# Key Private Bank Philanthropy Advisor Poll

## About the advisor poll

Key Private Bank's Advisor Poll on philanthropy surveyed more than 120 client-facing advisors, exploring wealth advisors' experiences working with high-net-worth clients on philanthropic investing strategies and execution. The 17-question poll, fielded between June 11, 2019 and July 18, 2019, examined donating habits, generational differences, the value of philanthropy in family financial planning, and measuring the impact of donations.

## Summary of findings

### Motivations and triggers causing clients to donate

**What most often motivates clients to donate to philanthropic causes?**

| 34% | 32% | 27% | 7% |
|---|---|---|---|
| of advisors say a duty to make the world a better place for those less fortunate than them | of advisors say a feeling of moral or ethical obligation to repay the people or institutions who contributed to their success | of advisors say getting the tax benefit | of advisors say public recognition for giving to causes that are important to the client |

- The top triggers for giving are more personal in nature (e.g., family health crisis, aging) (72%) as opposed to world events (e.g., natural disaster, disease outbreak) (9%).
- Clients feel connected to causes that are close to home, favoring donations to local causes (71%) over solely national ones (2%).

### Common philanthropy mistakes and the biggest challenges clients face

- When it comes to legacy plans, 71% of advisors say half or fewer of their clients include philanthropy, and nearly half of advisors (49%) say this is the biggest philanthropy mistake they see clients make.
- Additionally, 40% of advisors say "hardly any" or "none" of their clients incorporate Environmental, Social and Governance (ESG) screening in their non-charitable portfolio investments.

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## Differing opinions between wealth creators (parents) and wealth inheritors (children)

**What are the biggest generational differences when it comes to family philanthropy decisions?**

| 33% | 25% | 17% | 13% | 11% |
|---|---|---|---|---|
| Lack of child involvement in giving conversations | Lack of parent transparency with children around giving strategy | How to align causes with personal values | Reasons for donating (e.g., giving for selfless reasons vs. giving to get the tax benefit) | Types of causes to donate to |

### Parents

are most likely to support religious/faith-based causes

73%

and least likely to support environmental/sustainability causes

13%

### Children

are most likely to support environmental/sustainability causes

59%

and least likely to support religious/faith-based causes

3%

Despite the importance of cross-generational family wealth planning,

eight in ten advisors

(82%)

say only "some" or "hardly any" clients involve the next generation in family philanthropy.

## Measuring ROI of donations and the role of donor due diligence

- Measuring impact is the most difficult aspect of philanthropic giving (43%), followed by defining a mission for philanthropic giving (29%).
- Over one-third (37%) of advisors say "none" or "hardly any" of their clients are investing time in donor due diligence.
- In addition, nearly two thirds (65%) of clients say "hardly any" or "none" of their clients use online tools to perform due diligence on potential causes.

For more information about how to make charitable giving part of your financial plan, contact your Key Private Bank advisor.

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