

Understanding, Selling To, And Working With **Strategic Meetings Management Programs**

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Executive Summary

Up until the late 1990s, the process of strategic management of company-wide meeting related processes was frequently termed "meetings consolidation" – a phrase more or less supplanted in the past decade by the more comprehensive "strategic meetings management." Now, more than half of most corporate groups have begun implementing some form of **Strategic Meeting Management Program regulation. This is not a hot trend. SMMP is now an established stronghold in** corporate America and vendors who want a piece of the corporate markets group meetings business need to understand SMMP or risk being left behind.

CONTENTS

Executive Summary	2
What is an SMMP?	3
Central Registration of Meetings	3
Mandated Hotel RFPs	3
Formal Meetings Guidelines	3
Preferred Suppliers	4
Automated Processes	4
Data Analysis and Reporting	4
Formal ROI Metrics	4
Why Do Organizations Use SMMPs?	4
So What Does All That Mean?	5
Where Do You Fit In...?	5
Your Steps Moving Forward	6
How to Create an SMMP Game Plan	6
Using Knowland to Help You!	7

What is an SMMP?

It's not an easy question to answer, but basically Strategic Meetings Management Programs (SMMP) are the strategic management of company-wide (frequently called *enterprise-wide*) meeting related processes, spending, volume, standards and suppliers to achieve quantitative cost savings, risk mitigation and superior service.

Basically think of SMMPs as this: **Rules and Regulations** put in place by a company's procurement department that the meeting planners within the organization now have to follow. Establishing transparency and validating the return on investment (ROI) in meetings are critical steps in the meeting planning process. Strategic Meetings Management Programs are increasingly a priority because they help maximize efficiencies and productivity. An SMMP works to:

1. Reduce the Risks
2. Realize the Returns
3. Report the Results

So why bother? Well, they do this to track volume and spend and ultimately use that as leverage to negotiate better volume agreements with vendors.

There are seven "planks" of a strategic meetings management program as defined by the Global Business Travel Association:

Central Registration of Meetings

"Registering" means the company requires that the planner enter their RFP into some type of an RFP tool like Starcite or Cvent. Knowing which one they use can allow you to :

- Make sure your listing is current and updated
- Are you using all of the photo uploads available to you under your package?
- Consider buying a marketing package that allows you to be featured
- Look at your placement....where do you fall within a search of your area...are you on page one (a paid spot!) or are you on page 6 or 7, buried at the end?

Mandated Hotel RFPs

Required on an eRFP Platform for the purpose of "counting" the number of meetings and room nights they source. If you are not getting RFPs from the accounts, you want to look at their Preferred Hotel Program.

Formal Meetings Guidelines

Set in place for the event planners at the company to follow. It helps to know if there are limits on the decisions the planner can make without approval.

HOW MANY COMPANIES IMPLEMENT AN SMMP?

▲ 36% OF RESPONDENTS...

...indicated their companies have strategic meetings management programs in the United States. (A far higher percentage of represented companies have at least some aspects of an SMM program in place)

▲ 88 % OF RESPONDENTS...

...said their organizations had policies in place that govern aspects of the meetings management process, although no single policy listed in the survey garnered a majority of those respondents.

▲ 47 % OF RESPONDENTS...

...have policies that require the use of onsite meeting space, when feasible.

▲ AT LEAST 2 OUT OF 5...

... have requirements for senior-level approval of individual meetings and limits on contract-signing authority.

Preferred Suppliers

These are hotels, venues, a/v companies etc. that planners are “encouraged” or “mandated” to use. Are you one of the preferred suppliers? Are you officially on the list? If not, what then is the process to GET on the list? Who makes that decision?

Automated Processes

On things like contract signing, billing, etc. If you change the terms of the contract are you aware of the mandatory delays this will now cause? Does your accounting department understand the client’s billing rules and regulations? Have you sat down with your entire team and explained how this customer’s meetings SMMP works?

Data Analysis and Reporting

Are you set up to provide the data the planner will want from you? Have you asked what data they are going to need from you before, during, and after doing business? Are you proactively supplying this data or do they have to chase after you for it?

- Most SMM Programs have to do QBRs (**Quarterly Business Review Meetings**) to procurement and they are going to need data such as tracking what cities they use, the average rates they pay, the typical arrival /departure patterns, etc.

Formal ROI Metrics

Measures of how the SMMP is being leveraged to save the organization money. You need to understand how they show that partnering with you is beneficial compared to other companies that don’t have a Preferred Partnership. Be able to speak to the metrics *they* track – this makes you a true partner.

