

MEETINGS

Cost-cutting advice for thrifty planners

By Janeé Pelletier

Not long ago, association conventions had a reputation for being a money pit—a huge black hole in your annual expenses through which money flowed like water. But in the current economy, maximizing your conference budget has become more important than ever. Execs and meeting managers are scrutinizing every dollar spent, from big-ticket items such as audio-visual and F&B down to even the tiniest of expenses.

Luckily there are a number of changes you can make that your members will never even notice. The following are a few tips to help you do more with less.

Be a piggy(back). Hotels and convention centers are a revolving door: When your group is moving in, someone else is

moving out. Chances are, the group before you also had a general session and an exhibit hall. Contact them to find out who their vendors are and whether you can share labor and/or equipment costs.

Put your partners to work. Your conference vendors are valuable partners with real-world experience at thousands of conventions. They can offer great suggestions to save you money. Engage them as part of the convention management team, and ask them to think creatively for you. You'll be amazed what your vendor partners are able to do for you if you can be a little bit flexible.

Meet the chef. Food and beverage represents a huge line item in most conference budgets, and the facility's executive chef is an excellent resource to help you reduce F&B costs. Ask to meet the chef during an early planning meeting, and build a relationship leading up to your conference. Learn what produce will be in season during your event and ask that these cheaper items be substituted. Ask what the facility makes in house (less expensive) and what is purchased from

other sources. You can always request custom menus that fit your price point; with appropriate advance notice, the chef will be glad to prepare something that meets your needs.

Skip the soda. Conference attendees increasingly appreciate healthful choices in food and beverage. Cut out expensive bottled drinks and replace them with beverages you can purchase by the gallon, such as iced tea and lemonade. And ask your catering manager to get creative with everyone's favorite free beverage: water. Regular ice water becomes a gourmet option when you serve it in glass canisters with a few slices of citrus fruit or herbs such as mint or lavender.

Forgo packaged foods. Prepackaged foods such as chips, candy, and snack bars are convenient when attendees need to grab something quickly between sessions. Your attendees also appreciate that you are offering them snacks for the plane on the way home—probably not what you had intended when you prepared your conference budget. When it comes to packaged foods, remember that taking two, three, or more is just as easy as taking one. Switch to other break food options to cut down on quantity and cost. Mother Nature will thank you for reducing wasteful packaging, too.

Rob Peter to pay Paul. Hotels make money from conventions in a variety of ways, including sleeping rooms, meeting room rental, F&B, telecommunications, restaurants, and other guest services. Each of these areas has different value; some are pure profit, while others have a slimmer margin. If your organization is facing severe cuts and is unable to meet your contractual obligations, ask your sales manager whether you can redistribute your spending in areas that will net the hotel greater profit. Often you can reduce your commitment proportionately and save your association money on the bottom line.

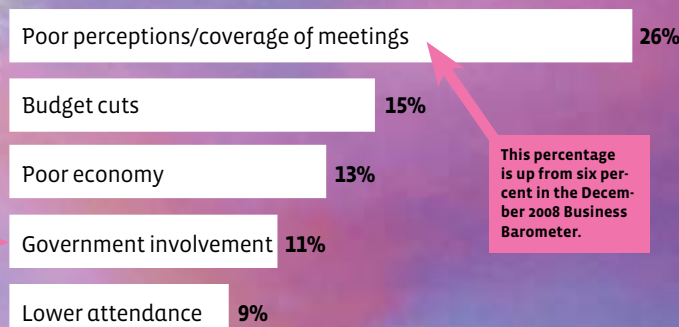
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Winds of change?

The MPI Foundation's Business Barometer, a bimonthly survey of 1,000 senior-level meetings professionals (including both MPI members and nonmembers), is showing shifts in the trends perceived to be influencing the meeting industry. The percentages in the chart below reflect the percentage of respondents who indicated that trend as most important to the meetings and events industry in the next six months.

Top Five Trends Expected to Impact Meeting and Event Business in the Next Six Months



This is the first time concern about U.S. government involvement in the meetings industry has appeared as a trend of concern on the Business Barometer.

This percentage is up from six percent in the December 2008 Business Barometer.

Source: MPI Foundation Business Barometer, February 2009