

## RAFFIE FOR SUCCESS

INSIGHTS AND STRATEGIES FOR SUCCESSFUL IN-PERSON, VIRTUAL, OR HYBRID FUNDRAISERS



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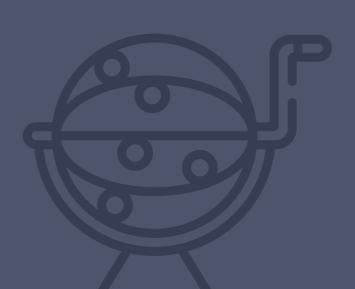
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## What's in a Raffle?

### \$1,400,000,000

That's how much raffle organizers have raised with Eventgroove since 2019. Clearly, raffles are an extremely effective way for nonprofit organizations to raise money. But, as any fundraiser organizer knows, a campaign's performance is directly linked to its execution. Thus, if you want to maximize the money raised, optimizing your nonprofit's efforts and use of resources are essential. You need a data-backed, research-based roadmap to create a winning strategy, and this Raffle for Success eBook will get you there!

In order to create this eBook, the Eventgroove team mined our data and drew on over 20 years in business to identify the factors that make a killer raffle. We evaluated whether online, in-person, or hybrid raffles is the most successful, what the average ticket price was, how the length of a campaign affected results, whether raffles were stronger on their own or paired with other fundraisers, and how other fundraiser campaign types (such as <a href="sweepstakes">sweepstakes</a>) measured up in terms of fundraising efficacy. Then, we asked our most successful raffle organizers for insights into what they did to make their raffles such huge earners. Finally, we asked nonprofit experts for insights on all our findings.

Now, you hold in your hands a complete raffle fundraiser resource containing data, insights, and the experiences of nonprofits who are raffle-hosting superstars. Each year, over 35,000 nonprofits—including Ducks Unlimited, Red Ants Pants Music Festival, and Warren Miller Entertainment—count on the Eventgroove platform to host successful fundraisers consistent with their organization's brand and message. At Eventgroove, we measure our success by that of our nonprofit customers—when they win with their good work, we win, and the world does, too! Our goal in creating this eBook was to help nonprofits everywhere earn as much as possible for their causes.

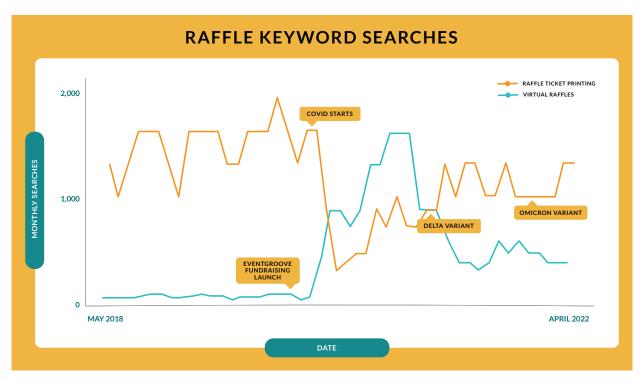
Many thanks for reading, and we welcome the opportunity to answer any questions and support you as you plan your next raffle fundraiser.

- The ∼ Eventgroove Team





## The Big Picture: Raffle Searches



Source: Google Analytics for Eventgroove.

Google search volume is a crystal ball of sorts. In addition to offering insight into the general zeitgeist, it provides indications of what the future holds. Thus, we'll begin our raffle story with a snapshot of two of the most popular raffle search terms between May 2018 and April 2022.

As you can see by the orange line, searches for 'raffle ticket printing' (corresponding to in-person fundraising) were going strong and climbing. Then, in early 2020, the COVID-19 hammer hit, at which time Google searches for 'virtual raffles' (representing virtual efforts and signified by the blue line) rose precipitously. Of course, this is consistent with the major behavioral and lifestyle shift instigated by the pandemic.

However, as time passed and the pandemic (and our response to it) evolved, search volume changed, too. Slowly, searches related to in-person raffles have made a comeback while those for online raffles have declined. But, like everything else in the world, things haven't gone back to exactly the way they were before—searches for "virtual raffles" have leveled off and maintained some of the ground they earned when everyone and everything was online. This indicates that, though in-person events are back, virtual raffles have indeed been adopted as a fundraising tool.