Why Do Organizations Use SMMPs?

In late 2008 and early 2009, the global financial industry meltdown and well-publicized outcry at some financial and insurance industry corporate meetings—most notably an AIG incentive event—triggered a wave of interest in SMM procedures, at least among those companies that did not decimate their meetings programs and expenditures. Add the new federal meetings regulations triggered in part by a controversially extravagant General Services Administration event, and SMM again went to the forefront of many corporate initiatives.

So What Does All That Mean?

It means that more than half of most corporate groups have begun implementing some form of Strategic Meeting Management Program regulation. This is not a “hot trend”. SMMP is now an established stronghold in corporate America and vendors who want a piece of the corporate markets group meetings business need to understand SMMP or risk being left behind.

Where Do You Fit In...?

Selling to an organization with an SMMP in place is a different path than the one normally taken. You have to realize there are several layers of decision makers before you “get” to the planner booking the meeting:

- The person “managing” the SMMP
- A possible contract person
- Any third parties, if involved
- The meeting planners themselves
- The internal stakeholder that is the client of the planner
- Any procurement approver (some accounts with extensive SMMP have procurement approval at a local or regional level that still---even after acceptance into the Preferred Program – approve each and every contract and look for any changes in wording or terms,etc)

You need information to determine if it is worth your while to pursue the account from a volume perspective. With that in mind you will need to know certain facts:

- Is the SMM Program MANDATED or OPTIONAL?
- Does that apply to the centralized planners as well as the decentralized ones?
- Who Manages the SMM Program?
- How do they manage/handle Out of Channel Bookers?
- Is There a Preferred Hotel Program Component and :
 - Is your brand (if you are part of a chain) involved at an NSO level (you should ask your NSO this first)
 - Is there any tie in to their BTS Program (Business Travel Sales)?
 - How many brands are in the program?
 - How many hotels in your area are in the program?
 - What is their group volume on average to your area?
 - Can you see a copy of their standard pre negotiated group terms/contract?
 - Do they utilize a third party and if so which one?
 - What is your relationship with that third party?
 - Who are the designated reps within that third party?

You need to decide whether there is enough volume or potential to justify accommodating the requirements. Figure out how can you get your property, once in the program, in front of the planners? How does their notification process work regarding vendors/ hotels that are approved for use? How do they promote Preferred Vendors? These are important questions to ask.

Getting “in” is just the first step...it is not a guarantee of business!

Your Steps Moving Forward

How to Create an SMMP Game Plan

1. **Begin by asking yourself** if your own organization is prepared to work within the rules of the client organization.
 - Do you understand what the contractual requirements are?
 - Do you understand the approvals process once a contract is issued?
 - Do you have the reporting/data feedback structure in place to be a supportive vendor or partner?
 - Do you know all the players on the client side and understand THEIR individual roles?
2. **Reporting and Data:** One of the most important things that hotels can do to help support clients' SMMPs is to provide information. You should be able to run reports on:
 - The total number of meetings booked – in and out of channel
 - Who contracted the meetings
 - How many room nights were consumed
 - Room Revenue generated (and be able to compare it to other clients to prove that you are providing volume value)
 - Food and beverage totals
 - Be able to provide/suggest options and alternatives to offer possible cost savings (such as alternate arrival departure patterns etc.)

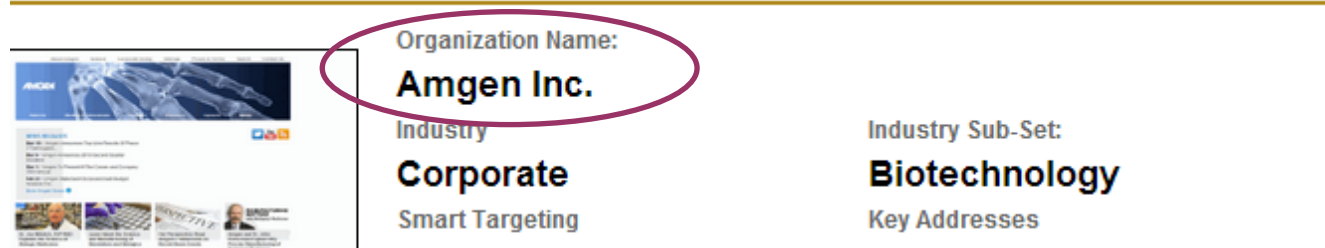
These figures are not limited to one hotel, but total spend across an entire portfolio. The information can be a huge time saver for your SMMP clients.

