How to Maximise the Potential of Your Data to Drive Fundraising Results

FIA'S DATA WEEK

Garth Stirling
Head of Services

Garth has over 15 years experience in senior marketing roles in the UK and Australia. Most recently Garth was Head of Marketing at World Vision where he oversaw the turnaround in child sponsorship acquisition, new product launches and growth in digital donation revenue.

Amy Schurmann
Growth Marketing Lead

Amy has over 10 years experience in digital and performance marketing in Australia and Europe. Prior to joining ntegrity, Amy was Digital Director at Scout Frontier where she was responsible for digital for a portfolio of clients including ghd, 99 Bikes, Diabetes Australia and Bolton Clarke.

2023
FIA Supplier Team of the Year

2023
FIA Fundraising Impact Through Creativity
Finalist

2022
FIA Best Campaign Pivot
Finalist

2022
AMI Creativity in Brand (State)

2019
AMI Customer Acquisition Campaign

2022
AMI NFP Marketing

2019
AMI Campaign of the Year

2019
AMI Agency of the Year

AUSTRALIAN MARKETING INSTITUTE | FUNDRAISING INSTITUTE AUSTRALIA

We're proud to have worked with hundreds of changemakers, risk-takers, disruptors and industry leaders around the world.

WHAT ARE WE GOING TO TALK ABOUT?

THE POWER OF DATA
5 minutes

**UNDERSTANDING THE
DIFFERENT TYPES OF DATA**
5 minutes

**DEVELOPING YOUR DATA
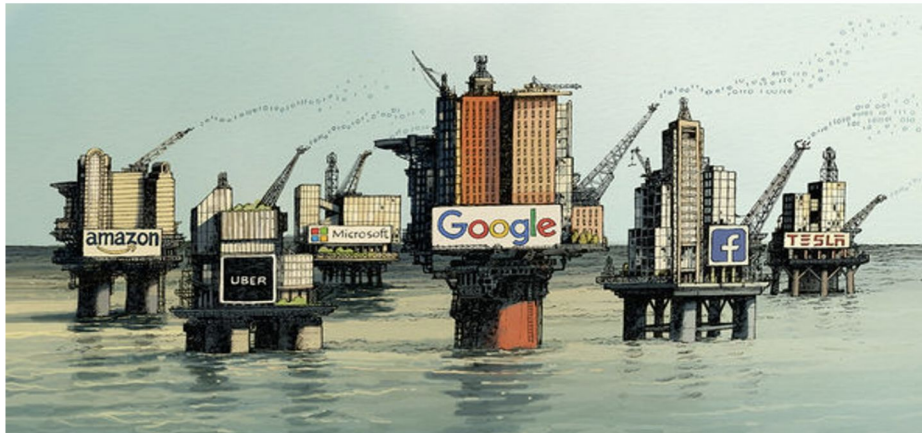STRATEGY & CASE STUDIES**
10 minutes

QUESTIONS
10 minutes

The power of data

The world's most valuable resource is no longer oil, but data

The data economy demands a new approach to antitrust rules

Four ways data can be used to drive fundraising value

1.SUPPORTER UNDERSTANDING

Collecting and analysing donor data provides invaluable insights into your most valuable supporters. Augmenting with additional data allows you to focus on your most valuable potential donors.

2. PERSONALISATION

Personalised experiences builds stronger relationships with donors, increase donor retention, and ultimately raise more funds.

3.PREDICTIVE MODELLING

Donor behaviour prediction such as likelihood to make a donation or donor lifetime value prediction.

4.ACQUISITION AND GROWTH

Lookalike models focuses acquisition activities on audiences that are most likely to be acquired. Data enrichment or appending fills or updates existing data allows fundraisers to generate revenue through new channels.

Because of COVID, digital penetration jumped forward 6 years.

Every organisation was forced to digitally transform, overnight.

