



# UNIT-9

## Starting Your Own Event Planning Service

Staff Training Solutions

### Learning Outcomes

By the end of this unit the learner will be able to:

## Unit 9

### Starting Your Own Event Planning Service

Starting a business can be a rewarding undertaking but it comes with challenges. Before starting an Event Management business, it is wise to do your research. There are several issues to consider such as regulations, financing, taxation, managing your business, advertising and much more.

For taking a start in event management business it is always a good idea to start at an entry level position in an event management company. This will enable you to learn as much as you can by working with the experienced team members and will also help you to build contacts as you go. However when starting up your own business make sure that you are fully organised in the startup it will make the business less risky for you. The Event Management business does not require very large financial backing to take a start. On the other hand the returns can be very large, when compared to how much you need to start the business.

#### Starting a Small Business

An event-planning business is unique in that it does not require huge overheads to get started. The client absorbs most of the costs, and very little money comes from your bank account when planning an event. You will be working with many vendors that are equipped with their own facilities, so the space you need is minimal. There are so many businesses these days supporting the event industry, from party rental companies to florists and from bakeries to venues; you may find your time divided between your office and off-site locations.

So working from your home is not a bad idea until you have built up your clientele and business. Also in the startup you may find yourself with an uneven income and when you will not have to pay rent for an office or facility space it will save you money until you are comfortable with your budget. You might also find that spending money on marketing or going to a trade show is a better investment early on than having an office.

Your home should be the first place to look when setting up an office. The space needs to be large enough for a desk, a computer, wall-mounted shelves, and a filing cabinet. If there is not enough space in your own home for start up, you may look around for other suitable options. Here are some options for finding office space outside your home:

#### Ask your Vendors

As long as your business does not conflict, your vendors' facilities would be a great place to take a start. A caterer may not think it in her best interest to share an office with you if she employs her own event planner, but your florist who has a conference room in her shop may welcome the extra exposure. Also

try personal and private chefs who may not have a relationship with a separate event planner, as well as bakeries, small hotels, bed and breakfasts, and photographers.

### **Ask your Landlord**

Occasionally a landlord or homeowner may have a small space that can be the perfect spot for you to set up shop.

### **Ask friends and Family**

You may also think of sharing the office space with any of your friends who is already running his own business and wants to reduce the overheads by sharing his premises.

## **Starting a Large-Scale Event Planning Business**

One you have decided that your niche market is large-scale events and rather than paying for rentals, you have decided to purchase everything that you will need to plan a great event. To get to this point, you may have had to secure an investor or two and develop a business plan. After the initial development stages, you will want to revisit your business plan and establish how many events per year or per month you will need to meet your profit margin.

Whether you take start as a small business or start a large business with good investment capital, the next step for you is to have your business plan ready.

### **Writing a Business Plan**

The business plan is not just for business start-ups. Existing businesses also use the business plan to monitor their expenses, define their strategies and benchmark their progress.

#### **Step 1**

Create a cover page for your business plan. Include the name of your business, full address and all contact information, including fax number and email address.

#### **Step 2**

Complete a general business description for your business. Provide the company's mission in 30 words or less. Include your business' objectives and goals in this section, as well. Provide a brief description of your business' industry and include information on the industry's growth trends and forecasts.

#### **Step 3**

Include your company's legal business description here i.e. sole proprietorship, corporation

**Step 4**

Define your business' products and services.

**Step 5**

Complete a primary and secondary analysis of your industry, industry trends, target market, target market demands and competition.

**Step 6**

Complete your business' marketing plan. Provide detailed information, including statistics and sources, to support your findings and strategies. Identify and explain the demographics of your target market. Explain the features and benefits of your services, as well as why and how these features and benefits appeal to your target market.

**Step 7**

Identify your business' major competitors, their products and locations. Compare your business' strengths and weaknesses against those of your competitors. Identify your business competitive advantages and disadvantages and explain the strategies that your business will use to compete against the competition.

**Step 8**

Explain the advertisement methods that your business will use to capture its target market. Define the strategies that your business will use to retain its customers, as well as generate referral business. Include price points and expenses that will generate from these strategies.

**Step 9**

Describe your business' operations. Include information on your business' location and equipment. Include information on the expenses that pertain to each, such as mortgage or lease payments, utilities and equipment warranties. Provide details about your business legal requirements, such as permits, zoning compliances and environmental regulations.

**Step 10**

Identify your personnel. List the responsibilities and functions of your executive and senior employees. List the number of employees that your company maintains and identify each department. Create an organisational chart for an easy visual reference. Identify the pay rates for each employee, along with the training methods and requirements for each employee. Identify any vacate positions and include information on the pay ranges for those positions.

**Step 11**

Provide information on your business finances. List your business' accounting method (cash or accrual). Explain your business' credit terms and fees, and collection methods, if your business uses the accrual method.

**Step 12**

Complete a personal financial statement for each owner of your business. Provide a balance sheet, income statement and cash flow statement for your business. Analyse your business' profits and losses, and complete a 12-month profit and loss sales forecast for your business. Include a five-year projection if your company seeks to include long-term goals and projections.

