1.

Factor 1: communication

Respondents scoring highly on this factor have a particular concern with the quality and nature of communications they receive. They expect to be treated with courtesy and for communications to be timely. Since all the statements

loaded on this factor pertain to communication it seems fair to label this factor accordingly.

Factor 2: responsiveness

Respondents scoring highly on this factor have a strong need for reciprocation. They expect their gifts to be acknowledged appropriately and to receive prompt and individual attention when they contact the organization. They also expect to be kept informed as to how their money is being used.

Factor 3: altruism

Respondents scoring highly on this factor believe it is important to help others. They do not require any kind of return to accrue from their gift. On balance this factor has been termed 'altruism'.

Factor 4: performance

Respondents scoring highly on this factor are particularly concerned with the performance of the charities they support. When they give they are most likely to seek out those charities that probably will have an impact on the cause. They are concerned with both efficiency and effectiveness, therefore this factor has been labelled 'performance'.

Factor 5: empathy

Respondents scoring highly on this factor feel that they can understand the needs of others. They find it easy to imagine how others might be feeling and to empathize with those in need, therefore this factor has been termed 'empathy'.

Factor 6: professionalism

Respondents scoring highly on this factor select charities for the support that they perceive to be given, their good reputations and professional management. They also support charities that they perceive approach and communicate with them in a professional way, therefore this factor has been labelled professionalism.

Factor 7: reciprocation

Respondents scoring highly on this factor select charities to support that have been helpful to them or someone they know. They are also more likely to expect a benefit to result from the giving of a gift. Since all three statements pertain to reciprocation, the factor has been labelled accordingly.

Factor 8: negative state relief

Respondents scoring highly on the final factor give to avoid feeling bad about themselves. They also give because they would feel guilty if they did not. Since both statements pertain to the avoidance of negative states, this factor has been labelled 'negative state relief'.

Attitudinal factors

The attitudinal factors were then employed in a discriminant function analysis (Nunnally, 1978; Tabachnick and Fidell, 1996). The analysis was performed on 50% of the 376 cases for which complete information was available. The balance of the sample was reserved for cross-validation of the results obtained (Frank *et al.*, 1965; Green and Carroll, 1978). All the attitudinal factors were employed as predictors of group membership (i.e. pledger/supporter). The technique of stepwise estimation with Mahalanobis D^2 was employed.

A significant function was extracted ($\Lambda = 0.48$, $\chi^2(5) = 134.17$, $p < 0.000$) containing five predictor variables. The combination of these five variables explained 52% of the variation in the dependent variable and classified 88.8% of the cases correctly (see **Table 2**). This is acceptable since it is higher than the proportional chance criterion of 57.0% and the maximum chance criterion of 75.5%. Press's Q statistic confirms that the predictions were significantly better than chance ($Q = 113.38$, significance level < 0.001).

Table 3 contains the discriminant coefficients obtained. The second column of the table contains the correlation of predictor variables with the discriminant function. It

Table 2. Classification results: analysis sample

Predicted group membership				
	Category	Supporters	Pledgers	Total
Original (N)	Supporters	126	16	142
	Pledgers	5	41	46
Original (%)	Supporters	88.7	11.3	100
	Pledgers	10.9	89.1	100

Note: 88.8% of the original grouped cases classified correctly.

Table 3. Summary of interpretive measures

	Standardized weights	Discriminant loadings	
Variable	Value	Value	Rank
Reciprocation	0.984	0.812	1
Responsiveness	0.318	0.206	2
Negative state relief	-0.376	-0.187	3
Communications	0.256	0.154	4
Performance	0.241	0.105	5
Empathy	NI	-0.099	6
Professionalism	NI	-0.092	7
Altruism	NI	-0.064	8

NI = not included in the stepwise solution.

seems clear that the factor reciprocation is dominant in distinguishing pledgers from other categories of supporter.

The internal validity of the discriminant function was then assessed employing the hold-out sample. In this case the function correctly classified 89.4% of the original grouped cases correctly. Both the proportional chance and maximum chance criteria were exceeded and Press's Q statistic confirmed that predictions were once again significantly better than chance ($Q = 115.02$, significance level < 0.001).

