



How to Plan a Charity Auction



Intro

Auctions are a lucrative and engaging way to raise money for your cause.

This go-to auction guide is designed to provide nonprofit professionals with an overview of all that's involved in planning a charity auction.

In this quick read, you'll learn about:

- The 3 types of auctions and how they work
- Mobile bidding: Is it right for your fundraiser?
- How to set a budget for your auction without breaking the bank
- The secret to scoring hot tickets and luxury auction items
- Easy-to-use tech tools that can help you save time and stress less



What Type of Auction Best Fits Your Fundraiser?

There are a few different kinds of auction formats. Which is best for your organization's fundraiser event depends on the atmosphere you want and the preferences of your audience. Let's go over what you can do and how these auctions can complement your event.

3 Types of Charity Auctions

Silent Auctions

In a silent auction, bidders peruse auction item displays. They bid on items by adding their name or bidder number along with their bid amount to a paper bid sheet for each item they want. Paper bidding takes place during a specific window of time at a larger event, often with food and entertainment. When the bidding period ends, the highest bidders win.

Live Auctions

Live auctions pair the excitement of desired items with the bid-boosting energy of an auctioneer. Calling out prices and taking bids when bidders raise their paddles, a good auctioneer can transform the auction into its own event within your fundraiser.

Online Auctions

Since eBay brought bidding to the masses in the 90s, online auctions have become a staple of nonprofit fundraising efforts. Online auctions are similar to silent auctions. Just swap out the silent auction display tables with web pages. For online auctions, bidders browse item listings about each auction item and place their bids online.

Online auctions work well as stand-alone fundraisers for charities with far-flung supporters who can't easily gather for an in-person event.

For causes with a strong base of local support, an online auction can work well as a lead-in to a gala auction night by driving bids higher for several days in advance of the event.



Silent



Live

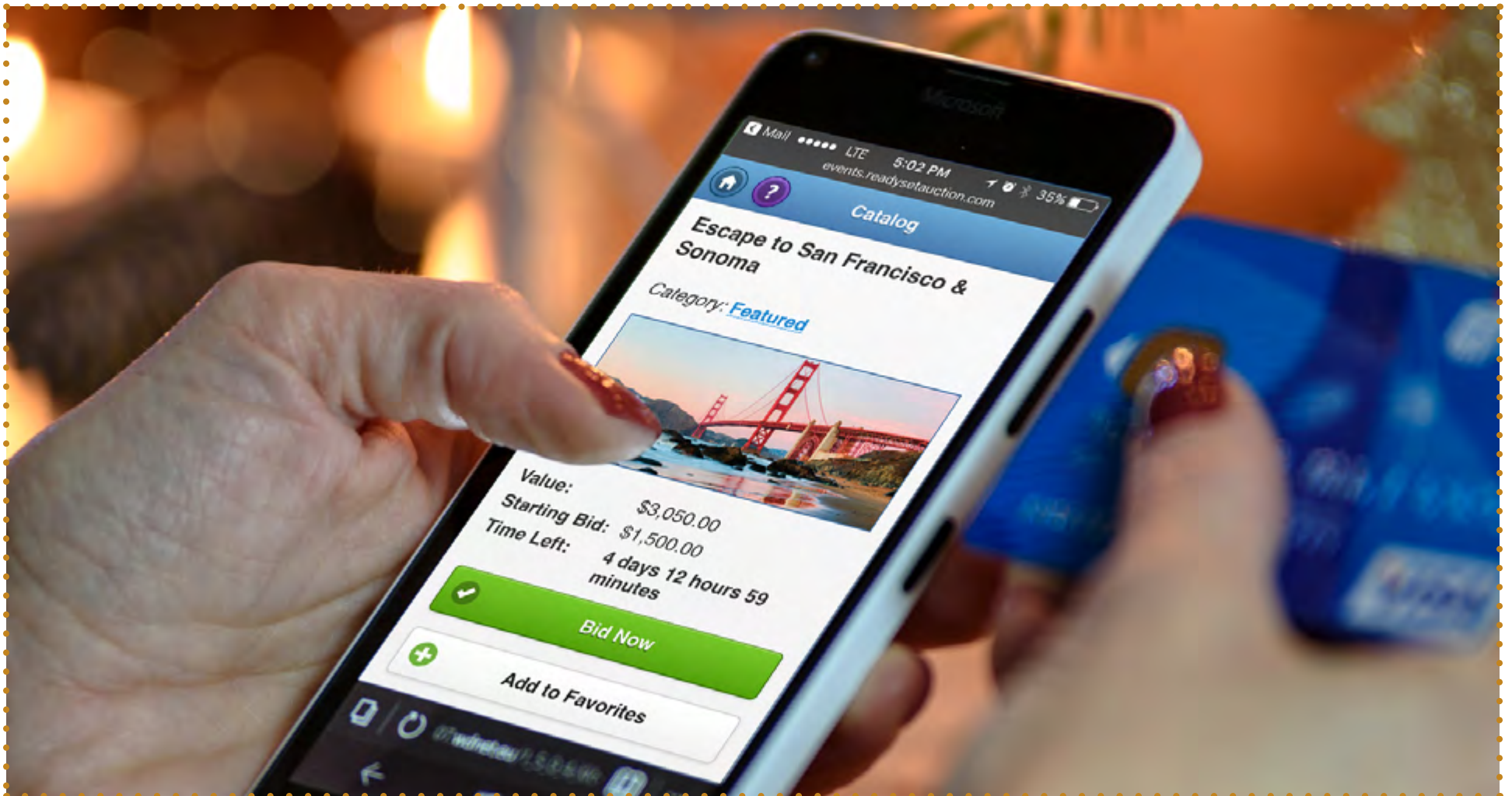


Online

Mobile Bidding: The Quick and Easy Way to Boost Auction Revenue

More and more nonprofits are enabling guests to bid on their smartphones during events, but not just for the sake of ditching paper. Through instant text and email notifications, mobile bidding allows your guests to know the exact moment they are out bid, creating an excitement that drives up bids and increases engagement.

