

THE EXECUTIVE'S GUIDE TO CORPORATE EVENTS & BUSINESS ENTERTAINING

— HOW TO CHOOSE AND USE COMPANY FUNCTIONS TO —
INCREASE BRAND AWARENESS,
DEVELOP NEW BUSINESS,
NURTURE CUSTOMER LOYALTY
AND DRIVE GROWTH

JUDY ALLEN

PRAISE FOR OTHER BOOKS BY JUDY ALLEN

EVENT PLANNING

***The Ultimate Guide to Successful Meetings, Corporate Events,
Fundraising Galas, Conferences, Conventions, Incentives and
Other Special Events***

(ISBN: 978-0-471-64412-5)

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“This book contains invaluable information for anyone who handles events for their organization. A host of real-world stories from the field—the good, the bad, and the ugly—serve as examples of codes of conduct (or lack thereof) as well as cautionary tales of what can happen when ethics and etiquette fall to the wayside. Allen thoroughly examines many scenarios and provides practical advice that any planner would be foolish not to heed.”

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—Lisa Hurley, Editor, Special Events Magazine

“Judy Allen has crafted another meaningful book in her series on event practices. Every business owner must immediately add this treasure chest of useful ideas to their bookshelf.”

—Richard Aaron, CMP, CSEP, President of BiZBash Media, NYC

“Judy Allen has given us the ultimate resource guide to event planning. It’s everything you need to know to launch a successful company.”

—Ramey Warren Black, Partner, Media-Savvy

TIME MANAGEMENT FOR EVENT PLANNERS
Expert Techniques and Time-Saving Tips for Organizing Your Workload,
Prioritizing Your Day, and Taking Control of Your Schedule
(ISBN: 978-0-470-83626-2)

“She has done it again! Judy Allen has written an excellent, educational and user-friendly book, which is a priceless resource for planners worldwide. *Time Management* is an essential book for all planners, new or seasoned. Judy has provided the tools for managing your time which is one of the most important skills for event planners and all professionals.”

—Ysabelle Allard, *Meetings & Incentives Planner, Bilingual Meetings & Incentives*

“At last, a time management book written by someone who knows what it is to juggle three programs, six clients, eighteen suppliers and a family in a pear tree! Using Judy Allen’s tips have really made a difference!”

—Brigitte Mondor, *CMP, Event Leader, Microsoft* — Maritz Canada Inc.

“Time is money, and organizing your time is the key to planning a successful event. Judy Allen’s new book gives event planners all the tools they need to manage their time most efficiently.”

—Luis R. Rodriguez, *Executive President (CEO), International Standardization, for the Meeting Industry Institute (ISMI), Isla Margarita, Venezuela*

“As all experienced and inexperienced event managers will know, time is one of the main resources that has to be managed effectively for successful events. In this practical skills-based text, Judy Allen explores time management and provides techniques for event professionals to learn and apply to your work. From exploring your current use of time, through prioritising and action planning, to multi tasking, project management and balancing your personal and professional life, Judy provides hints and tips for making better, and the best, use of time, based on her years of experience in the events industry.”

—Glenn A. J. Bowdin, *Principal Lecturer, UK Centre for Events Management, Leeds Metropolitan University*

THE EXECUTIVE'S GUIDE TO CORPORATE EVENTS & BUSINESS ENTERTAINING

HOW TO CHOOSE AND USE CORPORATE FUNCTIONS
TO INCREASE BRAND AWARENESS, DEVELOP NEW BUSINESS,
NURTURE CUSTOMER LOYALTY AND DRIVE GROWTH

Judy Allen



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This book is dedicated to the memory of Daniel (DJMatt) and Bobbie Jo (Beejay), who lived their lives with passion and purpose. Each, in their own way, managed to deeply touch the lives of those who knew and loved them, as well as others who were simply woven into the everyday fabric of their lives. Knowing Daniel and Bobbie Jo, even slightly, enriched my life in ways that have been life changing and continue to have the most wonderful ripple effects. I will always be truly grateful that our lives crossed.

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PREFACE

SO, YOU'VE BEEN CHARGED with organizing the big event to launch a new product, you have to plan a party to wow new clients or you've been told to pull off a certain strategy and you think a great event would accomplish that. Now what do you do? Executing an event flawlessly is hard enough, but how do you make sure it accomplishes corporate objectives and strategy and, just as importantly, how do you make sure you don't screw up?

