Webinar: Raising Money with Autonomous AI Fundraising

Walter Dillingham
Well, good morning, everyone. I'm Walter Dilingham from Wilmington Trust and welcome back. Welcome to our Philanthropic Speaker Series. A little background to myself, I oversee our endowment foundation practice, which I've been doing for over 20 years, and this is a very important part of our work at Wilmington Trust.

Today we manage and oversee over 20 billion in endowment and foundation assets. A key part of our work with our clients is our value-added services, our education. And today's a great example of that. Today is our session number 113, which we've been doing since 2000.

And the topic today is raising money with autonomous AI fundraising. Ladies and gentlemen, AI is a is a hot topic today for the not-for-profit community, and I'm a student of AI. At first I saw how not for profits were using AI to be more efficient. In fact, the invitation that we sent to you all was assisted by AI, and then nonprofits started using AI to analyze donor information. Now, AI is connected to actual fundraising, which is amazing, and today that is our focus. And I am so happy to have Emily Groccia from Givzey and our panelists MK Young and Adam Zincavich from Baypath University. I know we're gonna have a great discussion. So ladies and gentlemen, as far as agenda goes today, we're gonna move very quickly. We're gonna start off with a special guest from our investment team, Chris Sportsick, who's gonna talk about the capital markets briefly.

Chris is a senior investment advisor at Wilmington Trust who focuses in on endowments, foundations and pension plans. He's also a team leader of our institutional OCIO team and has over 15 years of experience, and I asked Chris for a fun fact about himself, and he says, when he was younger, he was at our New Kids on the Block concert. And he was picked out of the audience by Donnie Walberg to have a quick chat with the superstar and Chris did a great, great job. And you know, I guess you could say that was his first fireside chat. So I know he's gonna really do well with this fireside chat. So please welcome Chris Sporcic.

Hey Chris, thanks for being with us here today. We've been getting three questions from our clients that I just want to ask you. The first one is related to the valuation of the markets today. You know, the markets are, even though they've been involved for the last couple of days, they're still close to their highs. Some people think that we're in a bubble. What are your thoughts about that?

Chris Sporcic
Great, thank you Walter. Good morning, everyone. I guess I'll first say I was actually thrown out of the audience by my dad, not picked. He wanted me to, to be selected. And then that was my first foray into the limelight I guess, so I just kept going from there. In terms of the question, are we in a bubble or not? I think it's important to probably take a quick look back as to how we got here.

And so we had very strong returns in the Q2 and the Q3 from an equity perspective. A lot of that was driven by solid economic data that continues to come out of the marketplace. We had Q2 GDP come in at 3.9%.

I just looked at the Atlanta federal reserve, which tracks GDP growth on a consistent basis and Q3 GDP is being tracked at around 4.3%. So very strong economic data coming into the marketplace.

We've had very strong earnings growth, which is helping to support the level of valuations and returns that we've seen so far. In fact, we've seen earnings growth up 13% year over year so far.

And it's our first cons or our 4th consecutive quarter of double digital earnings growth. And then we also had the onset of the federal Reserve easing cycle where they cut interest rates in September. They cut interest rates in October.

Potentially cutting rates. So that helped to get us to where we are. Now I think it's important to kind of look at where do we go from here. And if we look at it from the perspective of artificial intelligence names that are driving a lot of the returns right now versus the other, you know, 493 or so names in the S&P 500. We see a very distinct difference in terms of valuation, so the equal weighted S&P 500 is at 17 times earnings, which is about the average valuation that we've seen historically, whereas the, the magnificent seven or the artificial intelligence names are, are much higher in terms of their valuations, but they're also supported by very strong growth earnings, growth cash flows. So I would say are we if we're looking at it from a perspective of are we in a bubble or we are in an artificial intelligence bubble. The short answer would be no, probably not yet. I saw one of our managers label it as, you know, if we're thinking back to the previous tech bubble, you know, we might be in year 1998 versus 2000 when we saw that crash. So we still think we still have ways to go in terms of the overall trade from an artificial intelligence perspective and the rest of the market is more reasonably valued at this point. So we do not think we're in a bubble right now.

Walter Dillingham
Okay excellent. We, so take out your crystal ball. What do you see the market in the in the next twelve months? Cause that was the question we just got yesterday.

Chris Sporcic
Yeah, so we we've seen very strong returns as I mentioned from the S&P 500 over the past two quarters. That's really off the loads that we experienced following liberation day or the announcement of the reciprocal tariffs. And our chief strategist pointed out the other day that the previous six months, so the Q2 and Q3, were the 5th best return for the S&P 500 in the history of the S&P 500. So very strong returns that we've experienced without a significant pullback during that time period.

So, do we think there's an opportunity for a pullback? We've certainly seen higher value or higher volatility recently. We could see a pullback, 10% pullback, 5% pullback. We wouldn't be surprised at that. In terms of a recession expectation, we don't think that there's a recession coming, you know, we've had that number fluctuate throughout the year as well, where it was as high as, you know, 60 to 70% following the announcement of those tariffs. It's come down in our opinion based on a lot of that solid economic data that continues to come into the marketplace, and we're putting our recession probability at closer to 45%, so little less than a coin flip right now, so we still think that there's opportunity for the market to grow from here and not necessarily fall into a recession.

Walter Dillingham
All right, well Chris, thank you so much for coming here for our fireside chat. I think those are really good updates. I mean, I can feel there's some good vibes there and good vibes are important because we have a number of fundraisers on the line so you know the stronger markets help endowments and fundraising. So thank you for being with us and hopefully you can stay because we might have some questions for you later on.

