



The Future of Legacy Giving: Boomers and Beyond

Public Briefing

01 November 2023

Public



Introduction

Boomers are long established as the key audience for legacy giving and are a cohort that Legacy Foresight have been studying for the past 15 years. We have run 5 consortium research projects at regular intervals (the last being in 2019) charting their changing attitudes and behaviours to life in general, their finances and their future plans in order to understand the potential impact these have on legacy giving.

In 2023, post Covid and in the midst of a cost-of-living crisis, it was time to relook at boomers, to see what has changed for them over the past four years. It was also time to start looking further into the future by considering Generation X, who are now at a similar age and stage to boomers when we first looked at them.

The focus of the research programme was to understand where boomers are at now and identify similarities and differences between them and Generation X, along with the opportunities and challenges that they represent for charities and legacy fundraising in the future. We also carried out market sizing and updated our legacy forecasts to 2060.

This briefing report outlines key topline findings from all our research and analysis and we are grateful to our 34 learning circle members for agreeing to share this information more widely with the sector.

A recap of boomers and Generation X

Boomers and Generation X both represent large cohorts in the UK population. According to ONS boomers – born between 1945-1964 make up 22% of the population and Gen X – born between 1965-1980 make up 19% of the population.

Previous Legacy Foresight research identified two distinct cohorts within the boomer generation – older, core boomers and younger shadow boomers.

Core boomers, now aged 65-76, have children who are grown up and living independently and the majority have lost the responsibility for ageing parents. They have already made their decisions about retirement and most have already transitioned into this phase of life, whatever that looks like.

Shadow boomers, aged 58-64, are nearing retirement or newly retired. Some will still have children who need their support and ageing parents, but those responsibilities are starting to diminish and this group is transitioning into (and coming to terms with) their new phase of life.

And Gen X, aged between 43-58 are now the sandwich generation. This cohort spans a much wider spectrum of life stages. They are juggling the needs of dependent children and ageing parents, while dealing with the pressures of work and the cost-of-living crisis.

Key Learnings

The future legacy opportunity for charities is (still) huge

- Our forecasting and modelling found that there is a large opportunity coming for charities with legacy income likely to grow to £6.5b in real terms by 2060.
- Growth is likely to be subdued for the remainder of this decade, due to challenging economic conditions over the next few years, but we anticipate rapid growth from 2030.

Number of deaths, house prices and share prices remain the biggest contributors to positive growth

- In terms of demographics, both the boomer and Gen X cohorts are large cohorts with populations of 14m and 13m respectively.
- Deaths are set to increase, rising by almost a third to reach 825K in 2050, primarily driven by the size of the boomer cohort but also supported by a slowdown in life expectancy.
- Boomers will make up the majority of deaths by 2030 but the importance of Gen X will start increasing and by 2050 they will account for 40% of deaths.
- Despite the current tough environment for house prices and share prices, it is anticipated they will return to growth in the long term which will positively impact on the legacy market.

There is significant wealth in both the boomer and Gen X cohorts

- Boomers have significantly more wealth than previous generations (50% more wealth than War Babies at their age)
- When looking at the wealth of Gen X, our analysis reveals a more optimistic picture than the media presents. Whilst Gen X haven't experienced the same growth in wealth that boomers did, when comparing Gen Xers aged 50-54 with boomers when they were aged 50-54, Gen X appear to be similarly wealthy although with a shift in wealth profile towards more pensions and less property.
- Our analysis also found a greater polarisation of wealth amongst Gen X, with the top quarter of Gen X households owning 70% of wealth (compared to 65% for boomers). Whilst not good for wider society, this is positive for legacies as it shows that as a cohort, Gen X does hold significant wealth and increased wealth increases the chance of a gift (and increases the chance of a large gift).

Child-free is still an important driver but there are other inter-related factors to consider

- Being child-free is a well established key driver of legacy giving and our research found that across all cohorts, child free people were more likely to leave a bequest or be open to leaving a bequest.
- Child-free people make up a significant proportion of both the boomer and Gen X cohorts (25% of core boomers, 36% of shadow boomers and 42% of Gen X are child free) which will lead to an increase in child-free deaths from mid 2020s.
- Our analysis also found that marital status and sexuality, specifically being single and being LGBTQ+, were also significant factors in predicting the likelihood of a gift.

Boomers have fared relatively well over the last four years

- Our research found that whilst the general mood was one of uncertainty, anxiety and pessimism, there were indications that things were a bit more stable than in 2019 and there was some optimism expressed – albeit cautious and qualified.
- When comparing findings with our last study, core boomers were significantly more optimistic about the economic situation in the UK over the next 3 years than they were in 2019.

Growing uncertainty may act as a drag on legacies in the future

- Our research found a strong mood of uncertainty, crisis and pessimism in 2023 with multi-dimensional uncertainty underlying all facets of life and impacting on attitudes and behaviours.
- Uncertainty is driving short term thinking and a reluctance to make commitments for both cohorts. Our respondents felt in limbo and were pushing off decision making or making important life changes as they didn't know what the future would hold or what they or their families might need.
- This also translated into will making behaviours with respondents reporting postponing thinking about wills for the moment as everything felt too uncertain to make any concrete plans.

