

Big Data, Big Donors

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Fuel Fund Donor Acquisition Project

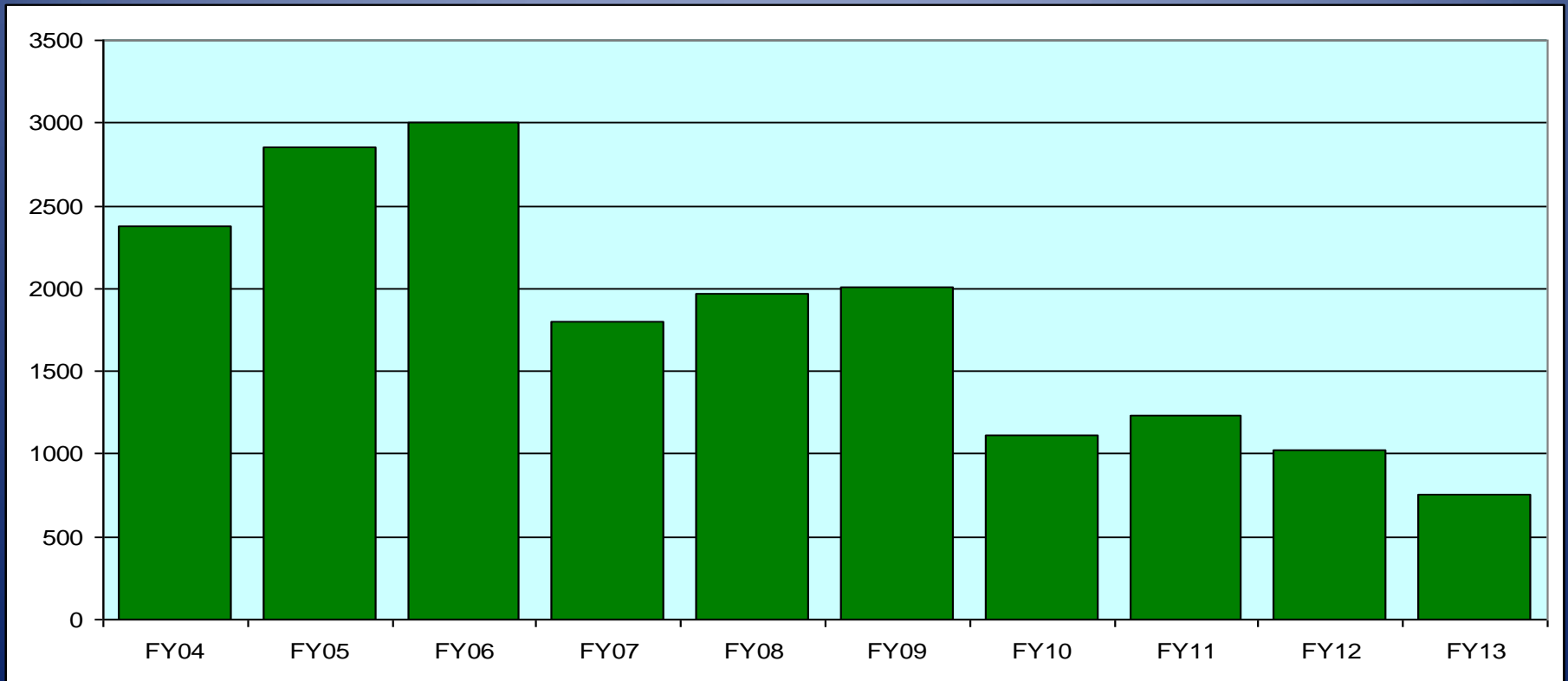
