

GUIDE

Best practices for your next fundraiser auction.





Should I run an auction?

Silent and live auctions have been a feature of fundraising events for decades. Event attendees browsing a plethora of donated prizes, writing in their names or numbers on bid sheets for their favorites, lines forming to bid on the most coveted item, friendly jostling for top bid as the clock counts down to the close—if you’ve been to a gathering, a gala, or a golf outing, the scene is all too familiar. Through the years, bid sheets have been gradually replaced by tablets and mobile apps for some events. But when COVID-19 led to the cancellation of most, if not all, in-person events in 2020 and 2021, many organizations quickly pivoted to events and auctions hosted on virtual platforms.

Others, however, asked the questions – Should I run an online auction? How does that even work? What should I consider? What do I need to do? Will people bid? Will it be successful?

If the past year has taught us anything, it’s that virtual auctions can be extremely successful, if done right. Bonterra Donor Engagement’s Guided Fundraising solution (formerly Network for Good) has introduced an online auction platform that will help you create a successful auction. This eGuide is designed to help you better plan for and implement your next auction whether it’s in-person, virtual, or hybrid.

Clarify your purpose.

Beyond raising funds, an auction might serve several other purposes. When deciding if you should hold an in-person event, a completely virtual online auction, or a hybrid event, you'll want to ask yourself a few questions that will help you decide the best approach. What do you hope to accomplish by running an auction?

1. Do you have previously donated items that you're eager to clear out? **Perhaps a simple online auction without an event would be the best option.**
2. Do you live in an area that is hosting live events and wish to gather your supports for an in-person fundraiser? Are you concerned that some community members won't be comfortable attending a large event? Are you concerned that if you cancel altogether, others will be upset? **Perhaps a hybrid event could satisfy everyone's concerns.**

To decide which type of auction to hold, consider the benefits of each.

IN-PERSON, VIRTUAL OR HYBRID?

- **In-person only:** familiar, traditional, very hands-on, contained to the people in the room, personal touch, builds a sense of community, ease of item distribution at the end.
- **Virtual:** wider audience, accessible to many who cannot or prefer not to attend in person, bidding may be available for a longer time frame, offers more flexibility.
- **Hybrid:** benefits of both the in-person and the virtual options.

DETERMINE YOUR BUDGET.

How much do you hope to raise from the auction? Of course, the more the better!

Identifying your desired revenue will help you to decide how many and what types of items you'll need for your auction, how to conduct the auction, and the opportunity to create a case for the difference the auction will make for your mission.



Auction items

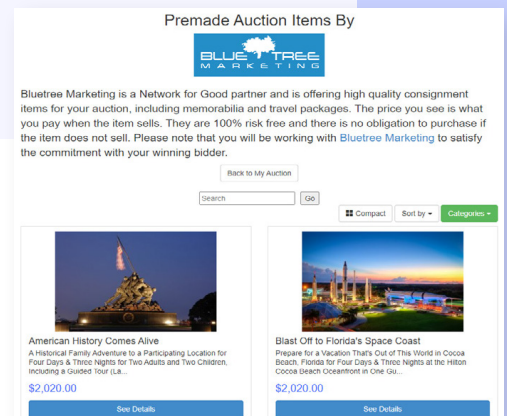
FINDING ITEMS

Finding auction items that will excite your community and encourage active bidding is critical to the success of your auction. But knowing where to find these items can sometimes be tough. Ideally, you can rely on your board members and staff to secure items – but you can also ask your volunteers and program participants to help you.

Prepare an auction item donation request kit to provide everyone who is interested in helping to find items with the appropriate messaging.

Reach out to local businesses, your vendors, and other community members to ask for donations to the auction and to invite them to become bidders.

Finally, don't be afraid to research possible items that can be offered on consignment. This can be particularly helpful if you've struggled to secure items in a particular price range or area of interest. With numerous items on consignment, you can guarantee your bidders will have lots of great options to choose from. You may not make too much money but, on the other hand, you might!



Bonterra Guided Fundraising's Events and Auctions solutions includes a partnership with BlueTree Marketing to make finding consignment items a breeze. With almost 100 items loaded into the system, you will have a range of options for great auction prizes.

BE SURE TO INCLUDE:

- An abbreviated case for support – your purpose and vision.
- Impact statements that include both data and qualitative results from your work.
- The difference that the funds raised through this auction will make.
- An auction item donation form.



TYPES OF ITEMS

When soliciting items for your auction, work to accrue a variety of experiences and areas of interest. The better you know what interests your community, the easier it will be to decide what types of items you need. Does your community appreciate exclusive experiences like an in-home chef dinner, sharing events with friends like a two-hour boat cruise or spa package, or do you have avid sports fans that would appreciate autographed memorabilia? Consider having a range of items at different price points to allow all bidders an opportunity to participate.