Fundamental differences between Gen Xers and boomers were identified, which need to be considered as we look to the future for legacy giving

- **Gen X are more diverse as a cohort** – they are more ethnically diverse and less religious as a cohort. They also have a different religious make up with a lower percentage describing themselves as Christian and a higher percentage describing themselves as no religion or Muslim.
- **Gen X are at a different stage to boomers** – both now and to where boomers were at when boomers were their age. So far Gen X have reached key life milestones like getting married and having children later than boomers. Consequently their children span a wider age range than boomers children did when they were the same stage. Gen X are also less likely to have made a will than boomers were when they were at the same stage.
- **Gen X are currently feeling the economic squeeze more than boomers and are more pessimistic about the economic prospects of the younger generation** – with dependent children at home, Gen X are most likely to be cutting back and holding off big purchases due to the cost-of-living crisis than boomers. Our research found that boomers felt relatively more cushioned and more able to cope in the face of the cost-of-living crisis. They felt they'd be ok in the long term and that they had more options. By contrast, Gen X felt completely overwhelmed and focused on coping day to day to make ends meet. They were more likely to be thinking more carefully about how they spend their money and wary about making longer term commitments because of uncertainty. Their main aim was to try to hold on to what they had and think about planning for the future at a later date when things felt more certain and less pressured. Some were even questioning whether they'd have anything left in savings or to use to help family in their hour of need.
- **Future planning and retirement feels too abstract for Gen X** – our research found that Gen X are under so much financial pressure coupled with so much uncertainty that they are putting off doing things like making retirement plans and wills until a time in the future when they feel things will be more stable or predictable or until the next significant life event. Over half of Gen X felt they'd never be able to afford to retire completely.

Going forwards, charities need to engage with these populations now. It's critical to understand how the current climate of uncertainty is affecting people in the short term and what impact it's having on future planning in order to develop strategies to engage with the upcoming Gen X cohort.

Our research approach

The programme had 3 key elements: Desk research, consumer research and analysis and modelling.

Our research considered how different boomers and Generation X are as cohorts – both in terms of numbers and in value terms, we looked at what unites them and what pulls them apart and in an age of ever increasing, multi-dimensional uncertainty, we looked at how uncertainty was affecting their attitudes and behaviours.

Our analysis and modelling used the latest demographic and economic data along with additional insights gained from the consumer research to update our market forecasts to 2060.

With thanks to our consortium

Action for Children	NHS Charities Together	Sue Ryder
Alzheimer's Society	Oxfam	The Brooke
Battersea Dogs and Cats Home	Parkinson's UK	The Donkey Sanctuary
British Heart Foundation	PDSA	The Salvation Army
British Red Cross	Princess Alice Hospice	The Trussell Trust
Cancer Research UK	Prostate Cancer UK	Versus Arthritis
Cats Protection	RAF Benevolent Fund	Wateraid
Claire House Children's Hospice	Royal British Legion	Woodland Trust
Fauna & Flora International	Redwings Horse Sanctuary	WWF UK
Four Paws	RNIB	YMCA England & Wales
Great Ormond Street Hospital	RNLI	
Marie Curie	RSPCA	

More about Legacy Foresight's consortium research programmes

Legacy Foresight runs a number of consortium research programmes annually, where charities come together as a learning circle to pool their budgets, experiences and sometimes data to help build collective knowledge on different topics related to legacy and in-memory giving.

In Memory Insight

In-Memory Insight explores the size, shape and scope of in-memory giving in the UK. The programme has been running since 2011 and aims to collect objective evidence and insight on in-memory giving, to build the case for investment, inform fundraising strategies and help manage relationships with supporters. The programme has looked at numerous topics including the link between in-memory giving and legacy giving, the role of funeral directors in in-memory giving, the changing digital in-memory giving landscape and group in-memory giving. There are currently 48 charities in our 2023 consortium focusing on the future for in-memory products.

Digital Legacy Insight

Digital Legacy Insight (previously know as Legacy Fundraising 2.0) explores the realm of digital and its' increasingly important role in legacy fundraising. Since 2020 it has collected evidence on the current scale and shape of digital legacy fundraising, as well as spotlighting on specific topics around digital best practice, the role of social media in legacy fundraising and how boomers relate to charities online. Our next programme cycle will start in December 2023, focusing on Online Wills.

One off projects

Legacy Foresight also runs one off programmes looking at pertinent issues within the legacy and in-memory sector. As well as tracking boomers over time, previous topics have included working with Lay Executors, 21st Century Will Making and Understanding the Invisible Legator. We will be running a new programme in 2024 – topic TBC.

For more information please visit our website www.legacyforesight.co.uk or contact claire.truswell@legacyfutures.com

Legacy Futures

Legacy Futures is a specialist group of gifts in wills and in-memory giving consultancies, helping over 200 charities worldwide to harness the transformative power of legacy giving.

[Legacyfutures.com](https://legacyfutures.com) | [@talkinglegacies](https://twitter.com/talkinglegacies)

Legacy Foresight

Legacy Foresight are legacy and in memory insight specialists. Best known for their market forecasts and research projects, often working with consortiums of charities who join forces to gain greater insight into specific areas of the Legacy and In-Memory markets.

legacyforesight.co.uk

Legacy Voice

Legacy Voice is a consultancy that helps charities improve their legacy marketing strategies and develop effective communications. Legacy Voice works with charities large and small, UK and international; turning research and insight into deliverable solutions.

legacyvoice.co.uk

Legacy Link

Legacy Link works with over 100 charities each month, supporting them through the whole estate administration process. With a bank of over 30 expert consultants Legacy Link helps to maximise the gifts left to a charity, adding value each step of the way.

legacy-link.co.uk
