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C O M P A N Y

Best Practices

Convention Center Sales and Convention Center Operations

A Report from the Joint Study Committee

July 20, 2007

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Introduction and Background

- IAAM was formed in 1895 to provide leadership, educate, inform and cultivate friendships among individuals involved in management, operation and support of public assembly facilities.
- DMAI was formed in 1914 to enhance the professionalism, effectiveness and image of destination marketing organizations worldwide.
- Ad Hoc Group of DMO and Convention Center Executives met in Phoenix, January, 2006.
- IAAM and DMAI formally appoint the Study Group to pursue a review of “best practices” in convention sales and convention center operations commencing efforts in April, 2006.
- Study Group establishes a mission for the effort committing to an overriding objective of providing the destination customer with a seamless experience from the onset of the sales cycle until move-out regardless of operating model.



Purpose – Best Practices

1. Convention Sales
2. Convention Center Operations
3. Joint Accountability
4. Joint Advocacy
5. Funding and Finance
6. Technology
7. Training and Human Resource Deployment
8. Conflict Resolution
9. Certification and Accreditation

Study Group participants were:

Destination Marketing Association International	International Association of Assembly Managers
Steve Moore, Phoenix Co-Chairman	Peggy Daidakis, Baltimore, Co-Chairman
Richard Scharf, Denver	Dittie Guise, Philadelphia
Richard Hughes, Kansas City	John Christison, Seattle
Linda Howell-DiMario, Arlington, TX	Jeff Blosser, Portland
Daniel Fenton, San Jose	Jessie Allen, Orlando
Bob Bedell, Indianapolis	Barbara Maple, Vancouver
Michael Gehrisch, DMAI	Dexter King, IAAM

Critical Issue I – Conventions and Trade Show Sales and Marketing

Start at the beginning.....

1. Establish a healthy working relationship by “wiping the slate clean”.
2. Commit to the development of a joint marketing plan.
3. Ensure the plan addresses all market segments and commits to targeted mix of business.
4. Ensure resource deployment strategy is properly aligned with agreed upon performance objectives.
5. The co-authored marketing plan should be released with corresponding budget and the detail on all marketing disciplines to be utilized.
6. Commit to a joint release of the co-authored marketing plan and distribute to all local constituencies and stakeholders.
7. Commit to a the joint development of a convention center website.
8. Insure booking policies and guidelines align with organizational priorities, performance expectations, and market strategy.

Critical Issue I – Conventions and Trade Show Sales and Marketing

(continued)

Convention Sales

1. “Team approach” with joint sales and revenue accountability for all involved in the sales effort.
2. DMO sales team must lead the account and new business prospecting and qualifying process. This includes historical performance including rents and ancillary revenues at previously utilized venues.
3. Representatives from both organizations should collaborate with all data at hand on the prospective business and mutually decide on a sales strategy and competitive offering prior to the offer being extended.
4. Sales team to advise and consult with the convention center operations personnel during the sales cycle to insure the offer meets operational capability and event compatibility.
5. Executives of both organizations should make every effort to interface with prospective customers during the solicitation process.



Critical Issue II – Convention Center Operations

1. Service personnel are responsible for delivering the product the sales team has promised, but their operating authority is often limited.
2. All customer contact personnel should be cross-trained to minimize the duplication of effort and customer confusion.
3. Management should mandate communication between the sales and operating personnel early in the sales process to ensure offering is compatible with venue capabilities.
4. Pre-convention meetings that include all internal departments and third party event sub-contractors and vendors should take place in advance of any contracted event.
5. Operating personnel should conduct training for sales personnel to insure proper understanding of facility capability, event compatibility, operating policies, pricing structure, and all revenue generating services.

Critical Issue II – Convention Center Operations

(continued)

6. Any change in operating procedure, pricing structure, or exclusively contracted services should be reviewed with DMO management and sales.
7. Pursue systems and processes that consolidate customer billing/invoicing to benefit customer convenience and management efficiency.
8. Pursue systems that share customer feedback between the DMO and the Convention Center operating personnel. Seek data and feedback on the entire destination experience.



Phoenix Convention Center

9. Cross-train event management personnel at the Center and convention service personnel at the DMO to guarantee consistent customer communication and to create team synergy.

Critical Issue III – Joint Accountability

1. Develop performance objectives that are shared by management of both organizations. The objectives should be tied directly to the fiscal successes at the Convention Center and room night production.
2. Jointly author and publish the annual marketing and business plan including a complete review of efforts across all market segments including the desired business mix.