How customers and supporters discover, research and purchase (or donate) has changed forever:

➔ Short form video has continued its irreversible march with short form video specialist TikTok sending Meta shares into a tailspin dropping 80% in a year

➔ Search is the number two place to discover new brands followed by social media

➔ We trust online more than friends and family

➔ 50% of YouTube searches are how-to

➔ Australian online sales jumped 60% from $14bill in 2019 to $22bill in 2020
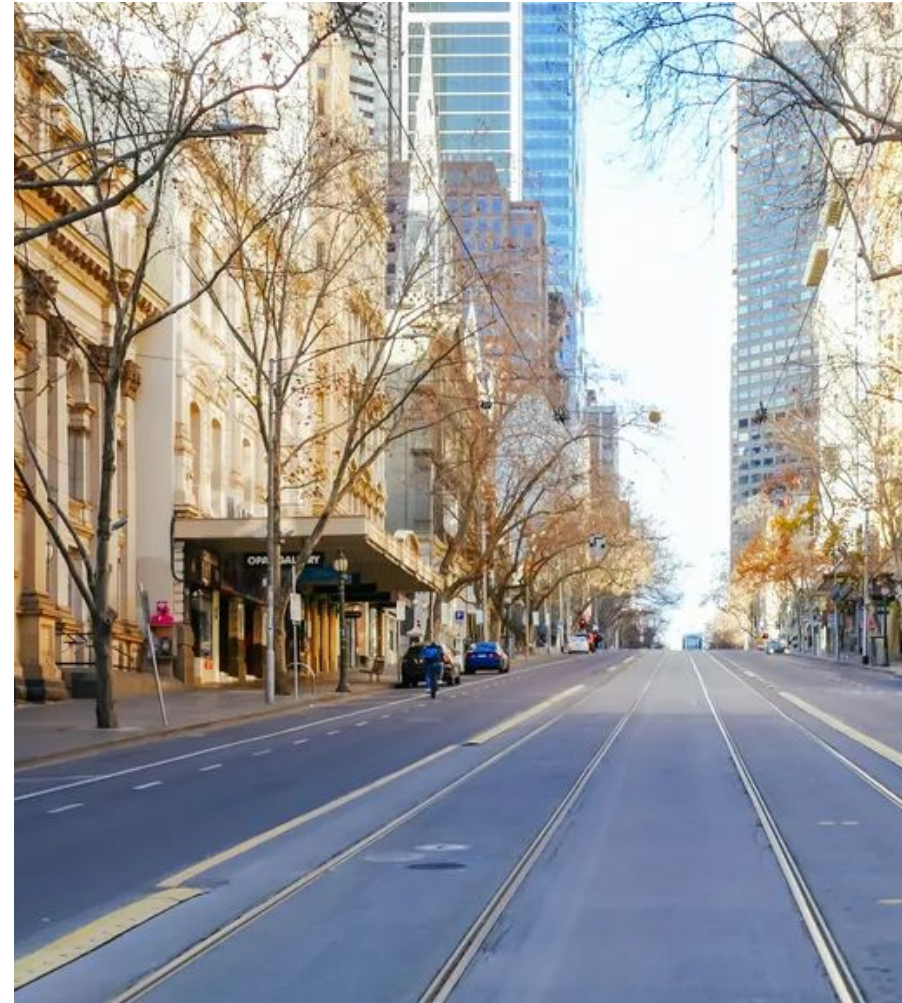
What does it look like now that we're doing more digital and more physical things?
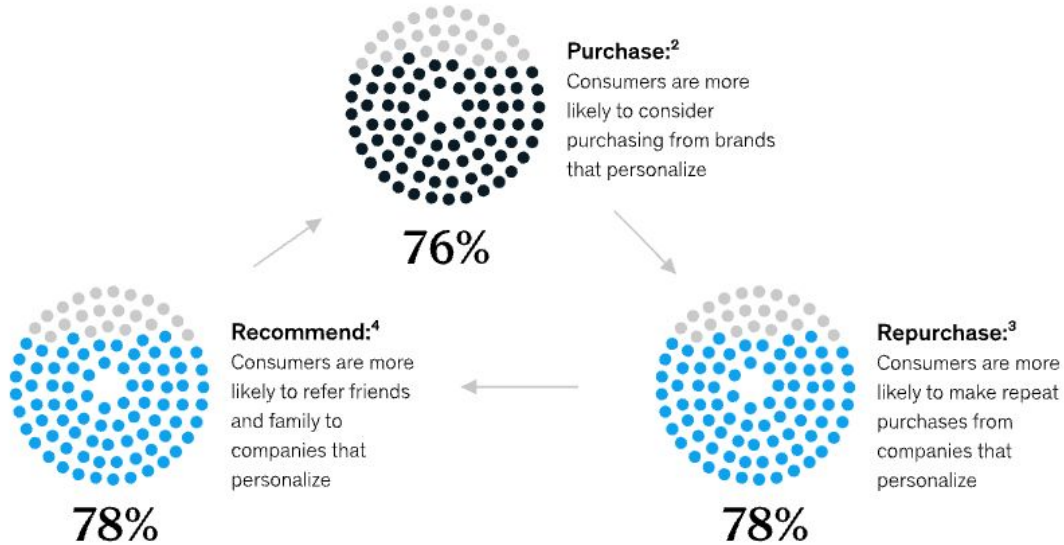
And this way of life is here to stay.

