

SALT LAKE CUSTOMER ADVISORY BOARD



Different by Nature.

April 11, 2014 Meeting Minutes

Confidential

- Board Members (in Attendance)
- Salt Lake Leadership & Host Committee
- Meeting Facilitator
- Graphic Recorder
- Gallery Attendees
- Opening Comments
- Salt Lake Destination Updates, etc.
- Recommendations and Action Items



Board Members (in Attendance)

Cynthia Adams
Rhonda Baker

Kim Bladen
Chris Daw
Lisa Dyson

Nelson Fabian
David Grindle
Kate Hurst
Lori Ionntiu
Lori Jenks
Beverly Johnson
Susan Katz
Cherian Koshy
Roberta Kravitz

Andrea McDowell
Alexandria Murphy
Mary Beth Nowak
Penny Pina
Andrea Streat
Mollie Wallace
Deborah Young

Cystic Fibrosis Foundation
NACADA – The Global Community for Academic Advising
Educational Testing Services
American Association for School Administrators
TESOL – Teachers of English to Speakers of Other Languages
National Environmental Health Association
US Institute for Theatre Technology
U.S. Green Building Council
General Convention of the Episcopal Church
Emerald Expositions, Inc.
American Chemical Society
True Value Company
National Speech & Debate Association
International Society for Magnetic Resonance in Medicine
Melaleuca, Inc.
Meeting Expectations, Inc.
Evangelical Lutheran Church in America
American Mathematical Society
American Alliance of Museums
Planning Professionals
National Association of Elementary School Principles



Salt Lake Leadership & Host Committee

Scott Beck
Dan Hayes
Erin Litvack
Frank Harris
Mark White

Visit Salt Lake
Salt Palace
Salt Lake County
The Grand America / Little America Hotel
Visit Salt Lake

Meeting Facilitator

David Kliman

The Kliman Group



Graphic Recorder

Sophia Liang

Graphic Footprint

Gallery Attendees

Eddie Canaday
LaRee Devitt
Mark Erikson
Josh Ewing
Jeff Nopper
Bob O'Neill
Laura Winkler
John St. Martin
Nikki Taylor
Clorinda Hollard
Toby Huebner
Kimberly Leary
Todd Ness
Sally O'Neill
Chris Peterson
Jeff Protzman
Julie Rhoads
Tina Stark
Cannon Tarbet
Lauren Van Bergen

Visit Salt Lake
Visit Salt Lake
Snowbird Ski & Summer Resort
Hilton City Center
Sheraton Hotel
Marriott Hotels
Red Lion Hotel
Salt Palace
Salt Palace
Visit Salt Lake
Visit Salt Lake
Visit Salt Lake
Visit Salt Lake
Visit Salt Lake
Visit Salt Lake
Hilton Salt Lake City Center
Visit Salt Lake
Orchid Event Solutions
Visit Salt Lake
Visit Salt Lake



Opening Comments

Scott Beck, Mark White and David Kliman

Scott, Mark and David welcomed the Board and thanked them for their time and commitment to Salt Lake. The Board was asked to speak honestly and openly on behalf of the meetings and convention industry as well as their respective organizations. Salt Lake will listen and learn from the Board and appropriate action will be taken on its recommendations.





Salt Lake Destination Updates:

Scott Beck provided an update regarding key Salt Lake issues; the following summarizes his comments:

New Convention Center Headquarter Hotel

- New hotel is needed to move into a better competitive position
- Incentive funding successfully passed in the Utah State Legislature to create \$100 million fund, post performance incentive paid over 22 years to develop a convention center hotel
- No public liability, money generated from hotel sales tax
- Similar projects have been completed in other markets however, Salt Lake's funding mechanism is very different and is similar to what Nashville is doing
- RFP to hotel development community will go out in next 4-6 weeks
- Expect a developer will be named by Fall 2014
- Must be built within 750 feet of the Convention Center
- Private developer must put \$250 million of their money into the project
- 80-100 square feet of meeting space will be built per hotel room
- 6 sites are under consideration
- Reviewed 45 unique destinations while refining the plan
- \$8 million fund has been established to mitigate any potential negative impact to existing hotels over first 3 years (absorption period is typically 18 months +-)
- Expect 850 – 1,200 rooms will be built
- Timeline for construction is 32-34 months once work begins
- Local community now understands that more convention business is in the best interest for all Salt Lake businesses and residents



