

# 10 Reasons Why Hotels Fail to Convert Conference Business

Throughout my years of experience, it has never ceased to surprise me, the various reasons why hotels can lose a conference enquiry. As a Professional Conference Organiser (PCO), my team is constantly inundated with requests for meetings by sales forces, looking to talk to us about their properties, their facilities, their amenities.

So I can safely say that I've seen a lot of presentations in this arena and I would estimate that 95% of the time I am underwhelmed by what is presented and the way it is presented. And why is this you might ask? Well, it comes down to many, many reasons, but if I you asked me define it in a summary, I'd say that the sales are done without passion and belief in the product; they are done without preparation in terms of PCO business and there is no scoping out of our requirements. So with this in mind, why should I be convinced about buying the product? Why would I buy a product if you don't know why you're selling it to me and why I should buy it? You have to know who I'm selling to and what my clients need to buy.

It's useful to know that a hotel can cater for 200 pax theatre style and has an entry point for car launches – but I can probably find this information on the internet if I am looking. By the very nature of association conference business, i.e. the business that a PCO manages, we are looking to purchase a long time in advance, sometimes up to 8 years out. At MCI we have a structure for looking at hotels and venues, as we are looking at purchasing all over Ireland and right across the globe on behalf of our clients.

I'm not even going to include the basic elements, such as size, location, availability (conference dates, plus set up/tear down), facilities, as these are functional tablestakes. Of course it's important that the hotel can manage the brief that is given to them, however, what is AS important is the following:

### Hunger | Enthusiasm | Knowledge | Flexibility

We need to know that the hotel understands our business and the long timeframes within which we deal...we need to know that there is a partnership approach and that they want the business. A hotel might be able to physically deliver the requirements, but if we feel that there is going to be no flexibility and willingness to exceed our expectations...we would be reluctant to place business in that hotel.

I'd like to take the time exploring some of the other aspects of the failed conversion...bear with me:

- 1 No Connection Between Sales and Operations. This is detrimental. When a hotel sales manager sells the hotel well, but the operations team does not deliver, it can be a catastrophe. If this happens, we won't be back
- 2 There is no real hunger for the business...this will be quickly displayed in pricing, speed of delivery, flexibility and openness to negotiate
- 3 Lack of Product Awareness
  - a. Of individual hotel, in terms of bedrooms, breakdown of style, e.g. standard, deluxe, junior suites etc
  - b. Knowing extent of activities nearby and have strategic partnerships in place with DMCs, PCOs or other 3rd party suppliers that can delivery ancillary services
  - c. Mentioning weddings and giving wedding brochures when the client is in a Meetings Management sphere

- 4 Lack of Collaborative Approach
  - a. Where there is a poor ratio of bedrooms to conference facilities, overflow hotels may be required. Partnerships should be developed amongst hotels in order to secure the business for a particular area
  - b. If coaching needs to be provided as part of the package, this could be considered as a value add proposition to secure the business
- 5 Lack of Understanding of Purchasing Chain, e.g. agent directly v end user. If an agent, such as a PCO is bringing a client to the hotel, then the hotel's client is the PCO. This needs to be respected at all times and the communication boundaries need to be respected. The communication in this instance goes between the hotel and the PCO...not to the end-user!
- 6 RFP Development
  - a. Not respecting deadlines
  - b. Not answering all of the questions posed – remember! The questions asked are there for a reason
  - c. Not taking the opportunity to softly upsell outside of actual brief
- 7 Poor Sales Focus
  - a. No understanding of the difference between an incentive buyer, a corporate buyer and an association buyer, all of whom have different buying patterns, rationale for purchase and all of whom require a distinct set of terms and conditions
  - b. Ability to read the client as to whether it's appropriate to give the material or to send it on afterwards
- 8 Ineffective Sales
  - a. No research done about the client and/or agent
  - b. No effective scoping of client's brief and strategic objectives – hotels need to be a partner in delivery, but in order to deliver, they need to find out what it is that is important to a client
  - c. And simple things: shake the client's hand, smile and maintain good eye-contact
- 9 Poorly Coordinated Site Inspections
  - a. Client left waiting in reception, despite having an appointment
  - b. Bedrooms and/or conference facilities not in an appropriate state for a client site inspection
  - c. No hospitality offered to client
  - d. No business cards or collateral material to give to the client at the meeting
  - e. All staff not briefed about a client coming in for a site visit
  - f. Staff who might be involved in operations, e.g. banqueting staff should be a part of the site inspection so as to give detailed technical input to client's questions.
- 10 Underestimation – Don't underestimate how fickle a client can be! I once heard a client comment about a hotel sales manager doing a site-inspection, that, the person didn't know the staff around the hotel, didn't offer hospitality, didn't shake the client's hand...net result, the client walked out of the hotel saying that she had no belief that the hotel would manage the business and it was lost before the client had even walked out of the hotel!

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