

GETTING TO KNOW YOUR CUSTOMERS

Why meetings market data intelligence is a hotel's answer to more successful prospecting — and a smarter long-term strategy for group sales.



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By Jennifer N. Dienst

Why meetings market data intelligence is a hotel's answer to more successful prospecting — and a smarter long-term strategy for group sales.

The rise of RFP engines and distribution channels has drastically changed the landscape of hotel group business. While these are important, necessary tools for hotels and meeting planners alike, they've created new challenges for hospitality sales teams. An unbalanced reliance on inbound RFPs can result in less active and successful prospecting, a loss of customer centricity and direct relationships, and an increase in cost of acquisition.

"What [online sales platforms have] done is brilliant, but it has also created an environment where the lion's share of leads and opportunities is coming through a third-party distribution channel, so it has created a layer of separation between the hotel sales department and the customer," said John Washko, vice president of expo and

convention sales for Mohegan Sun. That has spurred sales teams to search for new, more innovative ways of prospecting for new business. "In today's sales environment," Washko said, "the leaders are constantly looking for ways to find more data, to be more proactive in the sales cycle."

In recent years, hospitality sales leaders like Washko have turned to meetings market data intelligence to fill in the gaps and power a more strategic, customer-centric style of prospecting. What does that look like? Consolidated information about who is meeting where and when, gathered over a long period of time, straight from primary sources.

"It helps you to define your strategy," said Christi Davis, vice president of the Loews Sales Organization. "And it helps to define that conversation, so that you can become that consultative seller to the end user, rather than just taking a shot-in-the-dark solicitation of path, which is dialing for dollars and everybody knows that won't return on the investment."

CHALLENGES, NEW AND OLD

Previously, sales teams would have to cold call, or maybe check lobby



readerboards themselves, to find actionable information about potential group clients. And when third parties began gathering and selling it, sales teams then would have to dig through the data to find any gems. The sheer amount of information could be overwhelming.

The latest iterations of products that offer meetings market data intelligence do most of the heavy lifting, offering users analytics that point directly to qualified leads or insight into the buying behaviors of a particular client. The best versions can even offer information typically privy only to the client — for example, that a major pharmaceutical company books 30 percent of its meetings business with Marriott and 40 percent with Hilton.

That means hotel sales managers can

pick up the phone with more confidence, because they already know that much more about the potential client. It's a valuable leg up in an industry that is heavily dependent on automated inbound channels, an efficiency that in some ways has created inefficiencies — such as RFP spam and frequently strained relationships between hotels and planners. Data intelligence can shift the focus from this reactive approach to a more proactive method of selling built on customer centrality.

DIGGING DEEPER

Davis oversees sales for Loews Hotels & Co.'s 20-plus properties. She uses this kind of data intelligence to find out everything from what markets a potential

piece of business is already meeting in to what brands they use most frequently. Davis can do this through software that has filtering capabilities and preset criteria that can show her what's happening in a particular market. "And, if I want to take it one step further," Davis said, "I can look at one specific hotel that I compete with frequently, or that I'd like to move share from."

This kind of data intelligence can also serve as a tool for identifying potential business that might have gone undetected or seemed out of reach. "Our group databases aren't filled with potential customers, they're full of customers we've worked with before or spoken to before," said Kris Kareti, corporate director of sales operations for Hyatt Hotels. "And that's where this kind of data helps to start the conversation."

Indeed, more than 60 percent of Hyatt properties have used this kind of data intelligence for the past decade. "This makes it easier in that they're doing that work for you," Kareti said, "but it also allows you to look at a bigger picture, track down contact information, and look at competitor cities. They take a lot of the legwork out of the process."

Davis said she uses data intelligence to



encourage her properties to prospect outside of their current market by looking at cities with similar dynamics. For example, for Loews' property in Tucson, which has great weather but low airlift, she uses data to look at groups that are meeting in a market with similar pluses and minuses, like Palm Springs. "It just directs your conversation accordingly, because now you know that airlift isn't a challenge for them," Davis said. "You can find all of these similarities, so that when you do come up with your solicitation list, you have talking points for the client."

Davis also uses it to see if a group is executing events at Loews properties in other markets, "which makes the solicitation even that much more welcome as the account is already familiar with our brand," she said. All in all, "having this data intelligence changes my sales strategy because it lets us make educated decisions that then allow us to

provide sellers with a road map that will ultimately lead them to success.”

PERSONALIZED PROSPECTING

In addition to sourcing and researching potential new business, data intelligence can help hotels overcome some of the biggest challenges they face in managing group business.

Establishing customer centricity is a good example. A reliance on inbound RFPs and automation has made it more difficult for sales teams to facilitate a connection and build a direct relationship with meeting planners. It’s different from the transient market, Davis said, where “you have a lot of information at your fingertips [with leisure guests] that you don’t yet have with groups.”

