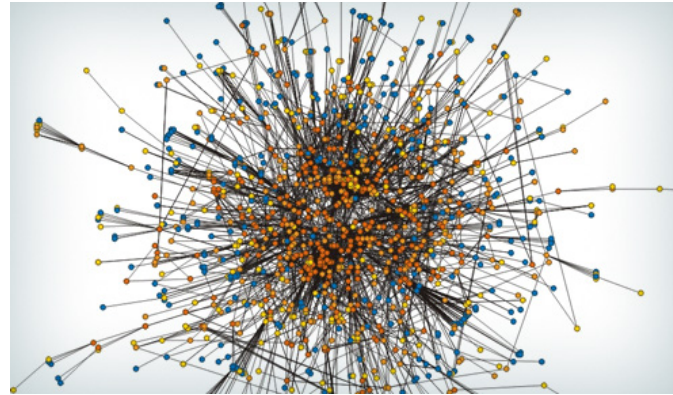




collins group
a division of
Campbell & Company

Prospect Research Demystified



Making Donor Data Work for You

BECAUSE **YOUR MISSION** MATTERS

Questions? Email noreah@collinsgroup.com; follow us
on Twitter @CollinsGrp #fundraising

Who are we?

James Plourde, CFRE

Senior Consultant, Collins Group

- Worked in non-profit sector for 25+ years
- Healthcare, higher education, and human services
- Seen first-hand the importance of data management



Carrie Dahlquist

Director, Strategic information Services, Campbell & Company

- Worked in non-profit sector for 15+ years
- Roles in strategic planning, campaign management, major giving, annual funds
- Has leveraged data in each role to inform decision-making



