

Two Sides to the Story

The Hotel-Planner Relationship

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First-time research by Prevue and the Incentive Research Foundation explores the hotel-planner relationship—where their views converge and where they differ.

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Talk to any planner or hotel salesperson and they will tell you that the meetings industry is a relationship business. So Prevue and the Incentive Research Foundation decided to put that statement to the test with the first-ever survey asking both sides the same questions about how they work together, then comparing the answers.

The research was conducted in July of 2016 and is based on the responses of 160 meeting planners and 126 hotels, ensuring a 95% confidence rate in the results and a +/- 8% confidence interval.

1. Introducing: The Hotel-Planner Relationship

The level of collaboration and commitment meeting planners feel they have with their hotel partners varies according to role—national sales manager vs. property sales leader vs. conference services manager. 41% of planner respondents described their relationship with hotel salespeople as collaborative, while 47% of hoteliers responded the same way about their planner customers—showing a sense of teamwork between the two sides. However, while 19% of planners described their relationship with their CSMs as one of “total commitment and trust,” only 6% described their relationship with their hotel salesperson in the same way.

Another area where there was a significant difference in perception was in whether both sides consider each other to be “business friends”: 14% of hoteliers view their meeting planner customers this way, while that description was used by only 4% of planners about their property salesperson and 3% about their CSMs. In fact, 15% of planners described their relationship with their hotel salespeople (and global/national sales reps) as “transactional only.”



2. Where Each Side Brings the Most Value

It's clear from the survey results that hotels look to their meeting planner partners for strategic direction, while planners expect flawless execution from their hoteliers. Many planner respondents would like to see their hotel counterparts expand their roles beyond logistics by more fully educating themselves and their staffs on the goals of their clients' programs. One respondent blamed hotel owners, general managers and revenue managers for not allowing them to do so because they are so focused on revenue goals. Some hotel respondents were fully aware of this disconnect and agreed that they needed to be more aware of the strategic vision of their clients' events.

WHAT PLANNERS SAY ABOUT HOTELS

- Flawless execution
- Helping us overcome issues with location or layout
- Timely RFP response
- Providing fantastic ideas
- Helping us prioritize the budget
- Providing strong vision/objectives

WHAT HOTELS SAY ABOUT PLANNERS

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- Helping us prioritize the budget
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TOP 5 Challenges:

PLANNERS

- 1 Fees (internet, resort fees, AV, etc)
- 2 Salespeople who have not been to the requested property or know it well
- 3 Lack of loyalty and acknowledgement for repeat business
- 4 E-RFP systems
- 5 Delegating the site inspection, making it too long or too short, or not customizing it to the program

HOTELS

- 1 E-RFP systems
- 2 Lack of information to showcase creative F&B offerings
- 3 Not allowing us to delegate the site inspection, or not leaving the adequate amount of time or not giving us enough information to customize the inspection for the program
- 4 Fees (internet, resort fees, AV, etc)
- 5 Lack of loyalty to the salesperson or program

3. Challenges in the Planner-Hotel Relationship

For planners, hotel fees were at the top of the list of the challenges they have with hotels. Many referred to being “nicked and dimed.”

For associations, fees can be the tipping point for associations, Many can only work with those hotels willing to negotiate on parking fees, resort fees and internet fees to keep the room cost down. In reality, said one, his association almost always ends up spending the money they saved on F&B, AV and other amenities.

“A fantastic CSM is worth his or her weight in gold. They make or break a program.”

4. Challenges Moving Forward

The pressures on both sides—planners and hoteliers—are enormous, as was revealed in the comments they shared when asked about the top issues affecting their ability to do their jobs.

Much of this has to do with the pace of change and with technology replacing relationships and roles.

Overriding all concerns for planners is the seller’s market. Supply and demand has always influenced the buyer-hotelier relationship, but after having given hotels business through a lengthy recession, some planners feel they are being treated unfairly. When the pendulum swings back to a buyer’s market, they say, they will remember those hotels that were flexible and willing to work with them.

