

National Auctioneers Association

State of the Auction Industry Amid COVID-19

April 22, 2020



On March 25, 2020, we released the first State of the Auction Industry Amid COVID-19 report, showing data on effects of the COVID-19 pandemic, including the unprecedented number of event cancellations. Surveys are continually improved to gain the most accurate, relevant data for the industry.

This week we introduced a question about the size of business our respondents are conducting. The majority – 55% – reported companies with less than five employees. Another 29% reported five to 10 employees.

We also amended the question about economic stimulus participation to include those who chose not to participate. That resulted in showing that 40% of respondents do not plan on participating.

Finally, we asked respondents to tell us if they are seeing a drop in asset values. Though one-third said they were not currently conducting auctions, 30% said they are seeing a drop, and 37% said they are not.

Our next report will be released on May 6, 2020.

Contact

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Media Inquiries

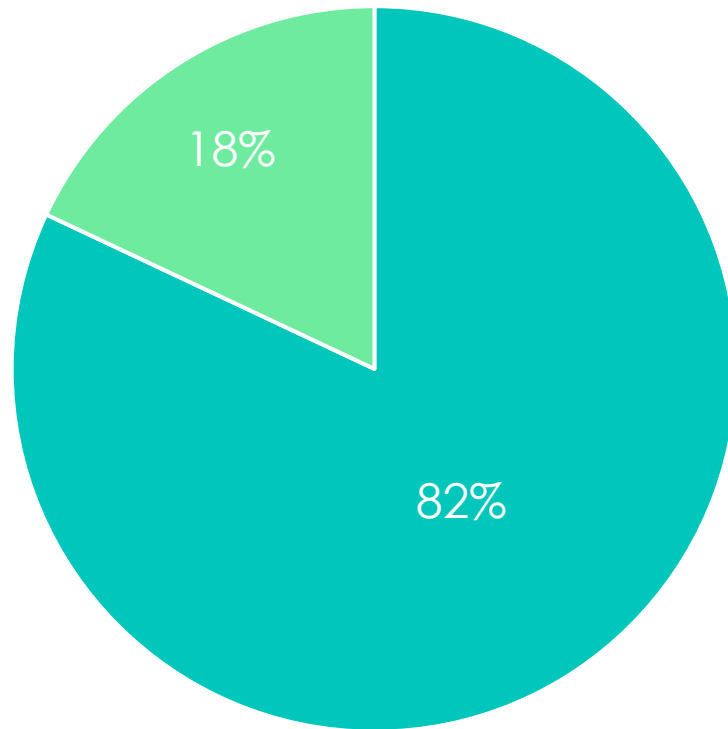
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Please contact us if you did not participate in this survey and wish to be a part of future surveys.

Methodology

The National Auctioneers Association sent a 29-question survey built in Survey Monkey via email to 7,346 member and non-member contacts. The survey was also distributed through a targeted Facebook ad. The association received 186 responses. Raw data was collected and tabulated using Survey Monkey.

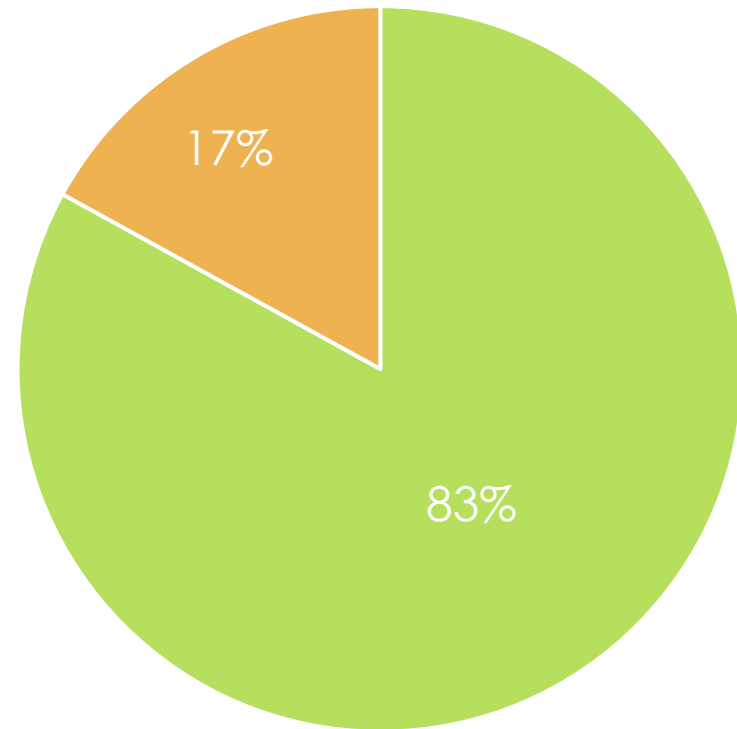
Compliance



■ Yes ■ Mostly

<1% reported "no"

