

VENUE SOURCING SUCCESS

HOW MEETING PLANNERS FIND EVENT SPACE



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EXECUTIVE SUMMARY

The meetings industry is on the cusp of radical transformation. From virtual reality and autonomous vehicles to artificial intelligence and the Internet of Things, emerging technologies promise to revolutionize not only how people communicate, but also how they convene. Just as meeting planners of yore could not envision meeting rooms aglow with the blue light of smartphones, today's meeting planners cannot possibly fathom what tomorrow's meetings might hold. And yet, there's at least one thing of which they can be certain: They will continue to need high-quality venues at which to host their events, and effective tools with which to source them.

It's been nearly two decades since industry veteran John Pino founded StarCite, whose electronic meetings marketplace fundamentally changed meeting planners' profession by making it easy for them to research, book and manage meetings online. The site — which launched in 1999 with a database of 50,000 industry suppliers — joined competitors like PlanSoft and Eventsource, whose collective efforts gave birth to the electronic request for proposal (eRFP).

StarCite made big waves. But those waves didn't touch every meeting planner's shore. Even today, meeting professionals have diverse preferences when it comes to sourcing meeting venues. Some are evangelists for eRFPs and the companies whose tools facilitate them. Others are traditionalists who continue to resist technology's allure, preferring to contact venues personally.

To understand what planners like most about digital and manual sourcing—and how eRFP tools can incorporate the best of both—Northstar Meetings Group recently surveyed 450 meeting professionals about their venue sourcing preferences. Subsequently, several planners and venues offered further perspective on the goals and challenges of meeting buyers and suppliers as they engage in planner-venue courtship. What emerged from their insights is an understanding that high-tech and high-touch sourcing methods are not contradictory, but rather complementary.

Simply put: While technology makes planners more efficient, personal relationships make them more effective. Used together, high-tech and

KEY FINDINGS:



When researching and sourcing meeting venues, most meeting planners prefer to have direct contact with hotels, or to work with convention and visitors bureaus (CVBs) and destination management companies (DMCs). A smaller number prefer meeting planning software.



Reliance on eRFP tools is growing, with planners predicting that they will issue more eRFPs next year than they did last year.



Meeting planners give their current venue sourcing processes a passing grade but admit there's room for improvement.



Meeting planners say their venue sourcing process could benefit from improvements in several areas, including: the time and resources required to source venues and the quality and timeliness of responses received from venues.

high-touch help planners and venues alike raise the bar on meetings performance.

The fact is: Venue sourcing technology is a fast-changing landscape. It can be tough to keep up with the pace of change. This paper sheds light on eRFP opportunities and challenges. Then it shows how a new generation of sourcing solutions answers the call to help meeting professionals spend less time performing repetitive tasks and more time developing smart buying strategies and building treasured relationships with hotel partners.

MEETING SPACE SWOT

INSIDE SOURCING STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Some meeting planners love technology. Others prefer tradition. What planners of both persuasions agree on, however, is that their current venue sourcing process has both flowers and thorns. Understanding where the process blooms and where it bleeds can help proponents stimulate eRFP enhancement and adoption.

