Empowering Major-Gift Fundraisers with Data
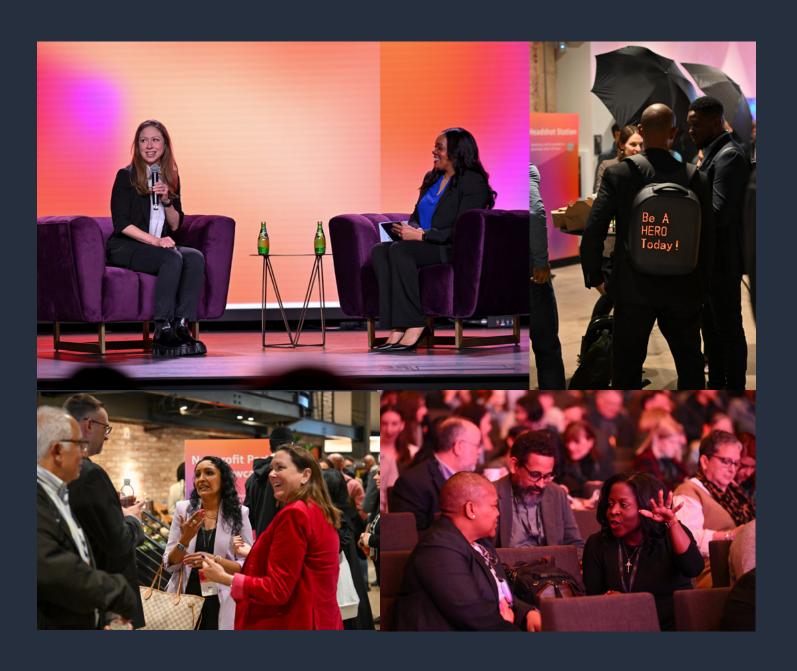
By Elaine Gantz Wright

Savvy nonprofit leaders understand the power and potential of data, and many are prioritizing data analysis to make smart decisions throughout their organizations. Oftentimes, a data-driven approach begins with major-gift fundraising, where success depends on a calculation of donors' capacity, attachment to your mission, timing, and alignment with organizational priorities. The right data strategy can help you analyze these and other factors and take your major-gift fundraising to the next level. Plus, collaboration between data analysts and front-line development professionals can help you identify those most likely to give or give more and enable you to predict results more accurately.

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Several experts joined a recent *Chronicle* online forum to discuss how they are using data to turbocharge major giving. The session, "Leveraging Data Analysis to Boost Major Gifts," was hosted by Senior Reporter Emily Hayes. The panel included Catherine Flaatten, associate vice president of Prospect Development at BWF; Lindsey Nadeau, vice president of data, insight, and campaigns at UNICEF USA and, Jon Thompson, associate vice president of philanthropic strategy and technology at Children's Hospital of Philadelphia.

A Data Strategy Is No Longer Optional

Most leaders now recognize that data analytics can transform their fundraising. The challenge for many is often where to start and how. There are still hurdles and misconceptions to overcome in most organizations, but success stories are abundant. All three panelists agree that a crucial first step is helping fundraisers embrace data analysts as strategic partners, not just service providers — to view them as revenue generators not cost centers. Data managers should have a seat at the table when decisions are made, they say.

"The data folks need to know from leadership that they are not only empowered, but they are expected to contribute their counsel as subject-matter experts," Flaatten says, "ensuring that the database is used and respected as that single source of truth."

To get there, the panelists recommend adopting a data strategy gradually — crawl before you walk, fail fast, and test hypotheses step by step, they advise. Data maturity does not happen overnight — no matter the size of your operation.

Catherine Flaatten
*Associate Vice President
of Prospect Development at BW*

Lindsey Nadeau
*Vice President of Data, Insight,
and Campaigns at UNICEF USA*

For most nonprofits, major-gift fundraising is a logical place to jump in, because data management is already part of the process, says Nadeau. That makes it easier to help leaders understand the benefits of investing in data optimization to prioritize supporters with the greatest potential to give and foster major-giving success, she says.

Define the Business Question

Diving into the deep end with a flashy, new tool like ChatGPT is not the most productive approach, says Thompson. Before choosing a data solution, first, you should identify your most pressing business need. Then, he suggests, ask questions that frame your query, such as: How will data intelligence advance our mission? How do we measure success? And is the data we capture digestible and actionable?

As an example, Thompson says his shop needed help identifying the best major-giving prospects. He tried "first-generation A.I." And the results were compelling, he says. In the sample, the targeted prospects made their way through "moves-management levels," 17 percent faster, with 22 percent higher average gifts.

"In fact, we had one case in our cancer group that identified somebody who was not in the pipeline at all who made a $6 million dollar gift within a few short months," Thompson says. "So, it meant the entire effort was paid for inside a single fiscal year."

Another important business question Thomson suggests addressing is revenue-goal setting. He explains that his team used actual program costs and revenue numbers

Jon Thompson
Associate Vice President of Philanthropic Strategy and Technology at Children's Hospital of Philadelphia

in quantitative modeling to set goals based on predictive analytics — as opposed to pulling goal numbers out of the air.

Getting colleagues involved is key, say Nadeau and Flaatten. Regardless of your shop size, start with a strategic, collaborative approach to ensure buy-in and success.

Track Actions People Take and Quantify the Value
When it comes to major-gift prospecting, the best source is likely your own internal data, the panelists say.

Prime prospects are usually already in your database, says Flaatten. "This is not to say that we shouldn't prospect externally, but it is to say that it is often more cost-effective and, frankly, easier to actually start with your own constituency."

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Nadeau adds that UNICEF USA built a "homegrown affinity score" to help prioritize potential donors in its database. The tool is weighted and compiles points that are not just based on finances or capacity, but includes metrics for volunteer roles, event attendance, digital interactions, and other touchpoints. "I'm a fan of using data for good thinking," she added, "including capacity, interest, and affinity — but also [determining] who is going to help fund the programs that UNICEF USA thinks are the most critical right now."

Nadeau says after using the tool, they often partner with a consultant who uses these "data markers" to narrow the pool of donors to those most likely to fund their highest-urgency programs.

Tracking "interesting giving patterns" also helps to surface the strongest leads, Flaatten says. Examples include tracking gift value, cumulative giving over the past five years, consecutive or increasing gifts, monthly giving, a documented planned gift, and the number of contact methods on file for the prospect or donor. These actionable data points help reveal major-gift prospects who might be hiding in plain sight.

Build a Strong and Integrated Data Ecosystem

At UNICEF USA we have created a "robust data ecosystem," says Nadeau, by integrating all data sources throughout the organization. This helps to better understand our prospects and donors — and helps us retain supporters and inspire increased giving, she adds. This "360 view" of our constituents also helps us build donor

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personas and "prospect journeys" to better manage donor communication to boost response rates at every stage.

To ensure success, Thompson adds, data analysts and fundraisers must agree on consistent data definitions, policies, and reporting metrics because, "we can't report out of the system what isn't consistently applied across the board," he says.

Being on the same page is critical. As Nadeau, an analyst, puts it: "Data analysts have to learn fundraising, just as much as we want fundraisers to learn the data definitions and policies."

The most important aspect of creating a data strategy is doing the political work to create the data definitions and policies, says Thompson. Nine out of 10 problems are solved, not by technology, he says, but by people creating processes that enable data to direct people's actions to produce desired results.

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