



# Using predictive analytics to maximise the value of charity donors

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## FAQs

- Is this session being recorded? Yes
- Can I get a copy of the slides? Yes, we'll email a PDF copy to you after the session has ended.
- Can we arrange a re-run for colleagues? Yes, just ask us.
- How can I ask questions? All lines are muted so please use the chat facility – if we run out of time we will follow up with you.



## Predictive Analytics for Smarter Business



- Premium, accredited partner to IBM specialising in the SPSS Advanced Analytics suite.
- Team each has 15 to 20 years of experience working in the predictive analytic space - specifically as senior members of the heritage SPSS team



# What do we mean by predictive analytics?



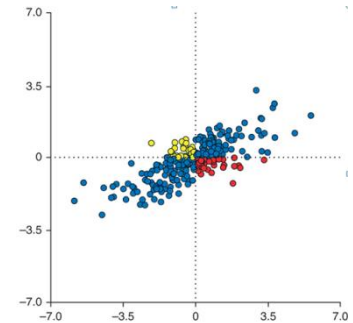
**Predictive analytics** encompasses a variety of techniques from **statistics** and **data mining** that analyze current and historical data to make predictions about future events



Analysis of structured and unstructured information with mining, predictive modelling, and 'what-if' scenario analysis.

# What do we mean by predictive analytics?

- It's different from business intelligence or BI reporting
- Actually, it's not *always* about prediction
- However, predictive analytics *does* create important new data
- These data take the form of estimates, probabilities, forecasts, recommendations, propensity scores, classifications or likelihood values
- Which in turn can be incorporated into key operational and/or insight systems



# Core applications in charity analytics



attract

## Acquire supporters:

- Understand who your best potential supporters are
- Connect with them in the right ways
- Predict who is most likely to convert



grow

## Grow relationships:

- Understand the best mix of things needed by your supporters, beneficiaries and channels
- Maximize gift value received from your customers and channels
- Take the best action every time to interact



retain

## Retain supporters:

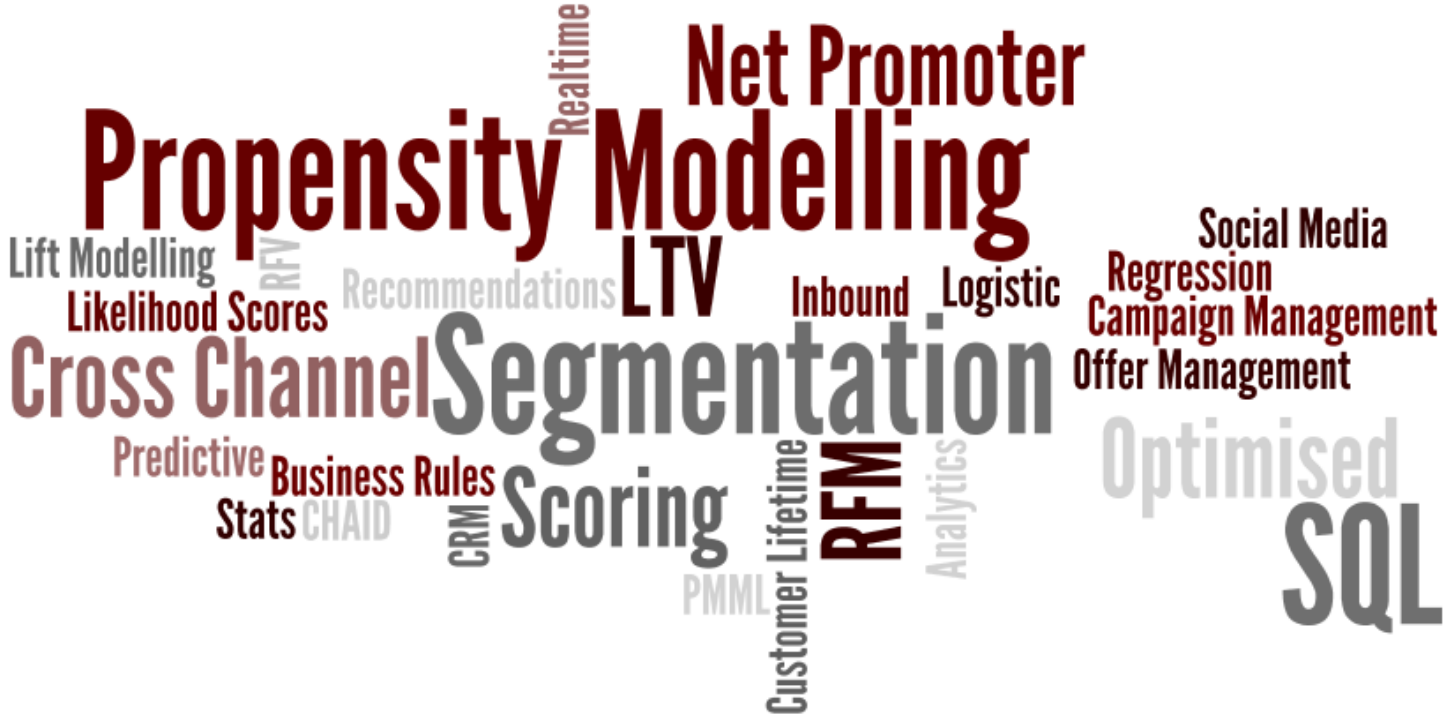
- Identify early warning signs of lapsing and re-engagement opportunities
- Keep your best donors on-board
- Take the optimal action to retain their support

