PARKINSON'S UK

CHANGE ATTITUDES. FIND A CURE. JOIN US.

How Predictive Modelling Boosts Cash Giving

wood for trees

A WFT case study

Key Benefits

- Focus on **improving the performance** of cash appeals from the existing supporter database
- Generated **dramatic increases** in income: **+£485,000** total, **+£405,000** net revenue
- Activated / re-activated supporters who were otherwise being ignored
- Development costs more than covered with the first deployment

Overview

In response to diminishing performance from cash appeals, Parkinson's UK **revised their approach** to focus on improving the performance from the existing supporter database. Wood for Trees built a **predictive model** that generated dramatic increases in income and activated supporters who were otherwise being ignored.

Following the first deployment of the model, the development costs were more than covered.

The Challenge

Parkinson's cash appeals had hit an **RFV-based selection trap**: mailing more or less the same people time after time, trimming the mailing of non-responders to save money and consequently watching net income decline with each successive campaign.

They needed a way to tell who else on their existing database might prove responsive, without incurring the costs were of huge mailings. **But how to identify them?**

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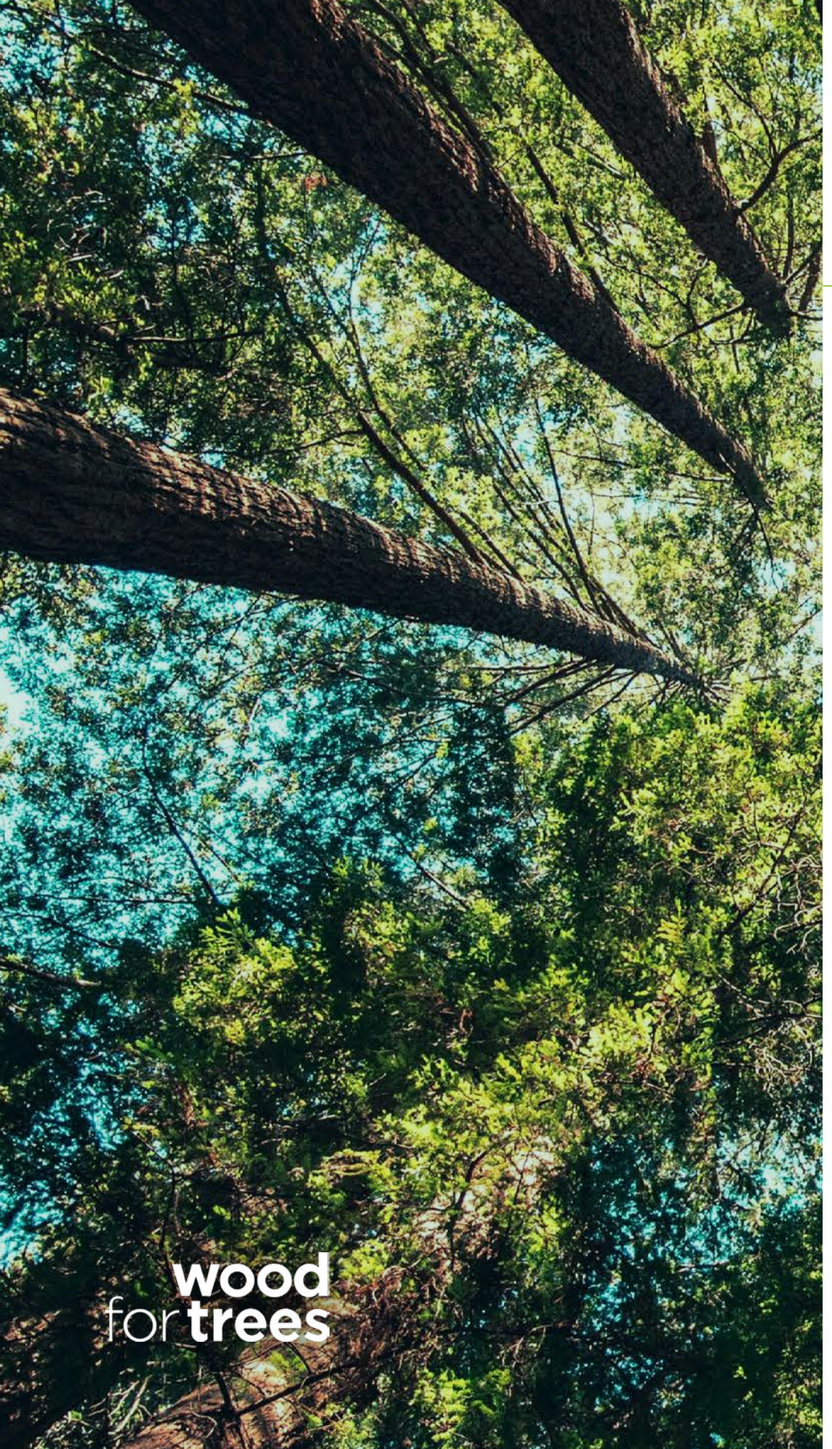


The Solution

Wood for Trees took the results from the main Christmas appeal and retrospectively applied some **250 potential predictors** to discover which were the most effective in identifying campaign responders.

