



Using predictive analytics to maximise the value of charity donors

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FAQ's

- 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'?



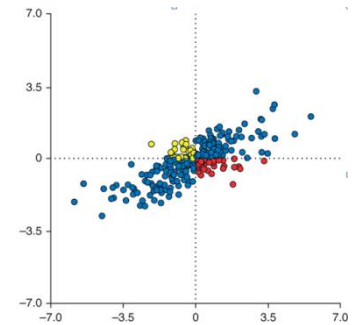
Predictive analytics encompasses a variety of techniques from **statistics** and **data mining** that analyze current and historical data to make predictions about future events



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

What do we mean by 'Predictive Analytics'?

- It's different from Business Intelligence or MI reporting
- Actually, it's not *always* about prediction
- However, Predictive Analytics *does* creates 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 donors and channels
- Take the best action every time to interact



retain

Retain supporters:

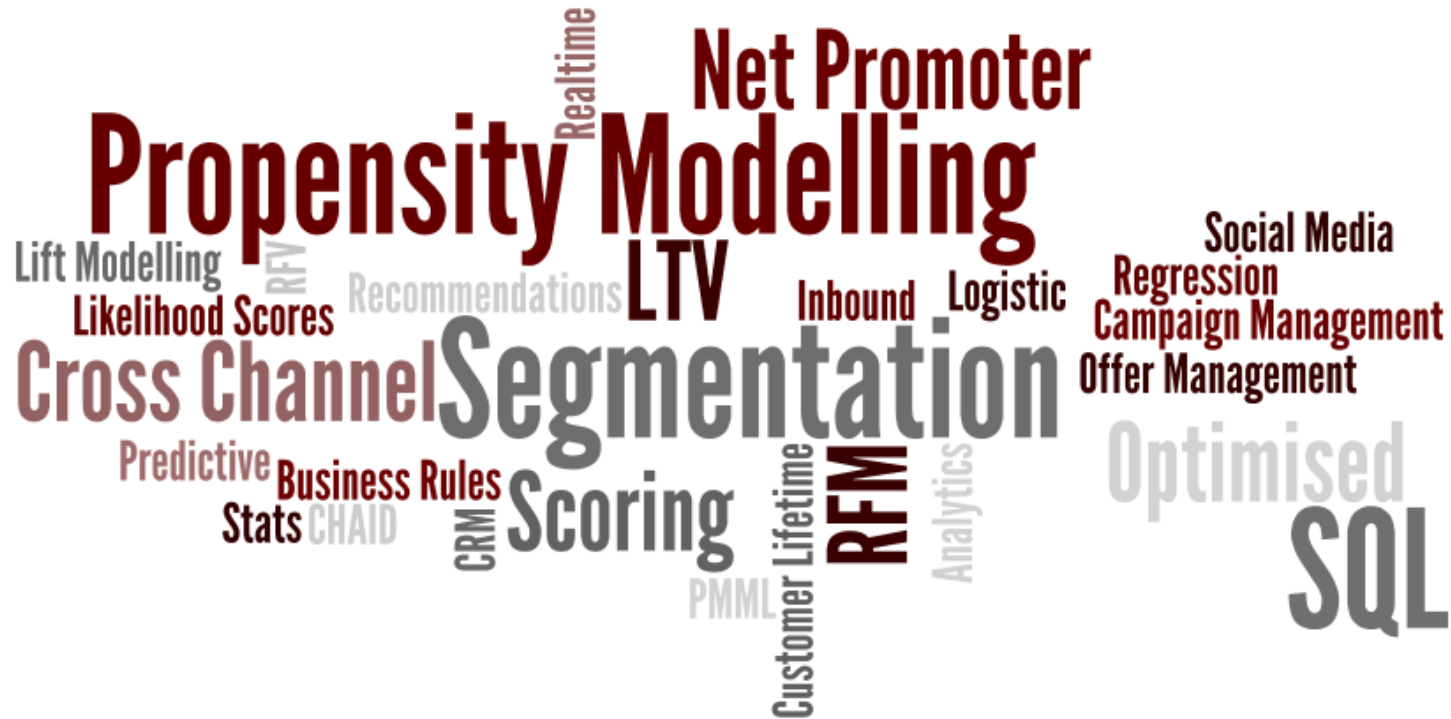
- Identify early warning signs of lapsing and re-engagement opportunities
- Keep your best donors on-board
- Take the optimal action to retain their support