Chris Sporcic
Great., thank you.

Walter Dillingham
All right, sure. Alright, so ladies and gentlemen, we're gonna move to our speakers now, Emily, M K and Adam, and both all three of them have very interesting lives up there in Boston, just like Chris does. And first Emily Groccia, Emily is the vice president of customer success at Givzey. And she leads the development of the world's first fully autonomous AI driven fundraising platform and following many years in higher education advancement, Emily transitioned to fundraising technology in 2020 with Gravity and then joined Givzey.

In a prior life, she actually worked at Babson College as part of the development team there, and I actually graduated from Babson, so I'm really psyched to have Emily here. And then a fun fact about Emily, she grew up playing sports and was a rugby national champion in college. Wow, impressive. And now she spends any free time on the sidelines watching her ch or her children compete.

So Emily, thanks for being with us. Next is M K Young, who serves as the Vice President of Institutional Advancement at Baypath University in Long Meadow of Massachusetts, where she leads all aspects of the university's fundraising, alumni relations and external partnerships.

With more than 20 years of experience, she has worked in higher Ed and other nonprofit sectors. In her prior life, she was the chief development officer at Umass Amherst Foundation and also worked at UPen. Fun fact about MK, she told me that early in her career she was a mystery shopper at restaurants.

Which led into a short term run as a food critic. Wow, impressive there too. And then finally Adam Zinkavich, Director of Advancement at Baypath University. Adam has over 20 years of experience in the development arena, and he manages a portfolio of major gift prospects. He also oversees two virtual engagement offices, VEOs, which we're gonna learn more about that today and works closely with Givzey. The fun fact about Adam is he tells me he's the biggest Incredible Hulk fan in Connecticut. So ladies and gentlemen, please welcome our speakers and I'm gonna now turn over the program to Emily. Emily?

Emily Groccia
Great, thank you so much Walter. I like that most of our fun facts are a couple decades old. It makes me feel less badly than I could not come up with one that was more recent than my college athletic days. But thank you so much. We're, we're so excited to be here today and to be sharing about version two and autonomous fundraising and of course have our wonderful partners MK and Adam here with us as well. Just to give you a little bit of background here about version two so version two is an autonomous fundraising platform powered by Givzey. Givzey is a company.

Givzey is about a three-year-old company and was founded by the original founder of a company called Gravity, which was the first AI tool in the nonprofit space. I worked for Gravity as Walter mentioned, and when we used to train teams about how they were going to use Gravity as an AI enablement tool, which I'll talk more about in a minute, we had to tell them what AI was, and it wasn't that long ago. This was like 2019-2020. I used to start every training by saying, you know, Netflix, you know, understands what you watched last and can suggest what you might want to watch in the future. That's machine learning, that's AI.

I certainly don't have to do that anymore. It's been a really, really exciting couple of years in the AI space and where we have focused specifically is in autonomous AI. Autonomous AI essentially is the AI that you are not using in your daily life.

So when I use AI enablement tools over here on the left-hand side, that's, you know, your Chat GPTs, your Claudes, a lot of the tools within CRMs or platforms that allow you to search in natural language. I was actually doing this with my son last night, showing him how he could ask Claude to create a word search for him for a project that he was doing. And the great thing about enablement tools is you're not doing queries, you're not having to, you know, get really, really deep in code. You can just ask in the same way you'd ask a person to do something for you.

Those enablement tools have obviously come a super long way in the last five years. But autonomous AI is where we are specifically focused and autonomous AI is different because it does not require a human to do anything on the input, and the value is not dependent on that human doing anything as a result of the output. So if AI is suggesting to you who to reach out to or a draft of an email, it's relying on you as a human to do something, right? To gain value from that AI. And that's, those are the enablement tools.

Autonomous AI is bringing value in and of itself. So you don't need to ask it to do something and you don't need to do anything with the output. It does it for you to drive that value. Agent, as you see at the bottom of this slide, can be used in both spaces and that's what makes it really hard to to determine sometimes what's what, and to sort of someone that's not familiar with AI as deeply as we are in this space, that term can be a little bit confusing because it can include things in either buckets. You can have agents that are dependent on you as a human asking it to do something or doing something with them as a result. You can also have agents completing something end to end. So really think about that in terms of evaluating which type of AI you're looking at.

This is a great little graphic too, that helps determine that, again, really focused on implementation, outreach, execution. Does it do those things end to end?

And so what we looked at about a year and a half ago was the ability for AI completely autonomous AI, to address a problem that we knew that we had here in advancement in four nonprofits. We did a survey and not surprisingly, only about 3% of organizations donors are currently managed in gift office portfolios. So if I have a thousand donors to my organization, only about, you know, 30 of those donors are in managed portfolios, right? So the majority of donors are not in a gift officer portfolio. And that's specifically what we're addressing with autonomous fundraising. How can we take the majority, the 97% of donors who are not getting one to one outreach, who are not getting personal phone calls, who are not going out to coffee with you, how can we give them a more elevated experience than what we're doing with annual giving marketing with segmented communications?

So this is how it breaks down in that donor pyramid. So 1 to 5% traditional frontline fundraising, 5 to 10% autonomous fundraising. This is the area of the pyramid that we are most focused on. Now for some of our customers and MK and Adam will get into this a little bit about how this plays out for them at Baypath and Cambridge College. But that some of those are customers looking right here. Who are the people just under the managed? Some of our partners are looking a little bit further down. Who are the people that are giving consistently, maybe at a $500 or a $1000 level who we just wanna elevate up or who we wanna get back?