Conclusions

The results suggest that fundraisers looking to target potential legators in the fundraising database should target the older portion of the file. In particular, those in their mid to late 60s' would appear to be particularly good prospects. Whilst a number of other demo-

graphic differences were highlighted in this study, they are difficult to utilize for *a priori* segmentation of the database.

Considered holistically, these attitudinal results suggest that pledgers are generally more demanding than other categories of donor. Considering the organizational factors first, the discriminant analysis indicates that H_1 may not be rejected. Legacy pledgers exhibit a greater concern for organizational performance than other categories of supporter. Similarly, H_3 and H_4 may not be rejected because legacy pledgers appear to demand a higher degree of service quality from the fundraising organization. They expect both the quality of communication and the responsiveness of the organization to be of a significantly higher standard than other categories of supporter. Only H_2 may be rejected, because no evidence was found that legacy pledgers are more demanding in relation to professionalism than other categories of donor.

In interpreting these findings one must be careful not to imply causality, since it remains unclear whether these differences in perception evolve as a consequence of becoming a legacy pledger, or whether predispositions to make these demands are a good indicator of whether or not an individual is a good legacy prospect. Further work would be necessary to establish which of these scenarios is actually the case. Nevertheless it does seem clear that the communications designed to secure pledges should stress the performance of the organization and that a high quality of back-up would be available to ensure that any queries donors may have as a result of this communication are dealt with promptly and personally by members of the fundraising team. The legacy-specific giving motives of lack of family need, tax benefits and the need to 'live on', in addition, can be reflected in communications. Given the demanding nature of legacy pledgers, these results also suggest that fundraisers should pay particular attention to the needs and perceptions of the pledger segment. Particular care should be taken to measure and sustain a high quality of service. Charities also may be advised to afford legacy pledgers some choice over the communications they receive

and a degree of personalization where appropriate.

In respect of the individual factors, because no evidence was found that suggests pledgers are either more altruistic or empathic than other categories of donor, H_6 and H_7 may be rejected. The need for reciprocity, however, was highlighted as the key factor in discriminating between pledgers and donors, so may H_5 not be rejected. Finally, the factor negative state relief was found to be significantly less important for legacy pledgers so that, as a consequence, H_8 may not be rejected. These results suggest that fundraisers should stress the positive aspects of making a legacy gift and the psycho-social benefits that will be generated as a consequence. It seems clear, however, that many pledgers are motivated by the need to 'give something back'. This may be because their life has been touched in some way by the cause, or because they actually have been a service user of the organization. Whilst fundraising messages could be created around this motive, a key lesson for fundraisers may be the need to target all stakeholder groups associated with an organization with legacy 'asks', including service users. Whilst this is intuitive, many charities are wary of approaching service users, for fear that such an ask could be viewed as inappropriate and even discourage service use (Burnett, 2002; Radcliffe, 2002). These results suggest that in reality many of these individuals could be highly motivated to support the organization in this way, even if they are presently on low incomes and can offer no other forms of support.

Limitations and further research

Of course, it is important to stress that this is an exploratory study and that as a consequence one should be wary of attempting to generalize from the results to the wider body of UK charities. These results are persuasive, but necessitate replication. In particular, further work would be warranted in respect of scale development and the use of confirmatory procedures would be a logical next step. It also would be instructive to explore differences in

pledger profile by distinct categories of cause. Whilst the sample size would not permit such an analysis here, it would be interesting to explore whether pledgers to certain types of cause differ in any discernible way. The results of such a study would have profound implications for pledger recruitment and development. Finally, it would be useful to explore the issue of whether the attitudinal differences highlighted are present before a pledge is offered, or develop as a consequence thereof. If the former, an analysis of respondents to certain types of appeal might highlight those individuals who could be higher-quality legacy prospects. The realm of legacy fundraising remains grievously under-researched and the generation of further knowledge is critical for UK charities under pressure to maintain or expand the income they receive from this source.