Job Status

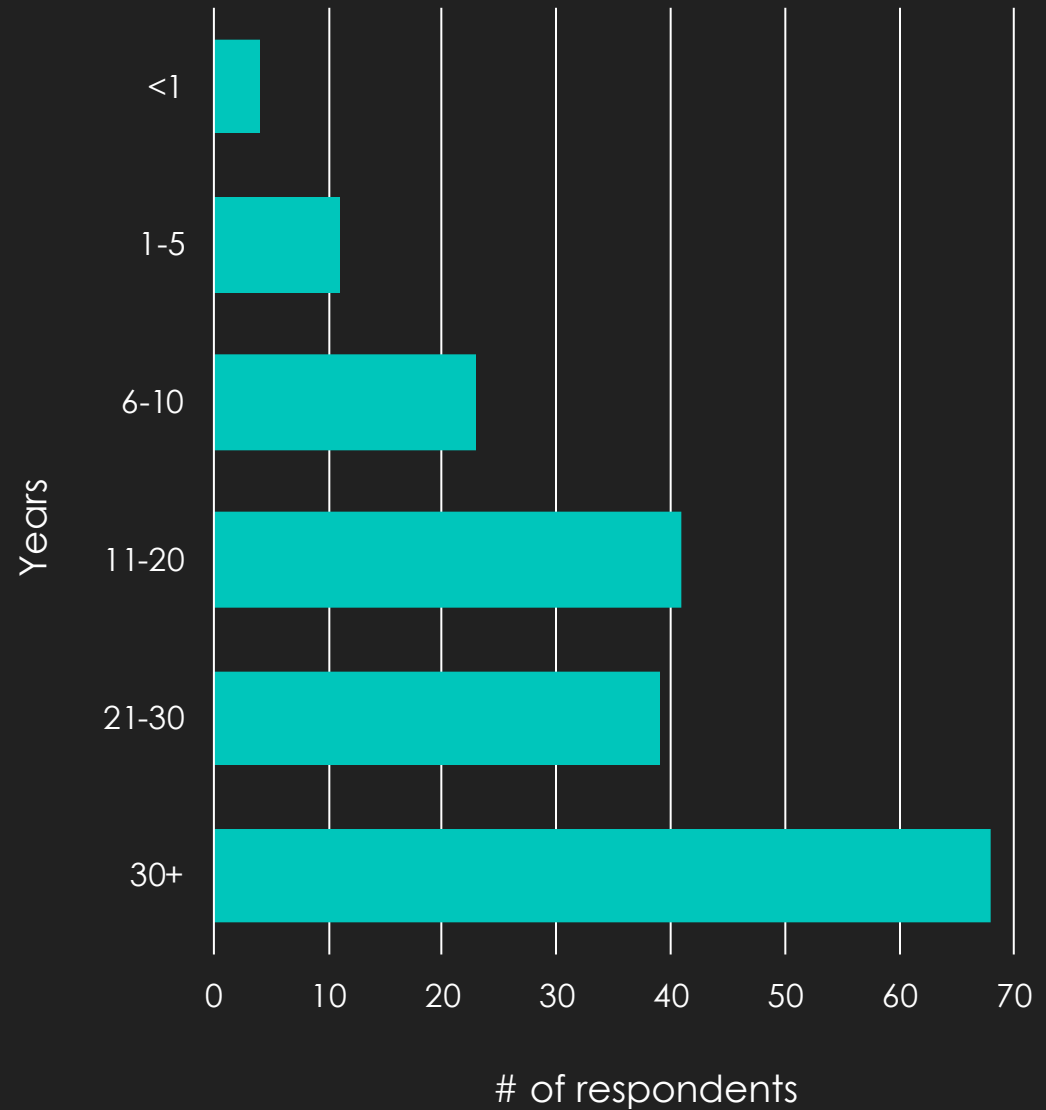


■ Full-time ■ Part-time

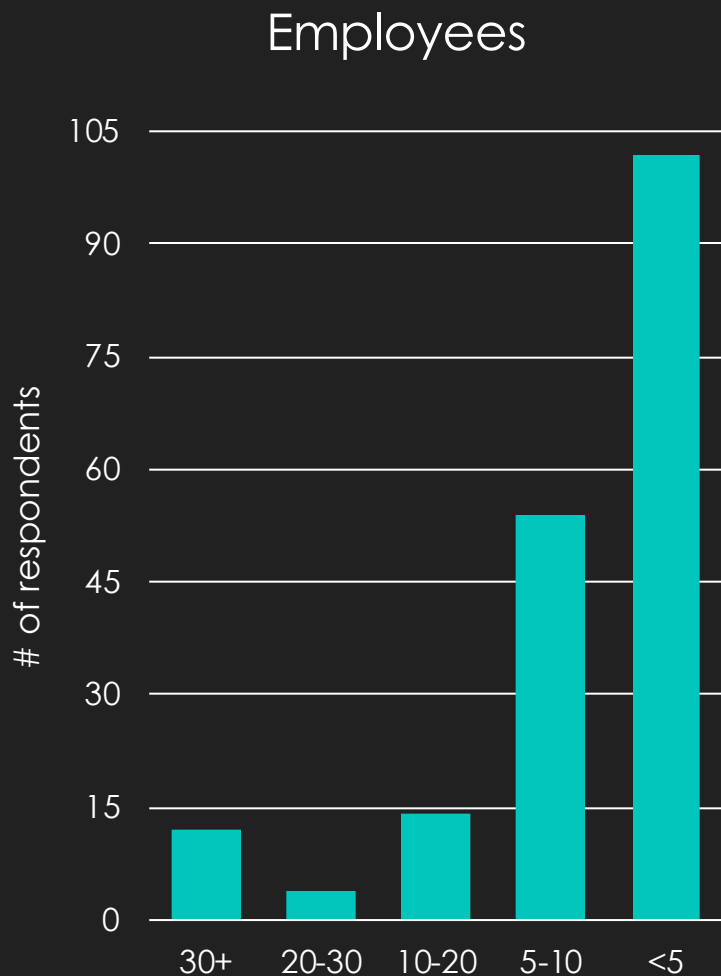
**Are you following
CDC guidelines?**

**Are you a full-time
auctioneer?**

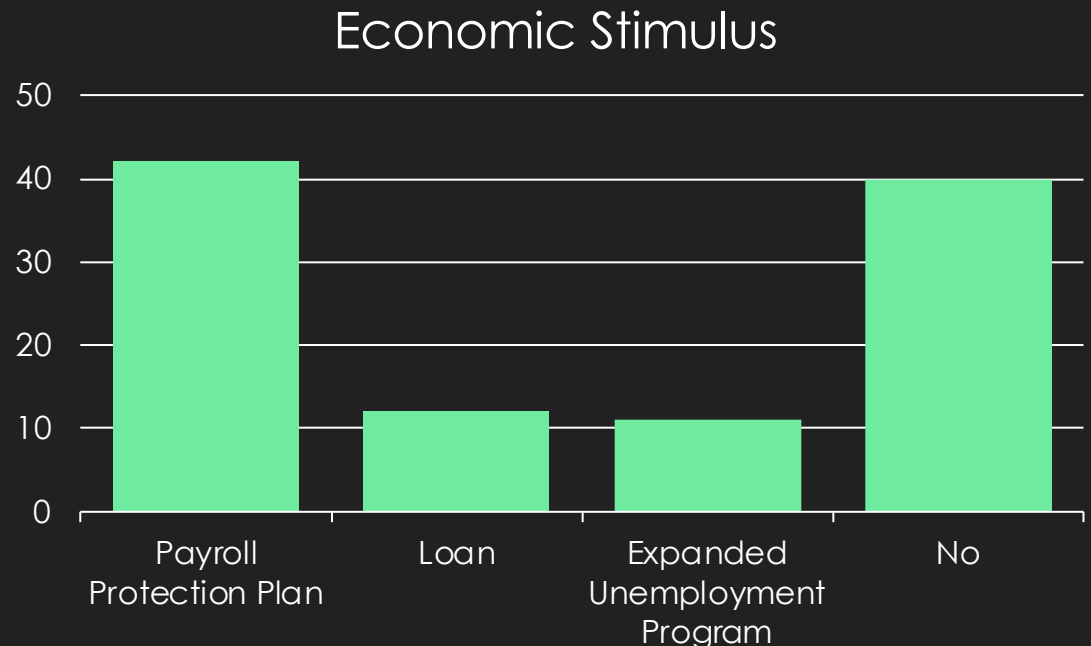
**How long
have you
been in the
auction
industry?**



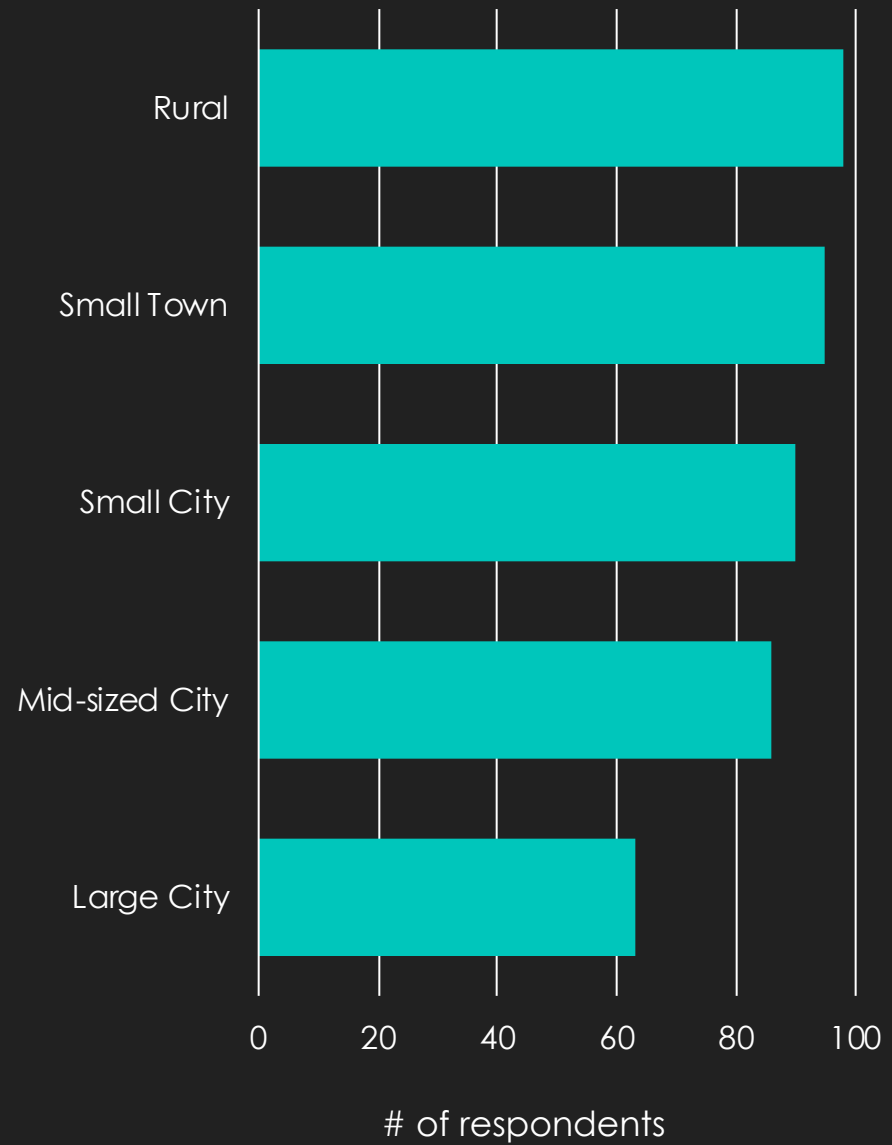
How many employees are in your company or the company you work for?

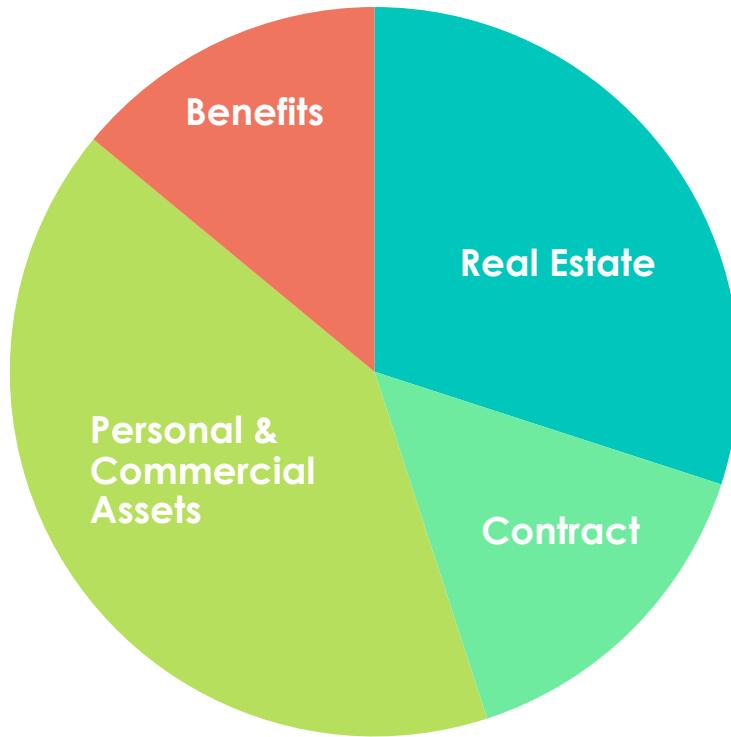


Are you planning to participate in the federal government's economic stimulus program?

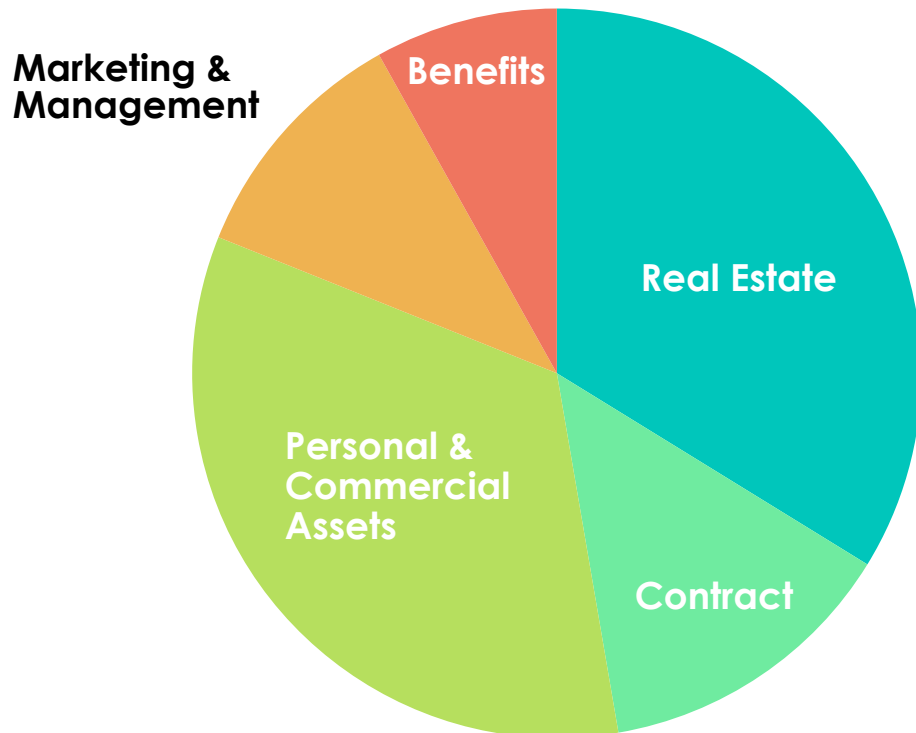


What type of market(s) are you typically operating in?