**Step 13**

Create a table of contents and an appendix for the plan. Generate the table of contents so that it references the exact pages to where each section begins.

## Partnering Up

Whether you have decided to go for a small or large scale business, it could be in your best interest to find other event planners in the same field to partner up with. Get creative when determining a suitable business partner. Note people who have similar experience or who share common interests in the event-planning world. Consider an associate you have worked with in the past and might be looking to make a move from party planning. Think of the fledgling chef who would like to expand his personal catering business. Team up with your favourite, trusted photographer who is looking to shoot more specialty events.

If you feel you have all the other necessary components, such as business capital and know-how, then an alternative is to partner with a well-connected event planner. This way, you will put in the capital and business planning to the business and your partner can bring in the required contacts. Similarly, if you have a lot of contacts and a great network but do not have enough business experience or capital available, then finding a partner with those qualities would be more effective for you.

## Your Niche Market

Once you have secured your working space. Next step for you is to find your niche market. Again, this will likely be in an area that you may have some experience in. you first need to register your business. If you wish to plan social events, you may consider limiting your involvement to only clients within your immediate area; your city and/or county would be a good place to work. If, however, you prefer to plan corporate events, you may need to look for a more national scope.

## The Portfolio

Now you will need a portfolio of your work to show it to your perspective clients. A portfolio is usually a large binder with photographs of events planned by you. It also contains other information, such as the name and contact information of the client, the outline, invitations, colour swatches or scheme samples, menus, vendor information, or anything else that will help demonstrate the work and details that went into each specific party or event you planned earlier.

The portfolio contains the followings:

- Pictures of past events from your resume
- Letters of reference from previous satisfied clients
- Thank-you letters from clients, staff, and vendors
- Your biography
- Sample menus you have developed
- A list of recommended vendors with their collateral

Most event planners like to prepare a small binder for each event they plan in order to keep themselves well organised and to show their work to perceptive clients. You may compile these into a larger binder when you have several. The portfolio is an important asset when starting your own business. This allows you to show clients what you can do, what you have done, and what you can do for them.

## Web Site

Event planners need to have a website providing information about the services they offer, contact information, photographs of past events they planned, and testimonials from previous clients. The website is a great advertising tool as well.

It is wise for an event planner that he does not show any fee on the website for the services offered. Such information should be discussed in person with the clients based on their specific needs. Offering free consultations by appointment and providing a phone number for scheduling a phone or in-person appointment however would be an advantage.

## Importance of Networking for an Event Planner

### What is Networking?

Networking is making contacts in and out of your prospective industry. These contacts help you succeed in your business. As you grow your network of venue point people, clients, decorators, food and beverage people, audio/visual teams, etc., you increase your referral base. A potential client is highly likely to ask someone they've worked with before, a florist for example, for recommendations about event planners they've worked with and liked. The better known you are in the industry, the more clients you will have and the higher your compensations will be.

Having an excellent network of contacts, vendors, and associates is of extreme importance for an event planner. It will help you get the job done for your clients. If you will have contacts with more vendors you will have more choice and you will be in a position to offer more to your client, also having more contacts means having more business.

Active participation in industry meetings, chamber of commerce activities, professional organisations, among others are especially important if you are focusing on the corporate market. Community and social gatherings can expose you to potential customers who may need assistance in the planning of parties, reunions or other social events.

This is a business where your reputation precedes everything else. Clients hire only those they think they can trust, and these are event planners with reputation for honesty and integrity.

## Some great ways for Networking

### a) Joining Local Business Associations

Joining local business organisations and attending networking meetings or socials are essential tasks for meeting planners trying to break into the business or expand their current client base. Networking functions are an excellent way to meet potential clients, connect with local vendors, find new staff members as your business grows and get your name out there as a meeting or event planner who is accepting new clients. But of course, it is not enough to simply attend networking functions and introducing yourself around, following up with the folks you meet is just as important as making that initial contact.

### b) Volunteering Your Time for Fundraisers

You can involve yourself in charitable events as well. Volunteering will not only make you feel good internally but it will also help you boost your networking skills. But remember in charitable events it may not be appropriate to pass out your business card to others, try to avoid it. Only share your contact information if asked. To make the most out of your volunteer efforts, attempt to work in the forefront and not behind the scenes. In order to combine volunteering and networking, the best jobs are:

- Working at the registration table. This is perhaps the best job as it allows you to deal with prominent members of your community.
- Passing cocktails. Use this very social job to introduce yourself to guests.
- Passing hors d'oeuvres. Similar to passing cocktails, this job requires conversation. You may begin by talking about the cuisine but end the conversation forging a rapport with a guest.
- Distributing favours. It is easier to engage guests in conversation toward the end of the evening. You can make an impression on a guest by asking how her evening was as she is

heading out the door. The goodbye is the very last impression the guest will have of the establishment.

