



gesture
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Q&A with Jim Alvarez, Founder & CEO of Gesture providing a Guest Management, Mobile Bidding and Fundraising Platform for Charities



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CEOCFO: *Mr. Alvarez, what was the vision when you founded Gesture®? Where are you today?*

Mr. Alvarez: The vision was that there had to be an easier way to run a charity event. By that I mean that I had gone to many charity events prior to starting Gesture and it was very cumbersome to make a donation. I tell people that here I am at the end of the event, I'm ready to make a one thousand dollar donation and I am waiting in line for over a half an hour. As I was waiting I just kept saying to myself that there has to be a better way. I do really wait in line for too many things in life, let alone to give someone one thousand dollars. Therefore, I was just thinking there has to be a better way and that was the genesis for Gesture six years ago and the development of our Mobile Fundraising Platform for Charities.

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CEOCFO: *What is the better way? How does Gesture work?*

Mr. Alvarez: By implementing technology we are able to help charities raise more money. We are able to help them more efficiently collect money at the event. We take the fundraising that occurred at an event and we mobilize it and put it on people's phones. This does a couple of things for our charity partners. The first thing it does is that it allows them to open the fundraising to people that might not be able to attend the event. Imagine schools. Your alumni is now scattered throughout the nation and people want to make donations back to their alma mater and by putting the fundraising online, now people from Texas, California, New York; they can all participate at an event that takes place in Chicago. By doing that, not only does it allow people that might not be able to attend the event to participate, it also gives people more time to be able to participate. We say that if you have more time and you have more people you are going to raise more money. Then, at the end of the event we make it really easy for people to pay for any donations that they made, any auction items that they want, any raffle tickets that they bought; we make it really easy for them to pay right on their mobile phone. This really helps the charities, because one of the biggest pain points for a charity at the end of an event is what is called "check out." If you do not use technology it is very difficult to manage that entire process. With us, with one click of a button everyone is checked out, everyone is paid and the money goes directly right into our charity partners' checking account, very safely and very securely. We will process over one hundred and fifty million dollars this year for our charity partners and it just makes it much more efficient for them.

CEOCFO: *What is involved with an implementation? Is it event by event? Would a charity have a subscription? What is the business process?*

Mr. Alvarez: We have both processes. We do have subscription based pricing, which is great for our charity partners, because they can use the Gesture platform year round. They get to have access for their data so they can see who their biggest donors are. They can see which items, for example at an auction, got the most bids. They are able to see who has paid and who has not. They have yearlong access to be able to run as many events as they want using the Gesture platform. Many charities have one signature gala throughout the year, but then they do several smaller events; whether it is a golf outing or a pancake breakfast or just a general smaller dinner get together. We also do have based pricing for those charities that do only want to do one event and just need it for one time. Therefore, we have both pricing offerings today for our charity partners.

CEOCFO: *Do you know if many organizations take advantage of the data that you can provide?*

Mr. Alvarez: Yes, because at the end of the event we are able to provide real time reporting for them. Therefore, they are looking at these dashboards, not only on the event night to see where they stand, but then in the following weeks they are looking at those all the time to figure out who actually did the most bidding. Just because someone maybe not necessarily won any items during the auction, maybe they did a lot of bidding, which in turn helped the charity raise a whole bunch of money. Therefore that donor, while they did not win anything, still significantly impacted the results of that event. Therefore, they are looking at that all the time. They are also looking at it to see who made donations. Let us say for example, certain items, (I am making it up), let us say an Apple iPad; let us say for whatever reason this Apple iPad got a whole bunch of bids and raised significantly more money that the charity was expecting to. What is interesting for them is that they can go right into the dashboard and they can figure out who made that donation. Then they can go ask that person "Is there a way for our next event that you can make that same donation, because we were pleasantly surprised at how much that helped us raise." There definitely is ways of utilizing that data.

CEOCFO: *How does an events data get into your system? Do you work with the organization? Are they able to easily fill in the spaces and get what they need so that it will work effectively?*

Mr. Alvarez: The way our process works is that once you agree to sign up with Gesture you get assigned a dedicated account manager. This account manager will spend an hour with you just teaching you all the ins and outs of the whole entire platform; whether you want to utilize our ticketing aspects, whether you want to utilize the text to donate campaign, an auction campaign or any sort of other fundraising that you might want to do throughout your year. We help you and just give you a quick walk through of how the whole process works. Then we will go over your event logistically. One of the other cool things that Gesture does is that we will send people to help implement the technology for your event. Therefore, our account manager will work hand in hand with the charity to determine how many people the charity would like for us to send. We will send anywhere from one person to, one the biggest events in the world for the American Cancer Society; we will send fifty people. It just varies on the organization. On the average we usually send about four people to an event. They just help manage the registration process, the fundraising process throughout the night and then, most importantly, the checkout process. Again, we work hand in hand with the charity throughout the entire process to make sure that everything goes smoothly, from making sure that all of their items in their silent auction and their live auction get implemented correctly, to making sure that the logistics of the event and when the event is going to start, when the bidding is going to end, when check out is going to start and where check out is going to take place. We have worked at most of the venues in the markets that we are in, so we have good recommendation on how these events should go.