For guests without a mobile device, you can set up a number of tablets or laptops (or virtually anything that can show a web page) to serve as secure “Bidding Stations” during your event.



Not sure if mobile bidding is a fit for your fundraiser?

Here are 6 things to consider:

1. The Demographic of Your Guests

One of the biggest factors that will affect the success of mobile bidding at your auction is the number of active and engaged eBidders. Who are your guests? Do they trend older or younger? Are they comfortable using their smartphones? Do the majority of them own smartphones? Are they more likely (or, at least, just as likely) to bid with their phones as they would via paper bid sheets?

Consider polling a few of your big silent auction winners from previous years and see how they answer the questions above. Their answers might surprise you!

2. Number of Guests

How many guests do you expect at your event, and how many of them do you project will want to bid? Does it make financial sense to offer mobile bidding as a solution?

We have found that the more successful mobile silent auctions have between 100 and 500 active bidders.

3. Internet Access

Does your venue have a wired connection to the internet? If so, make sure it's a fast connection. Your venue's wired internet connection should support a minimum 50 Mbps download.

Is Wi-Fi provided at your venue? If so, how fast is it? If not, can a tech-savvy person from your committee or employed by the venue set one up?

4. Number of Silent Auction Items

Offering the appropriate number of items at your event is a delicate balancing act. Many factors will affect your decision. But, in general, keep in mind that if you offer too few items, some bidders may give up early if everything appears out of reach. They have money to spend, but nothing they want to spend it on.

On the other hand, if you offer too many items, you'll reduce bidding competition, and each item may attract fewer bids.

For an evening gala, the most successful mobile silent auctions have an Electronic Bidder Account-to-Package ratio of between 0.5 to 1. This means you should strive to have no more than one electronic-bid packages per electronic bidder account.

Pro Tip

Events provide great opportunities to collect opt-ins for mobile marketing!

- Registration forms online or in-person
- Raffles and door prizes ["text to win"](#)
- Speaker announcements, posters, and videos
- Surveys, contests and voting



5. Location of Your Guests/Bidders

Do you have supporters who would like to bid but are unable to attend your event? If so, make sure that the mobile bidding solution you choose is one that can be accessed by any bidder with Internet access, even if they aren't attending your event.

6. Event Schedule

Does your event's schedule lend itself to mobile bidding? In addition to the silent auction, what other activities do you have planned?

Mobile bidding during an evening gala fundraising event can prove highly successful, especially since guests can more easily bid on and monitor items from wherever they are. It's also a great solution for auctions that take place during multi-day conferences, or days-long sporting events like baseball, soccer, lacrosse, and gymnastics tournaments.

What better way to spend the inevitable slow times between sessions, innings, or events than perusing the catalog on your phone and bidding?

If your fundraiser includes a concert or performance, open bidding after that segment ends. Do you really want bidders and performers to be distracted by their phones?

Intrigued by mobile bidding but not sure you're ready to take the plunge?

Consider taking baby steps this first time, and be sure to provide ways for everyone at your event to bid.




Here are some options:

- Auction off only some of your items electronically and others traditionally with bid sheets.
- At the end of its electronic bidding period, an item's high online bid carries over as its starting bid in your traditional live/silent auction. The winner is then determined by the highest bid from the traditional live/silent auction.
- To accommodate guests without their own devices, set up computers around the venue (Bidding Stations) from which anybody can place bids.
- Choose a system that accommodates proxy bidding by auction staff members. Mingling staff members can then place bids on behalf of any registered electronic bidder.



Example Purse Auction Bid Sheet



PURSE AUCTION – RELAY FOR LIFE 2011 ALBUQUERQUE

BID SHEET

PURSE # _____


DESCRIPTION OF PURSE: _____

TEAM: _____

MINIMUM BID: \$25.00

Name _____ Bid _____ phone # or email (write clearly!) _____

Example Silent Auction Bid Sheet



SILENT AUCTION – RELAY FOR LIFE 2011 ALBUQUERQUE

BID SHEET

ITEM: _____

DONATED BY: _____ VALUE _____

DESCRIPTION OF ITEM: _____

TEAM: _____

MINIMUM BID: _____

_____ Bid _____ phone # or email (write clearly!) _____

Budget for Your Auction Event

The total cost of an auction fundraiser event can vary widely depending on costs in your area, your ambitions for the event's style, and your fundraising goals. You'll need to do some research and careful decision-making to come up with a realistic budget for your event's venue, meals, and decorations. Depending on the kind of event you're having you may also need to budget for entertainment, an auctioneer, and more.