And now as a gift officer, that 1 to 5%, if you think about what those donors are experiencing, they are not just being asked personally for a gift, right? That fundraiser is working with them all year long consistently in ways that are beyond just solicitation. So that fundraiser is, you know, saying, hey, Walter I know this is an event that, you know, you might like to go to, you went last year, I hope you can come again or hey MK, here's some information about this fund or this unit that is doing really great work and you donated to it in the past. I wanted to make sure that you saw, you know, the latest. And so it knows these donors into, you know, fundraisers know these donors individually and so they can take the content that comes out of your organizations and deliver it personally to the donors who it makes sense to deliver it to, and you're doing that to cultivate them and steward them so that obviously when the time comes to renew their gift, to ask them for more, to have those greater gift conversations, they are deeply connected to your organizations. And that's what we set out to do to do these types of activities with autonomous fundraising and that's what we've done for the past year. We've built the most experienced frontline fundraiser using autonomous artificial intelligence to add trusted digital fundraising capacity to every nonprofit organization. So that specifically trusted digital fundraising capacity is our goal.

That's what we're doing for the hundred plus organizations now that have VEOs out and working for them is to add members to their team, not make their existing team more efficient, not put more things on their existing team's plate, but how do we add capacity across the organization that's addressing populations of donors that you can't address with your existing gift officer team.

Each portfolio that a VEO or virtual engagement officer manages has a thousand donors in it, and those donors are receiving approximately monthly touch points. I'll talk about that in just a second, but that is sort of key, those two things, the thousand donor portfolio and monthly touchpoints.

These are some of the milestones that we set out to hit over the past year that we are far above and beyond with those partners who were our early learning partners. We had about 13 partners say yes, we wanted to build this with you a year ago. We were very, very lucky in that we work in a market that really embraces the opportunity to define how this technology is gonna impact our work and our future and fundraising. And since then, added additional cohorts so that we now have about a hundred in total and cohorts filled through next year. So continuing on that path of where we're going here, but lots of great performance that I'll show you in a minute too.

So this is I can talk forever about autonomous fundraising, but I'd like to show this really quick 2 min video because it does it much more efficiently than I do. And it was a great video that the media team in Cleveland did with one of our partners, Cleveland State, that really quickly describes exactly why they chose to use a VEO, what they hope a VEO will do for them. And, and you'll find out in a minute too, it aligns really closely I think with Baypath and Cambridge colleges, and background as well.

VIDEO
Hi, I'm Ava, a virtual engagement officer at Cleveland State University.
Narrator 1
It’s not everyday that a webpage says hello and looks like the nice lady who lives down the street who is married with two kids and drives a mid-size SUV. But, Ava, as she just told you, is Cleveland State University’s new engagement officer who hopes you’ll get fired up to be a Viking.

Narrator 2
The idea is for engagement. That is our number one priority with this is engagement, to get people reconnected with Cleveland State again and then to interact with Cleveland State how they choose.

Narrator 1
CSU director of annual giving, John Teppleman, says Ava was developed in partnership with a company called Givzey, which developed Ava to be the world’s first autonomous fundraiser powered by artificial intelligence. Ava is not going to stare you down on a screen and talk to you this way. Instead, Ava can have a 2-way conversation with CSU alumni through emails and texts and will be able to answer questions and give answers.

Narrator 2
So say you were in, you were one of those people and your birthday was next week. She might send you a birthday message. If, last week we had commencement. Had Ava been active earlier, she could have reached out to everyone and said, hey, the commencement exercises are this weekend Hope hope you're able to attend, if you're able to attend, here's where it's at. So that type of interaction.

Ava
I am delighted and truly grateful to offer you the opportunity to deepen your connection with Cleveland State.

Narrator 1
So why Ava, why now? Templeman says she’s not replacing people and taking jobs. It’s just that they’re outreach has to change with the times and simply be able to deal with the sheer numbers of it all. He says there are roughly 140,000 living CSU alumni out there and about 85% of them still live and work across Northeast Ohio. Ava helps make things easier for the current human staff to stay in touch with everyone whether it’s through fundraising or just saying how do you do?

Ava
Hi.

Narrator 2
We understand the need and we understand the workload that we have and ultimately we're trying to to serve Cleveland State in the best way possible and serve our mission.

Narrator 1
Templeman says you can sign up to join Ava’s engagement portfolio or even opt out if AI isn’t your thing. And you can always still reach out to their offices to talk to an actual real person. Ava, of course, is not a real person. Nor will she ever be, but there are lots of real Vikings out there and the university says they hope to get back in touch.

Emily Groccia
Alright, so very, very quickly, if, if this is your first introduction to autonomous fundraising, I'm gonna just go a little bit into exactly how it works, but I really want to give MK and Adam an opportunity to talk specifically about what they've experienced. So you may leave this with just a

few questions unanswered about the details of how it all works in the background, we're happy to answer those at another point. But high level, the VEO is reaching out primarily through text and email. You saw a little sample of that in the video. So if you are assigned to this portfolio you know, we work with teams to figure out exactly what thousand donors are gonna be assigned in the same way you would when you hire a new gift officer.

And the VEO is reaching out approximately monthly through primarily text and email. It does use those avatar videos occasionally that you've seen. Those are very fun. Also robotic handwritten notes, so it actually sends a note in the mail. We work with a partner that uses a robotic pen, a nice cool way and we're always experimenting with ways to take that online digital experience into the tangible across that digital threshold as we call it. It also hands off to humans, so it uses its human team members and connects donors with humans when necessary, if they want to have a larger gift conversation about a planned gift or a scholarship gift or if there's just a conversation that's going to be better handled by a human than AI, it will hand off to a human a human to have those conversations. We see those all the time.

