CATCH DES MOINES CUSTOMER ADVISORY BOARD

https://www.catchdesmoines.com/cab/ May 1 - 3, 2024

Meeting moderated by and report authored by: David Kliman, CMM President The Kliman Group & Co-Founder Event Leaders Exchange 415.713.2650 david@klimangroup.com

COMMUNICATION CONSULTING SERVICES

CAB members in attendance

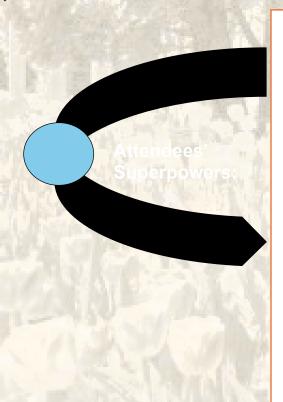
- Lauren Swanson
 - Ashley Bohnenkamp
 - Lysa Byous
 - Tonya Cameron
 - > Teresa Cox
 - Glen Ellwood
 - > Shallee Keenan
 - Christine Quah
 - Jennifer Rush
 - Scott Wunn

Catch Des Moines

- Greg Edwards
- Trina Flack
- Chris Baker
- Amber Smith
- Kelly Smith
- Carolyn Devine
- Heather Ashton
- Caylie Hickman

Meeting Moderator

David Kliman



National Pork Producers Council ITA Group American Public Works Association United Women in Faith Corteva Agriscience AMR Management Services Kemin Industries Helms Briscoe NACADA National Speech and Debate Association



CATCH-DES MOINES

President - The Kliman Group

- Problem solving
- Reading the room
- Information collection and figuring out solutions
- Disruption old ways of thinking with humor
- Turn no to yes
- Connecting people
- Identifying win-win during negotiations
- Tambourine skills
- Optimism
 - Longevity
 - Sees and retains numbers in her head
 - Remains cool under pressure
 - Multitasking
 - Surround self with good people
 - Never give up on good ideas
 - Keeping 27 DMO employees happy
 - Lead by having fun
 - Ability to stop comparing anything to 2019
 - Once committed to a strategic tic direction, strong willed and sees all aides
 - lowa Nice

DMO MISSION STATEMENT

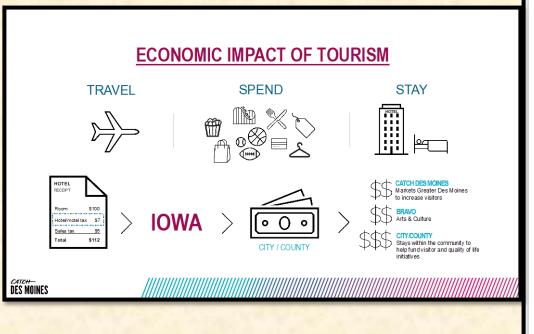
The Greater Des Moines Convention & Visitors Bureau and the Des Moines Area Sports & Tourism Commission market the region as a visitor destination increasing economic growth and enhancing the visitor experience.

DMO VISION STATEMENT

Our vision is to be the leader in regional destination development through strategic partnerships to advance tourism and economic growth.





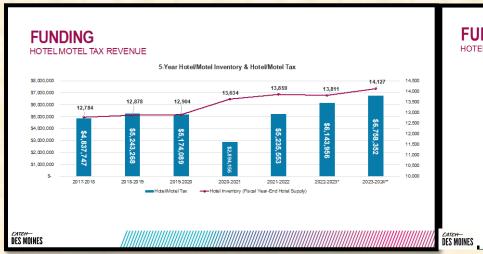




DMO Funding

- 2/7 of collected hotel tax funds Catch Des Moines
- 2024 DMO budget = \$6.8 million and includes dollars from marketing partnerships, co-op advertising and hotel room rebates





FUNDING HOTEL MOTEL TAX REVENUE

HOTEL MOTEL TAX REVENUE



Des Moines – RECENT HIGHLIGHTS

Sales

- PCMA, RCMA, Connect Midwest, ESPA, Sports ETA, Nursing Organization Alliance, CVBReps and Hay Adams Lunch (DC)
- Upcoming: IPW, Conference Direct Industry Insights (DC), MPI WEC
- 100+ leads and 450+ qualified prospects

<u>Skywalk</u>

Signage refresh and update being presented to the City of Des Moines and City Council for approval. Installation in late 2024 if all goes according to plan.