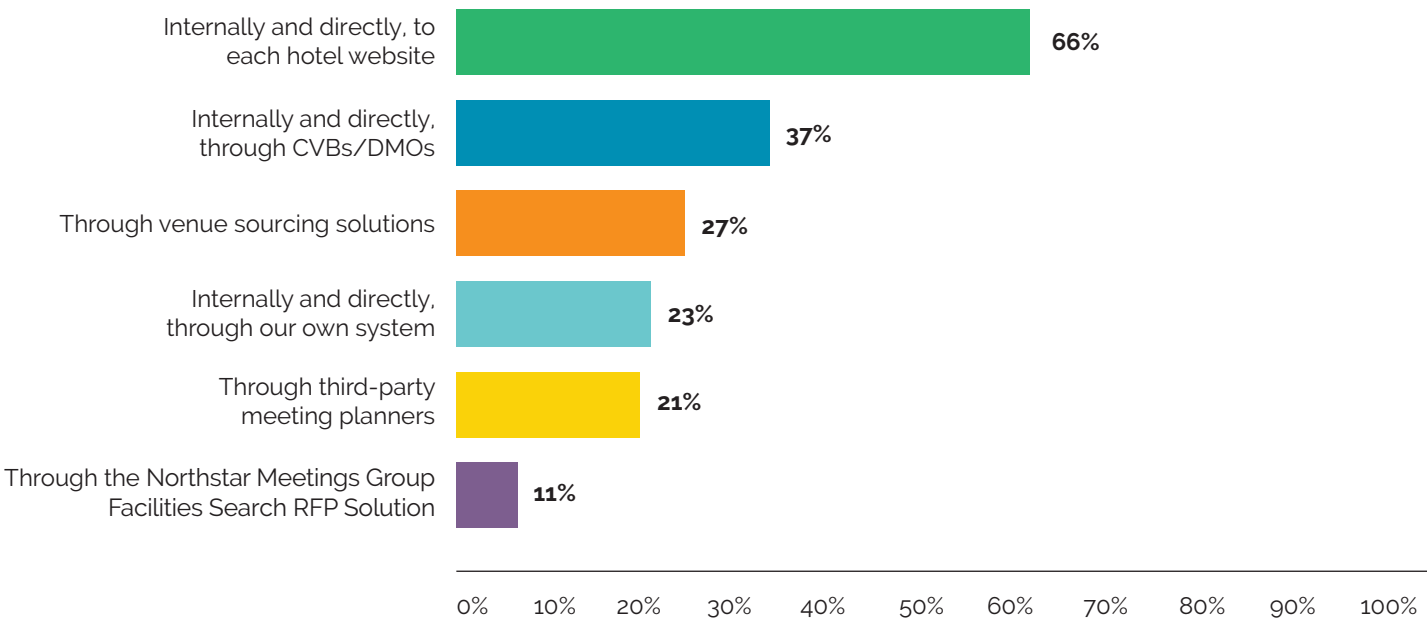
Meeting planners use multiple channels to research, source and request proposals for their business events. Most (66 percent) say they prefer to research and source venues internally and directly, via hotels' websites. Many (37 percent) also like to utilize CVBs and DMCs. A smaller number use eRFP tools (27 percent), their own internal system (23 percent), third-party meeting planners (21 percent), and the Northstar Meetings Group Facilities Search RFP Solution (11 percent).

VENUE SOURCING: IT'S PERSONAL

Conversations with survey respondents revealed a similar mix of strategies, the diversity of which reflects planners' individual personalities, styles and preferences.

Corporate meeting planner Carole Lynn Steiner says she prefers a personal touch. "I like working with people, not computers," says Steiner, managing director of New York-based Carole Lynn Steiner and Company. "I have decades of history

HOW DO YOU RESEARCH, SOURCE, AND/OR REQUEST PROPOSALS FOR YOUR BUSINESS EVENTS?





with meetings, and the hotels that I use are hotels that know me. When I'm planning a meeting, I call the general manager's office, let them know when I'm coming and what I'm doing ... I don't need to get quotes or anything else because I know where I want to be."

Association meeting planner Cara Groff also prefers working with people. "Typically, when I'm sourcing a venue, I try to use places I've worked with in the past," says Groff, event coordinator at the Empire State Association of Assisted Living in Clifton Park, N.Y. "I also look to venues that I've connected with [through] a salesperson at a trade show, etc. When I've exhausted those avenues, I usually look to the area CVB for help."

For research purposes, Groff likes going straight to the source. "When I'm looking online, I always go directly to a hotel's main website. Although, I do find that contacting hotel salespeople through the general 'Contact Us' on a website rarely works out. Either the information goes to a centralized group sales 'hub' and is farmed out from there or it gets lost in a general mailbox and I never hear back in a timely manner — if at all — so I end up just calling the hotel directly."

