



## 2009 PYM Town Hall: State of the Industry Summary of Findings - Atlanta

The PYM Town Hall: State of the Industry event was a partner appreciation luncheon hosted by Plan Your Meetings and held at the Atlanta Botanical Garden on Jan. 29, 2009. It was the second of its kind, the first having convened in July 2008. The event was designed to be a group “think-tank” session between PYM advertising partners. The list of questions divided among the tables was created from a pre-event survey, in which partners shared their concerns and current challenges. At the conclusion of the luncheon, one representative from each table gave a summary of findings.

### Questions asked:

1. What are the best markets to target in a down economy?
2. What are incentive groups (or your clients) looking for now? How are those events changing?
3. How do you differentiate yourself from the competition? How can you rise above the “noise” to showcase what makes you special?
4. How can you help planners get creative with small budgets without selling your services short? Where do you draw the line when they’re asking for free room rentals, etc.?
5. If you’ve been seeing cancellations or a market segment taper off, how are you filling the void?
6. What’s your biggest challenge/solutions?
7. How do you find new business? What methods are giving you the best ROI or not working anymore?
8. How is your organization dealing with operational cutbacks/reduction in staff? How are you maintaining or ensuring customer service with a skeleton crew?
9. How do you keep customer service high during the tough times?
10. How do you develop existing business and maintain relationships when your clients are hurting and canceling events?
11. What is the most effective way of reaching the corporate market right now: Print ads, web ads Backyard Marketing, grass roots, social media word of mouth, live events et al?
12. Where are you going to find new business?
13. How do you get people in the door? What’s the most effective method of introducing your services to planners?
14. What makes planners book business? How do you seal the deal?
15. How do you turn an NO into a YES?
16. How can PYM help you in these uncertain times?



**As a group, we discovered the State of the Industry.  
Here's what's happening now:**

- Cancellations, attrition and last-minute bookings continue to be a big issue for everyone.
- Holiday bookings were much softer than expected, so there wasn't much of a cushion to carry into 2009.
- Planners are stressed out about shrinking budgets. As a result they are being more aggressive about asking for freebies and hard dollar discounts, and looking to save any way they can.
- Rate slashing is rampant, with upper-tier properties undercutting mid-level hotel rates. Partners are struggling with whether it's better to hold firm on rates and run the risk of losing business or run at a discount to stay competitive but have less cash to cover expenses.
- Perception is reality: Companies feel bad about meeting when they've had to lay people off, and they're trying to avoid anything "luxury."
- Planners have to work twice as hard to justify the reason meetings need to happen.
- Some market segments (incentives, corporate, pharmaceutical, etc.) have dried up.
- People don't want to go off-shore, they want to stay local.
- Even events that are happening are smaller — both in budgets and attendance.
- Everyone on the supply side is feeling the effects of the credit crunch and struggling to cover expenses until business picks up again.
- Hotels, special facilities and other suppliers also have seen layoffs and budget cuts. They don't have the money or staff to do things the way they used to, so they are looking for creative customer service, staffing and marketing solutions, as well as ways to boost morale internally.

**Here are some of the solutions we found:**

***Reaching New Markets***

- Concentrate on your backyard business and regional drive-in markets.
- Look for the niche markets you haven't touched yet.
- Offer incentives to planners who refer business to you.
- Markets that remain strong right now include social (emotional) events, government (if you can afford to honor the per diems), non-profit, healthcare, sports and association. And, depending on your location, international groups and leisure travel. Also be aware that in lieu of raises, many companies are doing more employee and client appreciation events, which could be an attractive market for you.
- Now's the time to do something different. You can't expect old methods to keep working.
- Even though the economy is the way it is, do not retract. Do as much as possible to put your name out there: Send PRs, advertise, attend LIVE Events and market heavily. That way, when things do start to clear up, you haven't



disappeared and you're still on top. Companies that market in a down economy always gain marketshare.

- Make sure that your Web site is up-to-date, that you have a presence on social networks, and that you are making it easy for planners to find your sales materials, RFPs and booking information.
- It is key to find the gatekeeper (maybe the receptionist or assistant) and cultivate a relationship.
- Find out where the planner has booked before so you get an idea of what they're looking for.
- Take great care to make site inspections exceptional experiences.
- Understand there will always be a competitor who will jump through hoops to get business, and will be able to do things that you cannot. The key is to treat every single client as an individual, and to be sincere about how much you care about them and their business.