Our time today

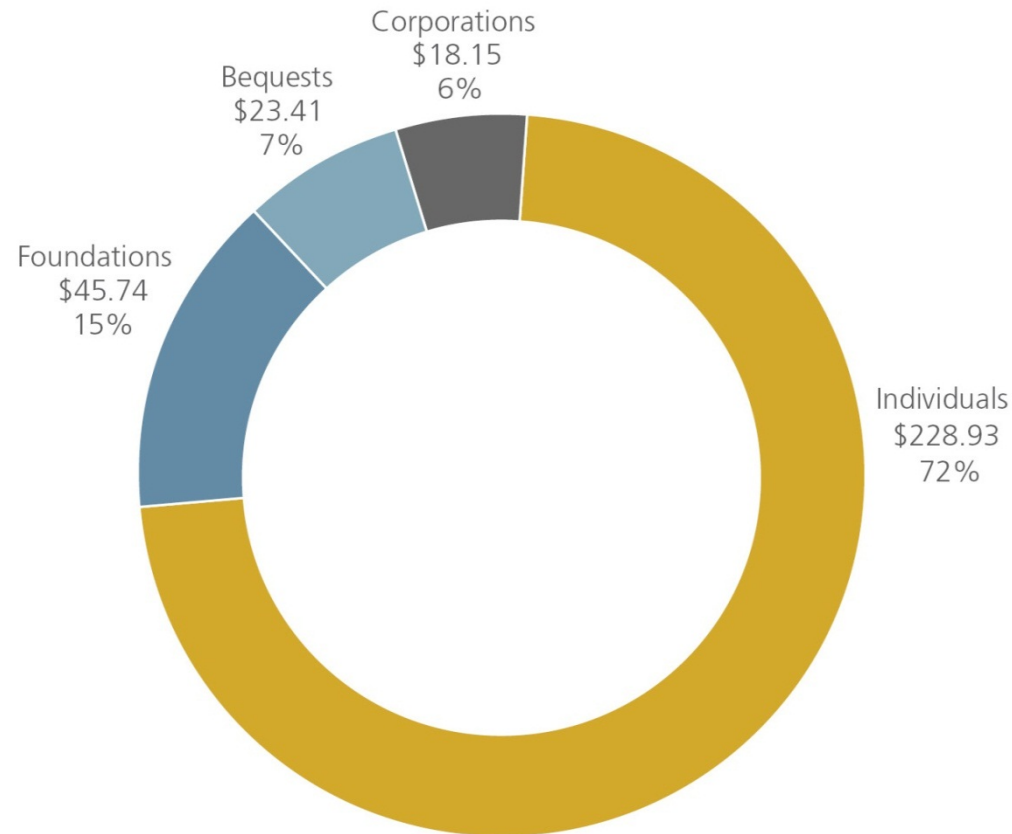
Today's Goals

- Explore different kinds of data and their value
- Learn how to interpret results
- Discuss building a prospect pipeline
- Use analytics to develop tailored strategies
- Steps for implementing a data plan



The Philanthropic Landscape

2012 contributions: \$316.23 billion by source of contributions
(in billions of dollars - all figures are rounded)



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Total giving: 1972-2012 (in billions of dollars)

Total giving, 1972-2012
(in billions of dollars)



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Source: Giving USA Foundation™ / GIVING USA 2013



Current Trends

Institutions becoming more reliant on philanthropy

- Corporate dollars are tied to strategic business objectives
- Foundation funding expected to remain flat for the next year – many are not taking on new grantees
- Individuals continue to be the best source of philanthropic dollars – 2012 9.4% up from 2011

Financial projections / decisions increasingly being informed by prospect pipeline

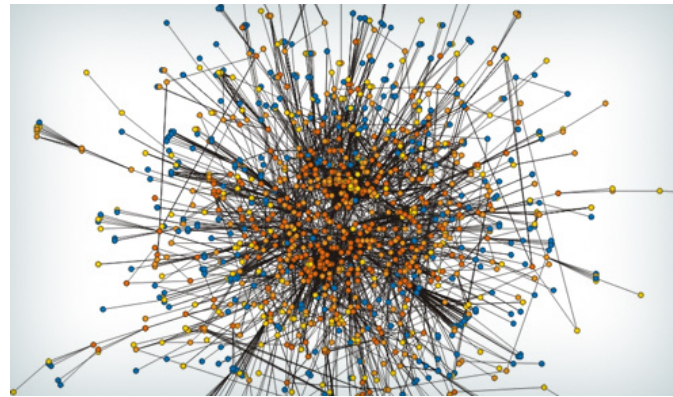


What Does that Mean?

- We have to put our time to best use
- Who do we call first?
 - Hidden gems
 - Planned giving prospects
- Data is driving the world's businesses
- We need a solid “Data Plan” to stay focused and strategic



