

Chapter 1

The Event Planning Industry

This book is a guide to developing a thriving business in this rapidly growing industry. It is an exciting time to throw your party hat into the event planning ring, as event planners are being called upon to develop and stage literally millions of events every year.

These events range from first-birthday parties to political fundraisers, anniversaries, bar and bat mitzvahs, fashion shows, product launches, conferences, graduations, and reunions, to name just a few!

According to a recent report in *The Wall Street Journal*, it takes about 150 hours for a planner, working with her staff, to produce a major event from start to finish. You do the math. Millions of events multiplied by hundreds of hours spent planning equals many, many opportunities for those entering this field.

Yes, working in the field of event planning can mean long hours and high-stress moments—when the kitchen is accidentally set ablaze, for instance (something that Cheryl Hagner, Director of University Events and Scheduling at Wesleyan University, faced with aplomb). For the event planners interviewed in this guide, though, the rewards far outweigh any possible negatives. The field of event planning is fast-paced, creative, innovative, energizing, and offers the real possibility for earning big dollars.

This first chapter offers an overview, looking at what event planners do and why they do it. The chapter also includes an overview of the special events industry and a sampling of ideas for conducting your own market research, a must-do when creating a new business of any kind.

THE WHO, WHAT, WHEN, WHERE, AND WHY OF EVENT PLANNING

We begin by considering the who, what, when, where, why, and how of event planning (although not in that order).

What Is Event Planning?

This question actually breaks down into two questions: What kinds of events are we talking about? What is event planning?

First, what kinds of events are we talking about? They include:

- ▲ **Celebrations** (fairs, parades, weddings, reunions, birthdays, anniversaries, bar and bat mitzvahs, first communions, sweet 16s)
- ▲ **Education** (conferences, conventions, meetings, graduations)
- ▲ **Promotions** (product launches, political rallies, fashion shows, conventions)
- ▲ **Commemorations** (memorials, civic events)

The above list is not an exhaustive one, but as the examples illustrate, special

events may be business related, purely social, or somewhere in between. The advice in this book is relevant to the planning of both business and social events.

Now we move to the second What question: What is event planning?

Planners of an event may handle any or all of the following tasks related to that event:

- ▲ Conduct research
- ▲ Create an event design
- ▲ Find a site
- ▲ Arrange for food, decor, and entertainment
- ▲ Plan transportation to and from the event
- ▲ Send invitations to attendees
- ▲ Arrange any necessary accommodations for attendees
- ▲ Coordinate the activities of event personnel
- ▲ Hire employees to work the event
- ▲ Supervise at the site
- ▲ Conduct evaluations of the event

How many of these activities your business engages in will depend on the size and type of a particular event, which will, in turn, depend on the specialization you choose. Your specialization will, of course, depend on your areas of expertise, but also will depend on your location. If you live in rural Iowa, for instance, you may be planning to develop a social event planning business since you may not have a strong corporate presence in your town.

Event Planning News

For anyone thinking about developing a career in corporate event planning, the time is right. According to the most recent Meetings Market Report, a biannual source of information for planners, 90 percent of event planners anticipate holding the same number of events or more in the coming year, an indicator of the robust and growing state of this business field.



When Do Event Planners Work?

Few event planners, if any, have 9-to-5 jobs (unless, of course, they have a day job and conduct their event planning as a sideline; this strategy may be a good one if you are just starting out). By its very nature, event planning tends to involve evenings, weekends, holidays, and sometimes even specific seasons. How much time, and when, you must commit to working will depend, once again, on the specialization you choose.

Deborah K. Williams estimates she works 60 to 65 hours per week. She, Kim Quigley, and David Granger are all stockholders in Designs Behind the

Scenes, their 13-year-old event planning company in Dallas. Their business is a combination of corporate and private events and rentals. October is their busiest month for corporate events, followed by December. They have private events most weekends.

Industry expert John Daly points out that summer is a slow period for corporate events. Also, by the second week in December, all the corporate holiday events are over.

