

Insight Hub Deep Dive

Test Overview and Insights

UNHCR Hong Kong & Wood for Trees

Overview

About Insight Hub

- A **data science-backed** predictive modelling platform
- Scan the donor base and identify those individuals most likely to become mid-value donors with **special appeals**

Overview



Donor development is one of the key income drivers and we see potentials in our mid-value programme.



We have been using the traditional way to segment donors with benchmarks learned from past performance and behaviour. In 2023, we decided an **innovative approach** as part of the programme optimization may be useful.



A **data-driven analytics tool with predictive power** helps determine which donors to focus on for a faster and more **cost-efficient conversion**.

Objectives



The objective of this testing and analysis is to evaluate the accuracy and effectiveness of the mid-value migration model in identifying existing donors who are likely to convert into mid-value donors within the next 12 months.



The primary focus is to assess the model's predictive capabilities and provide actionable insights to enhance donor engagement strategies.



The secondary focus is help reduce the migration time for prospect high-scoring mid-value donors.



Accelerate the development growth to serve the rising number of forcibly displaced people around the world.

Model Recap

- 42 model variables in total; including supporter demographic features and financial giving history
- Output: each supporter receives a score (0 – 100) indicating likelihood to migrate to mid-value giving in the next 12 months*
- The 4,000 highest scoring donors have scores ranging from 10.4 to 98.8
- Scores banded into vigintiles for analysis purposes

*12 months from August 2023 (model creation date), i.e. August 2024

Methodology & Validation

A/B Test:

- Control Group (prospects identified by existing modelling) VS Experimental Group (prospects identified by Insight Hub)

Type of Channel:

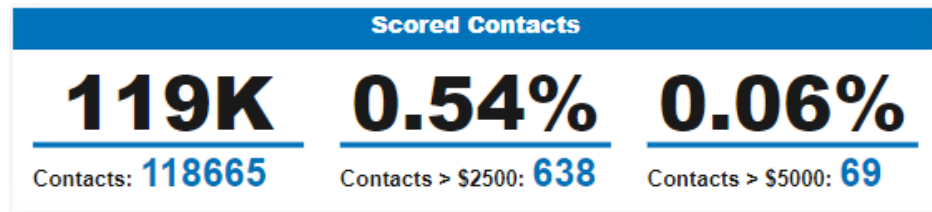
- Direct mail

No. of Campaign:

- 4 direct mail appeals

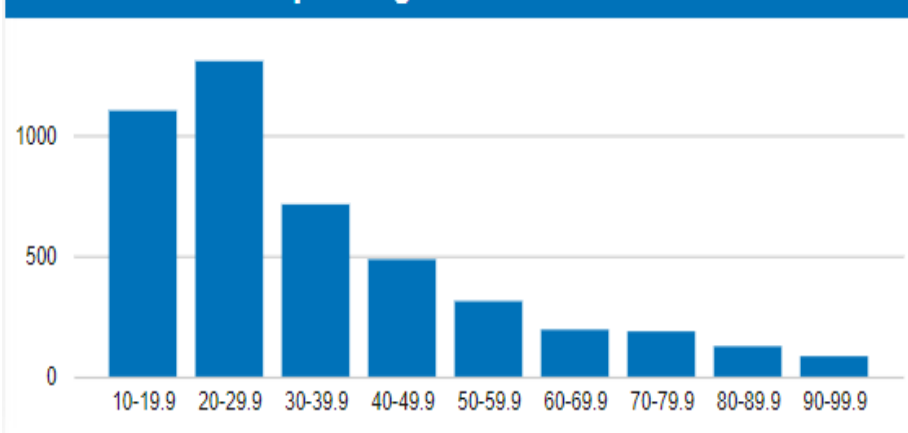
Interim Model Review – Experimental Group

- At 6 months, the model was behaving as expected
- 6.9% of the top scoring donors reached the halfway milestone, HK\$2,500
- 0.5% already reached HK\$5,000 within 6 months