What is your primary source of income?



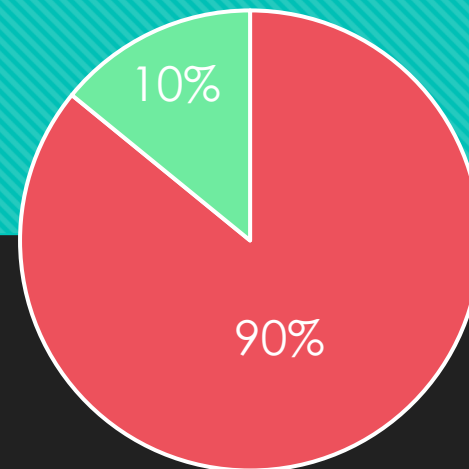
What is your secondary source of income?

*26% of respondents chose N/A

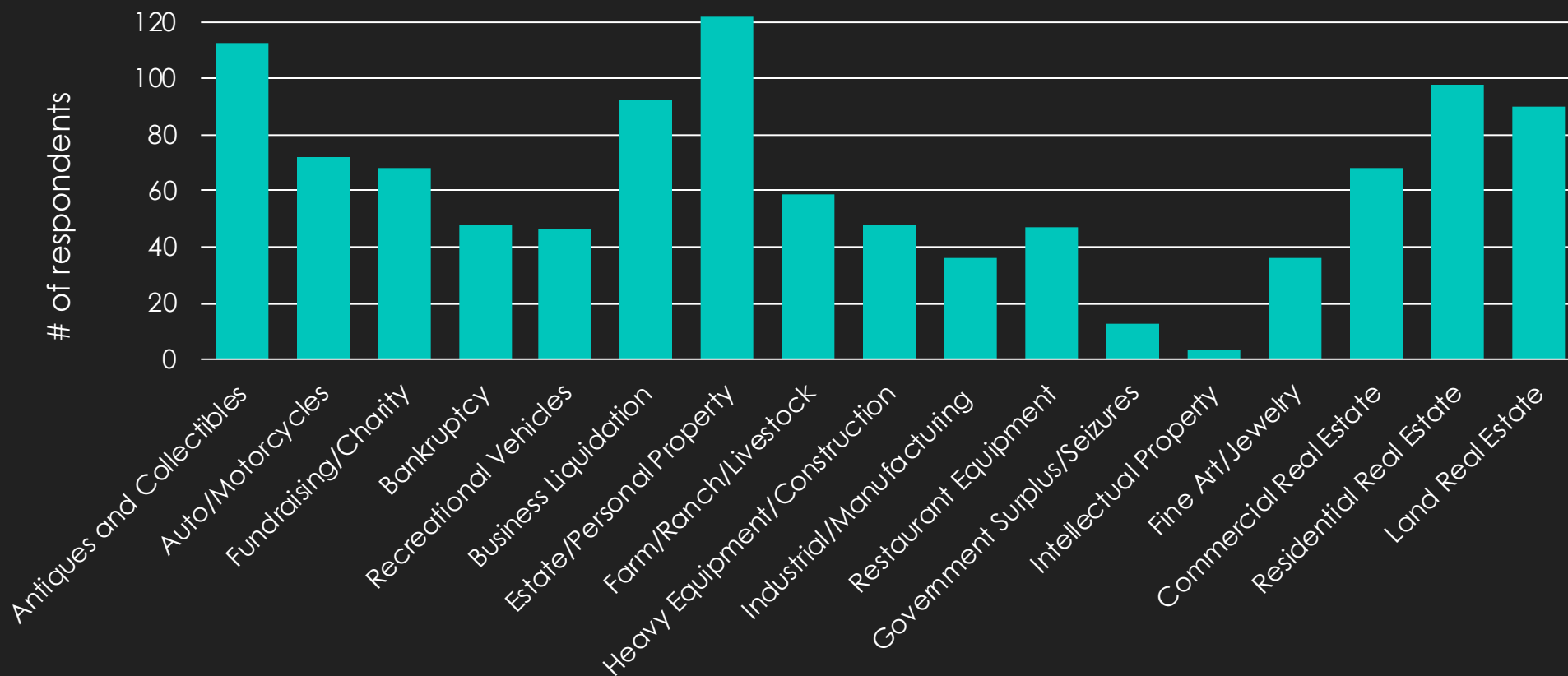
Respondent Statistics

NAA Member

■ Yes ■ No

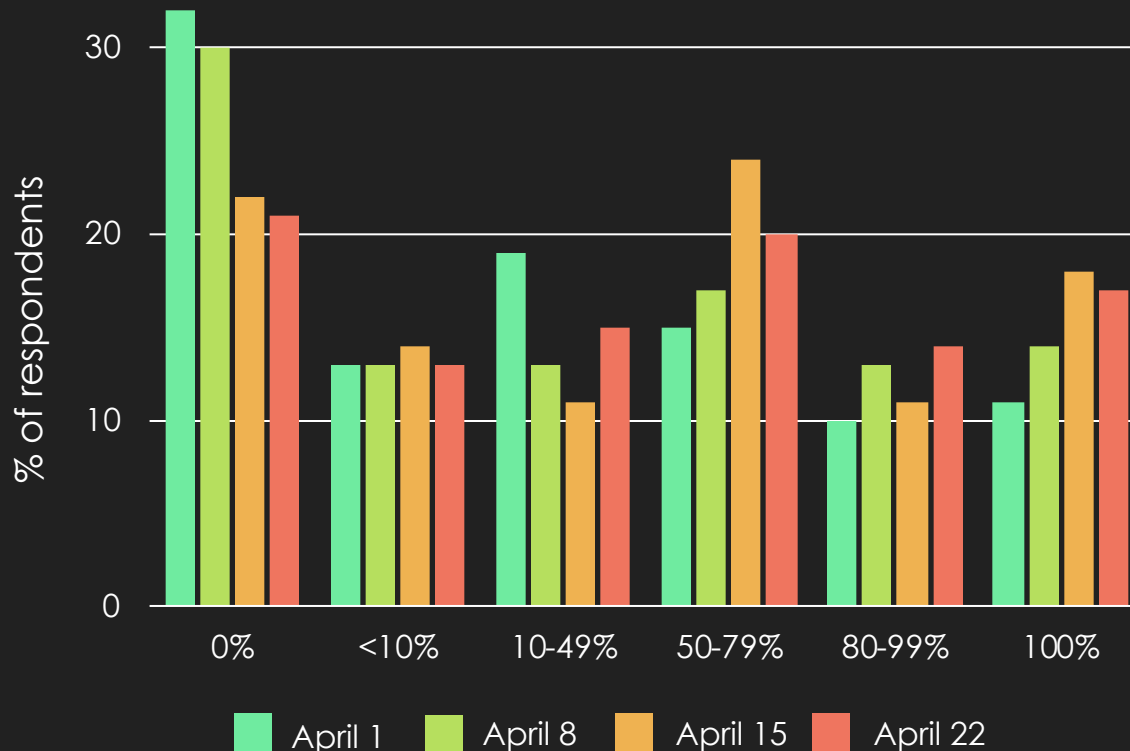


Which assets do you market?

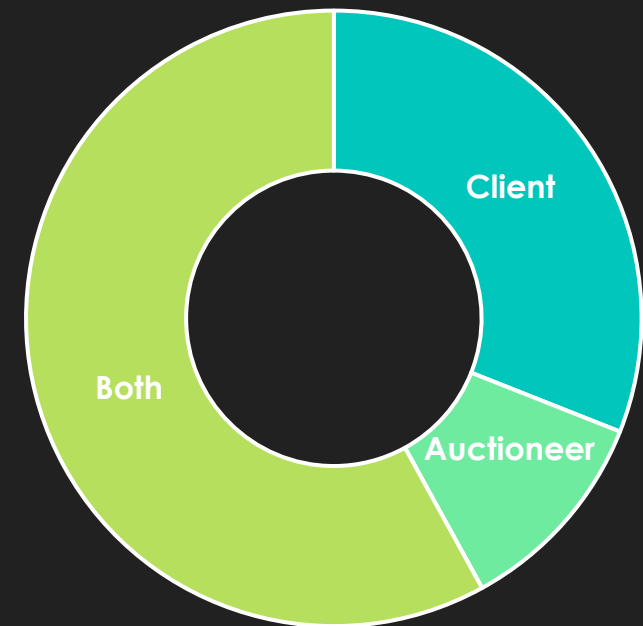


What percentage of your sellers or clients are canceling their *summer* auctions or events?

