

Monterey County Convention & Visitors Bureau

Meetings Advisory Board

Spring 2013 Meeting

Minutes

Welcome and Introductions • Nancy Morrell Swanson

Nancy Morrell Swanson, President, Global Marketing Services, Inc. welcomed Board members to the fifth Monterey County Convention & Visitors Bureau (MCCVB) Meetings Advisory Board meeting and recognized new members Nelson Fabian, Executive Director and CEO, National Environmental Health Association and Todd Zint, CMP, CMM, Vice President, Meetings and Event Strategy, NFP. Ken Talmage, Vice Mayor, Carmel-by-the-Sea, gave a brief overview of the host city, including the \$21 million renovation of the Sunset Center through public and private funding. Board members and the MCCVB team introduced themselves with brief professional descriptions.

State of the Destination • Tammy Blount

Session Objective: To give Board members the CEO's perspective and vision on Monterey as a destination and initiatives that will be the focus for the future. To report progress on Advisory Board recommendations from the previous meeting.

Tammy Blount, President/CEO, MCCVB, gave a destination overview. The region has been recognized by *Wine Enthusiasts Magazine* as one of the top ten wine destinations in the world and by IAGTO as a top tour destination in North America. New activities include a new race at Mazda Raceway and new exhibits at the Monterey Bay Aquarium. Airlift has been improved by a new direct flight between Monterey and San Diego and Allegiant Airlines has added more flights to Las Vegas. The MCCVB regional budget has increased from \$4.5 million to \$6 million. The first public business plan has been published to outline clear objectives for the MCCVB. As of July 1, the Board of Directors will streamline to 15 voting members from its current structure of 27. In response to previous Advisory Board feedback, the bureau will focus on designing the branding message for specific audiences and improvements have been made to the website. Ms. Blount asked Board Members for feedback on how the MCCVB could be more vital to them.

Board Feedback

*Board
Recommendations*

- Reach out to customers and offer the services of the bureau. Some long-time customers of Monterey continue to book directly with the hotels and conference center but have never been approached by the MCCVB.
- Share new activities and openings in the community that may impact venue choice and keep the event fresh and interesting. Only make suggestions for activities or new venues that will fit the group. Advisory Board members hear updates about the community that may not be disseminated to other Monterey customers.
- If planning loyalty programs, ensure that the organization benefits rather than the individual planning the meeting. Consider company ethics regulations.
- If looking at creating a loyalty program then create a regional loyalty partnership so that customers can use different properties within Monterey County and receive the loyalty discount for multiple meetings.

- Help customers with marketing services and social media initiatives to save money or to create additional revenue streams. Planners need help populating mobile applications with regional activities and local discounts exclusive to attendees.
- Relationships are an important form of loyalty. Know the meeting planner and the program well. Have a profile that details the customer's company and includes notes gathered at key meetings about the event and hot-button issues that affect event planning. This will ensure smooth transitions in the event of staff changes.
- The entire community must demonstrate the importance of the relationship and take a proactive approach to encourage repeat business, including the bureau sales team, the hotel staff and anyone in the community who works with the client.
- Members who book directly do so to expedite and simplify the process and generally exclude the bureau for the same reason. The MCCVB would be included if they demonstrated a seamless value proposition to meeting planners that would save them time.
- When customers book a Monterey County property, hotel partners should automatically involve the MCCVB for destination marketing assistance.
- Consider creating a "concierge" position for the bureau that will work with all meetings booked in the county, whether directly or through the MCCVB. The concierge would make suggestions for the meeting planner based on the needs of the group and bring in relevant service vendors for activities in Monterey to simplify the process for the planner. Customers should hear about ideas for things to do in the county from the MCCVB.
- Create extras that help make the event memorable to build repeat business. For example, when transporting attendees to a golf tournament, have a staff member in the vehicle to talk about the area along the way. Listen to what the group needs and add fun extras that make the event unique.
- Knowledge of the attendee is part of loyalty. Understand the individual that the customer is trying to service through the event. Help market the program to bring in more attendees through mobile applications, marketing materials or by providing human resource assistance.
- Consistency is important. Repeat customers want to work with the same person who knows their business and type of attendees and who can make suggestions for new venues or activities that will work for the group. Changing salespeople would not be beneficial, although a team approach would be helpful for continuity in case a staff member leaves.
- Consistency of service delivery is more important than sales delivery, so maintaining the same conference service manager is more important than having the same salesperson. The service delivery person has to match the customer, understand the business and offer ideas to help increase the success of the event.
- The sales process in the meetings industry has become transactional, relying on call center environments and generic proposals. Having market segment and client specialists that stay with the same customers and develop relationships will differentiate the MCCVB.
- Some meeting professionals would prefer that the salesperson complete the initial setup then hand off the account to a subject matter expert on the destination. A tandem approach is valuable because the service manager is onsite and is more aware of changes at the destination than the salesperson. A partnership between the salesperson and the service manager creates a successful program.

