

## A data-driven approach to university fundraising

### Background:

We recently undertook a Foundation Audit for one of our university clients. This 'ground-up' appraisal of their data resources yielded a wide range of insights and recommendations, and highlighted the many similarities between university and charity fundraising – as well as throwing out some differences!

### Problem:

The initial request was for a propensity model to increase the income from their regular giving donors. However, their regular giving file was small and wouldn't support the development of a robust prediction model. Wood for Trees recommended carrying out a Foundation Audit as a starting point.

### Solution:

The process of undertaking a Foundation Audit involves examining the supporter database in detail to assess the state of the database with a comprehensive review of the organisation's data structure, rules, definitions and coding. We interview key stakeholders to gain a full understanding of how the various stakeholder groups engage, identifying data flows and potential bottlenecks. As our data sheets and overview papers will underline, this is the foundation for a first-pass analysis of the organisation's data, giving an accurate picture of the current state of affairs and identifying key opportunities for improvement.

### Result:

The Foundation Audit yielded a number of key learnings:

- Average donation levels were relatively high – but the donor base was not increasing
- Individual giving programmes seemed light compared to other not-for-profit organisations
- A previously un-tapped and significant pot of donors with major donor potential was identified
- Lifetime value analysis showed wide variation between recruitment products and marketing channels
- The supporter base was naturally quite young and affluent – but the active donor base was significantly older
- We also concluded that there wasn't enough data to build a propensity model, so alternative options were proposed to increase the file size, making propensity modelling a possibility for the future



### Recommendations and next steps:

Based on the findings, and on our extensive experience across a wide range of not-for-profit organisations, Wood for Trees was able to make a number of recommendations, including:

- Increased investment is required in recruitment and methods of engagement
- Boost individual giving activities (extra cash appeals, reactivation, prospect conversion)
- Use analysis to acquire a clearer understanding of the audience analysis and tailor marketing activities to suit
- Expand the product range to attract new audiences
- Use learnings around the LTV to target relevant and appropriate methods of giving
- Employ segmentation to better target donors until enough data is captured for a propensity model

The Foundation Audit process was crucial in providing a jumping-off point for a new programme of strategic developments aimed at improving donor income. It has enabled the fundraising team to make informed decisions with confidence, based on accurate and reliable data. For the client, this was a powerful process and has liberated new ideas and approaches as a result.

See also our Overview paper and blog articles.