Cancellations

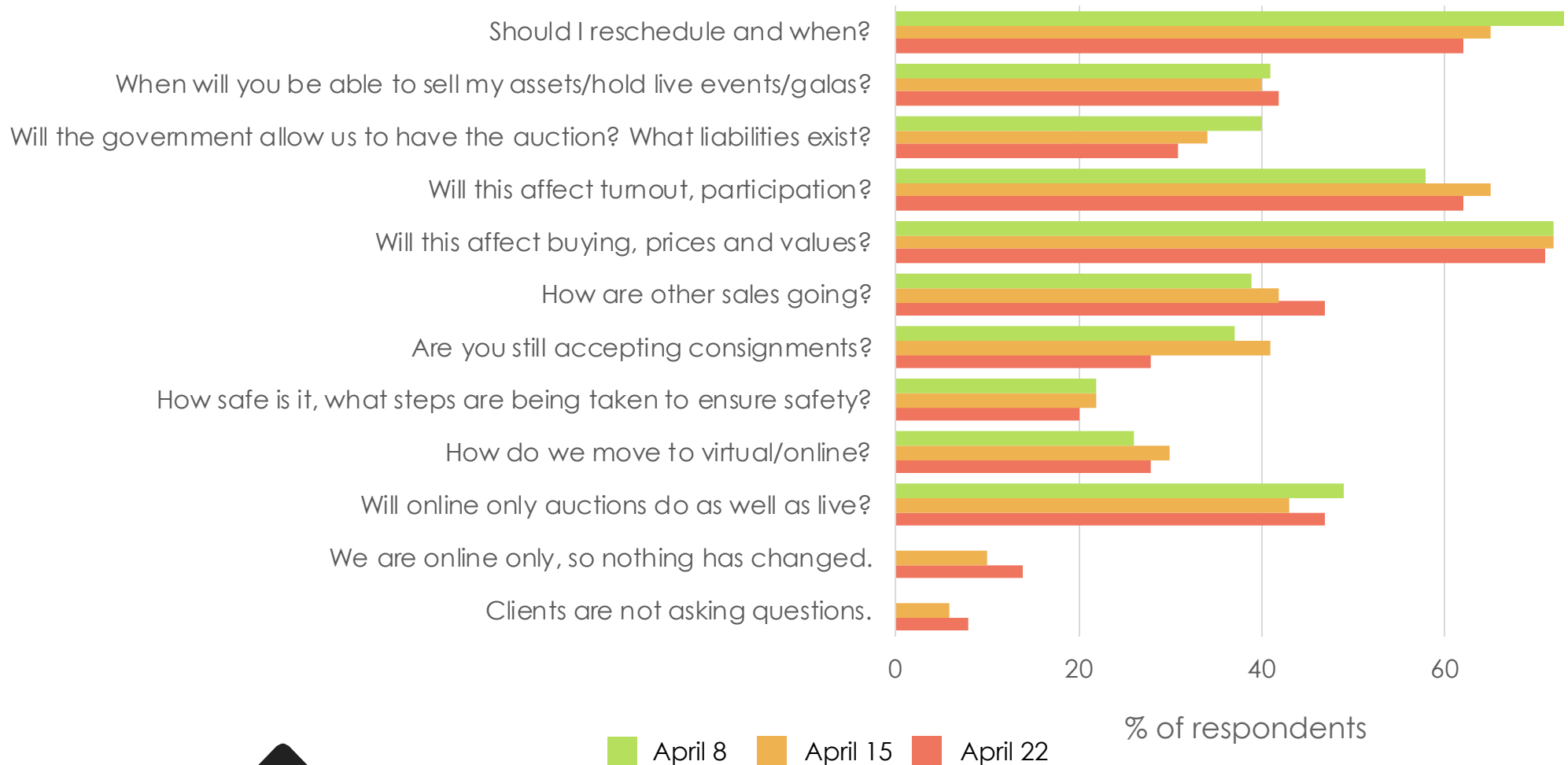


Decision to Postpone



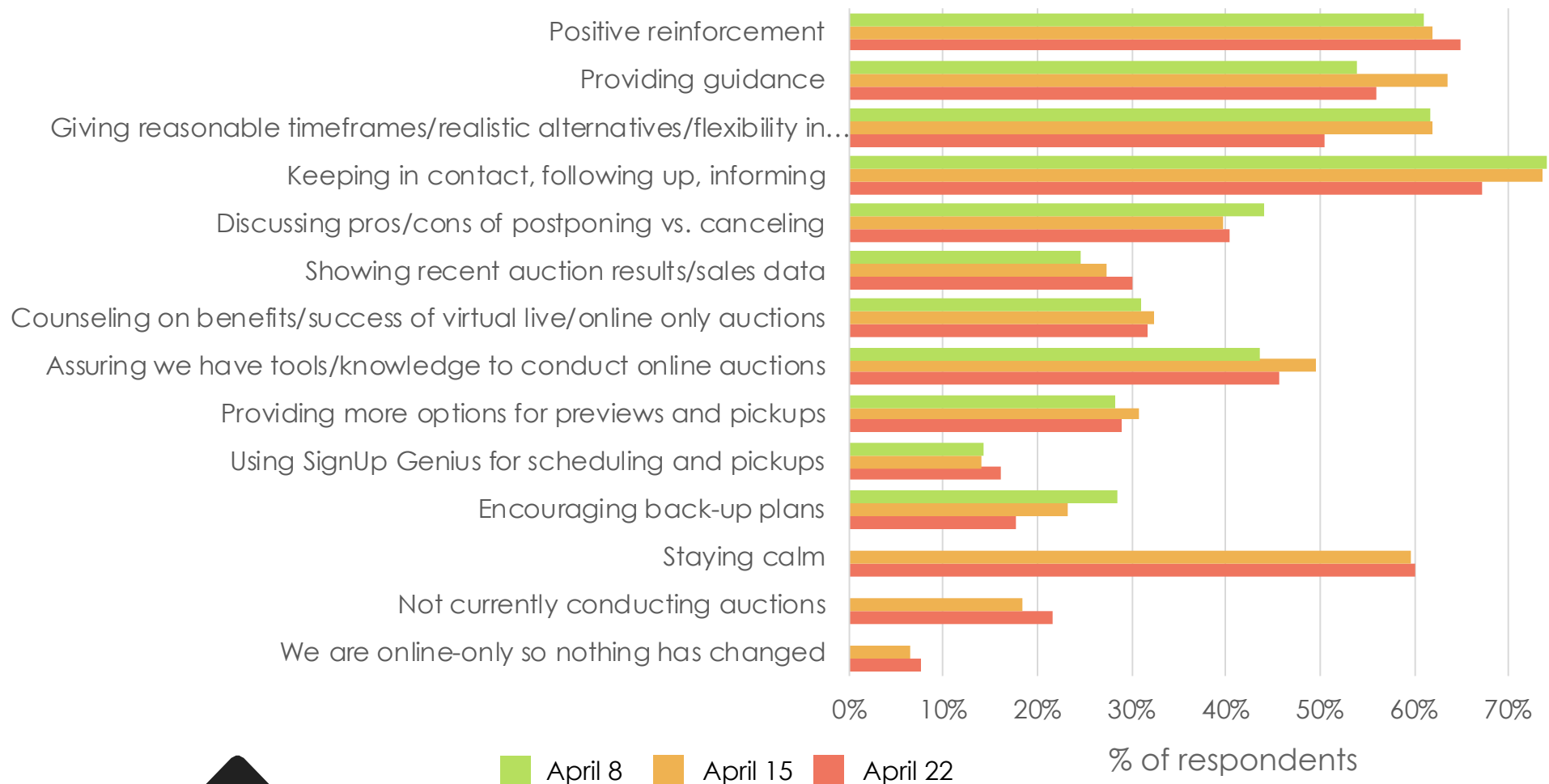
Respondents seeing zero summer auction cancellations dipped lower this week, while those in the mid range and 100% cancellation levels saw increases. Responsibility for decisions to postpone has remained consistent.

Seller Questions



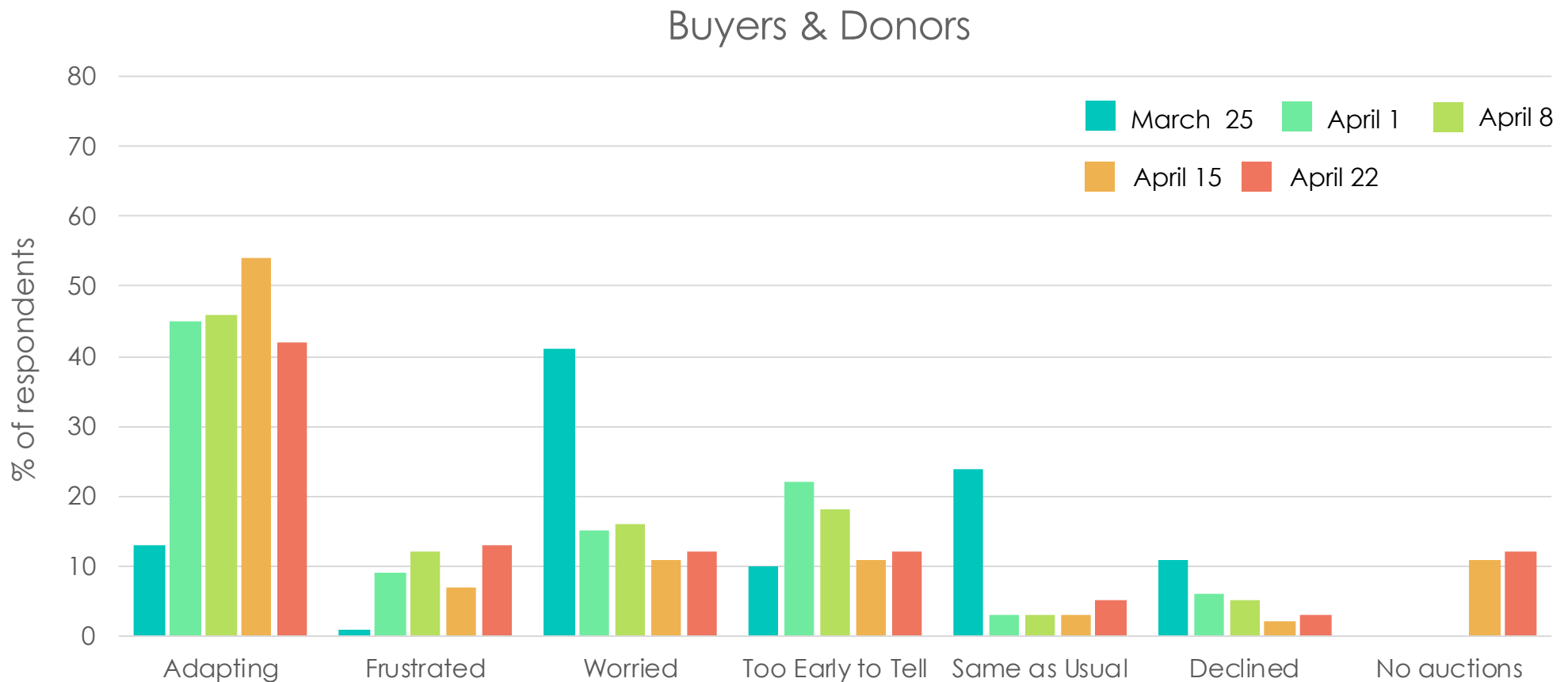
What are your sellers or clients asking regarding COVID-19 and the impact to their auction or event?

