

TOP 10 TIPS FOR AVOIDING ATTRITION

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REVIEW YOUR HISTORY

Look at the relationship between the contracted block and the actual pick up reports from the last three to five years. Have you underestimated the block with pick up over 100% (a good problem to have)? Or, did you overestimate the block with actual usage under 90%? Looking at the pattern will help determine the desired room block in future years enabling you to adjust accordingly.

WHEN IN DOUBT, GO CONSERVATIVE

After you have carefully reviewed your history, you should have a clearer picture for what to predict for the room block. If there is a variance, go conservative. Since none of us have a crystal ball to predict the future, it is wise to choose the lesser of two evils. Going conservative could mean that the block will sell out before all attendees reserve their rooms. However, overestimating your needs leaves you at risk for unsold rooms resulting in a financial penalty. There is an exception to this rule; if you are booking at a remote or resort location, displaced members might incur inconvenient travel time to the host hotel.

CONSIDER LOCATION

Are your attendees primarily east coast or west coast based? Looking back at past registration reports, review which locations boasted the highest attendance. Draw conclusions based on your post meeting surveys and consider revisiting popular locations. For some groups, this means downtown locations with restaurants in walking distance, like Chicago. For others, it could be the draw of family-friendly activities

found in places like Orlando.

CHECK OUT NEARBY HOTELS

When booking meetings in popular locations with multiple hotels in close proximity, you run the risk of attendees reserving a room outside the host hotel for several reasons. Business travelers often take advantage of loyalty programs offered by hotel chains and may prefer to earn, or use, points within that chain instead of booking inside the block. Check out the competition when you do your site inspection. If you book overflow hotels, be sure that the rates are in line with your headquarter hotel to avoid any potential issues.

EDUCATE THE MEMBERSHIP

Most of the time, members are unaware of the financial repercussions incurred when falling short on contracted room nights. Take the opportunity to educate members at your business meetings by openly discussing the issue. While not all will take this into consideration, those who are truly committed to the organization may think twice before booking elsewhere, particularly if your organization is a non-profit. Now, during this time of global recession, is the perfect time to have these conversations with members.

NEGOTIATE FAVORABLE TERMS

Generally, hotels are more willing to be flexible on attrition terms if the group provides a solid history. Clauses typically range from 80% - 90%, but can vary from no attrition to 100% obligation. Discussing the terms on the front-end will help avoid problems once the meeting is over. Ap-

proach the negotiations from a win-win perspective and consider giving up other concessions in order to achieve a number that is mutually agreeable. In addition, if you are willing to book multiple years with the same hotel, you may be able to negotiate better concessions for attrition.

OFFER INCENTIVES

Make it more attractive to book at the host hotel by offering incentives to those who do. Incentives include: discounts on registration, an entry into a drawing for a free registration to next year's conference, complimentary internet access, or passes to the health club. Conversely, some groups charge an additional fee for those who do not book at the host hotel. These fees can range from \$10 - \$100+.

PROMOTE NETWORKING AND CONVENIENCE

It is no secret that those who stay in the host hotel have the convenience of walking a few steps, as opposed to a few blocks, to their room after a long day of meetings. Attendees tend to congregate in the lobby bar and hotel restaurants at the end of the day. Promote the networking during non-meeting times to attendees, as this is often ranked the most valuable reason for attending a meeting.

THINK CUMULATIVE

Be sure your contract states that the attrition is calculated on cumulative pick up rather than on a per night basis. You may fall short on some nights, but oversell on others. Having this language protects your organization from potential damages.

REMEMBER YOUR F&B COMMITMENT

Attrition is generally discussed regarding the room block, but can apply to your food and beverage numbers as well. When you are evaluating your food and beverage minimum, remember to review the prices and history of the group before locking into a number that may be too high. Costs can vary wildly from city to city so request menus during the contract negotiations. ■