CEOCFO: *Do organizations recognize the value that you can provide in helping them stage the event or what to do at the event due to your experience or is that beneath the surface?*

Mr. Alvarez: That is actually a very good question. That is funny, because when I started I told all of our charity partners, "I promise, I promise, I promise you are going to raise more money; I promise." Luckily, those first fifty all did raise more money. However, now we are saying the value of Gesture is in the donor experience. Your donors are going to have a very wonderful experience when you use the Gesture platform. That is a value that is undeniable and very important for an organization for the longevity of the donor. You do not want to have a donor that is going to come to an event, have to wait on line like I did years ago, and make a donation. Therefore, when you use the Gesture platform it is that underlying donor experience that provides the value. Now, do not get me wrong, we are seeing significant increases, whether charities double or triple or even quadruple how much they are use to raising; that still happens all the time. However, the real value is in the donor experience, making sure that when the guests come in they get into the event quickly, they are able to make any sort of donation that they want and then most importantly they are able to pay at the end of the night. The other value that our charity partners see is the amount of reduction in unpaid donations that they see. That is because if you do not use Gesture and you use paper and pen for everything it is really difficult to manage that. You have to figure out who won, who lost and it is very difficult to manage that whole process. Therefore, they definitely see value in the amount of the reduction in labor that they see.

CEOCFO: *Gesture is not the only company that works with auctions. What sets Gesture apart?*

Mr. Alvarez: The thing that sets us apart the most is the fact that we have been doing mobile bidding longer than anyone and we have done more mobile bidding events than anyone. Therefore, in doing that we have significant experience, we work with the biggest non-profits in the world; whether it is the American Cancer Society, Make a Wish, Ronald McDonald; you name it. We work with the largest charity events in the world. Just in doing that, you just gain significant experience and that is what really sets us apart.

CEOCFO: *What is new in charity auctions?*

Mr. Alvarez: Auctions themselves have been around for thousands of years and the charity auctions have been around for a long time as well. I think the newest thing is just experiences. Many of our charity partners have unique access to certain things that just normal people do not have access to. For example, one of our current charity partners is the Chicago Cubs. At their event they will give an experience where people will get to camp out in Wrigley Field overnight! Therefore, it is not just an Apple iPad or a gift certificate to a restaurant. It is these experiences that are rather unique and one of a kind items that people just cannot get anywhere else!

CEOCFO: *What is the key for you to be involved with various forms of payment and to make that simple? How do you simplify it and yet make all the options available so the charity can get money easily?*

Mr. Alvarez: That is a good point. We take credit card processing very seriously. As I mentioned, we will process over one hundred and fifty million dollars this year, so first and foremost, it has to be secure. Our processing is ultra secure! One of the easy ways that we make it for our donors to come to our events is that as they arrive we are able to take their credit card and we are able to swipe it using our proprietary technology and store that information. This way, any fundraising that they do throughout the night just gets put on their tab and at the end of the night they can hit one button to pay with that credit card. The other cool part is that we can accept any form of payment. If someone wants to pay with a check, that is no problem. If they want to pay with cash, that is no problem. Sometimes we even have people that want to make a donation from their trust and we can help arrange that as well. The good news for our charity partners is that any form of payment that their donors want to pay with; we make it very easy for them, not only for us to accept it for them, but for them to be able to track that. This way at the end of the night, again going back to that data, they are able to see who paid with check, who paid with cash, what type of credit card they paid with and just make the whole process seamless.

CEOCFO: *Gesture did make the INC 5000 list, so clearly business is good. How do you continue this trajectory? What is next for Gesture?*

Mr. Alvarez: We are just getting started! We have been doing this for six years and I say we are just getting started because we are really only in fifteen markets. There are at least another forty markets that we can do to. Therefore, that is what our plans are for over the next three years; to enter those forty other major markets that we are not in.

CEOCFO: *Are you talking about geography?*

Mr. Alvarez: Yes, from a geographical standpoint. We do many events in Chicago and Saint Louis and Denver and Los Angeles and New York, but there are some other big markets that we really need to tap into, like Pittsburgh, Houston, San Antonio, Nashville and Washington DC. Therefore, we are going to look to enter those markets over the next three years.

CEOCFO: *Do you find regional differences in types of events or what people might expect? Would an organization in New York perhaps expect something different from you than an organization in Nashville when you get in there?*

Mr. Alvarez: Not really. The events that we are doing are really high end events. I understand your question, it is a good one. However no, our events that are high end in Nashville are just the same type of events that are high end in Los Angeles.

CEOCFO: *Why should people pay attention to Gesture? Why is the company not only interesting and useful, but important?*

Mr. Alvarez: I started Gesture in my basement six years ago. Now we have grown to be able to do close to \$10 million in revenue this year. We have over one hundred employees. Not only are we doing good by helping significantly increase the amount of money that our charity partners are able to attract during an event, but we also give back by donating our time to the different charities. For example, this Thursday our team is going to take the day off and go help build a house for Habitat for Humanity. Therefore, not only are we helping from a technology standpoint to put more money into the charitable ecosystem, but from a time standpoint we always give back and do whatever we possibly can to help make the world better.