2025

Charity Ecommerce Operating Manual

ListingMonster.ai

Table of Contents

Contributors

James Moore, Co-founder at Listing Monster AI
Computer scientist and AI specialist with 20 years experience building and leading enterprise software companies (Redgate Software, Flex Legal)

Oli Brown, Co-founder at Listing Monster AI
Ecommerce specialist - built and sold fashion resale site ReThread and founder of ecom financial consultancy Scaleup Models

Andy Ostcliffe, Charity Ecommerce Specialist
Leadership roles at the UK's two largest online charity retailers, helping them scale to double-digit million in online revenue annually

Steven Sutterby, Charity Ecommerce Specialist
Former ecommerce manager at Seattle Goodwill - helping it scale to largest charity ebay operation in the US

Patrick Cooper, Growth Lead at Listing Monster AI
Three-time founder in fashion re-commerce - including Bring it Back Vintage and CrepsByCooper

01 The Profit Framework

North Star Goal

To **maximise absolute £ profit contribution to your charity** from the available supply of donated goods.

Doing so boils down to: 1) Getting our unit economics right (i.e profit per listing); and 2) Scaling our volume

Profit contribution = Profit per listing x Listing Volume

Where: **Profit per listing = Revenue per listing** (average selling price x sell-through rate) **- Cost per listing** (staff costs + logistics)

The Profit Framework in Donated Goods Ecommerce

Charity ecommerce acts as the "processor" between donors (dictating supply) and 3rd party marketplaces (dictating demand). The profit maximising strategy as a processor is to maximise the volume of goods listed on the marketplace in the most efficient way possible.

We have three fundamental levers at our disposal to impact profitability:

LABOUR PRODUCTIVITY	LISTING OPTIMISATION	HEADCOUNT (AND SPACE)
This drives listings per person, and in turn, **cost per listing**.	This impacts ASP and Sell-through, which together determine **revenue per listing**.	To increase processing/listing power

Our goal is to **drive our profit per listing as high as possible** (i.e the difference between revenue and cost per listing), and **then scale up our labour force** in line with the available donation supply.

Challenges and the New Opportunity

Traditionally, charity ecommerce has faced a number of challenges to profitability:
- Unique items take longer to list, raising cost per listing and squeezing profitability
- Many listings go unsold, reducing revenue per listing
- Sub-optimal donation sorting and channel allocation – low value items are incorrectly sent to ecom (wasting resources) and high value items that should have been sent to ecom are sold in-store (reducing revenue per donation)
- Space constraints in stores and warehouses

Further to that, chasing profitability has been made even harder by the presence of tradeoffs between different levers in our profit equation:
- Labour productivity capped by human workload capacity
- Higher pricing negatively impacts sell-through
- Manual listing optimisation negatively impacts labour productivity (eg price research, SEO, merchandising, re-pricing all take time etc)
- Paid labour vs volunteer labour – tradeoff cost vs productivity vs scalability.

But today, technology changes the game

AI and process automation remove legacy constraints and tradeoffs – helping unlock previously unreachable efficiencies. This manual is your guide to building the most profitable online resale operation possible with a tech-first approach.

In what follows, we examine each ecommerce function through a single lens: **how to maximize profit.**

The mandate is clear: Save time, reinvest that time into listing and selling more goods, and scale.

02 Receiving & Sorting Donations

01. Align with organisational goals

Begin by clarifying how donated goods fit into your broader fundraising strategy:
- What % of fundraising relies on resale?
- What are your revenue goals and time horizons?
- What roles will ecommerce vs retail play? (led by your assessment of relative growth potential vs cost)

02. Define channel strategies

Not all donations are equal. Determine how each sales channel contributes to your goals, then design a decision framework to allocate items accordingly.

03. Segment your stock effectively

Categorize incoming items based on suitability for online vs retail.

To segment effectively, you first you need to **calculate the threshold value** whereby it is more profitable to sell an item online vs retail. This will factor in:

- **Cost to process an item through ecommerce** including shipping, listing etc
- **Average retail selling price and sell-through.** This determines the opportunity cost of not selling in-store.