Budgeting Basics: Pay for the Event with Admission Tickets

Consider covering your overhead by selling admission tickets to your event at the right price. To calculate a minimum ticket price, divide your total estimated overhead costs by the number of people you think you can reasonably expect to attend.

For example an event with an estimated \$7,000 in overhead and a goal of 200 guests would need to charge at least \$35 per admission ticket to cover the overhead and keep all the fundraising proceeds from the auction.

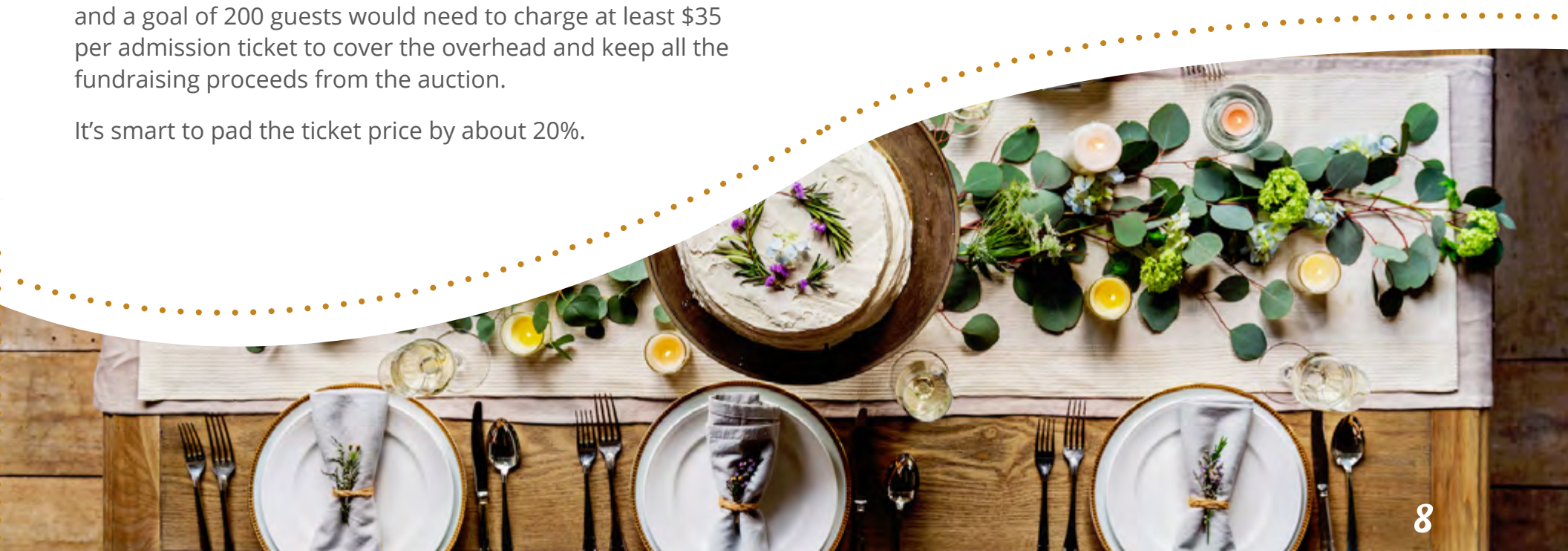
It's smart to pad the ticket price by about 20%.

This keeps you covered in case you don't reach your attendance goal or costs are higher than expected. So the \$35 ticket for our example event becomes \$42, which you could easily round up to \$45.

There's a lot of flexibility in event ticketing.

Some events break up coverage of their venue and meal overhead by selling separate admission tickets and meal tickets. You might go for an exclusive feel with an extravagant venue and admission tickets that cost several times the per-person overhead. Raising ticket prices turns your tickets into a profit center for the event, and — if your attendance estimates are accurate — guarantees you make two or more times your event costs.

Whatever your ticket strategy, you can make it work better by either lowering ticket costs or raising ticket profits with the money-saving tip in the next section.



Raise More Money with Must-Have Auction Items

As mentioned, most nonprofit fundraising events aren't complete without an exciting live and/or silent auction. The best auction items suit your audience, work with your event theme, and have high potential for income generation. Here are a few guidelines to consider when selecting the right items for your event.

Live Auctions

Live auctions are big money makers. They also offer great entertainment value for a fundraising event, dazzling audiences and building excitement as patrons compete for once-in-a-lifetime auction items.

Some tips:

- For time's sake, we recommend most events include 7 to 12 items in the live auction, depending on the size of your audience.
- Using a professional fundraising auctioneer will exponentially increase your auction's likelihood for success.
- Top sellers in live auctions include unique bucket-list experiences (i.e. appearing as an extra in a movie), travel packages (more on this below), dining and culinary experiences (i.e. private cooking class and dinner for 10), bucket-list sports events (i.e. the Kentucky Derby) and more.



Silent Auctions

Offering silent auction items not only raises more money for your cause but also gives guests something to do when they first arrive at your event. Your donors can mingle, socialize and sip cocktails while perusing the auction tables. Over the course of your event, this can develop into a fun and competitive environment as the time to close the silent auction draws near.

Some tips:

- To avoid having too many items that oversaturate bidders with choices, limit the selection from 0.5 to 1 items per couple. (That's 75 to 150 items for 300 guests.)
- If you have too many smaller donations, bundle them into baskets (i.e. pairing together theater tickets with dinner certificates for a 'Date Night' basket). Clever and strategic bundling often helps baskets become worth more than the sum of their parts.
- When a couple shares an electronic bidder account, they tend to place fewer bids than when each spouse has their own. Your auction will be more successful if each individual bids from his or her own phone, so be sure to encourage everyone to join in solo!
- Invest in sleek, professional displays for every item.