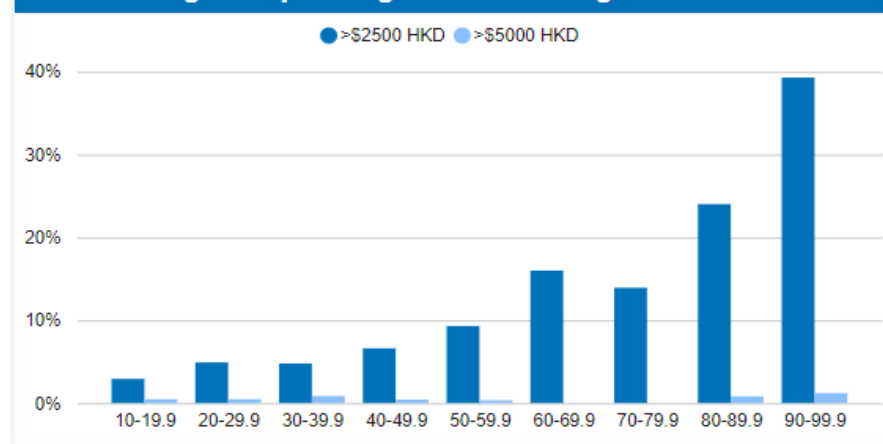


Interim Model Review – Experimental Group

Top Scoring Contact Score Bins

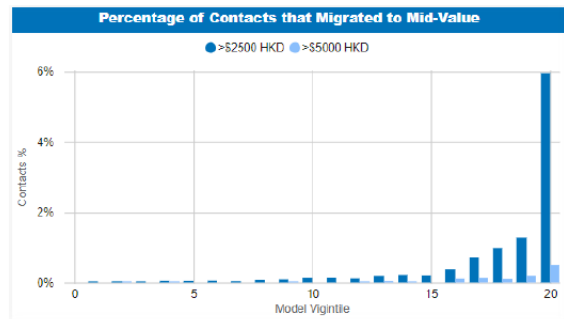


Percentage of Top Scoring Contacts that Migrated to Mid-Value

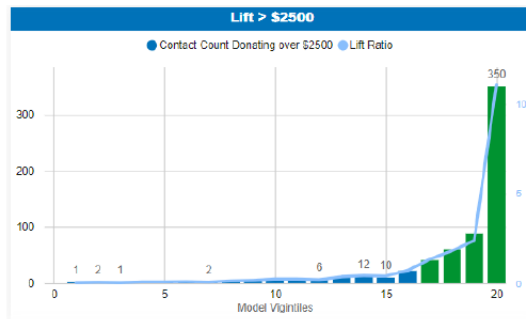


- 50% of the total top-scoring donors are in the first 2 bars with score 10-29.9
- Trend shows a generally steady increase in the percent of donors migration as the score increase.

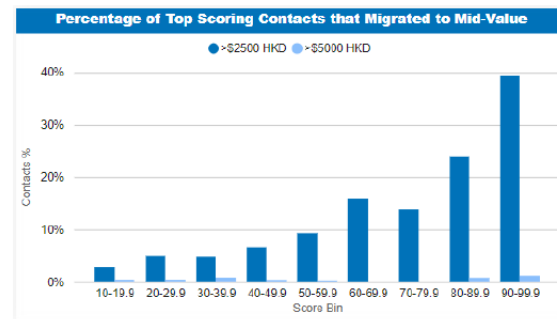
Interim Model Review – Experimental Group



6% of top vigintile supporters are on their way to mid-value donors, with 0.5% already there



The model indicates contacts in vigintile 20 are 11 times more likely to become mid-value migrants



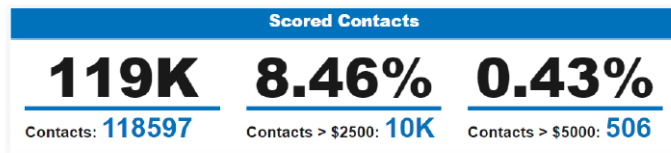
Migration trends match model predictions, confirming its accuracy