Once this threshold price is determined, you can then build a set of segmentation rules that staff or AI can follow, considering:

- **Online valuation**: find the expected online selling price of the item (by finding close matches that have previously sold on ebay) and factor in your online sell-through rate. If this valuation exceeds the threshold value for selling online, it is more profitable to sell online and should be routed to ecommerce. If not, it should be allocated to retail or another channel.
- **Suitable online attributes**: size (i.e suitability to post), seasonality, marketplace restrictions (eg fakes/bladed items)

Retail in-store typically thrives on lower-value items that fit the expected transaction spend (£5-£20) of a charity retail shopper. Ecommerce excels with goods that are trending, higher-value or unique – and will benefit from reaching millions of potential shoppers through "digital footfall".

04. Equip teams to decide and act

Empower your donation intake teams with clear, efficient workflows:

- **Touch Once:** Make decisions immediately
- **Systematize the decision-making:**
  - The quality of segmentation can be negatively affected by staff's different interpretations of guidance, and differing levels of expertise on valuation.
  - Currently, 25-50% of goods sent to ecommerce are rejected (creating unnecessary costs and wasting time). But an even larger cost is the foregone revenue of goods which should have been sent to ecommerce but were sold in-store (ASPs are on average 4-10x higher online than retail).
  - An AI tool like Sourcing Monster offers us a solution by enabling shop staff to get a quick valuation and segmentation decision with a single photo. The AI will deliver highly consistent decisions based on segmentation rules that can be set and controlled centrally by the retail/ecom leadership team. The creation of a digital footprint of each donation also ensures there is accountability for each donation ending up in the right channel.

- A systematic segmentation approach has the triple impact of
    - 1) Decreasing the number of unsellable items ecom receives;
    - 2) Increasing the number of sellable items ecommerce receives;
    - 3) Reducing the time required from shop staff for donation sorting. The combined consequences for profitability are massive.
- **Allocate to the channel that maximises value:**
    - Retail: Price and prep for shop floor
    - Online: this will either be a) Pack and send to ecommerce hub, or b) list in-store.
    - Recycling: Route unsuitable goods efficiently

Every minute wasted and every item allocated to the wrong channel reduces mission impact. Efficient, accurate sorting is foundational to value maximization - as well as donor perception, volunteer engagement and staff motivation.

05. Shift stock selection mindset from ASP to Profit Maximisation
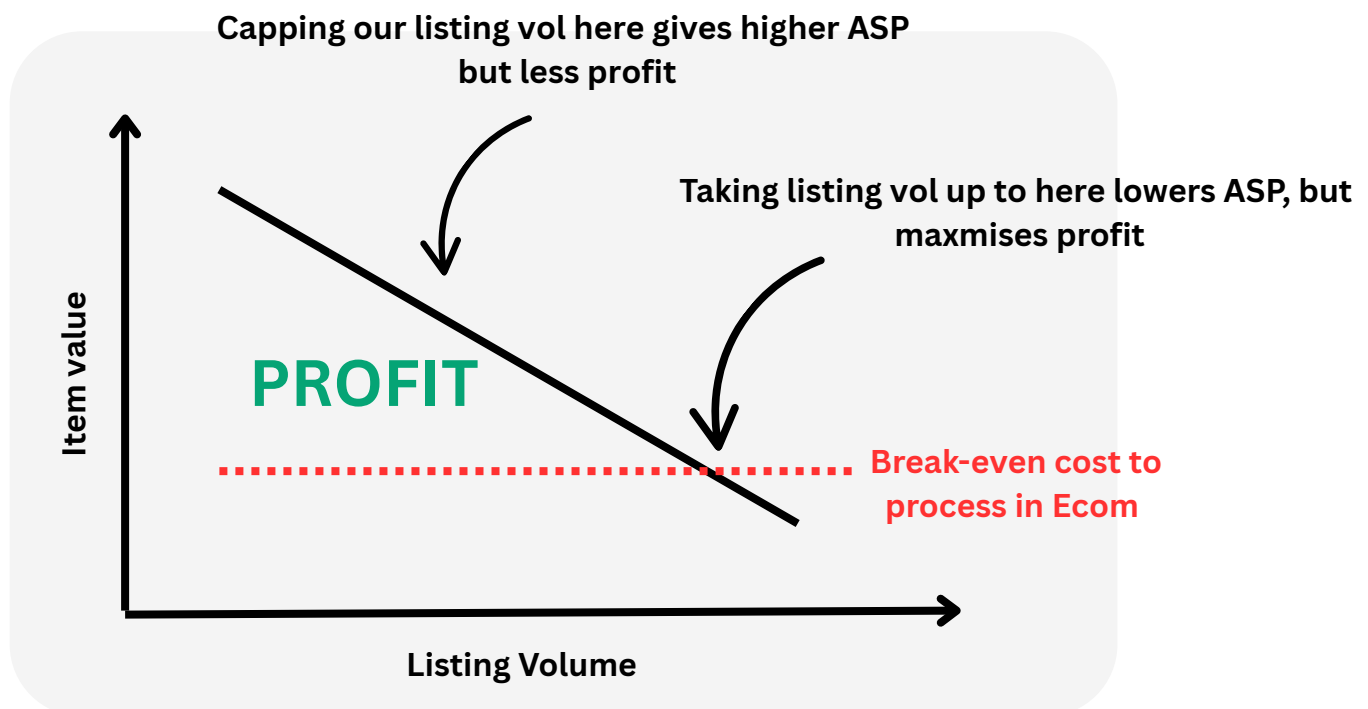
Your goal is not to maximize average selling price. It is to maximize total profit with the available donations and resources.

