



The Next Frontier in Individual Fundraising

Improve Donor Giving Even in Today's COVID 19 Fundraising Environment

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Today's Fundraising Environment has fundamentally changed.

The global pandemic has increased demand for nonprofit services, while altering the capabilities, resources and process capacity of agencies to raise the level of funds needed to meet today's demands. Nonprofits are adapting to new fundraising realities while simultaneously discovering that fundamental changes have occurred in donor sentiment and giving behavior.

Fortunately, charitable donors still want to support the missions of nonprofit organizations.

The Indiana University Lilly Family School of Philanthropy, along with the consulting firm Marts & Lundy, estimated in June of 2020 that charitable giving in the United States will ultimately increase 4.8 percent, with a further expansion of 5.1 percent in 2021.

Nonetheless, nonprofits face unprecedented challenges that are not effectively answered by traditional fundraising methodologies. New ways of capitalizing on existing data to improve donor impact and commitment are more necessary than ever before.

The time is right to optimize the science of predictable growth.

Behavioral Economics Modeling, Artificial Intelligence and Machine Learning are now working together to provide a better way of aligning donor passion with lifetime giving levels.

Today, the COVID 19 environment has created an impetus for change beyond the evolving challenges nonprofits already faced.

Primary insights from lessons learned during the 2001 and 2008 crises are that **nonprofit organizations who do not move quickly** to adapt, persist, innovate and leverage new resources or approaches, not only endanger their short-term fundraising goals, but will also experience a much longer downturn in revenue generation.

The reality is that even before the new pandemic, individual donor fundraising performance remained stagnant for many organizations, in spite of the increased technological efficiency. Older methodologies and practices have remained in place despite technical advancements in the computing infrastructure, delivering limited gains in fundraising.

Nonprofits are now forced to reassess virtually all aspects of their own fundraising operations, program and service capacity, staffing, partnerships, marketing strategies and more. Nonprofits and their marketing agencies must adapt their fundraising messaging to reflect the current environment, context, impact and relevance.

Nonprofits must improve their fundraising quickly. They must adapt in real time.

The Current Reality

The duration and full impact of today's crisis is currently unknown. Still, there is no question that nonprofits are:

- Under **more pressure** to deliver
- Facing increasing operational needs while **cutting costs**
- Dependent on older, **less effective models** of fundraising
- **Competing** for a decreasing share-of-wallet among their donors

Meanwhile, some of the most reliable and productive traditional fundraising vehicles are now in question:

- **In-person events** have been cancelled, creating a material budget shortfall of up to 30% or more for many nonprofit organizations.

- **Virtual fundraising events** are not producing enough to cover the lack of live event revenue, resulting in gaps for 2020/2021 budgets.
- **Grants and major gifts** must deliver even more to nonprofits that are now more heavily dependent on them.
- **General donor solicitation** channel performance is often under fundamental reevaluation as many organizations seek more productive fundraising investments across mail, email, online social platforms and other opportunities.

The good news is that donors still show a desire to contribute generously, especially to health and human services. However, Arjuna's current engagements have shown that those who are giving, are not giving at the optimal level.

More than ever, nonprofits need "amplified levels of giving" from their core audience.

How do you bring donors up to their full, long-term giving potential without asking for too much and consequently driving them away?

The Arjuna Solution

Arjuna has combined Behavioral Economic Modeling with patented A.I. algorithms that calculate personalized, gift array values. These values, provide real-time insights to nonprofits on donor sentiment, informing fundraising professionals about precisely how much to ask from each unique donor while sustaining donor participation. Arjuna's proprietary algorithms apply self-learning methodologies with machine learning in real-time to continuously understand why people are making the choices they do in giving.

By delivering more accurate ask amounts, Arjuna has proven that its services consistently increase lift in giving levels and reduce donor attrition over time. By asking for the right amount, nonprofits can minimize the lost value of any given donor that results from ask amounts that are either too low or too high.

There are multiple fundraising models that claim to use Artificial Intelligence yet fail to capitalize on its true capacity to learn, adapt and evolve. ExactAsk and its patented capabilities continuously adjust gift array values based on immediate donor behavior insights that become more refined, improving results

through each round of solicitations. This provides nonprofits with greater levels of giving and lower costs of fundraising.

The ExactAsk A.I. service includes support from an industry-leading team of data scientists, project managers and customer success managers.

The skills and experience from the Arjuna team means that from day one, Arjuna aligns to every nonprofit's approach to fundraising with the most sophisticated technology to optimize lifetime giving.

Arjuna's advanced A.I. technologies are delivered as a simple service:

- Platform Independent, operating in any fundraising environment
- Nothing to deploy or manage
- Nonprofits retain existing practices, processes and technologies
- No specialty hires are needed
- No personnel training is required

ExactAsk is versatile, optimizing all types of campaigns from Renewals, Lapsed Donor targeting and Special Appeals, to Acquisition and more.

Arjuna has created hundreds of millions of individually personalized gift arrays for tens of millions of donors over the past few years.

During this time, ExactAsk A.I. has repeatedly proven its unique ability to:

- **Sustain donor participation rates while optimizing giving levels.**
- **Improve fundraising by an average of 18%+ within the first year of use.**
- **Produce an average of at least \$3.07 returned for every \$1.00 invested.**

Reliable fundraising performance like this has become even more critical amid the additional challenges brought on by COVID-19 in today's fundraising environment.

ExactAsk has consistently delivered optimized fundraising results to all clients throughout the COVID-19 pandemic, proving the efficacy of real-time modeling over RFM and other traditional methods.

With every single donor counting for so much, the mandate is for progressively more exact and cost-effective fundraising over the lifetime of each donor's giving.

Summary

Even before COVID-19 emerged, the strategic and technological fundraising needs of nonprofit organizations was a growing challenge. Now, the coronavirus has become a significant factor in transforming the immediate and long-term demands on nonprofit fundraising.

Arjuna is providing a great fundraising compass to nonprofits in a very volatile fundraising environment.

Through Behavioral Economics Modeling, Arjuna's patented A.I. algorithms uniquely deliver personalized giving insights at scale. Arjuna determines the precise amount to ask of each donor, while simultaneously delivering insights on how much and when to invest in each relationship.

This one-of-a-kind fundraising service becomes progressively more exact and cost-effective over the lifetime of each donor's giving. With every solicitation, the model adjusts in real-time. Each time you mail or email your donors, the very next output more precisely targets their personal patterns and preferences, connecting donor passion for your mission to their lifetime giving levels.

If you want improved donor satisfaction and measurably better giving results, this is the proven way to align donor passion with lifetime giving.

Getting Started

Have more questions?

Arjuna can share more details about how effective this solution has already been for other organizations like yours and connect you with nonprofit leaders who have seen the difference themselves.

Given the verifiable performance of this artificial intelligence in the increasingly challenging fundraising environment, especially with the added challenges of COVID-19, every Chief Development Officer should be evaluating and testing these capabilities today.

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