3. **Be prepared and voice your willingness to carry out extensive negotiation** to ensure you maximize cost avoidance opportunities and cost saving initiatives on behalf of your client.
4. Whether it is at an individual event level or from the perspective of a series of meetings your **focus on the overall objectives of your client** and also share the benefits of your experience with your clients to ensure they use their event budget in a manner which will get them a maximum return on their investment.
5. **Be proactive in helping an SMMP client drive cost savings** by ensuring that your staff is trained in procurement initiatives and fully understand how they can add value to every opportunity you receive.
6. **Hone your negotiation skills**, which are an important part of you and your staff's role --they should form a key part of your training practices and feature prominently in communication with SMMP clients --so they know all of your staff understands their objectives. In other words have a good understanding of what they will and will not negotiate. Any changes to this can cause extensive and frustrating delays and begins to combat the basic idea of the SMMP process for some organizations and can endanger your relationship.

Using Knowland to Help You!

The Knowland Group offers a set of business development software tools that can help you navigate through the maze of Strategic Meeting Management Programs.

Using Knowland's **Advanced Researcher Profiles** can allow users to outline the buying structure of an organization. You can pull up information such as the organization name, industry, address, as well as more detailed information about whether they have an SMMP in place and its general structure. What's more, Knowland includes information about centralized meeting departments, which include potential primary contacts for the SMMP in the organization.



The screenshot shows a profile for Amgen Inc. with the following details:

- Organization Name:** Amgen Inc.
- Industry:** Corporate
- Industry Sub-Set:** Biotechnology
- Smart Targeting:** Key Addresses

SMMP in place:

Amgen has one of the most mature SMMPs in the industry, handling 500 meetings a year. It is in the process of taking its program global, and has achieved nearly 99 percent compliance. Before the SMMP rollout, AMGEN's meeting team had supported only the sales and marketing area. Now, with all company programs being managed through the department, the volume of meetings has nearly doubled. Being 100 percent outsourced helps AMGEN be scalable.

In fact, significant savings came from identifying preferred meeting planning companies. By having global meeting management use its vendors for all programs, Amgen saves the company money by reducing the number of meeting planning companies Amgen works with. Under Amgen's consolidated structure, meeting planning is outsourced, and the meeting department staff acts as project managers. All planning functions are outsourced to independent suppliers while the 16-member meeting staff serves as project managers, overseeing the suppliers and facilitating requests from various departments within the company for approximately 600 meetings per year, about 35 percent to 40 percent of which involve healthcare professionals. These events include investigator and advisory board meetings. To keep the lines of communication open with this group, Amgen created suppliers' events. The forum is one for hotels and one for meeting-planning vendors and other suppliers, such as AV, destination management, and security companies. The forums are held annually and provide the opportunity to discuss big-picture and day-to-day matters. Amgen usually invites two to three representatives from each of the preferred vendors to the forums, which are held at Amgen's Thousand Oaks offices and typically last a day and a half. For the hotel vendors' meeting, representatives from the eight hotel chains that Amgen works with are invited. For the other suppliers' meeting, representatives from the eight meeting planning companies attend, as well as people from the other preferred suppliers. (Suppliers pay their own expenses.) Although Amgen's meeting department is part of the sales and marketing division, the staff also works with other divisions in the company, including compliance. Each project manager


Centralized Meeting Dept:

MEETING PLANNERS AT AMGEN ACT AS PROJECT MANAGERS AND THE SOURCING OF MEETINGS IS OUTSOURCED. MAIN AMGEN CONTACTS FOR MEETING PLANNING INCLUDE:

1) Wendy Meade, CMP-Senior Manager, Global Meeting Management (Wendy is the main SMMP Contact for Amgen's SMM Program) Wendy is only in the office on Mondays, Wednesdays and Thursdays and telecommutes on Tuesdays and Fridays)

Wendy Meade, CMP
Amgen Inc
805-447-2116
CELL: 310-994-3809

If you click on the contact profile, you can look at the contact's additional information, including job title, LinkedIn profile link, photo, and notes.

