Travel Arrangers Education Day 2016
Meeting Planning @ MSU

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Tell us about yourselves…

• What type of events do you plan?
• What’s your role in event planning?
• How do you feel about negotiating?
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Today’s Overview

1. Event Planning Steps
2. Negotiation Strategy
3. Negotiation Approach
4. Negotiable Items
5. Negotiating Tips
6. Negotiating Activity
7. Contract Stages
8. Reviewing Contracts
9. Contract Clauses
10. Wrap-up & Takeaways
At this stage we would have already completed these steps –

- Meeting Purpose and Outcomes
- Budget
- RFPs to hotels/venues and collected proposals
- Site visit and site selection

Now it is time to NEGOTIATE!
Negotiation Approach

- Negotiation is about learning, not just persuading
- Be honest, ethical, and keep organizations needs in mind
- Be transparent and disclose important information
- Be respectful and build a long term relationship
- Create a true Win-Win result
Prepare to Negotiate

- Create a prioritized list
- Decide your Need, Want, Wish items
- Be open to new suggestions and prepare to be flexible
- You will not get everything you want
Negotiable Terms/Common Concessions

1. 1:40 Comp Rooms
2. Suite Upgrades for VIPs
3. Discount staff rooms
4. Comp Meeting Space
5. Comp Wi-Fi
6. Comp Hospitality Suite
7. Reduced Attrition
8. Comp Parking

See handout for additional items
Negotiable Terms

Considerations

- Arrival date/pattern
- Increased hotel room rate, especially if the guests are paying their own
- Food and beverage schedule, entrée selection

Hidden Costs

- Service fees, Gratuity
- Resort fees
- Taxes
Negotiating Advice

- Face to Face Negotiation is best – if can’t do via phone
- Prepare, listen, look for the win-win
- Ask open ended questions – understand their point of view
- Make your offer – don’t talk…
- Hold strong to your want (deal breakers) but be flexible on your wishes
Negotiate at least three terms…

1. Meeting Room Rental
2. Arrival and departure dates
3. Hotel room rate
Negotiation Activity

? Did you make a deal?
? Why/Why not?
? Weekend or weekdays?
? Overnight rate?
? Meeting room rate?
? Any other terms or concessions?
Three Stages

• The offer
• The acceptance
• Authorized signatory
Contract Review

• Avoid short cuts – take the time to review the contract from beginning to end.
• Create your own clauses when necessary
• Negotiate equitable clauses – ex: attrition, cancellation, etc.
• Ask questions
• Be transparent

As the meeting planner, you are responsible for understanding the terms of the contract.
Contract Clauses

**Liability**
Part of a contract outlining who is responsible for something

**Indemnification**
A contract clause is a contractual promise to protect a party from financial loss, and a way to shift risk to the party who can best control it.

**Attrition**
The difference between the actual amount and the amount agreed to in the contract.
Force Majeure (Acts of God)
Clause that excuses a party from liability if some unforeseen event beyond the control of that party prevents it from performing its obligations under the contract.

Cancellation Clause
Part of a contract which outlines damages paid by the cancelling party.
Contract Clauses

Guarantee Policy
Describes when the final count is due and outlines financial penalty if actual attendance differs from the guaranteed final count.

Hotel Room Blocks
Portion of the contract that outlines the number of rooms reserved, the cutoff or release date of the held guest rooms, and payment and reservation method.
What are your deal breakers?
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Thank you!

Questions?