As a general rule, social events involve more weekends and holidays than corporate events. Some areas of the country and some types of events have on and off seasons. However, no matter what your specialization (with the exception of parties for young children), you can count on working at least some evenings as you coordinate and supervise events. The planning of those events, however, will be done mostly during business hours.

Smart Tip

It is vital that you consider your life and lifestyle as you plan a business in event planning. If you are raising young children, for instance, be sure that you have a system in place for reliable child care. Nothing will sink your business faster than if you are forced to miss events because your babysitter didn't show up as planned.



Where Do Event Planners Work?

Some event planners work out of their homes, while others rent office space for their businesses. Each of these strategies has advantages and disadvantages. Chapter 4 offers more advice on choosing the ideal location for your business.

Why Do People Hire Event Planners?

This question has a simple answer: Often individuals find that they lack the expertise and the time to plan events themselves. Independent planners can step in and give these events the attention they deserve.

Large businesses hire event planners to produce the myriad events—from golf tournaments to trade shows with tens of thousands of attendees—that are necessary each year.

Who Becomes An Event Planner?

Planners are often people who got their start in one particular aspect of special events.

Lauren Polastri, owner of The Other Woman, an event planning business based in Connecticut, laid the foundation for her business with a thriving catering business. Likewise, Martin Van Keken of MVKA Productions in Vancouver, British Columbia, had a successful catering company before he decided to plan entire

events. Initially, Lee J. Howard Entertainment Inc. in Atlanta provided entertainment only. Then, in response to client requests, Howard branched out. Many other planners have similar stories. This explains why planners often not only coordinate entire events, but also may, in addition, provide one or more services for those events.

Often, owners of event planning businesses are also people who planned events for other companies before deciding to go into business for themselves. Joyce Barnes-Wolff planned in-house events for a retail chain for 11 years and then

worked for another event planning company before starting JBW Productions in Columbus, Ohio. New York City planner Jaclyn Bernstein also planned events for another company before she and partner Robert Hulsmeyer bought it and turned it into Empire Force Events Inc.

Although the backgrounds of event planners may vary greatly, planners share many traits. Everyone we interviewed insisted that you have to have a passion for the event planning industry. Many said that they can't wait to get to the office most days. As industry expert Joe Goldblatt notes, "Successful event managers love their jobs."

John Daly, floral design specialist and industry expert, has written for industry publications, including

Special Events Magazine. He also does a lot of public speaking. When he is asked about profits in the industry, he replies, "You have to get the passion, then the money will come. It's hard work. But it's rewarding if it's your passion."

Joyce Barnes-Wolff also stresses that people get into the event planning industry not because they want to get rich, but because they have a passion for it. "We all suffer from 'puppy syndrome,'" she says. "Clients love to throw us the ball and we'll run harder and faster every time they throw it and we'll jump over things. And all we want is for people to pat us on the head and say 'good job.'"

Barnes-Wolff has had many clients give her this figurative pat on the head. When she planned her first event, her task involved "... putting on a pot of coffee and calling the press and trying to get 25 people to show up." She learned and grew along with the retail company she worked for, and her last event for that company was a shareholders meeting for 18,000 people. After that, she planned

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Susan Meyer, of Susan K. Meyer

Consulting, advises corporate clients to keep that perennial favorite, the golf outing, in their event repertoire. "Sometimes during economic downturns, companies may think they'll save money by eliminating golf outings, but deals are made on the green. Golf tournaments are so the way to go—you get all of these businesspeople on the course chatting it up. All sorts of deals get made out there."



events for a production company for about five years before starting her own business, JBW Productions. Although her company is now seven years old, she did not initially intend to strike out on her own. "I was handed a chunk of business," she says. Her local convention and visitors bureau hired her directly to produce the Capitol Lights event. Since she began her business, her company has expanded to produce other corporate and nonprofit events.