➔ Online commerce is expected to continue to grow.
➔ It's set to double again by 2026 with executives seeing % of online revenue to grow from 20% to 30% in the next year or so.

Personalisation directly influences buying behaviour & long term value (LTV)

Likelihood to purchase, recommend, and repurchase depending on personalization, % of respondents[1]

Purchase:[2]
Consumers are more likely to consider purchasing from brands that personalize

76%

Recommend:[4]
Consumers are more likely to refer friends and family to companies that personalize

78%

Repurchase:[3]
Consumers are more likely to make repeat purchases from companies that personalize

78%

Over 60% of CMO's said they don't have the in-house skills to deliver on priorities and strategies.

The smallest gap was in brand where organisations felt they were well served and organisations are increasingly insourcing social media and creative production

The largest gaps were:

➔ Marketing data and analytics
➔ Customer understanding and experience management
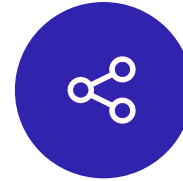➔ Marketing technology

And we see this trend in not-for-profits as well.

3 in 10 not-for-profits struggle with data management across the business.

Only 34% always make decisions based on data and evidence.

69% find sharing data across departments difficult.

Understanding the different types of data for your organisation

FIRST PARTY DATA

Data collected directly by your organisation.

Strength: Accurate, fosters personalisation and customer loyalty

Weakness: Limited scope and scale

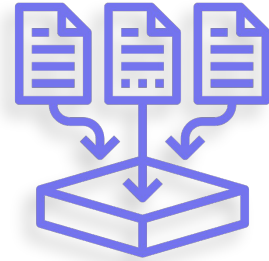**Example:** Database of current donors, eDM subscribers

SECOND PARTY DATA

Data shared from a trusted source or partner.

Strength: Uncovers new audiences that look similar to your own high value audiences.

Weakness: Can face migration or integration issues.

Example: eDM subscriber list swap

THIRD PARTY DATA

Aggregated data from other sources.

Strength: Can reach higher number of people interested in your cause, and gain further insight into new audiences.

Weakness: Often restricted by data privacy laws (goodbye cookies?) and doesn't align with increasing expectations of privacy.

Example: Affinity/ In-market segments, Experian Mosaic, Helix Personas

Charities are often rich in first party data…

Website or app behavior	Email, newsletter and direct mail subscribers	Donor profile
Surveys	Social media followers	Donation transaction behaviour
Volunteer database	Customer feedback	Online chat
Event attendance	Merchandise sales	Peer-to-peer and community fundraising

Fundraising in developed markets are facing a perfect storm of…

➔ Aging supporter base
➔ Digital disruption
➔ Increasing lack of trust in not for profits

Third-party data and a post cookie world…

Apple has gotten rid of third party cookies.
Google is phasing them out on their Chrome browser next year.

