



By John Buchanan

Nothing has ever been more important to the meetings industry than the day-to-day, nuts-and-bolts working relationship between planners and vendors. But over the past few years, technology and the emergence of a younger generation of planners and vendor salespeople has impacted a time-honored model for doing business as partners. Today, both planners and vendors agree, traditional relationships have been reduced to mere transactions, often completed with depersonalized efficiency that compromises communication and shared respect. It's time, they say, to get back to basics. And that is especially true in the current economic climate, which is putting unprecedented pressures on both sides.

"The only way a planner can be successful is by creating relationships that help you accomplish your goals and by helping your vendors accomplish their goals, as well," said Michelle Bowser, manager of facilities and office administration at Irving, TX-based Flowserve Corporation, which manufactures pumps, valves and seals for industrial customers. "But it can't be one-sided, in either direction. The thing we can do best, as planners and vendors, is sitting down and working out what is important to both of us and how we're going to accomplish that. If you don't do that up front, then someone is going to be disappointed, or not live up to expectations, one way or the other. So, you have to have good communication right from the beginning. If you don't, the relationship is just not going to work."

Bowser believes a majority of planners intend and strive to meet that standard, but for many facing today's unique challenges, it is too often neglected.

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**John Branciforte, Vice President of Sales & Marketing
Omni Orlando Resort at ChampionsGate, Orlando, FL**



Hurry Up And Wait

One of the primary reasons for the neglect is the current economic crisis, said John Branciforte, vice president of sales and marketing at Omni Orlando Resort at ChampionsGate, a meeting property in one of America’s premier meeting destinations — Orlando, FL. “The current situation will affect how vendors and planners deal with one another, based mostly on the fact that with meeting planners, we’re still seeing the ‘hurry up and wait’ phenomenon that we had already been seeing,” Branciforte said. “But now it’s ‘hurry up and wait’ based on some of the outcomes being based on cost containment and cost-and-control issues within the corporate sector. And that is something we’re going to continue to see for a while.”

In turn, he added, that simple reality is now affecting the ways major vendors must do business. “It’s requiring more due diligence on the hotel side,” he said. “We have to ask more questions now, like whether budgets have been approved. We have to do more research on companies to see how they’re performing. We just really have to rely on the fact that information coming into the pipeline has been blessed at a higher level. What I fear, what I sense as the frustration in the marketplace, is that we have gone from planners signing contracts to planners going through procurement and legal departments, which has bogged down the contractual process. And that is now even more susceptible to the bad economic news you hear on MSNBC every day now, or how the stock market does that day.”

As a result, Branciforte said, expectations and communication on both sides of the planner-vendor equation are more critical than ever — and planners and customers are seeing new financial challenges. “We’ve had a year in which we’ve had groups cancel,” he said. “And because of the way the contracts were written, by both us and procurement and legal departments, they were responsible for hundreds of thousands of dollars. So, in a lot of ways, having procurement and legal departments involved in the process, even though it drags the process out a little bit, has made facilitation when things do go wrong much easier, because the exposure is now known by all parties. Everyone is on the same page.”

Susan Katz, director of corporate events at TrueValue Company in Chicago, agreed with Branciforte that realistic assessment of expectations and clear communication are essential to success in the current marketplace — and in the future after the near-term “crisis” passes. “As a planner, you need to be honest with vendors regarding your budget,” she said. “They can be more helpful to you if you give them an honest appraisal of what is doable and what is not. I work with multiple vendors, from production companies to audio-visual companies to decorators, and as we look at our budgets for 2009, particularly with the uncertainty in the marketplace, we are looking for ways in which we can accomplish our goals and still save money. Cost-avoidance is a huge issue now.”



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**Dallas Teague Snider, CMP, Founder
Make Your Best Impression, Birmingham, AL**

Both Sides Of The Fence

Dallas Teague Snider, CMP, a speaker and independent meeting planner and the founder of Birmingham, AL-based Make Your Best Impression, has been on both sides of the planner-vendor table. She's now a planner who does educational workshops and webinars for other planners, as well as planning her own meetings. She believes that particularly in today's market, ethical behavior and frank communication are the most important elements of a good vendor relationship. "In terms of how we work with vendors, on the planner end we're only as good as our data," she said. "And unfortunately, there are a lot of times now that what we're finding is that what we put forth from the very beginning is going to determine how flexible our vendors are with us. When we have to say, 'Gosh, I'm so sorry, I know we had four meetings booked with you, but we're going to have to cancel three of those,' that is going to affect our future dealings with that vendor."

There is, however, a silver lining to the dark cloud now hanging over the industry. "Planners and hotels can take a look at their business going forward and be proactive about it," she said. "The key is being proactive to each other's mutual benefit."

As one example, she pointed to the fact that after a long-lasting seller's market for hotels, the pendulum had already begun to swing back to a buyer's market before the economic crisis hit the U.S. this fall. On one hand, she believes that will give many planners "a little more negotiating power for meetings and events now being booked on short lead times." But she also cautioned that planners facing severe budget pressures should not, as a result, abuse current circumstances to their unfair advantage. That, she said, is simply an ethical issue — and a line that should never be crossed if a planner truly sees vendors as partners and wants enduring relationships.

Bowser agreed that heavy-handed negotiation these days is an ethical issue — and a very practical one. "For example," she said, "if it's a market you might go back to and it's not just a one-time situation, you have to ask yourself, 'What's it going to be like when I go back here two years from now? Am I burning a bridge here or damaging a relationship?'" She also noted that she agrees with those who say vendors have long memories. Abuse by planners in a bad economy can lead to victimhood in the next seller's market cycle.

