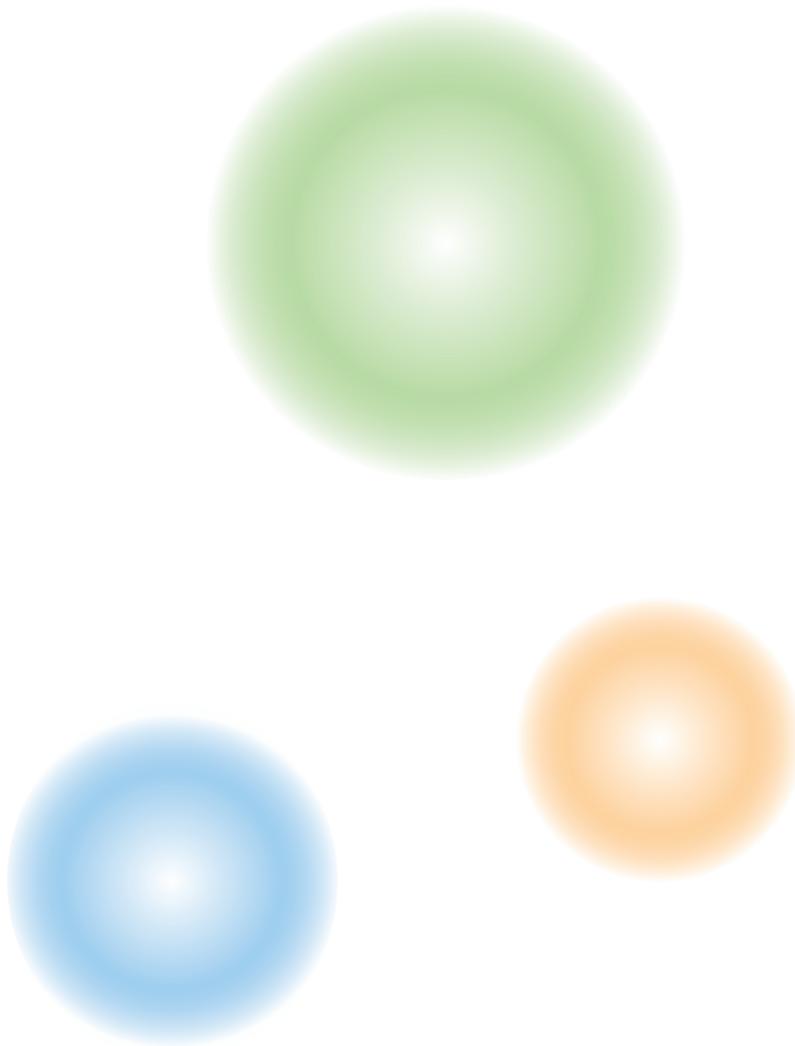




International Congress and Convention Association

Working with international suppliers

Ideas and advice for international
association meeting planners and
decision makers



ICCA Intelligence

Sector booklet – Content

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1. Introduction

ICCA

ICCA. International Congress & Convention Association, established in 1963 represents the main specialists in handling, transporting and accommodating international events and comprises over 850 member companies in more than 80 countries worldwide (congress travel agencies; airlines & alliances; professional congress organisers (PCO's); convention bureaux; congress centres; meeting hotels; consultants, publishers and technology specialists). International meeting planners can rely on the ICCA network to find solutions for all their event objectives: venue selection; technical advice; assistance with delegate transportation; full convention planning or ad hoc services. ICCA members represent the top destinations worldwide, and the most experienced specialist suppliers.

This guide is associated with ICCA's electronic newsletter to the international association community, "ICCA Intelligence", which publishes regular abstracts on subjects which can help you run more efficient and effective meetings. To be added to the mailing list, please contact Rosario Gómez at rosario@icca.nl.

Finally, this booklet is a live document which will be regularly updated in order to go hand in hand with the continuing changes in the meetings industry. If you have any suggestions or would like to see a special topic covered please contact Ronaldo Cardano at ronaldo@icca.nl.

2. Working with Convention Bureaux

2.1 Introduction

The Convention Bureaux in ICCA membership represent the most internationally focused and experienced destinations worldwide. From providing strategic advice to the organisers of citywide conventions to finding that special historic venue for an exclusive Board of Directors dinner, you'll find their expertise is hard to beat. For their complete contact details please visit the ICCA website: **www.iccaworld.com**.

2.2 What is a Convention Bureau?

A Convention Bureau is a destination's marketing body, and its main focus or purpose is to increase the number of events, conferences and meetings held in the destination – whether a city, a region or a country.

The Convention Bureau is the natural starting point for anyone who wants to organise a meeting or a congress in a specific destination. It is a 'one-stop-shop' for independent information and assistance and will give a planner unbiased and neutral advice on all aspects of hosting and organising conventions and business events within a particular geographical area.