FY14-FY16

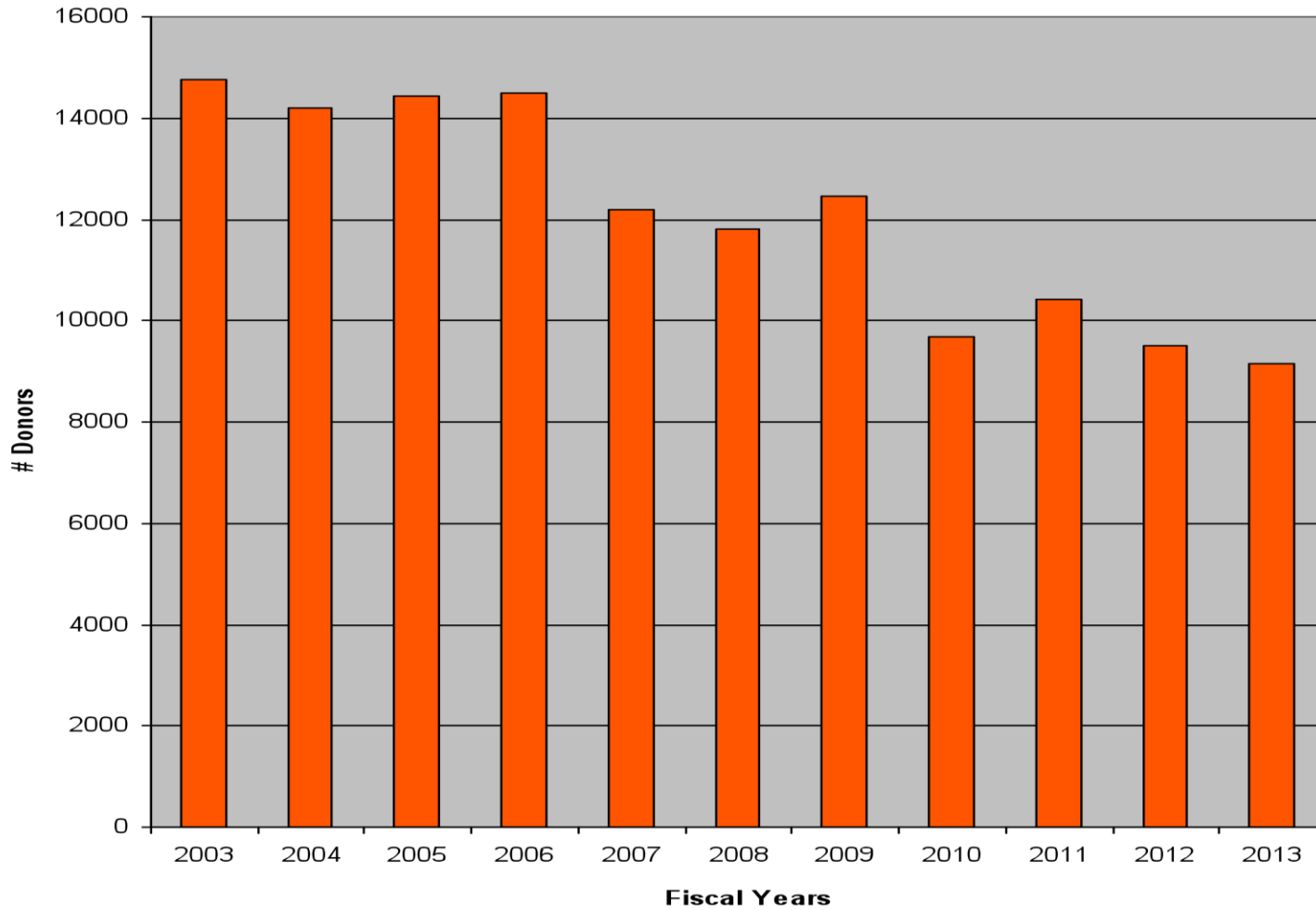
The Challenge:

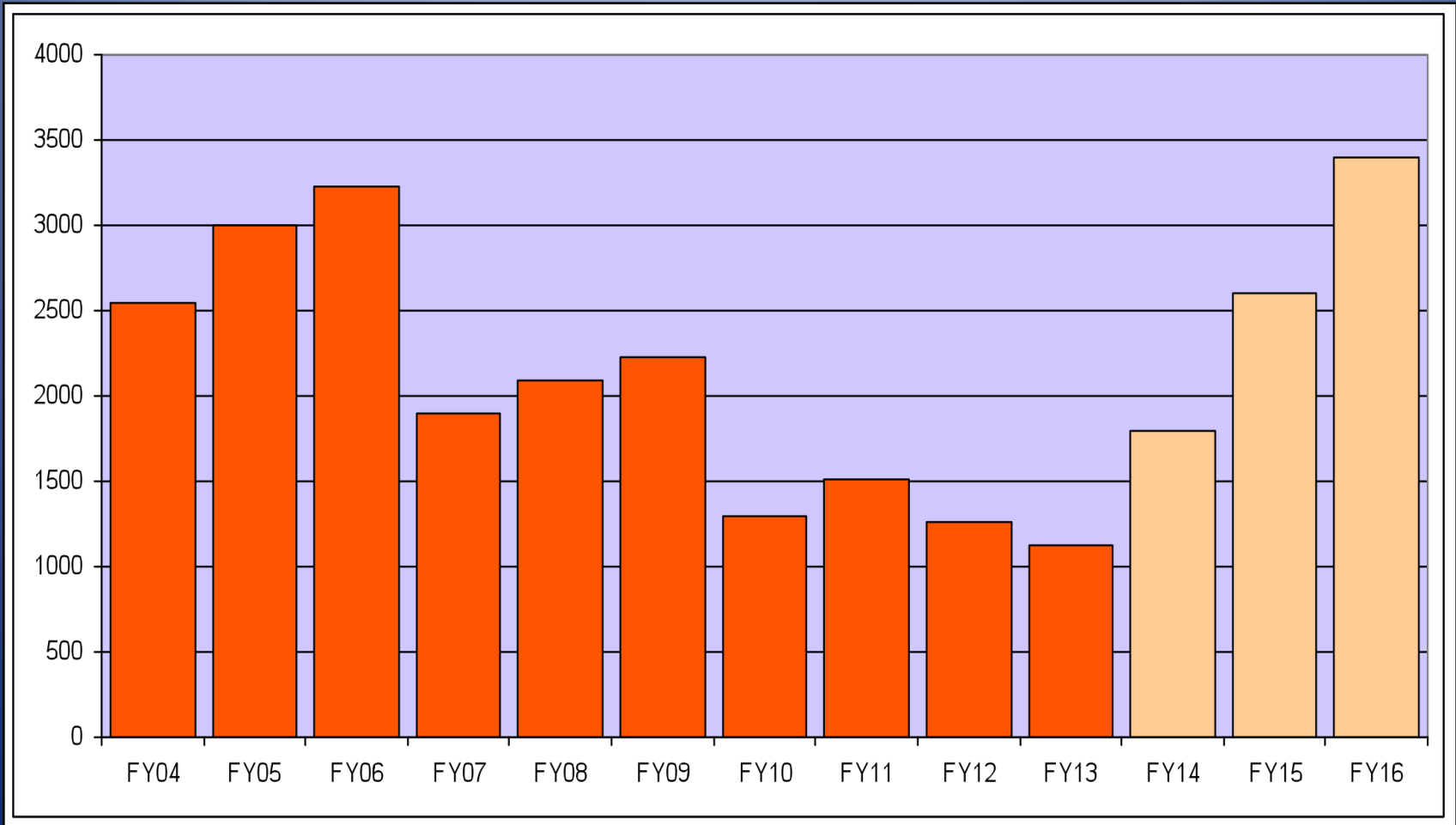
Acquire 8,000 new, quality
donors in three years