- Loyalty programs and hotel points are not a decision factor for most planners.
- Electronic communications have replaced face-to-face relationships in the industry. Maintaining in-person relationships will differentiate the MCCVB.
- Differentiate Monterey by investing resources in the success of the customer's meeting through attendance building and by creating unique opportunities. Most bureaus are only focused on destination marketing.
- Enhanced communications are important. Some members said it is their own responsibility to tell the hotels and CVBs what they need to be successful.

Sales Overview • Charlie Spiegel

Session Objective: To give Board members an overview of MCCVB's sales analysis that will help them to give more thoughtful input.

Charlie Spiegel, Director of Sales, MCCVB, gave a sales update. More people have been added to the sales team. RevPAR has grown by 2% since 2011. Transient and contract business have increased by 1.7% and 0.14%, respectively, while group business has dropped by 1.44%. The team continues to target city-wide, incentive, boutique, sport, corporate, tourism and association business, based on information from the voluntary county-wide STR report. Total leads have increased from 322 to 420 for the 2012/2013 fiscal year, with an annual goal of 785, versus 490 for the previous year. The tradeshow presence continues at multiple events and features wine tasting and hotel partners in the booth. Northern California and the Midwest are top lead sources, and Northern California is the top booking region. Corporate and association are the top booking market segments. According to the Pace Report, the number of bookings have increased in most business sectors. The MCCVB and its partners were awarded the "CalSAE Charity Rock Star" for the second consecutive year at the Seasonal Spectacular.

Board Feedback: Overview

Board Recommendations

- Compare the conversion rates with other bureaus throughout the country with like product, such as Santa Barbara and Palm Springs. Use similar markets with similar airlift availability.
- Break down each market to determine the reasons why 70% of the leads are not being converted into sales.
- Track groups regularly for repeat business and timing. Some groups may not re-book for two to four years, which may affect conversion rates.
- A larger sales team is helpful. Customers need more destination knowledge about Monterey, which can be achieved through more sales resources.
- Two-way support is also valuable. Long-time customers can help Monterey gain more business through referrals. Some members said they are rarely asked to give a recommendation. Board Members are very willing to serve as ambassadors for Monterey.
- Ask why Monterey was not chosen when bids are lost. There may be no definitive reason why Monterey lost a piece of business. However, even a partial list of answers will be helpful. Compile a list of questions to ask at a debriefing to help customers determine which factors led to the decision.
- Quick turnaround time on the proposal is crucial in lead conversion. A strong team of salespeople and community partners is needed for timely responses.
- Member opinions were split regarding independent bids versus bid books. Some want individual bids to get a feel for the property's personality. Others want all the information at once.

	<ul style="list-style-type: none"> ➤ Consider having a presence at the Green Meeting Industry Council's sustainability conference in Chicago next month to showcase Monterey. ➤ Social responsibility initiatives are important for corporate groups. Demonstrate Monterey's involvement in sustainable meetings and charitable events. Have lists of local charities available for corporate groups and offer public relations opportunities for charitable events. ➤ Have dynamic speakers give presentations about Monterey at industry events to increase awareness about the destination.
<p><i>Suggested Agenda Topic</i></p>	<ul style="list-style-type: none"> ➤ Discuss possible reasons for lost business and reasons for lack of lead conversion.
<p><i>Board Recommendations</i></p>	<p>Board Feedback: Meeting Planners Guide</p> <ul style="list-style-type: none"> ➤ The guide is too long. Although the book has beautiful photography, busy meeting professionals do not have the time to read 96 pages. ➤ Excessive print pages contradict the environmentally responsible ethic of Monterey and undermine community branding. ➤ The guide overemphasizes the pleasurable leisure aspect of Monterey. A meeting planner guide should have a business focus, particularly for the association segment in which government funds are spent on meetings. ➤ Shorten and simplify the content layout in a compartmentalized fashion so that planners can quickly find information about each phase of the event such as sourcing, marketing, planning, execution and auditing. ➤ Compile a quick snapshot of the major points of the brochure. ➤ The advertising in the print version is excessive. Cut down on advertising in an electronic version or customize the ads to the customer's needs. ➤ The paragraph on page four has no connection with the title, The World's Most Perfect Place to Meet. Think of a relevant tagline for Monterey and be consistent. ➤ Some members liked the random sorting so that restaurants and hotels were not listed alphabetically. ➤ Include floor plans with room capacities that are easy to see. ➤ When considering points to include in a shorter version, think about what the customer will care about and what will drive them to come to the destination. ➤ Most members do not want a print version of the guide. The website content is a duplicate of the print version but is much easier to navigate. Most want an electronic version or a combined online brochure with a shortened version of the print content. Have the content available on an iPad when meeting customers. ➤ Online access to a sourcing tool is more useful than the print version. The comparison grid is helpful to filter available options and determine if Monterey meets the requirements of the event and the attendees. ➤ Create a customizable online brochure that allows customers to select relevant portions and assemble a guide for their groups. ➤ The search categories for the online tool are confusing, particularly the separate headings for <i>meetings and conventions</i> and <i>conference centers and hotels</i>. Allow searches by the number of people to accommodate and the number of guest rooms. Simplify the process to keep the meeting professional on the Monterey site. ➤ Rate facilities by several criteria so that customers can search by any element, such as star ratings, room rate or number of rooms.