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**Michelle Bowser, Manager of Facilities & Office Administration
Flowserve Corporation, Irving, TX**



Partners Versus Vendors

Katz stressed another key issue that she said successful veteran planners like herself have long been well aware of. Instead of perceiving vendors as vendors, planners should think of them as genuine partners. "For me, that has been one of the lessons that has been part of my education in this industry from day one," said Katz, who has been a planner for 25 years. "And that lesson is that it truly takes a lot of people to get any decent-sized meeting done well. You have to count on a lot of people, and unless you have them fully vested in your success, and the fact that it's their success as well, then it's hard to count on people. So I have always focused on that, from internal people at my company to my vendors — that they all share in the success of the meeting.

"I'm doing three major citywide trade shows a year, with exhibits and educational sessions, and two of them are in the Trade Show 200," Katz said. "Relationship building is of the utmost importance. When you're dealing with major-scale events and you have that many moving parts going on, you have to rely

on those people around you. And the best way to rely on them is by really making them part of your team and an extension of who you are as a planner. But as part of that, you have to keep them fully informed. You have to keep the information flowing.”

Bowser agreed with Katz. “You have to look at your vendors as partners,” she said. “Part of that is understanding expectations, and that is always important to any partnership. It’s all about the relationship. And that doesn’t mean you’re in someone’s back pocket. It just means you treat it as a relationship.”

However, the fact that relatively few planners — especially younger ones, or those who only plan meetings as part of their overall jobs — actually practice what Katz, Bowser and Snider preach has become a major issue in the planner-vendor dynamic, Branciforte and other major vendors said. Instead, e-mails, harried communications from Blackberrys and electronic RFPs have supplanted phone conversations and face-to-face encounters as fundamental ways of doing business and building relationships.

In that kind of environment, everyone suffers consequences, Branciforte said. “What we have lost over the past seven years is dialogue,” he said. “What we see now is transactions and not real relationships.” However, he said, he now sees a hint of a sea change. “We just did a poll of our planner advisory board, and planners want to hear more from salespeople,” he said. “So, as the pendulum swings again to a buyer’s market, we need to stop hiding behind e-mails and voice mails and electronic RFPs and actually talk to each other. And salespeople from hotels and other vendors need to become better resources for meeting planners. We need to start to realign the core aspects and needs of the business, because over these last few years, we have depersonalized it.”

Katz concurred that technology has reduced too much of the business to transactions with very little human contact or dialogue. “But I think that is particularly true for smaller events and among the newer generation of planners who are used to communicating and developing relationships online, rather than on the phone or in person,” she said. “I think there’s no doubt that’s an issue, but it is generational.”

Bowser agreed with the general point, but with a caveat. “There is a fine line,” she said. “I think you can work at really building a relationship even if you are communicating by e-mail. But you shouldn’t start out with ‘I need X number of rooms on these dates. Send me a price.’ Even if you’re going to work electronically, which we all do now, you can still try to cultivate that relationship. And it’s about simple business etiquette. You should introduce yourself and explain what you’re trying to do, then ask them for what you need. I wouldn’t like it if someone dealt with me so impersonally, so why would I do it to someone else and expect to have a good result? To me, the point is that whatever you put in is what you’re going to get out.”

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Susan Katz, Director of Corporate Events, TrueValue Company, Chicago, IL

Practical Tips For Success

In today’s challenging climate, which both planners and vendors agree is without precedent, a renewed sense of commitment and respect is required from both sides, Branciforte said. And at the moment, that must manifest in how planners perceive the relative vulnerability of vendors as the pendulum finally swings back to a buyer’s market that will last after the short-term crisis is over. “When the climate for hotels was really good, you didn’t see my salespeople taking advantage of planners,” Branciforte said. “But as the pendulum now swings back, I hear planners saying, ‘Now it’s our time.’ No, it’s not ‘your’ time as a planner or ‘our’ time as hotel people, because that sets up an us-versus-them mentality. It’s our time

as an industry — planners, hoteliers, airline executives — to really understand that we all need to do things right by all three parties. If we only do right by any one or two of those three, we're going to fail as an industry."

Snider simplified her best practical advice down to the famous Golden Rule — do unto others as you would have them do unto you. "Too often what I see is that people are just saying 'What's in it for me?'" she said. "The thing planners need to do is adopt the mindset that it's not about what they do. It's about who they are. What I mean by that is that sometimes planners under pressure don't really realize that the hotel person or other vendor is in exactly the same position. They have deadlines and concerns and numbers to make. So, to me, the best advice is to treat one another with mutual respect."

An example of that, she said — for both too many planners and vendors — is simply to return phone calls in a more timely manner. Both planners and vendors often cite a barrage of unreturned phone calls as a symptom of the rudeness and lack of professionalism they must deal with on a daily basis.

By the same token, when planners and vendors do communicate, whether by phone or e-mail, openness and transparency have become more important than ever before, both sides agree.

"Today, you have to be an open book," Branciforte said. "As vendors, we have to open our books and planners have to open theirs, in order to write good business together and truly be partners. Now, more than ever before, we cannot have an us-versus-them mentality."

Katz wholeheartedly supported that philosophy. "I believe the partnership goes both ways, during good economic times and bad economic times, if you truly develop a partnership," she said. "And that has always worked for me. If you develop a partnership, even when times are good for your vendors, they will work with you. And I'm the same way when times are not so good. I want to do business with people who are going to understand my business, understand what I need to accomplish and understand the pressures I am facing on my side of the fence. And I look at them the same way. The bottom line is that this business is all about relationships, as any professional planner knows. We have to try to make every negotiation a win-win situation for everyone involved, because there are going to be times when vendors can help us out and other times when we can help vendors out. And that's what this industry is all about." **C&IT**