Downtown Salt Lake

- City Creek project has changed the dynamics of downtown
- Restaurant scene is growing with numerous new and unique venues
- New 2,800 state-of-the-art Broadway style performance center is scheduled to open in 2016

<http://www.newperformingartscenter.org/>



- New development of large-scale nightclub at 400 South and West Temple; this will be a Las Vegas “Hakkasan” style club called the Air Center <http://www.airslc.info/>



Convention Center

- New escalators being installed and will be substantially completed by June 15, 2014
- County has set aside a multi million annual reserve fund for fixture, furniture and equipment upgrades
- West Entrance (on the Radisson Hotel side) being redesigned and will be completed by year end 2014
- New carpet in meeting space and lobby by end of 2014
- New lighting will be installed by end of 2014

Convention Pipeline and Sales

- Accomplishments include 102% of 2013 booking goal, sales team has met or exceeded all performance indicators
- Record number of sales trips and site inspections
- 25-35% growth in all performance indicators over past 6 years
- Bookings are at 125% of goal through end of March 2014



Salt Lake Image and Perception

The Advisory Board's recommendations are found at the end of this report

- It's critical to improve consumers' image of Salt Lake; focus efforts on appealing to the general public
- Salt Lake has already done an excellent job in appealing to meeting professionals
- Salt Lake loses business due to false perceptions and perceived lack of destination appeal
- Liquor law normalization is the major message that ties together all the changes seen in Salt Lake; this is THE hook that will change perceptions B2B and B2C
- Salt Lake is viewed as "*Dry, White & Mormon*"; based on the reality of the Zion Curtain liquor laws and misperceptions perpetuated by the media
- Site inspections are the most effective tool to change perceptions; least effective tool for customer conversion is MPI and ASAE annual meetings; second least effective are DC lunches



[illegible]

- Massive shift in attendee demographics
- Massive reduction in number of military and government meetings
- Re-envisioning taking place at many religious institutions to stay relevant
- Need to provide adequate bandwidth for attendees; rogue Wi-Fi users inhibit systems; defining and understanding user groups is imperative; creating need to collect and analyze attendees Wi-Fi usage. *The members broke into three groups; the following summarize each group's key findings:*

- Challenged on many levels due to strong economy and hotel market; created need to book farther out; now need to educate leaders that booking farther out is required or face negative financial ramifications
- Many hotels now change booking option status without advising clients in advance
- Lack of rate parity among brands; some hotels don't understand how they fit in to mix of options; DMO can take active role to educate especially during hardening market
- Hotels are walking groups when they get better piece of business, creating need for stronger contract language
- Reduced airline service; higher fares and added fees
- Some seeing changes to hotel contract terms and cite the need for additional transparency from the start of negotiations

- Increasing costs of technology
- Lack of transparency regarding ancillary fees at centers and hotels
- Decreased numbers of exhibitors due to their need to reduce costs; some groups considering rotating their meetings to a limited number of cities, Salt Lake can take advantage of this trend as it is considered a cost effective destination
- Seeking alternative sponsorship routes and controlling costs

- Impact of unrelated business income tax and expanded scope of IRS rulings regarding business meetings
- Strong dependence on corporate funding
- Internet costs continue to increase
- Strong need to identify alternative revenue streams
- Large student and trainee attendee groups are generally subsidized
- More partnership and co-location with other shows
- Many feel they are “nickel and dimed” costs by Centers
- Music licensing fees are confusing and lack transparency
- Many are focused on creating business model based on zero membership costs
- Sub-groups are self creating
- Associations understand it’s critical to remain relevant
- Much stronger focus on managing and curating content