- There were only eight offerings under *attractions* online. Customers have to click on *historic* for more selections. Customers unfamiliar with Monterey will not know to click on *historic* and may miss opportunities. Consider the site from the perspective of a person who is unfamiliar with the destination.
- The format is too small to transfer to tablet technology. Reformat the pages so they are tablet-ready, legible and searchable.

General Session

Branding • Rob O’Keefe

Session Objective: To get feedback on new concepts for branding Monterey County.

Rob O’Keefe, Marketing & Partnership Development, MCCVB, gave an overview of new branding concepts for Monterey, including a discussion of brand identity and brand emotions. Because of its challenging access, the bureau is proposing the tagline, *It’s easy to get to other places; it is worth getting to Monterey*. The plan will be presented to the MCCVB board in May. The brand strategy will roll out in the summer and the advertising campaign will follow.

Board Feedback: Branding

Board Recommendations

- The word *county* is confusing and gives a government feel to the bureau’s name. It lacks meaning for customers and does not entice people to come to Monterey. Monterey is the primary regional attraction. Once people are in Monterey, they will realize the benefit of the smaller areas. Palm Springs and Los Angeles have similar issues with nearby smaller jurisdictions but they do not advertise them. The name of the county does not factor into the destination decision.
- Some people on the east coast do not know whether Monterey is in Northern or Southern California. This is generally not an issue because most people know it is in California, although one member was asked if it was in Mexico. Monterey has a positive reputation on the east coast.
- Some cities are rebranding the tourism convention bureau as destination marketing, such as *Discover Los Angeles*.
- Members agreed that access to Monterey is a challenge. However, if the mystique of Monterey were increased through marketing efforts, the challenge of getting there would diminish. People visit Lake Tahoe and there is no airlift.
- There was some positive reaction to the tagline but reconsider using it as a leading message. It tells prospective customers about the difficulty of getting to Monterey before they know enough about the benefits of the region.
- *Monterey, so much more* is a suggested alternative tagline. Some members had been previously unfamiliar with the Sunset Center, the race track, helicopters and the close vicinity of amenities, the diversity of the area and the walkability and charm of Carmel-by-the-Sea.
- Some planners may want to take more time on the FAM trip to explore activities available in Monterey. Some groups need activities for spouses and families. Others can only discuss the business meeting and have to downplay fun activities. This will vary by customer, so offer different options.
- Monterey is more cost-effective than Palm Springs, San Diego and other similar destinations. When costs decrease, attendance increases, particularly in the association segment. Monterey is a value when considering everything included in the experience of the destination for the price.

- Use caution when using language such as *cost effectiveness* or *value* in marketing materials, as these words may detract from the unique and inspirational mystique of Monterey's brand message.
- Members described Monterey as memorable, unique, charming, multifaceted, peninsula, partnership, home, educational and exciting and inspirational.
- Do not add "fluff" to marketing materials. Stick to interesting information about the destination.
- Monterey is in its prime as a stylish place to visit. Emphasize this in marketing.
- Location is an important part of Monterey's identity. The visual imagery of the beaches, the mountains and the cypress trees is compelling.
- Members identified a brand as an identity, an emotional feeling when someone says something about the location or destination and something familiar that identifies a particular phrase.

Board Feedback: Target Markets

*Board
Recommendations*

- Exposure to Monterey's hidden assets and quaint atmosphere at the Advisory Board meeting gave some members new perspectives on the types of meetings that would fit in the region.
- Continue to target regional demographics when selling Monterey.
- Word-of-mouth referrals are important in the meetings industry.
- The physical wellness aspect is attractive for pharmaceutical and medical meeting clients. Market the outdoor spaces for running and the walkability of local cities. Portland does a good job with sustainability, wellness and ecotourism.
- Target the younger generation. Research shows that younger people want to become involved and attend events. Focus on offering nightlife options, sports, bike tours, yoga and wellness festivals and other opportunities. Monterey is perceived by some to lack nightlife opportunities. One member had to ask a bar to stay open later when attendees were in town.
- There are several demographic niche markets with members who want to travel, including Hispanics and seniors. The senior market is a large demographic that receives little direct marketing.
- Some groups have outgrown Monterey and have no opportunity for revenue growth but attendees still want to come to the region because of the experience.
- Monterey's location is conducive to targeting Silicon Valley technology customers. Companies like Sales Force have a week-long conference in San Francisco. Hotels are getting business from technology firms and should involve the MCCVB. However, connectivity infrastructure has to be updated in many facilities, including community venues like coffee shops and restaurants, before Monterey can compete for business in the technology market.
- Include a program for agricultural organizations.
- Seek input from the hotels about market segments to target.
- Create free city-wide wi-fi or a free wi-fi zone to attract younger people.
- Connectivity is needed for meetings in any industry. Hotels may be losing business because of a lack of technology infrastructure. Wi-fi is a factor but not the top decision factor for some members, since Monterey is an attractive destination for the drive market with top golf and wine facilities.
- Consider that the business base may differ from the attendee base. For example, the customer's company may be based in the Midwest but attendees may be from another market. Messaging should vary for different target markets.

- Avoid using repeat messaging to the same demographic. San Francisco customers get the same message too often. Offer some fresh, alternative suggestions for things to do in Monterey.