Predictive analytics  
for Supporters

Acquire  
Grow  
Retain



# Predictive analytics in business applications



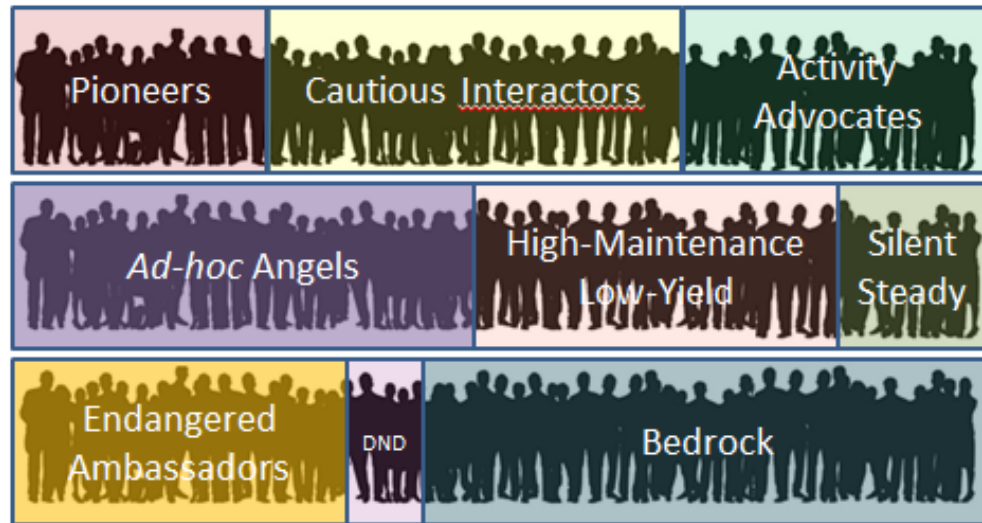
# Types of predictive analytics

- **Classification / propensity**
  - Who is most likely to respond / convert/lapse based on historical response data and the array of behavioural data we have about them?
- **Clustering**
  - How can I divide my supporter base into meaningful and usable groups as a framework for marketing communications?
- **Association & sequence**
  - What combinations of events and interactions lead to a one-off donor becoming a committed supporter?
- **Time series**
  - What will donor revenue be next month / quarter / year?