The loss of third-party cookies will make it much harder for to track users across the web and serve them targeted ads.

However, this is a good thing. Since there has been online advertising, we have been using cookies to target and measure campaigns. It is a solution that isn't fit for the 21st century and doesn't reflect modern privacy concerns.

COOKIES…GOODBYE?

WHAT CAN I DO?

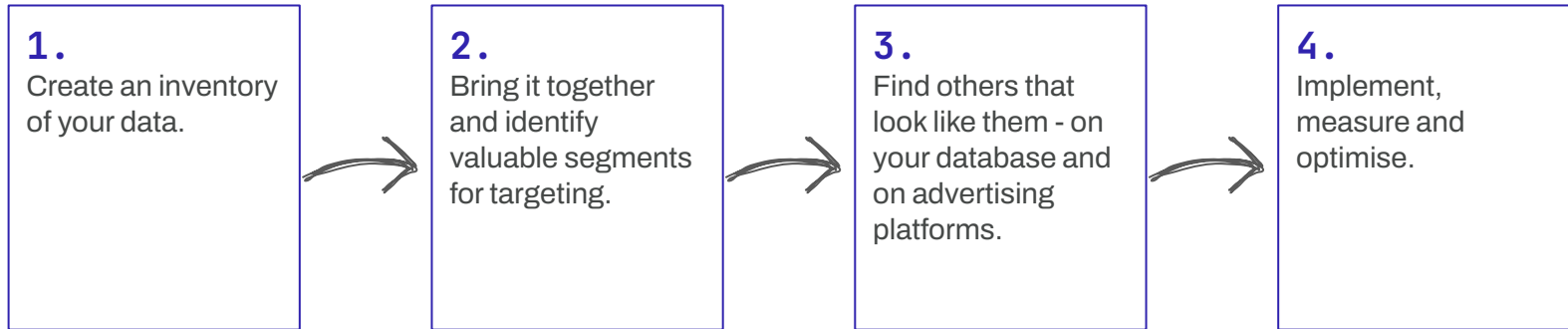⊘ Don't panic! The industry is actively working towards new solutions which will be an improvement on current technology.

⊘ Focus on your first-party data strategy. This will form the foundation of any data strategy moving forward.

⊘ Consider tried-and-tested strategies such as contextual targeting.

⊘ Trial cookieless third-party data strategies (i.e. Meta targeting, LiveRamp)

🔧

Developing your data strategy

1.
Create an inventory of your data.

2.
Bring it together and identify valuable segments for targeting.

3.
Find others that look like them - on your database and on advertising platforms.

4.
Implement, measure and optimise.

Understand what you already have, you might be surprised.

Recording an inventory of all of your data is a great starting point to understand what you have at your disposal.

As part of your inventory also evaluate data in terms of:
➔ The quality of data from each source - accuracy and completeness
➔ Data use permissions
➔ Duplication

As part of this process make sure you **document findings and recommendations for future data collection changes.**