General Session

Trends Influencing Our Business • Board Members

Session Objective: Board members gave their perspectives on the industry outlook for the next two to four years and identified their key issues and concerns.

Board Feedback

Board Input

- *Overall economic outlook.* First-tier cities are coming back strong, with some slow recovery in some second- and third-tier cities. US Travel has done a good job getting the word out about the importance of travel but there is still a long way to go. People still want to meet face-to-face. Confidence levels vary by industry and will take a couple more years to recover given the uncertainty caused by current political activity. Attendees hold back until the very last minute to make decisions.
- *Environmental health segment.* There is a current trend toward shorter meetings, with less value on education and more emphasis on training/learning. Sessions are more interactive. Issues of concern are the current federal sequestration and the status of government support for continued education attendance at conferences, which has been reduced by 25% at the federal level, a significant impact for organizations with public sector employees. Declining attendance has led to co-locating for conferences.
- *Continuing education segment.* A significant structural change in education that will impact some organizations is the effect of granting credit for massive open online courses (MOOCs), which offer continuing education at no cost or travel expense. Legislation is about to pass in California requiring colleges to honor credits for MOOC graduates. Organizations are now seeking out relationships with colleges and universities to determine their role in the delivery of continuing education through MOOCs, as the MOOCs themselves are looking for ways to monetize their products through licensing fees and list sales to potential employers. This is a new concept but not a passing phase; there is some discussion about the demise of the traditional brick-and-mortar institution. Some in-person groups are concerned that online content will affect their attendance. Find industries where the networking portion of the meeting is as important as the education. A focus on younger demographics who are engaged in technology may be helpful, because they have come to value face-to-face interaction. The meetings industry can no longer rely on medical or trade organizations with continuing education as a primary objective, as this is now focused online.
- *Finance/insurance sector.* There is an increase across all business except for the healthcare benefits industry because of the Affordable Care Act legislation. The AIG effect had a devastating impact and forced cancellation of meetings; however, this forced companies to reconsider the goals and objectives of meetings and led to a more strategic model. Older executives are retiring. Younger executives want to go to prime properties but also want a good destination. There is always a meeting element even in incentive meetings. High-level executives want to network and hear ideas from their peers. Monterey has a marketing advantage as a beautiful destination; attract people to extend their stay. One member's meeting in Santa Barbara will have 85% of the attendees extending their visit. He uses footage from the destination to

market it as exciting and inviting. It is important that attendees are excited about the destination.

- *Connectivity.* Infrastructure is critical but price ranges can be as high as \$250 per device in some hotels. Even pure incentive meetings need connectivity for social media and GPS services. It is important for cities to put pressure on hotel partners to have the infrastructure. Consistency is needed soon. Include bandwidth information and costs on online hotel profiles. Attendees use multiple devices and will switch off their own 4G service to save on data plans, so sufficient bandwidth is crucial. It is difficult for planners to negotiate bandwidth because they lack the vocabulary and technical knowledge. Industry information is available at Conventionindustry.org under Standards and Practices, APEX Initiatives, Bandwidth. One Board member chairs the APEX Council, which employed experts to compile whitepapers and explain terms. It is important for planners to educate themselves about high-speed internet access in order to negotiate, factor costs into the budget and determine whether figures are realistic.
- *Bio/life sciences segment.* The number of meetings has stayed the same for this sector, with an increase in international meetings to entice more attendees. The federal sequestration is problematic because many academics are funded by the government. Attendance is 5% lower than projected, although international attendance is growing. Attendees are finding better rates online and staying outside the block. Better incentives are needed to justify asking attendees to stay at the host hotel. Meeting formats need to become more innovative; people do not want to listen to long lectures. Finding ways to deliver content without divulging confidential information is also challenging. State-of-the-art connectivity is a must, and managing multiple devices per attendee is challenging and expensive. Time is valuable and people are busy, so finding time to do work and be away at a meeting is difficult for attendees.
- *State association sector.* In-person meetings are flat, with an increase in online education. Survey responses show that, in general, younger people want to meet in person and older people want online content. Face-to-face meetings are becoming shorter but free time must still be set aside, making it difficult to accomplish all the goals for the meeting. The economy has had a very negative impact on some lawyers, particularly solo practitioners. Business is coming back in some areas of practice, so members of the industry are hopeful that meetings will start to recover.
- *Corporate segment.* Corporations are meeting. The frequency varies by industry, with pharmaceutical and technology sectors strong and growth in many vertical markets. Engagement strategy is different, with changes in networking, collaboration, nontraditional education and content delivery. Texting, mobile applications and gamification are used during sessions. This will require more education about bandwidth requirements and costs. Corporations are still asking about strategic meetings management programs. It is important to ask a customer if they have an SMMP because many partners do not ask the question. A program will change how the customer does business from a buying perspective.
- *Association segment.* The decline in sponsorship support and exhibits has been continuing for several years. Associations must cut back on the number of rooms and activities in order to prevent an increased cost to the attendees. Booth size has been reduced to half by exhibitors and fewer people staff the exhibits. Show managers keep the same amount of space because they are hopeful they can sell to new exhibitors but this is generally not the case. Extra space is used for mini-sessions on targeted topics which help bring people to the exhibit floor.