What about the personality of event planners? When asked what traits are important in the industry, planners listed the following:

▲ **Organizational ability:** Everyone mentioned this trait. Therefore, be warned: If you would rather count every blade of grass on your lawn than make a list, this profession is not for you.

▲ **Attention to detail:** This is another must mentioned by most interviewees. Planners must think of, and keep track of, an amazing number of details. Planner Lee J. Howard suggests the following strategy, "Think from the completion of the result you want and then work backward to see how you can get there."

▲ **A stout heart:** You can't be faint-hearted and be a successful planner. You are in charge of the entire event, and there are no second chances.

▲ **Nerves of steel:** Glitches or no glitches, you must be upbeat and positive during the event. (You can cry and gnash your teeth later, in the car.)

▲ **Decision-making ability:** Anyone who is always the last of a group to order at a restaurant should consider a different industry. As an event planner, you will be called upon to make many decisions, sometimes in only a split second.

▲ **Good communication skills:** You'll need to convey your ideas and plans effectively to your clients, staff, and vendors, among others. You will need this ability not only as a sender, but also as a receiver of communication. Keep in mind that communication can be visual as well as verbal. Recognizing a blank look when you see one can enable you to clarify directions before some aspect of the event goes awry.

▲ **A liking for people:** This industry is very people-oriented. Jaclyn Bernstein mentioned a propensity for "taking care of people."

▲ **Creativity:** Whether you handle design elements of an event or not, creative talents are a definite plus. Furthermore, the definition of creativity may not always be

Profile

Cheryl Hagner, Director of University Events and Scheduling at Wesleyan University, emphasizes the importance of good communication and truly listening to her clients. "Don't push your agenda. You absolutely want your clients to be comfortable with the conclusion. When I first meet with a client, I say, 'Tell me what you want and we'll do it.'"



what you think. “Creative is when you’re on the job and Plan A isn’t going to work and you have half an hour to figure out Plan B,” says Patty Sachs, author of *Pick a Party Cookbook: The Big Book of Theme Party Refreshments and Table Décor*, among other books.

▲ **Flexibility:** “There’s always something that will go differently than planned,” says Martin Van Keken. “You’ve got to be ready. And you’ve got to be able to think on your feet.”

▲ **Tact:** Sometimes you will have to break unhappy news to clients. For example, their budgets may not always be big enough to accomplish what they want. Also, they may want decor elements that either will not work well or are inappropriate. While these problems are less common when dealing with corporate clients, you will still find tact a necessary ingredient in successful business relationships.

If you have most of these traits, event planning may be a good profession for you. How do you find out for sure? “Volunteer, volunteer, volunteer!” says Sachs. “Offer to assist the chairperson of a large fundraising event, the bigger the better. Follow that person through from start to finish, sitting in on all meetings and pushing

Do You Have The Right Stuff?

Event planners and industry experts have plenty of philosophies about their field and about their own roles in event planning. “Goodwill matters a lot in this business,” says industry expert John Daly. “It’s important to share knowledge.” His motto? “Big fun is serious business.”

“In this industry there is no right or wrong except to make the client happy,” says David Granger.

Planners design events, hire personnel, and also contribute their own labor where needed. This multifaceted aspect of the profession explains Martin Van Keken’s philosophy: “We’re the architect, the contractor, and sometimes even the electrician,” he says.

Joyce Barnes-Wolff views creative work as a major contribution her company makes to events. But creativity, she cautions, is not everything. “Without planning and follow-through, it’s like a roof without a foundation,” she says.

When asked about the qualities of successful event planners, Lee J. Howard has these succinct words: “Grace under pressure.”

Jaclyn Bernstein knows exactly why event planners stick it out through pressure, crazy hours, and deadlines. “You have to love what you’re doing,” she says.

And, you may ask, what about a shared, industry-wide philosophy? Is there a motto? You bet. “You’re only as good as your last event.”