### c) Meeting with other Event Planners

All event planners, from party planners to catering managers and meeting planners, can benefit by networking with other planners in their field. Deciding which event planners you should network with is the first step to networking. If you are a meeting planner, invite other meeting planners out for a one-on-one lunch or a tour of your offices. Be mindful of peak seasons, and only send invitations in the slower months. An event planner may be apprehensive about meeting with you, so be sure to assure him it is solely to network and share resources. A personal letter is the best approach.

During the meeting you may ask the following questions:

- How long have you been at your company?
- How long have you been in the business?
- Do you network with anyone else in the business?
- Who do you use for flowers, audiovisual equipment, or rentals?
- What are your best resources for this career?

End the meeting on a positive note, promising to refer any overflow business in his direction. Be gracious and offer your services whenever he may be in need.

### d) Meeting with the Clients

Keep in touch with the people you have worked for at some point. Meet with them introduce promotions. A promotion can be handled a number of ways. Following are some suggestions:

- Offer a client a percentage off of her next event if she refers a friend.
- An advertisement may include an offer for a percentage off an event or service if a client mentions the publication where he saw the ad. This also works for Web site advertising.
- Often new clients are tempted with a promotion to attract business. For example such as 5 percent off of floral arrangements.

### e) Staying in Touch

Once you have made a new networking contact, add your new contact to all company mailing and e-mail lists to keep him current on events and promotions. You can also reach out to your new contact around the holidays with greeting cards and promotions. Another idea is to attend the same networking events together or agree to meet at an event.

## f) Trade Shows

A trade show is a large-scale event used to showcase specific products or services. An event-planning trade show may showcase china, flatware, cuisine, and computer software. The networking benefit to a trade show is meeting with other event planners at the activities around the trade show.

At the trade show your time should be spent in engaging and interacting with other event planners and vendors. Trade shows are a time for event planners to meet and share in each other's expertise. You may be exposed to different ideas during this time. Cultivating your networking contacts will incorporate you into the community, boost your business, and may even attract other job offers. Most importantly, your business network may double as your support network.

Event planning is a business where networking counts tremendously. Networking allows you to meet and get to know people who may refer business to you or use your service themselves. In addition, networking with vendors such as hotels, caterers and so on will give you a chance to meet some of the people whose services you may need as you plan events.

## g) Finding Work Outside of Your Business

Assisting other event planners is a way for you to gain more experience. For example, the holiday season is considered the busiest time for restaurants and hotels. Event planners in these industries frequently hire temporary help to assist through the holiday season. You may be a wedding planner with one wedding planned for the winter and offer your services as an assistant to a hotel or restaurant planner. This way you can gain experience, along with an additional income, and, when appropriate, can still market your company. While you are getting your business up and running, you should be trying to secure clients while offering your services to other events.

## Marketing

Marketing is the Strategy of attracting new business and securing repeat clients. For most event planners, marketing falls within their job description. The challenging aspect of marketing is discovering new and innovative ways to keep your name in the highlight. Some event-planning companies employ marketing personnel. If you decide to work in the corporate sector of event planning, you may not be required to have marketing skills but for all other event planning sectors you must possess these skills.

### Letter of Reference

A letter of reference in the event planning field can be as informal as a thank-you note from a client or as formal as a character letter from a previous employer. Letters of reference can be used in conjunction with photos from an event or testimonial for an advertisement and it can also be used in your portfolio.

The goal of a letter of reference is to build your reputation as a quality event planner. For this reason, the letters should be from positive client experiences. For example, if a client wrote a letter singing your praises but complained about the photographer you recommended, you would not use this particular letter as a letter of reference.

Sometimes a potential client may ask you for a past client referral. Be sure to date the letters and use the most recent ones when presenting to a client. Before becoming an event planner, ask your previous employers for a letter. You can suggest your employer include skills or attributes you have mastered that relate to event planning. Also ask your supervisor for any client letters in which you were thanked or named personally. Once you become an event planner, you should approach any satisfied client with a request to write a letter on your behalf. This request can be mentioned at the end of your follow-up call.

Event planners display these letters or quotes from the letters in a number of ways:

- Framed in the office
- In a scrapbook
- On a Web site

Find a creative way to display letters of praise. Or for a more subtle approach, simply state “letters of reference are available upon request” on printed material and brochures.

#### Business Cards and Collateral Materials

Collateral items are the concrete marketing pieces that your clients take with them as a way to network your business. Three pamphlets, folders, brochures, and business cards are all examples of collateral. You may also decide to pass along items such as pens, note books, or calendars. Be sure to place your company's logo, phone number, and Web address on the item.

Again, determine your target audience. Ask yourself which local businesses will be interested in your services. Set up a meeting with a contact person in the company you are soliciting. Write a personal note, and leave your business card if you are unable to meet with someone directly. Remember, the packaging for the materials you are leaving behind is as important as the material itself. There should be a well designed folder to encase your collateral.

Utilise your vendors to showcase your collateral, as they will be a tremendous resource for marketing your materials. Your vendors will be more inclined to keep your collateral on hand if you agree to return the favour. Ask your network of contacts to keep your material on hand. Your network may include:

- Vendors and labour
- Restaurants
- Other event planners
- Hotels

Always carry your business cards with you. Grab every opportunity to talk about your business. You never know when you will be seated next to a newly engaged couple at a restaurant or a corporate event planner needing meeting space.