EFFICIENCY

While some planners try to avoid technology, others embrace it. Phoenix-based planner Lynda Hislop is one of them. "I use an eRFP tool," reports Hislop, president of Event Experiences. "The

WHAT TO LOOK FOR

- eRFP tools were never intended to replace the planners' relationship with hotels. Nothing can replace that. Instead, technology serves as a starting point with **tools to streamline the complex process** of sourcing and booking meetings.
- **Vast databases and hotel negotiation** tools help planners quickly find the right venue at the right price, big challenges in today's seller's market.

advantage is huge. It provides a standardized response for easy comparison ... Before these tools were available ... I would spend hours reading through responses and trying to put together a spreadsheet, so my client could make an easy comparison. eRFP technology is so much easier."

Association planner Erin Hobson agrees. "When I work with a third-party to source meetings, they use an eRFP tool," says Hobson, manager of meetings and trade shows at the Interlocking Concrete Pavement Institute in Chantilly, Va. "When I source my own hotels, I usually use the tool's hotel search option, go directly to the hotel's website to look around, read hotel reviews on Yelp and TripAdvisor, and submit my RFP online. Having the one-stop-shop of a hotel directory is so nice. [It has] almost everything you need in one place to view hotels in a given city."

WHAT TO LOOK FOR

- eRFP technology cuts sourcing time in half compared to the manual process.
- Among other things, the technology calculates venue costs and savings automatically and presents responses in an easy **side-by-side comparison bid summary**. Planners create rankings and share customized summaries with meeting owners to drive sound decision-making.

CUSTOMIZATION

Venues also juggle personal connection and convenience. "We always prefer direct communication with the meeting planner and other people involved in making the decision," says Hal Powell, regional vice president of sales and marketing at BENCHMARK, a global hospitality company. "That's so important, because it helps us understand the client's needs and what's most important to them; if we're able to identify that information, we can provide a really customized proposal that details the information that's important to them and eliminates anything that's not important to them."

For BENCHMARK, eRFP tools are an important avenue by which to commence relationships with meeting planners. But they're only the beginning. "We understand why companies use eRFP tools to distribute and manage their leads; it provides

WHAT TO LOOK FOR

- Traditional eRFP technology did not give hotels the tools to tailor proposals for a variety of dates. By contrast, modern sourcing solutions provide robust **customization features**. They enable venues to tailor proposals to fit not only planner needs, but their own needs, as well.
- For example, hotels now offer different rates, concessions, F&B costs and more for every eRFP date option. Sales teams can create **strategic proposals** in minutes with compelling offers for optimal dates.

