

THE FEE FACTOR

BY JANE ATKINSON

It's midnight. You wheel your roller bag into the hotel room that smells of cigarette smoke and air freshener, and you send a text message to your client telling him you've arrived on site. Before collapsing into bed, you review the file for tomorrow's 7 a.m. presentation. What? How the heck did I get talked into doing this for *that* fee?

Moving into 2008, meeting experts have shorter timelines and tougher budgets. They are looking for more bang for their buck, yet still expect their suppliers (speakers and bureaus) to partner with them to create memorable events. So what is a speaker, who wants to maintain both fee integrity and a decent calendar, supposed to do?

Here are two different approaches that will help you get the fees that you desire (and deserve) while creating a rewarding outcome for you and your client.

A close-up photograph of a hand holding a large, shiny gold coin. The coin is the central focus, reflecting light and showing its metallic texture. The hand is positioned to hold the coin securely, with fingers visible around it. The background is a soft, out-of-focus light color.

2 negotiation approaches that add up to getting what you want

Approach A: *Avoid the Subject*

Avoiding the subject of negotiation does not mean skirting the issue. It means preparing yourself to be so good, so confident, so rock-star solid that the client doesn't even ask you to reduce your fee.

1 Be clear in client conversations. If you have clarity around your topic, its impact and your expertise as the best person to deliver it, your confidence will come through in an almost contagious way, allowing you to stand firm with your fees. When you know and can communicate the value that you bring to the table, clients are much less likely to open the door to negotiation. They don't even rattle the doorknob.

2 Be fearless. When a client calls and wants to talk about a program or topic, most speakers can do so brilliantly. But when the topic of fees comes up, it's as if a gremlin, a little green monster, appears on your shoulder, whispering in your ear, "They'll never pay you what you want." "You aren't worth it." "They don't have that kind of money." Listen to the gremlin, and your fee comes out in a whispery, apologetic or questioning manner. Your position is weakened, and you're opening the door to negotiation yourself. Silence the gremlin. Knock him off your shoulder.

3 Be better. A client who has seen you speak, and loved it, will be much less likely to try to beat you up on fee. A great way to "recession" proof your business is to be excellent on the platform. Whenever your calendar has "air," use it as an opportunity to work on your speech. You don't have to be sick to get better, and making your speech better is never a bad investment. 'Nuf said.

4 Be the expert. When you are an expert on one topic (versus five or 10) you are making a statement that you are the authority on this subject matter; even better if you have written a book to support the topic. When the client is comparing you, the expert, to a pile of speakers who list the topic as one of many, you should come out ahead of the pack. And in many cases, the clients pay what the expert charges. Imagine someone like Gary Hamel, author of *Throw Away the Cookie Cutter*, saying to a client, "If you'll just provide me with a list of all of the attendees, I'll cut my fee in half." No way! This man is an expert, bestselling author; he knows it and the client knows it, too.

A book also is a great way to establish expertise and reduce the amount of client haggling. Joe Calloway, CSP, CPAE, says his books changed everything about his client conversations. "My books completely repositioned me and enabled me to double my fee in the last four years. Instead of getting calls from meeting planners, I now get calls from CEOs who have read one of the books. It's been a great boost."

5 Always talk value first. I'm of the belief that speakers should not post their fees on their Web sites. Why? Because you want the opportunity to speak with the client to ensure you're a fit, first of all, but also to allow you to build the relationship and get him excited (whooped up) about working with you.

If the client gets excited enough, you may just avoid any type of negotiation.

Approach B: Negotiating When You Just Can't Avoid the Subject

Okay, sometimes you not only have to quote a fee, but also quibble and downright negotiate. Here are five ways you can create more win-wins.

1 Just say it: "No!" Think of your calendar as if it's inventory. Once a date is sold, it is sold and you can't sell it to someone else. A client calls from a manufacturing firm and wants you to do a talk on leadership 11 months from now. The client doesn't have your full fee and, in fact, would like you to reduce your fee by 30 percent. What do you do? Well, if you listen to the gremlin, you probably cave in and agree and then when you go and do the talk in 11 months, you feel rotten about it. Or worse, someone else calls and wants that date at full fee, but you can't accommodate them.

What's a better answer? You just say, "No, I'm sorry. I'm unable to accommodate your budget; please let me know if you find a sponsor, or if some money gets moved around."