It also uses—I describe our AI in sort of two different ways. There's our moves management model, and that is determining whether you're getting a solicitation or a cultivation or a stewardship, sort of the type of move in traditional fundraising moves management style, and it uses an overall fundraising knowledge base for that.

But specifically to generate the content of that message, it's using your organization specific knowledge base. So we're taking existing content that you have. So one too many marketing emails, event invitations, newsletters, annual giving solicitations, social media, website, all of that stuff is coming into our knowledge base, and that's how it's generated content. So it's essentially got everything, probably more that most of our gift officers know about the day to day, about what's going on because it's taking all that content in constantly.

Just a quick example of an engagement here from one of our partners and this was a, you know, real simple early engagement about connecting someone to an alumni club in the area where they lived. You can see the two ways is one of the benefits here, right? So different than when you're just sort of doing one too many marketing or social media promotion, you can have a two-way conversation and we see a lot of great value come of that.

As fundraisers, we know the information our donors give us today can be far more valuable than stuff that's accumulated in the database over the last 25 years. And so just understanding what they're interested in today, what means the most to them, why they've stayed connected with your organization for as long as they have can be very valuable in understanding how we're gonna retain those donors and grow their giving. Lots of different use cases across our partners as well, so not everyone looks the same, we'll go into MK and Adam specifically, but those use cases all come with metrics, right? So depending on what metrics you're looking for, what ROI you're looking for, in the same way that when you hire a gift officer, you're trying to decide, is this person responsible for growing leadership annual giving? Are they responsible for being a

high revenue generator, Are they responsible for participation in their portfolio? We're doing the same thing with the VEO.
This is an example of a high revenue generator, right? Bucknell is one of our highest revenue generating partners. It's because they have a true high end leadership annual giving use case. So the donors in this portfolio are, have a history of giving 5,000 or 10000, you know, over the course of the last three, five years.

And so they have demonstrated giving and the VEO's job is to grow that giving, really generate major gift pipeline just under those major gift officers so that they have nice warm handoffs when they're ready.

Quick slide over the last year of some of the results that we've seen. And this is where we are to date. So I want to jump right over into MK and Adam so I will pause just for a second here. Thanks and you have MK and and Adam now joining me on the stage we call it here, the, our virtual stage, and let me start here with the advancement landscape just to give you all, I find it's helpful you know when we are talking to understand how your organization might be similar, might be different, might have, you know, some commonalities between where you're coming from and MK and Adams, so MK, do you want to share a little bit just about the background of Baypath and Cambridge first?

MK Young
Sure, thank you Emily. I won't repeat what's on the slide. You can see when each of the institutions was founded, but what I will call everyone's attention to is the unique circumstances that we're in. Although, given some of the challenges that our sector higher education is facing may not be so unique in the future, and that is that we decided to come together in last summer, 2024. So Baypath University acquired Cambridge College. There were a lot of strategic reasons for doing that. We had a lot of mission alignment. We were serving similar learners, but there were also a lot of differences. So in doing so, that integration impacted all aspects of our business, but certainly advancement.

You know, we had a 30,000-constituent population for Baypath and nearly 60,000 for Cambridge college. So we are now coming together and needing to figure out how to communicate with more people during this sort of unique circumstance that we found ourselves in. And at the time the advancement team was six, we're now seven, and four of those people are managing portfolios. So clearly some capacity things to think about.

"Emily Groccia
Yeah, absolutely that we have a couple of customers who have recently merged alumni populations and I think that that your job in advancement is probably the hardest when it comes to figuring out how to sort of come together as one. Now when you were thinking about here, the challenges that you faced, the number of constituents that you have, you just mentioned the size of your team, you know, what specifically were those challenges that you were looking to address here?

Adam P. Zinkievich
Yeah, I think we've had two different, again, constituent bases that are trying to come together. Both of those constituent bases, the alumni have different learning modalities that they completed their degrees, whether it be online learners, if they were adult learners, if they were on ground on campus, traditional learners, so they all require kind of their own way of communication.

And we want to kind of build this unified community moving forward while being respectful of what makes each unique. Therefore, the more personalized we can be, the better but the shared kind of the issue is that with only four staff members, we have many more constituents than we're able to have that one-to-one relationship with alone. We also brought together two different databases, so there's some data cleaning that needs to take place there. Some of their staff did not come over in the alumni advancement space. So, you know, some of these challenges are really like just how do we bring these two institutions together and how do we make people feel very personalized in the approach we communicate with them so they don't feel like what they're getting now is irrelevant to them and no longer applicable. We want them to still see themselves in our combined institution moving forward.

Emily Groccia
Yeah. We we have conversations like this even with universities that have not merged, who maybe have changed a name or a mascot or something and and have to find a way, right, to still recognize the alums' experience from their time when they attended that university and it is a tough challenge. Looking at that and, and those constituents that you just mentioned Adam, what opportunities specifically lie within that constituent base, you know, that made you sort of start to think about how you're going to address those and, and with autonomous fundraising in particular?

Adam P. Zinkievich
Yeah, so with the bringing of both institutions together that increased our constituents to around 90,000 and with around only a thousand that are being managed by our physical staff here, we were trying to think of a way to engage, as you mentioned, kind of that middle tier of the pyramid, those that have indicated an interest in getting more involved could potentially become those major gift owners in the future, but what's kind of that next step to bring that relationship up and when there is so much noise with emails and just the world is over communicating with us every day, how do you kind of set yourself apart? And we feel as though that one to one relationship is a great way to do so, even if that one-to-one relationship is with an AI VEO.