Data intelligence arms sales teams with historical insight on their prospects, so making contact feels less like a wobbly cold call. Having what Davis calls a “very pointed, strong foundation” allows her to make a stronger case and be more confident and strategic in her approach. “I now know, going into the conversation, I’m educated,” Davis said. “And when you have an educational foundation when you’re going into these conversations with these very savvy meeting planners, it’s very much welcomed.”

Going beyond the RFP and prospecting planners in order to drive a more personalized book of business can also help sales teams stay one step ahead. “Having more information about that person is what’s really driving us to anticipate their needs to an even better degree,” said Jonathan Kaplan, vice

Purchasing Power

THROUGHOUT HER CAREER,

Kimberly Newman has held roles on all sides of the industry — as a meeting planner, working for DMCs and suppliers, and, today, serving as Mid-Atlantic regional director of sales for third-party sourcing company Prestige Global Meeting Source. “One of the conversations that I think is missing,” Newman said, “is the one that’s between both sides” — meaning hotels and meeting planners. Right there in the middle, according to Newman, is where data analytics can prove its value and relevance.

Working on behalf of meeting planners to negotiate with hotels and venues, Prestige uses data intelligence to identify potential areas for growth as well as to better understand clients. “Speaking as a meeting planner, one of the most important things that I know on the negotiation side is, what’s my current position? What’s my purchasing power? Who am I in this realm of this world?” Newman said. “The answers to all of those questions become relevant when you’re purchasing services and venues. Having the ability to provide that information can become your success in this arena.”

president of global sales strategy for InterContinental Hotels Group (IHG). “At the end of the day, it’s the person that we want to focus on. Because that same individual could be your groups and meetings attendee, could be a planner, could be a leisure guest. They wear many hats in the different relationships that we have with them.”

This shift from reactive (answering only inbound RFPs) to proactive (actively prospecting on strategic accounts based on historical data) works not just to win a piece of business in that moment, but also to establish a long-term relationship that results in new business, whether the planner books it then or later. “The current economy, as it stands now, has really pushed us into a very transactional-sale type of a concept,” Davis said.

“So we can get really caught up in this incoming demand. It’s kind of like that saying ‘a bird in the hand is worth two in the bush,’ right? But that’s not what a true seller is really challenged to do. A true seller is challenged to go out there and find business.”

BIG-PICTURE STRATEGY

This approach also gives sales teams and revenue managers the power to future-proof their jobs. This is done by enabling them to move beyond reactive strategies — inbound streams of RFPs that can wax and wane — and embrace data intelligence to put themselves in the driver’s seat and prospect more strategically for customers who are apt to return. That can mean taking a lesson out of the transient segment’s playbook: Win

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their loyalty to keep them coming back.

“This data has become broad and deep, so now it’s more about using this warehouse of data for the benefit of its customers,” said Tim Hart, CEO of Knowland, a provider of sales solutions centered around meetings market data intelligence. “There are two primary purposes: No. 1, competitive benchmarking, to see what business you were and weren’t winning; and No. 2, prospecting, as it gave hotels the ability to identify accounts they could approach and sell to.”

Hart added: “If you spend your time trying to identify the customers that are the best fit, winning that first piece of business, you are establishing the path to a long-term relationship with them.”

That can go a long way during unexpected soft times. “We have a lot of sellers in today’s professional environment who have not experienced a downturn,” Davis said, “and the sellers that will prevail when we inevitably find ourselves in that scenario again will be



the ones that understand how to proactively identify business opportunities and have the consultative mentality to look at the totality of an account's opportunity."

It can also help open up markets that are difficult to penetrate. Corporate meetings are a prime example. Washko, who has used data intelligence in his current role at Mohegan Sun as well as during previous positions at The Broadmoor and Atlantis, Paradise Island, said finding useful information on this particular segment is difficult. "The majority of corporate America, for security reasons, they don't want people to know where they're meeting," Washko said. "This can be a good tool with a number of tactics to proactively research

and prospect business. It's not a silver bullet, but it can be a nice piece within an overall outbound platform."

Some sales managers are finding that having access to this kind of data intelligence is valuable to not just them but meeting planners as well. And that can go a long way toward fostering customer centricity.

"This is becoming one of the biggest pieces to winning those high-quality pieces of business," said Kaplan, due to the excess amount of data available now to meeting planners. Providing them with analytics and insight is incredibly important.

Kaplan also finds value from this kind of data intelligence in helping to quickly identify a good hotel from his company's

vast portfolio — IHG currently has about 5,600 hotels in more than 100 countries — that can serve a specific piece of business. “We can also start helping them find alternative hotels when those don’t meet the needs, or the city is just too

expensive, or the meeting spaces are sold out,” Kaplan said. “So it’s really this sort of jigsaw puzzle of being able to find the customer and the right hotel. I think the more we do that, the better we’re all going to be as an industry.” ■

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