- No internal, owned acquisition mechanism
- A dry pipeline of new donors
- Need for more, and more reliable, revenue

BGE Envelope Donor Acquisition

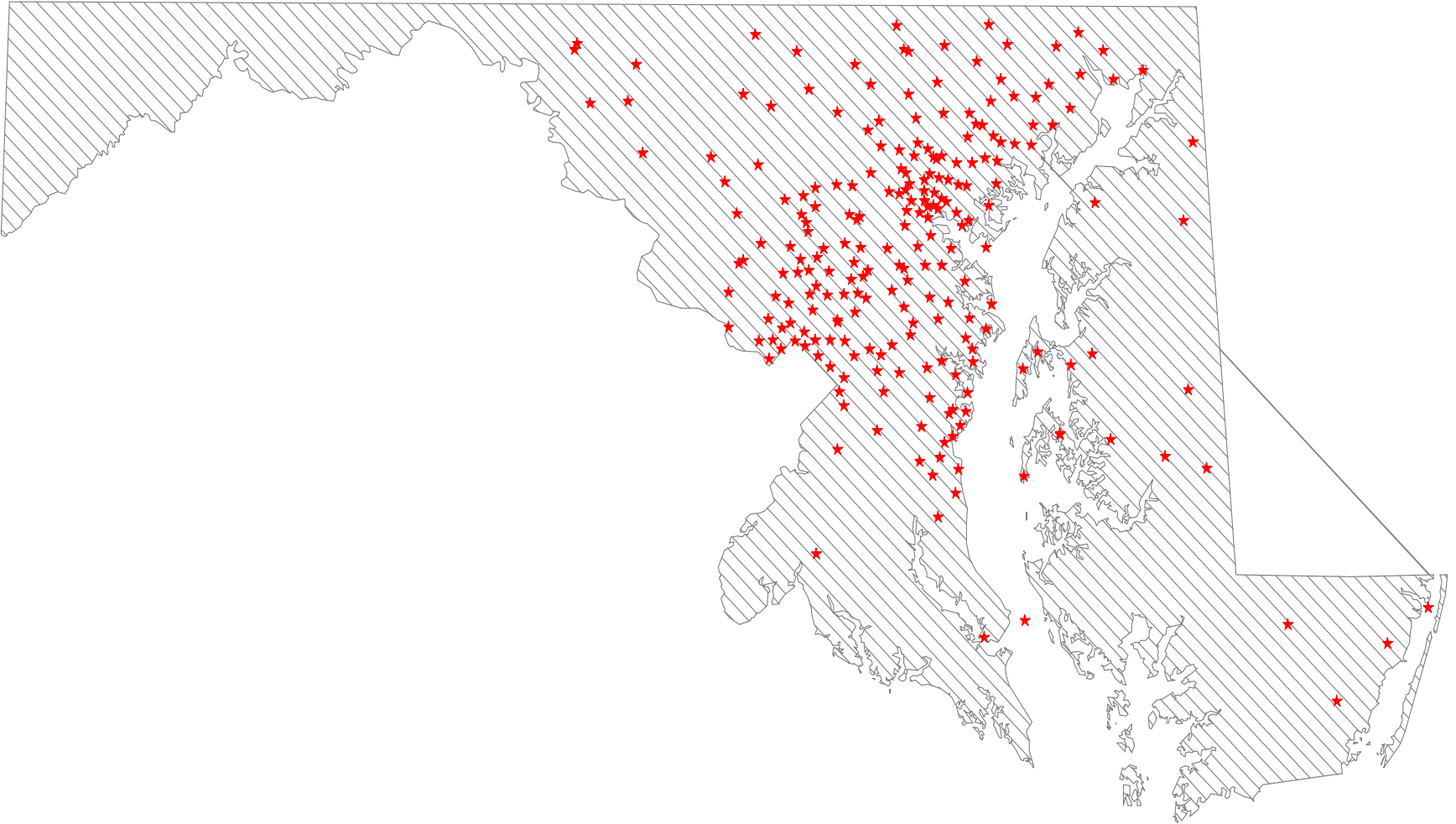