References

- Armstrong JS, Overton TS. 1977. Estimating non-response bias in mail surveys. *Journal of Marketing Research* **18**: 396–402.
- Aronfreed J. 1968. *Conduct and Conscience*. Academic Press: New York.
- Auten G, Joulfaian D. 1996. Charitable contributions and intergenerational transfers. *Journal of Public Economics* **59**: 58–68.
- Baalbaki IB, Malhotra NK. 1995. Standardization versus customization in international marketing an investigation using bridging conjoint analysis. *Journal of the Academy of Marketing Science* **23**(3): 182–194.
- Batson DC, Dyck JL, Brandt R, Batson JA, Powell AL, McMaster MR. 1986. Five studies testing two new egoistic alternatives to the empathy altruism hypothesis. *Journal of Personality and Social Psychology* **55**(1): 52–77.
- Bendapudi N, Singh SN, Bendapudi V. 1996. Enhancing helping behavior: an integrative framework for promotion planning. *Journal of Marketing* **60**(3): 33–49.
- Berger SM. 1962. Conditioning through vicarious instigation. *Psychological Review* **69**: 467–476.
- Boskin MJ. 1976. Estate taxation and charitable bequests. *Journal of Public Economics* **5**: 27–56.

- Bruce I. 1998. *Successful Charity Marketing: Marketing Need*. ICSA Publishing: Hemel Hempstead, UK.
- Burlingame DF. 1997. *Critical Issues in Fund Raising*. NSFRE/Wiley: New York.
- Burnett K. 2001. Relationship fundraising. *Presentation to the Association of Fundraising Professionals Annual Conference*, St Louis, March.
- Burnett K. 2002. *Relationship Fundraising*. Jossey Bass: San Francisco, CA.
- Burnett JJ, Wood VR. 1988. A proposed model of the donation process. *Research in Consumer Behaviour* 3: 1-47.
- Chang CF, Okunade AA, Kumar N. 1999. Motives behind charitable bequests. *Journal of Nonprofit and Public Sector Marketing* 6(4): 69-85.
- Cialdini RB, Kenrick DT, Baumann DJ. 1982. Effects of mood on prosocial behaviour in children and adults. In *The Development of Prosocial Behaviour*, Eisenberg N (ed.). Academic Press: New York; 339-359.
- Cialdini RB, Schaller M, Houlihan D, Arps K, Fultz J, Beaman AL. 1987. Empathy-based helping: is it selflessly or selfishly motivated? *Journal of Personality and Social Psychology* 52(Mar): 749-758.
- Clary EG, Orenstein L. 1991. The amount and effectiveness of help: the relationship motives and abilities to helping behavior. *Personality and Social Psychology* 17(1): 58-64.
- Clotfelter CT. 1985. *Federal Tax Policy and Charitable Giving*. University of Chicago: Chicago, IL.
- Coke JS, Batson CD, McDavis K. 1978. Empathic mediation of helping: a two stage model. *Journal Of Personality and Social Psychology* 36: 752-766.
- Davis MH. 1994. Helping and empathy: taking the multi-dimensional view. In *Marketing Theory and Applications*. AMA (Winter): Chicago, IL.
- Eisenberg N, Miller PA. 1987. The relation of empathy to prosocial and related behaviours. *Psychological Bulletin* 101: 91-119.
- Frank RE, Massy WF, Morrison DG. 1965. Bias in multiple discriminant analysis. *Journal of Marketing Research* 2(3): 250-258.
- Fultz JC, Batson D, Fortenbach VA, McCarthy P, Varney LL. 1986. Social evaluation and the empathy altruism hypothesis. *Journal of Personality and Social Psychology* 50: 761-769.
- Green PE, Carroll JD. 1978. *Mathematical tools for applied multivariate analysis*. Academic Press: New York.
- Greenfield JM. 1996. *Fundraising Cost Effectiveness: A Self Assessment Workbook*. John Wiley and Sons: New York.
- Griffin M, Babin BJ, Attaway JS, Darden WR. 1993. Hey you, can ya spare some change? the case of empathy and personal distress as reactions to charitable appeals. *Advances in Consumer Research* 20: 508-514.
- Grounds J, Harkness J. 1998. Developing a brand from within: involving employees and volunteers when developing a new brand position. *Journal of Nonprofit and Voluntary Sector Marketing* 3(2): 179-184.
- Guy BS, Patton WE. 1989. The marketing of altruistic causes: understanding why people help. *Journal of Services Marketing* 2(1): 5-16.
- Hair JF, Anderson RE, Tatham T, Black WC. 1995. *Multivariate Data Analysis with Readings*. Prentice Hall: Upper Saddle River, NJ.
- Kidd RF, Berkowitz L. 1976. Dissonance, self-concept and helpfulness. *Journal of Personality and Social Psychology* 33: 613-622.
- McGranahan LM. 2000. Charity and the bequest motive: evidence from seventeenth-century wills. *Journal of Political Economy* 108(6): 1270-1291.
- McNees SK. 1973. Deductibility of charitable bequests. *National Tax Journal* 26: 81-98.
- Morrison C. 1998. *Understanding Donor Motivation*. RTI Publications: Newcastle-upon-tyne, UK.
- Mount J, Quirion F. 1988. A study of donors to a university campaign. *The Philanthropist* 8(1): 56-64.
- Nichols JE. 1992. Targeting older America. *Fund Raising Management* 23(3): 38-41.
- Nunnally JC. 1978. *Psychometric theory* (2nd ed.). McGraw-Hill: New York.
- Pharoah C, Street S. 2001. *An Update on CAF's Top 500 Fundraising Charities*. Charities Aid Foundation: West Malling, UK.
- Radcliffe R. 2001. Legacy fundraising. Presentation to the Institute of Fundraising Annual Conference, Birmingham, July.
- Radcliffe R. 2002. Where now for legacy fundraising. In *A Lot of Give*, Walker C, Pharoah C (eds). Hodder and Stoughton: London; 60-64.