Seller Confidence



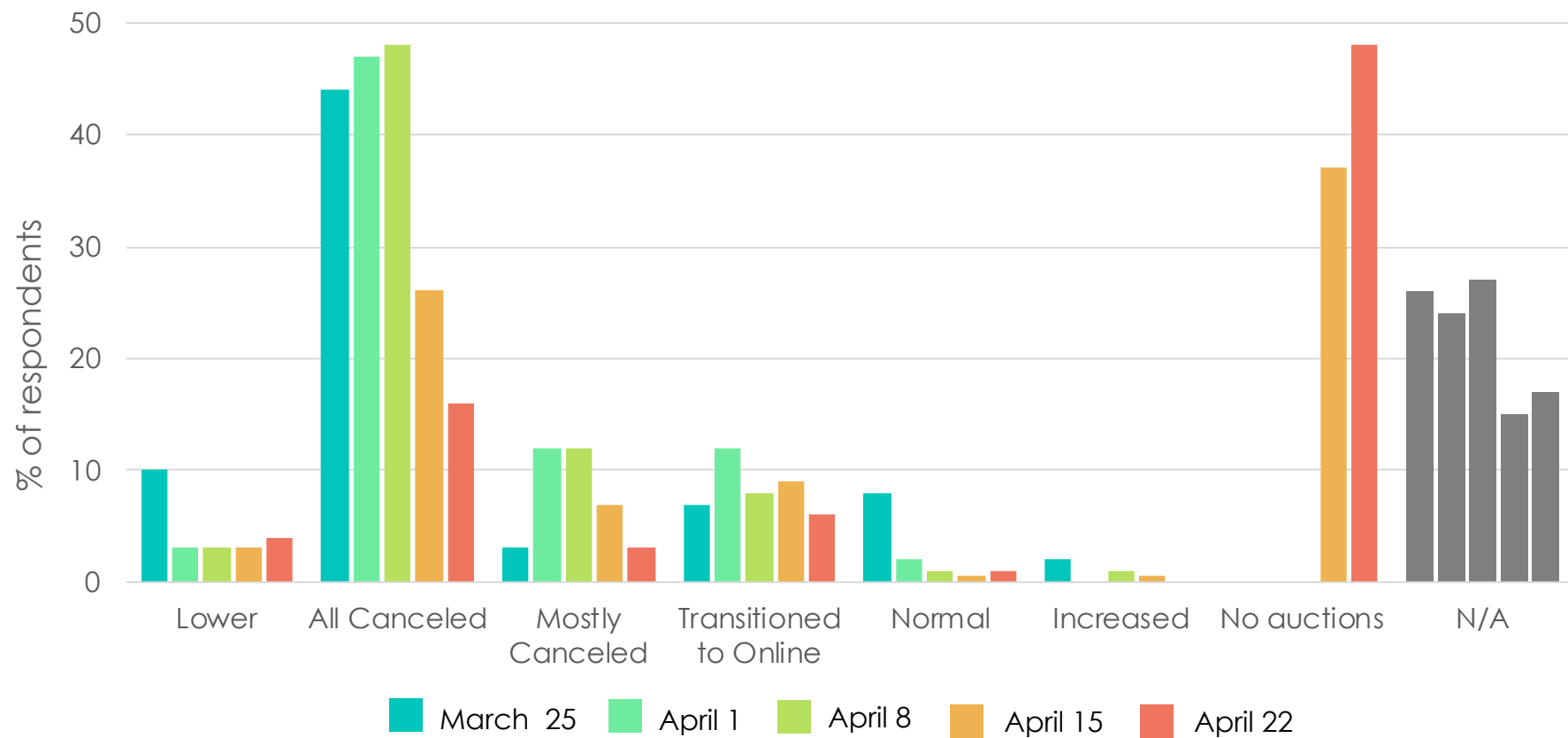
What are you doing to give sellers confidence to move forward with an auction?

How are most of your buyers or donors behaving in your market?



This week saw the highest percentage of respondents who reported buyers are frustrated and the first reduction in buyers who are adapting and understanding. The current climate of the public wanting to get back to normal life could be contributing to this shift.

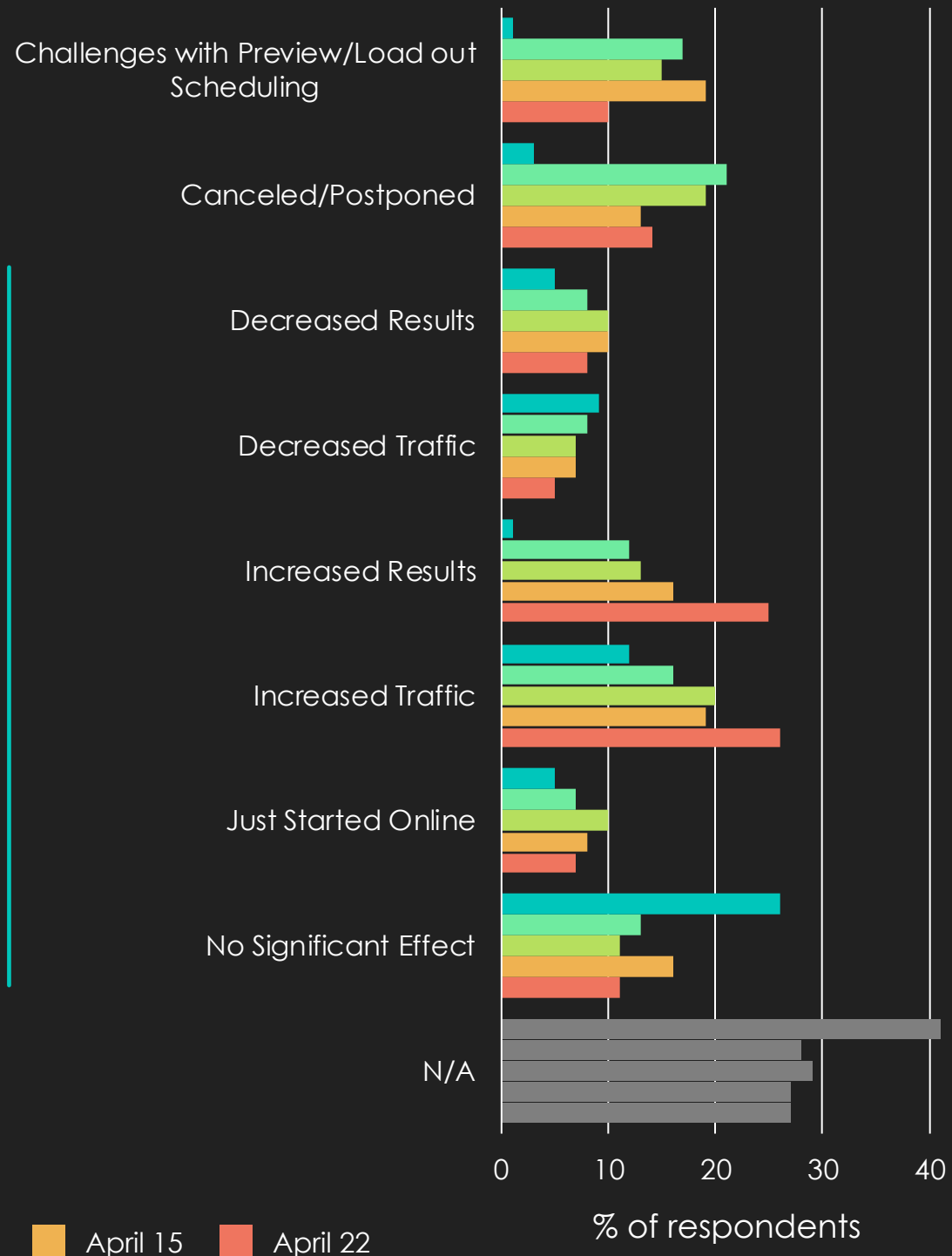
How has your live auction attendance been affected?



Two weeks ago we shifted this question to reflect that some auctioneers were not cancelling, but rather not conducting new auctions at all. This 48% is reflected in the no auctions answer. This correspondingly brought down the number of cancellation responses.

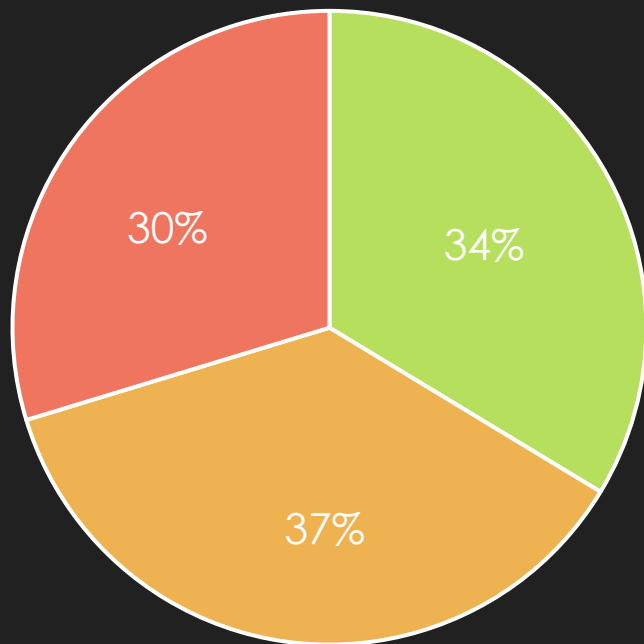
How has your online bidding participation been affected?

Online bidding has seen a 9% jump in increased results and a 7% boost in increased traffic. Challenges have subsided slightly with preview and load out.