### **Advertising**

Media outlets are a great way to promote your business, but it is a very expensive way to advertise. Before deciding if you are going to advertise, you must determine how much money you can devote to advertising. Most new businesses have a very tight budget when it comes to advertising.

If your advertising budget is small, you should develop an effective marketing strategy while staying within your budget. First, research the advertising packages in as many media outlets as possible. An advertising package will contain the price for the different types of advertisements offered by each media outlet.

### **Radio**

For example, if a popular radio station's ad costs £500 for a ten-second spot during rush hour, you may be able to spend the same £500 and receive a thirty-second spot during the late evening time slot. The sales representative will help you determine which demographic would be more beneficial for you.

### **Magazines**

When you consider advertising in a magazine, you will need to compare the prices of the different size advertisements. For wedding planners and banquet event planners, it is wise to focus on advertising in wedding magazines. Similarly, fundraising event planners working with health events such as walks and marathons should focus on advertising in health magazines. Advertising in trade show publications can also increase your exposure. This type of advertising is short-lived, so it can be relatively inexpensive, but it targets a precise audience. Bridal shows are a good example of trade show advertising. A bridal magazine may sponsor a bridal show, or a local magazine may publish a special bridal edition and couple it with a trade show.

### **Free Advertising Options**

You may look for opportunities for free advertising in the media as well. A very popular trend nowadays in the media is to give awards to local businesses in various industries. Part of the benefit in winning these awards is the opportunity to gain free advertising through the media. A television station, newspaper, or magazine may be the source of the award. The recipients, whether it is a restaurant, salon, or boutique, are guaranteed exposure when time comes to release the winners. Often the media will dedicate a Web site page to the winners and provide a link to the winners' Web sites. Becoming the recipient of one of these awards also means you can use the award as a marketing tool on your Web site and collateral.

## Hosting an Event for Event Planners

You can design an evening for planners to network and socialise and can show them your space and your services.

## Collaborate with Vendors

First, choose a team of your favourite photographers, floral designers, pastry chefs, and caterers if appropriate invite your vendors and purveyors to the event to network and socialize as well.

## Setting a Pricing Structure for your Services

Charges depend on several factors such as your business aspirations, locality, market segment, demand for services and your qualification and experience. If you live in an upbeat, urban neighbourhood, where event planning is in high demand, the prices for your services may be high. Each year of experience adds value to your service too.

### a) Pricing by Hour

This is considered a very practical method by many. An hourly rate is set for your service and this can range from £25 per hour to £ 125 per hour. The type of service you offer is not taken into account.

### b) Pricing by Percentage

Here, the charges come in the form of a percentage of the total budget, say about 20-30%. The percentage is based on what you have negotiated with your client. This means that this approach differs from one client to the next.

### c) Pricing by Fee or Services

If there is a lot of work involved and / or your client wants to experiment, you may prefer to use this method of charging. Each specific task that will need to be carried out to organise the event will have a set rate and any other additional task will be charged on an hourly rate.

### d) Pricing by Commissionable Rates or 'Add- On's

In this approach a compensation/handling fee will be added to all the services provided. A discount will have to be negotiated with your service providers.

## How to get Organised

Though Keeping track of all the details of an event can be a hard job in itself but the more organised you are, the better an event planner you will become.

In order to keeping you well organised you will have to maintain the following systems:

### **Filing Systems**

Your system of organisation can be just as personal as the events you plan. Adapt a method of organising your work. It is likely you will borrow techniques from other event planners along the way. The steps you take to manage your organization now will set the tone in your career for years to come.

### **File Cabinet**

A file cabinet is perfect for organizing paperwork. Standard folders with tabs work well in a file cabinet when used for each event. Place a name and date on each folder.

### **Shadow Boxes or Cubicles**

All events in progress would be placed in their corresponding day of the week. For example, all functions falling on a Monday would be placed in the Monday section. For larger offices, the same system can be used with a larger mounted unit, and each cubicle can be labelled with a month. All events in progress in May would be placed in the May cubicle. You could also label each cubicle with a letter of the alphabet, and the folders would be filed under the client's last name.

### **Your Notes**

Taking notes is a big part of your job as an event planner. You should take notes during every meeting and phone call with your client. During the initial phone call, take notes about dates, times, budget, and costs quoted so you can have this information to refer back to in your initial meeting. Once you have finished your conversation, rewrite or type your notes in a precise format. By rewriting your notes, you will be able to better work out your handwriting and give more detail to the potential client's inquiry.

### **Calendars**

Calendars will be essential to your career as an event planner. Having at least two calendars that are updated weekly is best for proper organisation. You can leave one in the office and can keep the other with you.

### **Multiple Calendars**

Your office calendar should be the central repository of information for your organisation. Your calendar should be filled with your events, client appointments, venue site visits, and vendor visits. Using different coloured pens for different types of appointments can be useful in a large office. Red can be used for all events, green can be used for client appointments, and black can be used for vendor visits, and so forth.