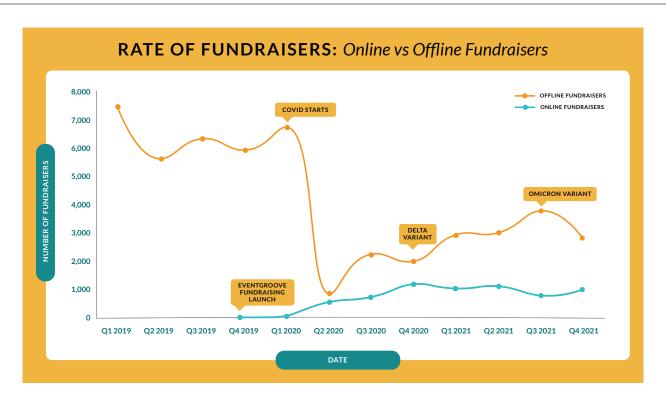
The merging of these two raffle fundraising approaches (also known as a hybrid raffle) is a recurring theme we'll explore in the following pages of this e-book.



## Online vs Offline Raffles: Which is Better?

Intuition tells us that in-person events offer a level of connection that we just can't get through a screen. But how does that need for face-to-face interaction affect raffles? Is an online raffle just as good as an in-person raffle? To answer that, we delved into our customer data from Q1 2019 through Q4 2021—that time frame offered us a unique data set that reflected the seismic shift to virtual instigated by the pandemic.

We then examined the data from online and in-person raffles and compared the numbers. The results were surprising. As the chart below illustrates, through the height of the pandemic, our customers were holding more in-person raffles than online.



Source: Online fundraisers conducted on Eventgroove Fundraising platform, and order data from Eventgroove Products platform.





However, the above doesn't tell us whether an online raffle or in-person raffle is more effective—it simply illustrates the human need to get out there and connect. So, which kind of raffle raised the most money during the same period?

As the below table illustrates, despite the pandemic, in-person raffles raised more funds than online raffles. While it is true that not all raffles are created equal, the data suggests that in-person raffles are generally more successful than virtual raffles.

#### Eventgroove Fundraising Data (online raffles) + Eventgroove Products Data (offline raffles)

2020-2021	ONLINE (EGF)	IN-PERSON (EGP)
Average funds raised per Raffle	\$4,394	\$17,749

Although the data points to the supreme efficacy of an old-school in-person raffle, there are no absolutes. Online raffles enable an organization to reach more people than it could if it stuck to selling raffle tickets in person for an in-person drawing. A great example of a successful online raffle comes from one of our customers, the Branford Rotary. As you'll see in the below case study, they raised \$40,000 in the middle of the pandemic.

Additionally, there are factors that come into play that make an online raffle particularly effective, which we delve into with more detail in this eBook's The Case for Online Raffles section.

Review our Branford Raffle Case study in its entirety.

"Statistics don't tell the whole story—the success of a raffle depends on promotion and active engagement. An in-person raffle makes both of these things easy due to:

- Noticeable raffle salespeople can engage the guests personally and directly, often with clipboards and balloons in tow.
- The purchase of a raffle ticket may include an on-site giveaway (e.g. glowing jewelry, flowers or buttons; something that seems desirable to wear during the event).
- Peer pressure is in play "Hey Claire, where's your glow necklace?"
- Announcements can be made periodically, reminding folks of the great prizes and letting them know they only have X minutes left before the drawing.

Not only does this make raffles fun, but a ticket purchase also shows other people what a great supporter you are."

Claire Axelrad, J.D., CFRE

#### **CASE STUDY**

# A Hybrid Raffle Success Story How The Rotary Club of Branford Raised \$40,000 for Restaurants

## THE CONTEXT

Soon after the onset of the COVID-19 pandemic, <u>The Rotary Club of Branford</u> recognized the pandemic's negative impact on the local restaurants and their workers. These small businesses are the heart of Branford's community, and Branford Rotary—a hands-on, volunteer organization passionate about supporting the community—took immediate action to help.

#### THE GOAL

Raise money to support restaurants and the people who had lost work during the pandemic.

#### THE PLAN

Run an online raffle with a tempting \$3,400 grand prize made up of \$100 gift cards purchased from thirty-four restaurants in the Branford community. Branford Rotary then used the raffle's proceeds to purchase more gift cards from the restaurants, which were then distributed to those in need through a partnership with Branford Counseling & Community Services.

#### **KEYS TO SUCCESS**

1

#### **CONNECTED CUSTOMIZED PRODUCTS**

Through Eventgroove's print-product capabilities, Branford Rotary purchased custom-designed, printed branded raffle tickets and promotional posters featuring unique QR codes. They then supplemented those print marketing efforts with "Braffle"-branded lawn signs dotted with QR codes. Once scanned, users were directed to Branford Rotary's virtual fundraising page where they could purchase raffle tickets.