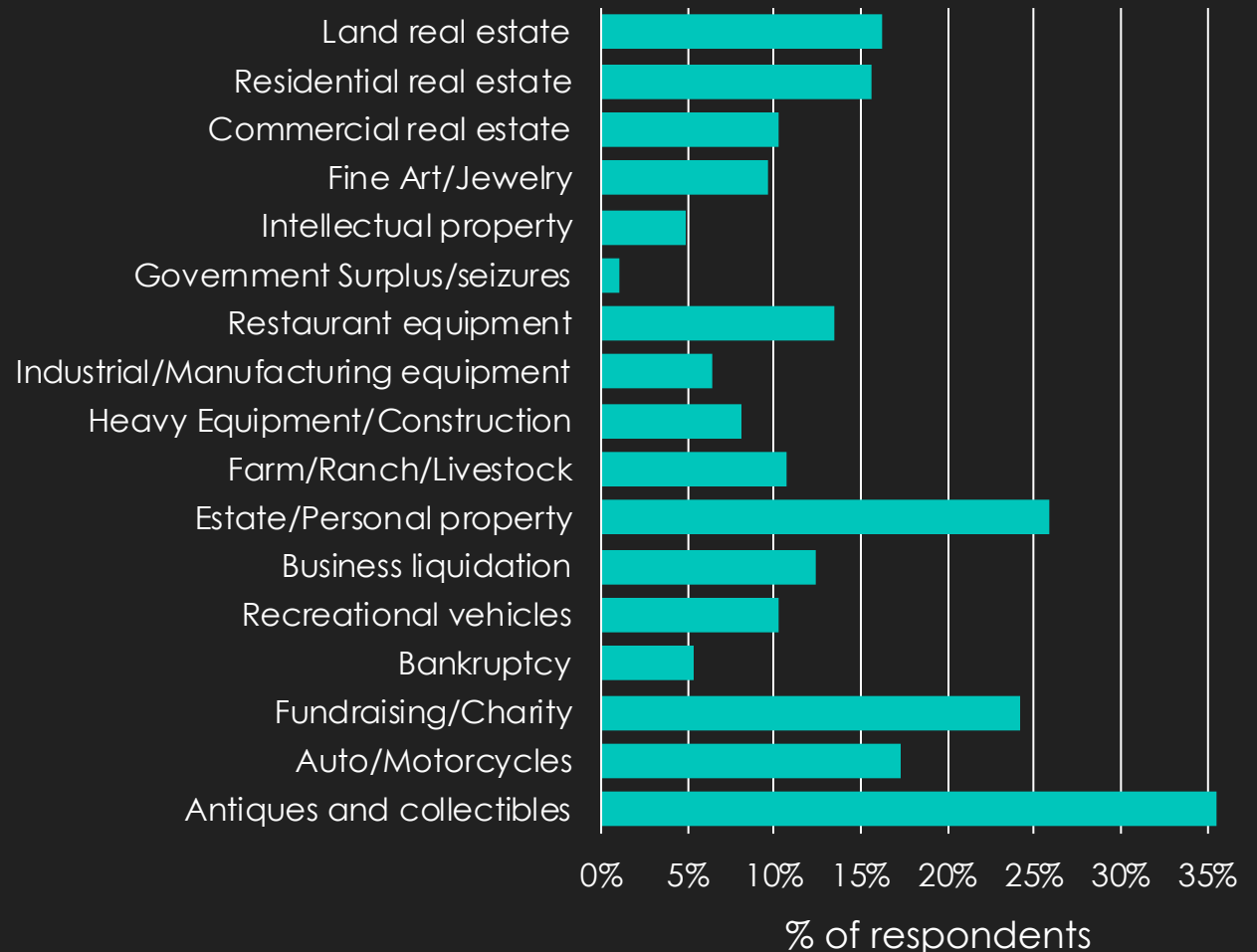
Are you currently seeing a drop in asset values?

Asset Values



Yes No Not currently conducting auctions

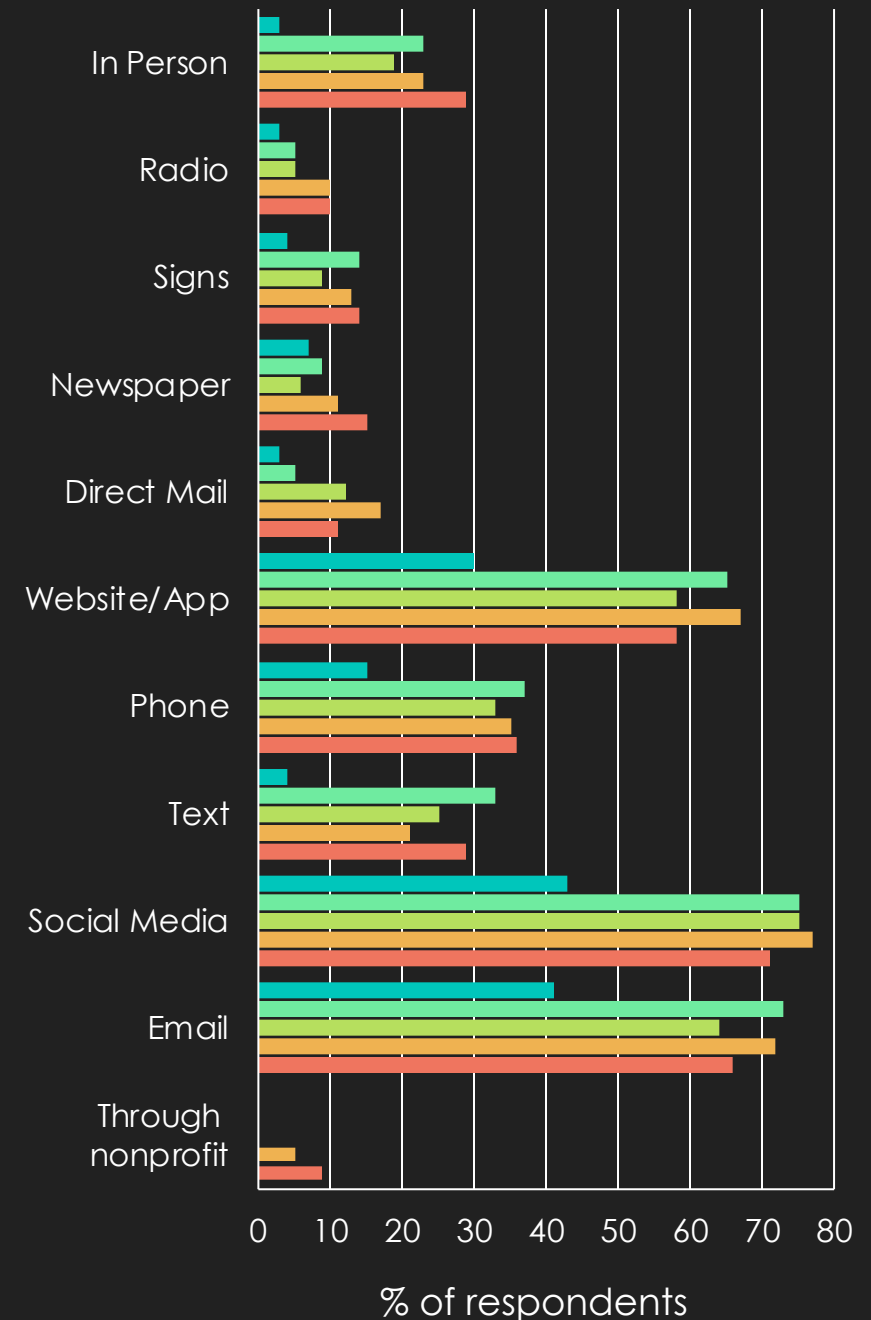
Affected Assets



These results may be skewed because of a fault in the survey. The next report will show the most accurate data.

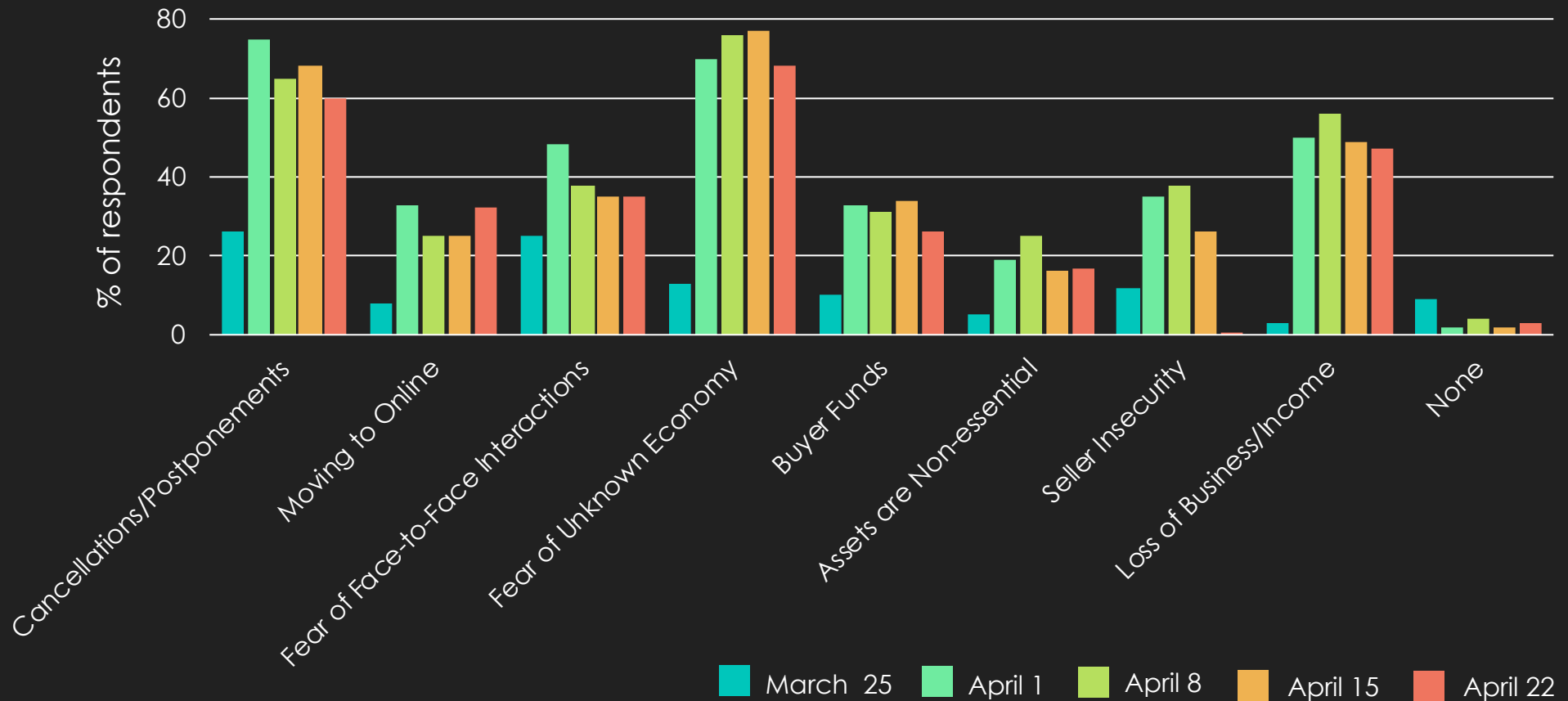
How are you communicating to your community regarding auction or event cancellations?