Most of my books have been aimed at professional event planners, but this book is for you, the business executive who has to plan a (successful) event for the first time, and has been written expressly to address these key issues.

The meeting and special event industry is a \$96.4 billion a year industry and it continues to grow in leaps and bounds as more and more businesses, both large and small, tap into the proven success of utilizing events as a sales and marketing tool to produce extraordinary corporate results. Successful execution of corporate events requires mastery of event design, event development and event marketing strategy, all of which will be covered in this book in great detail (don't forget to review the useful material in the Appendix!).

Understanding the part each of these critical elements plays and most importantly when they come into play—the hows, the whens, the whats, the wheres and the whys to choose and use an event as part of a corporate marketing strategy—is vital to know before you begin to plan your event in order to maximize the personal, professional and business returns to you and your company, as well as your guests’ personal, professional and business returns. And this applies whether or not you are handling your company’s event in-house or working with a professional event and meeting planning company or incentive house. Inside knowledge and understanding and being able to follow another industry’s language is always a powerful asset as you begin to work with venues and suppliers.

Event marketing strategy is very different from conventional marketing. Event marketing strategy embraces psychology and requires the ability to strategically develop events that deliberately create and/or target specific responses and motivate attendees by tapping into people’s personal and professional dreams. There is a world of difference between “party planning” (weddings, birthday parties and other personal celebrations) and professional corporate and social results-driven “event planning,” which can still include seemingly personal celebrations—such as an award ceremony or personal anniversary—but they come wrapped with a business agenda.

This book will enable you to master the intricacies of using an event as part of your business’s marketing strategy, as well as teach you what you need to know about choosing and using an event to its full potential. Corporate events, both business and social, can be used to increase company profits, maximize sales productivity performance, grow brand awareness and recognition, advance employee learning or stimulate sales through motivation. And those are just some of the ways events can be used to promote business growth and meet company objectives.

The range of available events and purposes is vast and it is important to know which style of event to do and when; what event elements are essential to include in order to produce “x” result; and

how to stage them in a way that will bring a positive outcome, meet multiple company objectives and become a solid launch platform to build future events upon. All of these very important areas will be covered in great detail in this book.

The Executive's Guide to Corporate Events & Business Entertaining also includes practical advice on the planning and orchestration of an event, and shares expert tips and techniques on how to produce polished and professional business affairs. Red flag areas on what to watch out for on all levels—personally, professionally and company-wise—are covered as well.

The primary focus of *The Executive's Guide to Corporate Events & Business Entertaining* is the strategic event marketing thinking, and how to choose and use events to achieve business objectives and to receive a return on your company's investment of time and money. Should you require in-depth step-by-step event planning “how to” knowledge, for example, if your company is choosing to handle the event from beginning to end in-house or you want a full understanding of what you will be undertaking when overseeing a corporate event, then I recommend you read the Event Planning series of books, which was written for the professional event planning and hospitality industry. They will serve you well as companion books to *The Executive's Guide to Corporate Events & Business Entertaining*. I will be referencing them throughout this book to guide you to which book to read should you require additional event planning logistical support information, need to see sample forms and layouts, require help to understand contract terms and conditions and concession options, identify red flag areas to watch out for, and so on—all of which would be of value for you to know regardless of if you are working directly on your own with venues and suppliers or with professional corporate planners. And if your company is using the services of professional event and meeting planners, these references will also be of benefit to you in helping you to evaluate the proposals you are receiving from planning companies in a bid situation, and provide you with insightful information on how to determine their skill sets and choose the supplier that knows how to bring all the essential elements together.

Acquiring the expertise in knowing how to choose the right event and use the right event elements to bring about desired results is a sought-after business marketing skill in today's competitive marketplace. *The Executive's Guide to Corporate Events & Business Entertaining* will provide you with the understanding, tips and techniques that you need to make informed decisions, and will become an invaluable resource guide that you will want to keep close at hand as you grow your company and improve the style and level of sophistication of events that you plan.