A Convention Bureau offers expert services to corporate, association and independent meeting planners in order to support them in the site selection process as well as in planning and producing successful meetings, incentives, conventions, exhibitions and events.

As an unbiased and impartial resource, a Convention Bureau acts as the destination's recognised official point of contact for all conference organisers and meeting planners, from general enquiries through to confirmed events. As a general rule, Convention Bureaux do not organise events even though some bureaux offer commercial services. Individual bureau websites will clearly show the range of services that are available.

A wide range of information about their destination is provided by the bureau, including meeting, accommodation and transportation facilities; lists of local suppliers such as PCO's, DMC's, hotels and third party service suppliers such as AV, interpretation services, sightseeing companies; unique venues and tourist resources; stand contractors. They can help with administrative information such as visa application, custom rules and regulations and useful contact addresses and links for other industry related associations.

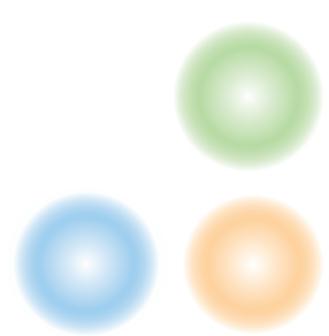
2.3 How are Convention Bureaux organised?

The Convention Bureau may be an integrated part of an 'umbrella' organisation such as

- national or regional tourist boards
- national, regional or local governments
- city marketing and promotion bodies
- city councils
- chambers of commerce

It can be a combination of the above, but it may also be a separate, private entity.

The bureau is usually funded, at least partially, by its members - the destination's travel and meetings industry. If the bureau has no members, it might be funded by local or national



government. In most cases, a combination of the two financial sources will be the case. In the USA, Convention Bureaux are typically part-funded by city bed taxes.

The services of the Convention Bureau are usually free of charge to meeting planners.

2.4 What services do Convention Bureaux provide?

Primary role

The Convention Bureau's primary responsibility is to market and sell the destination it represents, and secure future meetings, congresses, exhibitions and other related business events to the destination.

Promotional materials

Convention Bureaux produce promotional material for the use of meeting planners and organisers. This wide choice may include meeting & incentive planners guides, promotional videos, films, CD-ROMs, brochures, posters, maps, copyright free pictures and E-letters.

Educational trips and site inspections

Convention Bureaux organise educational trips and site inspections to introduce their destination to planners. These trips are coordinated by the bureau and the potential buyers are invited to familiarise themselves with the destination and its suppliers.

Websites

The websites of Convention Bureaux bring the planners and the travel industry of the destination together online, and provide all the necessary information and guidance the planners and organisers might need. Useful materials such as meeting and incentive planner guides, videos, photos, films, press kits, releases, and E-news can be downloaded from the websites.

The online event calendar is also an important service of Convention Bureau websites as it contains the list and the full details of upcoming conferences and events with direct links to the events' websites.

Supplier information and quotations

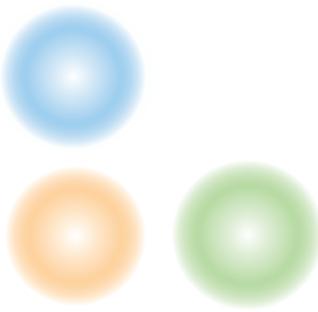
Convention Bureaux act as an intermediary between planners and the meetings industry of the destination. They provide information about suppliers for meetings and incentives and introduce the planners to local suppliers. They also assist in obtaining quotes from suppliers and comprehensive proposals from local PCO's (professional congress organisers) and DMC's (destination management companies).

Most of the Convention Bureaux offer online RFP's (request for proposals) on their websites and online venue finding solutions to help planners and organisers with the suppliers and proposals for their event.

Social programmes, pre and post tours and incentive packages

Convention Bureaux offer meeting planners advice on social events and spouse programmes by providing information and recommendations on unique venues, tourist attractions, sightseeing programmes as well as creative incentive packages. These includes useful tips on the city and pre and post tour alternatives.

Convention Bureaux can also supply planners/organisers with a wide choice of programmes gathered from their experienced local PCO's and DMC's.



Assistance with congress candidature - official bids

As the coordination office, Convention Bureaux play a very important role in being the link between planners/organisers and the destination, especially in getting support of local authorities for the events/conventions.

From the very beginning of the candidature process to the hosting of the event, Convention Bureaux deal with local/regional/national authorities in order to provide the city's official, financial and administrative support which vary among destinations and in different forms such as support letters, permitting the use of city halls and unique venues at no or minimum cost, assisting in the promotion of an event with banners and boards around the city, etc. Some cities even sponsor receptions or provide some form of financial compensation.

Convention Bureaux support the congress candidature process by compiling and submitting the official bid for the city, providing promotional material, assisting with presentations, coordinating the support of local authorities, and coordinating site inspections.

