



Overview

Business Challenge

UNICEF Netherlands aims to raise maximum funding with minimum resources. The charity organisation thus needs the best possible understanding of contributor behaviour and the most efficient use of fundraising channels.

Solution

UNICEF Netherlands is able to optimise the results of its marketing initiatives with IBM SPSS predictive analytics software. Performing in-depth analyses of prospect data enables it to achieve accurate forecasts and contributor profiles and to mount a highly targeted prospect approach. The software can also handle millions of records effortlessly, along with a large range of variables and the integration of third-party market data.

UNICEF Netherlands

Charity optimises its fundraising process with IBM SPSS predictive analytics

UNICEF is the child rights organisation of the United Nations (UN). It asserts the rights of children across the globe and offers them relief in situations dominated by poverty, disease, violence and discrimination. Headquartered in New York, UNICEF has field offices in some 155 countries, from where it co-ordinates and executes relief programmes. UNICEF does not receive any funds from the United Nations. To finance its field offices and relief programmes, 36 national UNICEF committees are engaged in fundraising. One of these committees is UNICEF Netherlands. As the third-largest UNICEF fundraiser worldwide, UNICEF Netherlands makes a substantial contribution to the organisation's charitable activities.

Challenge

UNICEF Netherlands not only performs very well in the context of the worldwide organisation, but it is also successful when measured against other Dutch fundraising organisations. "The Netherlands is traditionally a giving country," explains Jan Kamphuis, data analyst and the person responsible for UNICEF Netherlands' marketing analyses and evaluations. "But our approach also plays an important role. As one of the first fundraising organisations we have started to focus predominantly on regular memberships rather than one-off donations. We also engage in marketing intelligence using IBM SPSS predictive analytics software to optimise our activities."



Business Benefits

- UNICEF Netherlands can map out the donation behaviour of its contributors accurately and define clear-cut segments and profiles with the IBM SPSS solutions.
 - The charity can thus conduct highly targeted marketing campaigns yielding optimum results – for instance, it more than doubled the response on its door-to-door campaigns thanks to the IBM software.
 - The targeted campaigns minimise the chances of public irritation, hence enhancing UNICEF Netherlands' image.
 - By constantly analysing each campaign, the organisation can better predict overall campaign yield and hence conduct increasingly effective and efficient marketing campaigns.
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Ten years ago, analysis and research still played a modest role in UNICEF Netherlands' marketing organisation. Kamphuis explains: "In those days, we were mainly executing outbound direct mail campaigns. Although the response was okay, it had lost its growth potential. For a charity organisation it is essential to raise maximum funding with minimum resources. We felt we could improve things. We wanted to explore new avenues, use other channels and analyse just how we could use these with maximum efficiency. We also wanted to increase our understanding of contributor behaviour and map out long-term developments and patterns. But the CRM system containing our operational data offered us insufficient analysis capability."

Solution

Kamphuis already had a positive experience with IBM SPSS solutions at other organisations. As he notes: "I'm a real fan. The software operates well and has proved itself in actual practice, including within our organisation. We have been using it since 2000 to carry out all sorts of marketing analyses and to create forecasts and contributor profiles. In doing so, we use third-party lifestyle data alongside our own data. Our long-term analyses, where we include the results of our marketing activities over the years, involve millions of records. We have no trouble at all crunching these enormous volumes of data and distilling valuable insights."

With the IBM SPSS software, UNICEF Netherlands can gain an initial impression of the study results and can perform in-depth analyses based on multiple variables. Kamphuis illustrates this as follows: "In 2003, telemarketing was a new phenomenon in our sector, and a relatively costly one. When we started acquiring memberships through this channel for the first time back then, we wanted to ensure the highest possible response by selecting the addresses with the highest success potential. So we first compiled a trial contributor base containing all variables that might have an impact on the response, such as age, contributor behaviour, geographic info and various postal code properties. Based on our findings, we could accurately determine which groups of contributors we could best target on a large scale, and which addresses we had better exclude from the telemarketing campaign."

Besides direct mail and telemarketing campaigns, UNICEF currently uses a number of other channels to acquire new contributors. Door-to-door acquisition is one such popular channel. "For this type of campaign we conducted an exercise similar to that of our first telemarketing campaigns. We identified neighbourhoods across the Netherlands where we expect to find the densest population of potentially loyal and steady contributors. We started completely from scratch and performed trials based on certain hypotheses. After three months we analysed all the collected data and knew which neighbourhoods yielded the best results. That is where we started acquiring," Kamphuis points out.

“IBM SPSS predictive analytics strongly improves the returns on our marketing campaigns. For instance, we’re now able to better target our direct mail campaigns, which results in a substantially improved yield. And for door-to-door campaigns we can identify the best neighbourhoods, where the response is 2.5 times higher than in the least successful neighbourhoods.”

— Jan Kamphuis, UNICEF Netherlands
data analyst

Results

The IBM SPSS solutions currently play a vital role in UNICEF Netherlands’ marketing campaigns, strongly improving their returns. Kamphuis explains: “We have been able to map out the donation behaviour of our contributors with great accuracy and can define clear-cut segments and profiles. For instance, we’re now able to better target our direct mail campaigns, which produces a substantially improved yield. And for door-to-door campaigns we can identify the best neighbourhoods, where the response is 2.5 times higher than in the least successful neighbourhoods.”

UNICEF Netherlands can also conduct marketing campaigns more effectively and more efficiently. “We can tell our address supplier exactly the type of prospects we are interested in. We then just create a depth profile that even tells us the media we should use to target that population best,” explains Kamphuis. “We analyse each fundraising campaign to see whether UNICEF can do better next time. And we study absolutely everything. For instance, for direct mail we will investigate the effect of anything, from a free gift to the tone of voice, the photograph and the design. So we know exactly what works best.”

The targeted campaigns offer another advantage. “If you know someone simply won’t donate, you don’t have to approach them asking for funds. This reduces marketing costs and, more important, the potential of irritation. It helps safeguard UNICEF’s image and the trust people place in our organisation,” emphasises Kamphuis. In this context, UNICEF Netherlands is able to see at a glance how it performs in relation to other national fundraising organisations. As Kamphuis notes: “Third-party market research, for example on the perception of our organisation among the general public, often consists mainly of reporting using sizeable tables. With the IBM SPSS software, we can visualise and arrange these data conveniently. This also helps us to further improve our insights.”

About IBM Business Analytics

IBM Business Analytics software delivers complete, consistent and accurate information that decision-makers trust to improve business performance. A comprehensive portfolio of business intelligence, predictive analytics, financial performance and strategy management, and analytic applications provides clear, immediate and actionable insights into current performance and the ability to predict future outcomes. Combined with rich industry solutions, proven practices and professional services, organizations of every size can drive the highest productivity, confidently automate decisions and deliver better results.

As part of this portfolio, IBM SPSS Predictive Analytics software helps organizations predict future events and proactively act upon that insight to drive better business outcomes. Commercial, government and academic customers worldwide rely on IBM SPSS technology as a competitive advantage in attracting, retaining and growing customers, while reducing fraud and mitigating risk. By incorporating IBM SPSS software into their daily operations, organizations become predictive enterprises – able to direct and automate decisions to meet business goals and achieve measurable competitive advantage. For further information or to reach a representative visit www.spss.ie



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May 2010
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