Given the impact of COVID-19, you might consider holding off on items that involve travel (particularly outside of the country) or large event ticket opportunities. Or if you offer them, ensure that they don't expire too quickly.

When you're gathering items, make sure you specify in the solicitation materials that all items should be new, high-quality items.

You'll also want to decide which items might be reserved for Live Auction bidding. Creating a visual to accompany the auctioneer's description and to track the bidding progress is important to making a virtual live auction engaging and interactive for the at-home, off-site audience. Our software allows you to showcase your Live Auction items as well as capture payment. Bonterra Guided Fundraising's Auction solution allows you to turn off the bidding for any item that is reserved for the Live Auction.





★ Popcorn Lovers Basket

#4

This 9" basket is filled with 4 small bags of popcorn. Each flavor is a top seller!

\$75.00
(0 bids)

[See Details](#)



LOGISTICS

If you are planning a virtual or hybrid auction, you'll also want to consider the logistics of getting the item to the winning bidder. Will items be delivered, shipped, mailed or available for pick-up? What costs will be incurred in this distribution process? Who will manage it? Will the bidder be charged separately for the shipping or factored into the starting bid price?

PRICING AND BIDS

Once you've gathered your items and packages, it's time to set minimum bids, bidding increments and buy now price points. Guided Fundraising auto populates the starting bid and bid increment for you and is set at 40% of the value, however, those numbers can be modified. Typically, you'll want to set the starting bid to be about one third of the stated market value. If you allow a "buy-it-now" option, make sure to set the price above market value. And, if you are hosting a live auction, be certain to properly identify these items and how the bidding will take place when you advertise them. Providing a Buy It Now price gives your bidders options and ensures that you'll raise the highest possible amount for each item listed. We recommend setting the Buy It Now price at 100-150% above value.



6 auction dos and don'ts

DO:



Check your local and state regulations around running an auction before you begin planning.



Engage your board of directors and other volunteers in soliciting auction items.



Think beyond securing physical items and gift cards from local businesses. Be creative – offer experiences your supporters will enjoy.



Remember that you may need to ship or deliver items to winners if they do not attend the auction in person.



Make it very easy for your supporters to access the software and bid on items by using a software that allows bidders to participate easily in-person or online from their mobile devices.



Market! Market! Market the auction through all your social networks, your website, via email and text to your supporters, promote to the media, ask board members and volunteers to spread the word—do everything you can to gain exposure.

DON'T:



Reject the idea of a hybrid auction if you host an in-person event.



Be afraid to select consignments items you believe your community would enjoy.



Set your starting bid or your “buy-it-now” price too high or too low.



Stop marketing!



Forget to prepare thank you letters, emails, or personal video messages for donors and auction winners to thank them for their support.

Since our auction platform is built into our simple, smart software we make it possible to stay in touch with event attendees and participants and follow up with them before, during, and after your event all from one integrated system.

Checklist

Use this checklist to make sure you're ready for your auction—whether in-person, virtual or hybrid.

EARLY PREPARATION STAGE

(3-6 months before the scheduled auction date)

- ☐ Determine your fundraising goal.
- ☐ Invite your board, staff, volunteers, and program participants to help solicit or donate auction items.
- ☐ Aim to secure items from a wide range of value points to ensure you have something available for everyone.
- ☐ Decide how many items are appropriate for your potential crowd size. If you are going virtual or hybrid, remember your audience may be far larger than your traditional in-person crowd.

LATE PREPARATION STAGE

- ☐ Photograph your items or find stock images to represent items on your auction software site.
- ☐ Write inviting and exciting descriptions of each item.
- ☐ Determine your minimum bid, bidding increments, and buy now price for each item.
- ☐ Establish categories to help bidders more easily find items that might interest them.
- ☐ Schedule **social media posts** and email blasts to announce your auction and to encourage participation.
- ☐ Invite your supporters to share your posts and spread the word that you welcome everyone to engage with the auction—especially if you are going virtual or hybrid.

MID AUCTION STAGE

- Spotlight items to encourage further bidding, both online and in-person during the event.
- Periodically remind bidders how much time is left to bid. Guided Fundraising's Auction solution lets you send automatic notifications to encourage last-minute bidders and highlight no-bid items.
- If you are hosting an online auction that is not tied directly to an event like a golf tournament or gala, plan to end the bidding process on a weekday when many folks are more likely to be on their computers.

LATE PREPARATION STAGE

- Close the online and onsite auction so no further bids can be made.
- Process the winning bids so that the appropriate winner is notified.
- Send thank you emails or personal videos to both the item donors and the winning bidders.
- Distribute/mail the auction items to winning bidders.

Analyze your return on investment (ROI) from the auction.

Note lessons learned and things that you would do/change the next time.

Ready to learn more about Bonterra Guided Fundraising's Events and Auctions solutions for your next virtual auction?

LEARN MORE

