Establish and Conduct Business Relationships

Jacqui Muir AFMEA
Why do we establish business relationships?

- Establish and build on base of long term clients
- Enjoy repeat and referral business
- Tops up troughs in times of lower business activity
- Add to the bottom line – profitability and sustainability
Who do we develop business relationships with?

Clients

Suppliers

Information / Approval Providers
<table>
<thead>
<tr>
<th>CLIENTS</th>
<th>PROFESSIONAL CONFERENCE ORGANISER</th>
<th>SUPPLIERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry associations</td>
<td></td>
<td>Audio-visual companies</td>
</tr>
<tr>
<td>Private sector companies</td>
<td></td>
<td>Design and print companies</td>
</tr>
<tr>
<td>Government departments</td>
<td></td>
<td>Entertainers / agencies</td>
</tr>
<tr>
<td>Not for profit organisations</td>
<td></td>
<td>Exhibition companies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>IT / computer providers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Promotional products</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Merchandising</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Registration</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Security</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Signage</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Social &amp; partners activities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Speaker agency</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Theming companies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tour companies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transport providers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Venues</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GOVERNMENT / INFORMATION</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal and state bodies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local councils</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tourism organisations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meetings and Events Industry associations</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Steps for Success

1. Good first impression
2. Develop rapport
3. Effective communication skills
4. Regular contact
5. Conduct negotiations
6. Develop sound agreements and contracts
7. Avoid misunderstandings
8. Keep stakeholders informed
9. Networking
10. Be ethical
1. Good First Impression

1. Be Prepared
   • review your notes, research
   • check environment
   • business card, sales kit

2. Dress Appropriately
   • check, then double check!
   • dress to your audience
   • be comfortable

“Thank God we’re cute. You only get one chance to make a good first impression.”
1. Good First Impression

3. Arrive on Time
   - be waiting!
   - be outside where you are going 15 minutes before

4. Positive and Friendly Greeting
   - plan your welcome
   - smile
   - beware negatives! Incorporate one positive
   - introductions
   - shake hands
1. Good First Impression

5. Be Enthusiastic
   • phone calls
   • the dreaded “walk in”
   • show interest, ask questions

6. Use Good Communication Skills
   • verbal and non verbal
   • body language
1. Good First Impression

7. Practice Active Listening

Active listening is the intent to "listen for meaning" in which the listener checks with the speaker to see that a statement has been correctly heard and understood.

The goal of active listening is to improve mutual understanding.

8. Follow Up Outcomes in Writing
   • do what you say you will do
   • do it straight away
2. Develop a Rapport

Rapport is a relationship of mutual understanding or trust and agreement between people.
2. Develop a Rapport

1. Show interest in client / supplier
2. Be sincere
3. Keep appointments and keep meetings to time
4. Continue to communicate effectively
5. Continue to practice active listening
2. Develop a Rapport

6. Show cultural understanding
7. Make recommendations
8. Deliver as promised
9. Be responsive
10. Confirm changes in writing in a timely manner
Effective communication exists when what one person communicates is received by another as intended.

Our ability to communicate is measured by:
- What we say
- How we say it
- Our accompanying behaviours / actions
3. Effective Communication Skills

Oral Communication – spoken word

Written Communication – written word

Non-Verbal Communication – enhancing ideas using gestures, expressions, pictures etc

Personal Presentation and Body Language – gestures, tone and volume

“This concludes my lecture on non-verbal communication. Any comments or questions?”
3. Effective Communication Skills

How would you define open and closed body language?
3. Effective Communication Skills

Barriers to Effective Communication

- Selective listening
- Jumping to conclusions
- Inconsistency in the delivery
- Cultural differences
- Lack of confidence
- Physical barriers
- Lack of time
- Thought speed
- Impatience
- Prejudice
- Bad habits
- Noise
4. Regular Contact

How do you keep in contact with your clients and suppliers?

Telephone    Mail    Meetings    Website    Updates
Newsletters    Site Inspections    Text messages
Familys    Entertaining
4. Regular Contact

How often to stay in contact, depends entirely on what your client / supplier would prefer and where in the planning process you are with your meeting or event.