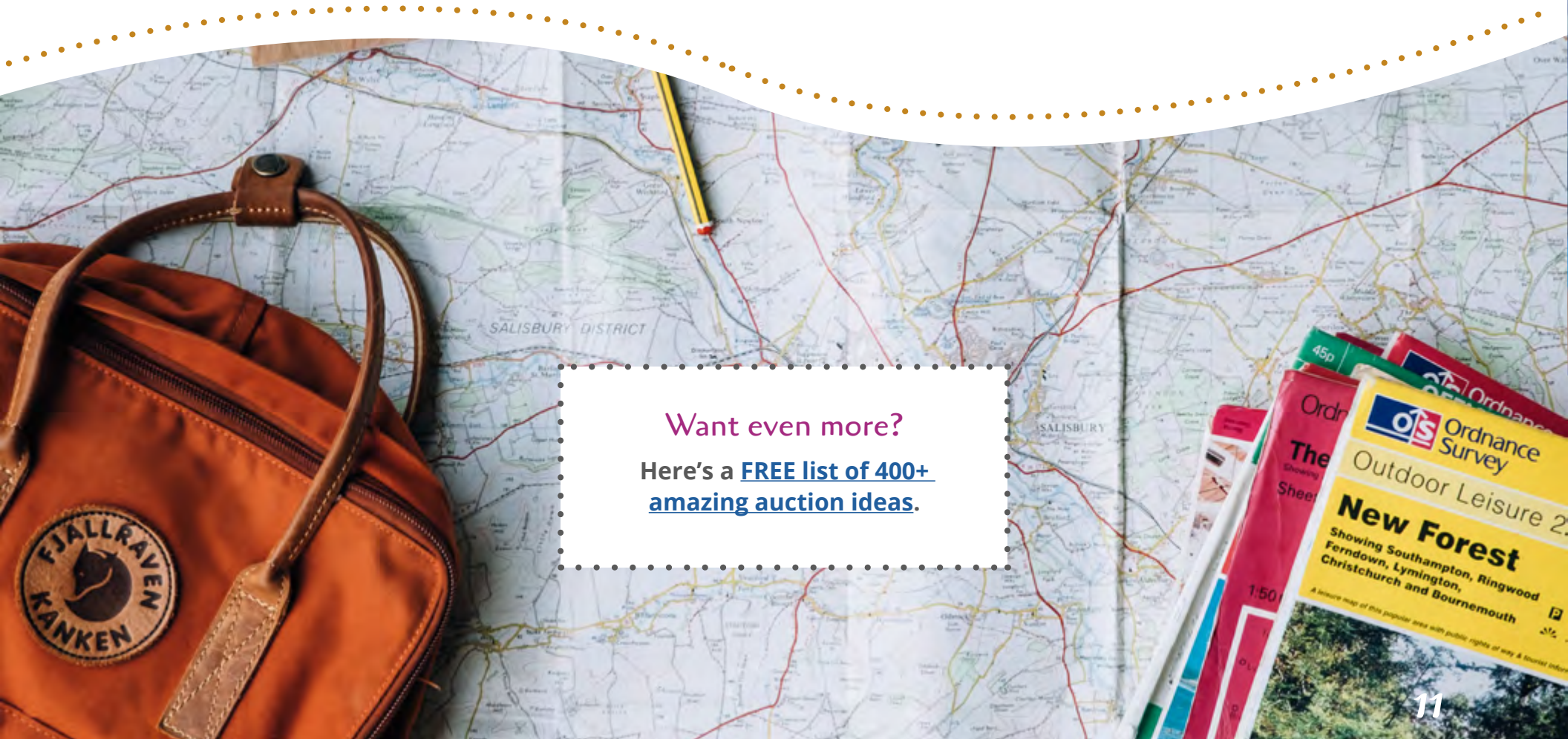


Travel

Travel is the number one best seller at charity auctions. Surveys show two-thirds of winning bidders take 3 or more trips per year, and 83 percent budget at least \$5,000 or more for travel each year! People want to experience life through travel, and it just so happens the sort of people that typically attend charity auctions travel a lot.

With time and effort, it's certainly possible for nonprofits to get airline miles and hotel nights donated. However, big-ticket Experiences that really generate excitement and garner high bids in live auctions – think a trip to the Masters or a private winery tour in Napa Valley – simply aren't donated. And that kind of exclusivity allows travel items to fetch top dollar.

If you suspect your donors enjoy travel, you'll want to decide whether you're better off coordinating trips on your own, or partnering with a reputable turnkey travel package provider like Winspire (with no upfront cost). Keep in mind many organizations do some of both.



Want even more?

Here's a [FREE list of 400+ amazing auction ideas](#).



3 Keys to a Successful Fund-a-Need

No matter what type of auction event you are planning, a well executed fund-a-need - also known as paddle raise, paddle call, special appeal and others - can help you reach and exceed your goal in minutes!

During this exciting portion of your event, donors are asked to make monetary pledges to support your cause. Spotters will then make note of each donor who has pledged at that level. The auctioneer then asks again, this time at a lower amount. This continues for 5-6 levels and is a great way to get everyone involved in the action. This sounds easy enough, and it can be, but we have 3 key tips to ensure a smooth and effective fund-a-need.