2

#### A SEAMLESS ONLINE BRAND EXPERIENCE

A fully branded fundraising landing page seamlessly connected with the Branford Rotary website enabled <u>"Braffle"</u> supporters to interact solely with the <u>Branford Rotary brand</u>, thus delivering an uninterrupted brand experience.

3

#### **ENGAGING SOCIAL MEDIA CONTENT**

Branford Rotary posted engaging "Braffle"-branded videos to Facebook, including one <u>explaining what a "Braffle" is</u>, funny outtakes, and even one <u>after the "Braffle" sold out!</u> They also shared branded images encouraging participation in their online marketing efforts.

4

#### DATA-DRIVEN MARKETING

Measuring the efficacy of marketing efforts for the "Braffle" was critical for Branford Rotary. They needed to understand the traffic and raffle ticket sales generated by various posters and Facebook ads. Fed by Google Analytics, Facebook Pixel codes, and QR codes displayed on custom-printed posters, Eventgroove's built-in analytics capabilities enabled Branford Rotary to assess which ads and posters were generating the most traction and subsequently where they should spend their marketing dollars.



#### THE RESULTS

In only ten days, Branford Rotary's "Braffle" fundraiser raised a total of \$40,000 that went toward helping restaurants and restaurant workers.

"Eventgroove did a lot to allow us to sell out in 10 days. We sold \$40,000 in tickets in 10 days, most of them online... I think every nonprofit would be wise to look at Eventgroove because it could literally change the way any of the organizations raise money and raise awareness."

Andy Marlatt, Branford Rotary







## How Much Should I Charge for Raffle Tickets?

A question we're often asked is about the <u>ideal</u> <u>raffle ticket price</u>—this isn't a surprise as there's a lot at stake! A higher fee may make it a challenge to sell enough tickets, while setting an amount too low will make it such that you may need to sell a lot of tickets. Either way, reaching your fundraising goal could be in jeopardy.

The short answer is that there is no hard and fast perfect raffle ticket price. The raffle type, prizes, target audience, and timeframe all figure into setting the ideal ticket price for your organization's raffle. However, there are commonalities within the Eventgroove customer data that provide guidelines that can inform your decision-making process.

Based on our analysis of 100 print-on-demand raffle ticket orders in 2019, the average raffle ticket price was \$14. On average, fundraiser organizers ordered 1,500 tickets to sell per raffle. Assuming at least 85% of <u>raffle tickets</u> were sold per raffle, an average of over \$18,000 per fundraiser was generated.

As with any average, there are a lot of variables that can take you out of the norm! It's always best to tailor your raffle's ticket price to your specific fundraiser. The main factors to consider are your raffle fundraiser's costs and your audience. To come up with the ideal raffle ticket sales price for your fundraiser, use our free raffle ticket calculator tool.

#### In-Person Raffle Ticket Revenue Data

	AVERAGE TICKETS ON-HAND PER RAFFLE	AVERAGE RAFFLE TICKET PRICE	TOTAL RAFFLES (In-person) (Assumes one order=one raffle)	AVERAGE RAISED PER RAFFLE* (Assumes 85% of tickets are sold)
2019	1,434	\$14	25,177	\$17,159
2020	1,386	-	11,756	\$16,582
2021	1,575	-	12,493	\$18,847
1/1/2018- 5/2/2022	1,561	-	71,830	\$18,678

\*Assumes 2019 average ticket price. 2019 average ticket price based on analysis of 100 individual raffle ticket orders on Eventgroove.

Source: Order data from Eventgroove Products platform.



### The Case for Online Raffles

Some of our customers have raised over \$170,000 in a single online raffle. That's not pocket change! A virtual raffle's wider reach and lower overhead costs make it capable of generating significant revenue. Plus, you can run one longer than a single day and repeat it as many times as you want. So, while the average in-person raffle generates more revenue, don't discount online raffles entirely—that would leave an opportunity to raise more for your nonprofit's cause on the table. If your state allows it, an online raffle is something to consider building into your fundraising strategy.

As the below table shows, 55% of the fundraisers on the Eventgroove Fundraising platform from January 2020 to April 2022 were virtual raffles. While the pandemic required most fundraising efforts to shift to virtual, many organizers opted for raffles as they require relatively low resources to run while generating a high return. So, if you're trying to decide what type of online fundraiser you want to try, an online raffle is a good choice.

