

Market Briefing: Adapting to the Economic Climate in the Meetings Market

“Do your homework.”

That was the cautionary note sounded by top meeting planners at the SFCVB's recent market briefing: “Adapting to the Economic Climate in the Meetings Market.” More than 140 members registered for the market briefing held at the InterContinental San Francisco on March 18.

Speakers, all of whom are members of the SFCVB Customer Advisory Council (CAC), included Cathy L. Nash, CMP, director, Meetings and Conventions Department, American Psychiatric Association; Christine Castle, director, Global Sales Incentives and Engagement Programs, Cisco; Ronald F. Olejko, senior director, Meetings, American College of Rheumatology; Jodi Morrison, senior director, Event Marketing Technology & Operations, Oracle, and Stephen Pitt, vice president, Conventions & Expositions, National Automobile Dealers Association (NADA). The panel was moderated by David Kliman, CMP, CNM, president, The Kliman Group.

President & CEO Joe D'Alessandro opened the session with brief remarks thanking the CAC for their ongoing support. Leonard Hoops, executive vice president and chief customer officer, also spoke. While SFCVB sales staff is “casting a wider net” for future bookings, Hoops noted that “San Francisco is a good value at *any* time. We have a premium product and we are a particularly good value right now.” As of March 31, the SFCVB has 851,000 room nights on the books for 2009 and 773,000 for 2010; the average number of room nights booked per year since the opening of Moscone West in 2003 is 855,000. Currently the SFCVB sales staff is aggressively pursuing meetings groups that typically would not meet in San Francisco and encourages member hotels to do the same.

In a wide-ranging Q&A session led by Kliman, the panelists were prompted to discuss changes in the conventions and meetings market triggered by the downturn in the economy. Topics discussed included use of online social networking platforms and teleconferencing, effective cost cutting tips, business priorities and challenges, green meetings, supplier strategies and more.

Some meetings have been cancelled and/or attendance reduced; however, planners indicated that even “virtual” meetings still have production needs. “It’s just a change in the medium. And while “one in 10 may be able to attend the meeting, we still need to reach the other nine people,” commented Castle. That’s where enterprising vendors can help with generating excitement and accountability.

All of the panelists remain fully committed to the importance of meetings. “Virtual meetings are not an option for us,” said Nash of the American Psychiatric

Association. A virtual meeting allows for education; however “the recognition and networking component” cannot be replicated said Cisco’s Castle. “Nor can the excitement,” said Morrison adding that prospective Oracle OpenWorld attendees are given a document that they can customize, indicating R.O.I. and benefits of attending the meeting to help with the internal approval process.

The “Takeaway”

To summarize, here are some tips on effective approaches to working with meeting planners, no matter what the economic climate:

- Do your homework. Don’t “cold call” a planner and ask them if they do meetings.
- Plan in advance. Meeting planners typically work 18- to 24-months out contracting with vendors, venues, etc. Calling two weeks, or even two months, before the event is far too late.
- For an optimal impression, attend the meeting and/or conference and get familiar with the group before making your “pitch” for services, etc. for a future meeting.
- It takes time. And more time. Meeting planners often have existing relationships that have been built up over the years. They will typically call a vendor that they already have a relationship with, and often work with national sales managers to serve as an advocate with the local staff.
- Planners are open to suggestions on how to make an event “new and better” as long as the input is based on research and investigation.
- If you represent a destination, attraction and/or activity outside of San Francisco work with destination management companies to be included in pre- and post-convention activities.
- Some planners for larger groups offer a “virtual concierge” from their Web site to assist attendees with questions about the destination, etc.
- The lust for “giveaways” is dimming; some planners are offering loyalty cards and/or points that can be used for upgrades at the next meeting, purchases, etc.
- Greener meetings are a “given” for most meeting planners. “Our attendees expect it,” noted Olejko with the American College of Rheumatology. While one destination would not necessarily be picked over another because of green practices, planners, and their attendees do expect the host city and/or venue to offer at a minimum the 3Rs: reduce, reuse and recycle and several have very aggressive goals for their meetings. San Francisco gets high marks from all the planners in this area and is considered “among the leaders.”
- Rough economic waters shouldn’t swamp a long-term relationship. While revenue shortfalls and dwindling attendance often force organizations to cancel and/or reduce their meetings, businesses need to work with the planner to broker a deal that is fair to everyone. “We need to get through this together,” said Pitt of NADA. And as Kliman quipped, planners have “long memories and big mouths.”

About the Customer Advisory Council (CAC)

Since 2002 the SFCVB has convened the Customer Advisory Council (CAC), made up of top convention/meeting planning clients. The CAC provides input to help make San Francisco a more responsive, progressive and innovative meeting destination. Their counsel has been sought on everything from the expansion of Moscone Center to the design and content of the SFCVB's Web site. A professional facilitator ensures that an open, honest and constructive dialogue occurs. As a result, new or enhanced services and practices are instituted by the Bureau, Moscone Center and/or the city.

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