

How to Generate More Net Revenue From your Events and Projects

1. To maximize revenues: 1) generate more gross revenue, 2) incur less expense, and 3) reduce the work required to produce the revenue.
2. Plan with net revenue in mind, by doing a bottom-up budget. Add your least acceptable net revenue goal to your expenses to arrive at your gross revenue goal. Then set a stretch goal. Remember, with expenses set, everything over your target will go directly to the bottom line.
3. Consider all expenses: product costs, people costs, lost opportunity costs (what could have done instead?), direct costs, indirect costs, and more.
4. Ask, "what sponsors might be willing to pay this expense for us, or provide these resources to us at no cost?"
5. Break larger revenue goals into smaller pieces To raise one million dollars you can get: one million dollar donor, two half million donors, four quarter million donors, or even one million one dollar donors. Which is the best approach based on your situation, your skills and your resources?
6. Consider all of your revenue opportunities and select those that are aligned with the goals, mission, values and strengths of your organization, including its resources. Revenue opportunities include: a raffle, a silent auction, a live auction, a membership offer, an enrollment event, a subscription, a monthly pledge, a bequest or endowment, a naming opportunity, a sponsorship for others who are in need, a scholarship, etc.
7. Determine the value of "silent auction real estate" by dividing your revenue goal by the number of items intended for the event. Communicate this to your procurement committee for more effective results.
"There are two kinds of money in the world gross and net. Don't be gross." Jeff Tanenbaum
8. When procuring items for silent and live auctions, consider the adjusted value of the items after any consignment costs.
9. Consider all direct and indirect costs when pricing a product or service. A \$400 painting that requires \$150 for framing, someone's time for handling is no longer a \$400 item. Price it accordingly with the "profit" added on.
10. Don't try to do it all by yourself. Ask constantly, "who else could do this for me/us?" Multiply yourself through others. None of us is as strong or as smart as all of us. Dividing up goals also makes them less daunting and more achievable.

"It is not what you bring in that counts, it is what you keep when it's over." Jim Cathcart

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