Interim Model Review – Control Group

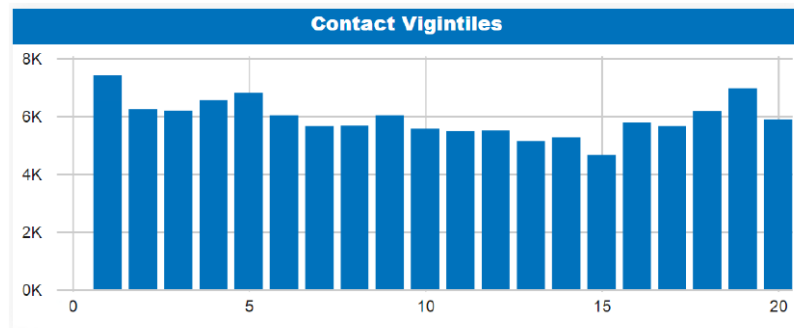
Special Appeal	Experimental		Control	
	Response Rate	Avg Amt (HKD)	Response Rate	Avg Amt (HKD)
Oct-23	1.12%	\$744.1	1.00%	\$1,451.5
Dec-23	2.30%	\$1,201.4	2.21%	\$1,042.7

12-Month Model Review – Experimental Group

12 month review



6 month review



The same 119k supporters were analysed as in the 6 month review (volumes per vigintiles remains the same as donors were scored only once in August 2023)

8.5% (10k) have now given over HK\$2,500; approx. 9,400 more donors than interim review

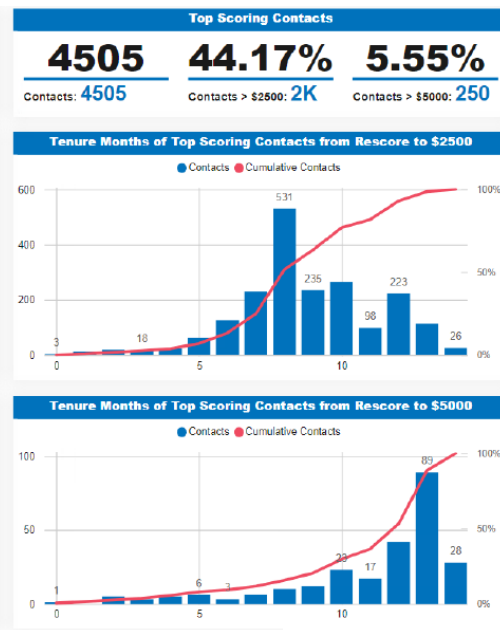
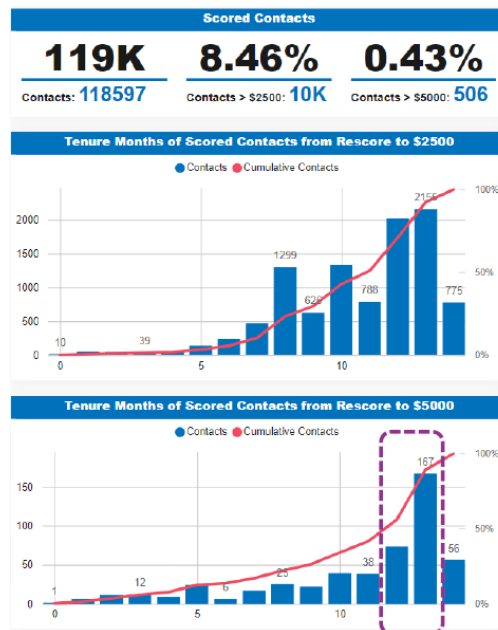
0.4% (506) have given over HK\$5,000; 437 more donors than at the interim review

12-Month Model Review – Experimental Group

Migration rates by months since rescore (out of the donors who have achieved mid-way/full migration)

70% of HK\$2,500 event hitters do so by 12 months

56% of those reaching mid-value status do so by 12 months. A further 33% do so in month 13