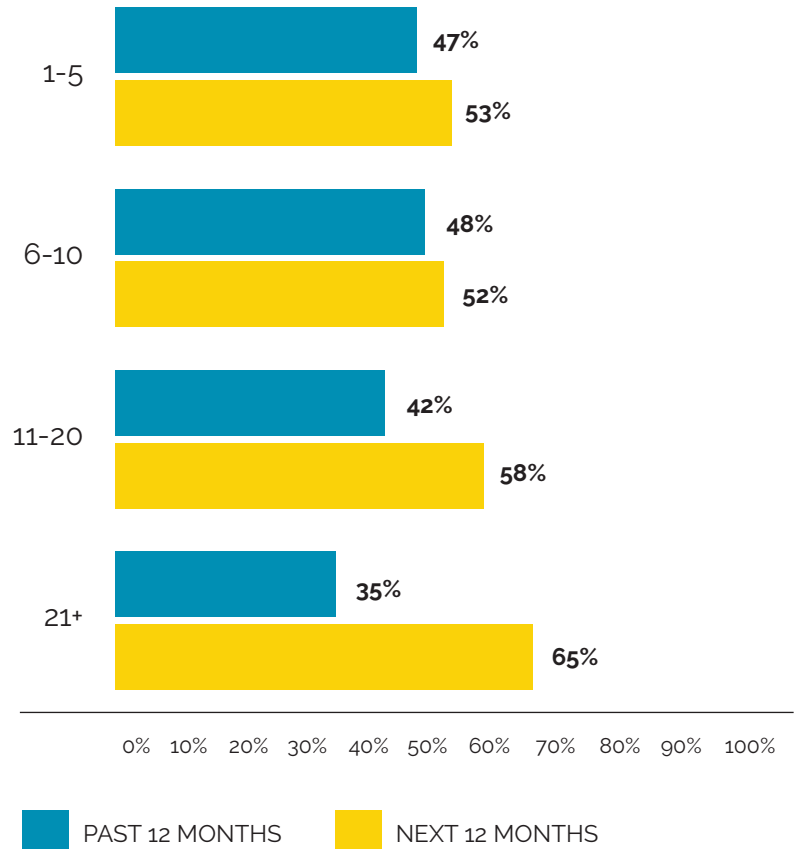
tremendous efficiencies," Powell continues. "It's up to us to be able to provide those companies with the rationale for why we definitely want to talk to them about their group before we submit a proposal for it."

(SLOWLY) ON THE RISE

Although some planners remain skeptical of eRFPs, others appear to be increasing their usage of them, suggesting a growing appetite for increased convenience, efficiency and productivity even as some planners cling to traditional processes and protocols.

Case in point: Survey respondents told Northstar Meetings Group that they plan to issue more eRFPs next year than they did last year. Regardless of the number of meetings they hold, planners told Northstar Meetings Group they plan to issue more eRFPs in the next 12 months compared to the previous year.

HOW MANY MEETINGS DID YOU/WILL YOU AND YOUR TEAM ISSUE RFPS FOR?



► SURVEY RESULTS, ANALYSIS AND DISCUSSION

Despite accelerating use among some planners, adoption of eRFPs remains relatively low across the meeting-planner universe. There could be numerous reasons why, according to survey respondents, who were asked to rate their current meeting-planning RFP process across five different dimensions: cost, utility, time and resources required, timeliness of responses and quality of responses.

On cost, 70 percent of planners rated their current process as good or excellent while 7 percent rated it as below average or poor. On utility, 65 percent rated their current process as good or excellent, while 5 percent rated it as below average or poor. On timeliness of RFP responses, 59 percent rated it as good or excellent, while 11 percent rated it as below average or poor. On quality of RFP responses, 58 percent rated their current process as good or excellent, while 10 percent rated it

