

Databases & Analytics

integral

In the House



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About Us

The Idea

The idea that sparked Integral and continues to support our relationships with clients is simple and straightforward – deliver strategic services based on a strong analytical foundation that result in high-value, measurable outcomes. We strive to be flexible and responsive to the changing needs of our clients in today's fast-paced business environment.

The Team

We're overflowing with spirited and enthusiastic change makers – each with distinct backgrounds in non-profit fundraising – eager to answer the difficult questions to help you succeed. Our dogs are a big part of who we are, as well. They are part of our pack. We are committed to making a difference in animal rescue.

Who We Help

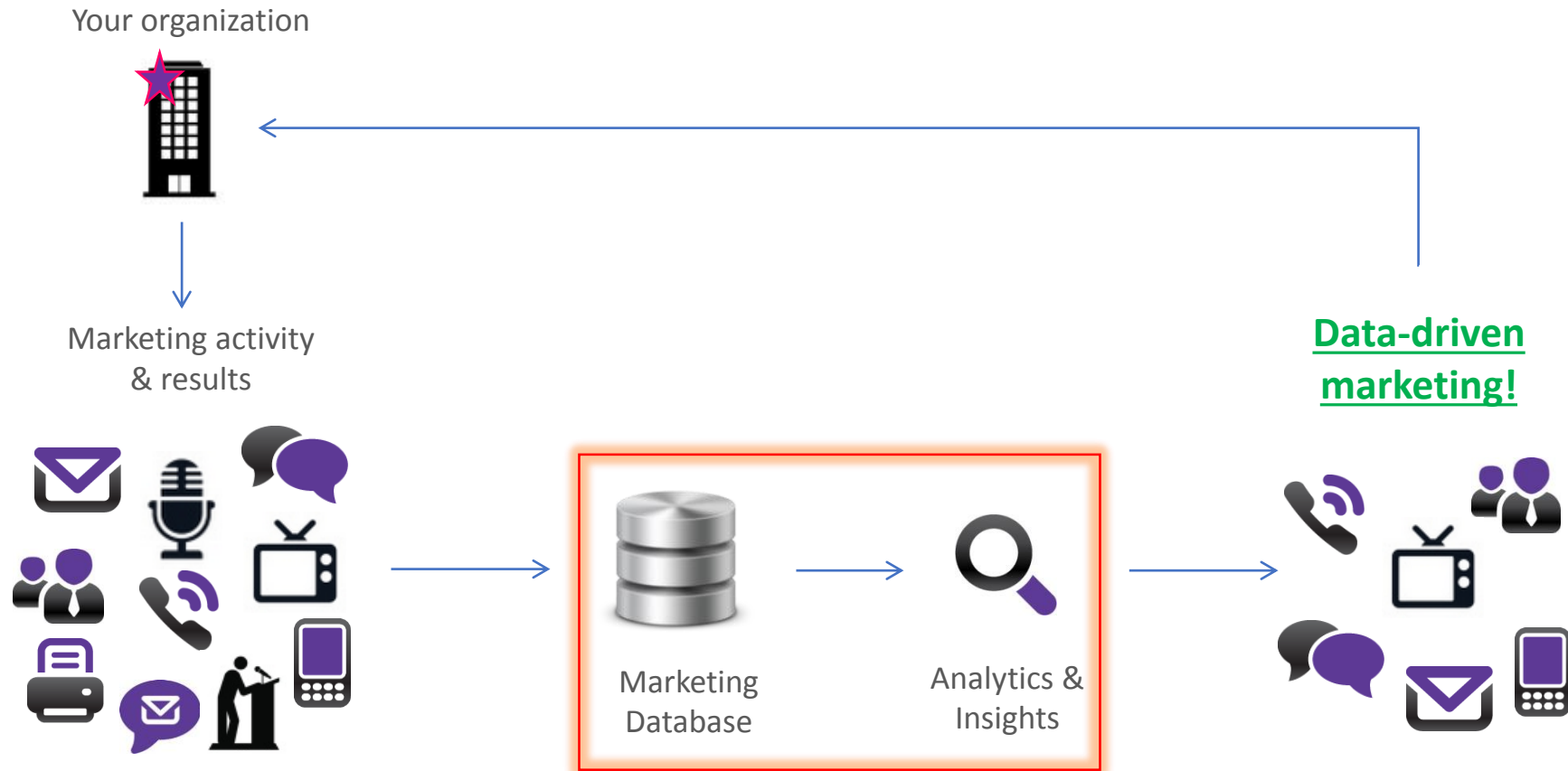




What We Want to Cover

- Databases
 - Fundamentals – What should a marketing database do for you?
 - Utilization – How will your organization use it?
- Analytics
 - “Data-driven”
 - Big or Smart?
 - What to Measure
 - Watch Out!