Tentative bookings

Bureaux can make tentative reservations of conference venues and hotel rooms to ensure necessary availability.

Convention publicity and delegate boosting

After a bid is won, Convention Bureaux give assistance with convention publicity by offering organisers the free use of posters, films, photos, videos, and other promotional material, creating e-mail campaigns for the promotion of the destination, supplying boards and banners around the city during the congress, listing the congress on their Online Event Calendar and giving direct links to the congress website.

Destination display and promotion

Convention Bureaux may assist in organising promotional activities during earlier congresses, in order to promote their destination and encourage higher levels of attendance, when the congress takes place in their destination.

Information kits and welcome packs for conference attendees

Convention Bureaux can provide meeting organisers with delegate information kits which include material such as city guides, maps, brochures etc, to be distributed to the congress participants.

City cards/passes

Convention Bureaux may offer free or discounted city cards to congress participants, which cover the transportation network of the city as well as services such as reduced or free entrance to museums, discounts for restaurants and shops, etc.

Other services

Depending on the size and the policies of the bureau, some might also provide the following services:

- Registration assistance
- Opening ceremony sponsorship of congresses in the city
- Hospitality/information desk during the congress
- Assistance in finding financial support where appropriate
- Shuttle services
- Housing
- Reservations of guided city tours
- Pre-financing and/or guarantee funds to organisers

3. Working with airlines

3.1 Introduction

This particular section has been produced as a practical educational guide for both association executives and ICCA members on how to deal effectively with the airline industry in the 21st century. This industry has grown up in tandem with the development of the international meetings industry, but structural changes over the last decade have changed the relationships and opportunities for partnership between meeting planners and their delegates, airlines, and other ICCA suppliers.

The contact persons listed on the ICCA website are those who specialise in the association market segment: please contact them for additional advice at www.iccaworld.com.

The new airline environment

The airline world has undergone a revolution in the last decade: budget airlines are here to stay; some of the established "legacy" carriers are only just able to remain in business, and some companies have ceased to exist. Global alliances rule the long-haul marketplace, and are facing the challenge of no frills airlines on short haul routes. A new generation of aircraft from both Airbus and Boeing will be coming into service in the next few years, further accelerating the processes of competition and innovation. Add to this a wildly fluctuating market for fuel, the airlines' largest expense, and the pressure on the entire business sector becomes apparent.

Why are airlines and alliances interested in partnerships with international associations?

Many airlines and alliances, and certainly the ones in ICCA membership, recognise that international association events offer an opportunity for them to influence their market share, whether by helping to win the bid for a destination where they are a strong carrier, or by promoting to delegates to boost their "natural" level of market share (the amount of business they would in theory win if they did not invest in promotion or other partnership activity). They also recognise that many conference attendees are potential business class or full fare economy ticket purchasers, whose impact on profitability is far greater than the average customer.

The airline executives responsible for these partnerships need hard evidence to persuade their superiors of the merits of such deals. Meeting planners need to be aware that without clear facts and figures to demonstrate the capacity for the airline to win increased market share, the chance of forging an effective partnership is much reduced. The days when national airlines supported bids for international events for reasons of national pride are long over. Bottom-line financial impact is an absolute necessity today and for the foreseeable future.

3.2 International Associations

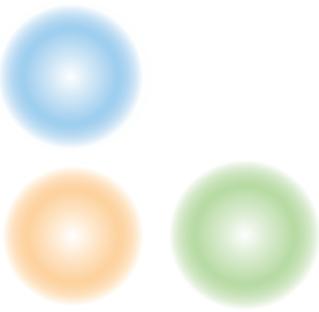
Key points when negotiating with airlines:

I) When does your event take place?

Most airlines and alliances are only interested in setting up a formal agreement between 3 years and 6 months prior to the event taking place. However, if you are organising a particularly large event with a longer lead time and you want to get the airline involved as a partner in the bidding process, there are exceptions to this timeframe. Actual delegate booking can only commence one year prior to the event, since airline booking systems are typically not designed to handle earlier requests. It is recommended to shift meeting dates to the periods which avoid capacity constraints (depending on airline/area).

II) How many delegates attend and where do they travel from?

At the very least, you should have internal statistics from past events showing nationalities of



attendees, patterns of growth or regional variation. Many airlines and alliances require specific minimum delegate numbers before they will invest in partnership with an event organiser: below 500 delegates you will typically have to make a very special case before any of the airlines will enter into negotiation. Be sure of your figures before approaching them. If you have accurate data on airline use at your most recent event, this is the ideal analysis to use.

III) What is the status of your bid?

Do you need airline support to secure the bid for a particular destination, or has the venue been selected? The answer will have a big bearing on what sort of partnership is possible, and whether it is best to approach an individual airline, or one of the big alliances.

IV) What key objectives do you have for the partnership?

