



# HOW TO MAKE THE MOST OF YOUR SPEAKER BUDGET

By Laura Stack, MBA, CSP

Money is tight and times are tough. Meeting registration is down and the budget isn't available for that big-name professional speaker you want to bring to your meeting. If you find a speaker you'd love to invite but can't quite swing the fee, you may want to try negotiation.

From the perspective of the professional speaker or bureau, the speaking fee represents both a paycheck and the value the speaker brings to your group. When approaching speakers for low or no fee arrangements, be sure to recognize them as valued partners critical to the success of your meeting, not a replaceable commodity. Be prepared with your negotiation ideas before calling the speaker, to show that you value his or her expertise and contribution.

Speakers must be fair to the clients who pay their full fees. So if you want a speaker to accept a lower fee, think about what you can do in return that goes beyond what clients paying full fees would do. "As a meeting planner, make it as easy as possible for the speaker to say yes without compromising fee integrity," says professional speaker Scott Friedman, CSP, who is involved with a joint International Association of Speakers Bureaus (IASB)/National Speakers Association (NSA) task force. (The IASB/NSA task force is working to strengthen partnerships between professional speakers and speaker bureaus.)

Here are some strategies that will help you create a win/win situation, allowing speakers to receive value in return for the expertise they bring to your employees or members, while working within your budget:

## **Barter**

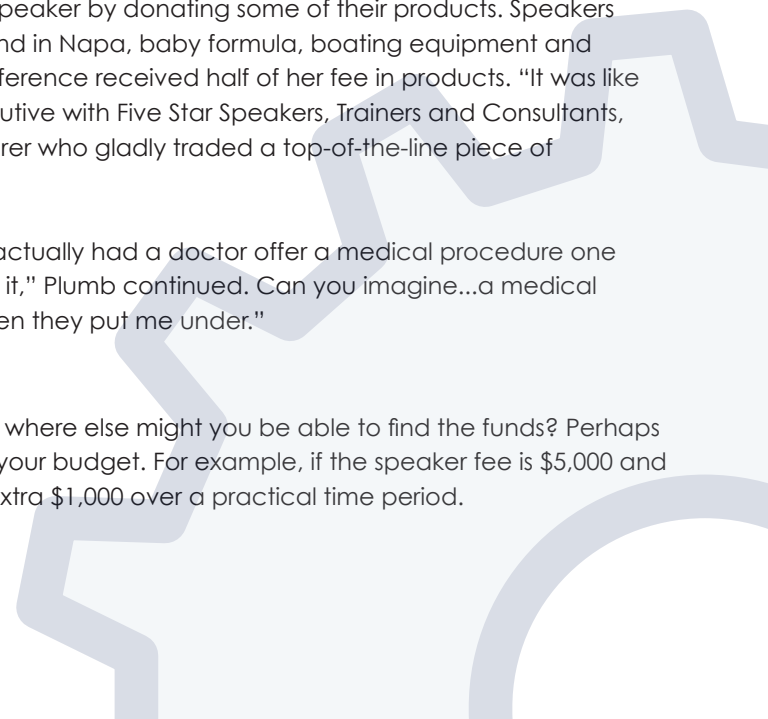
What valuable items can you offer the speaker in trade, instead of dealing in cash? Perhaps you can negotiate a trade that doesn't cost money but has comparable value. Think about what resources are available from members, suppliers, exhibitors or sponsors that are tradable. I presented a program in Vail, Colo., to a non-profit association in exchange for a night at the Ritz-Carlton, an additional night later in the year, an afternoon at the spa, plus skiing and snowmobiling for two. I was willing to do it because of the value of the trade, plus the opportunity to present to an association whose members could hire me.

Ask your exhibitors if they would be willing to sponsor the speaker by donating some of their products. Speakers have traded portions of their fee for a PalmPilot, a weekend in Napa, baby formula, boating equipment and farm tractors! One speaker who spoke at a Mary Kay conference received half of her fee in products. "It was like Christmas in July!" she said. Brad Plumb, an account executive with Five Star Speakers, Trainers and Consultants, "Recently I worked with an aircraft electronics manufacturer who gladly traded a top-of-the-line piece of equipment to the speaker, who happened to be a pilot."

Of course, you might not be able to barter everything. "I actually had a doctor offer a medical procedure one time, but couldn't find a speaker willing to take him up on it," Plumb continued. Can you imagine...a medical freebie? Not exactly what I want to be thinking about when they put me under."

## **Practice Creative Payment Plans**

If you don't have enough money in your speaker budget, where else might you be able to find the funds? Perhaps you could pay installments on the portion of the fee over your budget. For example, if the speaker fee is \$5,000 and you only have \$4,000, you could pay installments on the extra \$1,000 over a practical time period.



## Multiple Engagements For The Same Meeting

If you're already paying a speaker for the opening or luncheon keynote, ask that speaker to present a breakout session in the afternoon as well, thus saving on hiring additional speakers for that slot and lowering your cost-per-program. Also think of other areas where the speaker may serve instead of hiring additional speakers—(perhaps the speaker could serve as emcee, coach your top performers in a reserved session or facilitate the strategy session for the board of directors).

