Choosing the Best Fundraising program for your school

Because of the competitive nature of the fund raising industry,

organizations generally can choose from a variety of programs

offered by fund raising companies. These programs vary not

only in the products offered, but also in how the products are

sold.

Choosing the best program for your school or organization

depends on many factors. The age and number of your

volunteers and their experience in fund raising must be

considered in conjunction with your financial goals.

Importantly, choose a program that volunteers will be

comfortable with because, contrary to what you may have

heard, products do not sell...people sell!

When considering financial goals and product pricing, a

common mistake by fund raising coordinators is to compare

only, or place too much importance on, the percentage of sales

which will be kept by the school. For example, one company

might offer the school 45 percent of sales, compared to another

offering only 35 percent. However, the *45% company* may not

provide important services (e.g., consulting, kickoffs, timely

delivery of merchandise, custom packing for individual

students, incentive programs) which the other company

provides, or its products might not be top quality or the most

saleable. It may be better to choose a program with a smaller

percentage return if the added value of the overall program will

help ensure success.

Also, some companies might offer a higher percentage, but will

inflate the cost of the product to compensate. The result is that

the consumer is faced with a higher retail price and therefore

more likely not to purchase the product. Remember, 45% of no

sales yields no profit, while 35% of a $10,000 sale results in a

$3,500 profit.

Although the organization's goals can sometimes provide

adequate incentive for volunteers, often prize and incentive

programs can be a valuable element of a fund raising program,

increasing profits for the organization while making selling more

fun for the students and volunteers. The age of the volunteers

and the goals of the program are key factors when selecting

incentive programs.

Generally, the best prize programs will involve as many

volunteers as possible. Awards can be based on the size of the sale

(e.g., a student who sells one-to-five items might choose prizes

from category A, while a student who sells six-to-ten items would

choose from category B, etc.). Caution: be clear up front on the

cost for the prize program—including whether there is a separate

cost for the prizes or if the cost is built into the percentage going

to the fund raising company—