Emily Groccia
Great. I'm gonna let Ava introduce itself here, and then I'll have, you know, MK and Adam, you share a little bit about how you approach this idea in the first place.

Ava
Hi there, I'm Ava Walker, a virtual engagement officer at Baypath University powered entirely by artificial intelligence. I'm being developed through a groundbreaking partnership between

Baypath and Givzey's version two R and D lab to create the world's 1st autonomous engagement office.

I am delighted and truly grateful to offer you the opportunity to deepen your connection with Baypath. By engaging with me, you're not only supporting Baypath's pioneering leadership in AI for social good, you're also supporting an innovation that will empower all nonprofits whose missions are changing the world.

Emily Groccia
So before I get into metrics here, MK and Adam, do you want to talk a little bit about I'll even go back to, to talk just a little bit about how you approached this idea with your alumni, with your boards, and how did you involve them in that process? You know, once you sort of thought this is something that you wanna do?

MK Young
Sure I'll start and maybe pass to Adam. I'll talk a little bit about our trustees and then Adam can talk about our alumni councils. So we have a board of trustees that I would categorize as very entrepreneurial, very innovative. You know, we've just gone through an acquisition that they, you know, supported and led. We also have a president who I would describe in the same way. So, the chair of our trustees actually helped make this possible because she funded the entire project and I'd be happy to take that offline with others. It was a really great sort of experience to work with her in that way. But the trustees in partnership with the executive leadership team here established an AI and AUI lab over the summer, and we started exploring ways that we could utilize AI responsibly in all of our different business units units and and certainly advancement was, was part of that. So we did a lot of research. We looked at other places, not just version two AI and and they far and above rose to the top for us. So we had trustee support really early from the start from the trustees, but then we needed to socialize with our alumni council, so I'll turn to Adam to talk a little bit about that. Oh, before I do that I just wanna mention we did also have the benefit of bringing Emily to talk to our trustees. They had a lot of questions and it was a really great opportunity for them to learn more before we fully committed.

Adam P. Zinkievich
And with our alumni councils, we tried to socialize the idea as early as possible that we might be exploring this AI fundraiser partnership with potential agencies. And I think initially with all things AI there can be some concern and questions, but the general feedback was, even though I'm unsure of certain aspects of this, I know AI is the direction that everyone needs to embrace and move forward with in their own ways. So, our alumni council is made up of both councils, we have one for each institution, different decades, programs and backgrounds that all came together. We framed it as being a tool to connect, not to replace the people touch, and ultimately the individuals that the VEOs are working with in an ideal world, they graduate to that human handoff and that's when they can really have those deep relationships. And it's really a way for us to reach people more personally than we could alone.

Walter Dillingham

Hey Adam, can I ask a question? What can you, can you share what some of the concerns were when when you talk to the alumni council? I mean obviously there are a lot of benefits too, but I'm just curious.

Adam P. Zinkievich
Yeah, I I think sometimes there, there was a lot of discussion just around how, you know, Ava looked or Ava's name or the things in which are easy to understand in the AI space where it's easy to, to say, you know, but once they saw this video, how could you not love Ava, you know? Ava looks great, friendly, you know, so I think we eventually came to agreement there. There were some questions around kind of the data security aspect as well as the transparency aspect. They wanted to just make sure that those who were being communicated with knew that they were being communicated with by AI and not a person, so there was no confusion there.

And I think Emily can maybe talk a bit to those points later, but yeah mainly, you know, are really around the data security, the transparency and kind of the look of the AI.

MK Young
I'll also just add there were some folks that were concerned about the accuracy of the information that would be fed to our constituents and several of those people that were most vocal about that volunteered to be part of our seed portfolio, and I can say one in particular who were very close with, she's a former trustee, has been so pleased with how accurate and how informative and how responsive Ava has been in her interactions with her.

Adam P. Zinkievich
Yeah, and kind of playing off of that, she had mentioned that I think over her ten questions that she asked to the AI, she was just super impressed with all the responses, all the information she received back was accurate. In the case of this partnership, when it's a question the VEO can't answer on its own via a knowledge base, it will reach out to one of our members on staff who can then get that information to her and it either goes back to the individual or we can reach out to the individual directly ourselves. So it's a very timely response and I think she had also mentioned that the VEO was one of the first to wish her a happy birthday on her birthday, so it's pretty cool.

Walter Dillingham
Yeah, I think that the data comments really important because I I think believe it or not, my doctor's using a VEO, so when I called I called for an appointment, I I didn't actually know it was a VEO till the very end, which I thought that was interesting. But the reason I bring it up is because I specifically said I have to wait till December to have my appointment because of the timing and the and the benefits because you have to wait a full year for your checkup, right? They keep the the VEO keeps texting me saying, hey, do you want an earlier appointment? Like they should know, I can't have an earlier appointment, you know? Cause I have to wait till December. You told me to wait till.

So it's kind of interesting it's like a little disconnect there so anyways, better mention that.

Emily Groccia
Yeah, yeah. I think that that is Walter, a good segue perhaps to what sets us apart a little bit at Givzey you we are fully focused on fundraising specifically, number one. Our team is all former fundraisers.

Anyone who is working, especially those on on the customer success team, there's about 15 of us, everyone has some sort of nonprofit advancement background. Many former direct frontline fundraisers, and that part's really important to us. We understand that donor trust is of utmost importance, that that's sort of number one. And accuracy is important. Understanding what they want, what they need, what they don't want, I think is, is a part of our conversation every single day. And, and I think that that's where our customers chose to sort of MK's point chose to partner with us, in part because of some of those reasons, I think the people that you get when you work with Givzey, the humans behind you know all of this work is still really important.