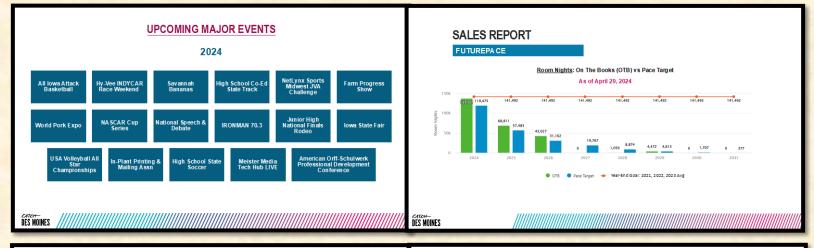
DSM Airport

- \$450 million terminal expansion includes updates to TSA screening, baggage claim, etc.
- Expected to partially open in 2026

Groups/Events Hosted

- Iowa Caucus
 - Credentialed and hosted 1,200 media
- Featured articles in Wall Street Journal,
 - New York Times, Des Moines Register and C-SPAN. National Frame Building Association
- MW Sociological Society
- Kennedy Center American College Theater Festival
- High School State Basketball and Wrestling Tournaments
- Iowa Pork Congress





CATCH CHAMPIONS

Launched "What's Your Jam" local campaign. This campaign is designed to get anyone from the region who is a part of a group, organization, board, or association to help bring their meeting to Greater Des Moines.



DESTINATION STRATEGIC PLAN

KEY PRIORITIES:

EVENTEVALUATION & DEVELOPMENT Create and implement an event evaluation to o assess an event's current and future potential measurable overnight visitation.

USING DATA TO DEVELOP TRAVEL

Using DATA TO DEVELOP INAVEL Use visitor data to help develop marketing strategies, measure effectiveness, and gain greater insights into how, where, and when to best market Greater Des Moines tourism. Identify which events increase visitors, and provide support and targeted campaigns to maximize economic impact and length of stay.

DOWNTOWN OPTIMIZATION

s meetings and events Optimize downlown De all oines meetings and events through booking guidelines at the lowa Events Center and an event booking strategyto include a plan for citywides and high end, single property business. The optimization of downtown will subsequently have a positive impact on the lowa State Fairgrounds and other important venues in the community. SPORTS MARKETING VENUE DEVELOPMENT Advocate for current and proposed sports facility development projects to attract new sports business and remain competitive in the industry. Market and priorilize sports at existing multi-use

DESTINATION DEVELOPMENT

Advocate and lead a strategy that supports investment in current assets, embraces planned projects and has a long-term vision to enhance the overall profile and reputation of Greater Des Moines.

ADVOCACY FOR DESTINATION SUSTAINABILITY & GROWTH Play an active role in advocating for destination enhancements explore the expansion of existing and new funding resources to support visitor and quality of life amenities for the region.

COMMITMENTS:

- Diversity, E quity & Inclusion
 Work force Development

DES MOINES

DES MOINES

CAB Feedback

- Many group sectors are rebounding. However, growth, stagnation or decline is very industry segment specific
- Corporate business travel (weekly) not rebounding, corporate groups are strong
- Education and government meeting are strong
- Medical meetings remain steady
- In addition to the change in business travel patterns, post pandemic, sustainability efforts are resulting in reductions in business travel and group volume
- Events overall are seeing reductions in sponsorship

COVID taught organizations that they can often do without face-to-face meetings



Venue and Hotel Contract Landscape

- Pain points include daily attrition vs. overall cumulative attrition
- Seeing some hotel request attrition 30 days prior to event actualizing
- Increase in ancillary fees seen across the board, planners frustrated by being "nickeled and dimed"
- Concessions diminished or only based on room pick up performance
- Some hotels include gratuities for bellman and housekeeping in room rate and these fees are taxable
- Bid stage vs contact stage: some planners request their non-negotiables – contract language and hotel must haves at RFP bid stage
- Hotel negotiations very dependent on tenure of salesperson who are generally not well experienced; there is currently a large swath of experience in the industry



CENTER

Catch Des Moines Advisory Board Meeting

Community Choice Convention Center 306

OVG360



Future vision

60.000

- Ability to source with specific parameters using AI style tool and also
- use AI for contract review
- No walk clause consistently accepted
- Sustainability clauses

Deposit requirements

- Hotels less willing to provide direct billing approval
- More demand for cash deposit
- Some demand 100% upfront some organizations are using "ghost: cards for this

F&B tied to room blocks

- Some donate F&B when forced to spend above group needs
- Planners don't always want to sign for all the F&B because they want to experience the city, including dine arounds
 - Seeing more hotel contracts based on total revenues. Some planners manage this by spending more money on rooms/suites to make up revenue thresholds
 - Some frustration that hotel outlets don't necessarily tie back to F&B credit/minimums
 - Some hotels won't give pricing far out, but planners won't sign for a price escalator, so that is making those hotels less competitive.