Where we'll focus within the process



The “copycat” fundraising era is over, and it is imperative to articulate your unique position.

- The types of data collected and metrics that are important to your organizations are no longer the same even within the same verticals.
- Today’s leading organizations are leveraging their data to build new relationships, develop more dynamic segmentation strategies, and seeking new opportunities for growth.

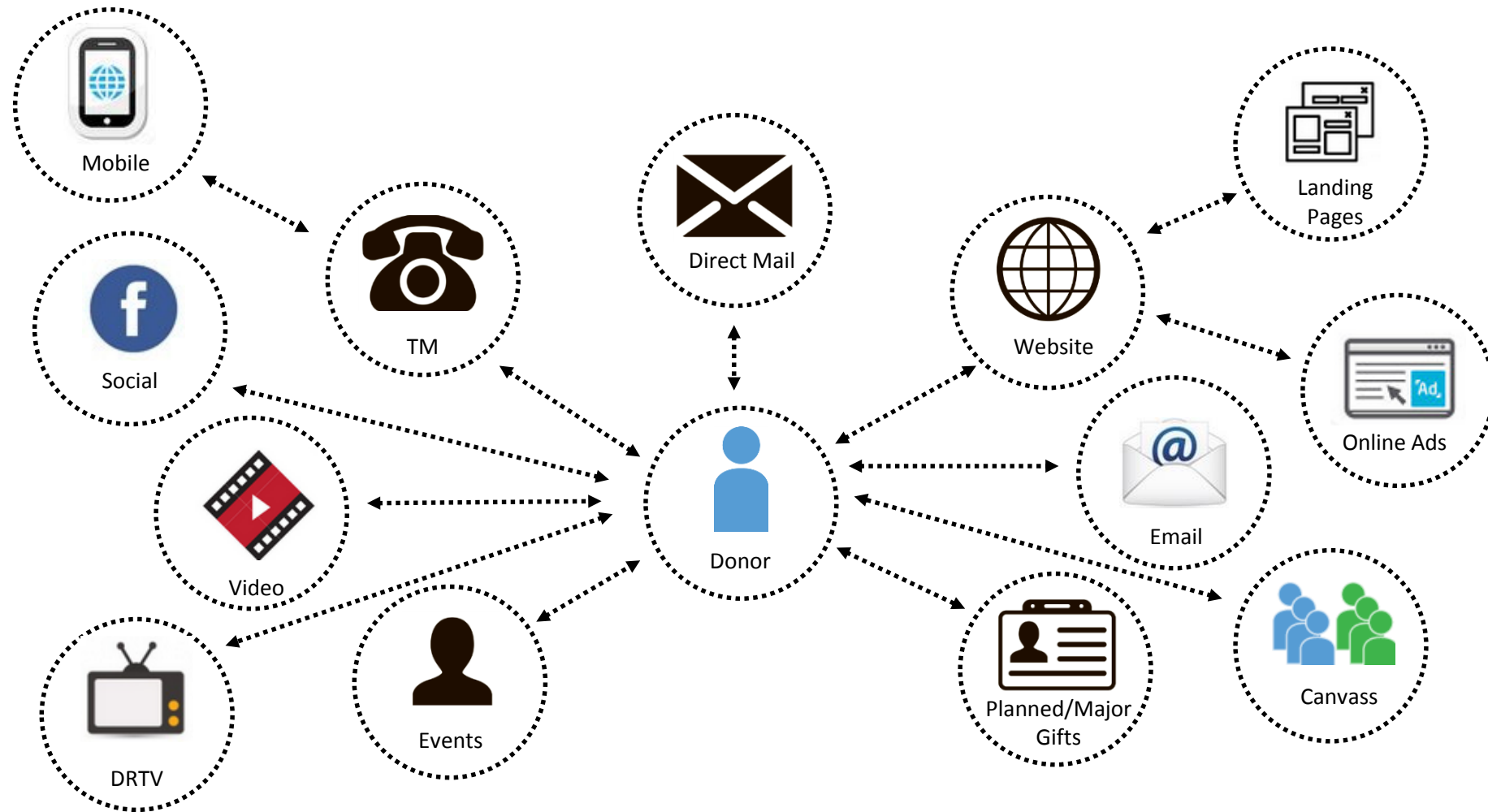
“What is important to our organization?”