### **Confirming Dates with Clients**

Calendars are also a great way to reconfirm the date with a client. In the initial phone call with a client, you should confirm the date using the day of the week as well as the calendar date.

## Double-Checking Invoices

Before submitting your invoice and the invoices of your vendors to your client, it is a good practice to examine the totals against the original quotes. As an event planner, you have a fiscal responsibility to your client. When the time comes to hand the client his folder with all invoices and receipts, be sure all invoices are correct. This detail ensures your quality as an event planner.

If you discover a mistake in the invoice, call the vendor and point out the error. It most likely be a miscalculation and can be easily rectified. Your obligation is to the client to correct any mistakes on the invoice.

Remember, you not only have a fiscal responsibility to your client regarding your vendors, but you should also feel a responsibility for the vendor's performance at the event. Consider your client's feedback, both positive and negative, when it comes time to recommend the vendor again. On the same note, you are acting as an intermediary between your client and your vendors. You have an obligation to your vendor as well. This obligation is to guarantee your vendor is paid on time, assuming his responsibility to your client is met. Your client and her guests should also treat your vendors and their staff with respect and courtesy during the event.

## Dealing with the Client

### Gaining Your Client's Trust

Remember by assigning the project your client is putting a great responsibility on you. He is not only entrusting you with every detail of his event, he also trusts you to spend his money wisely and within budget. Referrals from past clients will help you gain a potential client's trust. Your client will need your assurance that the event will run smoothly. There are certain measures you can take to gain your client's trust throughout the planning of his event.

### Sign a Contract

Signing a contract with your client is the first step towards gaining his trust. For your client, a contract is a legal document which ensures your services and costs. For you, a contract is a client's commitment to pay for your services. Deposits are usually taken when both parties sign the contract. Deposits can be a set amount or a percentage of the total service.

### Refer to Past Experiences

Referring to past experiences similar to your client's event will also help in gaining your client's trust. Perhaps you were not the senior event planner during a past event. Your client will still be comforted to know about your experience of conducting a similar event.

## Use Positive Language

Using positive language is a great way to gain a client's trust. Always use a positive language when dealing with your client. If you think you can plan a great event let your client think the same. Following is a list of words and phrases to build trust in yourself and your client.

- “Certainly”
- “Of course”
- “On the same line of thinking”
- “I'd be happy to”
- “My pleasure”

## The Client Relationship

Your relationships with the clients will vary enormously. The client relationship can be extremely business like or ultracausal and everything in between. With some clients it will be appropriate for you to wear a business suit to meetings. With other clients you may feel comfortable meeting over in casuals. The level of your client relationship will be determined by the client's personality, not your own. The first contact with a client leaves a lasting impression. Your phone etiquette, manners, and communication skills will pave the way to a successful relationship. With time you will develop your communication skills, these skills will further boost your confidence to interact with your clients.

## Professionalism

All event planners should aim for a consistently high level of professionalism. This professional standard should appear in all events you plan, from the very casual to the very formal.

Follow the tips below to boost your professionalism:

- Always give a warm welcome to each person coming to see you.
- Limit personal conversations in the office.
- Maintain eye contact when talking with a client.
- Always be ready to see a client.
- Remain calm under pressure
- Treat each client like a VIP.

## Phone Etiquette

There might even be times when the only communication you have with a client is over the phone. Here are some basic phone etiquette guidelines:

- Keep smiling when answering the phone. Your voice should be cheerful; there should not be any signs of tiredness in your voice.
- Answer the phone by the second ring.

- If a call is waiting on hold, be sure to tell the second caller how long it will take you to get back. If you cannot get to the caller in thirty seconds, tell her you will call her back.
- Always ask callers if they mind being put on hold. Most people do not mind being put on hold for a few seconds.
- Return voice mail messages and e-mails. Leave an outgoing message if you will not be available by phone for a day or more.
- Prioritise your calls. Take any new business calls first. Next, take calls from your existing client's and then from your vendors. Any marketing, personal, accounting, or sales calls should be taken last.
- If at all possible, make all of your calls from your office phone rather than a cell phone. If you are speaking to a client while driving, you will be distracted and will not be able to take notes. It is also illegal to use a cell phone while driving.

### **Manners**

When interacting with clients, either over the phone or in person, your manners set the tone for your relationship with your client. Here are some basic rules to boost your manners with your client:

- Saying “please” and “thank you” goes a long way.
- Thank your client for his time after a meeting. And thank him for his patience when applicable.
- When communicating with your client, keep to the 9-to-5 rules. Do not contact your client out of these hours unless the client wants you to do so. This is a good business practice, and even if your clients do not stick to this rule, you should.
- Be punctual.

### **Dealing with Difficult Clients**

Follow the suggestions below when dealing with a difficult client:

- Listen to complaints
- Acknowledge the complaint and correct it if possible.
- Ask the client how she wants to see the problem solved. This will help repairing your relations with an unhappy client as well.
- You can turn the difficult guest into a lifelong client by developing creative ways to win back a difficult client.
- Always try to exceed the client's expectations.
- Turn a negative into a positive. If a client complains to you about details from a past event, use this information to your advantage and try to provide a better service next time.