- *Demographics.* Entertaining people of different age groups with different responses at the same meeting is challenging. More offsite breakout space is utilized to get attendees out of their seats. Meeting professionals are using online strategies, face-to-face events and communication pods to encourage participation. Lectures are not being completely eliminated. Rather, presentations are being cut to short, 15-minute segments to maintain audience attention.
- *Incentive segment.* Pure incentives are back with an expanded length of time. Properties are sought after for their “fire pit quotient,” the availability of networking spaces. With many companies meeting exclusively online, the networking opportunities at incentive meetings are considered the best time investment. Participants rarely leave the resort. Networking spaces do not need to be private and include pool areas and lobby lounges. There are two types of incentives, employee and channel incentives, with huge growth in the latter where companies meet with their customers and partners to network and discuss deals. Incentives consist of networking and breakout/roundtable sessions with very few customized general sessions where attendees vote on discussion topics.
- *Decision factors for incentive business.* Although markets are different, budgets in some cases have increased slightly. However, airfares have also increased and buyers lack the same negotiating power to influence rates and attrition. The challenge is providing the same value at an attractive, exciting destination within the same budget when these costs have increased. Travel distance is a decision factor in some cases if the trip needs to be reduced by one day to make it affordable. People want to spend more time on their own, so it is important not to overschedule them and to allow time for networking opportunities. Customers give great feedback when they have a half day of unscheduled free time.
- *Healthcare segment.* There is a slight increase in small hands-on workshops or pre-conference workshops at healthcare meetings.
- *Room blocks.* Some customers need help dealing with attendees who book outside the block. Many do so to earn brand loyalty points. The bureau can help by identifying brand properties within the city prior to the event. It is becoming harder to encourage members to stay in the block when cheaper rates are available. Some planners are more conservative when booking blocks, knowing that some attendees will stay elsewhere. Some attendees double up in rooms, complicating tracking. Companies can provide a list of attendees, staff and speakers for the final audit of the contracted block. However, providing these lists to non-participating properties may violate confidentiality for some groups. Because of privacy and other issues, the bureau and other partners are not expected to collect this data for meeting planners. If the group is facing attrition, this process may be required. If not, the data is thrown out and historical data is lost. Consider accepting post-event survey data that indicates where each attendee stayed as evidence of room nights for free meeting space. Monterey CVB helped one member collect data from the hotels. She tracks all data in order to show consistent historical for her clients. APEX has two reports on *Project Attrition*, which found that most attendees pay their own way and must have a value added concession in order to be motivated to book within the block. One alternative model is minimum revenue commitment. If the block is falling short, the customer can increase spending in F&B or another portion of the meeting rather than paying for unused rooms after the event.

- *Airlift.* Airfare has adversely affected budgets for groups that bring multiple speakers, particularly within the past two months. This is not changing the meeting destination but speakers are brought in from different locations. With recent airline mergers, flight patterns are also an issue. Cities like Cincinnati used to be airline hubs that were convenient for corporate headquarters but patterns have changed. The San Jose and San Francisco shuttles that service Carmel and Monterey should be included in promotions of the region because they are economical transportation alternatives from major airline hubs. With the current federal sequestration, it has been reported that the TSA will pull out of some regional airports until it is resolved. This report may turn out to be political rhetoric but is something to monitor in the region.
- *Booking windows.* Attendees are making booking decisions very close to the event, going past the hotel's deadline date. This is becoming a bigger issue and adding a lot of stress to the process.
- *Schedules.* Time out of the office is more difficult to schedule. Attendees are more willing to consider Friday through Monday meetings to avoid missing work on Monday through Thursday. This is an opportunity for some destinations and for more competitive rates.
- *Convention center pricing market.* There are still deals in convention center pricing. Customers are offered good incentives to book as far in advance as 2025. Clients who need convention centers that did not book in advance in past years have found that dates are not available for 2014 and 2015. Meeting professionals are encouraging their clients to book in advance to reserve space, although many are reluctant because they have not made decisions about their programs. Conversely, groups that only use a portion of the convention center are unable to book in advance. Cities are only willing to book small groups for short-term business. For smaller centers comparable to Monterey, some members have negotiated three-year deals with small annual price increases that include internet and a percentage back to the master account for meetings that meet size requirements.
- *Hotel availability.* There is much less control than before. Prices in San Francisco rose 32% last year. Even a boutique property was over \$300. Customers may have to book at a lower tier for the same pricing structure, depending on the booking window.
- *Competitors.* Because of its similar drive market from Northern California, similar properties and comparable meeting space, the Napa/Sonoma market is the primary competitor to Monterey. Other possible competitors include Palm Springs, San Diego, Santa Barbara, Newport Beach and Long Beach, although Palm Springs has more meeting space. Hawaii has a similar unique beauty and has similar distance challenges for some groups.
- *CVB best practices.* Montreal negotiated a 75% discount of the convention center rental, then contributed \$10 per occupied room night to offset the remainder. This was crucial for the association client, who depends on tradeshow revenue for operating capital for the year. This was a decision factor. The salesperson at Montreal is excellent. Canada's Whistler has a great model that works seamlessly with the hotels with no bureaucratic aspect, presenting together and telling the same story when approached separately. They help with logistics for getting to the city and bring fun into the program. City marketing is consistent. Branding is fun and caters to extreme sports while including a connectivity and meeting aspect. The hotel brings in the CVB because they understand the importance of the destination sale. The city's lodging piece is important. Vancouver made an effort to teach meeting planners about ROI, taking the CVB beyond the destination marketing role.

