Humane Society of the Pikes Peak Region: The Segmentation and Categorization of Donors

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Project Description
Objective: find patterns in past donor giving to help increase donor retention by identifying and segmenting the variables that provide insight as to how likely a donor is to give
- Analyze donor database of HSPPR
- HSPPR wants to better target their donors and efficiently use their resources

Organizational Context
Founded in 1949, HSPPR services include: adoption, animal law enforcement, and veterinary services
- Diversified fundraising portfolio: direct mail, major gifts, events, grants, corporate giving, etc. Individuals make up majority of fundraised dollars

Professional Background
“Enhancing Fundraising Success with Custom Data Modeling” (Key, 2001)
- Custom response model using existing data from a nonprofit and how to use large categorical variables
“Second-Gift Behavior of First-Time Donors to Charity” (Bennett & Ali-Choudhury, 2009)
- Limitation: observed all charitable donations vs. a single nonprofit. 22% of 2nd gifts were to same charity as first

Methods of Study
32,000 original records – 16,880 final records
Removed those with incomplete high priority variables
- Location (zip code); Largest gift value; Age

Location: Created tables to find recurring zip codes.
- Created a map with 10 most active zip codes

Largest Gift Value: Created tables to find which gift values are most popular as largest gifts
- Range: $0 (in-kind) to $1 million +

Age: Charted donor ages by range in 10 year increments:
- Range: age 11 to 100 +

Other Variables: Regression tests using those that gave in the past year and the past 3 years as my dependent variables

Findings
Largest gift value: totality of largest gifts = $6,948,377
- Most common largest gift is $50
- Those that have donated more than $50,000 are over 60
- Largest gift amounts rise starting at age 50

Age: 19-24 and 66-75 are most common ages of donors
- Significant points in life; newfound financial freedom and standard age of retirement
- Gifts may be explained by planned giving and more financial stability at that age

Location: 93% of all donors are local to CO
- Most active zip codes: 80906 (65+) and 80918 (UCCS)
- Least active zip code (80132) has highest average income per capita
- As zip codes get less active, population size decreases

Regression Tests:
- Most predictive variable: Total number of gifts
- Variable gets significantly less confident in second test

Takeaways & Recommendations
Learned the most from location – the zip codes that surround HSPPR offices are part of most active
- HSPPR’s office zip code is not in most active
- Cheyenne Mountain Zoo zip code is 5th most active though they are donor competitors

Areas to Explore:
Plan to use location and age demographics to target funds
- Younger generations reside in more populated areas with lower housing prices

Expand database records and field entries
- Relational variables (relation to HSPPR, constituency codes) are good predictors of likelihood to give

Special Campaigns
- COVID-19 – to remind donors (first time and veteran) that HSPPR services are still being provided