

Title:

Profit From Your Event - Define Your Payment Rules

Word Count:

498

Summary:

Frank Richards is a Business Management Consultant who specializes in Service Level Agreements. Last month he ran four seminars in major Australian cities but he's finding that the ticket money does not cover his costs.

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Keywords:

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Article Body:

Frank Richards is a Business Management Consultant who specializes in Service Level Agreements. Last month he ran four seminars in major Australian cities but he's finding that the ticket money does not cover his costs.

In these days of instant payment you would believe that the problem of unpaid registration fees is a negligible issue. Unfortunately the days of instant payment do not coincide with the days of red-tape-free purchase ledger accounting. Companies have their own internal rules about raising requisitions for payment and some may take in excess of 90 days to clear all of the hurdles. Although this is probably one of the best reasons for delivering invitations to corporate delegates more than three months prior to the event, it still leaves you with the conundrum of what to do about non-paying delegates.

The answer, as with all financial issues, is to have a clear set of contracted rules that are sent out with the invoice paperwork, the confirmation of registration, the joining instructions and any other communication that you may exchange with your delegates. There is nothing complicated about the wording; all you must state is "If payment is not received 21 days prior to the event then a place will not be reserved for the delegate". Choose your time period to be realistic otherwise you may alienate potential attendees who know that their accounts department cannot meet the criteria.

Nominate one of your admin team as a Credit Analyst to keep an eye on late payments and make it their job to make increasingly frequent calls to the delegate to enquire how payment is proceeding. This pressure alone will normally accelerate payment as the delegate won't want to lose their place at the event and they'll use your payment terms to coax the money from the accountants.

What to do about late payment

In extreme cases delegates will plead their powerlessness against the money men and they will find themselves up against the wire with nowhere to turn. It's your opportunity to be magnanimous and allow the delegate to attend the event so long as they bring a check or even cash with them to hand over at the door.

Keep it in mind that bad debt in Australia can be measured in trillions of dollars each year and the major reason given is poor debt management, meaning that people are often not tenacious enough to chase down delinquent purchasers.

So, be tough and resolute; an event is an instant product, consumed as it is manufactured. If you get your payment late, how can you possibly pay all of the players who are providing goods and services to make the event a success? You can't ask for the product to be returned.

Be polite and understanding; offer the delegate a place on a later event or some one-on-one consultancy as an alternative. Be as flexible as you can but don't disrespect the prompt payers by relaxing your standards for an organization that can't get its act together.