1. Emotional Trigger

Your event should be fun, exciting, and full of energy. It is important to take a few minutes during your event to talk about your cause - inspire others to support the great work your organization is doing. This very important moment of the evening should be no more than 5 minutes. Just enough to pull at the heartstrings of your donors without draining the emotional energy of the evening. Right before your fund-a-need is the perfect time to have your auctioneer introduce your special guest speaker or present a short video showcasing your cause. The auctioneer can then segue into how your guests can take this opportunity to show their support.

2. Timing Is Everything

If you are having a live auction component of your event, it is best to have your fund-a-need about 2/3 of the way through your live auction, after your biggest ticket item. This allows donors who missed out on your top item a chance to spend that money they were holding onto and keep your lower level donors engaged. Remember, most of your guests will not participate in the live auction, and this will give them a chance to participate, at an amount they are comfortable with so that they feel involved.

3. Prime the Ask for Each Level

You need to ensure you are setting your ask amounts appropriately to maximize your returns. Reach out to donors you know best and ask them what amount they are comfortable contributing at and have them lined up to be first to raise their paddle at each of your ask levels. This ensures that you can keep momentum and increases that friendly competition you are looking for. Whatever your starting ask amount is, you want to make sure you work down to an amount that will have every paddle in the room raised. Depending on your event, that final level could be \$100, \$50, \$25, or even just \$10.



Your Charity Fundraising Auction – An Event Within The Event!

In their online video course, Fundraising Events Made Simple, authors Bill Quain and Jeannine Norris share their advice for making your Charity Fundraising Auction a smashing success.

Their simple tip: make the auction an *event within the event*. In other words, build your auction results by doing everything to promote the auction, just like you would promote the event surrounding the auction.

A Real-Life Example

A local hospital is having their Annual Gala fundraising dinner. During the course of the evening, there will be entertainment, an auction, a cocktail reception, a dinner and an awards ceremony. Each of these E.W.T.E.'s must be treated separately. Each should have a budget, a target audience, goals, and a director. They each require attention to detail, meaning that each of them is really a separate event.

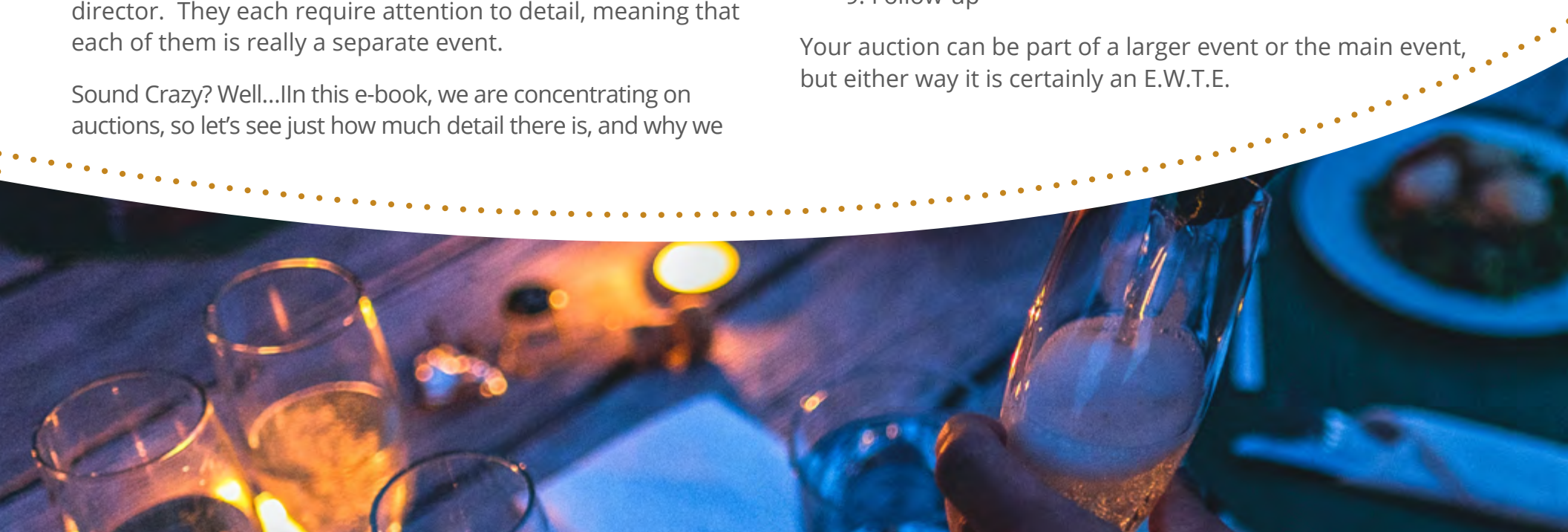
Sound Crazy? Well...In this e-book, we are concentrating on auctions, so let's see just how much detail there is, and why we

say it is an "event within the event." To be truly successful, your auction needs all the support and management as the overall event.

Think about these things:

1. Auction Theme
2. Targets Financial, Donors, and Buyers
3. Volunteers
4. Budget
5. Registration
6. Auction Items
7. Systems for tracking purchases and bids
8. System for accepting payments
9. Follow-up

Your auction can be part of a larger event or the main event, but either way it is certainly an E.W.T.E.



