



## Doing Business Today

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On November 19<sup>th</sup>, SITE Chicago members joined a Zoom call for the Spark & Speak session focusing on “Doing Business Today” moderated by Craig Dooley and Justin McCray. With this being the 5<sup>th</sup> in a series of 6, it’s been very interesting to see how our conversations have evolved yet held common themes over several weeks, even though a different group of individuals participated with a new topic each session. This time around, there appeared to be a little more hopefulness and “light at the end of the tunnel” feeling, which we were all excited about. Perhaps due to the U.S. election being over, the multiple vaccines awaiting FDA approval, or that we are under 45 days away from finally bidding farewell to the year 2020. Maybe it’s a combination of all this, but we know if we continue to practice our patience, persistence, and resilience, we will come back!

Yet again, the word of the session was relationships, and more importantly, having relationships that were developed and strong, well in advance of the pandemic. As it was summed up by one individual: we are people, having dialogues, and our relationships will far outlast this uncertainty - it’s important to keep that in mind.

Unlike other challenging periods our industry has faced, this time is so unique in that the restrictions are always changing, aren’t consistent across the map, and there is no end date we can determine and work towards. In the beginning, no one imagined we would move a group more than once, and we have all discovered that’s not true. Therefore, we have to become comfortable with the unknown and be willing to share and support each other along the way. Negotiations now must be about bringing organizations

together, connecting on a personal level, and understanding we are all working toward a common goal. It's all about partnership to figure out a solution that works for everyone, rather than just nitpicking contract terms. One incentive company shared that out of all the business they had to move, only one program had to "lawyer up" to reach an agreeable solution, and they strongly believe it was due wholly to the relationships they had developed and cultivated over the years, allowing them to work together to discuss and find a solution that worked for everyone. They credited a lot of the development of these relationships to their experiences with SITE members and felt this gave them an advantage by already having a strong network of resources.

There are a lot of grey areas, and each cancellation or movement is being handled on a case-by-case basis, which makes this even more challenging, so it's imperative to be open and honest in your discussions. For third party planners, it may be helpful to explain to your end-user how badly the hotels are hurting to help them understand that this time is different than anything they have faced before. Also, timing is everything, and as plans continue to shift, it's important to let the hotel know how serious the client is about pulling the trigger. Vice versa, how willing is the hotel to work with them in terms of flexibility? Several of the Buyers echoed the challenge that they aren't working on an equal playing field as each hotel brand is handling cancellations and rebooking differently. It can also be challenging when the ownership of the hotel is different than the management, as their opinions and approaches can vary internally. Simply put, we can't keep our heads in the sand and assume things will happen as they always did.

The big question is how do we do business today? Our business minds have shifted from mostly paying attention to things when they matter at that moment to now paying attention to everything - all the time - in order to try to make sense of it all and make the best decisions.

Uncertainty is so hard for people who are always organized, on the ball, and checking off boxes. The pandemic has allowed them anything but this, and it's very wearing and challenging. Staying connected to people, regardless if you have an immediate business need with them, is often times just to find out more about how their life is going these days, in whatever capacity they are in. Ask more about what they are facing, how it is *really* going, and what that means for them. You'll likely gain a new perspective that will allow you to be more effective as you have conversations with others. Right now, we need compassion. We need to be humble and sincere. Yes, we are all in business and want the best deal, but we also all want to stay in business and keep our jobs. In any good negotiation, both sides give up something to be fair, and to do so we need to listen to each other to find the best solutions for all parties. This is hard on everyone and flexibility is key. It was suggested to ask what's important and why: Are future deposits important because you need the cash flow now? Is attrition key because your client's attendees live in areas prone to stricter quarantine rules and that affects their decision to travel? Don't assume, ask and understand. It's also important to involve all the pieces of the puzzle. It's not just what the hotel can do, but what the airlines, transportation companies, DMCs and others can do based on local rules. We've seen it in the past, and it could be much more common in this situation, that DMCs or hotels go out of business. Then what happens to your deposits? That's something to think about as well.

There was a lot of discussion about the future and the compression that is going to occur in 2023 and 2024. The pace is certainly very off from what it has ever been. With so many groups already securing their space for years down the road, what's going to happen when those groups who typically book a

year or two out try to do so and find there is no space available? Several suppliers said they are asking buyers not to throw in the towel on 2021 or 2022 just yet; things are improving, which could help manage the compression down the road.

So, what about the business potential? Many are saying they want others to test the water first, and they will follow once they see how it can be done safely and successfully. Therefore, it is so critical for everyone to share their success stories with each other, provide testimonials, and share case studies, so we can deliver the assurance that incentives and meetings can happen successfully and safely. There are a couple of places where you can help get the word out, including the SITE Members Group on LinkedIn, or by contacting the marketing team at SITE Global to see how it could be implemented into our Motivate newsletter or online resources. They say our industry was the hardest hit and will be the last to recover, so it's our job to educate the world to help us come back.