Please remember it is a precarious balance between staying in regular contact and becoming annoying!!
5. Conduct Negotiations

1. Planning and preparation
2. Definition of ground rules
3. Clarification and justification
4. Bargaining and problem solving
5. Closure and implementation
5. Conduct Negotiations

Techniques / Tips

1. Active listening
2. Active questioning
3. Research business situation or parties to the agreement
4. Identify goals of negotiation and limits to the discussion
5. Clarify needs of all parties including other stakeholders
6. Identify points of agreement and points of difference
5. Conduct Negotiations

7. Use non-verbal techniques to reinforce messages
8. Use appropriate language – avoid jargon, acronyms and colloquialisms
9. Know your bargaining strategies, including attempts to achieve win-win outcomes
10. Develop options and alternatives using brainstorming
11. Confirm agreements verbally and then in writing
12. Use appropriate cultural behaviour
5. Conduct Negotiations

Win - Win
Most successful technique where both parties strive for an equal outcome – ensures long term commitment of both parties to the agreement

We will beat our competitors
Name any price you have been given by a competitor and we will beat it

Try it out
Offer for a client to try a product before they buy

Take it or leave it
Starting at a ridiculously low price, the aim for the other party to feel that they have ‘won’ when the price is negotiated higher
5. Conduct Negotiations

Pressed for time
By creating pressure for a decision by a deadline (real or artificial) can force an early commitment

Worn out
Constant communication using different channels and reinforcing customer benefits can work in some situations

Compromise
Identify the extremes and reach a mid-level compromise
5. Conduct Negotiations

A Successful Negotiator

1. Customer orientation
2. Excellent interpersonal skills
3. Excellent product/service knowledge
4. Self confidence
5. Positive attitude
6. Selling or negotiation skills
7. Enthusiasm
8. Motivation to negotiate
9. Ability to see & point out the benefits
10. “Win Win” alternative seeker
6. Develop Sound Agreements and Contracts

Types of Agreements & Contracts

• Client contracts
• Service contracts
• Supplier contracts
• Agency agreements
• Preferred product agreements
• Distributor agreements
• Franchise agreements
• Employment agreements
6. Develop Sound Agreements and Contracts

Agreements VS Contracts

A more formal **contract** is a deed or contract under seal and legal language and terminology used throughout the document.
6. Develop Sound Agreements and Contracts

Agreements VS Contracts

An agreement is really a simple contract where two or more parties have agreed to item / service – this is generally supported by a document expressing that agreement in writing. Agreements are normally more simplistic in their language and terminology than a formal contract.
Any variations to an agreement or contract should be in writing – no exceptions!

“An oral contract is not worth the paper it’s written on.”
7. Avoid Misunderstandings

What kind of misunderstandings / Miscommunications can happen in our industry?
7. Avoid Misunderstandings

Harmony and respect in a relationship is achieved by avoiding misunderstandings / miscommunications!
7. Avoid Misunderstandings

If a misunderstanding occurs

• Accept responsibility
• Apologise (a lot!)
• Arrange a follow up meeting to discuss what happened and why
• Be seen to be proactive
• Put steps into place so it won’t happen again
• Discuss it with other staff – everyone will learn something!
• Let it go, don’t hold a grudge
8. Engaging Stakeholders

A person or group that has an investment, share, or interest in something, as a business or industry.

Keeping them engaged in your event / activity means that you will be kept informed of any developments / legislation that might impact on you.
8. Engaging Stakeholders

Who are your stakeholders?

Sponsors / funding bodies
Federal Government
State Emergency Services
Fire Brigade
Industry bodies – Meetings & Events Australia
Tourism bodies – Tourism Australia
Environmental Agencies
Transport Providers
Community Organisations

Local Councils
State Government
Police Service
Ambulance / First Aid
Liquor Licensing and Gaming
Health & Transport Authorities
9. Networking

Networking is an important step in establishing and conducting business relationships.
9. Networking

- Decide on your objectives beforehand
- Avoid talking about work, don’t sell!
- Plan some open ended questions
- Listen, don’t do all the talking (more active listening!!)
- Take plenty of your own business cards
9. Networking

• Be brave, don’t stay with the same people
• Make notes / Develop a system for after the event
• Network everywhere! Use conferences and PD sessions
• Be sincere and don’t have expectations
• Enjoy and have fun!
9. Networking

Remember its about developing long term relationships, don’t think about it in terms of short-term gain.

People generally want to do business with people they know, like and trust.

Networking allows you to develop this relationship outside of a “normal” work situation.
10. Be Ethical

The rules of conduct recognized in respect to a particular class of human actions or a particular group, culture, etc.
10. Be Ethical

- Conduct yourself with objectivity, honesty and integrity
- Act in accordance with laws and regulations
- Perform your duties with care and diligence
- Respond to stakeholders equitably, courteously, and in timely manner
- Maintain confidentiality
- Avoid conflicts of interest
- Do not take advantage of your position in order to seek or obtain benefit for yourself or any other party
Key Points

1. Good business relationships make a good business

2. Invest the time and effort into the business relationship in the early stages and throughout the relationship and reap the rewards

3. Trust and respect is paramount