### **Staying in Contact with Clients**

Once the event is over, it does not mean your relationship with the client has ended. Keep former clients in communication with your company by sending a newsletter or e-mail blast. The newsletter may

include recent press or information about charity events or new employees. A newsletter can be used as a marketing tool when sent ahead of time.

## Initial Meeting with the Client and Proposal

The goal of the initial meeting for the prospective client is to meet you and gather more details.

### Preparation

Before your first meeting with a new client you will have to be fully prepared. You cannot just breeze in and expect to come out with a clear understanding of your clients' needs.

If you have a home office, you could hold your first meeting there. But do so only if it looks like a professional office. Alternatively, you could suggest that you'll make a visit to client's home. This is often a better option as your client will be more relaxed in his own house and will be better able to explain his wants and needs.

When you attend your first meeting with a client it is important that you make the right impression. Arrive looking like a professional. Make sure you look smart, tidy and organised. Take care of your appearance. If you will look organised, your clients will have more confidence in you.

You will need to have writing pad and pen to take notes with, the portfolio of your work to show to your client, some suggestions for locations, venues, leaflets and brochures from your suggested suppliers and a calculator. And if you take a mobile phone with you, remember to switch it off.

### Meeting with the Client

Before setting out for your first meeting with a client, make sure you know what you want to ask. In order to serve your client you must discover all the important details. In the beginning, your client may have a vague idea of what he wants. But before you can begin to plan an event, you need to know what the event will be. Why the event is being held? Who will be attending the event? When is the event being held? Where is the best place to conduct the event? What is the best way to conduct the event? You need answers for the 5 W's of event creation for which you will meet the client.

**Why?**

**Who?**

**When?**

**Where?**

**What?**

Questioning the client serves to gain their attention, to understand their situation, and to learn about them. It also reveals what their needs are.

When it comes to finalising the details, the client will be looking for your expertise to guide him through the financial process. With a signed contract, you have entered into a legally binding relationship with your client. If possible, draft a contract and event sheet for the initial meeting. It is best to review the budget, deposits, contract, and proposal in person.

### **The Proposal**

The proposal is an estimated invoice for an event. Many clients will request a proposal prior to your initial meeting. The proposal will outline food costs, beverage estimates, room charges, taxes, and gratuities and so on. The proposal will also outline additional services for the event; for example, flowers, rentals, and valet services.

Once you have established what your client needs, you need to do the necessary work in order to put together a proposal. You need to get price lists and quotes from various venues, caterers, floral designers, etc. Once you get this information, start a file so that you can keep this information at your fingertips. It is necessary to keep updating your file as prices change and new faces appear on the horizon.

The proposal you present to your client will contain information on event description, purpose, budget, venue, décor or theme presentation, cuisine, entertainment or speakers, and more as your situation dictates.

Avoid giving away too much information about your planning ideas until your client has signed a contract with you. The proposal will take some time, but you do not want your terrific ideas to be taken to your nearest competitor.

### **Dealing with Vendors**

Having a sound relationship with your vendors is equally important as with the clients. Be sure to call the company for a full report before you decide to hire a vendor. As with event planners, vendors rely heavily on their reputations to be successful. You might find yourself looking for the following vendors when you begin your career.

- Caterer
- Floral designer
- Specialty baker
- Purveyors, which includes companies selling produce, seafood, meat products, and beverages
- Labour companies, which includes electricians, general contractors, carpenters, and painters
- Photographers
- Decorators
- Stage designers
- Graphic designer or Web designer
- Specialty stationery designer or printing company

If your goal is to develop a healthy relationship with a vendor, you must make a conscious effort to show your appreciation. Here are some suggestions to create goodwill and develop your vendor relationships.

- Offer a drink to your delivery people. Restaurants have the luxury of offering this service to their vendors. If you are working in an office, keep coffee, sodas, and bottled water on hand for company drivers.
- Have a volunteer day. Choose a charity and get your company, vendors, and staff involved.
- Provide vendor meals.
- Invite vendors to events.
- Offer them your services when they need you
- Extend an invitation to company parties

## Dealing with Staff

It is not only enough to simply pay your staff well. The day-to-day atmosphere in your office is almost as important as the salary you are offering. Gaining the reputation for being a great employer can also attract individuals even when the salary you are offering is not competitive. Here are some ways to create a dedicated group of employees.

- Create a sense of pride in the workplace.
- Never speak negatively about an event, clients, vendors, or other employees.
- Offer good salary packages.
- Provide staff meals. Staff meals are also a great time for your staff to socialise and build relationships.
- When possible, celebrate employee birthdays and other special occasions such as anniversaries, the birth of a baby, or the purchase of a new home.
- Plan trips with the staff i.e. a farm, or chocolate factory would be good choices for event staff members in the food and beverage industry.
- Organize your staff to volunteer at a local charity. It is a great way to build friendship and help your community.
- Organise a seminar

When you take the time to nurture your staff, the rewards will come back to you. You will develop a loyal, honest, professional group of people dedicated to working hard for you and your company. Your staff will be your strongest asset when planning and executing successful events.