As much as we talk about how wonderful VEOs and AI are, the humans that are building it and working with you as, as partners are just as important.

I wanna talk a little bit too about the goals and the metrics that you are choosing to measure success by cause I think this is something we learned at, at Givzey and version two in this past year that you set, ultimately then need to trickle down to the people you put in that portfolio, right? So if ultimately you want qualification as a goal or engagement as a goal, who are the right donors to put in that portfolio that one will have an impact? Like, why do we want to engage those people, what is the end result of that engagement? Is it because they have capacity to give? Is it because they've demonstrated what they've given in the past? Are there other reasons which might be the case? And so putting those goals together right from the beginning has become really central to our onboarding process. What went into figuring out who's going into this portfolio for, for you all?

Adam P. Zinkievich
Yeah, I, for that we primarily looked at those who've had some type of recent engagement with either institution, whether it be a gift or they previously participated in an event or served in a volunteer capacity. We also wanted to focus around some key anniversary years for alumni, like the class years of 10,25,50, and we for Cambridge College, since we brought on all of their data, you know, and there was so much of it trying to figure out from all of them who would be the best thousand was a little trickier.

But, the added step we did for them was making sure that those individuals had opened one of our recent larger communications from us, so that way we knew at least they were not only the emails were accurate, but that they were interested enough to open the the emails from us. So it was a great way to take a, not as confident data set and to make it to make sure that the VEO could be as successful as possible, so.

Emily Groccia

No, no, no, go ahead.

MK Young
To say that, you know, fundraising at the end of the day is our ultimate objective, but we recognize that in order for us to be successful there, we really have to engage this broader swath of our constituent base. And so our metrics on like some of the other clients might be a little bit more geared towards that, that two-way conversation and engagement. But we did select people who had some level of giving to the extent that we were able able to.

Emily Groccia
Yeah, and I think, you know, what we're tracking here in terms of qualification and engagement speaks to that, right? So you want that engagement, but tracking, graduations, upgrades, participation, retention, all of that is where you want to start to see that growth as a result of that engagement.

So I'm just flipping back and forth between the Bay Path one and the Cambridge College one because you can see, you know, exactly to your points, your, your Bay Path folks, the revenue goals are a little bit higher. They're, they're a little bit warmer, and Cambridge are starting a little bit from scratch here, right? With yeah.

Emily Groccia
There are a couple of just quick examples of engagements that you've seen so far. Do you want to talk through a little bit about what you're learning about your constituents and why some of these engagements matter? Cause I think a lot of people come in and think, oh yeah, two-way engagement, great, but why, right? But beyond just being excited about this stuff, why does this specific engagement type matter?

Adam P. Zinkievich
I think it's pretty neat to see the the ways in which the individuals are interacting with the VEOs. We're feeding VEOs content and they're in turn creating emails and text messages and unique ways that we may have not really even thought of ourselves. Though, in a way we're kind of learning from the way in which the VEO is communicating with our constituents and it's raised some different feedback in terms of constituents that want to offer internships, want to join one of our councils, want to join the panel to speak to students, want to come to our women's leadership conference reunion. So it's a way of really identifying these two groups of a thousand that we thought could have potential in seeing just kind of seeing that potential materialize.

Emily Groccia
Yeah, I'll pull up, it looks like another one about someone interested in a grad school program, and I think recently two-year VEO has been promoting your women's leadership conference too. Is that right?

Adam P. Zinkievich

Yeah, and there's the ability, they know which of our constituents are alums, so they're able to mention the special alumni discount code to those, where for others they don't mention the alumni discount code, so there can be that detailed segmentation built into the custom fields of information that the VEO is able to tap into.

Emily Groccia
Right. MK, you asked me in the beginning of this, what your, your opt out rate was as we were just jumping on here before we got started and I think that speaks actually sort of to some of the next, this next slide where I thought it would be a good place to transition into some Q and A.

But we have been pleasantly surprised but still surprised at how low the opt out rate has been since we started. That was one of the things we thought in the beginning, maybe like 10-20 percent might choose to opt out and we had a whole plan for how we were gonna address that and fill it. But your opt out rate, yeah, you've got one of each.

MK Young
One on each side with portfolios of a thousand, which I think is incredible and I knew that we had at least one because one of those I know personally, that person's an alum and also a member of our faculty and that opt out was motivated really because of capacity not lack of interest, so you could almost argue that we've had just one out of 2000.

Emily Groccia
That's fantastic. And that, that does track with what we see across other partners too. We not only have seen really low opt out rates, but, I this is a newer engagement from just a couple of weeks ago with one of our humane society partners, hence, the dog emoji paw print there, not a emoji that our Bay Path or Cambridge College VEOs would use, but relevant to this organization, really how we see that donor perception changing in just one interaction, right? So, the immediate sort of, yeah, maybe this isn't for me to intrigue your curiosity, and we see partners with some really amazing examples of how, proud you know alums, donors, constituents are of their organization for trying new things, for pushing the limit on how they could potentially, you know, expand their donor base, support their missions, and I think that's been something that we have been, one of the, to me, one of the highlights of this work over the past year is watching how proud constituents are of the organizations they support, for, you know, carving a path for this because AI is absolutely, you know, undoubtedly going to be a part of our work and our lives and it's a really unique opportunity I think to allow nonprofits to determine how that's going to shape their future as opposed to sitting back and letting for profits shape it for us and then sort of figure it out ten years later like we've done with a lot of other technology in the nonprofit space and and I think this is where, you know, we get the most excited when we see those perceptions changing, you know, right before our eyes for sure. Walter, should we turn it back to you for questions?