Database Fundamentals

Imagine that your organization effectively used all relevant information to make smarter decisions for sustained growth

Data and gift sources: The Old Model



Today, databases are more flexible to meet the evolving needs of organizations

With any marketing database, the goals are the same



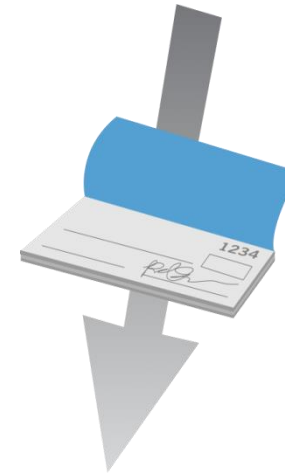
Build
Constituencies



Improve
Loyalty



Increase
Revenue



Reduce
Costs

What You Should Expect From a Database to Achieve those Goals?

It should be the **one place** where all the relevant data is housed.

Enables you to follow **consistent business rules** across multiple channels
(more on this later!)

Has the capacity to **grow** as you grow.

Captures **necessary data** based on program needs.

Has good **“standard” reporting** in order to increase productivity by allowing you to leverage data for better decision making.

GiGo = Garbage in/ Garbage out...

Ask yourself, how should we be handling our data?

1. Collect what you only need to.
2. Question how the data will be used.
3. Discuss how will you get the data in...and just as important, how will you get it out?
4. Am I being consistent with how data is being collected & stored?
5. Is anything missing that will render the data less useful (or useless)?

A photograph of two dogs sitting on a light-colored, patterned carpet. On the left is a black dog, possibly a Labrador, looking towards the camera. On the right is a brown dog, possibly a Weimaraner, looking slightly away from the camera. The background shows a wooden cabinet and a wicker basket. The entire image has a dark, semi-transparent overlay.

Analytics

The key to maximizing value and sustained growth is getting the right information to the right people at the right time

Analytics – Many types

- **Benchmarking** – *How do I compare to other organizations?*
- **Program/Campaign** – *Which campaign brought in the most new donors?*
- **Performance Indicator** – *What is driving increases or decreases in revenue?*
- **Investments Analytics** – *Which channel brings in the highest valued donor?*
- **Segmentation** – *What segments worked for our test?*
- **Communication Analytics** – *How do I best convert online leads?*
- **Channel Analytics** – *How do you leverage Online media for growth?*

What are we trying to do with all this data?

Insight...

- into what levers you need to pull to grow – to make better decisions and create better business models.

Improve...

- current tactics through innovative testing and/or segmentation.

Increase...