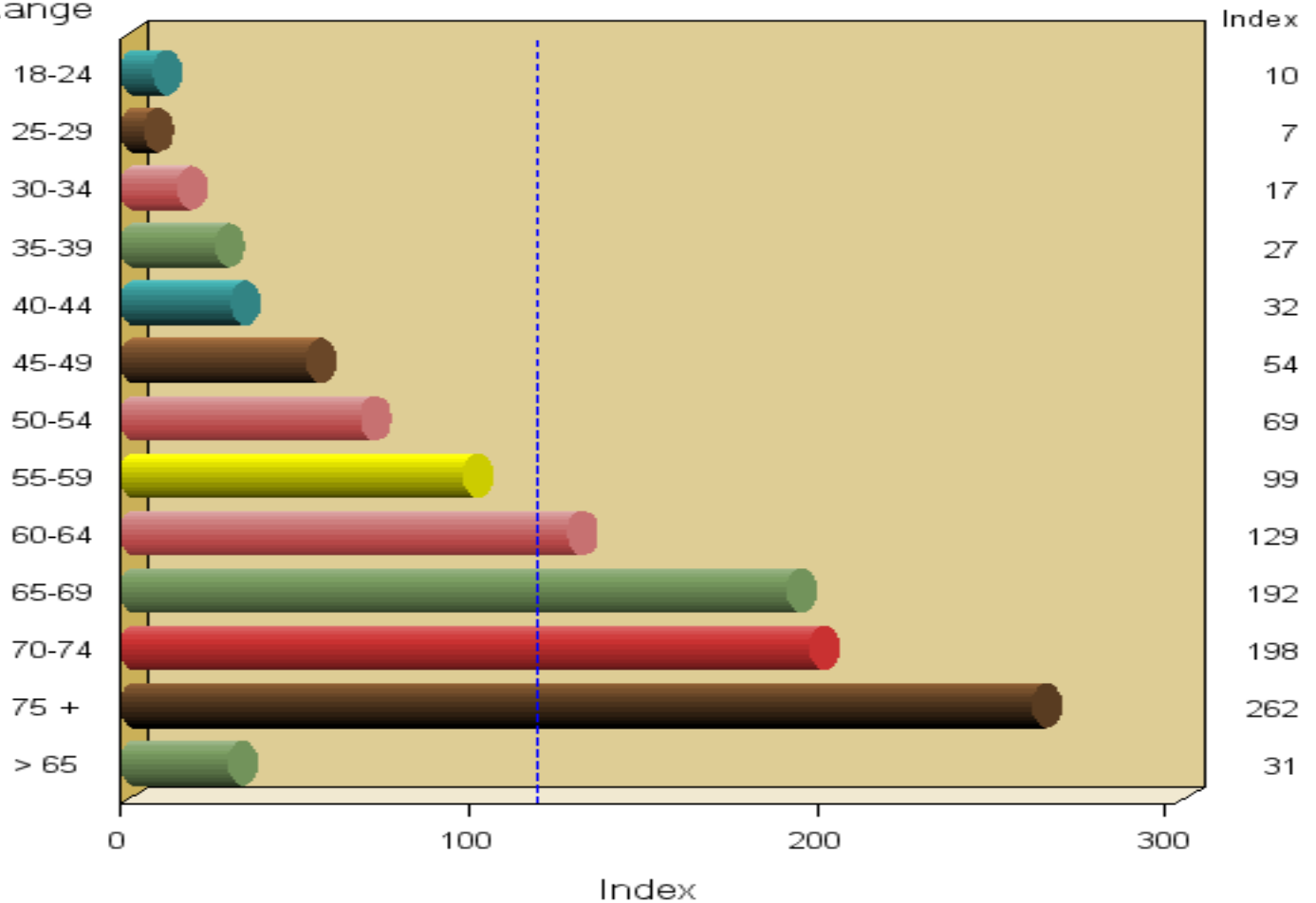


Build from strength, but
address your weaknesses

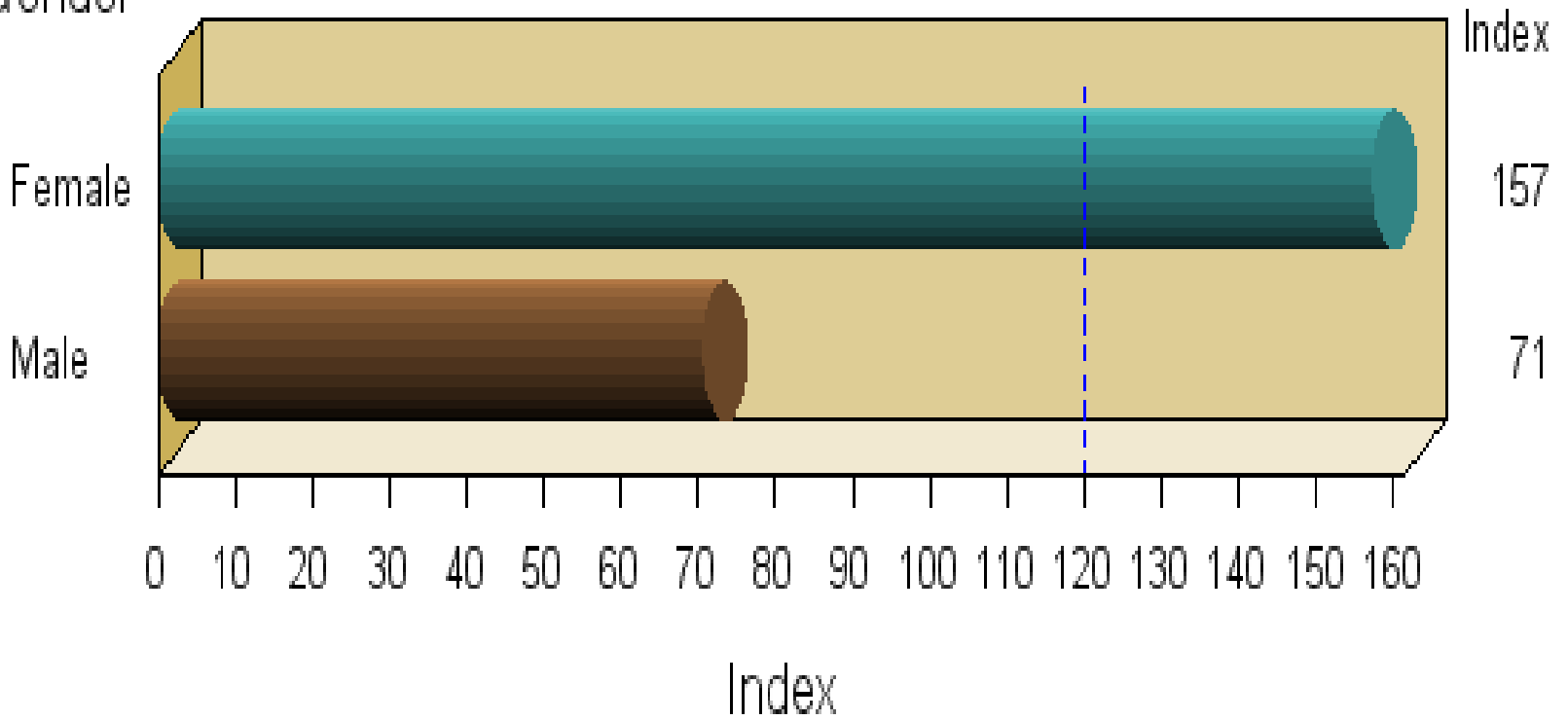
To build from strength, you
must know your strengths



