



Using Predictive Science to Target and Upgrade Donors

Background

Building a strong pipeline to feed you mid-level, major, and planned giving programs is vital to long-term fundraising success. DonorTrends recognizes that increasing donor value is more than a “Here’s your certificate won’t you consider joining the President’s Council?” Rather, upgrading is a strategy that continuously moves your donors down the ‘fundraising field’ to eventually cross the major donor goal line.

DonorTrends built a scoring system that works exclusively with nonprofit organizations to predict future donor behavior. DonorScores™ is a tool used to target donors more effectively to improve revenue and response at every stage of the donor lifecycle.

A human service organization came to DonorTrends for help increasing overall average gift and moving more donors into their mid-level and major donor programs.

Objective

Increase overall average gift and number of new mid-level and major donors.

Measure of Success

Measure the impact of targeted upgrade asks to specific donor segments:

Goals:

- ✓ Increase average gift.
- ✓ Increase the number of new mid-level joins.
- ✓ Increase the number of major donor joins.

Methodology:

Donors’ past behavior was analyzed and a prediction was made based on who was likely to upgrade their gift amount. Donors were divided into three clusters based on their DonorScore™:

Immediate Upgrades

- Ready to be invited to the mid-level program.

Special Development

- Not ready for a mid-level upgrade ask but should be upgraded from their current contribution level.

Worth the Work

- These low dollar donors show propensity to upgrade from their current gift level.

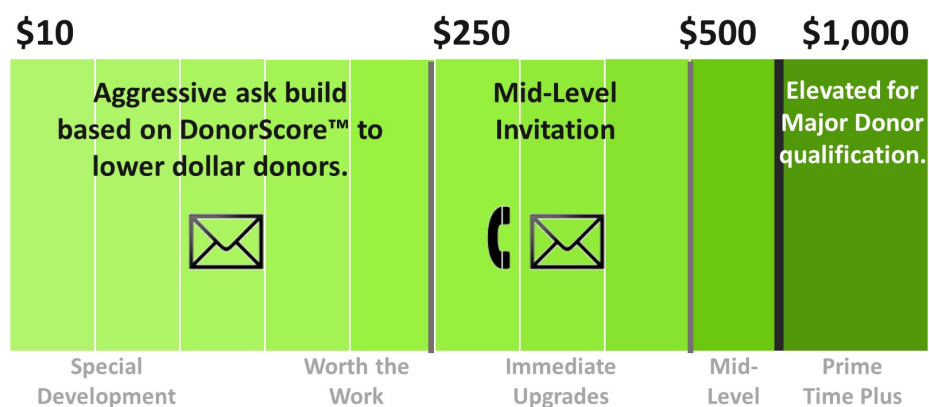
Campaign Strategy

Using the 'Fundraising Field' analogy, each donor cluster had a strategy to try to upgrade the donors and move them down the field.

The lower dollar donors (less than \$250 HPC for this organization) we're given the mail appeal. Their ask string was built based on their DonorScore™. The more likely they were to upgrade, the more aggressive the ask string. Here's an example of the current ask build logic compared to a more aggressive build:

Current ask build logic: 1 x HPC 1.5 x HPC 2 x HPC Other Amount \$_____

Example ask build logic to donors with a higher DonorScore™: 1.5 x HPC 1.75 x HPC 2.25 x HPC Other Amount \$_____



Results

Below are the results from an upgrade / mid-level invitation campaign:

Average Gift	Mid-Level Joins	Major Donor Upgrades	Mail Volume	Phone Cost
<ul style="list-style-type: none">Increased average gift 27%	<ul style="list-style-type: none">272 new mid-level donors	<ul style="list-style-type: none">23 new major donors	<ul style="list-style-type: none">40% decrease in invitation mail volume	<ul style="list-style-type: none">25% decrease in phone costs

Summary

- The DonorTrends scoring system increased upgrades while decreasing overall mail and phone quantities.
- DonorScores™ converted more mid-level donors than any other campaign in the history of the program.
- DonorScores™ identified and converted more than 20 major donors.

Conclusions

The evidence from the campaign results is sufficient to conclude that DonorTrends' DonorScores™ accurately rank and prioritize those likely to upgrade their gift amount.

Action Plan

- ☑ Use DonorScores™ to select the audience for upgrade and invitation campaigns.
- ☑ Create four segments and target these donors to upgrade donor value.
 - **Worth the Work:** lower dollar donors should have a more aggressive ask in three of the best performing appeals.
 - **Special Development:** Not quite ready for a mid-level ask but retention is priority. Upgrade from current gift levels.
 - **Immediate Upgrades:** These donors are ready for a mid-level invitation.
 - **Prime Time Plus:** These donors are ready for major donor cultivation.

Data Required & Timeline

The following transactional data is required to provide Upgrade DonorScores™:

- Select donors that can be asked for an upgrade.
- Provide **lifetime** transactions for these donors. Include on the file:
 - Donor ID
 - Gift Amount
 - Gift Date
 - Sourcecode

Timeline: Scoring takes 2 business days or less.