



Legacy Marketing Evaluation

What would happen if you increased marketing spend?

2025



What would happen if we increased or changed our marketing spend?

is one of the most common questions legacy fundraisers ask, and the hardest to answer. Whether it's input into strategic planning or a justification for investment, this perennial issue is crucial to fundraising teams of all shapes and sizes.

The question becomes even more critical as fundraising teams come under increasing pressure to justify their spend, seeking to maximise income across a wide portfolio of fundraising products.

Calculating a return on investment for legacy marketing is notoriously difficult; partly because the supporters' 'response' to legacy communications is often unknown, and partly because the time lag in receiving the legacy gift is so long. Our analysis suggests that it takes - on average - around 18 years for a new legacy pledge to fully pay out.

Legacy marketing evaluation

Building on our long experience in medium-term forecasting and our recent legacy marketing benchmarking programmes, we have developed a methodology to evaluate both the financial impact of an additional investment in legacy marketing *and* the time it will take to see any return on this investment.

How it works

Given the long time lags between the effect of legacy marketing on your supporter and the receipt of any legacy gift, we need to assess the impact of legacy marketing investment over a much longer period than a normal forecast. Ideally, we would project income and bequests over a 40-year period, in order to see most (but not all!) of the impact of any investment.

Our approach takes a series of stages:

1. First, we create a 'base-case' long-term forecast over 40 years. This forecast assumes that your charity carries on as it has been doing, with no significant changes over this period. In essence, this is a similar approach to our medium-term forecasts, but extended over a longer timeframe
2. Next, we work with you to understand your marketing investment plans. What marketing investment are you considering? How much will you spend? Over which channels? We can test several alternative marketing investment scenarios and evaluate which will be the most effective
3. Then, we then build a marketing evaluation model, using a range of assumptions on the impact of the planned marketing. This includes marketing response rates, pledger / prospect conversion rates, bequest mix and average bequest values. We work closely with you to generate the best possible assumptions. Ideally, we would obtain all the assumptions from your own data, so it is as relevant to your charity as possible. However, we know that not *all* charities will have *all* the required data, in which case we use industry averages
4. The next step is to understand the trajectory of any return on investment. For this, we need to understand the age profile of the pledgers and prospects you are hoping to attract through your

planned marketing. Again, we would ideally take this information from your own historic data, but can use an industry average instead if need be

5. Using all the data collected in stages 1-5, we then generate the 'payback curve', which illustrates how much additional income you will see over the next 40 years as a result of the marketing investment
6. Finally, we overlay this payback curve onto the base-case, which allows you to understand the extra impact of the marketing investment in the context of the legacy income that you were likely to receive anyway

What you get

- 20-40-year forecasts (depending on your preference) for both a 'base-case' scenario and overlays of the impact of additional marketing
- Forecasts of both legacy income and notifications
- Evaluation of a range of alternative marketing investment scenarios, allowing you to test different channels and investment levels
- Comparison of scenarios across various metrics including gross income, net income, discounted income (to account for the long pay back times) and payback time
- A presentation to your team at a time and place to suit you
- PowerPoint slides and underlying data in excel

Data requirements

As discussed above, this work requires numerous inputs and assumptions, which are gathered through conversations with our analysts. We know that not all charities have all the information required; in these cases, we can use industry averages to fill the gaps. We have therefore broken down the data requirements into 'essential' and 'ideal'

Essential

- Income and notifications history as far back as possible (ideally for at least the last ten years)
- Detailed understanding of your past and planned marketing approach (levels of investment by channel)

Ideal

- Age profiles of your pledgers and prospects when they became that status
- Response rates from past marketing campaigns
- Conversion rates of your pledgers / prospects into actual legators
- Pledger and prospect bequest mix
- Pledger and prospect average bequest values
- Pledger and prospect average bequest values

Details

Given the bespoke nature of these projects, they are costed individually but are typically between **£8,500+VAT** and **£12,000+VAT**. If you are already working with us on regular medium-term forecasts, then the cost will be at the lower end.

If you are interested in learning more about our marketing evaluation service, please contact Caroline Waters on c.waters@legacyforesight.co.uk