Top Concerns Over the Next 2-3 Years:

PLANNERS:

safety & security concerns • budget cuts • finding quality people • the seller’s market • response times • accuracy of requests • increasing costs • lack of creativity from vendors and hoteliers • shorter lead times • lack of availability at preferred properties

HOTELS:

lack of buyer loyalty • clients’ budgets are not increasing • lack of clear communication and vision from the clients • international problems such as terrorism and health concerns • unions • increasing number of RFPs • the acceleration of change and the need to keep up • lack of capacity

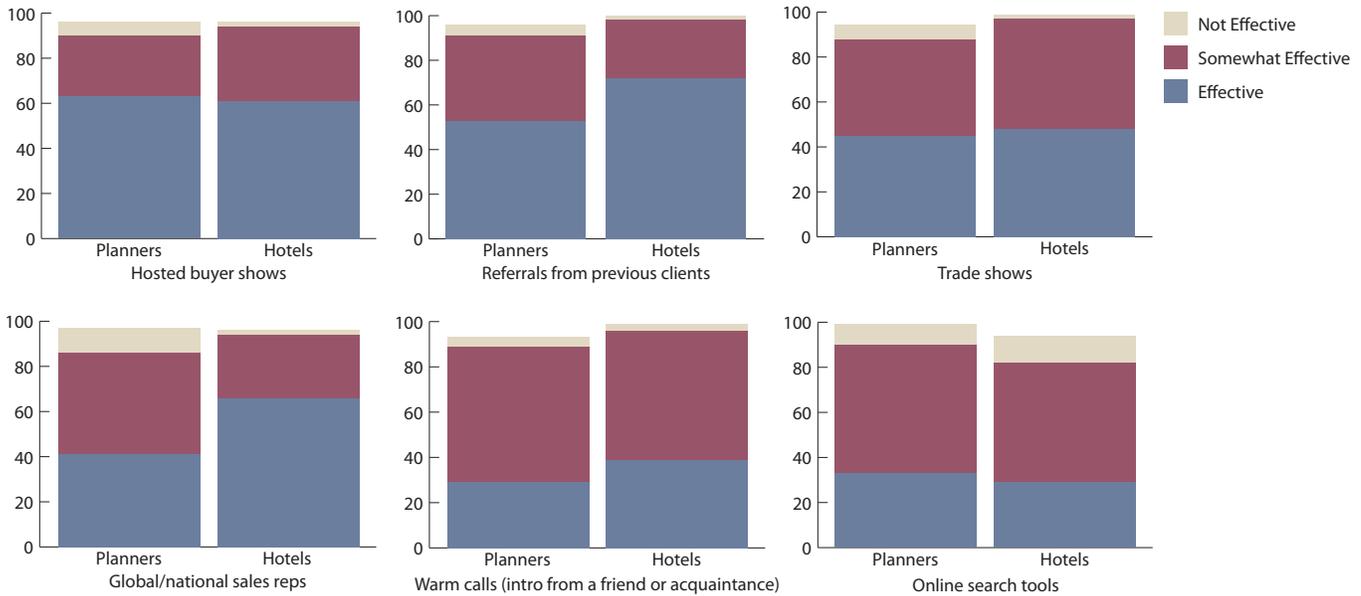


5. Getting the Scoop on New or Potential Hotel Venues

When planners are evaluating hotels, the human touch wins out over the web. Hosted buyer shows were ranked as the best way to learn about hotels, followed by referrals from other planners and trade shows. Planners view hosted buyer shows as one-stop shopping, and like that suppliers are provided with their information prior to them meeting, “I didn’t need to spend time educating them about my business,” said Laura Yates, president, Dovetail Event Partners. But, that said, she has ended up frustrated by “being forced into making appointments with vendors or hotels that are an unlikely match for my needs. Not all hosted buyer programs are created equal.”

