



The Business of Corporate Hospitality

Why do we instigate corporate hospitality programs?

- To reward customers and staff
- To develop and maintain relationships that will benefit your company
- To provide incentives for internal and external use
- To provide a relaxed and less formal environment to do business
- To gain an advantage over your competitors. If you don't, maybe your competitors will

Consider a reward program for "staff member or client of the month" or invite potential clients who may introduce other clients.

Corporate hospitality and growing your business

To commit funds to corporate hospitality means that you have identified that there are clients or potential clients whose business can deliver a significant advantage to your own business.

This means that you are prepared to make a sometimes-sizeable investment in purchasing corporate hospitality solutions. Here are some tips on how you can maximise the benefits of that investment.

It is important to remember that even if you don't enjoy tennis, your client may. Your client's satisfaction can make a difference to your firm's bottom line.

Devise and manage your hospitality budget

In Melbourne, apart from the home and away football season, most major events take place in the 6-month period between September and March. This period also includes Christmas for which your firm may incur further entertaining costs for staff and clients. So it may seem that there could be large expenses occurring towards year-end. This can be true but the once the investment in corporate hospitality is agreed, it is important to write it into the budget.

Perhaps various departments of your business experience boom periods throughout the year. When setting the budget, commit those departments to hospitality expenditure according to the patterns of their success. Share the cost around so that the investment is amortised year round instead of all at once.

Sometimes, companies team up to buy a whole table at an event. If you have a strategic alliance with another firm, this could be a way to make your hospitality budget stretch a bit further.



Appoint an Event Co-ordinator

- The event coordinator will become the liaison point for the hospitality agent.
- The event coordinator will need the authority to approve expenditure to levels agreed within the firm.
- The event co-ordinator may be required to provide corporate logos and other corporate theming such as flags, bunting and marketing materials and approve their use.
- The event coordinator should create and maintain a database include clients' names, position, name of spouse/partner, date of birth, favourite football team, favourite sports, \$ invested with your firm etc. Include whatever is considered important.
- Hospitality agents communicate regularly with event coordinators keeping them informed of the latest hospitality options.

Contact MEC to discuss setting a strategy for expenditure and how to make bookings.

Decide who what and where

- Identify the decision-makers or those to whom a close relationship is necessary to build your business.
- Research the company. Sometimes there are several people in the one company with whom you need to build a relationship. It is not always the executive ranks that can make the difference.
- Find out what interests them eg football, car racing, ballet.
- Book your tickets/packages early to ensure you get the events you need.
- Invite your guests early, give them time to respond. Leaving it to the last minute sometimes means that the person you want to invite is not available. Corporate hospitality is expensive so choosing the right available guest ensures you get value for money.
- Know which clients expect to bring their wife/partner with them. In our experience, many executives decline an invitation where the partner is not invited.
- Be wary of events falling on or near public holidays. Many families prefer to choose long weekends and public holidays as opportunities to go away. Invitations on these days may be declined.

When setting your corporate hospitality budget, it is a good idea to keep some funds uncommitted in case of special unplanned events.



Integration of hospitality and communication

Not all events take all day. For example you may choose to entertain a guest at a day/night cricket match or to treat them to a night at the theatre.

You may use this as a lever to propose new services to your client.

- Invite the client(s) to your office before the event and put on a boardroom presentation of the new product or service.
- Host a dinner in a nearby restaurant, typically main course only.
- Attend the show at the theatre
- Bring clients back to the restaurant for dessert and coffee and pass out new brochures/giveaways.
- Write and thank the client for their attendance. Remind them of their next point of contact. For potential clients, enclose marketing brochures advising them of your services.

You know how busy executives are, so be mindful of how precious time is to your important clients. Ensure you make the time they have set aside for you hit the target.

Develop a strategy for the day of the event

Take this opportunity to make your client feel special. Remember that your firm has made an investment in committing to corporate hospitality.

That means that you as host must make yourself available to attend the event at the appropriate time. Arriving at an event an hour later than your guest is inappropriate.

On the day

- It is a good idea to arrive at an event with your guests. Unaccompanied guests may feel uncomfortable.
- Consider using a hire car to collect your guests and deliver you to the event.
- Where there are several guests, purchase enough tickets to ensure that there is one host for every two guests.
- Hosts must behave in a professional manner. Consumption of alcohol must be monitored carefully.
- Staff members honoured as hosts must remember that their attendance at the event is not necessarily to be a good time for them, but an opportunity to strengthen the client relationship.



Leave all the worry to MEC. MEC can arrange prizes, birthday cakes, umbrellas, limousine hire, even Panadol. MEC understands how important your clients are to your bottom line.

What is the role of MEC?

In many instances, you will be able to call and make a booking direct to the event promoter yourself. So why an agent ?

- Many events, especially the big events in Melbourne, sell tickets to the whole event.
- If your firm wants to attend the Melbourne Cup Carnival, but only on Derby Day, purchasing from a hospitality agent is the only way to do it. The event promoter will only sell the 4-day package.
- Agents can often provide tickets to events which are “soldout” or hard to get.
- Agents usually only offer premium packages.
- Agents often offer discounted packages to big events.
- Agents look after you and your guests on the day. Everything is done for you. At MEC, we liaise with the caterers to choose special menus, ensure the suite is set up the way you want it, arrange table decorations, corporate gifts, corporate signage, and promotional material.
- Agents like MEC provide a hostess to every event to ensure the smooth running of the catering and the beverage service. MEC also welcomes guests and is a point of contact for unaccompanied guests.

How to get the best out of your investment and MEC

Once you have decided to invest in corporate hospitality you must calculate what you consider to be a reasonable return on that investment.

Analyse your client database and identify the clients you want to:

- Reward
- Retain
- Win
- Referrals to new clients

Setting and managing your expectations

How do you want your clients to respond or behave as a result of the hospitality given?

How will you measure is an event has been successful?

(continued)



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Debrief after the event to gauge how well it went:

- Ask your firm's host how it went ?
- Did the clients seem to have a good time?
- Was the event appropriate for that client?
- Did all the guests turn up ?
- Did the guests arrive on time. Late, leave early ?
- How was the food and beverage?
- How was the corporate marquee ?
- Did you receive your tickets from the agent in good time ?
- Was the hostess welcoming and helpful to you and your guests ?
- Were all your instructions to the agent carried out ? eg gifts, signage ?
- Did your guests express hope that they would be invited to more events ?

Follow up with MEC

The MEC host and hostess are available at the events. They will see firsthand how you and your guests enjoyed the event. But is important to follow up with them to discuss the following:

- The success of the event
- The assessment and review of the hospitality budget
- How to improve the next event eg add gifts, prizes, dinner etc
- What other events MEC can assist your company with