Orange County Convention Center

3. Co-publish the year end performance and annual report detailing specific performance successes related to the joint marketing effort. This report should be distributed to all community stakeholders and substantiate all direct impacts of business secured.

Critical Issue IV – Joint Advocacy

1. Conduct ongoing research to substantiate the economic impacts of the overall convention enterprise and the value of the industry on the local economy. Broaden the focus beyond fiscal operating performance of the Center.
2. Develop a model that defines transient economic productivity and compare to other local economic clusters to elevate the enterprise as an “untouchable” public investment in the local community.
3. Expand and cross pollinate the Boards of Directors of both organizations. Engage influential business leadership in both organizations.
4. Co-promote and advocate the needs of each organization in those circumstances where the public funding that supports both organizations originates from the same source. Always present within a competitive context.

Critical Issue V – Funding and Finance

1. The DMO must support the Center management in redefining measures of success. It is not just about fiscal performance.
2. Convention Center management must support the DMO funding structure and the sales and marketing requirements associated with the DMO's other constituents.
3. The enterprise should join hands in protecting against any new or increased industry related taxation that is proposed for uses not related to enhancing the enterprise.
4. Ensure that all sales personnel fully understand the financial management realities and responsibilities of the Convention Center. Jointly develop a business evaluation model.
5. Establish a business opportunity fund that is part of the annual budgeting cycle. Both organizations should contribute to a reserve account to be used to offset competitive offerings.
6. The DMO should assist the Convention Center management team in establishing flexibility from the public administrator in internal fund transfers that are in response to competitive position.
7. Jointly develop a community ROI model that links direct expenditures and tax revenues with the operating performance (P&L) of the Convention Center.
8. Establish policy that commits both entities to common definitions and standards with regard to ROI formulas and reporting benchmarks.

Critical Issue VI – Technology

1. The DMO customer relations management system (CRM) and the Convention Center event management system must be compatible and the data should be accessible by the entire sales and marketing team.
2. Develop systems that share a common database to increase efficiency and productivity.
3. Employ the use of virtual tours, interactive mapping, automated and digitally enhanced email distribution systems with tracking capability.
4. Seek systems and processes that integrate all customer account information from the lead stage through post event activities and reporting.
5. Ensure DMO sales representatives have online access and the ability to place space holds on behalf of the client pending approval from Center management.



Kansas City Convention Center

Critical Issue VII – Training and Deployment

1. Members of both teams should have “360 degree” product knowledge of both the Convention Center and the larger destination.
2. Management should jointly develop and distribute customer service standards and expectations for all team members with direct customer contact.
3. Jointly administer and disseminate deployment strategy.
4. Consider the formation of some on-going formal customer advisory system that allows for continuing education on the changing customer needs and expectations.
5. At least twice per year, bring the customer contact teams together and discuss local industry issues to reinforce the joint effort and reaffirm the importance of the convention enterprise.



Critical Issue VIII – Conflict Mediation

Although the study group believes that with common objectives and a joint planning platform, conflicts can be minimized, however, there are times that due to the nature of the structural and functional differences between the DMO and the Convention Center, circumstances related to a specific account or group of accounts may polarize the respective management teams. Other issues related to policy or the methods by which policy is applied may also be the source of conflict from time to time. If the relationship has developed appropriate trust levels and disagreements regarding policies

and/or bookings arise, employ the use of an independent third party to mediate and assist in the decision making process. This practice may assist in maintaining appropriate separation, insure the right of difference of opinion and protect independent organizational perspective. If efforts to establish a successful working relationship based on trust has been openly pursued and practiced by both management teams, mediation is less likely to undermine the quality of the association.

Critical Issue IX– Certification and Accreditation

Within the spirit of this initial joint study effort, members of the study team believe that ongoing training and education is vital for the best interests of the industry to be properly served. Equally important is the realization that the primary objective of the study is to enhance the customer experience regardless of the destination of choice. With this in mind, members of the task force have suggested through this effort that the Board's of Directors of both IAAM and DMAI formally encourage the respective education committee chairs to pursue programming that will

certify convention sales personnel and convention center operating executives in the best practices identified as a part of this body of work. Further, efforts to offer formal credentials to both the DMO and the Convention Center who embrace these best practices should be pursued and adopted by the respective certification and/or accreditation programs and employed by the members of both organizations.