



Host Plan Updates Effective November 1, 2019

Quick Overview

1. Host Plan Updates are effective for Host orders placed beginning on November 1, 2019. Host benefits received are based upon the order date.
2. Hosts will earn free product and half-price items based upon sales of their Show. Booking credits will be earned when the future show qualifies with \$200 in sales.
3. The amount of FREE product that your Host will earn remains the same. When she earns it is changing.
4. Hosts will no longer earn half-price items for bookings.
5. Bookings must be added to the Show before the original Show is closed.
6. Bookings must have \$200 in sales within 60 days of the original Show submission date.
7. Booking credits will be issued in the form of a coupon. The coupon can be used as a Customer or Host on any Show. To use the coupon, the name on the order must match the name of the Host on the original Show. Coupons must be used within 90 days of the original Show submission date.
8. An email will be sent to the Original Host and Representative when a booking is added to the Show. In the future, reminder emails will also be sent.

Frequently Asked Questions....More Details

How is the Host Plan changing?

There are two changes to the Host plan, both related to future bookings:

1. The Host will no longer earn ½-price items for future bookings. She will earn a ½-price item for every \$100 in sales.
2. The FREE Product earned for future bookings is redeemed when the future Shows are held within 60 days and are qualified (\$200 in sales).

Why are we making these changes?

In our analysis of the business, we found that only 32% of future bookings were actually holding. We were rewarding our Hosts (and incurring costs) for many bookings that were not holding. Awarding credit for bookings that do not hold does not benefit you or the company. Beginning with Host orders submitted November 1, 2019, we will award booking credit when the booking holds and qualifies with \$200 in sales.

What hasn't changed?

The Host Plan Chart is virtually the same. Our Hosts can still earn DOUBLE FREE with two bookings. We still have awesome monthly Host Bonuses. Our plan provides extremely high value to our Hosts. And, the Host Plan and Bonuses are 100% paid for by the company!

How does our Host Plan compare to others in the industry?

Our Host Plan continues to be one of the best in the industry! Our Hosts earn similar amounts of FREE Products and more ½-price items compared to many other plans. Our Host Bonuses deliver higher value than most other plans. And unlike many other plans, our Hosts are rewarded for their future bookings. All of this is provided at no cost to our Representatives!

How can these changes help me in my business?

Because our Hosts will be rewarded when their future bookings hold, they will partner with you to be sure their friends hold their Shows! And because FREE Product is earned for bookings held within 60 days, you will have more control over your calendar and will find it easier to keep your calendar filled at the level you want for your business.

What do I need to do?

Key things that you will want to do:

1. Book shows in close. The closer the better. We recommend within 4-6 weeks.
2. Keep a booking tracking list. We've included a handy form that you can use. Keep this in your planner.
3. Continue to promote booking shows and the awesome benefits our Hosts receive and the service you provide.

How should I change how I talk to my Hosts about the Host Plan?

First, have confidence that you are offering great value to your Hosts! And remember, they are still receiving the same amount of FREE Product – only the redemption timeframe is changing. Focus your Hosts on the value that they are getting between all aspects of the Host Plan – the high-value Host Bonus that they can earn, the high number of ½ price items that they can use on their higher priced selections, and the FREE Product credit. Remember that most Hosts share that their primary reason for holding a Show is to get together with friends. And remember that most Hosts do not know and do not dwell on the details of the Host Plan. Work with your Hosts to get the most value from the Host Plan and encourage them to help you be sure their future bookings hold.

Words to Say At Show: You'll earn free product and half price items from your show sales. And when your friends book, you'll earn even more. When two of your friends book you'll double your free!

Host coaching the night of the show doesn't change: You've earned \$X from your sales tonight. With \$X more sales you can earn \$X more. Who didn't come tonight? (Write names). Share some of your favorites from tonight with your friends that didn't come and ask them for their order.

You will earn \$X for each booking. With more sales from your show those credits will increase even more. With two bookings you will double your free. You have X bookings right now. Who else do you think would enjoy their own show? (Write names) Ok, contact them and share your own experience with them and ask them about booking their own show.

Set date for closing the show within 2-3 days.

How do I handle this update with repeat Hosts?

