



# Seven Fundraising-Event Strategies for Challenging Times

Use these lessons to assure a productive event.

By Carl Borning

Although raising funds in today's tight economy is a challenge, some nonprofits are doing better than others. Surveys give us a clear picture of what struggling organizations are doing wrong. They tend to:

- use reactive rather than proactive strategies
- focus on containing costs rather than finding new funding options
- lack donor stewardship
- rely on fundraising sources that aren't particularly fruitful
- suffer from a lack of staff.

On the other hand, organizations that are doing well:

- have a variety of revenue sources and many ways for donors to give
- spend more effort in donor outreach and cultivating relationships
- have invested in development staff, resources, and activities
- are looking to do more, not less.

You can put those approaches to work as you pursue fundraising events. Here are tips for doing just that.

## 1. Hold more fundraising events, not less

Now is the time to have more events. Rather than just one annual event, consider a number of smaller events throughout the year. Such fundraisers might include auctions, concerts, walk-a-

thons, golf tournaments, cook-offs, and many other creative ideas. (See "Creative Fundraising Ideas" in each issue of *Nonprofit World*.)

Special events produce an estimated \$40 billion annually for nonprofits—15-20% of all fundraising. With so many organizations vying for a piece of the pie, maximizing special events is critical.

Pay attention to small contributions. That's where your gains are most likely to occur.

Well managed events benefit your organization far beyond the money they raise. Participation in events fosters a sense of community and commitment to your organization. The momentum gained from successful events leads to greater volunteer involvement as well as future donations.

## 2. Put a system in place

Turnover is a fact of life in nonprofits. Without a stable structure to withstand this turnover, new staff reinvent the wheel year after year—a horribly inefficient process that costs your organization money. You need to leverage what you have and be more efficient in your use of staff time.

One way to accomplish this task is to use software that manages events from beginning to end. Comprehensive software sets the roadmap for events and rapidly

expands your database of donors. Such software creates a structure that will last through any turnover.

## 3. Avoid credit card factoring

At many events—auctions in particular—it's vital to be able to process people's credit card payments. But don't pay someone else to do this processing for you. Instead, get your own merchant account. The rates will be much more favorable.

## 4. Track donations carefully

Perhaps the most crucial part of fundraising events is assuring that donor information is collected. This process extends far beyond entering a name and contact information into a spreadsheet. True donor tracking includes detailed records that identify donor contributions over time (including major and frequent contributors), items donated for auction, volunteer assignments, reminders of best times to call, and much more. Staff turnover often causes nonprofits to lose valuable information. With a proper infrastructure in place, however, the information can be passed on from event to event.

## 5. Don't forget the "little guy"

All donations are always important, but in a restrictive economy it's especially vital to pay attention to small contributions. That's where your gains are most likely to occur. And cultivating those who attend your special events is an ideal way to encourage these smaller donations.

## 6. Enhance your revenues

You can boost donations by adding fundraising enhancements to your events. Enhance a live auction with a silent auction, for example. And consider these other easy-to-add enhancements:

A **silent auction with a “buy-it-now” price** can increase revenue on a single item by 20% over a silent auction with no buy-it-now option. Bidders who dearly want an item will happily pay more on the spot—often 150% of the fair market value—rather than wait till the end of the event to see if they’ve placed the highest bid on the item.

**Raffles** dramatically increase revenue on items such as jewelry and electronics, which typically don’t sell at fair market value at auctions. If you sell \$20 raffle tickets for the chance to win such an item, you can generate \$2,000—far more than people are likely to bid on it.

**Fund-a-need** is a simple concept that often increases auction revenue by 25-50%. It works this way: The auctioneer takes a break from auctioning off items and asks if anyone is willing to donate money to help a charitable cause. This approach gives attendees a chance to simply make donations in the spirit of charity without the expectation of goods in return.

## 7. Foster happy donors

At your event, do your volunteers and paid staff have time to interact with a smile and offer extra service, or are they frazzled just keeping up? Will participants be eager to come to your next event? Is your system equipped to get out the necessary thank-you’s to donors? Don’t underestimate how much a good system can contribute to donor cultivation and a stress-free, productive, fulfilling event. ■

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### DO MORE, NOT LESS

Put the keys to work with these *Nonprofit World* articles at [www.snpo.org/members](http://www.snpo.org/members):

- **Nonprofit Fundraising: Top Tips to Survive Tough Times** (Vol. 27, No. 4)
- **Taming the Beast: Four Keys to that Special Event** (Vol. 20, No. 4)
- **Deeper Donor Relationships = Increased Contributions** (Vol. 26, No. 4)
- **Gifts for the Asking: Consider the Facts and Ponder These Questions** (Vol. 27, No. 4)
- **Improve Your Donor Base** (Vol. 19, No. 6)
- **Relationship Marketing: Guaranteeing the Future** (Vol. 14, No. 5)
- **Five Strategies to Enhance Your Fundraising** (Vol. 27, No. 2)

Also see Learning Institute programs on-line: Resource Development and O for Opportunity: Exploring New Revenue Opportunities for Nonprofits (<http://www.snpo.org/lino>).

Rather than just one annual event, consider a number of smaller events throughout the year.

## Creative Fundraising Ideas

### Party All Year Long

Let your organization’s supporters hold their own events throughout the year, as the Center for Women & Families of Eastern Fairfield County (Bridgeport, CT) does. Area women sign up to host parties benefiting the Center, choosing their own theme, time, place, and fee. Events include pajama parties, book groups, bridge parties, cocktail parties, and standup comedy nights and raise \$1,000 to \$1,500 each. Up to 80 hostesses sign up each year, and the Center receives money year-round. Word of mouth is a powerful marketing tool, as is having committee members who are part of your target audience.

### Create Extra Excitement at Your Event

The American Cancer Society’s Jewel Ball (Phoenix, AZ) raised \$750,000 from its ticket sales and jewelry auctions, combined with some unique fundraising ideas. For example, 100 glasses of champagne with small bags tied to them were sold for \$50 each, with a donated pair of diamond earrings in one of the bags. Little black boxes sold for \$100 each, with donated mystery items (such as concert tickets or restaurant certificates) in each box. Such unique and intriguing additions created excitement and boosted the funds raised at the black-tie event. For more creative fundraising ideas, see “Special Events Galore!” ([www.stevensoninc.com](http://www.stevensoninc.com)).

### Wow Your Guests

At your next event, give your guests access to places where they wouldn’t normally be admitted, and create a stimulating environment, as Chicago’s After School Matters did when it held its annual gala right on an O’Hare Airport runway. The hype before the event caused the guest list to swell from 1,500 to 2,500, and the gala raised more than \$3 million for teen programs. Guests began the evening in a tent with appetizers and a display of teens’ artwork, moved to another tent for a performance that showcased the teens’ singing and dancing abilities, had dinner in a third tent, and returned to the first tent for dessert. This constant shift in surroundings kept people engaged and eager to see what would come next.