



Notes from: Partnering with Hotels to get What You Need

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Meetings are a valuable piece of business for many hotels, a piece of the equation of which many meeting professionals aren't aware. Get inside the head of a hotel "revenue manager" and get a good grasp on the financial decision making process utilized and how hotels evaluate a specific piece of business.

Learner Outcomes:

- Understand the financial priorities of your hotel partners
- Develop an understanding of what is negotiable and why
- Understanding the financial structure of the hospitably business

Panelists:

- Michael Dominguez, Vice President of Global Sales, Loews Hotels
- Robyn Mietkiewicz, CMP, Senior Manager, Accounts & Global Meeting Management Services, Meeting Sites Resource
- Bryan Gay, Vice President of Sales, The Mirage
- karen m. king, cmp, cmm, principal and founder, meeting strategists, llc – Moderator

Key Take Away: It is all about two way communications!

What is the new normal? What does it look like?

Customer Service! How will hotels keep customer service levels up to par in this down economy?

It is difficult to predict, we are not there yet

Banks are holding mortgages due in 2011 and 2012 in excess of \$300 trillion

These are transition years

2009 was the worst year for hotels since 1931

RevPar – what is it?

Profits were significantly down

Killer rates had a negative impact on hotels bottom line

Hotelier + Planner Partnerships are needed

Hotels – help planners understand – WHY is their piece of business being turned down?

Rooms to space ratio

Competitive groups

Arrival/Departure Pattern

Seasonality

Transient Demand

What is the 3 – 5 year strategic Plans?

Understand from other perspectives

Resell/Rebook clauses – should these be part of our contracts?

How do hotels evaluate your business?

#1 Look at every piece of the puzzle

Communicate!

What are you trying to achieve – your objective

Financial viability

Company background/history check

Options for dates – flexibility

Labor associated with delivery of the meeting

Operational challenges/opportunities

Dates

Not the only group on property

Full disclosure when negotiating

Know the property, are the spa/restaurants owned/operated by the property or leased out?

What is your ancillary revenue spending?

What areas are negotiable?

Room rates "Published room rate reductions clause" ie: if a lower group room rate is published or offered to a different group, the hotel will honor the lower rate for your group as well – Room rate integrity

Group rate is reduced

Communicate with your hotel sales person

What are your goals? Needs?

Be aware of hotel costs/overhead particularly labor

Is turn down service necessary?

No offsite or outdoor events – re-evaluate

Calculate the value of your concessions

In the event of change provide as much notice as possible

FULL DISCLOSURE!

Ancillary Revenue

Planners – find out from your properties what this spend is

It should include bars/lounge, spa, F&B outlets, gift shops, AV, golf, etc

Hotels should be able to provide this data

Incent group to stay on site

Consider a pay back or incentive for overages in F&B

Slippage clause for F&B should be consistent with room slippage clause

Hotels – put your best foot forward! Deliver your best offer the 1st time.

Strategic RFP – the more information the better

Preferred – location, date, rates

Indicate if you are flexible!!

History – be honest, provide accurate past pick up–

Space needs – minimum space requirements, AV, number of break out rooms, 24 hold requests, move-in/move-out dates, office/storage room

Decision date

Provide the real timeline that you need a response from the hotel

Objectives of the meeting

Demographics of the group