March 25 April 1 April 8
April 15 April 22



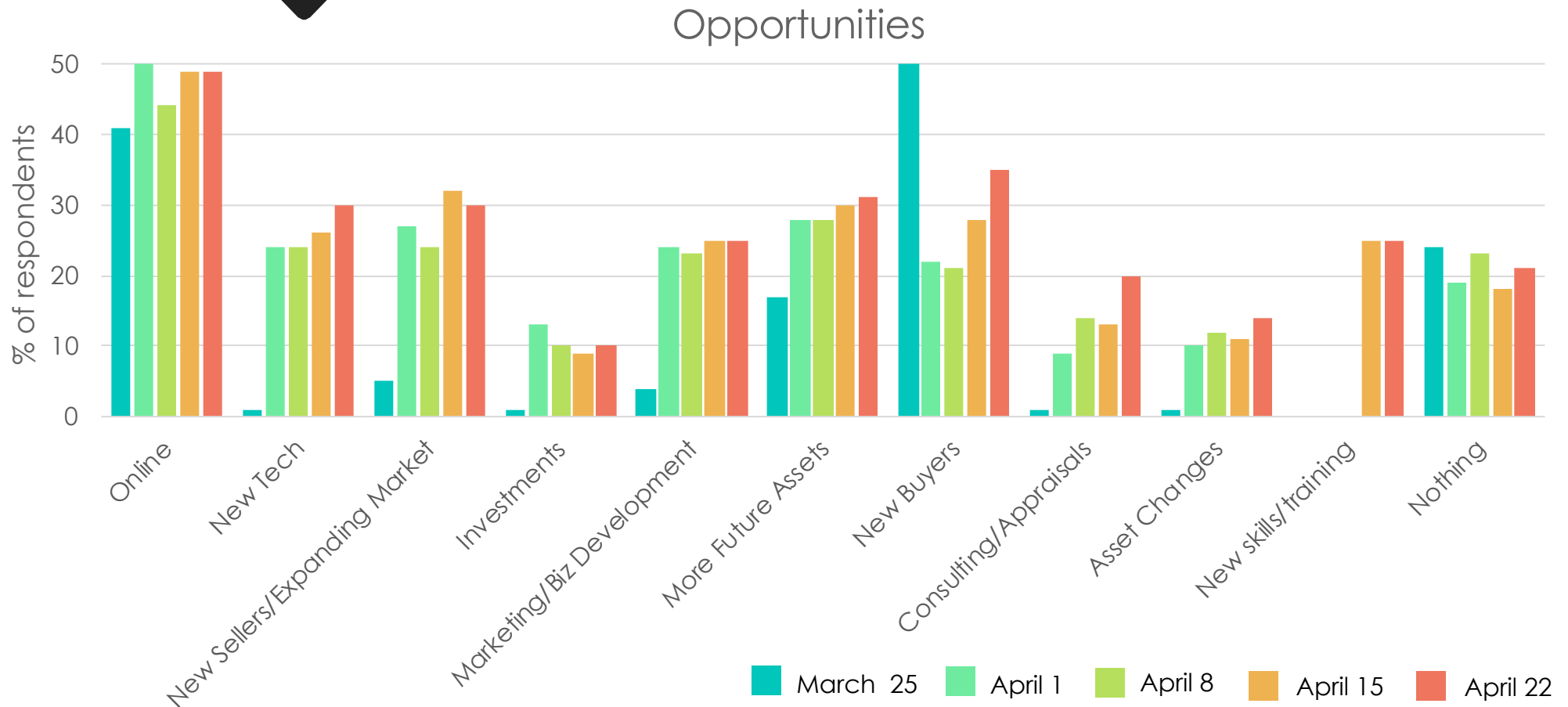
What vulnerabilities are you currently seeing in your market?

Vulnerabilities



Vulnerabilities have declined in most responses this week with the exception of moving to online, which increased 28%.

What new opportunities are you seeing as a result of COVID-19?



79% of auctioneers continue to see many opportunities during this time. Online auctions remain at the top of the list, followed by the increasing impression that those efforts will result in new buyer pools.

How are you or the company you work for responding financially for the business?

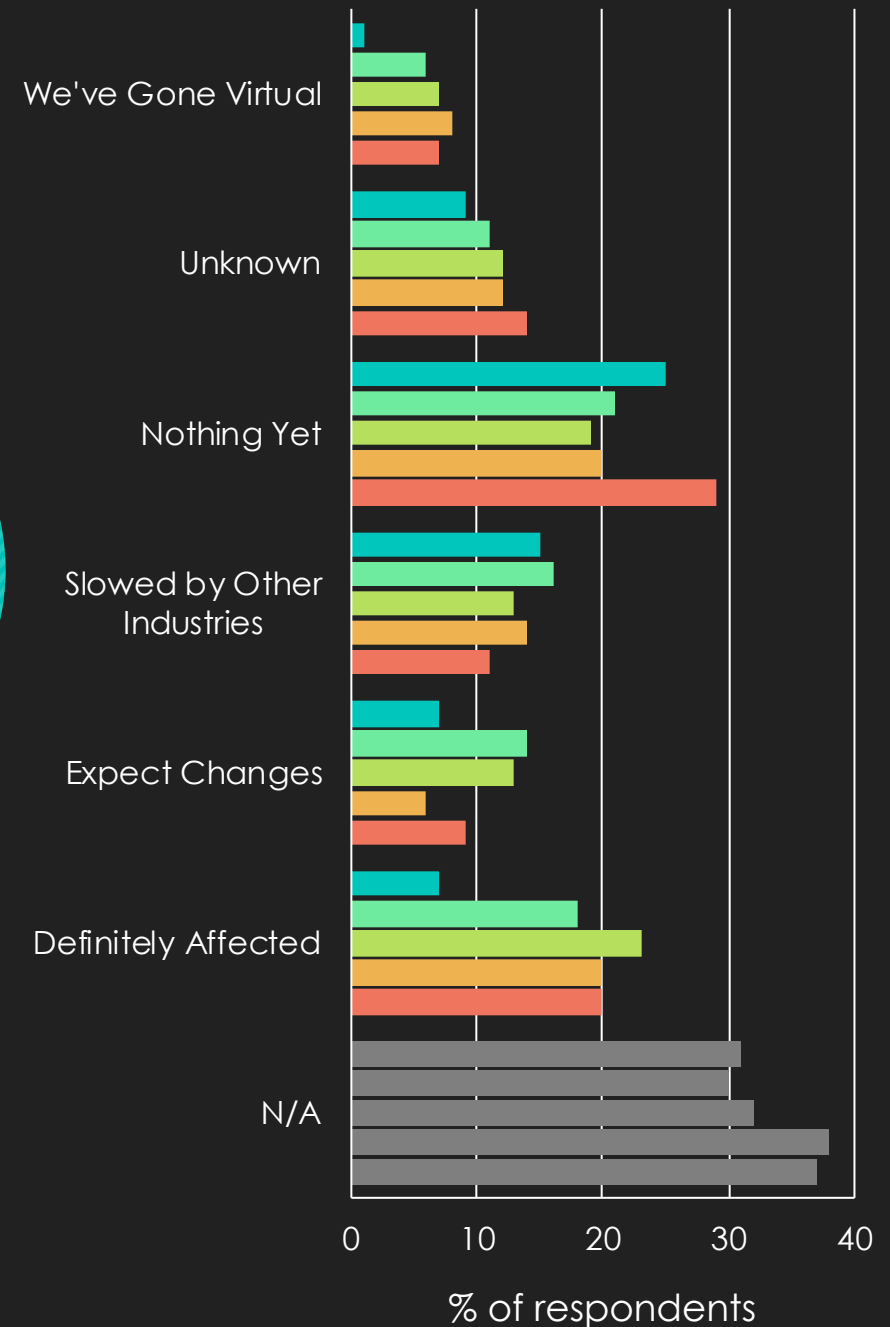


Auction business owners are looking for opportunities more than any time since March 25. While they are still conserving, there was a reduction in halting expenses and reducing staff in the last week.

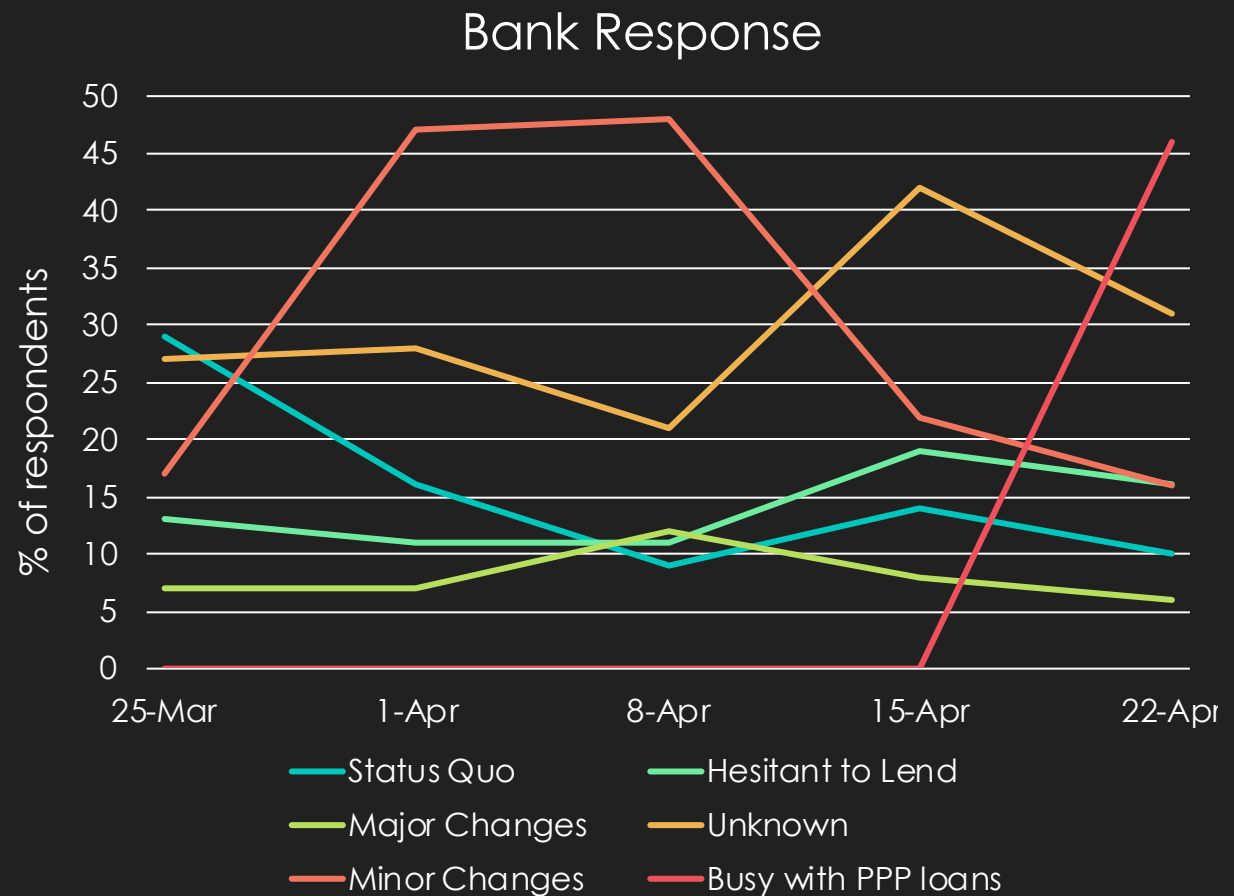
March 25 April 1 April 8
April 15 April 22