Words to Say when Host Coaching the Night of the Show: The company has updated the way that we are awarded the host benefits. You'll get booking credits when your friends shows qualify instead of up front. The company found that a high percentage of credit was being given for Shows that never held. So now the booking credits are going to be awarded when your booking qualifies which is understandable! Tonight you're earning free and half price items based upon your sales! You have \$X in free right now and X half-price items. With another \$X in orders you'll increase your free to \$X and you'll earn X more half-price items! Once you've collected all the orders we will get your initial order entered to use your free and half-price from this Show. Then with two bookings you will DOUBLE your free and will be able to use your booking credits on a future order.

(continue to coach as usual for outside orders and securing bookings)

When will the changes take effect?

The changes are effective for Shows submitted on or after November 1, 2019. If you hold a Show in October and it is submitted in October, the current plan applies. If you hold a Show in October and it is submitted in November, the new changes apply.

Can you provide an example of how the new plan works?

The original Host has \$600 in Show Sales and 2 Future bookings and her Show is submitted on November 15. The original Host will receive \$60 in FREE Product and 6 half-price items when the original Show is submitted. The bookings must be within 60 days of the original show submission date. On the first booked Show, once the Show Sales are \$200 or more within 60 days (Jan 13...google to figure out dates), the original Host can place her order and will receive \$30 of FREE Product – this order must be processed within 90 days, so by February 12. On the second booked Show, once the Show Sales are \$200 or more within 60 days (by Jan 13) , the original Host can place her order and receive \$30 of FREE Product – this order must be processed by February 12.

How will we keep track of these credits?

The system will keep track of them and they will be issued as a coupon. The original Host and Representative will receive an email when the booking is added to the original show. Bookings must be added to the original show before the show is submitted. The coupon will be redeemable once the booking qualifies with \$200 in sales within 60 days of the original show submission. You may want to develop a system to be sure that you are following up with the past Host so she has the chance to redeem her FREE Product

on her future bookings. This can be as simple as writing her name and the amount of credit in your calendar when you write in the future booking.

How do you redeem booking credit?

Booking credits will be issued in the form of a coupon. The coupon can be redeemed on any customer order or host order. Only one coupon can be used per order (see below for multiple coupon use policy) and the name on the order must match the Host name on the original Show.

To redeem a coupon on a Customer Order you must place the order on sa Personal Web Page or Partylink. The coupon number must be entered in the Coupon field during the checkout process.

To redeem a coupon on a Host order you will follow the steps in the Show Portal, Host Order. The coupon number must be entered in the Coupon field on the Host screen.

Will the past Host pay Shipping & Handling on her FREE Product order on the future Show?

The Host will pay Shipping & Handling on the balance due after the coupon is applied. There is a minimum shipping and handling fee of \$8.75 on all orders. Note that sales tax is based upon the total amount of the order before the coupon is applied. The coupon is applied to product only and cannot be applied to Shipping and Handling or Sales Tax. Note that sales tax is based upon the total amount of the order before the coupon is applied. The coupon is applied to product only and cannot be applied to Shipping and Handling or Sales Tax.

What if the past Host orders more than her FREE Product amount on the future Show?

She will pay the difference on her order, plus Shipping and Handling and Sales Tax. If the order is being placed as a customer on a Show, the Host of that Show will receive sales credit for the overage and you will receive Commissionable Sales credit for the overage and the overage amount will be included in the Show Sales total.

Can the Host accumulate her booking coupons so she can spend it on higher priced items?

Multiple Coupon Policy:

Only one coupon can be used per order. However, if you have a Host with multiple coupons you can contact Customer Care to combine the coupons. Please provide:

- original Show number
- Show numbers for the bookings
- Coupon numbers

What about bookings that are more than 60 days after the original Show? Or more than three bookings on a Show?

The Host will not earn FREE Product for these bookings. You'll want to continue to encourage your Hosts to rebook themselves for the value they will receive at their future Shows. And you'll want to work with your Hosts and guests to secure two bookings at each Show that are within the 60 day window.

What if . . . things happen???

There is flexibility with using the coupon because it can be used on any Customer or host order on any Show. For example, if a Host becomes a Representative, she could

use the booking credit coupon on her Grand Opening as a Customer or a Host. Booking credits must be used before the expiration date.

Typically, no exceptions will be made to booking credit expiration dates because we are allowing plenty of time and flexibility for using the coupon. However, we understand that from time to time there may be an extenuating circumstance. If you experience an extenuating circumstance, please Contact Customer Care at 630-762-1700 x9 or shsservice@designsbyshs.com for assistance.