Austin, Texas helped associations with social media by bringing an expert from Portland to help planners with attendance building. Columbus, Ohio focuses on the universities in their city by branding the human capital in their city as an important feature. Nashville, Tennessee has done a great job with their new convention center and new hotel openings, with a good convention services team that helps sell to leadership at the site visit by being prepared with proactive suggestions. They have ready-made marketing templates and logos to help sell the city. Team San Jose has done a good job scheduling top name entertainment to help draw attendance for one member's event. Orlando, Florida is willing to help with staffing and other needs. Phoenix, Chicago and Las Vegas are all supportive. Las Vegas builds microsites and has a multi-level infrastructure beyond sales, including a research group in the CVB that explains why Las Vegas is an appropriate destination for the group. In many cases, the ability of the individual salesperson to attend to the needs of the client is the crucial element.

General Session

Monterey Conference Center • Bob Cowdrey

Session Objective: To review plans for renovation and expansion and get Board input on the proposed plan.

Bob Cowdrey, General Manager, Monterey Conference Center, gave an overview of the planned expansion and renovation of the center, which was built in 1977. Advisory Board feedback in December 2010 suggested changes to the loading door and driveway, plaza space, ballroom and pre-function space; to maintain flexibility of the center for different meeting sizes and to obtain consultations regarding cost-effectiveness. A Seattle firm was hired to consult with customers, vendors and the community to determine the best plan. The proposed plan will upgrade all finishes, technology, lighting and infrastructure. The office will be removed to increase pre-function space. The ballroom will become divisible into multiple spaces, with the stage removed to maximize square footage. The second floor will open up with visibility from the lobby. The theater and a smaller room will be combined and redesigned into more usable space. The plan retains the current footprint of the center but increases functional space and flexibility of the center. The design scope and financing method was approved February 19. A Conference Center Facilities District will be created to fund the bond through the hotel community at about \$40 million. Construction will likely be in a two-step phase, with an eight- to ten-month closure phase to complete the downstairs construction. There is no start date at this time.

Board Feedback: General Suggestions

Board Recommendations

- Members agreed that moving forward to improve the center is a good idea. The plan to utilize space within the existing footprint was well thought out.
- Consider the larger pieces of business and try to schedule around them. Having a group book another city and potentially like that city better is a big risk.
- Identify a slow period and target that for the closure, even if it is necessary to wait an extra year.
- Give clients notice of 18 to 24 months before the construction closure to remove the stress of a possible relocation.
- Offer a pre-opening incentive and an incentive for repeat business after the center's reopening to retain important customers.
- Include Portola when working with areas that may be affected by the closure.

- San Francisco did a good job with their renovation shutdown. It did not impact any hotels and gave them new pieces of business. Inquire about their timing.
- Identify chunks of time that Monterey can guarantee to be construction-free for its customers, i.e., for the next 24 months and after 2017.
- Manage expectations within the community. Lost business is the up-front cost of larger business volumes in the future. This is an investment in the future with a worthwhile goal. Work on finding local business to help support community businesses that may be temporarily impacted by the closure.
- Create a focus group of large users, perhaps Advisory Board members, to give feedback of viable options that would mitigate the impact in the short term and entice customers to return to Monterey in the future. Consider integrating financial incentives into the building's business plan and increasing the bond above the current \$40 million budget.

Board Feedback: Talking to Customers About Construction Plans

*Board
Recommendations*

- Do not approach existing customers without more information or definite plans. Once a construction timeframe is set, the obligation to tell customers begins. Have incentives available and a plan in place at that time.
- Some members said that salespeople should tell potential customers about the plans now. Some customers do not fit in the center in its current configuration but will when the center is redesigned.
- Customers need an incentive and appreciate a demonstration of partnership in order to move a meeting. For example, one member was asked to move a large conference but given no incentive to do so. In another instance, she was given additional incentives plus incentives for booking a future meeting. The second example showed a greater respect for partnership. Another member was given no accommodations for construction at an international meeting. That city has lost her business.
- Honest, up-front information is critical. One member had a construction experience at a hotel where she was told nothing but had two clients booked for meetings. The meetings went on schedule with excessive noise and frustration for the meeting planners. The emphasis on saving booked business rather than relationships will cost that property future business. Existing customers will tell others how they were treated.
- Show design plans to customers as soon as they are available and explain how it will help their business. Tell them they will be informed of construction timeframes as soon as they are determined.
- Be proactive and supportive. Customers returned to cities that supported them during the economic downturn after 9/11.
- Include construction clauses in contracts. Refusal to do so would be a red flag for some customers and Monterey may lose the sale. Allow customers to make informed decisions about their risks.
- The bureau and sales managers would be expected to help find alternatives for clients who needed to relocate their meetings. Orlando helped find an alternate location for one member.
- Be proactive and find alternatives before approaching the client. Offer choices, not just one option. Allow customers to make the final decisions about their programs.
- Bring solid information when talking to customers and sufficiently staff phones to answer questions. Meeting professionals have a responsibility to their stakeholders and must act the minute they know construction may affect their event.