It is vital to determine the basis of your working relationship from the outset. Once the agreement is set, additional requests (eg a late upgrade for your VIP speaker) are no longer part of negotiation, they are effectively "begging for favours". Refer to our checklist to make sure you have covered all the possibilities and have identified which have the highest priority for you.

V) What benefits can you offer the airline or alliance?

Be clear about what you are offering to make the partnership worthwhile, whether you promote "official airline" status, or a less formal arrangement. Be clear about how much influence you have over your delegates' travel decision-making. Spell out the promotional and booking channels in which you will promote the airline or alliance exclusively. Remember the airlines' motivation: they want to improve their market share above the "natural" level they would get if they were not partnering with you.

What kind of support can airlines offer?

We have listed here check-lists of possible airline support and benefits that are of interest to them. It must be stressed that each item needs to be negotiated with the airline, and that the meeting planners should set priorities since only some items are likely to be offered.

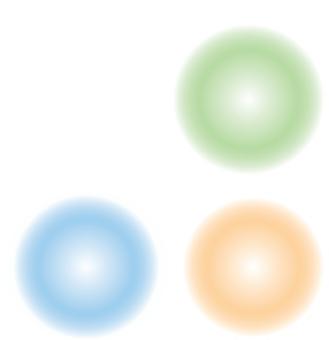
Bid stage partnership - checklist:

- Airline participation on bid committee.
- Airline letter of intent/support included in bid documents.
- Airline assistance with site inspection tickets and/or upgrades.
- Airline presence at bid presentation.

NB: at the bidding stage your partnership will inevitably be with a specific, perhaps "national" airline, rather than with an alliance. The latter cover the globe and have to avoid "taking sides" in competitive national bids. Once the destination is confirmed, the individual airline belonging to an alliance will almost inevitably wish to involve their partners in the alliance to a greater or lesser degree, but may sometimes wish to retain "official" status for themselves alone.

Benefits that associations can offer to airlines:

- "Official airline" or "Official alliance" status.
- Exclusive logo presence in all printed material.
- Complimentary advertisements in conference programmes and other association publications.
- Providing a list of potential and actual attendees for the conference in order for airline to promote transport to the event.
- Exclusive mention in association and event websites, including links to airline booking



engines (NB if the association members have a particularly valuable business profile, the opportunity for the airline to market to the entire membership should not be underestimated, especially if member numbers are significantly higher than likely delegate numbers).

- Proactive marketing to inform delegates about promotional flight offers and about the range of potential routes using the “official airline” and its partners, and to encourage early booking.
- Meeting planners to provide sales lead contacts, subject to the approval of the delegates and the applicable legislation.
- Distribution of airline collateral material to delegates (eg invitations to join Frequent Flyer programme).
- Recognition of airline during the event (eg invitations to VIP events; logo presence on signage; name mention during key elements of the event; airline executive as speaker if the conference is on a subject relevant to airlines).
- Complimentary participation in the conference programme or workshop if deemed relevant to airline/alliance.
- Monitoring of how effective the partnership has been. This is important not just for securing support for one event, but also if the association wishes to develop a longer term partnership with a particular alliance.

3.3 Airline partnerships with other meetings industry suppliers

Professional Congress Organisers (PCO's)

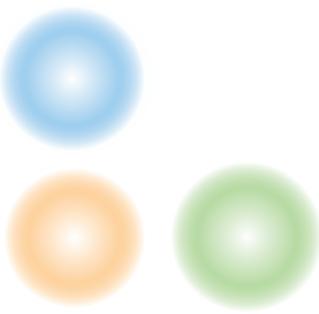
Many international associations use the services of a PCO when organising their events, either in an ad hoc capacity for a specific event, or as a “core PCO” to coordinate and organise their events worldwide. Meeting planners should consider the following airline issues as part of their routine evaluation of PCO's services:

- Has the PCO an existing business relationship with one or more of the major alliances and or the national airline in their home country?
- What experience does the PCO have in negotiating “official airline” status with alliances, and have these deals been for single events or for a longer period of time?
- Does the PCO routinely incorporate airline booking channels into the delegate registration websites they design for their clients?

Convention Bureaux and Congress Centres

The convention bureau is the marketing organisation of the convention industry in a given market and should be responsible for targeting association events. In absence of a convention bureau congress centres take the lead in dealing with meeting planners. Meeting planners should consider the following airline issues as part of their routine investigation into the merits of potential destinations and venues:

- Does the bureau and/or centre have a special relationship with their national airline, for example enabling them to act as intermediary with out-of-the-ordinary requests, or to provide resources to promote the event? (In some destinations the airlines, venues and bureaux work very closely together on destination promotion or delegate-boosting projects).
- Does the bureau and/or centre supply tickets for site inspections?