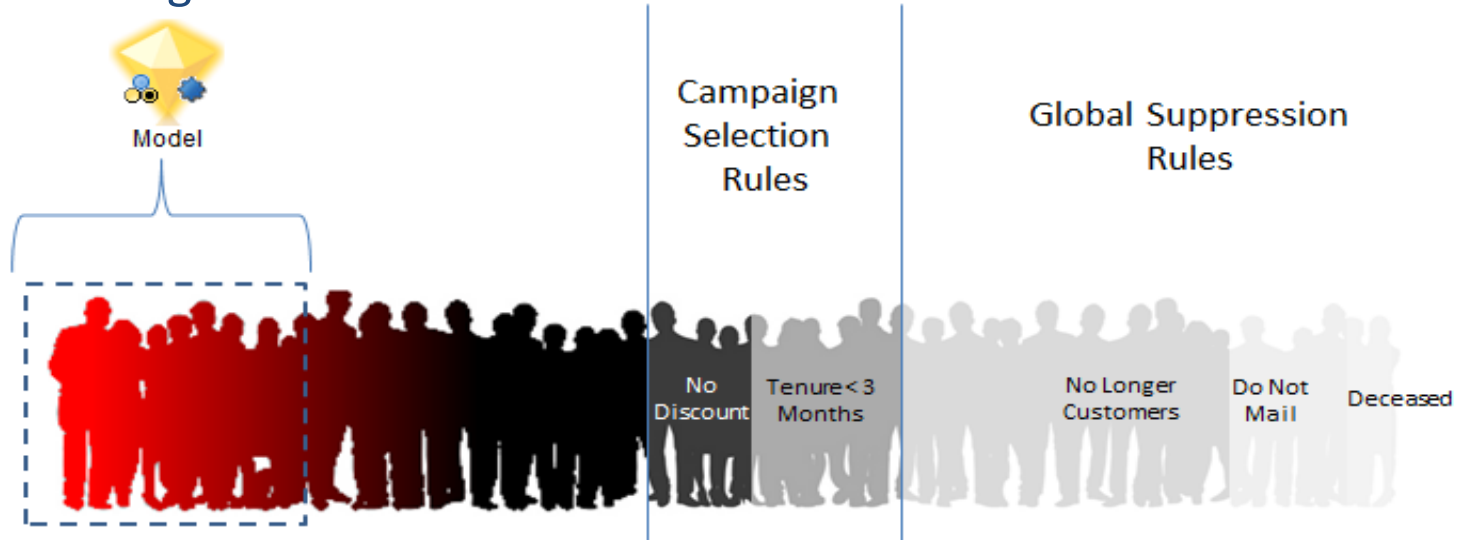
# Typical charity applications

- Recruitment profiling
- Data-Driven supporter segmentation
- Supporter life-stage modelling



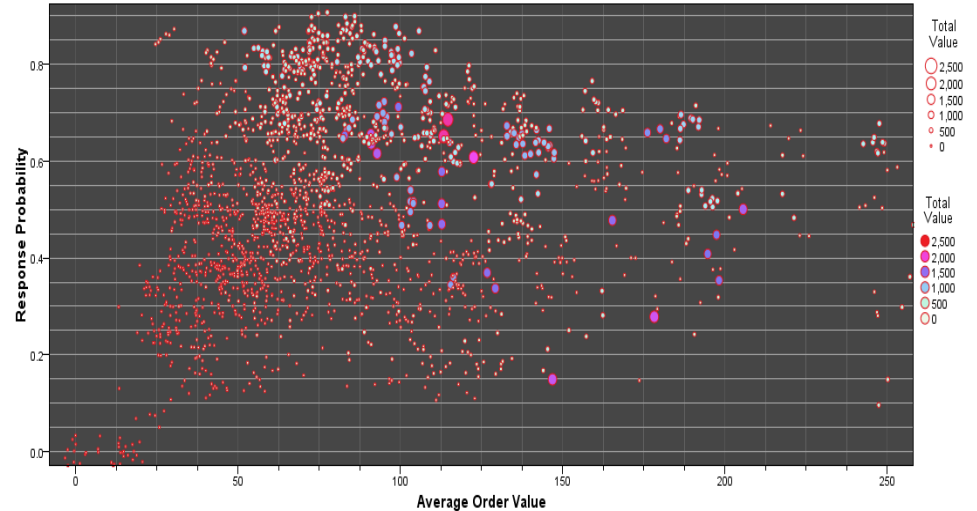
# Typical charity applications

- Campaign response /conversion prediction
- Reactivation modelling
- Legacy propensity modelling
- Yield modelling



