

Making the Deal



Presented by Dave Lutz, Velvet Chainsaw Consulting and written by De-de Mulligan, CMP, CMM of Mulligan Management Group

CLEVELAND, Ohio --- August 15, 2007 --- Dave Lutz, Former President of Conferon, spoke to 85 OHMPI members and guests at the Marriott Key Center about the importance of making a deal that represents the best interests of all parties. He specifically spoke about:

- ◆ RFP analysis and positioning;
- ◆ Common deal pitfalls and;
- ◆ Quantifying your value in the process

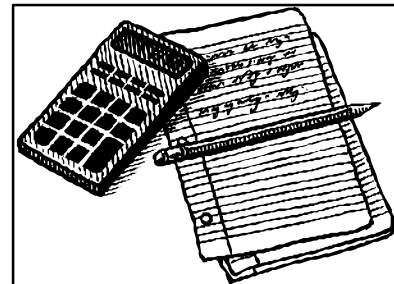
Concerning **RFP analysis and positioning**, Dave made the following recommendations to planners and suppliers.

Planners	Suppliers
Limit the Number of Venues	<u>Pick up the telephone</u> and call the Planner
Put together your "A" List	Provide a quality response
Put all your cards on the table regarding "must haves"	Tell the Planner that you value their business
Be Flexible on Dates	Be Timely and respond within bid timeframe
Ask the Supplier to sell you on their property	Ask good, <u>qualifying questions</u>
Give them adequate time to respond (7+ days)	Be empowered to address the planner's questions or concerns

Suppliers should do their **homework** before picking up the telephone and asking any questions. Dave suggests getting the following information from; **Google, Prospective Client's website, Hoovers.com, and/or Reference USA.**

Learn about the prospective client's:

- ◆ Products and/or Services
- ◆ Organizational structure
- ◆ Board of Directors
- ◆ Future meetings or events
- ◆ Annual Report
- ◆ Their top competitors



When the Supplier ***picks up the telephone***, they need to gather the following information





1. Account name, meeting name, and URL
2. Meeting purpose and critical success factors
3. Room block and meeting and/or expo space requirements
4. Preferred Dates
5. Who is my competition (Other hotels and/or cities planner is considering)
6. Decision Date

Suppliers should ask the following ***qualifying questions*** PRIOR to answering the bid:

- ◆ What has been your best meeting to date? Why was it the best?
- ◆ What has been your worst meeting to date? Why was it the worst?
- ◆ Who, besides yourself, is involved in making this decision?
- ◆ After responding the RFP, what is the next step in the decision process?
- ◆ What is your budget?



Dave stated that ***common deal pitfalls*** include:

 Planners	Suppliers 
Negotiating with the wrong person	Getting hung up on terms and conditions
Not have an alternative property to go to for the event	Giving concessions, without getting anything in return
Negotiating too early, before an agreement is in place	Negotiating too early, before an agreement is in place
Selecting a property based on rates, dates and space entries on a grid.	Quoting a rate and concession package without having complete information.
Poor planning regarding dates & locations	Stacking the meeting rooms & dates
Getting emotional	Getting emotional

Lastly, Dave Lutz talked about the importance of the supplier communicating “the value of doing business” with their organization. A supplier, needs to be more than “rates and dates” in order for the meeting planner to choose that property. Dave suggested each venue document their value in the following areas:

- ◆ How the planner will save time
- ◆ Cost savings to the client organization
- ◆ Quality of the venue **and** quality of the individuals working there
- ◆ Peace of mind the client will receive by having the event at the supplier's location
- ◆ How the venue will do the work and manage the process
- ◆ Who are the people that will work on this meeting or event and what value, in terms of, experience, education, or both they bring to this event
- ◆ Special relationships with CVB, Chamber of Commerce, MPI, PCMA, or other notable organizations
- ◆ Diagram and/or outline of facilities
- ◆ Equipment or notables that are superior or state-of-the-art compared to the competition

In the end, the supplier has to ask one hard question: **Why should planners do business with my brand name, venue, and me?** *In other words, “Why should Mulligan Management Group (planner) do business with Hilton (brand name), Hilton Garden Inn in Twinsburg, Ohio (my specific venue) and me?*

Planners need to **be honest, ethical, fair, and have all the information regarding past events and the proposed event available to the supplier.** They need to narrow the search and take the telephone calls. **Most importantly, planners need to be considerate of the suppliers' response.**

Before venturing down the consulting road, Dave Lutz was President of Conferon Global Services's two largest operating divisions – Conferon and ExpoExchange. In that capacity, he was responsible for overseeing more than 500 employees and \$60 million of annual revenues. During Dave's 20-year tenure at Conferon, he helped lead the exponential growth of the company while attaining operational excellence.

De-de Mulligan, CMP, CMM is an Independent Meeting Planner that has owned and operated Mulligan Management Group since 2000. She has managed administrative, as well as, project management details for over 950 events. Mulligan Management Group can plan any type of meeting, conference, tradeshow, or special event. She was named Ohio Planner of the Year in 2006 by Meeting Professionals International and nominated for this distinctive award in 2004, 2005, 2006, and 2007.