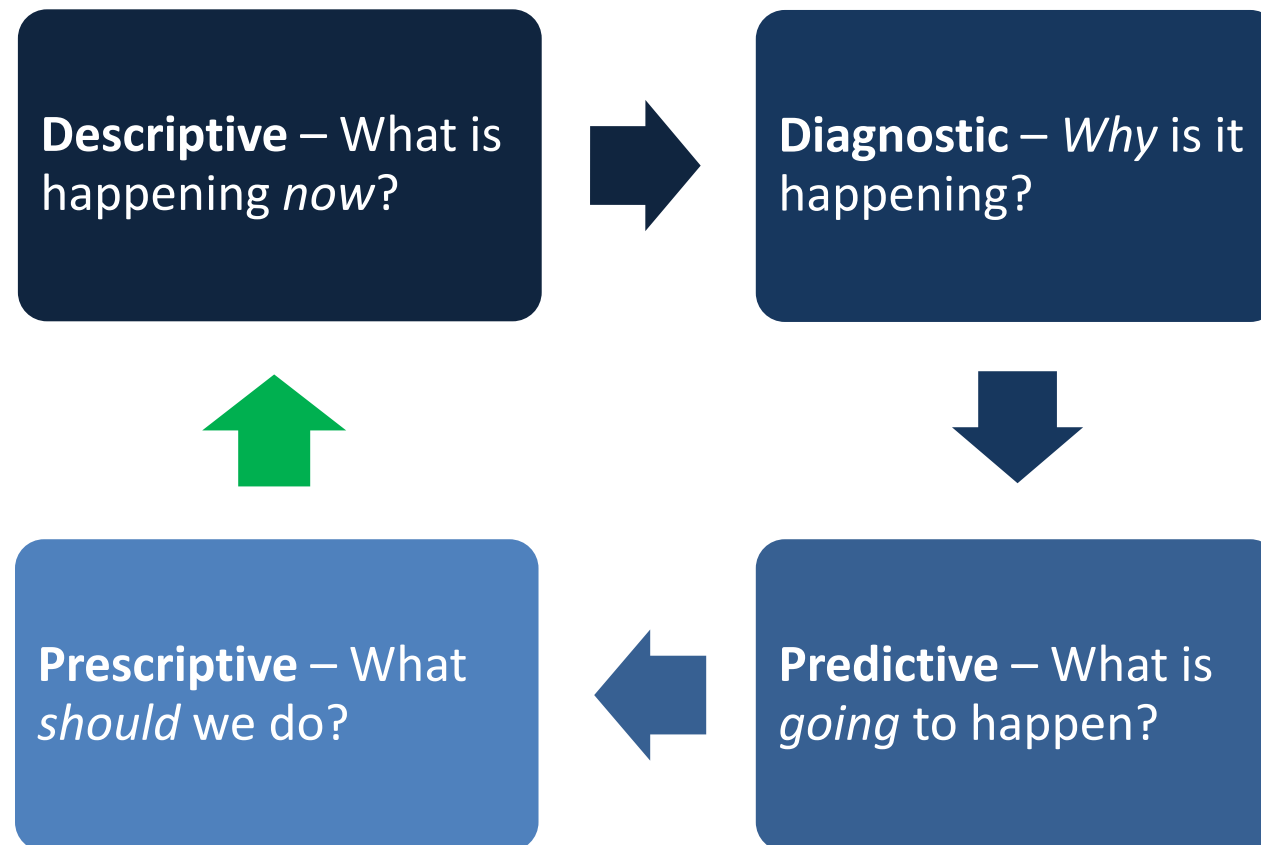
- your reach to new audiences and deeper ties with current supporters.

Invest...

- more effectively in order to manage risk, budgets, forecasts, communications.

Value in Your Analytics - DDPP

4 types of data that need to be utilized in strategic decision-making:





Understanding the Metrics

Some Measures of Success

Basics

- Revenue – Gross/Net
- Response Rates/Average Gifts
- Net Per Donor
- Retention
- ROI (Return on Investment)
- Donor Value
- Conversion Rates
- Upgrading/ Downgrading

How do you calculate the basics?

Gross Revenue

Cash revenue in a set period of time

- Reviewed by segment, campaign, program, and fiscal year

Net Revenue

Gross revenue minus expense

- Expenses typically include direct costs for campaigns (less typical: overhead costs like database fees, caging, etc.)

Response Rate

Number of gifts divided by quantity mailed

- 1,500 gifts divided by 50,000 quantity mailed = 3% response rate
- Top indicator of campaign engagement level

Average Gift

Gross revenue divided by number of gifts

- \$52,500 in gross revenue divided by 1,500 gifts = \$35 average gift
- Top indicator of campaign commitment

More basic calculations

Gross Revenue per Thousand Mailed

Gross revenue divided by quantity mailed multiplied by 1,000.

- \$52,500 revenue divided by 50,000 quantity mailed * 1,000 = \$1,050 rev/m
- Allows equalized revenue comparison with differing quantities. Useful for overall productivity of appeals.

Net Revenue per Thousand Mailed

Net revenue (gross revenue-overall expense) divided by quantity mailed multiplied by 1,000.

