

GO CHARITY

First in Fundraising

WHITE PAPER

The Truth About Consignment: How Risk Free Auction Models Actually Work

1. Introduction – Setting the Stage

Fundraising is harder than ever. Donors are cautious. Budgets are tight. Expectations keep rising.

Event planners and development directors are under pressure to make every gala, golf tournament, and silent auction outperform the last one. They need fresh ideas that raise more without putting their mission at risk.

That's where consignment comes in. Or rather, where the debate around it starts.

If you've ever planned an auction, you've heard the mixed opinions. Some swear by consignment. Others warn against it. The truth is that it's neither a miracle nor a mistake. It's a strategy.

When done right, it allows nonprofits to offer luxury experiences and high value items without spending a dollar upfront. When done wrong, it feels like the nonprofit is footing the bill for someone else's profit.

At Go Charity, we believe fundraising is the gentle art of teaching the joy of giving. Our goal is to help every client raise more for their mission without taking on more risk.

This paper looks at how consignment actually works, why it has a bad reputation in some circles, and how transparent models like Go Charity's can remove financial risk while protecting your organization's integrity.

2. The Origins of Consignment in Fundraising

Consignment began in retail. Stores sold products they didn't own. The seller got paid only when the item sold.

That same model entered nonprofit fundraising when event planners realized they could auction off luxury trips and experiences without buying them first. It made sense.

It let smaller nonprofits compete with the big galas. Guests could bid on a villa in Tuscany or a yacht charter. The nonprofit spent nothing up front. The donor got a dream experience. The charity kept part of the proceeds.

Then came the imitators. Some vendors overcharged or buried terms in fine print. Some took more than their share. Others forgot what the word “charity” means.

That’s how consignment earned its stigma. Not because the model was flawed, but because transparency went missing.

Go Charity was founded to fix that. For more than twenty five years, we have led the fundraising industry with a simple promise: integrity first. Our team combines white-glove service with working-class values. We roll up our sleeves and do the hard work because that’s how results are built.

Every event we touch is guided by five values: philanthropy, accountability, service, integrity, and perseverance. These principles are not slogans. They are the reason our client retention rate stays near ninety percent year after year.

3. Myths vs. Facts – The Truth Behind the Stigma

Myth 1: Consignment companies take most of the profit.

Fact: In a transparent model, the charity sets the sale price and keeps everything above cost.

With Go Charity, every item has a clear base cost. The nonprofit knows exactly how much goes back to its cause before the auction begins. If the trip sells for more, that extra money stays where it belongs, with the nonprofit.

We take pride in our transparency. There are no surprises. Every partner sees the math before the event begins.

Myth 2: Donors only want 100 percent donated items.

Fact: Donors care about impact.

Most high value bidders are motivated by the cause and the excitement of competition. They want to give, but they also want something memorable in return. Luxury items raise the temperature in the room. They lift the bidding energy across the board.

A strong consignment lineup can even make donated items sell higher. When guests see travel packages selling for thousands, it resets their sense of value and generosity.

Myth 3: Consignment is only for big national events.

Fact: Scalable models work for every size of nonprofit.

Smaller events often need consignment the most. It helps them expand their catalog without chasing large donations or corporate sponsors. Go Charity works with organizations of every size, tailoring items to match audience and budget.

Myth 4: You lose control of your auction.

Fact: You gain options and support.

A good partner never replaces your strategy. They strengthen it. You decide what to include, how to price it, and how to present it. Our goal is to give you more tools, not more rules.

Myth 5: Consignment is a last resort when donations fall short.

Fact: It is a proactive strategy.

Adding a few risk free items can boost total revenue by creating a balanced mix of donated and premium experiences. It also keeps your event fresh. Guests notice when the same baskets appear every year.

The right consignment partner helps you plan for growth, not patch holes.

4. When Consignment Works (and When It Doesn't)

Consignment works best when there is energy in the room and ambition in the plan.

It thrives at events where guests expect to spend. Charity balls, golf tournaments, celebrity galas, and private dinners all fit. The audience already values exclusivity and competition.

It also works when you want to diversify. Maybe your donated items are limited or repetitive. Maybe your board wants to raise more without asking the same donors again. Consignment opens that door.

But it is not for every event.

If your audience is small or local, luxury packages might not connect. If your event has a neighborhood tone, the items should match that spirit.

Go Charity tells clients that upfront. We would rather decline a partnership than let a nonprofit take on something that will not serve its goals. We are not for everyone. We seek clients who share our commitment to excellence and respect for donor intent.

We also believe in having skin in the game. Our team assumes part of the financial risk to ensure that every package meets our standards. That approach sets us apart from vendors who collect a fee and disappear once the gavel drops.

We never stop learning. Each event teaches something new about donors and giving behavior. That curiosity keeps us evolving, improving, and delivering stronger results each year.

Transparency separates ethical consignment from opportunism. When the fit is right, everyone wins.

5. Checklist: Is Consignment Right for Your Event?

Ask yourself a few simple questions.

- Do your guests typically spend \$1,000 or more during the live or silent auction?
- Are your donated items strong but limited in variety?
- Do you want to offer exclusive experiences without upfront costs?
- Do you have a professional auctioneer or emcee who can build excitement?
- Is your goal to increase revenue without increasing risk?
- Are you open to partnering with a vendor who values transparency as much as you do?

If you answered yes to three or more, consignment can strengthen your event. If you answered no to most, it may not be the right time, and that is fine. The key is to know before you commit.

Go Charity helps you evaluate fit before a contract is ever signed. That honesty is one reason our clients return year after year.

6. The Go Charity Difference

Go Charity has grown through referrals and repeat partnerships. More than ninety percent of our clients come back because their results improve.

Our boutique team manages more than five hundred auctions each year. We handle every detail from concept to closing. Paper or mobile bidding. Setup or settlement. We are there.

And our job doesn't end when the last item sells. Our in-house concierge team customizes every winning bidder's experience, coordinating travel, accommodations, and special requests. Every trip is curated to match the donor's preferences, which protects your brand and extends the goodwill of the event.

We call it service beyond the bid. It is what turns one night of giving into a lasting relationship between your donors and your cause.

7. Closing / Call to Action

Consignment is not a gamble. It is a strategy. It gives nonprofits access to items they could never acquire on their own. It adds energy, variety, and value to any auction when handled the right way.

The difference lies in execution.

When transparency leads the relationship, everyone benefits. The nonprofit wins. The donor wins. The cause wins. That is the model Go Charity built from the beginning.

As Tiger Woods once said, the greatest thing about tomorrow is being better than you are today. That is how we approach every event.

If you would like to evaluate whether this model is right for your next fundraiser, contact Go Charity for a free consultation. Our team will walk you through the process, answer questions, and help you decide if consignment is the right fit for your mission.