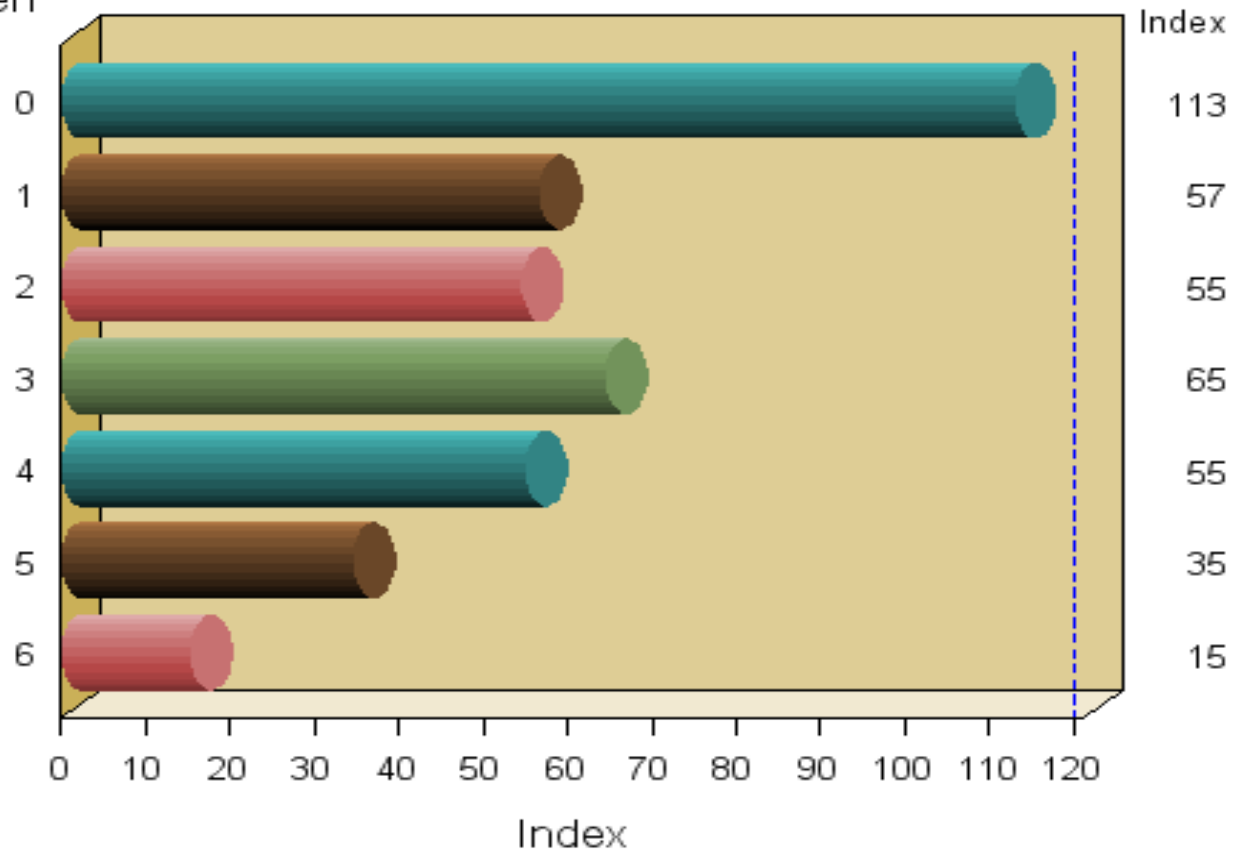
Adult Age Range



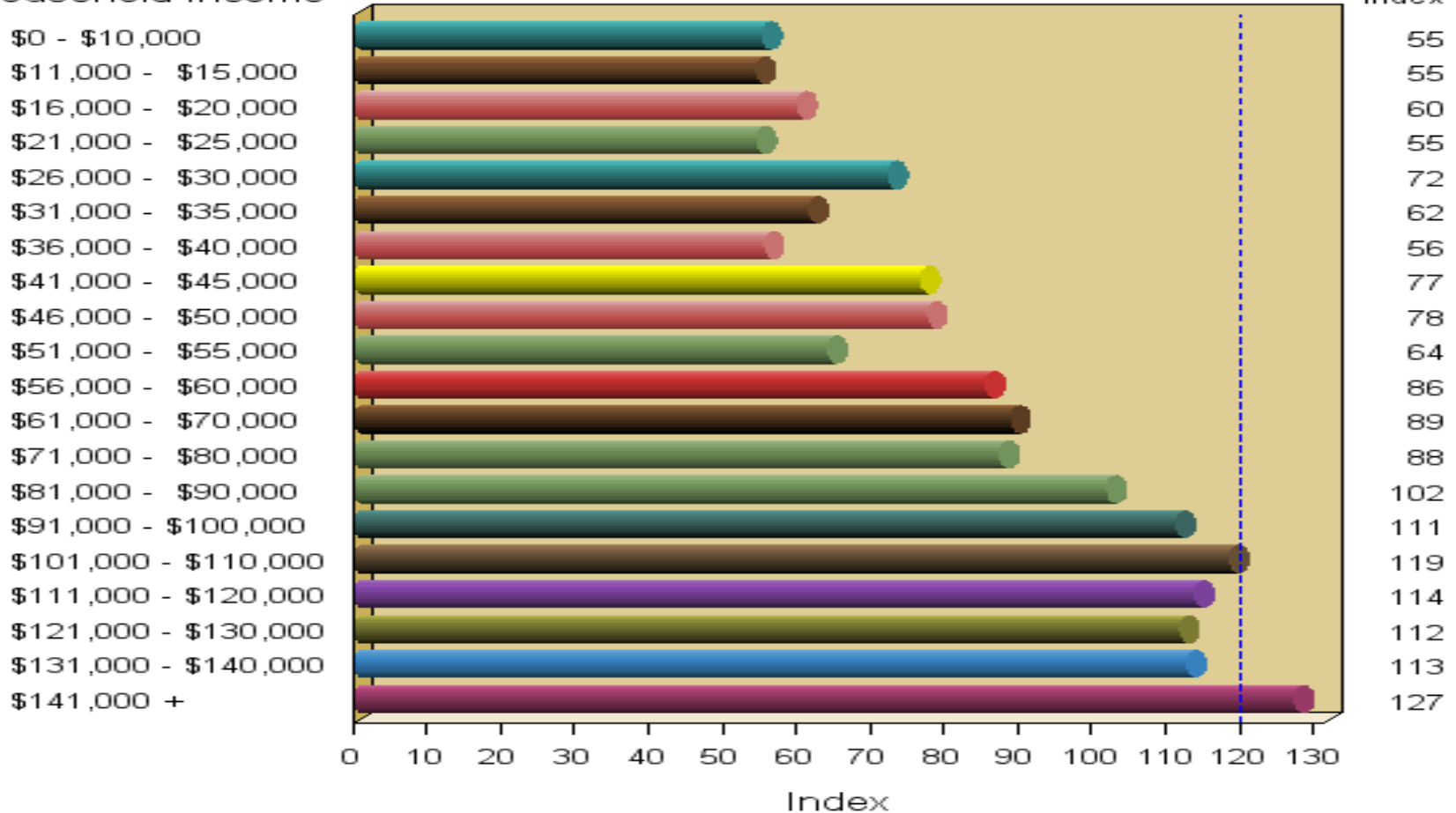
Gender



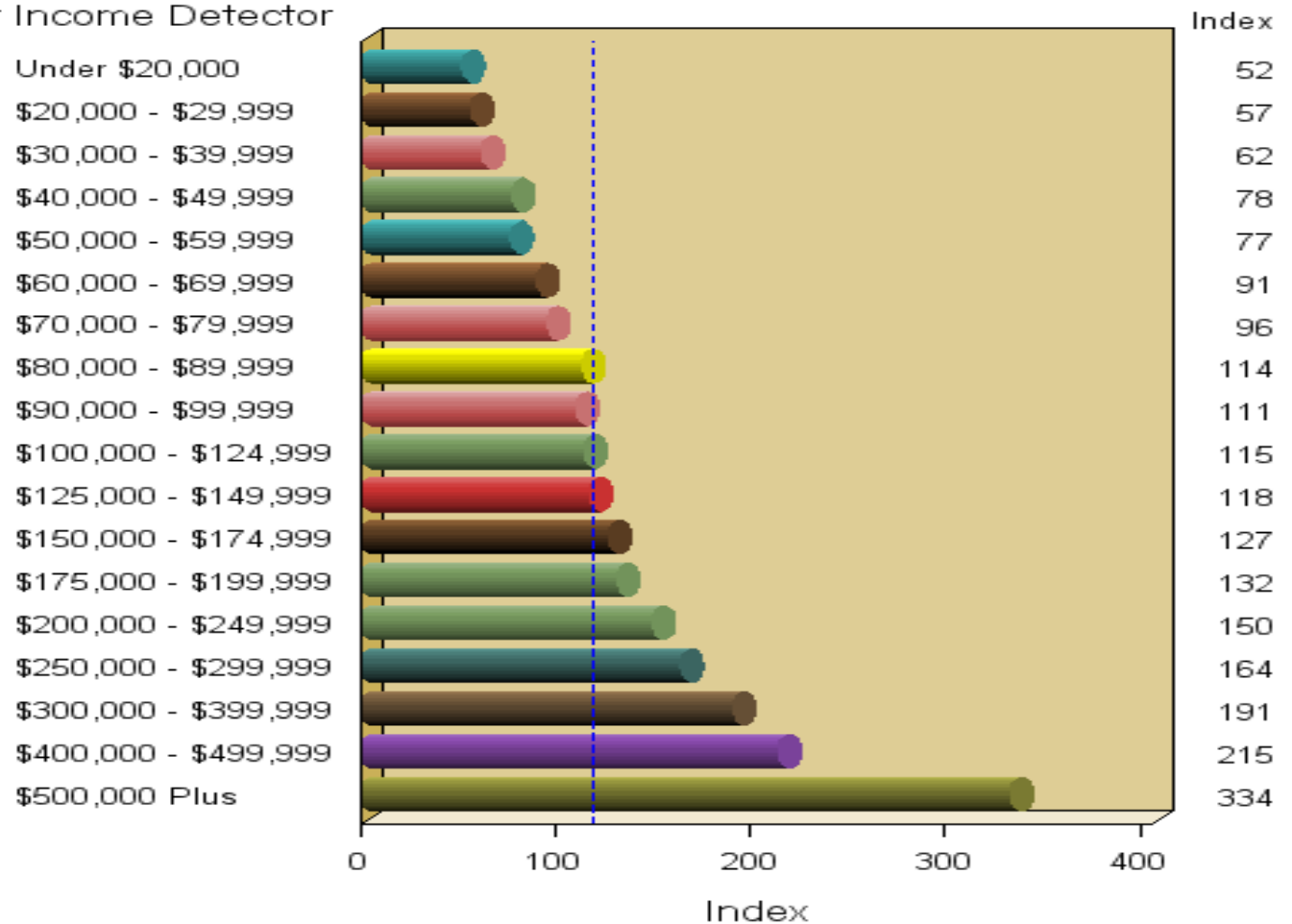
Number of Children



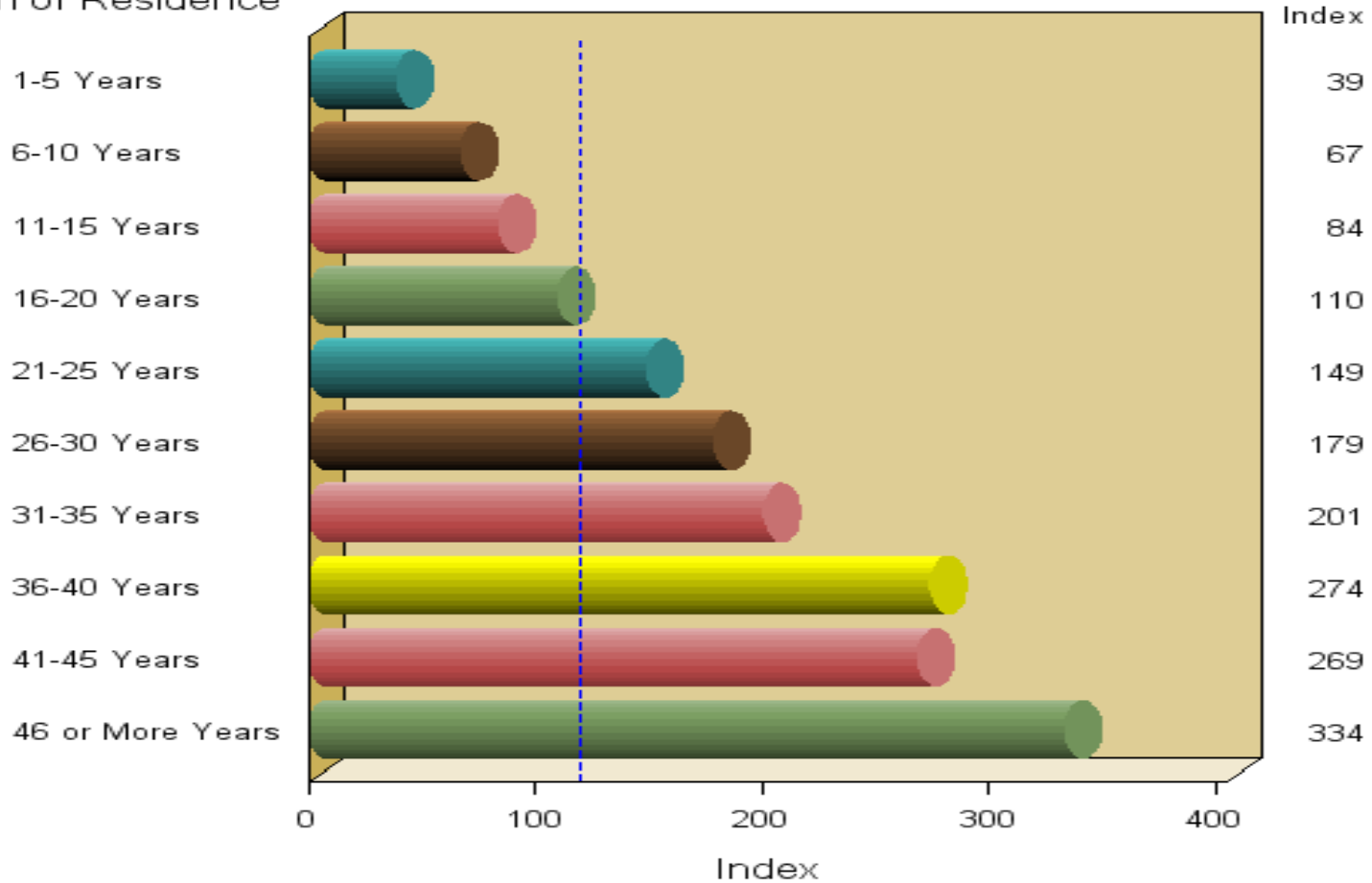
Household Income



Purchasing Power Income Detector



Length of Residence



Strategy 1: Hit the sweet spot

Total service area: 1.2 million households

Likely donors: 110,000 households

ROI and LTV

Developing a smart, data-driven strategy focusing on ROI and monitoring performance to this standard...but not sweating year-over-year ROI too much! Focus on Lifetime Value of acquired donors.

- 62% new donors retained into second year
- 85% retained into third year
- 95% after 3 years retained
- \$52 average first gift
- \$82 average gift after 3 years

Build a strong stewardship program