The Future of Meetings

- More smaller meetings; more communities of meetings using less space at centers and less rooms in a city
- Electronic poster sessions increasing in popularity
- Post event packaging of content
- Maintaining a real sense of community is critical for meeting stakeholders
- Increased focus on unique meeting room designs; more natural light in meeting rooms
- Using “Active Learner Rooms” to engage attendees physically and mentally
- Marketing tools are changing
- Increased use of TED Talk style spaces www.ted.com
- More hands on activities such as the “Before I Die Wall” used at US Green Buildings
- Strong focus on new methods of learning
- Kahn Academy <https://www.khanacademy.org/>
- Shifting to global outreach to reach new audiences
- Some use Adobe Connect to connect small groups
- Focused on attendee acquisition and data management
- User generated content in hospitality industry is very impactful
- Certification for younger planners remains strong; but not in DMO world where lack of interest in CDME is growing
- Email overload and spam is a growing problem
- Coordinated marketing plan are required; consolidated messages to stakeholders; the most effective messages come from someone relevant whom the recipients know
- Effective spam filter and password protection tools were cited:
 - <https://unroll.me/>
 - <https://lastpass.com/>
 - <https://agilebits.com/onepassword>

TED Ideas worth spreading*

 **KHANACADEMY**

 **Unroll.Me**

LastPass****



Wrap Up

The Board was thanked for their commitment to the process of continuous improvement for Salt Lake.

Their feedback is tremendously helpful; their recommendations and comments will be put to good use.

Recommendations and Action Items from the April 2014 meeting

General Issues

- Advisory Board wholeheartedly endorses the development of the new convention center headquarter hotel
- Send list of FF&E options at Convention Center to the CAB for their recommendations
- Follow up with Roberta Kravitz who offered to share list of potential associations that might be targeted for hosted symposiums

Salt Lake Perceptions

- Strategically ask individual CAB members to advocate with their peers; to contract other organizations to share their positive experiences and discuss how well Salt Lake performs for their groups and events
- Incorporate humor into messaging, “fun is key”; use images of attendees having fun; show all the options Salt Lake offers; share messages using social media portals
- Ensure it is not a product check list like the Bab’s video
- Market Salt Lake as a capital city with great urban assets and mesh with State tourism messages which focus on outdoor recreation
- Video and distribute testimonials from event leaders and attendees highlighting Salt Lake’s destinations appeal (Lori Jenks volunteered to participate)
- Capture video footage of successful events and use during sales calls and pitches
- “Blow up” the marketing budget and create targeted messages that can be communicated to potential attendees, association leaders and exhibitors
- Arm sales team with tools that give clear message to decision maker with precise economic incentives; highlight incentives based on groups’ total economic impact
- Recruit Club Air developer to advocate to business leaders outside Utah
- Create more attendee and planner peer-to-peer testimonials and provide them with opportunities to advocate when appropriate for changes in liquor laws
- Educate attendees so they are not taken by surprise by Zion Curtain
- Create a summary of liquor law normalization issues and share with planners and association leaders
- Create messages that talk more openly about the LDS Church
- Use CAB members strategically to advocate with peers
- Create viral perception-changing video
- Put planners in trade show booths during shows
- Share more information regarding assets such as low unemployment and lack of income disparity and the importance of human capital, Salt Lake outshines other cities in these areas; this makes for a compelling argument for Salt Lake
- Develop a pamphlet addressing specific issues to help change perceptions
- Offer to host association board meetings or provide high quality education in order to get decision makers to Salt Lake. It’s noted that there are potential ethics and governance issues that might prohibit this from working for many groups. Some groups are able to accept a hosted meeting only after a group is booked