3.4 Measuring airline relevant data

Requirements

Meeting planners wishing to negotiate with airlines need to provide hard evidence of the value of their event, with measurement criteria which make sense to the airlines. Some meeting planners can adapt their own in-house event statistics to achieve this, especially if they consult with airlines in advance to confirm the best way to present the information. Adding a few standard questions on delegate surveys to obtain statistically valid airline data is a simple solution.

4. Negotiating with hotels

4.1 Introduction

Most hotels have limited experience of dealing with associations, and are more familiar with corporate meetings and intermediary agencies, whose needs and buying behaviour can be very different from those of association planners. Many buyers in the association world have limited experience of negotiating with hotels, and do not clearly understand the business objectives that drive hotel negotiating positions. Most guides on the subject of negotiating concern themselves with the corporate market. These three facts add up to the need for a simple guide to assist the international association buyer to speak the same “business language” as the hotel sales representative, and to obtain a fair deal that reflects the importance and value of their event.

Typical hotel perceptions of association events:

- Lower spend than corporate events.
- Lack of guarantees on room blocks = higher risk.
- Lead time too long.
- Negotiation process too complex.
- Overall value of event not clear.

The association buyer’s biggest challenge is to overcome this type of negative and often incorrect perception. There are two essential components to achieving this:

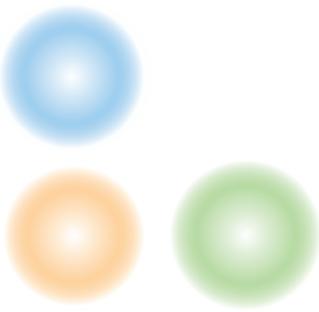
- Understanding hotel business objectives.
- Providing relevant information about your event.

4.2 Understanding hotel business objectives

Hotels are ultimately judged by shareholders on their return on capital, which translates into targets for Revenue per Available Room (RevPAR), the overall revenue divided by the total potential number of room-nights over the financial year. Hotels use a range of techniques and technologies to assist them in “yield management”, the process by which they try to optimise revenue and occupancy over different market segments, through seasonal fluctuations, whilst taking into account national, regional and local economic circumstances. Some hotels have very sophisticated systems and experienced analysts; others do not. Some hotels always follow the advice of the yield managers; others have more discretion.

Each group enquiry, including international association events, is weighed up against the hotel’s yield management criteria, to see whether it is a “good” piece of business. “Bad” business is typically rejected even if the space is available, with the client simply being told they cannot be accommodated. Most yield management systems help the hotel to fix prices and “ideal” business mixes across numerous segments: corporate individual bookers; leisure group; leisure individual; meeting group; aircrew; but also across different booking channels (eg internet in-house; internet external portal; Global Distribution System; tele-sales) and time periods.

This level of sophistication explains why a hotel may be happy to take a leisure group booking at a lower price, rather than give a meeting planner the extra rooms they need for their group – the latter group is one-off; the former may be part of a series of bookings which provide the hotel with a “foundation” of revenue throughout the year. Similarly, a meeting which provides guaranteed catering and meeting room rental revenue may be preferred over another group booking which is willing to pay a higher bedroom rate, but which doesn’t have the ancillary spend.



Hotel bedrooms and meeting space are “perishable goods”, which have a zero value the day after they appear in the diary. Hotels are therefore much more flexible with business which is short-lead, and can fill space which would otherwise be unsold.

Hotel negotiating policies

The meeting planner will usually negotiate with either an hotel Sales Manager, or with a negotiator in the Conference & Banqueting team. Larger events may involve Regional Sales Directors or even the hotel General Manager. These individuals will have varying levels of negotiating power and authority. ICCA meeting hotels will have specialists who understand and work with meeting planners.

Whilst hotels are happy to negotiate directly with meeting planners, they are also used to dealing with professional intermediaries, such as destination management companies (DMC’s) and professional congress organisers (PCO’s). ICCA’s membership includes many of the top DMC’s and PCO’s worldwide, who can provide advice on every aspect of organising international events, and who may have unique local knowledge that can assist in hotel negotiations.

Hotel policies with regard to meeting space vary considerably. Some will offer complimentary space for a specified number of bedrooms booked; others will charge per room or per delegate; or will insist on linking the space to a package which includes a minimum amount of catering. Ultimately, the policy depends upon the level of demand in a particular city or within a particular hotel chain.

Some hotels are primarily banqueting specialists rather than conference specialists – they may even charge extra for “overnight hold” of space, because they are foregoing evening business. All hotels hate long set-up and breakdown periods, because there are few if any bedrooms linked to the business. All hotels like events which fit together perfectly, with one meeting coming in the same day another is going out and minimal gaps in bedrooms.

Hotel long-term pricing policy is a vital issue for associations, since most events are confirmed many years in advance. Failure to get an hotel to commit to a future price can be very expensive, especially if the city choice is made first and cannot be changed. There is always an element of risk in future pricing for both parties, since the state of the economy and rates of price inflation cannot be accurately predicted.