#### **Campaigns on Eventgroove Fundraising**

Jan 2020 - April 2022	TOTAL CAMPAIGNS	AVERAGE REVENUE/ CAMPAIGN	PERCENTAGE OF TOTAL # OF CAMPAIGNS
Raffle	1,218	\$4,394	55%
Auction	420	\$6,413	19%
Sale	259	\$3,608	12%
Crowdfunding	139	\$4,656	6%
Sweepstakes	110	\$10,725	5%
A-Thon	52	\$10,082	2%

Source: Online fundraisers conducted on Eventgroove Fundraising platform.

## Best Practice: Hybrid

Hybrid fundraising is on the rise in the nonprofit sector, and we anticipate it becoming the norm. During the pandemic, nonprofits and event organizers swiftly turned to new technologies and pivoted in the form of hosting a variety of virtual events and fundraisers. Although in-person events have returned, organizers haven't left behind what they learned about the reach and power of virtual. Using fundraising and event platforms such as Eventgroove, organizers are increasingly marrying aspects of online and in-person events to get the best of both worlds.

#### **Hybrid Raffles**

While in-person raffles are fundraising powerhouses, the potential sales and marketing reach of a virtual raffle are hard to match. A hybrid raffle enables nonprofits to harness elements from both into one campaign.



"The fact that the data shows online raffles underperformed offline ones may be due to a lack of promotion. What if you asked yourself: "What can we do to mimic the effect of in-person promotion, and trigger psychological principles of influence and persuasion like FOMO (fear of missing out), peer pressure, authority and social proof?

A person's fear of loss often outweighs their hope of gain, so if they're bombarded with messages telling them "Don't miss out," this is an action trigger. People also tend to do what others do, especially if they like, trust, and respect them.

An online raffle needs to include a strategic plan to promote sales and influence active purchases. This might include:

- A homepage pop-up to draw attention to the timelimited opportunity.
- A series of emails to spur momentum, including testimonials from other community leaders, celebrities, board members, donors, and volunteers expressing why they made their purchase. A dynamic fundraising goal progress thermometer can work well, too.
- Text messaging that generates and maintains momentum—this can be a powerful tool to alert folks to new raffle prizes, remind them of what the raffle will support, and show progress and timeline.
- An influencer campaign on social media—"You could win a dinner, and more importantly your raffle ticket buys a meal for a hungry family in our community."
- Share buttons on your website, blog, e-news, emails, text messages and social media—purchasers can use these to encourage their networks to join them and not to miss out.
- An online raffle sales committee to help create active engagement, responsibility, and accountability consider a competition between members with prizes for the most sales."

Claire Axelrad, J.D., CFRE

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"The success of hybrid raffles bodes well for the future—a well-thought-out campaign that mixes inperson and online fundraising optimizes your efforts and generates more significant results! The onset of the global pandemic encouraged event organizers and fundraisers to adapt by leaning into new technologies to improve their digital and social media capabilities. These changes will continue to impact nonprofits' fundraising strategies for the foreseeable future because now they can reach supporters through different channels and attract new and younger audiences through their preferred channels.

Like for every fundraiser, the key to hosting a successful raffle is about promotion and audience engagement. Your raffle marketing strategy should include a concerted outreach effort across all of your organization's channels—offline, website, raffle page, emails, social media, video, influencer activations, and special events."

Heather Mansfield, Founder & Editor-in-chief, Nonprofit Tech for Good

#### **Customer Highlight:**

At the time of this eBook's publication, an Eventgroove customer has raised over \$41,000 through a monthly 50/50 hybrid raffle with a card-playing twist!

Entry to the raffle is \$5 for an individual ticket, or supporters can pay \$25 for a batch of six tickets. Every month, the fundraiser organizer randomly selects four tickets, and each winning ticket holder is then invited to pick one playing card from a deck. If they select the Queen of Hearts, that individual winner gets to split the pot 50/50 with the organization. If they draw the Joker, they have to pay \$25 to the pot. If none of the four winners draw the Queen of Hearts on a particular month, the pot rolls over into the following month, and the selected cards are removed from the deck. When the Queen of Hearts is eventually selected, the organization will donate its half of the pot to support local youth initiatives.





## What's the Ideal Length of My Online Raffle?

The length of your online raffle campaign plays a role in its success—many nonprofits on Eventgroove opt to run their online raffles for 56 days. However, depending on your fundraising goals, shorter and/or more frequent raffles may be more effective.