We maximise our profit by maximising selling as many goods as possible that exceed our threshold/break-even online price.

Strategy: Lower threshold, Maximize Throughput
1. **Lower your break-even cost** for selling online through process efficiency
2. **List as many items as possible above that threshold**
3. **Prioritize high-value listings first**, but keep going as long as items are profitable to sell at the margin

The chart illustrates this dynamic. Profit is represented as the area between our downard sloping item value line and the red break-even cost line. We maximise our profit by taking our listing volumes all the way up to the point where these two lines intersect. Every sale above break-even contributes incremental value. That's what matters.

SOURCING MONSTER CAN HELP!

Sourcing Monster is a tool to help shop staff quickly value and segment donations into the right channel (eg ecom, retail etc). It consistently allocates based on rules you define centrally.

Sign up for a demo and free trial at listingmonster.ai

03 Listing

Process overview

There are two core workflows in an AI-enabled listing process:

- **Photography**
- **QC/Listing** (with "QC" standing for Quality Check)

Workflows can be batched by one person or split between roles for specialization. Batching or splitting jobs:

- Minimizes task-switching
- Enables remote listing
- Reduces warehouse congestion
- Unlocks volunteer/shop staff contribution to photography
- Can be completed with entry level IT skills and not reliant on expert knowledge

Photography best practices

- Take 6–10 clear photos and upload to AI.
- No need for perfect staging—AI will handle background removal and editing.
- Prioritize speed and clarity, not aesthetic finesse.
- Avoid manual editing of photos to taste, there is no measurable sales impact.

Benchmark photography and upload time per item: **60-120 seconds per item**

Have a clear defined space at your workstation with the right tools for each task in your physical flow to optimise throughput.

QC / Listing best practices

- Eyeball only key fields: title, condition, size (i.e fields that can impact return rate).
- If those are right, approve and move on
- Category has impact on level of listing involvement:
  - Standard categories (~95% of donated goods volume): clear photos are sufficient for AI to create a great listing. E.g Fashion, electronics, media, games, vinyl, bric-a-brac
  - Special research categories (~5% of volume): some top-up info on top of photos might be required. E.g Jewellery (metal purity, hallmark translation), rare antiques (provenance)

Benchmark QC/Listing time per item:
- Standard categories:
  - **10–15 secs if no edits**
  - **30–60 secs with edits**
- Special categories: 60-120 secs – includes loading of additional research

Benchmark total time per item = Photography + QC/Listing = 60-180 seconds (up to 300 seconds for special categories)

Benchmark listings/day/person (including photography) = 40-100
Depending on category, and assuming a dedicated day of listing time

---

LISTING MONSTER CAN HELP!