## Ethics

Ethics are the rules or code of standards that govern how a society or profession should behave. Every day you will confront issues, large and small, that will test your ethics as an event planner. Knowing where you stand on some ethical issues now will better prepare you to face these issues in the future.

## Accepting Gifts

Gifts can come from your employer, your clients, and other event planners.

### When It Is Appropriate

An example of an appropriate gift is when a client is thanking you for a job well done. Another example of an appropriate gift is when your employer gives you a birthday present. It is also appropriate if a fellow event planner would like to treat you to dinner at her restaurant. Some venues will host an event planner's event to showcase the property. It is appropriate to accept the favour bags given at the end of these events as well.

### When to Forgo a Gift

An event planner should reject a gift if she has a contractual agreement with her client not to accept gifts. She should also not accept a gift if it jeopardizes the integrity of her company. For example, an expensive watch accepted by an event planner with the promise of sending a company or venue more business is unethical.

## Conflict Resolution

As an event planner, conflict resolution is a skill you must develop. You will need to defuse arguments or difficult situations that may arise. The conflicting parties will benefit from your calm manner and understanding. The goal of conflict resolution is to leave all parties satisfied with a solution.

### Conflicts with Clients

When a negative situation arises with a client you are put in a unique position. Finding a solution between two parties is quite a test, but when you are one of the two parties, it becomes more challenging. Listen to the client's complaint and offer empathy.

A situation with a client may be out of your control, in which case you should acknowledge her complaint and offer a solution. Send the client a gift card with a note stating, "I am sorry we were unable to see eye to eye on this matter. Please accept this gift card as an apology."

Whichever solution you choose, you should act with haste. Resolve the matter in a timely fashion.

### Conflicts between Clients and Vendors

Complaints are liable to arise between a client and a vendor at some point in your career as an event planner. If the complaint occurs prior to the event, attempt to rectify the situation before the event begins. For example, a floral designer may have used the wrong flowers in an arrangement for an event. With the event hours away, call the floral designer to correct the mistake.

Other complaints may not be as easy to solve. If a vendor has damaged the client's personal property during the setup of an event, the solution may not be as obvious. In this case, reserve judgment until you

can assess the situation and speak to both sides. A reputable vendor should be insured specifically for these occasions. Still, offer sympathy to the client and prompt the vendor to at least write a letter of apology.

### **Conflicts between Staff Members**

Conflicts among staff members range from the simple to the serious. Solve staff problems fairly without taking sides and avoid letting the situation rise out of control. Never tolerate bad language or physical violence. Violence in the workplace is cause for immediate termination and perhaps police involvement.

## **Legal Matters**

Some Knowledge of legal matters will serve you very well in your career as an event planner. Some legal matters, such as contracts, you will work with every day. Other matters, such as permits and insurance, you will need to deal with less frequently. Rarely will you encounter serious legal matters such as non payment for services. With a little research, there are steps you can take to protect yourself and your company.

### **Permits**

An event planner often plans events for off-site and outdoors which require a permit or special license. Concerts, a wedding at a park, and an organised outdoor event may all require special permits. When planning an event at any public venue it is best to assume a permit will be needed.

Athletic fundraising events such as an organised walk, a bike race, or a marathon planned by non-profit agencies might also need permits. Other outdoor events such as a fair, farmer's market, or a block party may also require some types of permits.

### **Types of Permits**

Following is a list of the types of permits you may need when planning a future event:

- A parking permit
- A permit for outdoor spaces
- A sound permit
- A permit for security
- A permit to hang a banner
- A sanitation permit (for portable restrooms)

To obtain a permit, you must fill out the proper paperwork. A permit will most likely be accompanied by a charge or fee. Your local parks and recreation department, town hall, or city hall are good resources for obtaining permits.

## Contracts

A contract is a legally binding document between two parties. In event planning, the contract is a written agreement which stipulates that the client agrees to pay the event planner in exchange of services rendered. An event-planning contract should list specific terms and policies related to the event.

You may be starting out as an event planner in a new company or position and have to come up with your own contract. If you are designing the contract, the Internet is a great resource you can utilise to find a contract template. Many Web sites offer different contracts, some you can download for free. You will also find contracts specific to event planning. Use these as a resource to design a specific contract for your company. All event-planning contracts should have similar basic information.

### Basic Contract Language

An event-planning contract should have basic information regarding the event. If it applies, be sure to include the following in your contract:

- Event date
- Time of event
- Location of event
- The cost of services including room charges
- The cancellation policies
- Charges surrounding a cancellation or a no-show
- Guest count and final count due date
- Billing information
- Server charges, whether by the hour or in gratuities
- Valet arrangements
- Weather cancellations and acts of nature
- Other important details

The contract should be signed by both parties. Some contracts also include details of the menu and room setup.

### Cancellations

A client will occasionally need to cancel or postpone an event that was planned. Your contract should outline the terms and penalties of cancellations. For example, a client cancelling within a week after signing the contract may have no penalties for the cancellation. A client cancelling one month prior to his event may forfeit any deposits. A client cancelling within one week of the event may forfeit any deposits plus 25 percent of the estimated costs.