#### **Raffle Longevity**

Jan 2020 - April 2022	SHORTEST TIMELINE	LONGEST TIMELINE	AVERAGE TIMELINE	TIMELINE OF HIGHEST EARNING
Raffles	1 Day	555 Days	52 Days	403 Days
All Fundraisers	1 Day	885 Days	70 Days	151 Days

Source: Online fundraisers conducted on Eventgroove Fundraising platform, and all private label fundraising sites.

#### **Customer Highlight:**

In less than three months, another highly successful Eventgroove customer raised nearly \$100,000, making it among the highest-earning monthly raffles on our platform. Again, it's not all about the length—these guys are marketing experts! Constant and creative social media callouts seem to be their recipe for success.



#### **Customer Highlight:**

The most successful raffle ever to run on the Eventgroove platform raised over \$175,000! Hosted by the Wild Sheep Foundation (WSF), a conservation nonprofit dedicated to restoring wild sheep populations, the Sheep Week Super Raffle's longevity is a big reason behind its record-setting number.

The Wild Sheep Foundation launched its raffle in early December 2021, and it's scheduled to end in mid-January 2023. However, equating fundraising success with the length of the campaign doesn't paint the whole picture. WSF does a superlative job consistently marketing the Sheep Week Super Raffle and ensuring there are plenty of links back to the fundraiser on all their channels, including the WSF website, Facebook, Instagram, podcast, and blog.

"We've observed the greatest success with non-profits who set their sights on marketing. Developing a plan to engage your audience over the course of your fundraiser will undoubtedly result in growth. A well planned promotion can increase both your supporter base and the proceeds for your cause."

Cynthia Culver, Head of Customer Success for Eventgroove

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## Raffles vs Other Fundraisers

We've established that a standalone raffle is an extremely effective way to raise money for your organization's cause, but how does it stack up against other fundraiser types in earning potential? And what about when used in conjunction with other efforts? Of all fundraising options, auctions are the most popular and generate the most overall revenue, with raffles a close second. However, as you'll find in the next section, the real sweet spot is in combining fundraiser types.

#### Fundraisers on Eventgroove Fundraising and Private Label Partner Sites

Jan 2020 - April 2022	TOTAL RAISED	TOTAL CAMPAIGNS	AVERAGE \$/ CAMPAIGN	HIGHEST EARNING CAMPAIGN
Auctions	\$21,154,415	2,341	\$9,036	\$376,140
Raffles	\$9,420,506	1,885	\$4,998	\$170,659
Sales	\$1,760,342	431	\$4,084	\$136,405
Sweepstakes	\$2,399,365	270	\$8,887	\$293,052
Crowdfunding	\$1,380,811	237	\$5,826	\$159,990
A-Thons	\$642,107	65	\$9,879	\$84,687

Source: Online fundraisers conducted on Eventgroove Fundraising platform, and all private label fundraising sites.



## Combining Campaign Types: What's More Effective?

In April 2021, we launched our <u>all-in-one fundraising option</u> which enables organizers to combine different types of fundraisers in one single effort. This turned out to be a particularly effective tool for raffle organizers—when paired with another campaign type, the average revenue per campaign more than doubled.

#### **Combining Raffles**

May 2021 - April 2022	TOTAL RAISED	TOTAL CAMPAIGNS	AVERAGE \$/ CAMPAIGN	HIGHEST EARNING CAMPAIGN
Raffles Alone	\$5,317,145	1,182	\$4,498	\$170,659
Raffles + Other Campaigns	\$352,744	32	\$11,032	\$50,764 (Auction+A-Thon+Raffle)

Source: Online fundraisers conducted on Eventgroove Fundraising platform, and all private label fundraising sites.

#### **Combining Raffles & Auctions**

May 2021 - April 2022	TOTAL RAISED	TOTAL CAMPAIGNS	AVERAGE \$/ CAMPAIGN
Raffles Alone	\$5,317,145	1,182	\$4,498
Auctions Alone	\$7,192,446	802	\$8,968
Raffle+Auction	\$204,961	20	\$10,248
Other Combinations	\$51,953	8	\$6,494

Source: Online fundraisers conducted on Eventgroove Fundraising platform, and all private label fundraising sites.

It's important to note that if you are going to add another type of fundraiser to accompany your raffle, go for an auction. As you can see in the numbers below, adding an auction to your raffle can double its value. In fact, the average revenue per campaign of the raffle/auction combo is greater than both raffle or auction campaigns on their own.



"The data clearly show that combining a raffle with another fundraiser performs better than any standalone fundraiser. While not that common in terms of numbers, the best fundraiser to add in combination with a raffle is an auction. The good thing here is that once you have planned to hold either of the two, adding the second won't require much more resources. The right technology partner can only make your campaign more successful and add the flexibility and element of fun that fundraising needs!"