Listing Monster is our market leading AI listing tool that doubles listing speed by instantly turning your product photos into perfect listings.

Sign up for a demo and free trial at listingmonster.ai

Listing productivity has a huge impact on profitability

Impact of doubling listings per day

	Before	After
Sell through rate	65%	65%
Average selling price	£20.0	£20.0
Revenue per listing	£13.0	£13.0
Staff cost pp (all-in)	£30,000	£30,000
Working days in year	230	230
Listings/day	25	50
Cost per listing	£5.2	£2.6
Profit per listing	£7.8	£10.4
# Listings per year	5,750	11,500
# Sales per year	3,738	7,475
Annual P&L (Per Lister)		
Revenue	£74,750	£149,500
Cost	-£30,000	-£30,000
Contribution Profit	**£44,750**	**£119,500**

04 Marketplace Strategy

Single vs Multi Channel

The goal: maximum exposure to buyers, but only if its not significant additional workload!

But each new marketplace adds workload—listing, inventory syncing, oversell risk.

- **If you have efficient multi-channel software**, which makes the marginal cost of listing on a different channel close to zero, then list broadly.
- **If not**, focus volume on your primary platform—usually eBay.

Listing Optimization and SEO

Listing Monster automatically optimizes for:

- **Impressions -** the number of searches your product turns up in - impacted by keywords in title & item specifics.
- **Click-Through Rate -** % of searches that result in a page view - impacted by title, lead photo, pricing.
- **Conversion Rate** - % of page views that result in a sale - impacted by all photos, description, pricing.

These **multiply together to produce your total buyer pool per listing**, and in turn drive the revenue per listing you are able to achieve.

Listing Monster uses the tech within ebay to your advantage – giving your listings the "competitive edge" when shoppers search.

Title strategy

- Use all available characters (eBay: 80 max) - Listing Monster does this for you
- Every additional keyword you add brings additional associated search volume.
- First 3 words designated for most pivotal search terms for that category. For example fashion would be Brand + Model/Product Name + Size (Listing Monster implements this feature as standard)

Photos

- Lead photo drives click-through rate - to convert impressions into page views
- Subsequent photos only come into play once a buyer views your page - helping to drive conversion rate
- Use only enough photos to build trust — don't overdo
- AI will enhance and clean; no need for manual edits

Description & Condition

- The description has no SEO value and will not impact traffic – it has only a minor impact on conversion rate (as ebay hides it on the mobile app). For charities, it is a useful place to tell the story of the charity.
- Enabling ebay's "Charity Banner" is a unique trust opportunity – use it
- Fill in ebay's designated "Condition Description" field (as well as in the Description) – only this will protect you against buyer disputes

Item specifics

- Contributes to SEO and traffic – item specifics act as additional keywords beyond the title which are searchable by the buyer on the search engine
- Show up in ebay's filters – if a buyer uses a filter, and you have not entered an item specific for that attribute, your listing will not show.

LISTING MONSTER CAN HELP!

Listing Monster is trained on ebay algorithim best practice. It cleans photos, fills titles with keywords and completes item specifics - driving more traffic and conversion to your listings.

Sign up for a demo and free trial at listingmonster.ai

05 Merchandising & Sell-through

Pricing Strategy

Optimize for **Revenue per Listing**, not average selling price (ASP).

Revenue per listing = ASP × Sell-through Rate

Determine:
- How quickly do we need to turn over inventory given available storage space?
- Set your re-pricing strategy to sell-through before that point
- At a maximum, items should be priced to sell within 60-90 days. After that, search engines consider items "stale" and push them down search results.

Without AI pricing automation - the optimal strategy is:
- List on low-start auctions
- Skip manual price research
- Bank on traffic + bidding to surface value
- Focus on volume over ASP

With AI pricing automation - the optimal strategy is
- Start higher at AI determined fair value
- Gradually discount until sold or break-even
- Set discount rate based on storage capacity and required inventory turnover
- This enables us to maintain sell-through but eliminate the "single-bid" auction problem, where a single bidder pays less than they were willing to.