# Other charity applications

- ‘What if’ analysis
- Drivers of satisfaction
- Sentiment/values analysis
- RFM
- Social media analysis
- Web segmentation
- Beneficiary analytics
  - Understanding needs/outcomes
  - Intervention analysis



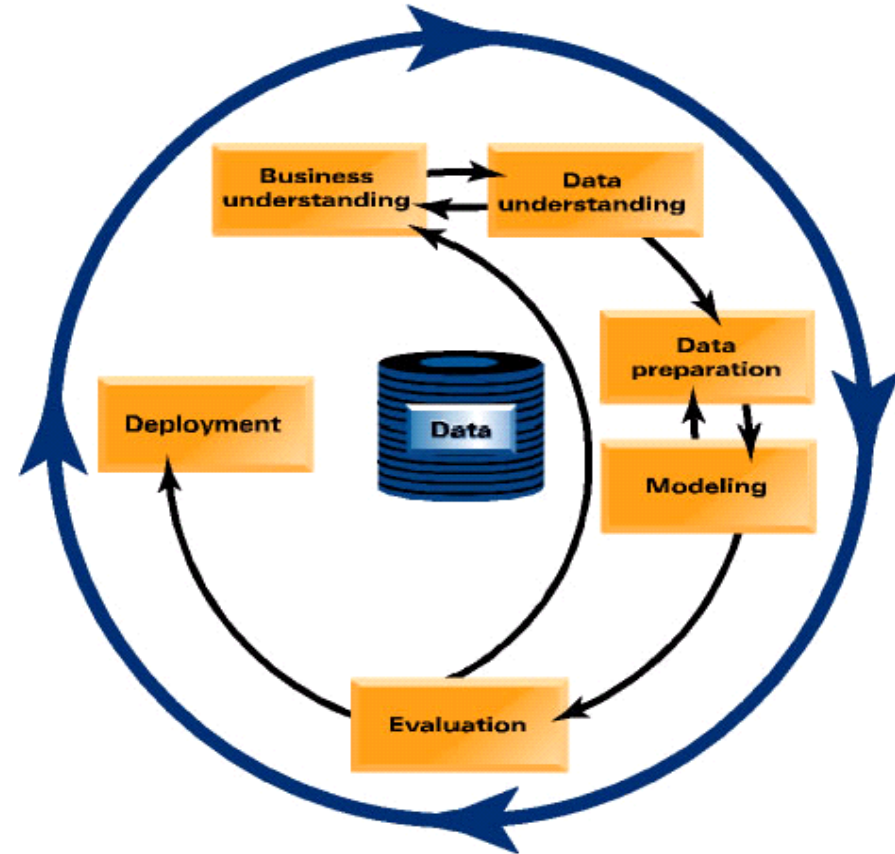


Let's look at a few examples...