Predictive Analytics
for Supporters

Acquire
Grow
Retain



Predictive Analytics in Business Applications

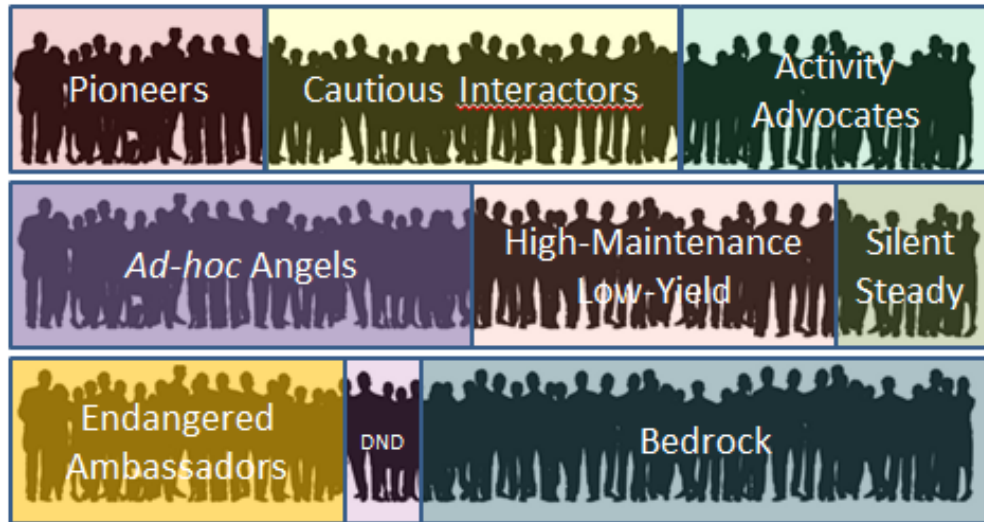


Types of Predictive Analytics

- **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



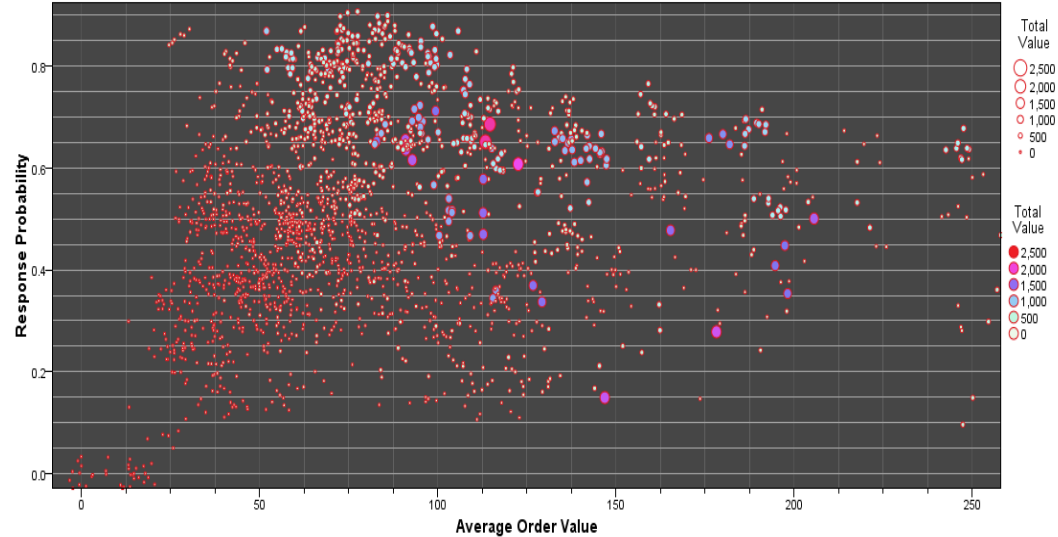
Typical Charity Applications

- 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



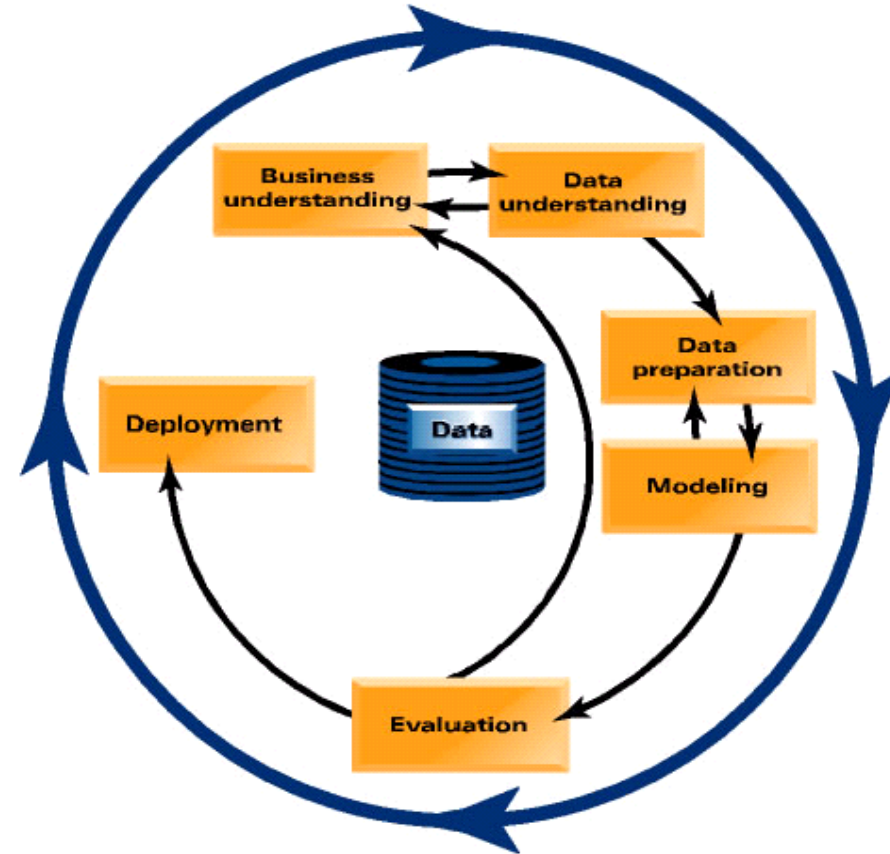


Let's look at a few examples...

How do our clients maximise success?