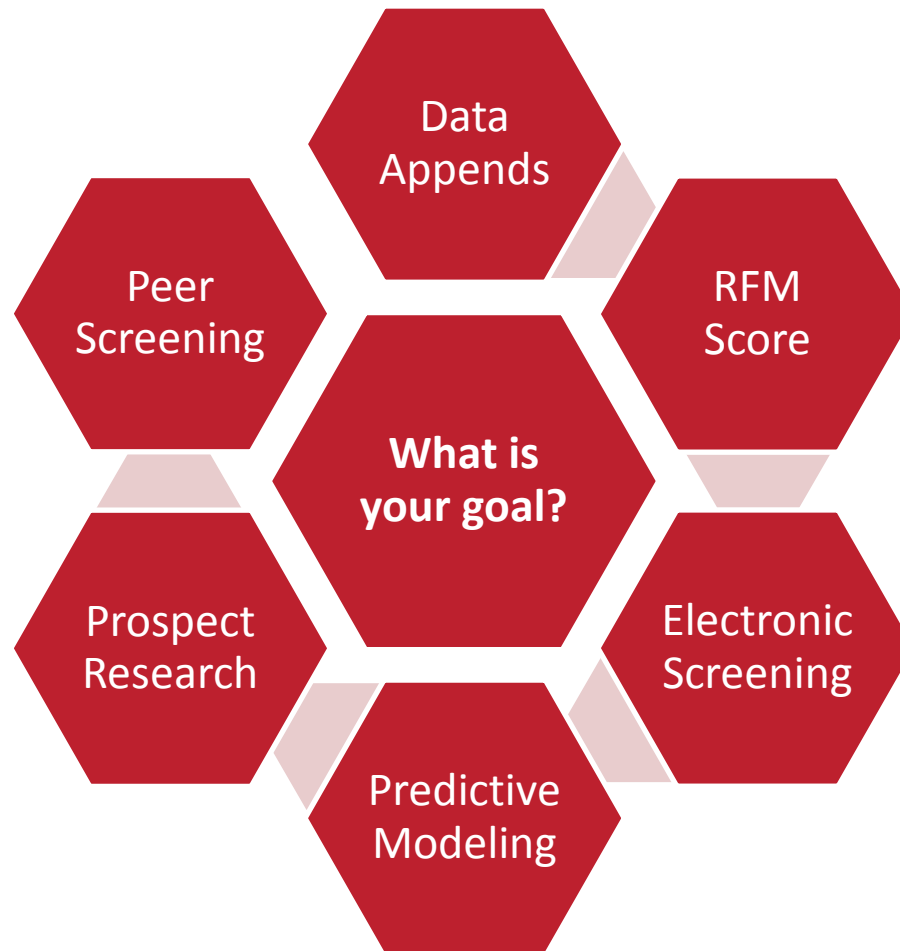
**Data, Data
Everywhere,**



But who knows what to think?



Many Different Kinds of Data



Data Appends

- Many organizations conduct NCOA updates
- There are other kinds of information available:
 - Long Lost Addresses
 - Email
 - Phone
 - Age
 - Marital Status
 - Deceased
 - ...and more



Electronic Screening

Examines publicly available information on:

- Wealth, Hard Assets, Careers, Philanthropic Connections

Estimates Major Giving Capacity

- Amount prospect might be capable of giving to all philanthropic priorities over a five-year period

Manual confirmation will be needed

Other benefits

- Helps develop gift table and identify gaps
- Helps prioritize major gift prospects and informs engagement, cultivation, and solicitation strategies



RFM Scoring

RFM marketing technique used to prioritize and segment prospects using a score

Very simple

Not as strategic, but quick and inexpensive



Peer screening

- Great way to use “insider” volunteers
 - Board; development cmte; campaign cmte
- Great “next step” of RFM
- Ask vols for suggested capacity
- Learn who volunteers know and may be willing to contact



Predictive Modeling

Designed to answer a question

Identifies key characteristics of target population

- Analyzes records in your database to find others who share similar characteristics
- If done through vendor, additional data / characteristics can be added

Focus on the “right people”

Great for upgrade and segmentation strategies



Prospect Research

- A critical function
 - Can be full-time, part-time, shared, or outsourced
- Combines art and science for top prospects
 - Using online research tools, evaluate available information
 - Makes strategic recommendations about interests, inclination, and capacity
 - Provides relationship managers and natural partners with critical information to promote engagement



Balance Needs and Resources

	ADVANTAGES	DISADVANTAGES
Data Appends	<ul style="list-style-type: none"> - Better for data mining - Better for mailing - Relatively inexpensive 	<ul style="list-style-type: none"> - Seen as “add on” - Requires maintenance
Electronic Screening (Hard Asset)	<ul style="list-style-type: none"> - Different vendors/price points - Information can be ad hoc, batched, or a project - Provides capacity estimate 	<ul style="list-style-type: none"> - Expensive - An incomplete picture - False positives - Needs to be managed
RFM Score	<ul style="list-style-type: none"> - Inexpensive - Good for basic prioritization 	<ul style="list-style-type: none"> - Won’t give a target \$ or capacity - Only based on giving
Peer Screening	<ul style="list-style-type: none"> - Inexpensive - Good cultivation for volunteers - Good information on limited pool 	<ul style="list-style-type: none"> - Could be subjective - Can be time consuming - Hard to focus on right information
Predictive Modeling	<ul style="list-style-type: none"> - Provides indicators where screening misses - Great for upgrades - Vendor: can provide additional data/insights - In-House: can be recalculated as necessary 	<ul style="list-style-type: none"> - Vendors: expensive; won’t pick up high-end outliers; static - In-House: less information available; requires training/system
Prospect Research	<ul style="list-style-type: none"> - Aggregates disparate information - Informs strategy - Somebody has to do it 	<ul style="list-style-type: none"> - Can be expensive and time consuming - Requires training