AI can also:
- Monitor competitor pricing
- Dynamically re-price to remain competitive
- Edit and re-price in response to listing-level KPIs (CTR, traffic, conversion)

Merchandising tactics

Auction vs Buy It Now Switch:
Switch format mid-cycle to reach different buyer pools
→ eg. Auction → BIN after 7–14 days, or vice versa

Bumping
AI can automatically "refresh" listings by:
- Deleting and re-uploading with minor changes
- Search engines treat item as new, and bump up search results
- Can yield 10–20% sell-through boost on stale stock

Coupons, Ads & Promotions
Marketing tactics will be covered in detail in a further manual. It is another string to your bow alongside re-pricing to boost sell-through. You should take the action that is going to yield the best net revenue per listing (i.e balancing ASP, sell-through and marketing cost of sale).

MERCHANDISING MONSTER AND PRICING MONSTER CAN HELP!

Pricing Monster provides instant price suggestions based off ebay sold items. While Merchandising Monster automates re-pricing and merch tactics like "bumping" to boost your sell-through.

Sign up for a demo and free trial at listingmonster.ai

06 Warehouse & Stock Management

Warehouse optimisation

Efficient warehouses are:

- **Organized** – minimize time lost searching
- **Labeled** – clear signage for picking
- **Mapped** – layout optimized for least movement

Standardize shelving, aisle widths, zones, and procedures.

Use measuring tools: pedometers, stopwatches, tape measures to quantify movement and identify bottlenecks.

Scalability & Sustainability

- Design processes that scale from 100 to 10,000 items.
- Standardization enables scale
- Flexibility ensures performance through donation surge
- Apply **productivity metrics** and track output per day across all the key functions.

If you are **looking to scale big, implement a barcode system**. If each item, bin and location has a unique barcode - you can drive all warehouse tasks with an app and scanner. This will enable faster, more accurate and more flexible warehouse processes - that scale well.

Employee safety

- Store heavy items low, light items high
- Use approved steps/ladders
- Train teams on safe lifting
- Label hazardous or oversized items clearly

Fulfillment

That item you just sold—the one generating revenue for your cause. It has been donated, received, sorted, listed online, stored, and picked. Now, it's time to ship. This last step is critical. The way you pack and post can have a big impact on profit margin.

Shipping isn't simple, but it can be streamlined. Here are five key areas to get right:

1.Item Size and Fragility

No two donations are the same. A pair of Levi's is a breeze to pack; a set of crystal champagne flutes? Not so much. Having the right packaging materials on hand—and accounting for their cost—is essential. Every penny spent on packaging and packing time impacts your net return. Consider setting a maximum shippable size. Oversized, high-value items may be better suited to local pickup only.

2.Shipping Costs

There's no such thing as free shipping—it's just a matter of who pays. If you're charging for postage, ensure it covers materials, postage and time.

If you're offering free shipping to buyers, make sure it's factored into the item price. Its worth noting that eBay provide additional incentives in terms of visiblity and fees for going down this route.

3.Packaging Materials

Unless you manage it well, packaging can become a black hole of added cost. Negotiate bulk rates with suppliers for your most-used box sizes and materials. Track usage patterns and avoid overstocking the wrong items. Standardize wherever possible. Efficiency here means better profits and less waste.

4.Process and Flow

A well-designed layout facilitates smooth operations. Items arrive unpacked from the warehouse and should move logically through packing to a labeled and ready-for-pickup status. Designate a safe, accessible area for outgoing parcels.

5.Ergonomics

Having packing stations that are height adjustable can be the difference between a shipper thriving or stooping all day. Tape guns, get the best, be Top Gun in tape land! Gravity conveyors can reduce the carrying and moving of packed boxes from A to B.

During peak times—like Black Friday or Christmas—be ready with extra hands. Shipping cannot wait, items have been paid for, customers are waiting, and backlogs don't get easier to fix.

If you are auction-listing – you can plan end times and dates to ensure a more even spread of despatch expectations

Bottom Line: When you tighten up your shipping process, you protect profits, please customers, and increase revenue for your cause.