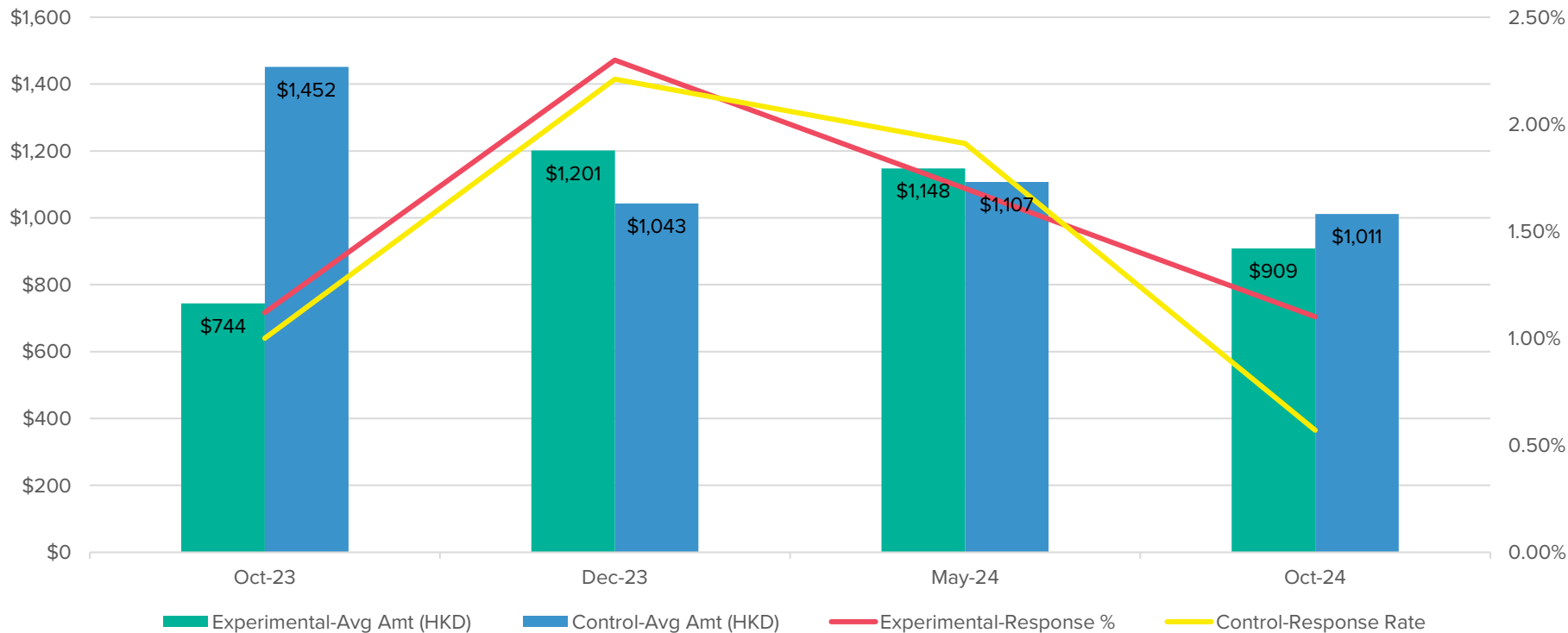


Wood for Trees
Saladin Group

12-Month Model Review – Control Group

Special Appeal	Experimental		Control	
	Response Rate	Avg Amt (HKD)	Response Rate	Avg Amt (HKD)
May-24	1.70%	\$1,147.9	1.91%	\$1,107.2
Oct-24	1.10%	\$908.7	0.57%	\$1,011.4

12-Month Model Review



12-Month Model Review

- For donors that reach HK\$5,000 in 12 months

	Migration Rate
Experimental Group	5.55%
Control Group	2.95%

Key Learnings



Insight: The model provides insights into predicting donor behaviours effectively. This makes it a great tool for organizations looking to enhance their fundraising strategies and start up with ease.

Benchmarking: The model allows us to compare our performance against industry standards. This helps identify areas for improvement and set realistic, achievable goals.

Validation: Setting up a testing mechanism is crucial for model validation. This process not only ensures the accuracy of the model but also allows for continuous fine-tuning and optimization over time.

Embrace Failure as a Learning Opportunity: Understand that not all innovative ideas will succeed. Treat failures as valuable learning experiences that can guide future efforts.

Limitations

Accurately predicting volumes can be difficult if the database is small. This can lead to less reliable forecasts and hinder strategic planning.

Replication is not possible without future investment. To scale and replicate the success, additional resources and investments are necessary.

Moving Forward

Test and Learn

Continue to run A/B tests on findings from Insight Hub to understand the impact.

Data-Driven Decisions

Continue to use analytics to guide donor development and strategy.

Pilot Innovative Initiative

New ideas on a small scale to allow us to assess the effectiveness and make necessary adjustment.

Thank you!

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