Heather Mansfield, Founder & Editor-in-chief, Nonprofit Tech for Good

#### **Customer Highlight:**

It doesn't take long to combine the different types of fundraisers on Eventgroove Fundraising for maximum effect. For example, one of our most successful nonprofit customers raised \$120,000 using a raffle/auction/crowdfunding combination. The auction items were definitely the highlight, but by offering some raffle prizes as well as an opportunity to purchase sponsorships, donors could choose to support the organization.

#### **Customer Highlight:**

Using a raffle/crowdfunding/sale fundraising combination, one school customer raised over \$80,000! In this case, the raffle prizes of Visa cards worth up to \$5,000 were a major ticket sales motivator. However, the school also used the sale fundraising feature to allow donors to sponsor students in need. That way, those who simply wanted to donate what they could were able to use the crowdfunding option.





## Raffles vs Sweepstakes

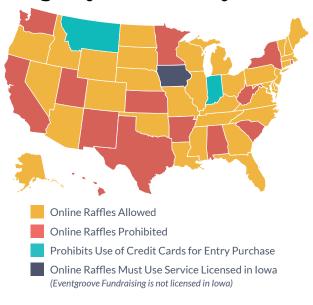
Whether virtual, in person, or hybrid, raffles are an effective way to raise money for your nonprofit (case in point: the \$9,420,506 raffle organizers on Eventgroove have earned for their causes since November 2019). Unfortunately, 27% of U.S. states don't allow online raffles, and many states have regulations such as credit card use restrictions. Furthermore, raffles of any kind are completely against the law in Alabama, Hawaii, and Utah. Thus, lots of nonprofits can't even host a raffle, or, if they can, there are restrictions that make doing so a hassle.

Since November 2019, \$2,399,365 has been raised by <u>sweepstakes organizers</u> on Eventgroove. While <u>raffle fundraisers</u> have made more overall, the average sweepstakes revenue on Eventgroove is 59% higher than what we typically see with raffles. Perhaps, most importantly, **sweepstakes are legal in just about every state.** 

Sweepstakes are not considered gambling because participants aren't required to pay anything at all to enter. We know you're asking yourself, "Why on earth would a person pay anything when they don't have to?!"

Because when it's for a good cause, people are more than willing to donate. States Cynthia Culver, Eventgroove's Head of Customer Success, "One misconception we hear regularly relates to sweepstakes' free Alternate Method of Entry. Organizers generally worry that people won't buy entries if they can get them for free. Eventgroove doesn't advertise or publicly list fundraisers, meaning organizers control the audience. The truth is that the majority of an organization's audience believes in the cause and wants to support it. There is great potential in leveraging this confidence."

#### **Legality of Raffles by State**



#### Raffles & Sweepstakes

Jan 2020 - April 2022	TOTAL CAMPAIGNS	AVG REVENUE/ CAMPAIGN
Raffles	1,218	\$4,394
Sweepstakes	110	\$10,725

Source: Online fundraisers conducted on Eventgroove Fundraising platform.



#### What's Right for Your Nonprofit?

Though close cousins, there are a few differences between raffles and sweepstakes to consider.

- **Entries:** All tickets have a chance to win any prize.
- Official Rules: Your sweepstakes must have official rules that detail the terms of the campaign. The good news is that Eventgroove Fundraising provides built-in, legally compliant official rules for each sweepstakes. Plus, the rules cover a worldwide drawing where people can purchase an entry to win any prize listed on your fundraising page.
- Alternate Method of Entry: As we mentioned earlier, you must offer a <u>free entry option</u>.
- Types of Drawings: You cannot run a 50/50 drawing or a drawing in which different entry donations are assigned to specific prizes (as in a basket raffle). In a sweepstakes, every entry has an equal chance of winning any of the prizes.
- **Terminology:** Be careful never to use the word "raffle" when referring to your charity sweepstakes.

Below is a breakdown that will help you determine whether a raffle or a sweepstakes is right for your nonprofit. If you'd like more details, download the full sweepstakes vs. raffles cheat sheet.

#### **Customer Highlight:**

Running a raffle isn't always an option. Because raffles require a nonprofit organization to be designated as a 501(c), one of our customers decided to host a sweepstakes instead... with amazing results! In support of school athletes, they offered various high-value gift cards as prizes for donors. Plus, they implemented a peer-to-peer feature so students could raise money on behalf of the school through their own social media channels, boosting the money raised!