“My experience with IMEX has been extremely rewarding and productive. Nothing can compare with being able to travel the world learning about potential destinations and making key contacts, all in one day.”—Meghan Schilt, CMP, events manager, King & Spaulding

Top Buyer Resources



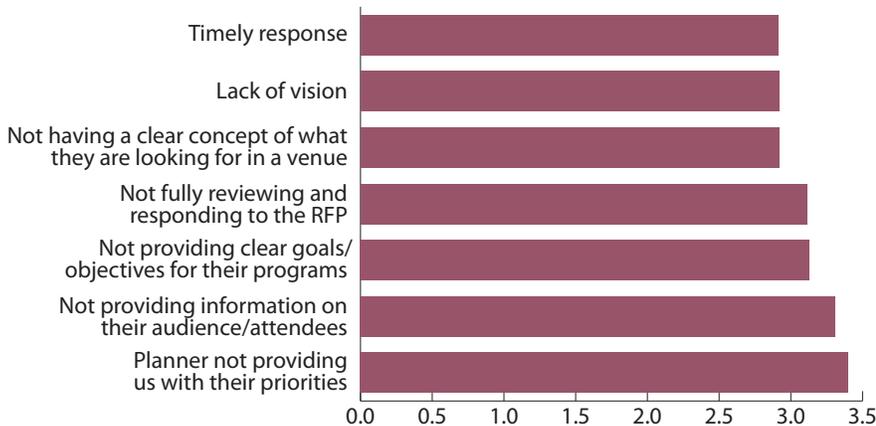
6. Top Reasons for Choosing Hotel Property

Loyalty—whether to a hotel brand or to its salespeople—is a key reason planners choose one property over another. Hoteliers also cited business and personal relationships as the main reasons they win business.

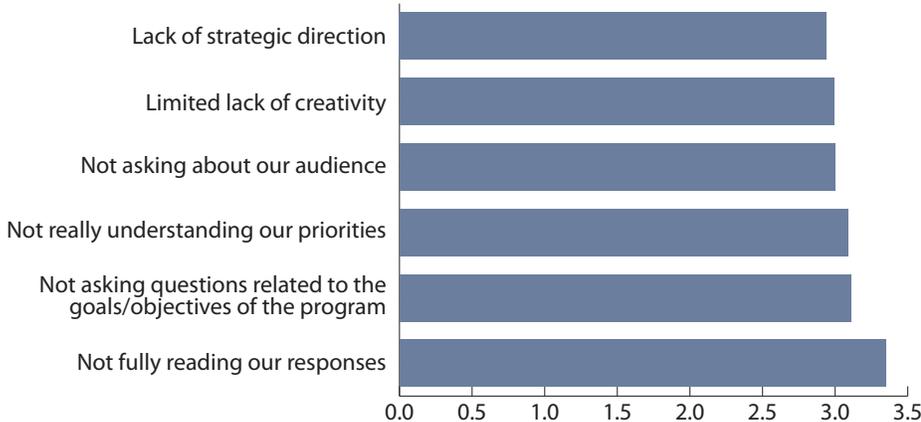
However, planners repeatedly brought up the turnaround in hotel staffs as a major difficulty. Some described developing a trust level with a salesperson and then getting passed off to someone else, while others were surprised by the lack of knowledge of the salespeople chosen to do the site inspection. Comments about lack of experience and customer service ran across all roles, from CSMs to sales managers.

The Starwood-Marriott merger was brought up repeatedly as a concern, as was a lack of fresh, new properties in the U.S. versus globally. The bigger the brands and the larger the salesperson's territory, the harder it is to keep up and learn enough about the individual properties.

Rank the challenges you have with planner relationships during the RFP process



Rank the challenges you have with hotels during the RFP process



Hotels: What are the top 5 reasons planners choose your property?



Planners: Thinking of your current program, what were the top 5 reasons you chose the hotel property?



7. The E-RFP Conundrum

E-RFPs have de-personalized the site selection experience and rank high on the list of frustrations for both sides. Planners feel hotels often don't review them thoroughly, take the time to understand their needs, or reach out personally to see if there is any flexibility on dates or other concessions that can be made before responding with a no.

"Call me 'Old School' and inefficient, but I prefer to send customized event details to an actual human rather than making my meeting details fit into a pre-determined set of boxes and sending it off into the abyss," said Meghan Schilt, CMP, events manager, King & Spaulding. "Not to mention that in this current environment, meetings are being boiled down to numbers. In some cities, to give my meeting a fighting chance at getting preferred space, I need to rely on relationships."

Response times are a complaint on both sides, but the biggest issue is the breakdown in communication.

"The hotels I often give the business to are the ones who pick up the phone to discuss flexibility, priorities and key objectives—those elements aren't always made clear in an RFP," said John C. Touchette, CMP, vice president global meetings, events and trade shows, Raytheon.