Some Key Success Concepts

For any charity fundraising event, it is important to have a theme, and to attract the right audience. You want people who are willing to donate money. This is a fundraising event after all.

For auctions there are two kinds of target audiences: donors and buyers. Donors give the auction items that the buyers will bid on. In your marketing plan for your auction, carefully select potential donors and buyers, and target them with specific promotions. You want donors to be excited about giving to the auction and buyers to be excited about spending their money at the auction. Here are some quick points to remember about both kinds of targets:

Donors

1. Look for people and companies that are already giving! These are the easiest targets to reach.
2. Sell them on the reasons for donating to your auction. (Find the benefits that the donors will appreciate.)
3. For targeting companies and businesses, create add-ons that enhance the value of the auction item but also make it more likely that the successful buyer will visit the business.
4. Look for inexpensive or no-cost add-ons for the donor to give. These increase donor visibility and make the gift more attractive. For example, you might ask a local bike shop to donate a bike or sell one to you at a steep discount. Now, think about value-driving add-ons, such as free “spring detailing” services. These services will bring the buyer into the bike shop again and again, meaning more sales for the bike shop.

5. Ask a business to donate a product or service, and then ask other people to add-on to the donation. You can even ask volunteers to add free or low-cost services.

6. Find out when your donors are preparing their budgets, and get in ahead of the crowd with your request.

7. Share your list of current donors with potential donors.

8. Get the buyers to write a thank you letter or share their experience with the donation. Everyone likes to know that the item they donated was appreciated.



Buyers

1. Look for people who are wealthy enough to afford the items you are auctioning.
2. Invite your top targets to the auction. Carefully explain, in advance, how the auction is going to work.
3. As new auction items come in, get the word to your top targets.
4. Promote stories of last year's buyers and how much they enjoyed the auction items they purchased.
5. Get some "inside scoops" from the donors. For example, maybe the chef can talk about the dinners they serve at their "chef's table" in the kitchen.
6. Package items to build excitement and to build value for the buyers.
7. Invite buyers to become donors. It never hurts to ask!

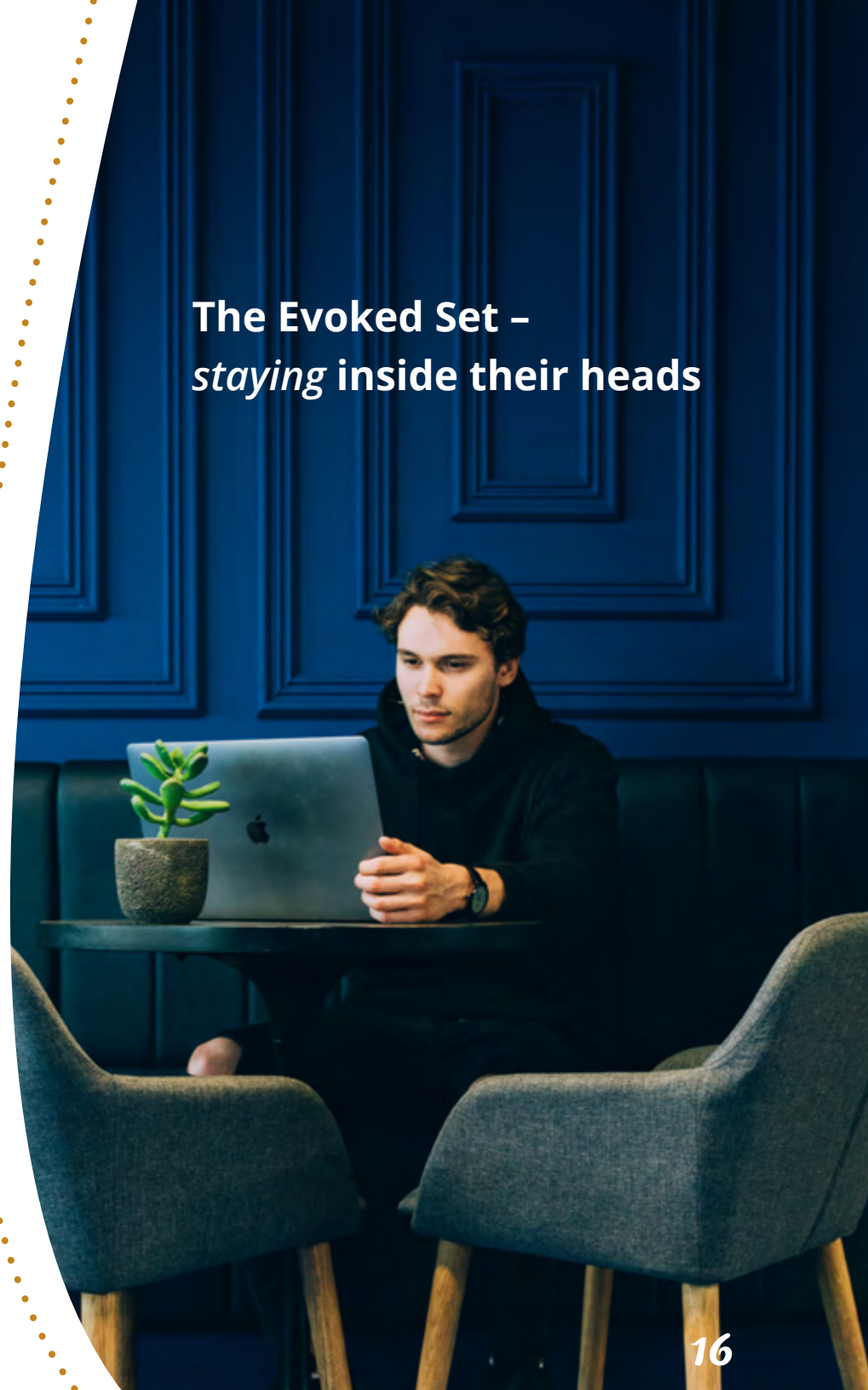
Get Inside Their Heads!