# How do our clients maximise success?

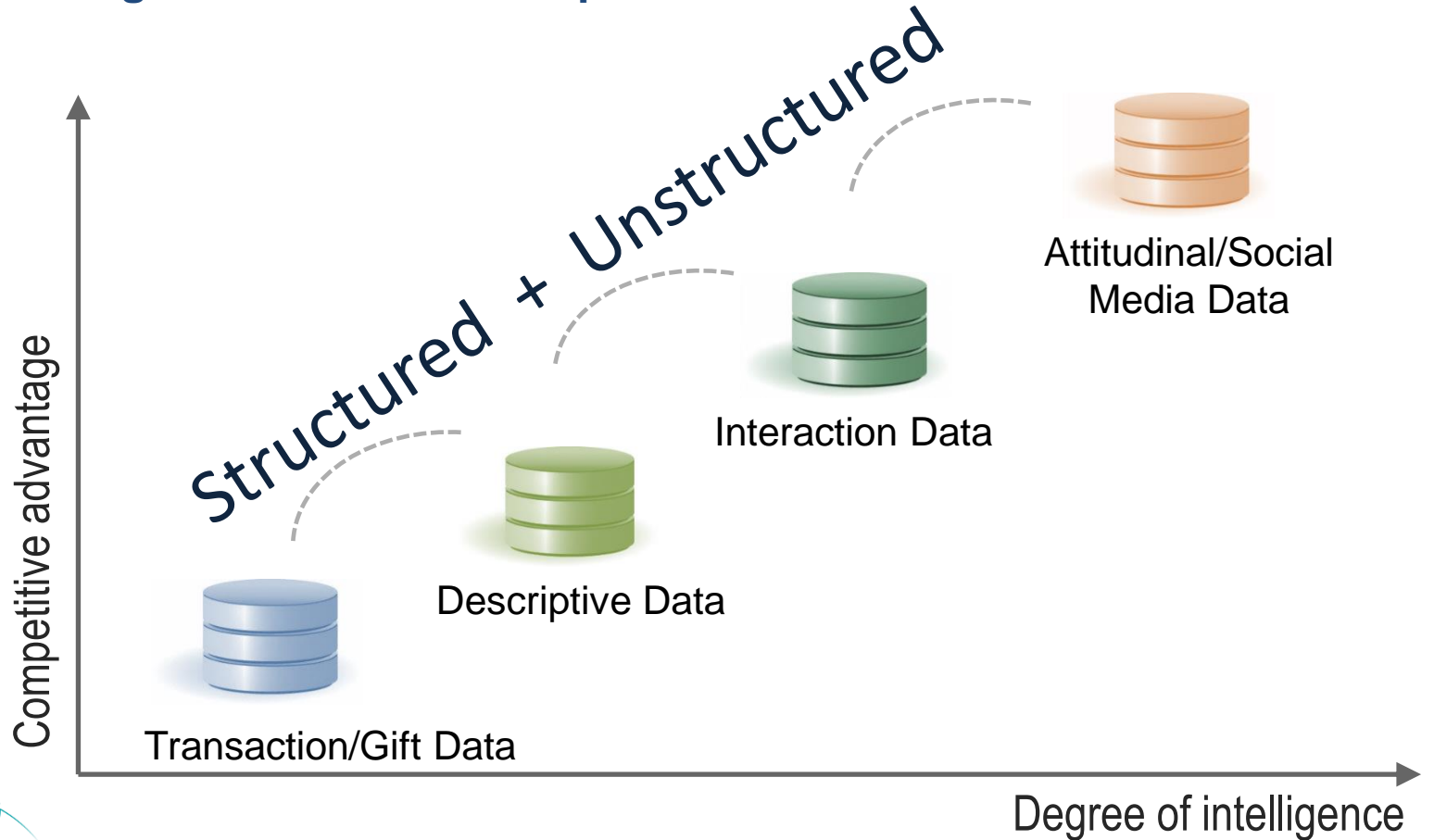
## By utilising a powerful, proven methodology

- CRISP-DM: Cross-Industry Standard Process for Data Mining
- Each application can be developed and progressed through a series of key phases
- [www.CRISP-DM.eu](http://www.CRISP-DM.eu)