Installation of Soviet Premie Nikita Khrush In Presidenti Visiting Iowa American farms.



- RDG engaged to develop a new Master Development Plan
- Consistently hear a need for additional development and outlets around the lowa Events Center. Need strong public/private partnership to make this happen.



When asked best use and desired components for land development, CAB provided following feedback:

- Need more hotel rooms connected to the Iowa Events Canter
 - Best case is development of one hotel with 600 or more rooms, 80% doubles and meeting space to support as stand alone, or large enough to support the ancillary needs from the Iowa Events Center
 - If required, multiple hotels could be acceptable, but planners have strong preference for one hotel to minimize need for multiple group contracts (which adds risk and work); no hotel should have less than 200 rooms.
 - Multi use hotel/residential development cited as positive; adds to local vibrancy, added foot traffic, and "sense of place"
 - Need entertainment and dining options to engage attendees and visitors outside the Event Center; best in class examples include:
 - o Power & Light Kansas City
 - o Armature Works Tampa

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- Most important assets include additional dining outlets, but other Ideal new district assets would include:
 - o Bowling alley, movie theater, outdoor spaces, Walmart, CVS or similar
 - Daytime affordable food (lunch) permanent and flexible food truck placement options
 - Create green spaces suitable for food trucks (only if Des Moines can support and grow its food truck scene)
 - Limited number (or no) chain restaurants, strong preference for local options, farm-to-table options are highly desirable, variety of price points
 - Ensure excellent online and public signage mapping tools
 - o Large weatherproof gathering and entertainment spaces
 - Enclosed spaces with natural daylight
 - Ensure mobility and accessibility
 - D-Line DART transit isn't widely used by locals and visitors are generally unaware of it
 - Encourage venue operators to partner with local social impact, sustainability and social justice diverse suppliers
- Don't try to be all things to all groups; events/groups needs vary by industry sector. There are a
 variety of examples of events at the Iowa Events Center where this is the case a large
 volleyball tournament, dance competition, major agricultural show, state convention that doesn't
 provide lunch to attendees, Iowa Wild or Wolves game, concert
- RDG notes that data is important showing number of people in the venue, foot traffic, lost business reports, etc. will help build a plan.
- Safety is a priority.

Cities noted for best-in-class convention center/arena entertainment districts include:

- Oklahoma City, OK
- Louisville, KY
- Glendale, AZ
- Kansas City, MO
- Arlington, TX
- Anaheim, CA <u>Downtown Disney</u>
- Omaha, NE (still very new, but noted for laws that allow attendees to carry alcohol between venues)
- Gaylord Resorts (cited for creating "indoor spaces that feel outside")

Open Topics and Wrap Up

Recommendations

- Communicate the interesting and exciting things to do in Des Moines; there are important and valuable resources online, but groups need to be aware of them, and have the ability to share these assets with their groups
- Share Fun Pass via weblinks and QR code for groups – share ahead of time vs just onsite so they can plan their trip
- Develop more "Show Your Badge" programs
- Create one page document with all information and share on multiple social and online platforms
- Create portals or signage which allow attendees to find and use all city assets

 showing the walkability of downtown, and connecting the neighborhoods
 - Some cities have painted lines or stickers on sidewalks and street signs, light poles, etc.
 "follow the green line to get to East Village
 - <u>Boston Freedom Trail</u> cited (red painted line on sidewalk)
- Strategy needed to measure use of assets
 - Scan QR codes and report attendee use
 - Create quizzes about local assets that people can take on the website and then the results subsequently create itineraries based on interests
 - Share information which helps planners create a buzz about Des Moines – planners want help in getting their attendees excited about coming to Des Moines and knowing what is available to do while they're here
 - General Sessions could kick off with trivia quiz regarding the destination