DATA INVENTORY

Event and volunteer data

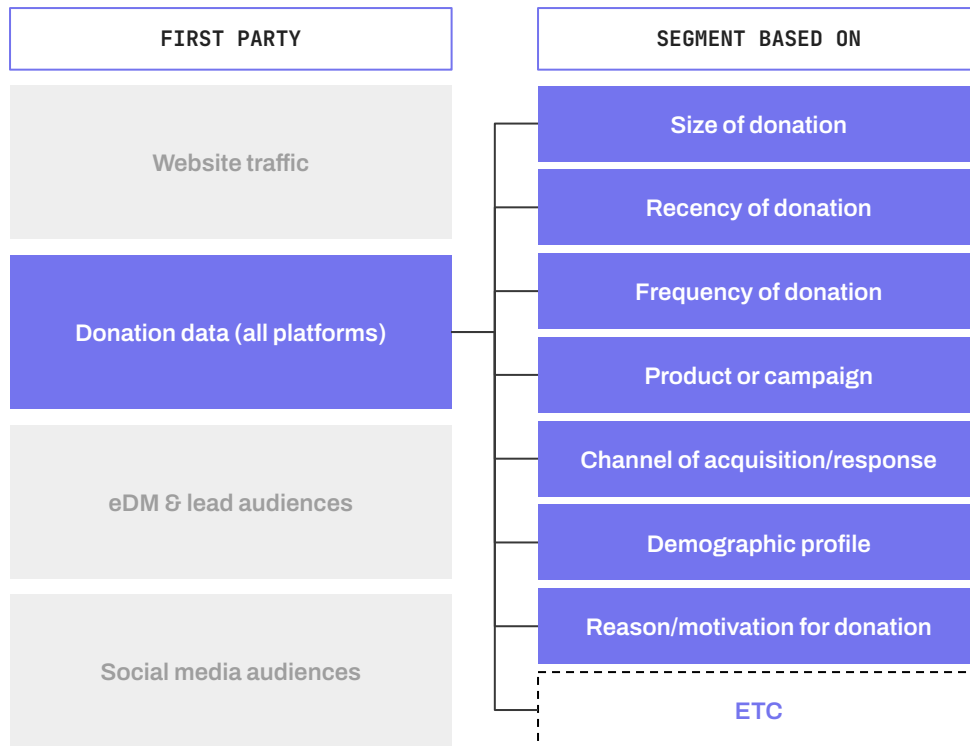Donor data (all platforms)

eDM & lead audiences

Social media audiences

Build a picture of key donor segments.

Instead of creating one audience for your entire data list, <u>build distinct donor segments based on key data profile points</u>.

Why?

Segmentation helps you to **better understand the different motivations, channels, giving potential and propositions** of different audiences. This allows you to tailor campaigns to supporter segments most likely to donate - improving efficiency and effectiveness of your fundraising efforts.

FIRST PARTY
Website traffic
Donation data (all platforms)
eDM & lead audiences
Social media audiences

SEGMENT BASED ON
Size of donation
Recency of donation
Frequency of donation
Product or campaign
Channel of acquisition/response
Demographic profile
Reason/motivation for donation
ETC

Example: P2P Event

PAST PARTICIPANTS	CHARITY CONNECTIONS	NEW PARTICIPANTS
Tier 1 participants	Staff	Touched by health issue
Tier 2 participants	Past patients / carers	Living local
Tier 3 participants	Corporate suppliers and partners	Charitable audiences
Donors Donated to a fundraiser		Pet audiences
		Interest in [topic]

Now find others that look like them.