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## Raffle vs Sweepstakes

WHICH ONE IS BETTER FOR YOU?

	Raffle	Sweepstakes
Organization Type	US Customers: Nonprofits Only Other Countries: Any Organization*	Any Organization*
Entry Requirements	<ol> <li>Equal chance at all prizes         OR     </li> <li>Select chances for specific         prizes</li> </ol>	<ol> <li>Equal chance at all prizes         AND     </li> <li>Free Alternate Method of         Entry (AME) required</li> </ol>
Legal Regulations	Raffles are not allowed in many states	Sweepstakes are legal in nearly every state
Types Allowed	Online, Hybrid (online+offline)	Online Only
Drawing Methods	Random or Manual	Random ONLY
Offline Sales	Data may be entered or imported to include physical tickets	Not allowed

RAFFLE FOR SUCCESS

## Running a Raffle in the UK

In this chapter, we'll go over the basic rules for running a raffle in the UK and offer several resources to help simplify the process. However, please note that the rules and regulations of hosting a raffle in the UK are legion and subject to change, and Eventgroove is not an External Raffle Manager (ELM) but a charity fundraising platform provider. Thus, we strongly recommend that you conduct due diligence with your local council and the Gambling Commission—doing so will ensure you conduct a lawful fundraiser and raise the most possible for your important cause!

### Charity Raffle/ Lottery Guidelines

Charity raffles and lotteries in the UK are considered gambling—this includes raffles, tombolas, and sweepstakes. The Gambling Commission categorizes several kinds of raffles/lotteries, all of which have their own rules and guidelines. The good news is that not all lotteries and raffles require a license or registration with the local council.

Below, we've broken out the main charity lottery and raffle types to help you better understand where your fundraiser sits.

## Charity Lotteries That Can Be Run Without a License

Incidental and private society lotteries are conducted in person using physical raffle tickets. Online ticket sales are not permitted unless you obtain a license to do so through the Gambling Commission. However, while a license to run either an incidental or private society raffle is not required, you may need to register with the local authority (find your local council here).

#### **Incidental Lottery**

Commonly used by PTAs and nonprofit organizations, incidental lotteries are found at fairs, fundraising dinners, fetes, or festivals. This sort of lottery cannot be standalone—it must be embedded within a larger, one-off event. To enter, everyone must be given a physical ticket, but there are no rules regarding what's printed on them. This means you can use anything from custom printed raffle tickets to simple cloakroom tickets.

#### Basic criteria for an incidental lottery:

- All ticket sales must take place at the event.
- Guests must be given a physical ticket.
- No online ticket sales.
- The prize draw can happen after the event.
- Discounted ticket sales are allowed.
- No more than £100 can be spent on organizing costs, and no more than £500 can be spent on prizes.
- There are additional restrictions if you'd like to raffle off alcohol, such as a bottle of wine or a fine scotch. Review them here.
- Review the Gambling Commission's incidental lottery guidelines.



#### **Private Society Lottery**

Members of a private society, such as a sports club or community group, may hold a lottery benefiting their club or a charity. For example, a football club could raise funds for uniforms or for a local food bank. Each person who enters to win must be given a physical ticket, but there aren't any rules regarding what's printed on them.

#### Basic criteria for a private society lottery:

- Tickets may be sold in advance, but ONLY on your club's premises.
- No online ticket sales.
- Everyone pays the same price for a ticket.
- Participants must be given a physical raffle ticket.
- The draw must be conducted on society premises.
- No advertising for the raffle off premises. That means no <u>flyers</u>, postcards, or advertising in publications!
- Does not require any permissions or licenses.
- Review the Gambling Commission's <u>private</u> society lottery guidelines.

#### Charity Lotteries + Raffles That Require a License and/or Registration

No matter what kind of online raffle you plan, it cannot go forward without a license and possibly registration with your local authority. The <u>Gambling Commission states</u> that this includes "online lotteries on social media, auction or selling sites, fundraising platforms and live streaming platforms." <u>Learn more about running raffles on social media in the UK.</u>

#### **Society Raffles**

Within the society raffle umbrella, there are two types: the small society lottery and the large society lottery. While both must be held in benefit of a noncommercial cause, there are a few differences.

#### **According to the Gambling Commission:**

"Lotteries (or raffles) can only be run for good causes. Society lotteries are promoted for the benefit of a non-commercial society.

### A society is non-commercial if it is established and conducted for:

- Charitable purposes
- The purpose of enabling participation in, or of supporting, sport, athletics or a cultural activity
- Any other non-commercial purpose other than that of private gain."