	<ul style="list-style-type: none"> ➤ Meeting professionals experience extreme anxiety and take it personally when their meetings have to be moved. Be sensitive to the passionate personalities of meeting professionals and the impact of having to re-plan a meeting from scratch. ➤ Be sure that customers hear about the renovation from Monterey rather than reading about it in a trade magazine or elsewhere. Since there is already conversation on Twitter, the possibility of construction is not a secret. ➤ Although all customers are important, be sure to keep open communication with longstanding customers who have given Monterey repeat business. ➤ The message should be delivered by the person with whom the customer has a relationship and with whom they book business, the MCCVB salesperson. Have Mr. Cowdrey inform the salespeople and the community. ➤ Have Mr. Cowdrey, Ms. Blount and possibly general managers from the hotels visit customers who will be displaced to talk to the principles and explain why it has to happen. Help the customers feel involved in the solution and make them feel their business is important to Monterey rather than feeling forced into a change of venue. Offer good, creative solutions and keep the customers in the county. ➤ Some members may not sign a contract with Monterey during years that may have construction even with reassurances. Because it is a small community, there are few alternative venues available. ➤ Some members will not consider booking for six months after the scheduled closure date, allowing time for construction delays and for problems and training issues. Despite the eight- to ten-month time frame planned, delays may mean the center will not reopen for 12 to 16 months. Meeting planners do not want their event to be the first after a reopening. ➤ Some members said their boards will not book in Monterey with construction if there is a viable alternative. They will reconsider Monterey in another rotation.
<p><i>Summary</i></p>	<ul style="list-style-type: none"> ➤ Members agreed that for the next month or two, salespeople should discuss the possible renovation with customers whose meetings may fall into the construction timeframe. For those booking in the short term, i.e., within the next ten months, there is no need to discuss construction plans unless asked about them. The most important thing to remember is that the customers are partners. Be honest with them and protect them as much as the MCCVB would wish to be protected by its customers. For those who will be affected, figure out a plan in advance, have some creative alternatives and be honest.

General Session

Carmel-by-the-Sea/Sunset Center Opportunities • Carrie Theis, Safarina Maluki and Christine Sandlin

Session Objective: To get feedback from the Board on the new concept of marketing Carmel-by-the-Sea as a meeting destination utilizing multiple inns and hotels and the Sunset Center.

Carrie Theis, General Manager/Co-Owner of Hofsas House and President of the Carmel Innkeepers Association, Safarina Maluki, Destination Marketing Manager, Carmel-by-the-Sea and Christine Sandlin, Executive Director, Sunset Cultural Center, Inc. gave an overview of the new initiative to market the city as a meetings destination. City partners developed the Hospitality Improvement District, which charges \$1 per room night to fund the project. The concept is to attract small group business to meet at the Sunset Center and stay in multiple inns and hotels with activities within walking

distance. Ms. Maluki was hired to manage the project in January 2013, and stakeholders are in the process of hiring a public relations firm. Marketing strategies will include FAM trips and travel journalist reviews. Leads come through the bureau, referrals, innkeepers who cannot accommodate the business and through the community and go to Ms. Maluki, who tracks available rates and dates. Without the new concept, no individual property within the city could accommodate a large conference. Carmel-by-the-Sea has a diverse inventory of properties, with an average size of 20 rooms, all with free wi-fi. The Sunset Center is a former school property operated by a private nonprofit management group contracted through the city. The center has recently been renovated with upgrades to accommodate modern meetings such as wireless and AV technology improvements and updated lighting, airflow and window treatments. Members were introduced to local hotel/inn partners.

Board Feedback: General Suggestions

*Board
Recommendations*

- Members had positive reactions to the overall idea. Meeting professionals are always trying to think outside the box and find unique locations for brainstorming sessions. The city’s walkable environment is pleasant.
- Make the process easy with as few steps as possible.
- There are several steps to work out before moving forward with the initiative. Create a process that considers all the possibilities.
- Because each inn is so unique, create a rating system so that meeting professionals will be able to ensure consistency when people in their groups are staying at different inns. When self-rating, ensure that properties are honest about the categories.
- Create a sheet that describes several possible configurations for groups up to 50 guests that would stay at different properties and use the Sunset Center for meetings. Give different configurations for different segments, such as budget properties for students and luxury inns for CEO-level groups. Map out each configuration to show where the properties are located relative to the center.
- A one-stop shop model would make it easier for the customer.
- Clarify whether each property and the center are ADA compliant.
- Create a website so guests can book their room online. Include the links to all properties involved so if one is sold out, guests can click on the next property.
- Have a centralized system with a standardized contract, centralized reservations and consolidated reporting. Hyatt has a consortium model where customers can use the same contract anywhere.
- Seek other communities with a similar successful model.
- Offer second and third choices for attendees who book their rooms individually.
- Clarify how attendees will find properties without physical addresses.
- It is acceptable for inns and hotels to charge different rates, since these would vary based on the quality and number of rooms. Attempting to mandate a standard rate may create a legal risk, so each would have to be individually negotiated.
- Have members of the Advisory Board stay at different inns and register at a website for a future Board meeting and give feedback about the process.
- Clarify whether smaller inns have shared restroom facilities.
- Site inspections to see the different properties and the center are required.
- Contracting logistics at multiple properties may be challenging. Because the inns have fewer rooms, changes in room pick-up may result in one inn absorbing a greater loss of room nights. Attrition will have to be addressed, perhaps by a joint cross-attrition clause with some flexibility for room changes.
- The contracting entity needs be the venue that is responsible for delivering the accommodations, so the individual inns/hotels will have to have individual contracts. Standardized contracts would be necessary to simplify the process.