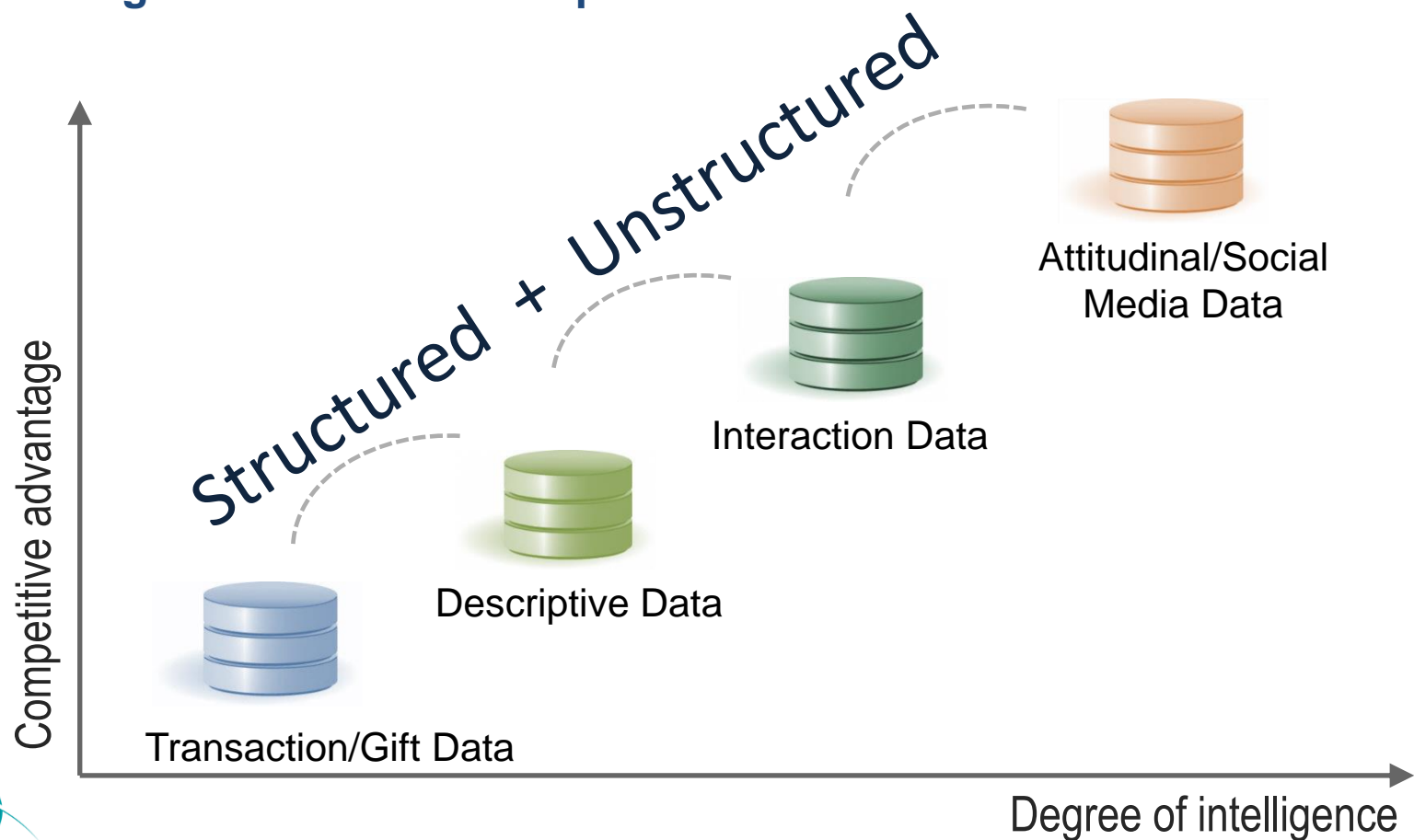
By utilising a powerful, proven methodology

- 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