	Contact Name Ms. Wendy Meade	Account Amgen Inc.	DNC
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Contact Details Edit

Contact Type: Contact	Account Key Contact: <input type="checkbox"/>
Contact Name: Ms. Wendy Meade	Account: <u>Amgen Inc.</u>
Job Title: Wendy Meade, CMP Senior Manager, Global Meeti	Sub Division: <u>Thousand Oaks CA / Headoffice</u>
3rd Party Planner:	DNC:
Contact Notes: Wendy Meade, CMP Amgen Inc 805-447-2116 CELL: 310-994-3809 Wendy is the main contact for their SMM Program. Amgen has one of the most mature SMMPs in the industry, handling 500 meetings a year. I t is in the process .With such a mature program, Meade has been reconfiguring the meetings requests, budgets, and data requirements on the f ront end to collect relevant business data. She has developed quarterly reports on <u>registration, cost savings, average group rates, and cancellati</u> ons that are distributed across the company	
Twitter:	LinkedIn: <u>Wendy Meade LinkedIn</u>

You can also look at the “3rd Party Affiliation Section” of an ARP for details on their 3rd party relationship that may be tied to their SMM Program. For example with Siemens you can see who with ConferenceDirect are the Siemens contacts and that they, for example, were renewed as the 3rd party provider in the Summer of 2013 :

3rd Party Affiliation: ☒

ConferenceDirect was renewed to handle Siemens in June/July 2013 for another three years.

MAIN CONTACTS at CONFERENCEDIRECT:

1. Damian Pisanelli (Seattle WA)/(206) 402-3817
(damian.pisanelli@conferencedirect.com)

2. Tom Schwinden (Orlando FL)/(407) 366-5090
(tom.schwinden@conferencedirect.com)

3. Erin Silloway (Orlando FL)/(772) 324-8600
(erin.silloway@conferencedirect.com)

4. Doug Simon
Out of Suffern , NY
Phone: (845) 533-4148
douglas.simon@conferencedirect.com

5) AS OF SEPTEMBER 2013 --Bob Kobosky who is Vice President, Global Accounts and SMM at ConferenceDirect also heads the Siemens Team fo r CD and works closely with Bobby Badalmenti;Bob's number is 323-302-5516

Knowland's **InDepth Research Requests** are another tool to help determine if an organization functions within a Strategic Meeting Management Program and provides some idea of who may be in their Preferred Hotel Program. In the example below for **Teva Select Brands, Inc.**, division of Teva Pharmaceutical USA, **you can see that they do have an SMMP and Marriott is one of the Preferred Hotel Chains with an agreement in place:**

Vincent S 2/15/2013 2:32:29 PM Called (215) 591-3039 for Ms. Beth Gniazdowski (Gin-dowski). Reached voice mail. Did not leave message. Will pursue. -Vincent S 2/21/2013 2:14:29 PM Called 1-800-961-3604. Reached voice mail. Did not leave message. Will pursue. -Vincent S 2/22/2013 3:07:15 PM Called: Teva Select Brands Division of Teva Pharmaceuticals USA Toll Free: 800.292.4283. Was transferred to a voice mail. Did not leave message. Will pursue. Vincent S 3/5/2013 2:41:30 PM Called 800.292.4283 and spoke to Sheila in trade shows who confirmed Mr. Scott Fatzinger planning this event but could not give out contact number. Called operator who could not pull up contact name. Will pursue. -Vincent S 3/5/2013 3:22:09 PM Per internet research, called (513) 624-8519. Reached voice mail. Did not leave message. Will pursue. -Vincent S 3/6/2013 12:06:39 PM Called (215) 591-3000 for Mr. Scott Fatzinger's number. Used dial by name directory to reach his voice mail. Did not leave message. Will pursue. -Vincent S 5/9/2013 2:35:41 PM Called **(215) 591-3000 for Mr. Scott Fatzinger who confirmed planning this 3 day event.** There were **12 to 13 attendees** present utilizing **24 to 26 overnight rooms** at a room **rate of \$100 per night.** *Restaurant lunches and afternoon snacks were served. A screen was provided by the venue while* **Mr. Fatzinger provided his own projector.** This **event is held 2 to 3 time per year.** Mr. Fatzinger's **next event will be in Philadelphia** at the local Marriott in **August.** When shopping locations, *convenience is very important.* Mr. Fatzinger does not shop locations outside of Marriott's. **Teva does have an SMMP in place where decentralized meeting planners are required to submit events to the corporate meeting department for RFPs to be issued.** The **preferred hotel chain for Teva is Marriott** but Mr. Fatzinger has used the brand for the past 25 years and would use it even if there was not an SMMP in place. -Vincent