Predictive Analytics Applications   
BAN502   
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An application of predictive analytics that is of interest to me is fundraising analytics. There is so much data available about donors, but to prioritize solicitations, customize solicitation amounts and forecast potential dollars raised, we need reliable predictive analytics. Predictive modeling can be used to determine which donors or donor prospects are not only likely to give, but also the amount they are likely to give, and what type of messaging may resonate with them well.

Also important is to predict what donors are *unlikely* to give to our institution or cause. Direct mail solicitations are costly, so if predictive modeling can help segment donors that should only receive email solicitations at a fraction of the cost, that will improve the bottom line for the organization.

As the Non-Profit times states, “Predictive analytics can be applied to almost any area of nonprofit operations. While improving fundraising is often the first goal, predictive analytics can be used to improve other areas of the organization. Several examples of these are: Mission-specific goals, Operational performance, Cost forecasting, and Community and government outreach.” (The Non-Profit Times, 2019).

One of my professional responsibilities is to discover new donors who are probable to make a major gift of $25,000 or more within the next three to five years. Predictive analytics and donor insights are an invaluable tool to keep myself and my colleagues from spending time researching or contacting prospects who are unlikely to give at that level.

SOURCE:

The Non-Profit Times, 10-Jan-2019  
<https://www.thenonprofittimes.com/column_database/predictive-analytics/>