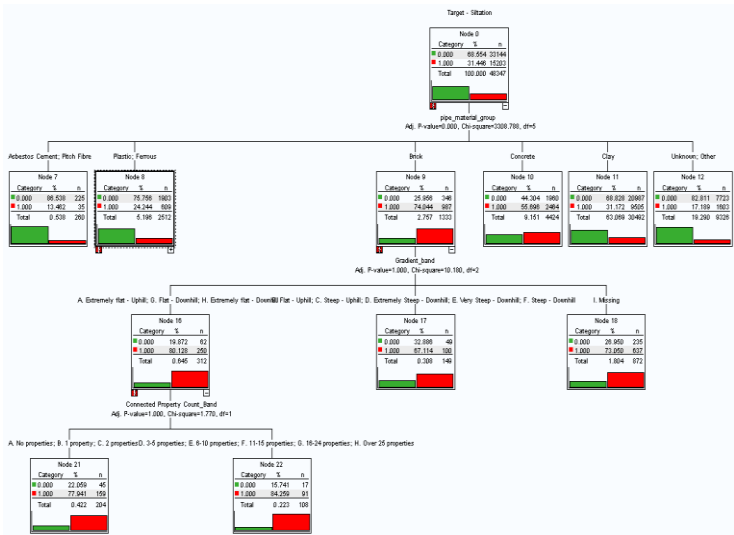
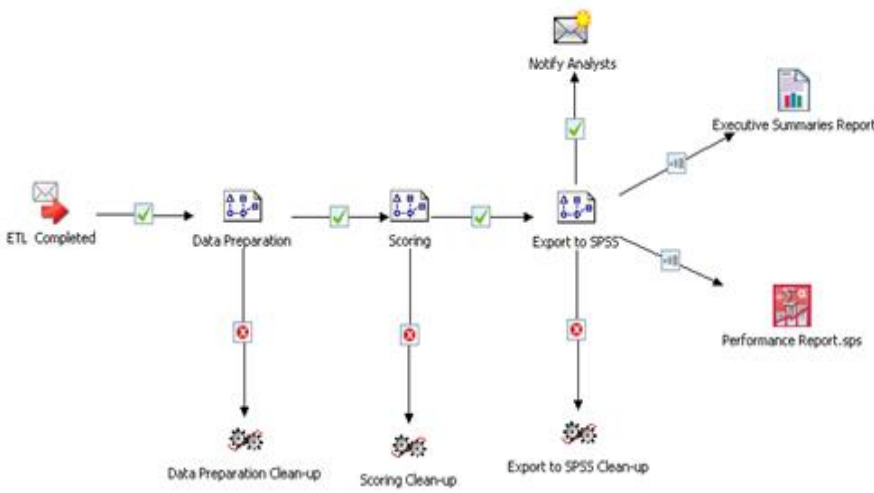
How do our clients maximise success?