Are real estate closings currently being affected as a result of COVID-19?

9% more respondents reported no problems yet with their real estate closings. 20% still remain affected.

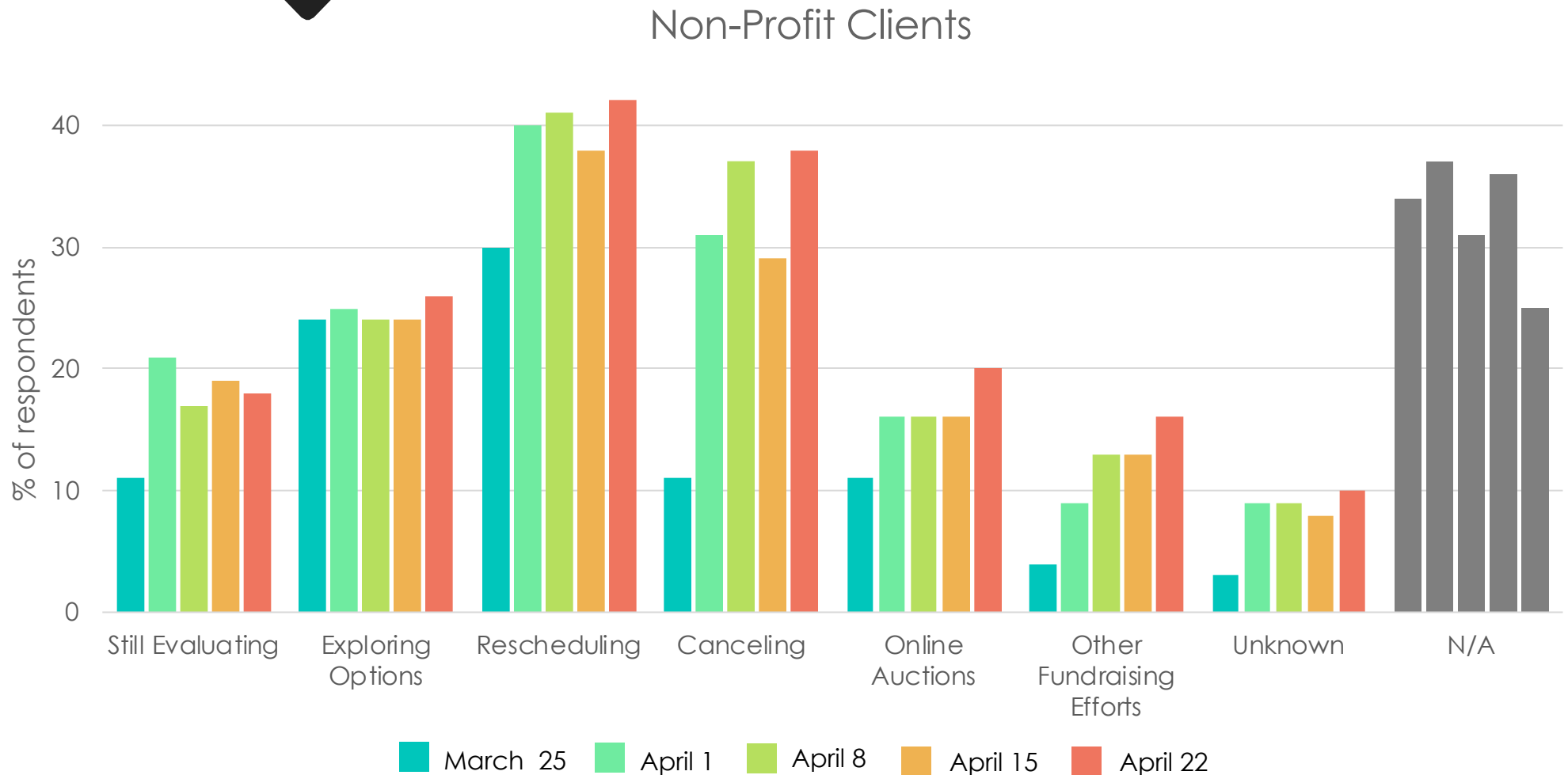


How are you seeing banks respond to the COVID-19 crisis?



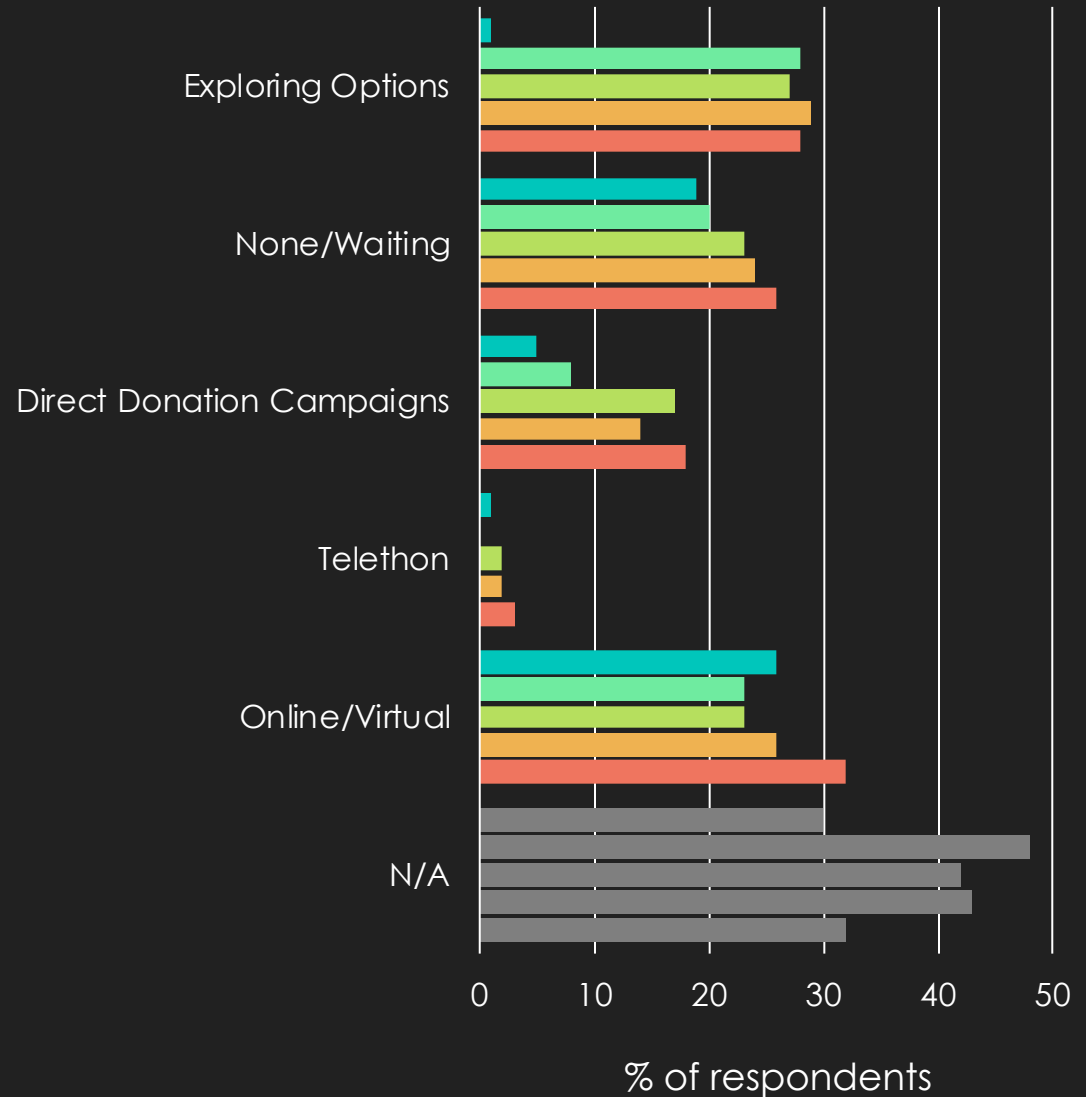
This week, most respondents reported fewer changes and problems previously noted with their banks as 46% now report Payroll Protection Program loans taking over bank capacity.

What are your non-profit clients doing because of event cancellations?



The percentage of respondents reporting that non-profit clients are moving to online auctions has risen 9% since March 25. While rescheduling and canceling are still extremely prevalent, we continue to see increases in other opportunities.

What other fundraising methods are you and/or your non-profit clients currently utilizing?



Online/virtual auctions continue to rise in popularity with a 6% jump in respondents utilizing those methods since our last report.

■ March 25
 ■ April 1
 ■ April 8
■ April 15
 ■ April 22

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