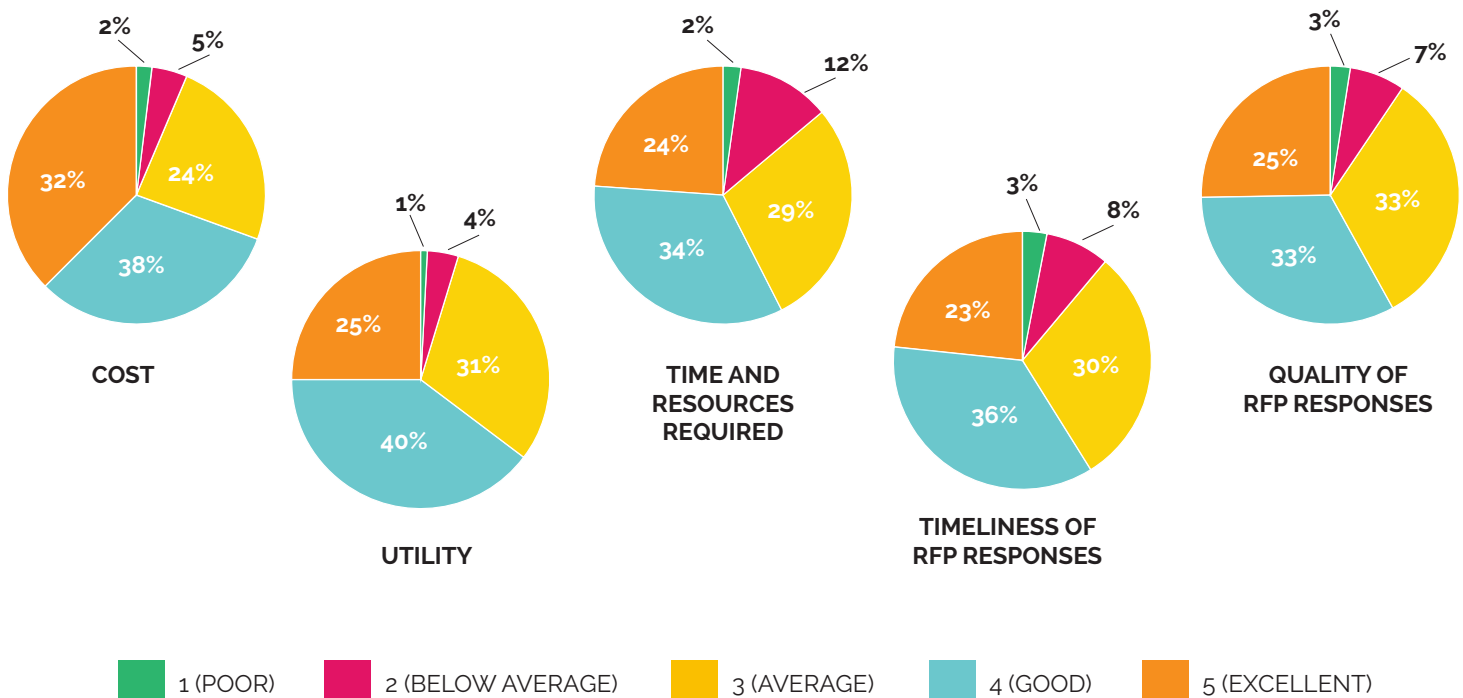
as below average or poor. Finally, on time and resources required, 58 percent rated their current process as good or excellent, while 14 percent rated it as below average or poor.

The data suggest that the majority of meeting professionals are satisfied with their current sourcing process – which for many planners is “DIY.” However, planners who have not considered eRFP tools in awhile should take a fresh look. Interviews with survey respondents shed further light on what planners want from their eRFP tools and how new-generation sourcing solutions are changing the game to meet these needs.

QUALITY RESPONSES

Probably planners' greatest eRFP challenges are in response quality and speed.

PLEASE RATE YOUR SATISFACTION WITH THE ELEMENTS OF YOUR CURRENT MEETING PLANNING RFP PROCESS, WITH 1 BEING POOR, AND 5 BEING EXCELLENT.



► SURVEY RESULTS, ANALYSIS AND DISCUSSION

"I find that many times, important details tend to be missed by the hotel sales team when reviewing the RFP — for example, needing to bring in a kosher chef for our kosher attendees," Groff says.

Echoes Hobson, "Typically we have to go back to hotels and have them fill in gaps in their proposals, which takes a lot of time. It would be helpful if the hotel would complete the RFP and not leave any gaps. It would save a lot of time having to try to find them or ask for them."

WHAT TO LOOK FOR

- **Enhanced communications** tools require hotels to fill in all information fields before submitting bids, ensuring that planners get complete responses the first time.
- A **centralized eRFP dashboard** provides an overview of meetings in different stages of the planning process. Event professionals can monitor the progress of all their meetings and see at a glance which ones need more attention or have updates.