By exploiting a wide data landscape



How do our clients maximise success?

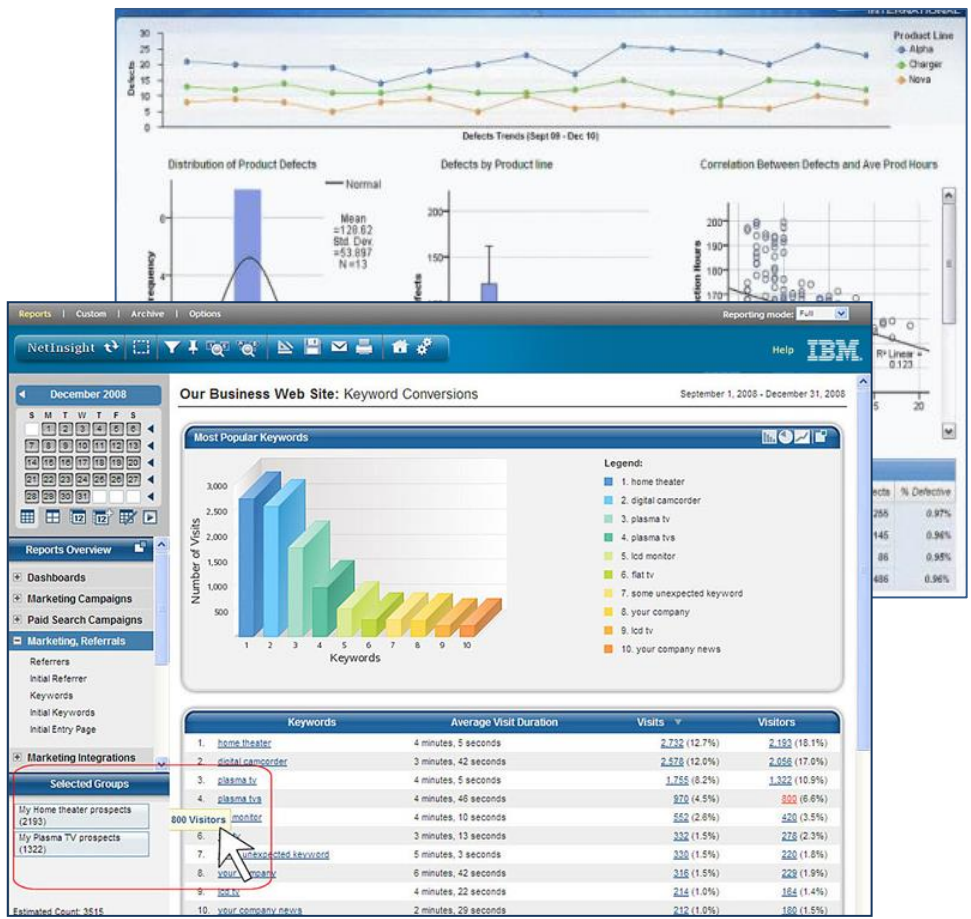
By using powerful IBM advanced analytics technology



A SELECT INTERNATIONAL COMPANY

How do our clients maximise success?

By integrating the resultant insight with existing systems



A SELECT INTERNATIONAL COMPANY

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)
- 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
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 - deliver classroom training courses
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- 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)
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Thank you