For quick event planning logistical support reference, below is a brief overview of each of the companion books in the Event Planning series:

- *Event Planning: The Ultimate Guide to Successful Meetings, Corporate Events, Fundraising Galas, Conferences, Conventions, Incentives and Other Special Events* (Wiley, 2000)

Event Planning: The Ultimate Guide introduces the fundamental principles of event planning and gives planners a solid foundation in event planning. This book is a detailed blueprint for planning and executing special events without unexpected surprises and expenses. *Event Planning: The Ultimate Guide* contains practical advice on every aspect of organizing and managing special events, such as how to choose the best venue; preparing and managing the budget; identifying hidden costs; scheduling; coordinating food and beverages; selecting decor, themes and entertainment; media; and staffing. It includes many forms, checklists and tips for planning and managing events. This book also features examples of events where things went right—and wrong—and provides techniques to maximize savings and avoid being caught unaware.

- *The Business of Event Planning: Behind-the-Scenes Secrets of Successful Special Events* (Wiley, 2002)

The Business of Event Planning takes event planning to the next level. Its comprehensive coverage includes strategic event design; how to prepare winning proposals and how to understand them if

you're the client; how to determine management fees and negotiate contracts; guest safety and security issues that need to be taken into consideration; how to design events in multicultural settings; new technology that makes event operations more efficient; practical tools such as sample letters of agreement, sample layouts for client proposals, forms, tips and checklists; and a detailed case study that runs throughout the book—one company that is organizing two very different events.

- *Event Planning Ethics and Etiquette: A Principled Approach to the Business of Special Event Management* (Wiley, 2003). Harvard deemed *Ethics & Etiquette* a “must-read” for event planning and business professionals.

Event Planning Ethics and Etiquette covers the business side of event planning, including ethics, etiquette, entertaining, acceptable codes of conduct and industry standards. The book provides event planners with the information they need to stay out of trouble, keep professional relationships healthy and profitable, avoid the riskier temptations of the lifestyle and win business in a highly competitive market using ethical business practices. Harvard Business School said this book “is a must-read not only for event professionals, but also for small-business people conceiving product introductions and conference appearances.”

- *Marketing Your Event Planning Business: A Creative Approach to Gaining the Competitive Edge* (Wiley, 2004)

Marketing Your Event Planning Business takes readers through marketability, market development and marketing endeavors (business and personal). Topics covered include diversifying the client base, developing niche markets and areas of expertise, establishing a backup plan for use during downturns and innovative ways to solicit new sales.

- *Time Management for Event Planners: Expert Techniques and Time-Saving Tips for Organizing Your Workload, Prioritizing Your Day, and Taking Control of Your Schedule* (Wiley, 2005)

Time Management for Event Planners offers expert insight on time management as it relates specifically to the event planning and hospitality industry. Event planning is a high-pressure, around-the-clock job where planners juggle multiple tasks, multiple time zones and work down to the wire against crushing deadlines and a mountain of obstacles. For smooth event implementation, and for business success, it is essential that planners manage their own time as expertly as they manage an event. This book will show you how to do just that.



Executing events flawlessly does not mean that corporate goals are being met. *The Executive's Guide to Corporate Events & Business Entertaining* shows not only how to plan and execute the perfect event, but also how to closely tie it in to company strategy and objectives for best results. Covered in detail are how to identify and set clear objectives for each event; which type of function is best suited to meeting your objectives; what you need to establish before forging ahead with organizing committees and reviewing or developing proposals; how to develop a realistic budget, and when to question expenses proposed by staff or professional event planners; the importance of sign-offs; how to identify controversial spending and other red flag areas that could seriously damage the company's reputation, or even put it at financial or legal risk; how to establish spending guidelines and policies on employee conduct at company functions; and how to evaluate the success and results of your business functions.

CHAPTER ONE

THE EVOLUTION OF BUSINESS FUNCTIONS AND THE WAYS THEY CAN BE USED TO SUCCESSFULLY DRIVE BUSINESS GROWTH

CORPORATE EVENTS AND BUSINESS entertaining are used by corporate North America to foster business development and growth and are a major part of a company's communication, sales, marketing and public relations strategy. Staged effectively, they can contribute to a company's success, standing, profitability and expansion and are equally successful with large and small companies that operate locally, nationally and internationally.

