

Marketing Charitable Trusts

BY VINCE FRAUMENI

Charitable trusts provide alternative methods for making charitable gifts and should be considered a means to an end, not the end itself. Planned giving should be viewed as a process through which donors can explore a variety of options available to them for making a gift that is mutually beneficial to the charity and the donor. Marketing planned gifts should be a process through which donors are educated about their choices rather than blasted with advertising to help meet organizational quotas.

The following four keys can help identify and educate prospective donors about planned gifts, particularly charitable trusts.

1. Know Who Your Prospects Are

The first step in the process of developing a marketing strategy is to identify your prospect base. To whom will you communicate and how do you communicate with them now? Does your audience consist of doctors, faculty, auxiliary members, volunteers, product users, retirees, or soon-to-be retirees? Don't overlook "longtime" staff members, former members of your board of directors, and longtime donors at all levels of giving.

Do you network with allied professionals in the community? Professional advisors provide credible recommendations to their clients. Your program can be a very valuable resource to them. Make them part of your professional network, and they can be an extension of your office.

Treat the groups that you identify as a separate target audience. Introduce very specific messages to each.

2. Address Donor Interests

Once you have determined who your audience is, the next step is to decide on the message you want to convey. Avoid the temptation to promote a product that the development office wants to "sell." It's more important to know what donors want and then show them how to achieve it.

Donors have interests that are both economic and philanthropic. Donors with resources continue to be interested in opportunities that increase income, and save taxes.

Taxes represent the largest single drain of financial resources during an individual's lifetime, and potentially at death. Aging donors who oversee management of their assets are often interested in reducing some of those responsibilities.

Charitable trusts offer a variety of financial, retirement, and estate-planning benefits to donors. Depending

upon the type of trust and how it is structured, it can meet economic objectives that include: increasing personal income, saving income taxes, avoiding capital gain taxes, reducing or eliminating estate taxes, eliminating management responsibilities, and increasing assets passed on to heirs.

Don't overlook the institutional mission. Donors give because they are interested in helping charitable organizations succeed. Address how trusts meet institutional needs while helping meet donor goals. Get the message across, especially if support will be life-changing or life-saving.

3. Get in Front of Donors

Perhaps the most cost-effective way to introduce donors to charitable trusts is through an existing newsletter or journal. Use testimonial articles. Have donors tell their personal story about why they were motivated to complete a charitable trust, how they benefited, and why they support the organization. Include a photo (donor recognition) and a sidebar about how trust arrangements work and their benefits.

The fastest growing population of Internet users is over the age of 55. It's no coincidence that planned gift Web pages added to organization Web sites are gaining popularity and marketing effectiveness. The page should be interactive and user-friendly, and enable the prospect to contact you requesting more information. Donor prospects can be directed to the Web page at the end of promotional articles and through postcard mailings to target audience groups.

4. Personal Visits

Finally, and perhaps most importantly, get out of the office! Meet with donor prospects and develop relationships. Use the personal call to educate your donors about your organization, and about charitable trusts. Asking questions about their interests and needs enables the development officer to explain how a charitable trust can meet specific donor objectives.

When marketing to your donor prospects, consider their needs and interests first.

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