TIMELY RESPONSES

For Anne Mari DeCoster, responses must be not only complete, but also quick. "If I were sitting at my desk thinking about my event in Flagstaff in October, I would be very happy if I started getting responses right away," says DeCoster, executive director of the Arizona Self-Storage Association. "Then, I could move forward faster instead of spending the next 10 days picking up the phone to connect with people," she says. "When you're planning an event and you're in the moment, you want immediate feedback; the faster you get the input you need, the better."

WHAT TO LOOK FOR

- While not all solutions have the same performance record, at least one provider boasts a **92 percent hotel response rate**, with most responses arriving within 24 to 48 hours without planners having to make follow-up phone calls.
- The solution provider credits its superior performance to **intuitive eRFP functionality** for hotels as well as a proactive **RFP service team** that contacts hotels to confirm eRFP receipt and ensure timely responses.



FLEXIBILITY

Other planners find eRFP tools to be too rigid. "They want certain pieces of information, and you have to fill it in exactly how they want it — without skipping anything," says Nikki Wiktorsson, owner of W Consulting in St. Pete Beach, Fla., of her current eRFP tool. "Not only is it time-consuming, but it's like trying to fit your meeting into a certain box so it can go out the way it's supposed to go out. It's frustrating."

► SURVEY RESULTS, ANALYSIS AND DISCUSSION

WHAT TO LOOK FOR

- Next-level eRFP technology fits seamlessly into the planner workflow. Planners can customize eRFPs to exact meeting specs.
- They can even make **changes to active RFPs**. For example, add venues, change dates, adjust room blocks and space needs in real-time as event needs evolve.

TRANSPARENCY

Some planners would like tools to offer more transparency into venues. Hislop, for example, has been pleased by recent additions to her tool of choice. "They've made it easier to understand the meeting space by offering visuals along with dimensions. Also, I used to be really frustrated because I couldn't tell when a hotel was renovated. Now there's a line that clearly states when a hotel was built and when it was last renovated, so you're really clear on how fresh the property is."

Hobson would like to see as much transparency around service as there is around facilities. "It would be nice if ... other planners could post honest feedback on the hotel and their experience working with it. You can have the most beautiful hotel, but if the staff isn't the best it can really impact the overall success of your event."

For her part, Wiktorsson wants access to real-time inventory. "I think what's needed is a faster way to know who has availability and who doesn't without sharing too much information about your meeting," she says. "Sometimes it just helps to know right away who has availability in your city so that you can narrow your focus."

THE HOTELS' PERSPECTIVE

Meanwhile, venues have challenges and an eRFP wish list of their own.

TIMELY RESPONSES

Probably the most common obstacle occurs when planners send eRFPs to a large number of venues, expecting to hear back from only a few. The result is a negative feedback loop: Venues say they're less likely to respond to eRFPs when they're sent to too many properties because it maximizes their competition and minimizes their odds of booking the business; when they don't respond, planners feel compelled to cast wider nets; and so, the cycle continues.

"Sometimes, if you get a lead and see that you're sourced — and so are 30 other properties — [the eRFP] loses its sense of urgency," Powell explains.



WHAT TO LOOK FOR

- **Venue search** allows planners to search hotels by the date of their last renovation (as well as by meeting dates, size, location, brand and more). That makes it easy to create a shortlist of available properties that are current and satisfy all other meeting requirements.
- Meanwhile, **planner reviews** help optimize savings opportunities and minimize risks. Using the latest eRFP solutions, meeting professionals can exchange reviews internally with colleagues by posting feedback — including information about cancellation credits, for example, or unannounced upcoming renovations.

WHAT TO LOOK FOR

- Providers advise planners to send eRFPS to 3 – 8 venues max. This sends a signal to hotels that they have a real shot at booking your meeting, so they work harder to win your business. **Full transparency** enables venues to see who they are up against and know immediately that an RFP isn't going the 30 other properties.
- **Lead management tools** for hotels give response time an additional boost. Sales teams can manage leads for dozens of people and properties from a single dashboard. RFP history and status is easily accessible to the entire sales team to help ensure no lead is left behind. If someone is traveling, another member of the sales team can jump in and keep proposals moving forward.