Corporate events can be used by businesses of all sizes to solicit new business, create a corporate or brand image, and retain and build loyalty with existing suppliers and customers. They can also be used effectively to elicit peak performance from employees and produce camaraderie and teamwork among coworkers. The corporate event bar has been raised dramatically and the competition to craft something original that will help a business create public awareness as well as industry and media buzz is fierce.

But corporate events and business entertaining not designed with care—without an eye on business ethics and etiquette—can seriously damage a company's image and put the company and its management in potentially high-risk situations if not handled

carefully, professionally and appropriately. Corporate boards and chief executives are now seeing how company scandals played out in the headlines can estrange customers, sink stock prices and end careers in a matter of minutes. And many of the transgressions that have been made public have been linked to corporate events and business entertaining.

One company's team-building exercise turned into a case of sexual harassment and sexual battery that ended in a \$1.7 million settlement. Their losing sales teams had been asked to eat baby food, wear diapers and be spanked with their competitor's signs.

In another case, a company CEO was removed from his post and sent home to take a position as an in-house auditor when his company was hit with a \$190 million sexual harassment suit. The company CEO was accused of improper behavior with one of his staff members both in the office and on business trips when he invited her into his hotel room and made improper advances.

Off-color jokes, permitted at another company's conference, made national headlines and left readers—who were both existing and potential customers—with an impression of the corporation having poor business judgment. As did a teaser mailing for a golf event that closed down an office tower in the middle of a business day, when one of the cans of bear spray, which was tied into the promotional campaign, was released and set off a security alert. Traffic ground to a halt in the middle of the financial district, work was disrupted, and people were inconvenienced for more than two hours while the area was sealed off and surrounded by dozens of fire trucks and police cars. Many of the employees headed for home as a safety precaution.

Another company's promotion ended up with an arson squad blowing up a newspaper box, thinking it held a possible bomb. The box was rigged with a device set to play music, tied into the product launch, when the door was opened, but some of the devices were not securely fastened into place. They dropped on top of the stacks of newspapers and displayed wires sticking out from the recording device, causing great alarm.

As a company grows, so will its business function requirements. The range and style of business functions it puts on and takes part in, and the type of business entertaining that is essential to it as a company will change and grow as the company itself will. Business functions and business entertaining become a part of a company's signature style and convey as much about it as a company—to its workforce, clients, suppliers, potential customers and prospective top-level employees—as does its carefully chosen letterhead and promotional material and how they conduct, present and position themselves in business. But many companies focus more time and effort on these details than they do on planning a corporate event.

Corporate events, done right, become an integral part of a company's image and corporate culture. It is important that a company not allow itself to become stagnant and repetitive if it wants to retain both the competitive edge that using business functions has brought it and its reputation of being a cutting-edge leader in its industry. Business functions become more sophisticated and complex as a company develops and expands their reach in order to meet their changing needs and those of their evolving clientele. There may be “usual” business activities you don't see as “events,” such as board meetings, but if you treat them as special functions, with business objectives and follow-up, they can go to the next level and produce outstanding results.

Executives striving to make a name for themselves within their company and industry want a seat on their company's strategic planning committee and are actively vying with one another to be an integral part of their company's decision-making team. It is important for them, personally and professionally, to be viewed as an essential voice within a company's strategic growth plan, and one way to do this is by demonstrating an understanding of how business functions can be used to corporate advantage. They know that meetings and events, successfully implemented, can be a driving force toward ensuring business success, and if they can bring valuable knowledge and insight into the which, when, where and why of corporate events, they will secure themselves a place at the decision-making table.

Possessing the skills required to select the right business function to meet targeted company objectives will set executives apart from their peers and enable them to get the resources (budget, staffing, etc.) and empowerment they need to plan the most effective meetings and events for their division and for their company. Knowing how to justify the bottom line puts them in a position for senior management support. In order to move ahead with confidence in planning their next company function, it is important that they learn what questions to get answers to before contracting and avoid putting themselves and their company at financial and legal risk.

Executives are now being held personally accountable to high-level management for every dollar they spend. Part of that accountability includes proving the relevancy of the dollars being spent on educating, enlightening and entertaining staff, suppliers, customers and the general public through corporate events and business entertaining. Company boards and chief executives are requiring that personnel involved in business function management provide them with evidence that corporate objectives are being more than met by the investment in events and that these expenditures are earning the expected return on investment. If committee and department heads fail to observe company mandates, their divisions can suffer budget cuts and the elimination of jobs, while they themselves may face the prospect of being fired as an example to other company executives and up-and-coming employees.