Cancellation policies vary by the type of event-planning business. The type of event also determines the penalties surrounding the cancellations. For example, when a client has been planning an event for a

year or more, the cancellation policy may be stricter: A cancellation made by a client one month before the event may forfeit the deposit and up to 50 percent of the estimated costs.

### **Breaking a Contract**

There are many reasons why a client may break a contract. Relocation, a change in circumstances, and a loss of income may all cause a client to break a contract. In some cases a client may fail to honour the deposit arrangements in the contract. This would also constitute breaking a contract.

Even less rarely, you may be forced to break a contract with a client. Overbooking or emergency situations may cause you to break a contract with a client. Of course, you will have made every effort to keep your obligations to your client. Attempt to have another event planner or company fulfil your obligation in the case of an emergency. You can work out the financial details with your substitute at a later date. If circumstances force you to break a contract, return any deposit to the client and offer referrals to other event planners in your place.

### **Insurance**

Securing insurance is a wise decision. People purchase insurance for their house, car, and life. People buy insurance to protect themselves and investments. Insurance in event planning can protect your events as well.

#### **Special Event Liability Insurance**

Insurance for event planning is a good idea for a few reasons. First, insurance protects your office and its belongings against theft or fire. Insurance also protects your events. For example, as the result of a staff member's actions, damage was done to your client's property during an event. Your insurance would cover the damage.

You might also consider using commercial license plates for your vehicle. Commercial insurance for your car will give you more coverage. Commercial plates will allow you to park in designated parking spots, which is convenient if you work in a city.

Your client can also purchase special event liability insurance. As an event planner, you should also strongly urge your client to buy event insurance.

#### **Client Event Insurance**

Insurance purchased by a client for his event may cost only a few hundred pounds. It can protect thousands of pounds worth of event costs. Client-event insurance can protect a client's deposits with vendors. If a vendor closes the business before the event without returning the deposit, event insurance will cover the loss. Also, if a vendor has a fire in his shop — say, a photographer, for instance — the insurance will cover the cost to replace the photographs.

In cases where an event may need to be postponed or cancelled due to weather or unforeseen circumstances, event insurance will cover any charges. It will also cover lost or damaged gifts, damage to the venue, and personal liability.

### **Certificate of Insurance**

Venues usually carry their own insurance, but some require the client to buy additional coverage for certain events. This insurance will protect the venue and client against damage and bodily injury claims. A certificate of insurance is a document outlining the insurance coverage.

### **Proof of Liability Insurance**

Proof of liability insurance is evidence to the venue the client has purchased insurance. Venues are increasingly requesting special event liability insurance for large events like weddings.

### **Getting Paid**

Assuming you became an event planner to make money; getting paid is most likely high on your objectives list. By signing contracts and taking deposits you are taking steps to ensure you get paid. But what happens if you are having problems securing your fee? It is your client's obligation to pay you after you have completed your service. Steps can be taken to ensure your client's obligation is met.

### **Enforcing a Contract**

If after the event your client has not fulfilled his financial obligation to you, send him an invoice. Let a week pass and attempt to contact your client by phone. If after a few days your client has not responded, contact him by e-mail. In the e-mail, reference your previous attempts to contact him with specific dates. If there is still no response, send a second invoice with a letter registering your concerns. Send the letter certified mail and document your efforts along the way.

Once all efforts have been exhausted, it is time to consider legal action. If your vendors have not received payment for services from the client, you may consider taking legal action together against the client.

### **Credit Card Deposits**

In addition to contracts, many event planners also take receipt of a credit card number. The authorisation enables them to charge any cancellation fees as well as unpaid charges to the card. The authorisation form details the specifics of the event as well as the cancellation policy.

But there can be a situation when a client may claim a charge back from the credit company. In this situation the credit card company will charge back the amount to the client's credit card while an investigation is processed. During the investigation, a merchant representative will contact you for

details regarding the charge. Usually when the credit card company receives a copy of the contract and authorisation form, the charges are reversed back in your favour.

### **Returned Checks**

Occasionally you may find a client's check was returned for insufficient funds. Contact your client, again first by phone. It was likely a calculation error. Follow the same manner as you would in enforcing a contract. Before taking legal action however, contact your client's bank manager. Bring a copy of the contract and the returned check. In some cases, a bank can authorise the payment of the check.

If a client has stopped payment on your check, follow the guidelines previously mentioned: Contact the client first with phone contact, then e-mail, and finally a certified letter. Again, bringing a copy of the check and a copy of the contract to the bank manager sometimes ends in good results.

### **Further Reading:**

- ✓ *Start Your Own Event Planning Business: Your Step-By-Step Guide to Success, (2015) By The Staff of Entrepreneur Media, Cheryl Kimball*
- ✓ *How to Start a Home-Based Event Planning Business, (2004) By Jill S. Moran*
- ✓ *How to Start a Home-Based Children's Birthday Party Business, (2009) By Amy Jean Peters*