ON YOUR DATABASE

There could be other high-value audiences hiding on your database. Go in search of them.
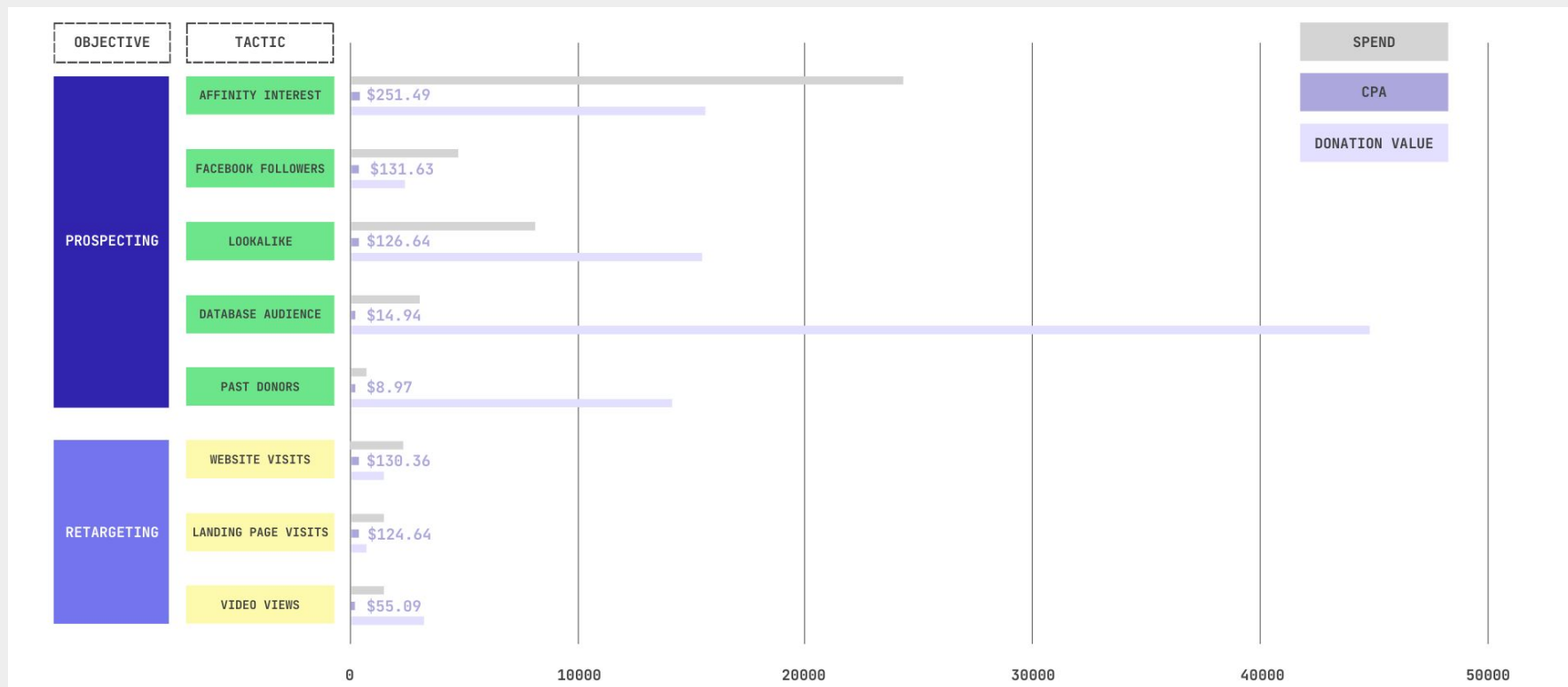
ON ADVERTISING PLATFORMS

Create lookalikes of these different high-value segments on your advertising platform.

AND THOROUGH OFFLINE ANALYSIS

Includes psychographic profiling, attitudinal lifestage segmentation, and interests. Use tools like Experian, Roy Morgan or GA.

Example: Implement, measure & optimise

OBJECTIVE	TACTIC					
			SPEND			
			CPA			
			DONATION VALUE			
PROSPECTING	AFFINITY INTEREST	$251.49				
	FACEBOOK FOLLOWERS	$131.63				
	LOOKALIKE	$126.64				
	DATABASE AUDIENCE	$14.94				
	PAST DONORS	$8.97				
RETARGETING	WEBSITE VISITS	$130.36				
	LANDING PAGE VISITS	$124.64				
	VIDEO VIEWS	$55.09				

0   10000   20000   30000   40000   50000

Summary

With a strong data strategy, you will be able to use data to:

➔ Provide your donors with a personalised experience to **improve donor retention and fundraising outcomes**.

➔ Predict donor behaviour, and assess the **lifetime value of a donor**.

➔ Acquire new donors at a **lower cost per acquisition** by focused targeting of highest value audience.

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Questions?

Scan to receive this slide deck and our segmentation template!

Need support developing and implementing your data strategy?

✉ HELLO@NTEGRITY.COM.AU