"When met by a quick and firm 'no' it's extraordinarily rare to hear anything other than, 'Okay. I had to ask,'" says Brian Palmer

at the National Speakers Bureau in Chicago. "The selection process has a cost. Those responsible for the event are reluctant to go through it again."

"For me, the issue of fee integrity divides into equal parts fairness and laziness," says Steve Little, author of *The 7 Irrefutable Rules of Small Business Growth*. "I don't believe it's fair to the hundreds of clients who have already paid my full rate to cut it for any particular group. I'm also too lazy to keep up with a bunch of secret 'deals.'"

2 Say it and shut it. State your fee and then shut up! You've gotten the client excited about working with you, and you get to the point where you're talking dates and fees. You've already established value and expertise and the client says, "How much do you charge?" You look over at your rate card (posted on your bulletin board), state the fee and then be quiet. More speakers talk themselves out of money by continuing to talk. Zip it! Zip it good!

3 Add value to the mix. Many speakers will add more of their time or product to the mix in order to negotiate a win-win. If an association client calls looking for a keynote at a reduced fee, you might hold to your full fee, but offer to add a breakout for no extra charge. The client can shift some money over from his breakout budget and make the numbers work.

Another way to stick with your full fee, is to throw books into the mix. Again, the client can shift some of his budget from "attendee gifts" over to the keynote fee and everyone is happy.

"I sometimes, although rarely, provide a quantity of books instead of negotiating, thus increasing value without reducing fee," says Mark Sanborn, CSP, CPAE, author of *The Fred Factor*.

4 Travel inclusive fees. Many speakers have moved to offering clients a travel-inclusive fee. "A way that I've been successful at avoiding it [negotiation] has been through our travel-inclusive fees. If they ask for a concession on the fee, it's usually because they've not realized or calculated the airfare and ground costs on top of the speaking fee. I can usually show that our travel inclusive fees are a better deal than full fare coach [air] plus ground travel," explains Karen Harris, president of CMI Speaker Management.



5 Working multiple events. Multiple engagements are one of the few solid reasons to negotiate fees. But if you're getting on a plane for every event, you still want to make sure that you're creating a good deal for yourself. "I just gave six local speeches for a company that I've worked with for 20 years," says Patricia Fripp, CSP, CPAE. "I slept in my own bed, did not have to leave my office before 10 a.m., and was home by 3:30 p.m. Of course I gave them a discount."

"If there is a series of jobs booked by a client at one time we will negotiate something that is fair and reasonable," adds Amanda Gore, CSP.

Once you begin to feel strongly and communicate confidently about your program, the value you deliver and the impact it has on audiences, you will probably find yourself having to negotiate less often. And when you do, you'll do it with confidence.

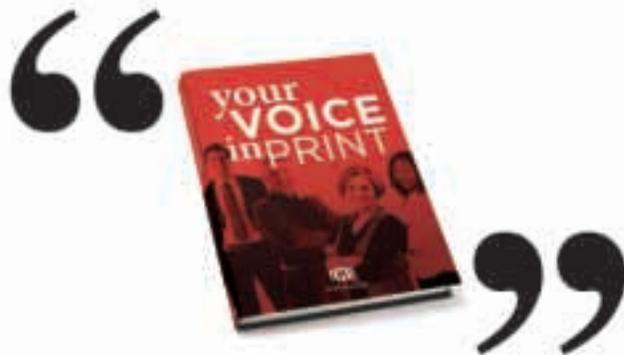
You wheel your roller bag into the suite and take in a long breath. Ahhhh:

clean air, clean room, fresh flowers, welcome note. You settle into your 600 thread count sheets for a night of *CSI Miami* and room service and put the finishing touches on your presentation. The client's limo will be waiting at 8 a.m. and you'll feel fresh and relaxed knowing that you'll be getting paid what your worth.

Now doesn't that sound better? **S**

Jane Atkinson is the author of The Wealthy Speaker: The Proven Formula for Building Your Successful Speaking Business (www.TheWealthySpeaker.com). With more than 17 years under her belt, first as a speaker's agent, then as vice president of a Dallas-based speaker's bureau, Jane has a unique perspective on our industry. Her company, Speaker Launcher, provides career coaching and consulting to speakers.

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