Key action points for meeting planners:

I) Identify low or soft periods of demand in the city or individual hotel.

These can be a day of a week (Sunday is notoriously low occupancy in many cities), a national holiday (not usually too important for international associations), a particular month, or even a season.

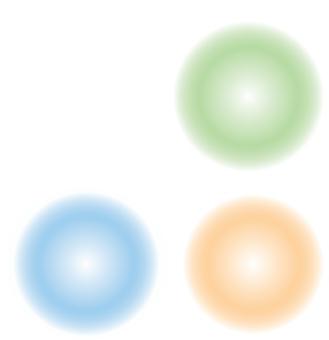
Ask the hotel to point these out: these are the dates which give the hotel real additional revenue – your delegates won’t displace other business, they’ll fill rooms which would otherwise be empty.

II) Avoid periods which give hotels big “dips”.

Hotels will either turn down or charge big premiums for events which cause their peaks and dips to become more pronounced, or may limit the number of bedrooms they are willing to offer. In major business cities, a meeting with peak rooms on Tuesday and Wednesday will be undesirable unless they already have events booked which will fill Monday and Thursday, or unless the event will pay very high prices. A resort property may feel the same about a Thursday and Friday night booking, which unbalances their weekend business.

III) Identify if other bookings have already been taken.

Placing your event immediately next to other contracted meetings will be highly valued by the



hotel. They will be more willing to offer lower rates and larger room blocks. Understand how your event could fit into the hotel's mix of business.

IV) Understand the hotel's policy regarding meeting place.

Some hotels will give complimentary meeting space linked to a certain number of guaranteed room-nights or day-delegate packages (meeting room + coffee breaks + lunch, charged per delegate per day). Sometimes this may be limited to the main meeting room, and smaller breakout rooms will be charged extra, sometimes the hotel may offer all the space as a concession to help fill a difficult time slot. Policy varies dramatically between hotels and between cities, and has a major impact on event budgets.

V) Find out how far out the hotel will guarantee prices.

Hotels experienced in handling association business may agree firm prices anywhere from two to five years in advance (very commonly the case with ICCA meeting hotels). Others may be unwilling to make any commitment more than two years in advance.

VI) Understand the status of your enquiry/booking.

Hotels have very specific internal policies with regard to conference bookings; failure to understand these may result in losing the space you think you are holding. The categories are normally "Option", which is a provisional booking, and "Contract", when a firm contract with financial guarantees has been signed. A "first Option" means that your booking has been allocated the space quoted, but there is no contractual obligation to proceed on either party. Often, a deadline will be given, after which the hotel will automatically release the booking or offer the space to another party. A "second Option" means that you are in line for the space behind another client who has received a proposal – there can be many second options at the same time, and there is no guarantee that you are really next in line.

VII) What hotels love to hear.

"We are flexible on dates/days".

"We require minimal set-up and breakdown days, or can work overnight".

"We can guarantee minimum bedroom take up".

"We can guarantee minimum day delegate numbers".

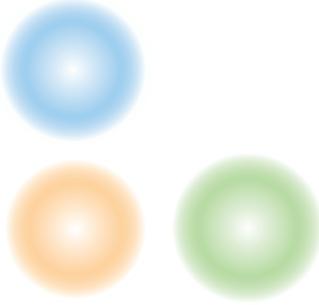
"We can guarantee specific major catering functions".

4.3 Providing relevant information about your event

From the very beginning, the amount of information you can provide will influence the attitude of the hotel, and may even determine whether an offer will be made or not. Because hotels are not as familiar with association business as they are with corporate bookings, even information which an association professional regards as self-evident should be provided.

I) Past history.

Hotels see association bookings as inherently riskier. They love hard facts about previous meetings: booked vs actual room-blocks, by day and in total; actual rates paid by delegates; number of day delegates; number and size of meeting rooms utilised; catering functions by number and spend; revenue analyses from previous hotels (total; per room-night). A pattern of annual growth, or a geographical pattern (eg larger numbers whenever you meet in a certain part of the world) are also useful indicators.



II) Define the purpose of your meeting

Don't just say this is the "XXIIIrd meeting of AAIRI". Tell the hotel that this is a gathering of the world's top experts in the actual subject, sponsored by this world-renowned brand name, with that famous speaker, which will be televised or reported on internationally. If the hotel genuinely understands how important the meeting is, its perceived value to the hotel will be seen as greater than if it is just another set of initials in the diary. Hotels value profile and PR as well as immediate revenue.

III) Who are your participants?

Are they professionals, business people, government representatives. Are they paying their own way or will their organisations be paying for them? Which countries are they travelling from, and how many (non-staying) locals are expected to attend?

IV) Who pays for what?