Smart Tip

If you decide to volunteer, make sure you are not an “invisible” volunteer, one of the masses. Make sure you are assisting the person in charge and that you get experience with a large variety of tasks.



the event over the hill, grunt work included. This will establish the area of planning that you find most appealing and for which you are most suited.” If you already have some idea of which types of events you’d like to plan, make sure you concentrate your volunteer efforts there.

HOW DO EVENT PLANNERS DO IT?

The answer to this question is what this book, as well as your own experience, will show you. So pull up a comfortable chair and read on. Our first step will be to examine the event planning industry itself.

A HISTORY LESSON

The special events industry has grown enormously in the last two decades. According to recent research conducted by Joe Goldblatt, Certified Special Events Professional (CSEP), annual spending for special events worldwide is estimated at \$500 billion. Goldblatt is the founder of International Special Events Society (ISES) and the founding director of the Event Management Program at George Washington University. Currently at Johnson and Wales University, he is the dean of the Alan Shawn Feinstein Graduate School, which offers the first MBA concentration in Event Leadership.

According to U.S. government census information, job growth in this field is on the uptick. Globalization has added to this surge as these multinational businesses call on event planners to develop meetings for their globetrotting staffs. These companies recognize that only so much work can be conducted via phone and e-mail (remember the deals that are made on the golf course when business associates come face-to-face!). Ultimately, the players in these large corporations need to come together in one place. This is when the event planner is called into play.

Smart Tip

Depending on the type of services they offer, independent planners might call themselves by any of the following titles: program manager, project manager, event planner, principal executive, fund-raising consultant, development consultant, meeting consultant, or event coordinator, among others.



Bright Idea

When a company holds a meeting in a major city and the attendees travel to the meeting from other cities or states, a planner may use a destination manager's services to take care of the attendees' needs at their meeting location. Destination managers coordinate and supervise meetings in their cities, transport attendees to and from their hotels and airports, and take attendees on tours to give them a feel for the cities they are visiting. Jaclyn Bernstein, president of Empire Force Events Inc. in New York City, handles a lot of destination management business.



Studies show that the average event planner now earns about \$60,000, with plenty of room for growth to this already healthy income.

Goldblatt adds that the social events market is booming. "As the baby boomers age, they have more to celebrate—and do!" He points out that a record number of Americans are turning 50 in the next few years—and they will mark their birthdays with flashy events.

Sachs agrees, "The event, party, and celebration industry is growing more each year, in a steady way." Like Goldblatt, she points out the large number of baby boomers celebrating milestone birthdays. In addition, she says, many are now celebrating landmark anniversaries or their offsprings' graduations and weddings. "To top all of this, these baby boomers are often owners or executives in businesses that were established some 25 years

ago, which brings about many corporate celebrations."

Also booming is the children's birthday party business, with over-the-top first birthday celebrations and extravagant sweet 16s contributing to the rapid growth of this aspect of event planning.

Although potential profits, especially in social event planning, are substantial, keep in mind that it takes the average event planning business two to three years to make a healthy profit. Why? One reason is that most clients come from word-of-mouth referrals, and it can take a while before a solid base of contacts is developed. More about building a solid client base will be covered in Chapter 7.

A SOPHISTICATED TURN

Along with increased demand for special events, and perhaps because of it, the industry has become much more sophisticated. According to John Daly, "It's become a force to be reckoned with." Twenty years ago, he says, a party was a tablecloth and a centerpiece. Event planners were not taken seriously. When he told people he created parties for a living, he remembers, it was laughable. "Now it's interesting," he says.

David Granger, a veteran in the industry, concurs. "People know what they are

looking for,” he says. “A certain quality is expected now.”

Joyce Barnes-Wolff makes a similar point: “There is more credibility than when event specialists were the people who did country club parties.” Now, she adds, huge concerns like Disney, Radio City Music Hall, Universal Studios, Paramount, and others have become involved in the special events industry.

WHO HIRES EVENT PLANNERS

Broadly speaking, there are two markets for event planning services: corporate and social. Market information is more readily available for corporate meetings than for other events, but we will attempt to give you a good idea of both markets.