and trust it to establish a strong
Lifetime Donor Value

Strategy 1: Hit the sweet spot

List of 77,000

6 direct touches per household

Supported by advertising, PR, social

Strategy 1: Hit the sweet spot

Year 1 Results

2,100 new donors

\$52 Average Gift

\$109,200 in total giving

\$110,000 total acquisition cost

Strategy 1: Hit the sweet spot

LTV calculation

Donations in 1 year	2100			
Pre-debit attrition	0%			
Fulfillment rate	100%			% donor base eoy
Attrition 1st year	35%	Retention 1st year	65%	65%
Attrition 2nd year	20%	Retention 2nd year	80%	52%
Attrition 3rd year	15%	Retention 3rd year	85%	44%
Attrition 4th year	10%	Retention 4th year	90%	40%
Attrition 5th year	5%	Retention 5th year	95%	38%
Cost of recruitment (sign-up):	53			
Yearly cost of Continuing Support per donor	5			

Without Costs

	LTV 1 year	LTV 2 year	LTV 3 year	LTV 4 year	LTV 5 year
Gross Average LTV per acquisition	1693	2914	3921	4801	5616
LTV gain per year		1221	1007	881	814

Considering Costs

	LTV 1 year	LTV 2 year	LTV 3 year	LTV 4 year	LTV 5 year
Cost per year	4	3	2	1	1
Net average LTV per acquisition	1636	2854	3859	4739	5552
LTV gain per year		1218	1005	879	814

Strategy 1: Hit the sweet spot

Year 1 loss of \$800

BUT...

\$3,555,300 gross LTV

Strategy 2: Develop new segments

-Get younger and more geographically, economically, psychographically diverse.

Strategy 2: Develop new segments

Different creative approaches in messaging, production, and channel development.

Strategy 2: Develop new segments

**SHARE
THE POWER**

Take the pledge to help your neighbors living without power.

www.fuelfundmaryland.org



Strategy 2: Develop new segments



**SHARE
THE POWER**

Justin took the pledge to live without power. Support the effort and Share the Power with your neighbors in need.

LEARN MORE ▶



FUELFUND
OF MARYLAND

Strategy 2: Develop new segments

21 new donors

\$26 average gift

\$546 total raised

\$21,000 total campaign cost

Strategy 2: Develop new segments

LTV: **-\$20,998**

What we learned...

- **Balance** short and long term metrics – ROI, retention, LTV
 - **Quality** then quantity
 - **LTV** is the primary measure of success
 - Make the most of your strengths first!!
 - **This is a primary and NOT a general election**
 - Be careful in trying to create a market
-
- Always find resources to test new creative approaches and new channels but recognize their limitations