Several suppliers noted they are seeing an increase in reliance on their third-party partners to provide the knowledge in shifting conversations from "Do we go?" to "How do we go safely?" Since they work with multiple clients and handle a variety of programs in different destinations, they trust their insight into what works to build confidence in travel, and provide a sense of comfort with the plan. Our role is to provide safe solutions, and we need to communicate those solutions with empathy, understanding, and a true sense of caring about more than just the business, but about the people. Several suppliers noted they are finding their corporate direct clients in need of a lot of help and guidance, especially when event planning teams have been furloughed. They need coaching on simple things like rooming lists and flight manifests, so the third parties become a great resource to them. Other clients who have always used third parties are relying on them more heavily because of their broad knowledge and expertise in working with a variety of destinations, finding best practices, as well as the depth of their relationships that have been formed, as these combine to reflect the extent of their buying power.

The buyers on the call felt the recent news about the vaccine provided a boost in confidence. However, it was noted the vaccine will take time to get out to the masses, and even then, how comfortable will people be to take it? Also, reports from airlines and testimonials from those who have operated programs successfully have been positive support as well. Many shared that while people feel comfortable traveling, the quarantine rules when they return is part of what prevents them from being able to commit.

As we spoke about who is doing business, there was quite a bit of discussion about the differences of external versus internal attendees and how that affects decision making. If you are an internal employee who is offered a trip, can you say no to the CEO if you don't feel comfortable as easily as you would to an external party? Or, if your company is hosting a trip for your employees and there is an outbreak, what's the worst-case scenario of how that could affect your bottom line if a large number of employees are affected? What it really comes down to is how strict does an organization want to be with protocols. Even more importantly, it comes down to how compliant the participants are willing to be. That's what makes it even more challenging, especially when a third-party planner is involved. You could do everything right, but as the saying goes, you can lead a horse to water but can't make it drink.

The discussion shifted towards how we are communicating right now. There was agreement that everyone is being worn out in so many ways, and people seem to be making more choices on what's most important to them at that very moment. In the beginning of all of this, people signed up for every opportunity for education and networking that came their way. Now, everyone seems to be more

selective, and tends to register last minute if the timing and subject matter appeals to them right then. We all know Zoom fatigue is a real thing. However, we also know our industry is truly missing the connections and interactions. One individual noticed a trend with virtual client events they are holding throughout the U.S., that attendance relates to what's happening in the geographic area where they are located. In the Midwest and Northeast, during the summertime when weather was nice, people tended to want to be away from their computers and no-shows were up. However as soon as daylight savings time hit and it got darker sooner and the temperatures dropped, attendance grew. Not only that, they also see a trend of increased attendance and a need for interaction whenever a particular area has stay-at-home restrictions announced. People can get emotional about their need for interpersonal communication, and they find ways to make it happen however they can. While it's interesting to hear about property renovations and promotions, people really just want to connect to share experiences and continue the relationship beyond a particular business deal.

As we look towards the future, there were a lot of questions about what that will look like. Will people return to offices? Will the traditional road show or office visits be a thing of the past? Will people become more guarded of their personal time and not want to be out as much now that they have learned to adapt to having time at home? Or, will they be so anxious to get out of their own four walls that we will see an increase from before? It will be interesting to see!

We always point out those silver linings of the pandemic and everyone agreed that there is a new sense of camaraderie, respect, and better, more open dialogue that will likely make our relationships even stronger in the future and that is something to be excited about.

#### **Resources shared in the chat:**

#### **6 leadership qualities for the new world which include: Passion, Intellectual Honesty, Intellectual Humility, Persistence, Systems Thinker and Empathy**

[https://www.linkedin.com/posts/davidarraya\\_learn-thinktolearntolead-leadership-activity-6735024034225954816--um-/](https://www.linkedin.com/posts/davidarraya_learn-thinktolearntolead-leadership-activity-6735024034225954816--um-/)

#### **CDX Virtual – Nov 2020 Safe Meetings Case Study with ConferenceDirect and Caesars Entertainment** (begins at 3-minute point of video)

[https://www.dropbox.com/sh/6g5fvv0so5gnfq4/AACGepHbDwJnK\\_ZSmVYFGkjPa/5.%20Safe%20Meetings%20Case%20Study%20Mary%20and%20Bill%20v2.mp4?dl=0](https://www.dropbox.com/sh/6g5fvv0so5gnfq4/AACGepHbDwJnK_ZSmVYFGkjPa/5.%20Safe%20Meetings%20Case%20Study%20Mary%20and%20Bill%20v2.mp4?dl=0)

#### **Meeting Escrow - a risk-management solution for deposits paid in advance by meeting planners to hotels and other vendors for future bookings and services.**

<https://www.meetingescrow.com/>

#### **SITE Members – private LinkedIn Group**

<https://www.linkedin.com/groups/133708/>

#### **SITE Global – Chief Marketing Officer – Padraic Gilligan, CITP - [pgilligan@siteglobal.com](mailto:pgilligan@siteglobal.com)**

Motivate Newsletter, Online Resources, etc. to share case studies or success stories