A critical question for hotels: the more that is guaranteed via the central Master Account, the less risky the event will seem to the hotel. Be extremely clear about whether the delegates make and/or pay for their own bookings, and about how many room-nights you are willing to guarantee to secure the booking. Hotels are much more used to dealing with corporate events where all the spend is covered centrally by the client.

V) How much control do you have over delegate bookings?

Be honest about how your delegates behave or are likely to behave. Will they scour the internet to try to find cheaper rates in your hotel? Can you insist on them booking via your association registration website? How late will they book? The hotel may be able to close down certain booking channels and/or promotional rates for the dates of your event, so as to protect both itself and your association.

VI) Is there an intermediary involved?

Many hotels pay hundreds of thousands of dollars annually in commission to agencies. In some countries the majority of corporate conference bookings are made in this way. Hotels hate being asked to pay a commission after an event has been negotiated, but will build this into their calculations if they know this in advance. If you are using a Professional Congress Organiser (PCO) to help run your event, and they are relying on hotel commission as part of their agreed fee structure, make this clear to the hotel from the outset – PCO members of ICCA offer a range of professional services and advice, and can provide cost savings and/or identify additional sources of revenue for the association. Alternatively, if there will definitely be no intermediary, or a PCO who is not charging commission, you can use this as a negotiating position to try to obtain a better price or other concessions.

VII) Spell out how flexible you can be.

Set out your ideal dates and days of the week pattern, but indicate where you can be flexible (eg "ideally second or third week September, but could meet first week September or up until mid-October"). Indicate when you definitely cannot consider meeting (eg "must avoid American Thanksgiving weekend"). The hotel may have a "dead" week which they can then match you with. Clearly state that you will be willing to consider less-than-ideal dates in return for more attractive prices, and the hotel may send you two different quotations for two alternative options.

VIII) Explain your decision-making process.

Nothing confuses hotels more than the multitude of decision-making processes in international associations. Is the hotel being put forward as part of an official bid? When will a decision be made about the city/venue, and has the country been selected already? Who makes the decision? Who signs the contract? Give the hotel a timetable and list of key contacts, so that they can keep your booking option until the decision is made, and won't chase unnecessarily for confirmation. If they are part of a formal bid, you can even ask their marketing department for assistance in putting the bid forward.

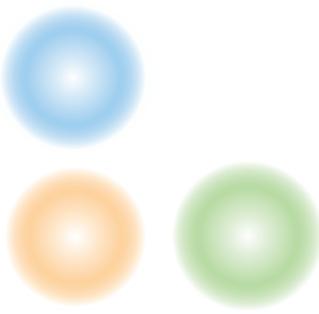
IX) Sell the positive side of international association meetings.

At a time when corporate conferences are frequently cancelled or postponed, and are prone to much higher risk considerations, associations have some very strong advantages: they almost never cancel major events; they almost never move to different cities (politically this is very difficult); most of their delegates will make the effort to attend. These are very positive messages for hotels at times of political and economic uncertainty and threats of terrorism. Identify your individual strengths: eg corporate sponsors or members running parallel events or booking suites to entertain; pharmaceutical company financial involvement in medical association meetings. Association business can be great "foundation" business for hotels in their future years' diaries, around which they can take other, perhaps higher-yielding, bookings.

4.4 Contracts

Hotel contracts can be very confusing. As a minimum, make sure of the following:

- Read and understand the whole document, and especially the general terms and conditions. The language should be clear to a non-lawyer.
- Ask for clarification of anything which you do not understand, and if necessary, insist on a re-write to prevent ambiguity. If you are working in a non-native English language environment, make sure they have an authenticated English translation available for you to study. If you have to sign a non-English original contract, make sure the changes in the English version have been made in the original.
- Try to determine which aspects of the contract are non-negotiable, and which elements can be varied. Most hotels have clear distinctions between these two elements.
- Make sure the contract is balanced in terms of rights and responsibilities for both parties. The contract is not just there to protect the hotel.
- Pay particular attention to your responsibilities in terms of guaranteed numbers of delegates and room-nights, the timetable for when rooms can be released and the number of rooms which can be released at what stage without penalty.
- Clarify the penalties for failure to meet guaranteed numbers or for cancelling the event. In some countries hotels cannot claim for the full "lost" revenue, but only for lost profit, which of course is reduced if the space or bedrooms are re-sold. In other countries this is not the case, so do not assume that re-sold space will reduce your penalty.



- Ensure all the verbally agreed elements are included, either in the contract itself, or in an attached letter of agreement signed by both parties.
- Spell out all commission arrangements with intermediaries and also clarify which elements of the event will be the responsibility of the individual delegates rather than the association.

4.5 Long term relationships

Associations book up events often many years in advance. Many hotels have a very fast turnover of staff, especially in Sales and in Conference & Banqueting Departments. Effective communication is essential in making sure the original agreement is understood and adhered to over time.