Walter Dillingham
Yeah, let’s segue, I mean, that was a very impressive presentation. I know we we only had 30 min and you, you could probably do a whole day seminar, but you did a great job and I I was

especially impressed with that slide that said 4 million had been raised because I have been following, you know, Givzey because you send out a weekly update by your founder, Mr. Martel.

I've been watching the number. 1st it was less than a million now with that's 4 million, but let's let's go to the question. So Emily, how does AI fundraising interact with giving in the need for a personal touch when communicating with individuals?

Emily Groccia
Yeah, I love this question when I saw it because we get this a lot. This is super common, as fundraisers in particular, our knee jerk reaction is that fundraising is personal because it is because the work that we do as individual humans is very personal. Humans cannot be replaced with AI in this space, but 97% of our donors aren't getting that, right? And so that's where, how can we elevate people up from one too many marketing and sort of all the noise that MK and Adam talked about, all the emails. We spent a lot of time 10 or 15 years ago in this space with segmented marketing campaigns to make that more personal.

And autonomous AI just gives us that bridge to make donors' experiences more like the ones that we can give that top 3%. So I think when it comes to personalization, yeah, the gold standard is a human. It's not possible. There's just a ratio problem in this industry that that's never gonna happen. And so how can we make more of our donors have a little bit more of a personal experience, in a way that's just better than segmented marketing before we can manage them with a human?

Walter Dillingham
Okay. I don't I don't know if you wanted to add anything to that.

MK Young
Yeah, to me, this is relational fundraising with digital scale. So it's exactly what Emily just said, you know, a thousand constituents in a portfolio. For a human to manage that, That's 8 to 10 people to be able to respond to that many inquiries, share that many info bits of information, think from a personalized perspective about that many constituents. It it's just beyond the realm of reality. And so it's, it's a great way to augment the humans that we do have on the team.
So yeah, for me it's relational fundraising with digital scale.

Walter Dillingham
Okay, thank you. You know, we have a couple of good questions that just came up here. Julie asked, do you need to disclose that the communications are being done by AI even if it's just text or emails?

Emily Groccia
Yeah, absolutely. That was sort of one of our founding principles a year ago is that we wanted to be transparent. We don't want anyone to think that Ava has an office over there next to MK and Adam.

We want to make sure people know that they are interacting with AI and the purpose of the avatar is not to trick someone into thinking it's human. It's to help them understand how they might interact with it in a way that's similar to how they might be able to respond or ask questions to a person. But those first communications, there's a whole rollout plan that we work with our partners on. They send a communication, so Bay Path and Cambridge sent a communication from them to the portfolio 1st saying you're gonna be hearing from a VEO, here's what it is. It's fully powered by AI.

And then they start hearing from the VEO which then also reiterates that it is powered by AI. So there's sort of a whole rollout path that is focused specifically on making sure they understand that this is AI that they're working with.

Walter Dillingham
Okay. And then here's a question from Kate. She says, do you have to already have donors and con contacts or with the VEO solicit new potential donors, and also is it just for higher Ed or other sectors? Have you used it?

Emily Groccia
Yeah, so you do need donors, you need constituents in your database that works with the data that you have in your CRM. We've worked with one or two partners on donor acquisition, but as you can imagine, that is definitely just like reengaging donors who are lasting seven or ten years. That's a more, bigger challenge than it is to get someone back that's lasted one or two years or get someone to grow their existing giving. So the majority of our partners are working with much warmer portfolios of donors. Some might have small segments within that thousand that are focused on acquisition. But yes, in terms of beyond Higher Ed absolutely. Higher Ed makes up, I believe 63% as of today are partners. So the majority of our partners are Higher Ed. That is a number that we see that the percentage is the number we see going down. We have a lot of growth in health care. We have, we expect the most growth this next year to be in what we will call the general nonprofit space. A lot of social services, humane societies, multiple actually, children's hospitals, scientific research. So that's an area in particular, the the general nonprofit space that we anticipate growing significantly in the next year, which is typical for new tech to see Higher Ed really adopting first and then everyone else coming in behind. Adam, did you wanna comment too?

Adam P. Zinkievich
Yeah. Yeah, I just wanted to say that not everybody that we selected for our portfolios had a giving history either, so it's really looking at the different ways that your constituents have engaged with your agency to figure out what the best mix could be because it doesn't mean that everybody that's in the portfolio needs to give a gift, but if they have that touch point, whether it's as simple as them having opened email from your organization, it's a good way to indicate they have an interest with you enough to take that next step, and then eventually ultimately that that might lead to financial support.

Walter Dillingham

Yeah. So MK and Adam, let's shift to you for a question. How long did it take you to onboard your VEO and was there a lot of staff time required?

MK Young
Oh. I’ll mainly have Adam answer this, but I'll say we made the decision sometime in late summer and we launched in September. So we've ten weeks in and you know, I would say that our partnership, I mean, they were with us every step of the way, but Adam can go into more detail about the nuts and bolts.

Adam P. Zinkievich
Yeah, we had a, a great kind of Trello board system with contacts over at version two and they gave us all the todos and the kind of the urgency of the different todos, so it was a great way for us to really prioritize, here's what we need to do today, tomorrow by the end of the week, and then we were able to kind of assign certain tasks to certain individuals of our staff as appropriate. So really within you know, a month, month and a half, we were able to meet all the deliverables needed for execution and a big one is really just coming up with that portfolio. And outside of that, it's just a lot of little nuts and bolts getting those knowledge bases ready to go figuring out kind of the topics that will be discussed each month, things like that, but it wasn't a, a full time job, you know, it was maybe like a part of a part time job for at least a month for for for me and a few others, but it was it was amazing how quick the the turnaround could be.