Analysis to Action

- Perfection is not the objective
- Informed strategic action is the objective
- Only one mistake you can make:
Not *using* the data analysis!



Case Study: Launching Lead Gifts Phase of a Campaign

- Board gifts phase ending
- Large database
- Screening/predictive modeling
- Tier I, II and III donors
- Two-three Tier I Hidden gems
- Informed MG portfolios



What Does it Take?

✓ Commitment

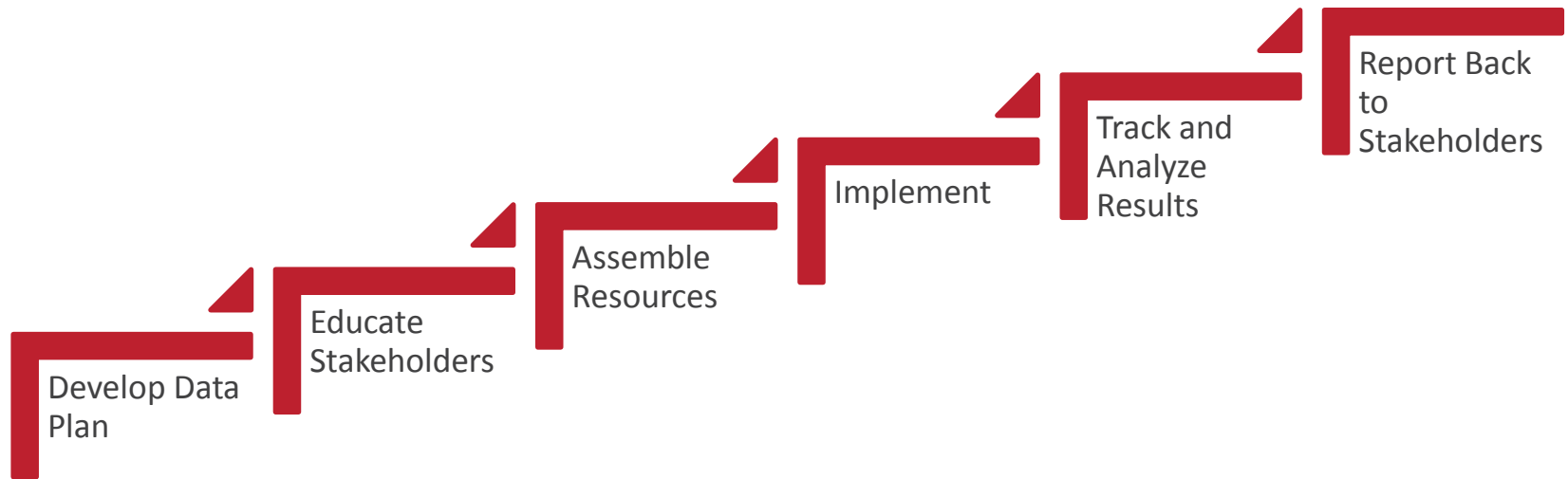
- CEO
- VP/DOD
- Resources – financial and talent
- Reallocation of time

✓ Culture shift

✓ Inclusion of volunteers and senior management



What to Do Next?



We're here for you

James Plourde

jamesp@collinsgroup.com

Carrie Dahlquist

carrie.dahlquist@campbellcompany.com

www.collinsgroup.com

Twitter: [@CollinsGrp](https://twitter.com/CollinsGrp)

Upcoming webinar:

“Giving USA: A Northwest Perspective”

June 24, 10am-11am PT



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