If you want to create a sustainable, year-after-year giving program, auctions can be an excellent tool. Why? Because auctions are memorable and a key tool for ***"getting inside their heads."***

The Evoked Set – *staying inside their heads*

When you build your auction properly, you can become part of your target audience's "Evoked Set." The Evoked Set is the short list of events that come to the minds of the targets whenever they are thinking about giving.

The Evoked Set – *staying inside their heads*



Now, as a fundraiser, you are competing against all the other fundraising opportunities that your targets have. Your donors and your buyers are both only going to give so much. You want them to think of your charity, your auction, or your fundraiser first.

To accomplish this, you must get into their Evoked Set, and stay there!

Build The Pyramid: Reduce Their Risk

In order to get into the Evoked Set and stay there, you need to build a series of Auction Pyramids.

An Auction Pyramid is a themed event within the event. There is an overall pyramid for your Auction, and then mini-pyramids within your auction.

Each pyramid has its own theme. For example, your overall auction should have a theme (example: "Living Better"). Then you want to create sub-themes, such as "Travel," "Dining," "Entertainment" and "Sharing." You can even create mini-pyramids for each of your major items in the auction.



How can you use a vacation stay in a private home to build a pyramid?

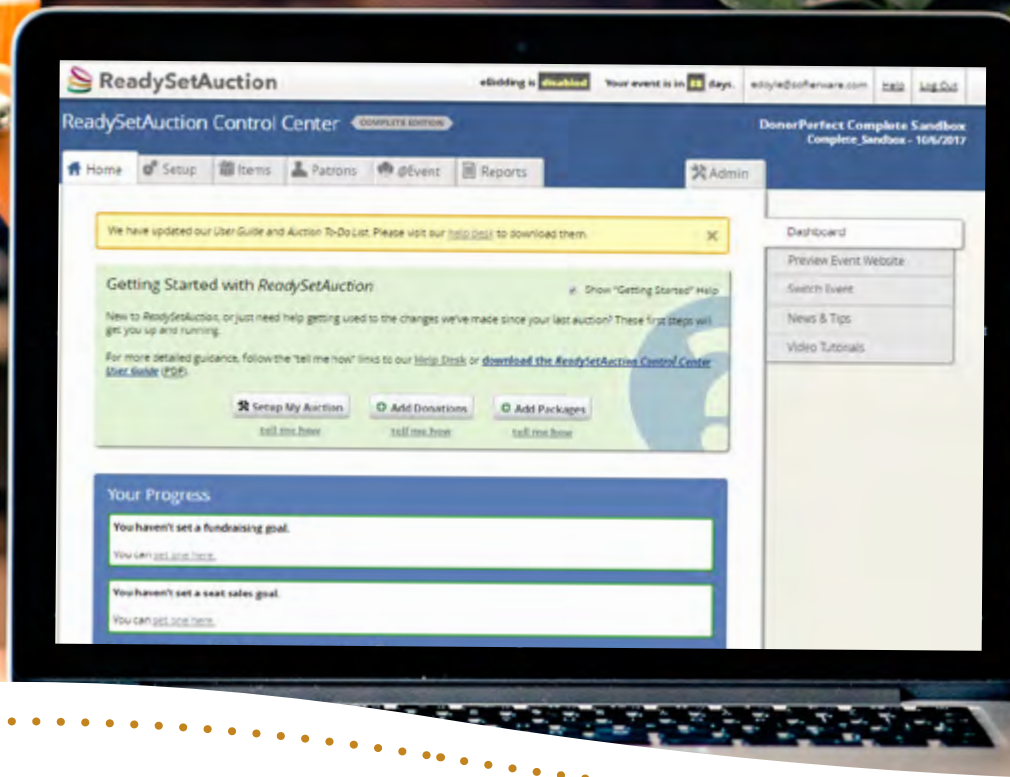
1. Use the vacation home as the "base" of the pyramid, and then add value and include other people (or services).
2. Find a second vacation home nearby, and secure a donation for a "family reunion" or a "Girls' Escape" and combine both houses.
3. Ask other people to donate add-ons, such as nearby restaurant meals, entertainment options, beach chairs, boat excursions, etc.
4. Have someone personally cater a meal or two.
5. Add wines or champagnes to the package.
6. Ask for ideas.
7. Set up a Facebook page and get the conversation going.

In "pyramiding," you start with the base, and as you involve other people, you build the value and increase the awareness of the item. This will usually increase the amount of money you raise. In addition, it might create an "annual" gift that builds excitement for the item year-after-year.

More Events Within The Event

Each of the Pyramids, and each of the mini-pyramids, is an E.W.T.E. They build excitement, memories, stories, value, and of course, donations. As more people get involved, more people have a personal stake in your auction-- meaning more people will keep your events in their Evoked Set.

