

NON-PROFIT CASE EXAMPLE:

Religious Charity Organization (RCO)

Problem:

RCO faced a declining donor base. The problem was two-fold, how to increase donations from current donors and how to cost effectively acquire or convert new donors.

Analysis Questions:

RCO maintained an extensive database but did not utilize sophisticated analysis using the demographic and transactions variables to define segments for personalized communications to current donors or to refine the acquisition group with the propensity to give.

Customer Analysis and Segmentation: (see page 2 for details)

Demographic Variables

- Geography (select zips in geographic area)
- Age (declining base due to age)
- Income (ability to increase spend)

Transaction Variables

- Season donated
- Amount of gift (s)
- Years on file
- Response vehicle (mail, web)
- Gift Type (recurring / one-time)
- Repeat donors

Strategic Testing Plan:

- Gift Ladder and Postscripts
- Loyalty program for repeat donors

Major Findings:

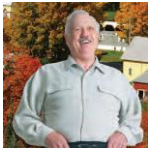
- Ability to donate drives average gift and total gift
- Loyalty programs work for more than credit cards and flier miles

Marketing Results:

- Increased annual giving 22% while decreasing costs 2%
- Increased average gift 17%
- ROI on direct mail increased 24%

DONOR PROFILING EXPERIENCE

Donor Base Profiling – Finding the Repeatable Story



Demographic and psychographic donor profiling allows marketing leadership to segment donors and speak to them based on their wants and needs, making the communication relevant to the donor.

Adding transaction data (or “giving behavior”) enhances the story and again, allows marketing to communicate with each donor segment at the right time, with the right offer, using the right vehicle (web, mail, pew, or phone).

Together, using donor profiles to create segments increases donor retention, acquisition, and penetration along with increasing the organization’s return on investment for marketing dollars.

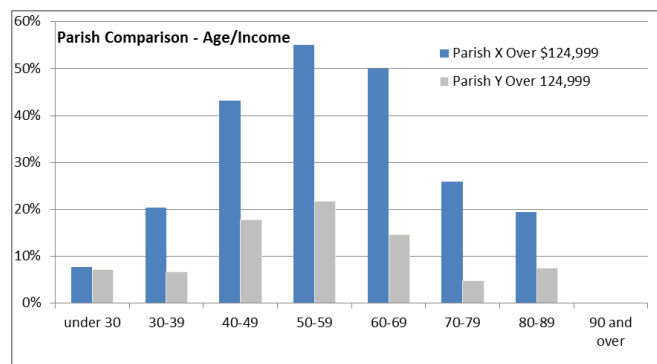
Creating loyalty segments beyond large gift donors is the magic to successful results.

More than Metrics – A Story for each Office and Leadership

Once the donor profiles are created, the story can expand to geographic. Each charity headquarters is comprised of different offices within specific geographic boundaries. Each territory is defined largely by their geographic surroundings, perhaps within a 5 to 10 mile radius. This geographic radius is the local office finite market.

Sample Office Location Example Findings:

Office X is older, with a higher income; Office Y is younger, working, middle income



Presenting data as stories to Leaderships brings a powerful understanding of local offices today, what they will look like tomorrow, and insights into staying relevant.