



## Putting the “Community” in Community Auctions: Donation Procurement and Packaging

A “community building” goal for your auction can affect how you run your auction in many ways. This month’s issue will discuss how you procure and package donations in a community-building manner.

### **DONATION PROCUREMENT:**

The goal of community-based donation procurement is to make everybody happy! Happy donors will see their items packaged well, priced appropriately, and sold. Happy bidders will see a variety of items at all price levels. But they also want to make sure that they have given to a cause they believe in, so they want to be able to buy as much as they can within their budgetary limit.

- *Encourage donations from within your community. Don’t exclude external business donations—you need those too—but the presence of internal donations promotes the feeling that this event belongs to everyone. Dinners, parties, performances all provide an opportunity for organization members to socialize throughout the year, not just the night of the auction. As they get to know each other better, your community will become more cohesive.*
- *Don’t be afraid to ask for what you want! Some donors know exactly what they want to donate, but many need some help. Recruit donors for items that you know will be popular. For example:*
  - *To increase participation by young families, ask specific people to donate family-friendly events like ice cream socials.*
  - *If your membership includes a talented musician, ask for a donated concert. These items can be priced fairly low, and held in a venue that allows many people to attend, so that they actually earn quite a bit.*
  - *Everybody needs help with yard work! Encourage young adult and teen groups to donate a work day.*
  - *Solicit donations from local businesses you know your members patronize. It doesn’t hurt to name a specific donation, such as a dollar amount for a gift card. This is cost-effective marketing, and your donors will be happy to bid on items they need anyway.*
- *Ask members what they’d like to bid on, and provide these suggestions to prospective donors. Create “Donation Suggestion Forms” and post them on a bulletin board; all the prospective donor needs to do is grab a form and put their name at the top.*

- *Assure that you auction items at all price levels. Of course, you need some high-ticket items to make your financial goal, but you also want a number of items anyone can afford. Sign-up items (also called “buy it now”) at a low, fixed price can make a lot of money if enough people purchase them.*

## **PREPARING DONATIONS**

You may think that once you have a donation, your work is done! Put a price on it and sell it, right? However, if you want to get the most out of your donations, you will spend a little more time making sure that they are presented and sold in a way that satisfies donors and bidders alike.

- *Determine the auction method for each item.*
  - *Items to be included in your oral/live auction should be the most popular items; trying to sell a high-priced item with no interested buyers can suck the life and energy out of a live auction and hurt overall auction sales.*
  - *Most other items will be sold during your silent auction using competitive bidding. If the quantity of an item is more than 10 or 12, consider using a “sign up” bid sheet (also called “buy it now) where people just sign up to pay a specific amount to purchase the item. For example, a “family picnic and games” day for 20 people might charge \$15 per person.*
  - *Donations of larger amounts of food or drink might actually bring more in if they are sold rather than auctioned. For example, if a local liquor store donates a case of moderate quality wine, you might get more for it by “selling” it by the glass at your refreshments table. (Note: If you don’t have a liquor license, you may accept donations for the wine, but not sell it outright.)*
- *Packages: If you have a number of small donations, consider putting them together in a basket or package. For example, if you have a hand-thrown coffee cup, a gift cards from a coffee shop, and some homemade banana muffins, you have a “Brunch Basket” that will bring a much higher price than the items sold individually. This also works with higher end items, such as a cruise or vacation condo packaged with airline miles. Note: Be sure you thank each donor individually in this case. (Shameless plug: Community Auction Services’ [EasyAuction™](#) software makes this a breeze!)*
- *Pricing is an art, not a science! You want to get bidding started, but not underprice. You want to allow enough room to bid high, but make sure that some items are within the reach of smaller budgets.*
  - *For oral auctions, if you’re using a professional auctioneer, consult before the auction so that you’re on the same page. Pros have a good idea of the value of items, but they may not know your audience. Set reserve prices when you need to, but remember that an item that doesn’t sell at all reduces the overall energy of your auction and earns you nothing.*
  - *For the silent auction, set minimum bids low enough to get bidding started, but not so low as to reduce your income. The stated value of the item, provided by the donor, is often inaccurate, and should never be used as the minimum bid without some research.*

*Generally, you will want to start bidding about 25% below the value of the item, though this is not always true. For example, gift cards should generally be priced only slightly under the value. Fine art should usually be priced much lower than its value (unless the auction is specifically tailored to art appreciators).*

- *Silent auction bid increments should be appropriate to the minimum bid. For example, if the minimum bid on an item is \$100, the increase should be about \$10. [If you're not using printed bid increments for silent auctions, you should! You'll be amazed at how much more your auction makes when you control bidding levels.]*
- *For business donations, be sure to display marketing materials with the bid sheet (or have them available for items being sold at the live auction). Not only does this provide the donor with a great marketing opportunity, but gives the bidder a little more information about the item. This is especially important with service items.*

With some purposeful donation solicitation methods and some careful thought, you can increase the success of your auction, both from a donor and bidder standpoint.