At one leading automotive company, it was a well-known fact that the corporate executive placed in charge of the company's yearly product launch faced the very real possibility of not being with the company to head up the next one (just like his or her predecessors). In seven years, the company's president had fired seven rising executives who "did not know what they did not know" when they were asked to take on this critical company event. Thrust into a position they were ill prepared to handle, they were unable to achieve the results that head office required.

What they had failed to realize was that flawless event execution does not mean company objectives are being met. They put their

focus and energies into a day of orchestrated perfection instead of ensuring that each event element they selected would bring about the desired objective, which was not necessarily financial.

For example, a perfectly produced car launch in XYZ location—which can run in the millions of dollars—means nothing if the dealers whose business the company is soliciting choose not to attend. Many car dealerships carry more than one line of cars and are wooed by each competing company to attend their car launch. The dealers, many independently wealthy, can afford to be choosy with how they spend their time and their money, and if a specific car launch—as it is positioned—does not entice them, they will not step foot on the plane.

Knowing how to qualify and select the right event and entertaining elements that will draw the dealers and get them clamoring to be part of an exclusive event is essential to a successful product launch. But hand in hand with getting the dealers to attend goes the challenge of giving the dealers a reason to pre-order the new line, and all of that was being overlooked in the product launch planning stages. The main focus year after year was on the dollars and cents of budget management, and not on the dollars being spent making both cents (profit) and good business sense after the event had taken place. The executives found out the hard way that coming in on budget without meeting company objectives means that you have run your event at a loss and all the money, time and labor spent planning and producing the event has been wasted.

The Evolution of Business Functions

In the past, business functions were used mainly as a medium for communicating internal corporate developments, such as a company's future plans, prospects, policies and procedures. Businesses used corporate events to foster goodwill between employees and management, encourage company loyalty, raise morale, demonstrate leadership, provide training and show employee and customer appreciation. These traditional business function needs were generally handled in-house. Events were held

in the office or at a local hotel and were produced with the help of an audiovisual company and basic equipment.

Traditional business functions include:

- board meetings
- business meetings
- client appreciation events
- conferences
- conventions
- corporate shows
- employee appreciation events
- trade shows

As technology evolved, corporate events developed a more sophisticated style. Companies began holding meetings and events further afield and in a variety of venues. Logistically these functions became much more complex. Corporations seeking new ways to stand out from their competition, take the lead in market share, entice top performers to work with them and retain key personnel started turning to business functions, both corporate and social, to help them achieve their objectives.

Today, business functions are dynamic sales, marketing and public relations tools used by businesses of all sizes. Business entertaining budgets have moved from hundreds to thousands, to hundreds of thousands of dollars, and, in growing numbers, to multi-million-dollar allocations for a single business function.

Advanced business functions include:

- custom training seminars involving emotional and physical challenges
- executive retreats
- gala fundraising events
- incentive travel and premium programs
- award presentation shows
- naming rights
- product launches
- product placement
- special events

The Value in Clearly Defining Your Event

For several reasons, it is important to be able to properly distinguish the type of business function that you are considering holding. First, it will help you establish company objectives and assess whether or not they can be met holding the type and style of business function that is being proposed. Second, it delivers a clear message to your attendees and suppliers, such as hotels, professional event planners, audiovisual companies and so forth, which will in turn help them work in partnership with you to best meet your objectives.

The name you give your function sets the tone and the company's intention. For example, a business meeting paints a very different image or event "energy" than a client or employee appreciation function, even though both can conceivably be very similar in delivery. A business meeting and a client or employee appreciation event can be formal or fun and can take place in a hotel or in a unique venue or location inside or outside. But with a business meeting, the focus is generally on the content that will be imparted to attendees and what they will take away with them and retain, while a client appreciation event can feel more intense and an employee appreciation function conveys celebrating individual and company achievement in a more relaxed atmosphere.

