

KANSAS CITY CHAPTER



MEETING PROFESSIONALS INTERNATIONAL

KCMPI Past Presidents Council

Presents

3rd Annual Kansas City State of the Industry

Wednesday, February 17, 2016

KCMPI Past Presidents Council

Tricia Clement, CMP

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Shana Hoy, CMP

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Kim O'Connor

Rod Sanchez

Brad Plumb, CMP

Judith Kerr

Susie Butler

Carolyn Henry

Ronald Miller

Don Wilk



MEETING PROFESSIONALS INTERNATIONAL

Panelists

Don Breckenridge

Hotel and Lodging Association of Greater Kansas City - President

InterContinental Hotel Kansas City – General Manager

Ronnie Burt

Visit KC – President & CEO

Dana Markel

Overland Park Convention & Visitors Bureau - President

Angie Stanland

Cerner Corporation – Vice President of Associate Services and Recruiting

Moderator



Alton Hagen, CMP, DCMP

Agenda: USA

Founder and General Manager

Panelist



Dana Markel

Overland Park Convention &
Visitors Bureau

President

Panelist



Ronnie Burt

Visit KC

President and CEO



5 REASONS TO EXPERIENCE KC

Panelist



Don Breckenridge

Hotel and Lodging Association
of Greater Kansas City –
President

InterContinental Hotel Kansas
City – General Manager

Current Trends

- Shift to seller's market continues across the country as demand, ADR and RevPar are growing and outpacing supply growth
- 2008 was high water mark for hotel industry. 2015 revenue results in many KC hotels exceeded 2008
- KC hotels re-investing in the properties during next 18 months. Owner's expectation is renovated products show higher than average rate increases

Marriott/Starwood Merger – Nation Wide Impact

- Benefits Planners - new company focused on driving loyalty with more hotels available to keep all bookings with-in the family of brands
- Loyalty program with enhanced earning and redemption of points. Programs will be combined
- National Accounts - likely consolidation of Account Managers
- National Sales Teams - likely consolidate and re-deploy based on duplication
- Potential for shift in on-property sales model - new focus on clustered team selling across multiple brands?
- Harder to leverage hotels against each other
- Ownership of individual properties will influence extent of consolidation
- Number of properties managed in same city may prompt strategic re-flagging of hotels

Marriott/Starwood Merger – Kansas City Impact

- Six of the eight largest hotels controlled by same company
- Hyatt Crown Center conversion to Sheraton – leverage shift to hotels with only two brands competing for large pieces of business
- This merger means one company controls five largest hotels in market
- Franchise ownership of several of these hotels will be a merger talking point

KC Supply Additions

- In addition to Hyatt convention hotel, nine other hotels would add 2,000 rooms to downtown market – 50% increase in available rooms.
- Other than Hyatt, none of the hotels drive demand by themselves
- Pie size gets smaller unless demand grows
- Does it make downtown more vibrant and impactful to attracting larger conventions?
- These hotels along with new conference center facilities (Embassy Suites & Hyatt Place) provide additional venues and locations for smaller to medium size meetings

How Hotels Analyze Group Business Opportunities

- Rates, rebates and commissions
- Pattern
- Block compared to history
- Space usage
- Catering F&B spend – minimum revenue guarantee
- Historical value of rooms and space
- Displacement?
- Long term or short term?
- Concessions
- Risk of concessions – low or no attrition – no cancellation – re-booking clause
- Group's ability to honor contract clauses
- Group's history at the hotel

How to Get the Best Deals

- Let hotel know what's important to you
- Know what's important to hotel
- Fill holes or need periods
- Flexibility with dates/pattern
- Book small meetings short term
- Don't lowball the group's block or ROGR
- Accept attrition clauses
- Seek multi-year deals
- Be loyal to hotel – more likely to take a haircut
- Don't request concessions that aren't important to you

Panelist



Angie Stanland

Cerner Corporation

Vice President Cerner Careers

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and panelists.

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