Hotels which are more experienced in handling association business, such as ICCA meeting hotels, will often have a number of key personnel with many years experience, employed specifically because they are skilled at maintaining long-term relationships with association clients. Where these individuals exist, they can aid the association planner enormously.

It is always useful to request that should a key contact move on, a handover meeting will automatically be set up with the new key contact, so that the long-term needs of the association are clearly understood by the hotel. This is particularly important for a major event which has required negotiation input by the General Manager. A new General Manager will need to understand why special arrangements have been put in place.

Building a relationship with the city Convention and Visitor Bureau is another way of ensuring that the needs of the association client do not get forgotten when hotel staff move on. A good meetings hotel will typically have a very healthy relationship with their city Convention Bureau, and meeting planners can benefit from this.

Using hotels that are part of international brands can assist meeting planners with their negotiation for future events, especially if the hotel group employs a key client sales approach, where each client is allocated a sales contact who helps them find appropriate venues with the group wherever in the world they want to meet.

Non-chain hotels often have informal networks of contacts, or belong to marketing consortia: it is always worth asking their advice for future years' venues; ICCA meeting hotels frequently refer business to one another via the ICCA network.

ICCA member PCO's and DMC's rely on good long-term relationships with hotels, and can also assist the association planner to build a strong level of mutual understanding.

4.6 Negotiation check-list

Your capacity to ask for concessions and extra benefits will of course be determined by numerous factors relating to the negotiation process. One general rule is, of course, "if you don't ask, you never get", but when and how you ask will vary according to circumstances. It never pays to win a concession at the expense of harming a relationship: at some stage the association will certainly need the hotel to be flexible and helpful in the run up to the event, and this is worth more than a bowl of fruit in the chairman's suite! Equally, once the contract is signed, you are no longer negotiating, you are begging!



The following is a non-comprehensive list of the items you might consider including in your negotiations for a waiver or price reduction. It can also serve as a check-list to see if the hotel charges for services which you may assume are complimentary: with customs between countries varying so much, it is always best to check.

- Complimentary room-night per 20, 30 or 40 room-nights booked.
- Complimentary upgrades as a percentage of room-nights booked.
- Standard prices across all room types.
- Double rooms at single rates.
- Extend the special conference rates before and after the event.
- Complimentary double occupancy for spouses.
- Complimentary or upgraded breakfasts.
- Rebate to Master Account if delegates book a specified number of room-nights.
- Differential pricing between Master Account rooms and delegate rooms (ie a discount for staff, speakers and guests).
- Complimentary or discounted meeting space linked to number of room-nights.
- Upgraded banqueting menus.
- Special deals for VIP's (could include free airport transfers; wine/fruit in rooms).
- Special deal for Board meetings held prior to main Association meeting.
- Free or discounted rooms for site inspection visits.
- Special rates for promotional functions held by sponsors during the main event.
- Private check-in area.
- Exclusive use of one of the hotel bars for networking.
- Use of office, maybe including equipment such as photocopier.
- Discount on in-house AV supplier rates.
- Free storage facilities for advance deliveries.
- Free door drops.
- Free portage.
- Use of in-house or nearby leisure and sports facilities.
- Late check-out or early check-in (especially important if you have intercontinental delegates who arrive early in the morning).
- Free signage (does the hotel have an electronic system, and if so can it be used without charge?).
- Corkage charges (if you are bringing in a wine from a sponsor).
- Continuous coffee service.
- Free pastries or cookies with coffee.
- Car park charges.
- More generous deposit requirements (later; smaller; etc).
- Complimentary use of local WiFi network.
- Complimentary use of Business Centre.
- Complimentary use of Executive Lounge.
- Upgraded security.
- Official welcome desk.
- Complimentary use of flagpoles for association banners.
- Complimentary use of hotel TV network to communicate to delegates' bedrooms.



Head Office

Toren A, De Entree 57, 1101 BH Amsterdam, The Netherlands

Automated phone menu +31 20 398 1919 Fax +31 20 699 0781 Email icca@icca.nl Website www.iccaworld.com

Direct phone numbers:

Events Dept. +31 20 398 1910 Marketing Dept. +31 20 398 1963 Membership Dept. +31 20 398 1904

ICCA Asia Pacific

Suite 12.05, Amcorp Tower, Amcorp Trade Centre, 18 Persiaran Barat, 46050 Petaling Jaya, Selangor, Malaysia

Phone +60 3 7955 3343 Fax +60 3 7955 3348 Email asiapacific@icca.nl

ICCA Latin America

Plaza Independencia 759 Oficina 763, UY 11100 Montevideo, Uruguay

Phone +598 2 901 1807 Fax +598 2 901 1807 Email latino@icca.nl

ICCA North America

Box 6833, Freehold, New Jersey 07728-6833, U.S.A.

Phone +732 851 6603 Fax +732 851 6584 Email n.america@icca.nl