Ensure Iowa Convention Center retains "Iowa Nice" reputation

 Iowa Nice is a selling tool and should be leveraged.
 Find ways to communicate that "Iowa Nice" is genuine and share its importance in critical communications and practices

Audio/Visual Costs

- Cost of AV can be major decision factor for use of a hotel and/or destination
- Costs are out of control
 - Des Moines lost NACADA group because of high AV costs
- High AV costs creates planner distrust and frustration
- Some planners are requesting AV quotes as part of the bid stage
- Hotels don't always know what the AV prices are and in some cases AV is costing the hotel the business. There needs to be better communication between hotel and AV partner to ensure a competitive bid.

RFP Realties

- Some planners include group's expected economic impact in RFPs
- Planners expect suppliers to respond with counteroffer
- <u>Visit Eire</u> does a good job with a centralized contract one agreement between convention center/hotel(s)
- Hotels are providing daily catering F&B menus. If planner wants to vary from this option, venues want up-charge

Shifting booking window

- Demand to book further out to get space and options
- Hotels waiting for "perfect piece of business" to layer on top of other groups; sometimes even if they are sourcing further out, the hotel won't take the business
- Long lead time to make decisions, after proposals are received
- Many hotels won't offer first and second option holds, "take it or leave it attitude"

Great ideas from other cities

- Some cities are still doing FAMs planners expect to see entertainment options and all applicable hotels during FAM trips
 - Must be organizationally compliant
 - Include some educational component
 - Must be viable destination for the planners
- Room night rebates offered by <u>Travel Portland</u> and <u>Meet Chicago Northwest</u>
- Products for meditation, yoga and quiet rooms provided by DMO for groups

CAB members are reading and consuming:

- Skift, LinkedIn and Podcasts
- Content focused on
 - Use of AI for planners
 - Experiential Learning creating emotionally connected learning and event design experiences
 - Sustainability tied to local destination
 - Networking opportunities to connect senior leaders with younger attendees
 - Creating links to intellectual capital

Resources Shared

- Icon Water Trails
- Des Moines Fun Pass
- Destination Strategy Plan 2023-2023

Sample F&B Sliding Scale Tool provided by Christine Quah

F&B discount above the F&B minimum

Hotel will use 2023 menu pricing for 2024 event and offer a 5% discount on any F&B spend over the minimum of \$400,000.

This was approved by the hotel and in the final contract. We had it in the concessions, it was pretty simple. Ask for anything you want. Example:

Hotel will use 2023 menu pricing for 2024 event and offer additional discount for any spend over the minimum requirement as follows:

- If group spends from \$400,001 to \$450,000, Hotel will discount the additional spend above the minimum by 5%.
- If group spends from \$451,000 to \$500,000, Hotel will discount the additional spend above the minimum by 10%.
 Etc.

This one is a bit clunkier and probably harder to get the hotel to approve. Adjust as needed as is appropriate for your program, of course.

I am also seeing many hotels saying that if you don't meet the F&B minimum, planner required to pay 40% of the difference.

- Hotels seeking to capture profit instead of the whole thing, which is better, unless you want to just double down on the shrimp and champagne.
- I've tried to insert this into some other contract and sometimes it flies, sometimes it doesn't.

Action Items:

Share chart of City and Iowa Event Center group bookings with developers

NEIGHBORHOOD and SOCIAL INCLUSION FIELD TRIP CAB members visited local businesses and organizations that are investing and making a difference in the community

BLK and Bold:

This local coffee producer not only makes great coffee, and pledges 5% of its gross profits to nonprofit organizations across America that invest in our youth.

BLK&BOLD 烂

Valley Junction:

An original Main Street and still a thriving shopping district, this neighborhood supports local businesses, hosts a Farmer's Market every Thursday in the Summer and is a true story of community investment and reinvestment.

The Hall – The Kitchen – Justice League of Food:

Event Space bringing together community over local beers and food trucks. Food is served from The Kitchen, where in partnership with the Justice League of Food, people learn to cook. Together, this vision and these services work to reduce homelessness in Central Iowa through skills training and job placement services.

Meals from the Heartland:

A local organization that works with volunteers to fund and package meals for delivery to malnourished people in Iowa, across the United States and around the world. Groups can bring the opportunity into their meeting or package onsite at the local facility.









5% For