#### **Small Society Lottery**

To qualify as a small society raffle, the fundraiser's proceeds shouldn't exceed £20,000. Additionally, while you don't need a license from the Gambling Commission, you do need to register with the local authority.

#### **Small society lottery basics:**

- Does not require a license but needs to be registered with the local licensing authority (find your local council here).
- Must benefit a good cause—there can be no private gain.
- 20% of proceeds must go to the chosen charity, and up to 80% may be spent on prizes and expenses.
- There are requirements regarding what is printed on your <u>raffle tickets</u>—find those here.
- May be advertised in the community.
- If you plan to raffle off alcohol, such as a bottle of wine or a fine scotch, there are additional restrictions. Review them here.
- Expected proceeds must NOT exceed £20,000.
- Review the Gambling Commission's <u>small</u> society raffle guidelines.



#### **Large Society Lottery**

If you anticipate your lottery to raise over £20,000, or if proceeds of previous raffles during the calendar year reach £250,000, then you've got a large society lottery on your hands. As such, you'll need a <u>license</u> from the Gambling Commission.

#### Large society lottery basics:

- Anticipated proceeds exceed £20,000 or previous lotteries have raised £250,000 in the calendar year.
- Must benefit a good cause and there can be no private gain.
- 20% of proceeds must be given to the charity, and up to 80% may be spent on prizes and expenses.
- May be advertised in the community.
- If you plan to raffle off alcohol, such as a bottle of wine or a fine scotch, there are additional restrictions. Review them here.
- Raffle tickets may be paper or electronic.
- There are requirements regarding what is printed on your <u>raffle tickets</u>—find those below.
- Needs a license and may require registration with your local authority.
- Review the Gambling Commission's <u>large</u> society lottery guidelines.

#### **Printed Raffle Ticket Guidelines**

Whether you're hosting a small or large society lottery, the rules regarding the information included on printed tickets stays the same! All <u>printed raffle</u> tickets must display the:

- Name of the organization that is running the raffle
- Date and location where the drawing will take place
- Name and address of the promoter
- Price for a single ticket (no discounts for multiple ticket purchases)
- Charity number if you are a charity
- Unique ticket number

#### Raffle + Lottery Best Practices

- Register with the local authority (if needed).
- Keep track of all ticket sales (how many were sold and where).
- Notify all ticket holders exactly when and where the drawing will take place.
- Notify winners and send prizes immediately after the drawing.
- Post raffle results publicly, but do not include location details of the winners.
- If your raffle requires a license, submit your return report to the <u>local authority</u> within the specified timeframe. Your local council can provide the details.

#### **UK Raffle + Lottery Resource Links**

The Gambling Commission: Comprehensive information on fundraising, raffles, and lotteries.

Resource Centre UK: More specific details on holding raffles, lotteries, and other fundraisers.

PTA Raffle FAQ: Great information from an organization for whom raffles and lotteries are a trusted fundraising tool.



## **Conclusion**

Whether run alone or in tandem with another fundraiser, raffles are a powerful fundraising tool for nonprofit organizations. But, for such a simple fundraiser, they're kind of complicated. Should you run a raffle alone? Online? Inperson? Hybrid? What about raffle alternatives? How do you ensure your raffle (whatever its form) smashes goals?

We hope this well-researched, customer-validated eBook that we've created using Eventgroove data and our over 20 years in business will help you eliminate the guesswork and maximize fundraising results the next time you run a raffle.

Many thanks for reading. If you have questions or want to chat about how Eventgroove can support your planning, please feel welcome to reach out!

- The ≈ Eventgroove Team

#### **ABOUT EVENTGROOVE**

Eventgroove is the premier one-stop integrated events and fundraising platform pioneering a radical customer-centric approach to SaaS. From simple event ticketing and donation pages to more complex multi-location events and concurrent fundraising campaigns with an ecommerce storefront, Eventgroove enables its customers to manage, market, and execute events and fundraisers from one place under their brand.

Based in Bozeman, Montana, Eventgroove places a top priority on sustainability and conservation. The company is Forest Stewardship Council FSC® certified, and its production runs on 100% wind energy. In addition, since 2007 Eventgroove has donated 42% of net profits to conservation organizations protecting habitat and keeping carbon in the ground.

Eventgroove serves over 78,000 customers across the nonprofit, entertainment, education, sports, faith, and civic sectors. Eventgroove operates in the US, Canada, Australia, and the United Kingdom.

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