	<ul style="list-style-type: none"> ➤ Create standardized deposit and reservation procedures and include them in the contract. This will make the meeting easier to sell to decision makers. ➤ Minimum requirements of a contract would be the room block, rates, cutoff dates, reservations methods, indemnification clauses, a walked guest clause and cancellation and/or performance clauses. ➤ Challenges to this meetings model would be more work from multiple availability checks and working with multiple parties, lack of congregating area for evening activities in a hotel, lack of room service for attendees that want the service and the lack of social networking areas. ➤ The destination manager may become too busy to return client phone calls within a reasonable time frame. This would hurt the process. ➤ With multiple small volume business that will be generated from this model, it is difficult to achieve economy of scale. ➤ Find a way to minimize the work for the planner. Although the outcome sounds positive, the process sounds like a lot of work for planners and their staff. ➤ Some members said they would be uncomfortable with the additional work required and therefore would not attempt to plan a meeting in the city.
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Board Feedback: Target Markets

<p><i>Board Recommendations</i></p>	<ul style="list-style-type: none"> ➤ Pursue the senior market. Seniors travel and would be a perfect demographic for the Sunday to Thursday market. They would use social space for card rooms and group dinners. ➤ Members said that this type of meeting might work for board meetings, team building events, high-end executive retreats with spouses, training meetings and mid-level incentives. ➤ Target corporate meetings, particularly technology groups. The nice environment would be very conducive to that type of meeting. ➤ Church retreats for newly elected leadership are held early in the year. Multiple rooms in the center could accommodate different church boards, with a common food area for group-to-group brainstorming. ➤ The city would work well for association volunteer and staff retreats. ➤ Alumni groups travel often and offer a lot of retreats. ➤ Create meeting packages for the Tuesday through Thursday time frame. ➤ Find opportunities to sell repeat business so the same package can be sold on a regular basis. One member's customer has weekly training sessions that could be sold as a series package.
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Board Feedback: The Destination Manager's Role

<p><i>Board Recommendations</i></p>	<ul style="list-style-type: none"> ➤ Work with sales, site visit coordination and consolidating room block rates. ➤ Determine standards for guest delivery to the hotels and inns. ➤ Be a single point of contact for delivering signed contracts and a resource for standardized boilerplate clauses. ➤ Liaison with the Monterey County Convention & Visitors Bureau. ➤ Be an ambassador to all the innkeepers and the voice of the innkeepers to assist them in doing business with corporate meeting planners. ➤ The manager should be a destination expert. Maintain information about city packages for hotels/inns and regional activities such as wine tasting. ➤ Verify availability at hotels/inns and at the Sunset Center. Members said that they would go directly to the center to book space and for details like AV and setup.
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Board Feedback: The Sunset Center

*Board
Recommendations*

- Members characterized the Sunset Center as lovely, comforting and different.
- Add more power outlets in the meeting rooms.
- Ensure that lighting is flexible and allows for dimming.
- Package the catering at a flat fee bundled into the total cost. Some customers will not want to do taste tests and select linens but others will, depending on the group.
- Offer executive type chairs for board meetings, not banquet chairs.
- Create a basic meeting package with a list of upgrades available for an additional cost such as executive chairs and upscale catering.
- Customers want all servicing at the Sunset Center to be handled by the onsite events manager. They like a single point of contact. They prefer that the events manager coordinate all vendors for events within the center such as AV, catering and florists.
- Clarify whether the center has a full kitchen and how the meals will be prepared/served.
- Ensure that all services are on the master account. If lodging is on the master bill, determine how to coordinate payment. Smaller innkeepers may be uncomfortable with a 30-day turnaround. Most members agreed that a one-half deposit in advance would be acceptable.

Wrap-Up • Tammy Blount and Nancy Morrell Swanson

Ms. Blount thanked Board members for their time and participation and honored outgoing members Connie Bergeron, Linda Hyrcaj and Pat Zollman. Outgoing members not present included David Bruce, JoAnn Hoffman, Ross Hutchings, Ron Johnson, Velda Lempka and Rick Shumacher. Ms. Blount thanked the gallery and partners of the MCCVB for their time. The date for the next Meetings Advisory Board meeting will be advised soon.