The Corporate Market

We will use the term corporate to include not only companies but also charities and nonprofit organizations. All these entities use special events to reach their target markets and to increase their visibility in the community. In fact, special events have become increasingly important as competition forces organizations to look for new ways to get their messages across to consumers or contributors.

Charities and nonprofit organizations host gala fundraisers, receptions, and athletic competitions, among other events, to expand their public support base and raise the funds they require. Such organizations find that special events are cost-effective and have a high impact. Thousands of these events occur each year, and although the large ones require specialized event planning experience, you may find smaller local events to plan.

Companies host trade shows, conventions, company picnics, holiday parties, and meetings for staff members, board members, or stockholders. There is a huge market for these types of events. In one year alone, the total number of meetings held in the United States is well over 1 million, according to *Meetings Market Report* conducted for *Meetings & Conventions* magazine.

Whether you plan meetings, fundraisers, or receptions, there are opportunities available in corporate event planning.

Patty Sachs, author of party-planning books and newsletters, says that corporations want events that are original and striking enough to be long remembered: “Themes are extremely popular.” Lauren Polastri of *The Other Woman* has also found that her clients are asking for more event-themed parties and events. Unusual sites, customized entertainment, and an increased degree of guest involvement are also gaining in popularity. The bottom line for most party givers—corporate or social—is that they want to feel that their party was special or unique in some way.

Planning corporate events can provide you with a steady, profitable amount of business, but if you are a beginning event planner, Daly recommends that you begin by planning social events.

Stat Fact

The Meetings Market Report is conducted every two years and published in Meetings & Conventions magazine, a leading source for the meetings industry.



The Social Market

Social events include weddings, birthdays, anniversary parties, bar and bat mitzvahs, sweet 16 parties, children's parties, reunions, etc. You may decide to handle all these events or to specialize in one or more of them.

Most people who employ event planners for these types of parties are in the middle- to upper-income levels and have some spare income but no

spare time. Such clients are likely to live in affluent suburbs. Typically, these clients have household incomes of at least \$60,000.

The market for social events, especially birthdays and anniversaries, is expected to continue to increase over the next few years, as baby boomers mature. This group has children getting married, parents celebrating golden anniversaries, and their own silver wedding anniversaries to celebrate. Industry experts agree that baby boomers will be a major source of income for event planning entrepreneurs in the coming years.

CONDUCTING MARKET RESEARCH

Many interviewees told us that their market research was very informal in nature, consisting of knowledge gained through years of involvement in the industry. Deborah Williams, Kim Quigley, and David Granger all have years of experience in the event planning or supply industry. Their target market is the Dallas-Ft. Worth area. However, they also operate nationally, producing corporate events in Florida, Oklahoma, and Ohio. Most of their clients come to them through organizations they belong to or because they have been involved in the industry for many years. "So you know the resources and the people," Quigley says.

If you already have experience in event planning or a related industry, you may be starting your own business partly because discussions with colleagues make you aware that a need exists. This kind of knowledge is valuable, but Goldblatt points out that competition is now global as well as local, and all event planners should do market research. With this idea in mind, we now offer some suggestions on how to conduct this type of research.

The Market Analysis

One of your first tasks is to determine the market limits or trading area of your business. These limits will vary depending upon the type of event planning service you offer. For example, if you plan parties, you may limit your market to your county. If you plan corporate meetings, however, you may have a national client base.

Studies show that a population base of at least 50,000 is needed to support an event planning service. Keep in mind that the higher the income level of that population, the more potential clients there will be for your business.

If you live in an area with a population base of less than 50,000, consider your goals. Perhaps you are a mother of young children and are hoping to earn \$5,000 a year, keeping your business small while rearing your children. Then a smaller population base may work for you. Many event planners put their hats into this business, planning to earn only a part-time salary to supplement other family income. This is one of the real strengths of this field. You can choose to create a successful part-time or full-time business in event planning.