MULTI-VENUE EVENTS

In the case of large meetings, spatial specifications might take additional time to assemble, according to Marriott Marquis Chicago Director of Group Sales Steve Ator. "If there's a challenge, it might just be in the detail of actually mapping out the meeting space; a large hotel like ours has 90,000 square feet and 46 breakout rooms that might come into play, so that can be time-consuming," he says. "And when we get very large leads, we may partner with the hotel next door, or with [the convention center]; if we have to reach out to partners to look at additional space, that may delay our response a little bit."

WHAT TO LOOK FOR

- **CityWide technology** eases the pain. It handles different dates, multiple meeting venues and room blocks simultaneously on the same RFP. The solution gives hotels the ability to offer partial or full room blocks.
- Planners, in turn, can build their room blocks as needed, drawing from one hotel or convention center or several properties to best fit their requirements.

TRACKING TOOLS

Finally, Seppmann's team has two requests. The first is personalized auto-responders that let planners know their eRFP has been received by a specific salesperson who is managing their request. The second is a feature whereby planners can indicate how flexible or rigid their dates are. "When a planner puts in a preferred date it would

be helpful to know what is the actual likelihood they would consider secondary dates," Seppmann says. "Because we might be able to offer a better proposal for that second set of dates if it's something they'd strongly consider."

WHAT TO LOOK FOR

- **Real-time eRFP dashboards** provide an overview of meetings at each stage of the planning process. Planners can monitor progress, from receipt of eRFP all the way through booking.
- **Alternative date functionality** for planners and venues helps event professionals find availability faster and realize bigger savings, especially important in a seller's market.





CONCLUSION

Our research reveals a slow but steady increase in adoption of eRFP tools, suggesting a growing appetite for greater convenience, efficiency and productivity.

As Hobson says, "We are always open to new means of sourcing venues as technology improves and better options become available ... Anything to make the sourcing process more efficient and painless!"

Still, two decades after the advent of eRFP solutions, many planners continue to prefer the manual processes of picking up the phone and contacting hotels directly.

To hasten adoption, eRFP providers are rolling out solutions that add flexibility and transparency to venue sourcing and improve the timeliness and quality of responses. The goal is to combine the best of high-tech and high-touch. So technology improves communications between planners and hotels, while streamlining the sourcing and booking process.

As the planners who participated in this survey suggest: Technology at its best is a means to an

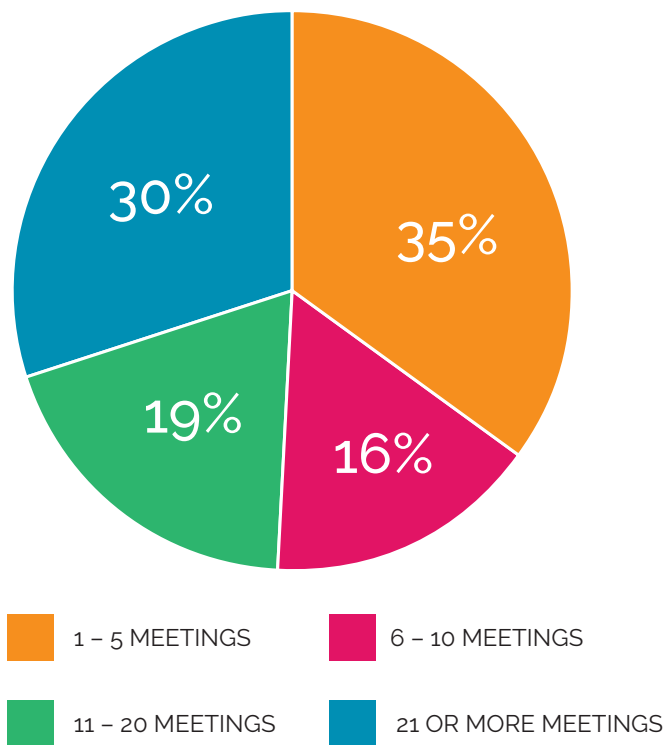
end. And in the case of eRFP solutions, that end is not merely a satisfying meeting space, but also a successful meeting inside it. eRFP tools, fans indicate, can save meeting planners hours, days and sometimes even weeks of manual research and back-and-forth communications. That means meeting professionals can devote less time to administrative tasks that drain their coffers and more time to strategic ones that fill them — including building personal relationships with trusted venues and planning innovative content with which to attract and engage attendees.