### ***Developing and Nurturing Existing Business***

- Customer service is key.
- Think long-term and really work hard to nurture relationships. If you do, those people will follow you wherever you go.
- Nothing will replace or can compare to face-to-face contact.
- Call everyone you've done business with (at least in the past year) and see how you can help them now.
- Focus your efforts on what's most profitable.
- Really listen to your clients' needs. Provide them with creative ways to cut costs, go green, get a bigger "wow," etc. Ask how you can help.
- Keep calls short because people are busy, and follow up with an e-mail. Take your best clients to lunch or coffee. And develop incentives for the people who bring you the most business.
- Planners do business with people who take good care of them and their groups, so go the extra mile. If they need your personal phone number, give it to them. If you're good to them in bad times, they'll remember you that much more when times are good.
- Anticipate planners' needs and keep communication lines open and honest, especially about any challenges or concerns.
- Work with the planner to see if an event can be salvaged rather than cancelled, by reducing costs or the scale of the event.
- If an event must be cancelled, offer to hold that money as a deposit towards a future event, provided they rebook within a certain window of time.
- If a client is stuck with a huge attrition penalty, offer to upgrade hotel rooms or F&B quality so they feel as if they're getting something for the extra money they're paying out.
- Recognize your clients' challenges and figure out creative ways to overcome them. For example, if a pharmaceutical group can no longer meet at your restaurant, offer to cater their in-house event. If your clients have cut who's invited to meetings, provide Web conferencing facilities so they can still connect those people to the event.



### ***Handling Budget Concerns Without Selling Yourself Short***

- Ask what the budget is right out of the gate. Then you know how creative you need to be.
- Present planners with proposals at different price points so they can see what their options are.
- Help the planner create a payment plan; be flexible with deposits.
- It's becoming more common for hotels to waive penalties for attrition and cancellations, especially if they have a large corporate base.
- If a client is insistent on only paying a certain rate, give them the rate but only until a certain date.
- Offer to give price break concessions in exchange for a larger front-end deposit. If cash flows are a pressing concern, that can be a good compromise.
- Hotels are more apt to lower rates for Sunday-Wednesday business and for local groups. General consensus is you shouldn't be lowering rates, but you have to at least be competitive.
- Offer special rates for local business.
- Planners ultimately want more for their money, so think about giving them soft dollar benefits rather than a hard dollar discount. "Bundle" services or amenities. Partner with other suppliers to offer show tickets, transportation, etc.
- If your clients are having difficulty affording a particular meal or service, go to your vendors and see if they can offer you a discount so you can make it more affordable.
- Don't let clients become accustomed to the word "discount" and don't discount just to look good, or else they always will be looking for it.
- Start with the dollar amount you want and be willing to negotiate down the dollar amount you need. It's easier to negotiate down, but you can never negotiate up.
- Offer items that look good but don't necessarily cost more, like chair/linen upgrades, an additional appetizer or dinner course, or room upgrades instead of free rooms. If you offer a free cocktail welcome reception the night before the conference begins, then you get extra room nights. So think of ways you can both win.
- If a client wants to book at the price they did two or three years ago, do it — if they'll commit to meeting at your property for the next two or three years. They can go back and tell their boss they got a great rate, and you know you'll have that business on the books.
- Instead of "no," reply "yes, but..."
- Realize you can't always meet their expectations, and sometimes you might have to turn business away.

### ***Importance of Strategic Relationships***

- If you can't handle a group, referrals are another way to build relationships with planners and with industry peers.
- Use your contacts to be a full-service provider. For example, look for hotel, restaurant, attraction, service or transportation partners to help your company create added-value or special group packages.
- Offer to host industry events — it's a great way to network and introduce other people to your facility.



- It's all about networking. Join associations, get out there and meet your peers. See how you can all help each other.
- Go in with other vendors to purchase co-op advertising and marketing programs.
- Offer partners/competition a referral incentive. If they send you business they can't handle, offer them a 5% bonus.

### ***Marketing/Communication Strategies***

- More and more planners are getting their information and shopping for services on the Internet, so make sure you have an impressive presence and your Web site is up to date.
- Invest in Search Engine Optimization (SEO) — if you're at the top of Google and Yahoo searches, that could be your best source of new leads.
- Offer planners an introduction video and a 360° tour — that way, if they can't get to you in person, they can get a great idea of what it is you offer.
- E-mail blasts still are getting good responses.
- Use Google keywords to advertise discounts and special offers.
- Think of Facebook as the Yellow Pages of the future. Your business needs to be represented.
- Use the power of social networks to create communities and market your services to a wider audience. If you don't have anyone in the office who understands them, bring in interns to manage them. They're free and they are effective in some surprising ways.

### ***Addressing Internal Challenges***

- If you're short-staffed or are working on four-day schedules, rotate to make sure that at least one person is in the office to answer phones and get the mail.
- Make it easy for clients to find you. Leave e-mail and Web site on your voicemail so people can still get in touch with you. Attach sales kits and links to outgoing e-mails.
- Post testimonials and accolades around the office as a morale booster.
- Make sure everyone's clear on the goals and have regular meetings for employees to check in (and vent, if necessary).
- Create more social opportunities for employees to bond.
- Be flexible and able to split duties, as needed.
- Use interns instead of seasonal sales help.
- Use contract workers instead of full-time staff.
- Keep things light.
- Spotlight the achievements of your staff and draw attention to their unique personalities by creating an area of your Web site where clients can read about or see who you are.

***Want to know more? Table note transcripts and video summaries are available at [PlanYourMeetings.com/townhall](http://PlanYourMeetings.com/townhall). Results of the Dallas PYM Town Hall will be posted in March 2009.***