INVENTORY MONSTER AND INTEGRATION MONSTER CAN HELP!

Track, manage and report on stock from shop to hub with Inventory Monster, while Integration Monster connects and syncs inventory across multiple marketplaces

Sign up for a demo and free trial at listingmonster.ai
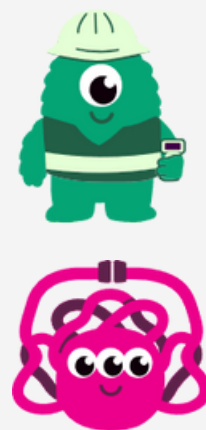
07 KPIs & Reporting

Why Reporting Matters

Reporting is not an admin function—it is your feedback loop. It tells you whether you are making progress toward your North Star profit goal, and crucially, helps you identify the underlying drivers of success or failure so you know what levers to pull.

An effective dashboard will allow us to track the key components of the Profit Framework laid out in this manual. That includes Profit Per Listing, Volume and the full P&L, as well as the component operational metrics that drive the P&L.

The P&L

In an operation selling unique goods, the P&L structure looks as follows:

Revenue (volume x sell-through x ASP)
(-) Cost of sale (eg outbound shipping incl staff time, packaging, ebay fees)
(-) Cost of listing (eg listing staff/volunteer costs + inbound shipping cost)
= Contribution Profit
(-) Allocated overheads (rent, management etc)
= Net Profit

You should break the main lines of the P&L down into its component parts so you have full visibility on all the different drivers.

Uniquely versus traditional retail, the cost of listing is a major part of the P&L. This has a big impact on the Contribution Profit Margin of the operation - which determines how profitable our operation will be when it grows.

Unit economics / Profit Per Listing metrics

Revenue per listing
- Sell-through rate (STR): measured as % of items that have sold after 14, 30 and 90 days of being listed
- Average selling price (ASP) - including P&P charge

Given pricing impacts sell-through, we highly recommend thinking about them together (i.e revenue per listing) rather than distinct metrics.

Cost per listing and cost per sale
- Labour cost per item listed
- P&P cost per item sold
- Staff time/cost per item fulfilled

Productivity and throughput metrics

Labour productivity at each stage
- Throughput per day per person (eg Listings/day/person for Listers)
- Minutes per item

While throughput per day is what we ultimately care about - it is useful to track minutes per item too, as it can give you a sense of what could be possible.

Volume/throughput at each stage: items checked-in, Items listed, Items shipped

Storage utilisation: Tracking stock on hand vs max capacity can help inform how aggressive re-pricing and merchandising should be to clear space for new listing.

REPORTING MONSTER CAN HELP!

Reporting Monster provides in-app dashboarding for all key metrics across listings, sales and inventory - and allows you to export data to external reporting systems such as Power BI.

Sign up for a demo and free trial at listingmonster.ai

Conclusion

This manual has outlined a new blueprint for maximising charity ecommerce profitability in an AI-enabled world.

At the heart of it all is a simple equation:

Profit per listing × Volume of listings = Total profit contribution

Every operational decision — whether in donation sorting, listing, merchandising, or warehouse process — should reinforce this formula.

This is not just about selling more online. It's about extracting the maximum possible value from every donated item, every hour of staff time, and every square metre of warehouse space.

By systematically reducing cost per listing and increasing revenue per listing through better tools, workflows, and data, we unlock scalable profit that fuels your broader mission.

Next steps

To learn about the Listing Monster platform and get your free AI-ready consultation and trial:

- Book a demo: listingmonster.ai
- Email: hello@listingmonster.ai

Listing Monster AI have also partnered with a small number of specialist charity ecommerce consultants who have worked directly on some of the world's largest charity ebay and online operations – bringing very real first hand practical knowledge and delivery directly to your organisation.

- Andy Ostcliffe – andyo@chiefly.org.uk - Co-led tech and process at the UK's two largest online charity resellers
- Steven Sutterby – stevensutterby@gmail.com - Scaled Seattle Goodwill to largest charity ebay retailer in the US

ListingMonster.ai