## The All-inclusive Airfare

Perhaps the speaker can donate frequent flier miles and get to the event, thus saving \$500 to \$1,000 in travel expenses. Or negotiate for "expenses not to exceed" if the event is more than six months out and the airfare might change dramatically.

## Using Money From Different Budgets

If the speaker has a book, provide one copy per attendee as a gift from your organization. At \$10 per copy for 500 participants, you can reduce the speaker expense line item in your budget by \$5,000 and charge the materials budget, professional education or publications budget instead. Perhaps you could offer a lower speaking fee and pay for handout materials or workbooks for each attendee, using your printing budget. Or you could offer a membership in your organization for a year and offset some of the costs by using another portion of your budget. You could offer to videotape the speaker and provide a master copy. Many times the speaker would love to take a spouse along, so you can offset a portion of the fee and provide travel for two. Some speakers will offer package pricing for multiple bookings, so you could tap next year's budget by offering to book this year's and next year's conferences on different topics. Can the speaker write paid articles for your newsletter over the next year? Do you have a training budget or employee education budget that is separate from the conference budget? The key is to get creative in how you account for the speaker fee.

## Discover Mutual Value

If you want the speaker and the speaker wants the opportunity to work with you, keep the communication open until you hit upon a situation that represents a "win" for you both. Does the speaker value being paid in full in advance? Does he have relatives in that town? Is the event at a resort location? Maybe she just wants to get on the inside track with the organization. Does the speaker have a slow calendar that month? Would you be willing to allow guests to attend the presentation for preview purposes?

The key is: you never know what's valuable to the speaker until you have these discussions. How can we both find value in this exchange and how can we get to that point? The speaker must be able to justify the negotiation and explain why they did what they did to the next client.

## Get Sponsorships

One very popular option is to have an exhibitor or supplier member sponsor the speaker. This can be a unique marketing opportunity for sponsors, to enable them to reach out to prospects. If the speaker is willing, you could offer the following benefits to your sponsor in exchange for paying the fee:

- Mention and thank the sponsor in the program
- Acknowledge the sponsor on your Web site
- Allow the sponsor to introduce the speaker and give a "live commercial"
- Have the speaker give numerous mentions of the sponsor from the main stage
- If appropriate, the speaker can wear the sponsor's logo shirt during the talk
- The speaker can sign books in the sponsor's booth after the program
- The speaker can do a special talk for them just before the conference starts
- The speaker can send a personal letter of invitation to the event to the sponsor's mailing list
- Hang a banner ad behind the stage while speaker presents
- Hand out individual fliers on each participant's chair
- Include the sponsor's name and logo on the pages of the speaker's handouts

If you get creative, there's really no limit to the options you can use to attract a company to sponsor the speaker.

## Provide Marketing Assistance

Some engagements are excellent marketing opportunities for speakers, when the audience members have the ability to hire them for future work in their individual organizations. So consider providing the speaker with:

- Membership or attendee list with contact and e-mail information
- A booth at the tradeshow
- A link to the speaker's Web site from yours
- A testimonial letter for the speaker's marketing kit
- If you are a state association or chapter, you can offer referrals and promotional to the regional or national conferences
- Letters of recommendation to key decision makers or executives in your industry
- An advance article in your trade publication or newsletter
- An opportunity to subscribe your members to the speaker's free monthly e-mail newsletter
- Approval to politely sell books and other resources in the back of the room
- Free registration for the event, so the speaker can network
- Complimentary advertising in your magazine for several editions, the conference flyer, and special e-mail notices before the conference with the speaker's Web site
- On-site interviews by the newsletter editor
- Assistance in garnering publicity on radio, newspaper, TV and bookstore signings while the speakers in your city.

## Conclusion

In all cases, it is extremely important to justify the reason for the negotiation in the contract. For speakers to maintain fee integrity, they need to explain in detail why a "special case" was justified and the arrangements should be kept confidential. One speaker had an awful experience when the announcer said, "It's incredible that so-and-so is here, since we got him for free!" Being a sales conference, it shot the speaker's credibility, since the participants were not told what was offered in exchange.

So in your speaker agreement, a special paragraph should start out, "Special consideration was given in the negotiation of the speaker's fee for the following reasons..." You might actually place a dollar value on the items agreed to in the negotiation. Or you can simply discuss the value of items while negotiating and list the items in the contract.

"The real key in this process is to find innovative ways to create an exchange of equal value," says Stephen Tweed, CSP, a past president of the National Speakers Association. Both the meeting planner and the speaker need to feel like this is a fair deal. The Internet has turned airplane seats and hotel rooms into commodities, with shoppers looking for the lowest price. We don't want to do that with speakers." By working together, we can add value to each other's organizations and create true partnerships between speakers and meeting planners, to benefit the meetings industry as a whole.

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