- Sargeant A. 1999. Charity giving: towards a model of donor behaviour. *Journal of Marketing Management* **15**: 215–238.
- Sargeant A, Lee S. 2002. Individual and contextual antecedents of donor trust in the voluntary sector. *Journal of Marketing Management* **18**(7–8): 779–802.
- Sargeant A, MacKenzie J. 1998. *A Lifetime of Giving: An Analysis of Donor Lifetime Value*. Charities Aid Foundation: West Malling, UK.
- Sargeant A, Jay E, Lee S. 2003. *Fundraising Management: Analysis Planning and Control*. Routledge: London.
- Saxton J. 1995. A strong charity brand comes from strong beliefs and values. *Journal of Brand Management* **2**(4): 211–220.
- Schervish PG. 1993. Philosophy as moral identity of caritas. In *Taking Giving Seriously*, Schervish PG, Benz O, Dulaney P, Murphy TB, Salett S (eds). Center on Philanthropy: Indiana University, IN.
- Schervish PG. 1997. Inclination, obligation and association: what we know and what we need to learn about donor motivation. In *Critical Issues in Fund Raising*, Burlingame D (ed.). Wiley: Hoboken, NJ.
- Schlegelmilch BB, Diamantopoulos A, Love A. 1992. Determinants of charity giving. In *Marketing Theory and Applications*, Allen CT. (ed.). Proceedings of the American Marketing Association Winter Conference. American Marketing Association: Chicago; 507–516.
- Shelton ML, Rogers RW. 1981. Fear arousing and empathy arousing appeals to help: the pathos of persuasion. *Journal of Applied Psychology* **11**(4): 366–378.
- Smee & Ford. 2003. *The Efficacy of Legacy Communications*. Smee and Ford Ltd: London.
- Tabachnick BG, Fidell LS. 1996. Using multivariate statistics. Harper Collins College Publishers: New York.
- Tonkiss F, Passey A. 1999. Trust, confidence and voluntary organizations: between values and institutions. *Sociology* **33**(2): 257–274.