The Types of Returns Business Functions Can Bring

Companies of all sizes and types attend and host business and social functions as a means to:

- increase their company profile
- maximize performance
- grow brand awareness and recognition
- develop new business
- nurture employee, supplier and customer loyalty
- advance employee learning
- stimulate sales through motivation
- drive business growth

Too often, companies put events on and throw parties without even considering such objectives. As such, they waste valuable opportunities, time and money. A strategically planned business function, whether it be put on by the company or attended, can bring a multitude of rewards. But it's key to know which one to do or attend as a company representative; when and why it is better to be the host, sponsor or guest or play a different role; and how to take what you are doing and meet all objectives. It is important that company employees attending business meetings, industry events and so on as company representatives on company time and money be given a clear set of company objectives that need to be met from the outset. It is essential that employees acting as company representatives are not wasting their company's investment of time, money and energy and are not adversely damaging the company's reputation or theirs personally and professionally, which could reflect back on the company. No one wants to be perceived as the person who would "go to the opening of an envelope" and yet many people and companies seem that way. Doing so creates industry buzz that they must not have a home or social life or much to do at work, and that is not the business or personal message you want to convey. It is important to be selective and to be function savvy. Play—social and business functions that are more relaxed—can be work, but it is important to go into such functions with an investment strategy in mind, knowing exactly what return they will bring for all involved.

It is always important when staging or attending a business function that will meet company objectives to keep in mind the target audience and to remember that the audience can be far-reaching and that multiple objectives can be realized from one event.

Section 1

TRADITIONAL BUSINESS FUNCTIONS: WHAT THEY ARE AND THE RETURNS THEY CAN BRING

Board Meetings

Depending on the company, board meetings can take place daily, weekly, monthly, quarterly or annually. They can be held inside or outside of the company boardroom and are generally attended only by senior executives and the board of directors. Board meetings can run from a couple of hours to all-day affairs, and their focus is on business matters.

Sample Board Meeting Returns

To company heads, a board meeting is a time to come together to discuss company direction and make decisions. The only objective that they may have is to move through the agenda as quickly as possible and get back to business. Whether they hold the meeting at the office or at an outside location does not usually matter and can be thought to be inconsequential, as though the decision of where to hold their meeting will not factor into meeting company objectives, which is not always the case.

Holding a board meeting at the office serves many purposes. It is cost-effective. There is no additional cost incurred for room rental and material, and staff are on hand if they need to be referenced or they can sit in for a portion of the meeting. It is easy to request copies of any pertinent information. The only added expense is for catered breaks and lunches and any special audiovisual equipment that may need to be brought in.

If one of the company's objectives is personal growth and development of their staff, a hidden benefit to holding the board meeting at the office where all the higher-ups are gathered in a

show of company strength is motivating staff to aspire to someday be where they are. Seeing life at an executive level can create desire to be part of the inner circle and decision-making process. It will be noted who attended, how they interacted with each other and with office employees and even how they dressed. It is a display of office standards at their very best and a show of what it takes to be part of the executive team. It provides employees with direction if succeeding within the company is part of their goals.

It also creates new energy in the office. Desks and offices are usually tidied and ready for an office walk-through. Employee dress is usually elevated on days when it is known that key executives will be in the office. There will be speculation by office employees as to what will be on the day's agenda and how it could affect the company and them personally. Even what is served for coffee breaks and lunch will not go unnoticed, and it will be discussed should leftovers be put out for the staff to enjoy. They will note any differences between what is offered to company executives and what is offered to them on employee appreciation days.

What can be thought of as a small detail can actually be positioned to work toward or against meeting company objectives. For example, if the message from company executives is the employees are part of the team but the team is served pizza, pop and cake at their get-together while the executives are feted with gourmet fare in front of them—especially if leftovers are put out for them—then their actions are not in sync with what they have been saying. Going out to lunch as a group in a private room so that business can still be discussed may be a better choice for a board meeting in that case. No one would be privy to what the executives ate or how much the meal cost, except those whose job it is to be discreet. On the other hand, if one of the company objectives is to have employees striving to become company executives, serving a “working lunch” of high caliber may fall into giving them a return on their investment for handling it in that manner. Little things like whether or not china cups or foam cups were used will be noted not just by employees but also by senior executives, both of whom companies have invested interest in and are hoping to keep. Many senior executives have been