- \$52,500 revenue minus \$15,000 expense = \$37,500 net revenue. Divided by 50,000 quantity mailed * 1,000 = \$750 net rev/m

Net Revenue Per Donor

Net revenue divided by donors (number of gifts)

- \$20,000 gross revenue - \$40,000 cost = -\$20,000 net revenue divided by 1000 donors = -\$20 net revenue per donor.
- Most useful as a measurement of acquisition productivity (often a net loss)

RETENTION...*One of the most vital KPIs for any successful program*

Defining retention

- Percentage of donors that return to give another gift in a specific timeframe (typically 0-12 months)

Lifecycle has a significant impact

- Measure the retention of new joins separately from multi-year members

Overall retention

- Considers both retained new joins and multi-year members, and influenced by the ratio of each

First-year, Multi-Year, and Overall Retention (0-12 months)

First-Year Retention

- *FY members from current year/new joins from previous year*
- Critical to understand behavior of new join cohort

Multi-Year Retention

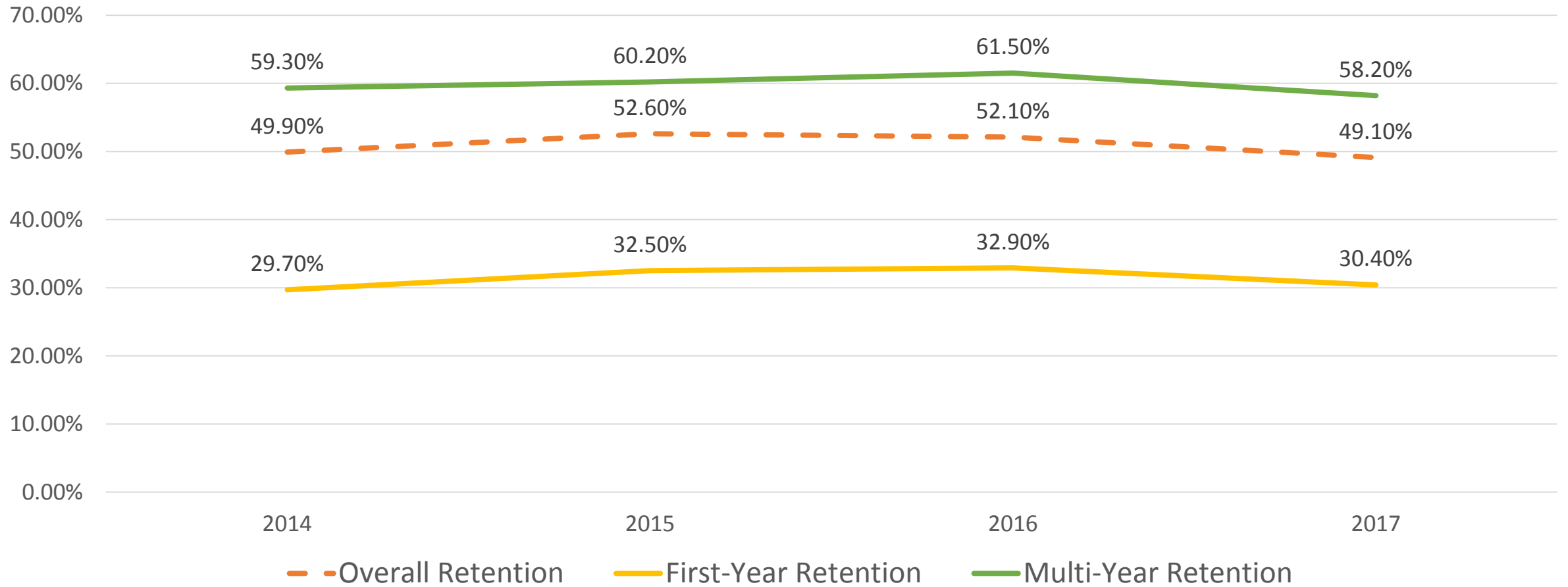
- *MY members in current year/MY, FY, and reinstate in prior year*
- Break into consecutive years for more insight

Overall Retention

- *MY, FY, reinstate in current year/MY, FY, reinstate, and new in prior year*
- Influenced by quantity – ie overall retention could decline with large influxes of new joins

Visualizing Retention

Sample Retention Metrics



Source: 2018
Fundraising
Effectiveness Project

Advanced Measures of Success

Next Level

- Investment Level Metrics
- Matchback
- Multi-channel views
- Net LTV – DRR
- Engagement - Retargeting
- Sustainer Views
- Pathway to Value Metrics

Watch out!

Unintended Analytical Biases – some may have an interest in a test working or not working...

Manage what you Measure – be sure actions are in tune with KPIs.

Lack of Data or Experience hinders Insight – who is setting up and who is reviewing?

Always be skeptical! Double, triple check if something looks off.

Ask Me Anything



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