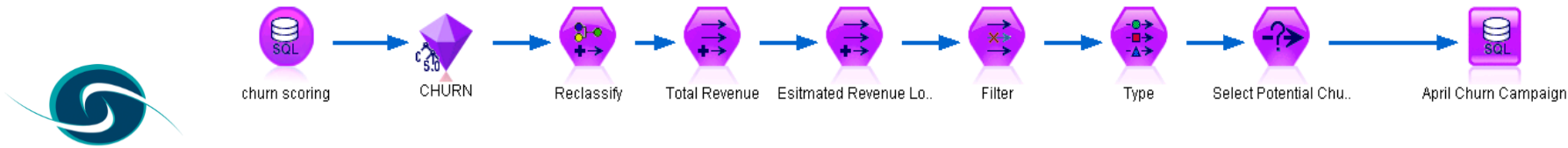
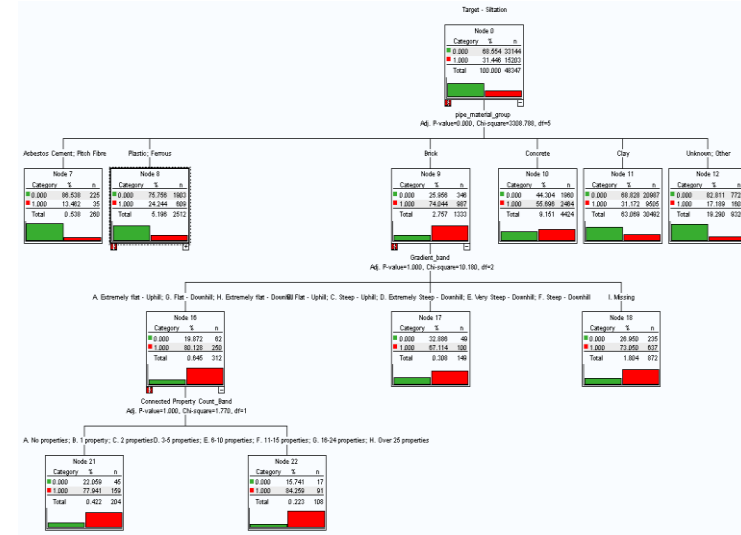
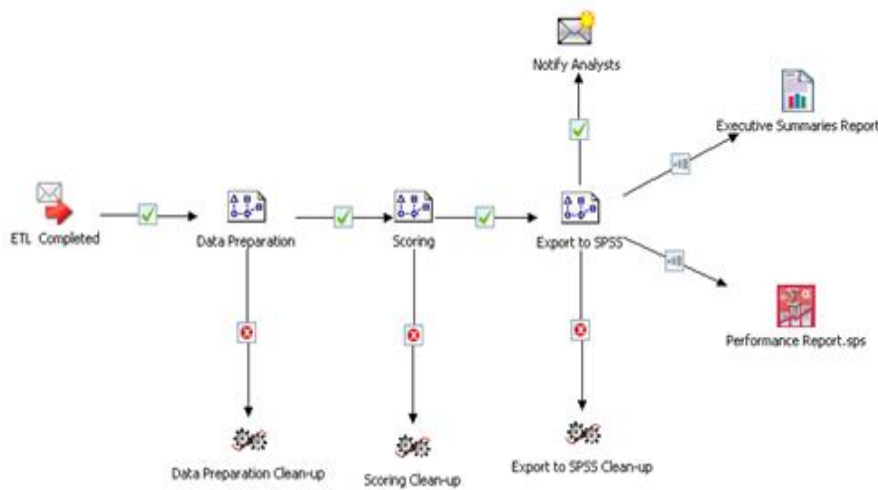
# How do our clients maximise success?