Walter Dillingham
Okay, excellent. And then here's a question from Alex, from Fisher College, he has two questions. One, based on the survey data, are there particular demographics or donor segments that respond more positively to the VEO and how does it integrate with the systems? I the CR systems like razor's edge or a little green light?

Emily Groccia
Yeah, that that first question is exactly what surprised all of us at version two the most. We thought, you know, AI, people that prefer AI maybe even over human interaction might skew younger. That said our strongest engagement and giving demographics are in the 50 to 72 range. And when you look at those two way engagements, it kind of speaks for itself in that I think those are people that have been supporters of you likely for multiple years, multiple decades in some cases and have never been given a channel to share why or share their experience or what connect them back. Because whether you're making a gift of, you know, a hundred thousand dollars or you're making an annual gift for ten years of a hundred dollars, sometimes those ten years of a hundred dollars, they have like real deep personal connections to you and they're really prideful about the work that you are doing and their support of it, and they are the ones that we see the most engagement with. Text is by far to the more successful two way engagement channel over email, and I'll throw my mom under the bus for a minute, but I always use her as an example here that if I text my mom, she's going to text me back right away, if I send her an email, it's gonna take a lot longer, right? So I think that, you know, we, that 50 to 72, age range and far beyond the 72, she’s beyond 72. That is the age range that, you know, really, I think most of us are engaging in text very, very regularly and it's a great way

to allow the VEO to have a two-way conversation. And the integration, sorry, oh sorry, is that what you're gonna say? Okay.

MK Young
Yeah, it was gonna move to the CRM but please go first.

Emily Groccia
Oh, go ahead. Go ahead.

MK Young
I was just gonna mention we also use razor's edge here. In fact, both Cambridge College and Bay Path did, so we're still in the throes of integrating those two instances of the same platform. But one person that's a key member of our team, our internal team, who's not with us today is our director for advancement services, and I can just speak at a high level and maybe Emily can provide more context, but she receives a weekly sort of data information file and we're able to capture what we need to capture in our CRM so that we can look at that ROI and assess productivity and other metrics, right?

Walter Dillingham
Okay, so Emily, I know we have a list of other questions that the audience sent. Are there any that you wanted to finish up with? Because we have a number of questions here.

Emily Groccia
Yeah, I think let's see, the the one thing I think I'll I'll just add and maybe this is a good way to wrap up in general is trends, right? What trends are we seeing? And overall, the thing that I think is surprising and not is that the basic fundraising principles that we knew before all of this started still apply. The donors who are the hardest to get back are the ones that are the most lapsed, the donors that are the easiest to start to engage and grow their giving are the ones who have given in the past year, the past two years, maybe three years. We know in fundraising there's a three-year cliff that it's pretty, reasonable to get our five months back. It's reasonable to get five months back. As soon as you hit that three years and definitely when you hit that five, that's when it's the most challenging to get folks back. Perhaps even harder than acquiring new donors sometimes that are engaging in your content and in your organization today. And, and that's what we see too in terms of trends. I think the other thing we see from a trend, it, you know, Bay Path and Cambers started with two VEOS because they were working with both colleges. We've seen that happen more and more frequently, but also the expansion into a VEO per major gift pipeline. So if you're a large organization that is raising money for three or four or ten different priorities at healthcare service line in higher ed, you know, units, schools, athletics, all of those, that's where we're starting to see the expansion of okay, under this group of gift officers, we need a VEO, under this group of gift officers we need a VEO, and that's a trend that is newer, that we are just seeing, I'd say from this past summer, really start to expand and grow.

Walter Dillingham
Okay, well thanks Emily. Are there any final comments you wanna make or this?

I think the trends kind of wraps it up for me I mean quite honestly I think this was we're super appreciative of the opportunity to share this. The only final thing I'll say is that we are just over a year in. So we've learned so much we've raised $4 million in total. We have over a hundred partners that are continuing to build this with us. But this next year I think is really gonna be our opportunity to further shape and define how autonomous fundraising is going to impact our work permanently. Lots of experimenting in R and D over the past year and now really looking at how we scale that and how we hone what we've learned from this year.

Walter Dillingham
Okay, well Emily, thank you very much and I just want to say this is a great presentation. I've been following you guys for a while, and I just think it's amazing how AI is evolving before it was just for efficiencies and things like that, like invitations. Yeah, now it's actually helping fundraise so it is a you know an amazing evolution and we're gonna continue to watch closely the through your nice updates every week.

Emily Groccia
We won't let you do that. Yeah.

Walter Dillingham
So I wanted to just say three quick thank yous as we finish up here. First, again, I want to thank the speakers, Chris, great job on the fireside chat. Emily, MK, Adam. I really appreciate the excellent presentation you just did. There was a lot of preparation for this and pre calls. So thank you. Let's give them a round of applause. And I also secondly, I wanted to thank our production team without them, we would never have these events because there's a lot of behind the scenes. So Peter Regano Dennis Bruno, and Ria Cheltonham. And then finally, I wanted to thank you all for coming and being participants today. We have a number of clients and friends and colleagues on the line. Thank you for being on the call today. Latest gentlemen, our next session is probably gonna be in February. We're gonna revisit private foundations, so that's gonna be session number 114, so I'm all excited to start doing that. I just want to say thanks again everyone for being on the call. Have a happy Thanksgiving. Happy holidays and see you in the new year. Have a great day.

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