



*The Successful Approach to
Meeting Planning and Management*

INFORMATION IS POWER FOR MEETING PROFESSIONALS

By Debbie Locklear

Knowing the value of your group's annual business to the hospitality industry is the first step to take to maximize your potential to save on expenses. Before contacting any suppliers to discuss your meeting, write a list that will give you answers to the following 20 questions.

1. How many overnight rooms have been occupied, per night?
2. What percentage of the rooms are doubles, singles and suites?
3. If your group has a history of last minute cancellations and no-shows, what is the percentage for all nights?
4. Does your group typically need early check in or late check out?
5. What hotel services does your group normally use? (i.e. Room service, valet parking, dry cleaning and laundry services, long distance and local phone calls, movies, dining room and bar service, business office usage, etc.)
6. What do you typically spend on catered food and beverage functions with the facility?
7. Do you dinner functions include hors d'oeuvres and/or appetizers?
8. Do you have a host/open bar at any of your events?
9. Are the dates of your meeting flexible?
10. How many people usually fly to your meeting?
11. What type of audio-visual equipment do you use for your meeting?
12. What type of signage and banner needs do you have?
13. What is the average age of your attendees?
14. Do you have suppliers to your industry who have open hospitality suites?
15. What is the revenue generated from the food and beverage purchased by your attendees for hospitality suites?
16. What are your needs for meeting space? Is there a chance your needs could increase or decrease?
17. What is your actual attendance at your meal functions?
18. Does your group have any attendees with special needs?
19. Are there any special dietary needs for your group?
20. Do you have the options to schedule more than one year at a time?



Now, assuming that you have answers for all of the above questions, this is how the information will affect your ability to negotiate a fair contract.

Typically, a hotel facility is most interested in booking groups with overnight rooms. This is their largest source of revenue. Therefore, if you know how many rooms your group tends to occupy, you will be able to begin to build your group's value to the facility.

The number of double versus single occupancy rooms will give the hotel a good indication of the number of guests in the hotel and the facilities' increased potential to sell more in their outlets (i.e. dining rooms, lounge, gift shop, etc.). This knowledge will allow the facility to estimate increased revenue in long distance and local phone charges.

When a group has a low cancellation and no-show percentage the facility is in a good position to fill your block prior to your cut-off date or the date all the guest rooms will be released for sale to the general public. At this point you should consider your risk of having the rooms in your room block sold by the hotel, prior to the cut-off date. This is not an action the hotel normally would take if your no-show and cancellation percentage is low. However, if your group happens to be one that has a high percentage of cancellations and no-shows, you will need to monitor your room block very closely. This is not to say that the facility still won't sell into your room block. Therefore, negotiate a penalty to the hotel if they breach the contract and sell into your room block prior to your cut-off date.

If you find your group has a need to arrive prior to the published check-in time or depart after the published check-out time, you should negotiate special arrangements. Your VIP rooms should be allowed to check-in or check-out at a specified time and the hotel should secure an area large enough to accommodate all of your group's luggage. Do not allow your guests to have their luggage at risk, by permitting the hotel to pile it up in a corner of the lobby.

If you find your group is a high volume user of the dining room at a particular time of day, negotiate to have adequate servers during that time and keep this information on hand because it does give your group value.

Know your food and beverage needs. If you are offering an open/host bar during one of your events, negotiate the purchase of liquor by the bottle. Typically, this is the most economical method of ordering. Your food and beverage needs give you the greatest value, after the overnight rooms.

If you have the luxury to be flexible on your meeting dates and the pattern of the week, you will find yourself in an ideal negotiation position. You will find the facility willing to compromise in ways they would not consider at a busier time.

Depending on the facility's relationship with their parking garage, you may find that if your attendees typically drive to the meeting, a special rate can be negotiated. Certainly, however, this is another revenue source for the facility and it contributes to your group value.



The use of audio-visual is also a revenue source for the hotel. If they don't stock and manage their own audio-visual department they still receive a commission from the supplier they contract. Know that you do not have to use the facilities audio-visual company and have the right to seek lower prices. The fact that you will possibly use an outside company, will allow you to negotiate costs with the facilities' supplier.

If you have hospitality suites sponsored by companies attending your meeting, inform the facility of the revenue they represent. Without your group's business, the facility would not have the revenue from the hospitality suites. This knowledge grants your group more value.

Know your meeting space needs for each day and be as specific as possible. If you have a tremendous need for meeting space and a small need for overnight rooms, the negotiation process is more complicated.

If you know you have attendees with special needs, you should be certain the facility is in compliance with the American Disabilities Act. You may also negotiate for special equipment needs to accommodate your attendees.

Knowing your group's dietary habits is important when you begin your negotiations. If you find your group prefers a vegetarian option, negotiate a menu(s) to meet your needs. There are some catering services that have no flexibility, creativity or customer service standards to help you meet your needs following the signing of a contract, so do not leave the menu selection process to chance.

If you have the option to schedule more than one year at the facility, offer them a multiple year contract and see how this strengthens your negotiation power. If it does nothing for your groups contract, don't give that facility more than a one-year contract.

Negotiating does not begin and end with the facility. Any supplier to the industry is open to negotiations. Once you have the knowledge of the value of your business you will successfully negotiate contracts with any supplier. The key point is to be fair in your negotiations and to insist the facility treat you the same.