Remember, each is an E.W.T. E. and they can make your next auction the best yet!



Should You Invest in Easy-to-Use Tech?

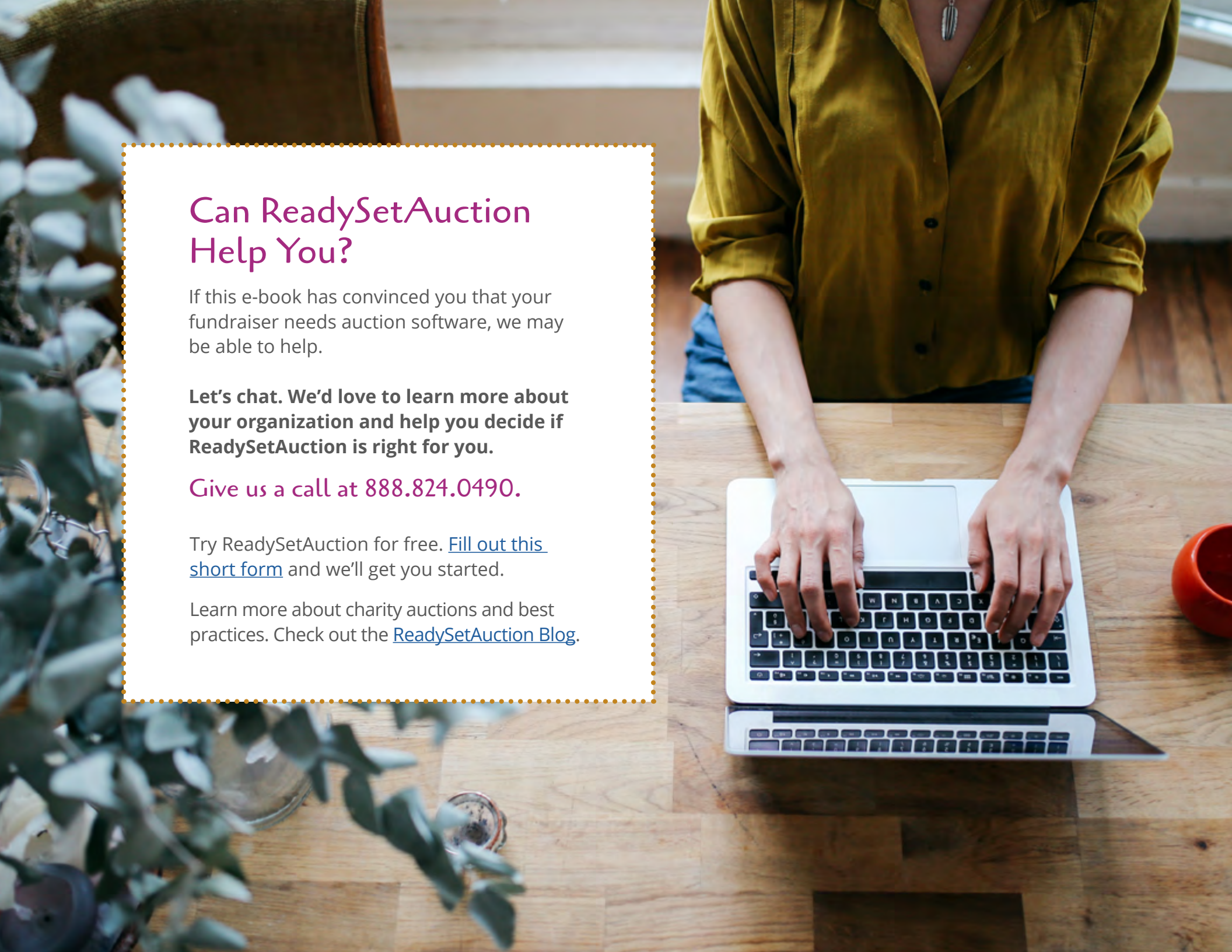
The larger and more complex an event becomes, the more helpful auction software can be. Once you have several dozen guests and close to one hundred auction items to track, organizing your event on spreadsheets can get stressful.

Managing seating arrangements, meal choices, donor acknowledgements, and guest checkout simultaneously is no small feat.

At that scale, professional auction management software isn't just a relief- it's a necessity.

If this e-book has convinced you that your fundraiser needs auction software, we may be able to help.

Events where the auction is simple and small can safely get by with some reliable volunteers, a few spreadsheets, and a keen organizer running the show. In fact, a small event is often a great opportunity for nonprofits to experiment with auctions. Organizers can see firsthand how an auction suits their fundraising needs and appeals to their donor demographic.

A person wearing a mustard yellow button-down shirt is sitting at a wooden table, typing on a silver laptop. The scene is captured from a high angle. To the left of the person, there is a blurred green plant. On the table, next to the laptop, is a small red bowl and a glass jar. The background shows a wooden floor and a white wall.

Can ReadySetAuction Help You?

If this e-book has convinced you that your fundraiser needs auction software, we may be able to help.

Let's chat. We'd love to learn more about your organization and help you decide if ReadySetAuction is right for you.

Give us a call at 888.824.0490.

Try ReadySetAuction for free. [Fill out this short form](#) and we'll get you started.

Learn more about charity auctions and best practices. Check out the [ReadySetAuction Blog](#).