By exploiting a wide data landscape



# How do our clients maximise success?

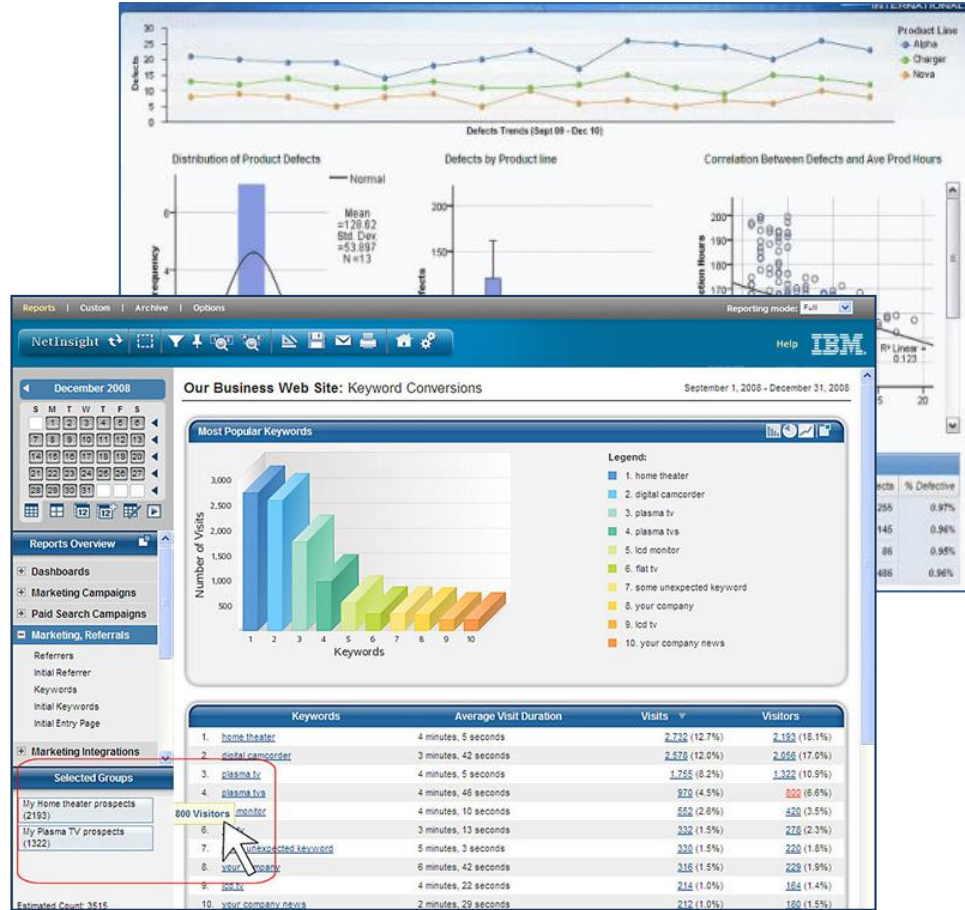
By using powerful IBM advanced analytics technology



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# How do our clients maximise success?

## By integrating the resultant insight with existing systems





# Common misunderstandings

- Revolutionary results overnight!
- You'll need a Ph.D.
  - In fact , data-literate, business focussed people learn how to do this all the time.
- The more *accurate* the model the better
- You need a clean, single-supporter-view warehouse

# Advice to get started

- **Build internal credibility:** *think* about where you would get *biggest impact* for the *least effort*.
- Consider adopting a proven methodology e.g. CRISP-DM ([www.CRISP-DM.eu](http://www.CRISP-DM.eu))
- Don't get hung up on modelling techniques - focus on *business understanding* and *deployment*
- Consider the full data landscape – find out what motivates supporters
- Consider the sorts of roles involved /impacted
- Consider integration with other business insight systems (e.g. MI/BI)
- How will you know its worked? Focus on measuring the benefit – e.g. response rate lift, increased cross-sell, revenue/profit impact

# Working with Smart Vision Europe Ltd

- As a premier partner we sell the IBM SPSS suite of software to you directly
  - We're agile, responsive and generally easier to deal with
- As experts in SPSS / analytics / predictive analytics we will
  - deliver classroom training courses
  - offer side by side training support
  - offer “skills transfer” consulting
  - run booster and refresher sessions to get more from your SPSS licences
  - Give no strings attached advice
- We are a support providing partner so if you already have SPSS you can source your technical support directly from us (identical costs to IBM)
  - We offer telephone support with real people as well as web tickets / email queries
  - We offer “how to” support to help you get moving on your project quickly





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Thank you