Rather than create a single model for the entire supporter base (as a simple predictive model would be expected to), our analysts sought greater accuracy by subdividing the audience into key sets.

After examining many options, we established **two models**:

Model 1: Characterising the existing 'best givers' from past campaigns.

Model 2: Identifying a set of supporters who are predominantly excluded from mailings but who actually have a positive propensity to respond.

This re-analysis of the Christmas campaign identified almost **70,000** people in the existing database who could have been mailed but weren't. It also highlighted almost **10,000** individuals in the lowest deciles who would have been better excluded from the campaign.

The model's first outing - deployed using FastStats - was the following September. Parkinson's UK retained the 'response-disposed' audience identified by Model 1 and previously mailed and added a **further pot of 23,000 'Model 2' supporters** who would not previously have been mailed.

The **additional revenue** generated by the 'Model 2' supporters totalled more than **£22,000 from a single campaign.**

Results

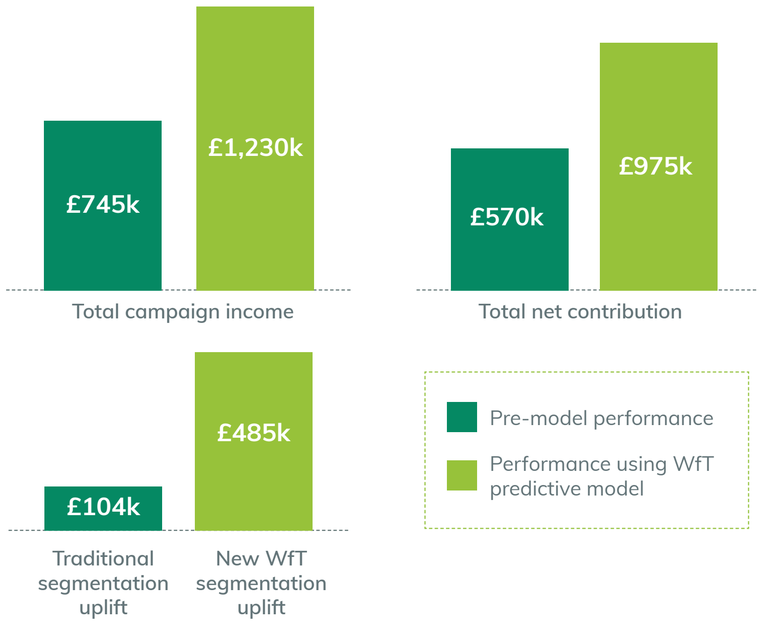
The model really proved its worth in the next financial year. By the end of that year, it had been deployed on a total of six main warm campaigns. Before the model, PUK's traditional segmentation generated just over £100,000 from 2,432 'new' supporters identified in the supporter database.

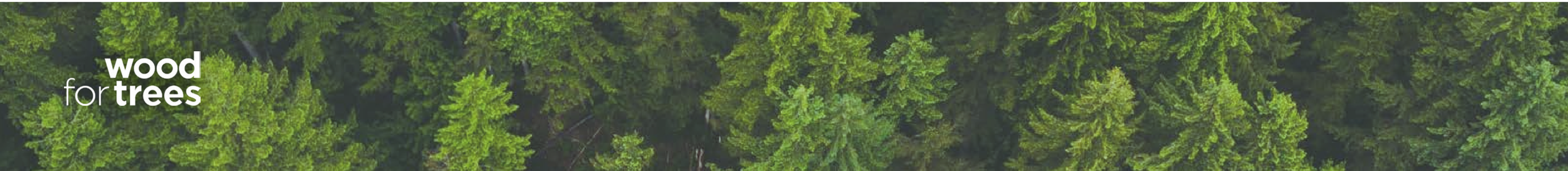
Over the same number of mailings, the new predictive model ('Model 2') has identified **8,505 'new' supporters** who have generated a total of **more than £480,000 in total income**. The difference between these two levels of income is the direct result of deploying the predictive model.

Each time the model is used it refines its own effectiveness for the future, so it goes on giving. The net income generated by 'new' supporters in the first campaign alone easily covered the model's development cost: it has delivered exceptional value for money.

James Culling, Head of Individual Giving, Legacies and Membership at Parkinson's UK, said: **"The predictive model has not only saved our declining warm appeals programme – it has pinpointed and released previously untapped sources of income from within our own database, as opposed to the alternative of a high cost/high volume based acquisition programme."**

Overall performance across six campaigns





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