In conclusion: eRFP tools must continue their evolution, moving swiftly from facilitating *transactions* between meeting buyers and suppliers to facilitating *interactions*. When technology strengthens the planner/venue connection, the result is better, faster proposals and happier, more productive meeting groups.

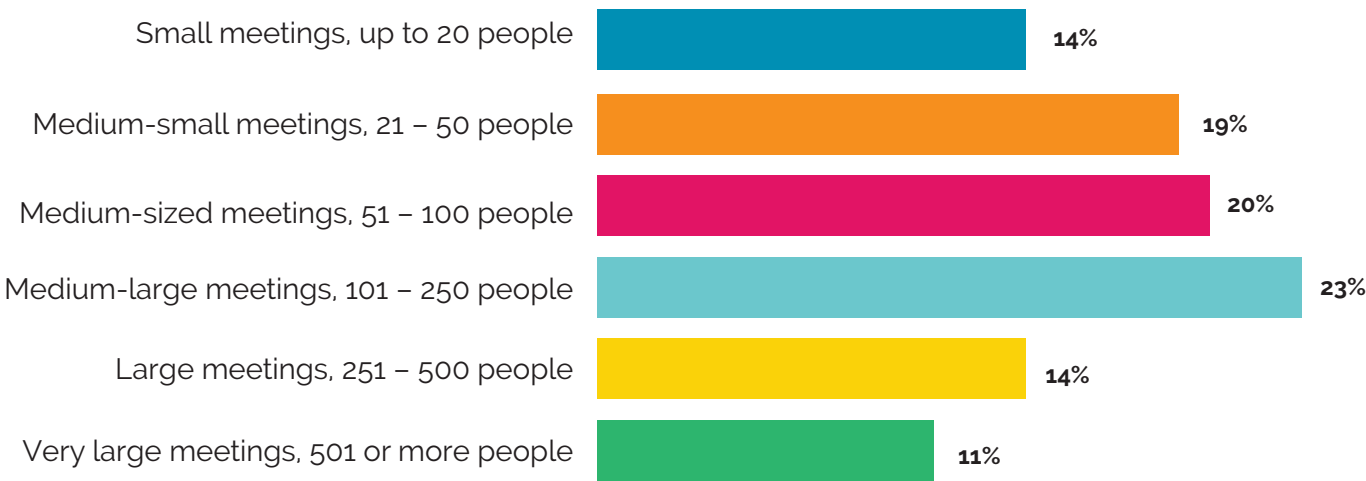
SURVEY METHODOLOGY

Northstar Meetings Group conducted an online survey of meeting planners in December 2017. The survey fielded a representative sample of 450 planners from across the United States. The respondents plan meetings of all sizes: One-third (33 percent) primarily plan smaller meetings of 50 attendees or fewer, most (43 percent) typically plan meetings for 51 to 250 people and a quarter (25 percent) primarily plan larger meetings of 251 or more attendees. The number of meetings per year they plan is fairly well distributed, too, with over a third of respondents (35 percent) planning between six and 20 meetings per year, the same number (35 percent) between one and five meetings per year, and the remainder (30 percent) 21 or more meetings per year.

AVERAGE NUMBER OF MEETINGS PLANNED PER YEAR:



SIZE OF TYPICAL MEETINGS PLANNED:



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