To conduct a market analysis you need to ask and answer the following questions:

- ▲ Is the population base large enough to support your event planning service?
- ▲ Does the community have a stable economic base that will provide a healthy environment for your business?
- ▲ Are the area's demographic characteristics compatible with the market you wish to serve?

Many chambers of commerce have offices that track their area's economic development. These offices are usually called either Office of Economic Development or Economic Development Council. Find an office in your area, and look for the above information. In addition, look at reports and studies conducted by trade associations. You can also contact the Census Bureau at www.census.gov.

You can also access www.bls.gov/cex/ to read the Bureau of Labor's Consumer Expenditure Survey. This survey includes information about how individuals and families spend their money.

If you'll be planning corporate events, you also need to know the number of corporations in your service area that hold regular conventions and meetings, the size of these companies, their budgets for these events, and if they are using outside services. You will be able to find answers to many of these questions on a company's website.

As you conduct your market research, memberships in industry-related associations can be well worth the investment. Associations usually offer networking opportunities and a wealth of industry-specific information, such as market statistics, member lists, books, and reference materials. They may also offer discounts on purchases from certain suppliers.

There are several associations specific to the event planning industry, including the International Special Events Society and Meeting Professionals International. For information on contacting an industry association, please see the Appendix at the end of this guide.

Interview Prospective Clients

The next step is to interview prospective clients. What are their needs? How likely are they to use a service like yours? If you are planning corporate events, interview meeting planners and directors of marketing and public relations, as well as event directors at convention halls and hotels. If your business will focus on social events, interview women in affluent households (studies show women do most social planning). Whatever your specialization, also consider interviewing professionals in related fields. Photographers and caterers know a lot about the nature of the special events occurring in the area. You can survey your targeted market by direct mail, by telephone, by e-mail, or in person.

Next, Goldblatt suggests, try to get a few clients. "If people are not willing to pay you, they're not fully committed," he says.

Analyze The Competition

Competition in the event planning market is fierce, but it is not insurmountable. If you are targeting the corporate market, your competition will consist not only of other event planning entrepreneurs, but also of in-house meeting planners hired by corporations. Many corporations choose to outsource event planning responsibilities to keep costs low. You may be able to assess the competition by asking corporations about the planners they work with. Trade associations such as ISES or MPI may not be able to disclose members' names, but they might be willing to tell you how many of their members are located in your area.

In the social arena, your main competition will be other event planning entrepreneurs, as well as some caterers, florists, etc., who have taken on the responsibilities of planning events as a sideline function. Most of the competition you'll face will be local; try checking in your phone book under Event Planners or Party

Planners to see how many others there are. Be aware, however, that many event planners do not buy advertising, preferring to rely solely on word-of-mouth to do their advertising for them. This means you may have to get creative to figure out how much local competition you face. Ask vendors which planners they work with. Go to party supply stores and see if you can find out who their major customers are. Ask all your questions face-to-face, rather than by phone. If you are friendly and explain that you are trying to figure out if there is

Dollar Stretcher

Check with area colleges and universities for free assistance in conducting your market research. Many schools will give credit to business students for helping you to do your market research.

They receive college credit, you receive valuable information, and everyone is happy!



enough demand for another planning business, most people will cooperate.

If you find a large amount of competition in your area, don't be discouraged. Instead, look for a niche you can fill and think about what will make your event planning company stand out in the crowd. Social event planning is the ideal place from which to launch your career. Social planning is a growth industry—there are more opportunities out there than those planners in the marketplace can handle. Social event planners also will be able to find plenty of work in areas with a smaller population base.

Remember that if you strive to be the best, research your market, promote yourself, and develop a good business plan, you *will* find your spot in the marketplace.

Profile

Dallas planner Kim Quigley says she spends most of her time on vendor consultations, networking, bookkeeping, and event design. However, she also conducts on-site supervision, consults with clients, and routes deliveries to event venues. She goes to staff meetings once a week and travels about three times a year.

