



## Hotel attrition is the bane of the meeting planner

Mass High Tech: The Journal of New England Technology - October 27, 2006 by [Dallas Teague Snider](#) Mass High Tech  
Reminiscent of the late 1990s, hotels have become much more selective about group business and are more likely to be waiting for that perfect lead to book.

Getting an accurate history of your business is important for hotels when evaluating business. Groups that demonstrate strong pick-up to the contracted block are less of a risk for the hotel.

Hotels will evaluate guest-room history, food and beverage expenditures, and the rooms-to-meeting-space ratio as key factors in offering dates.

Getting a solid history includes accounting for those rooms around the block which will help build your case during the negotiation process as you, as a meeting planner, try to book your venue.

Once the hotel has reviewed your history and decided that it wants to enter into an agreement, you need to be aware of all the contractual liabilities. Be sure to pay close attention to the attrition sections of the agreement.

### Understand the group

If you plan meetings, you should be familiar with the word "attrition." During the contracting phase, you will find this applies when booking a meeting or event in regard to both guest room pick up and food and beverage revenue when applicable.

These are often two separate clauses and planners must be knowledgeable of the group history so that they are not agreeing to meet a revenue figure that is unrealistic. Doing so can place a company or organization in financial jeopardy.

Attrition is a real issue and one that must be properly managed.

The Convention Industry Council's Project Attrition discovered in 2003 that 32 percent of meeting planners were assessed fees and 41 percent of groups with multiple hotel blocks were assessed fees. This was the latest report available; however, future reports will likely be staggering. To best avoid the attrition factor, be sure to obtain a thorough understanding of the group, attendee preference and the destination.

You will want to investigate what hotels have worked well in the past. Selecting a destination that economically appeals to your members is very important.

### Avoiding attrition

Be sure to know your history and block accordingly. Try to book more and smaller blocks of rooms and space to provide your attendees more options; this will make them less likely to book outside the group block.

It is best to include a budget hotel if possible for those attendees that desire such an option. Here are some suggestions to help avoid attrition:

- Educate your members about the importance of booking in the block and the hardships imposed upon the organization when attendees do not comply.
- Formulate a marketing plan to increase attendance and booking within the block.
- Monitor pick-up rate and hotel websites for lower posted rates.
- Maintain close contact with the housing/registration service provider and/or hotel(s).
- Compare event registration within hotel reservations early and often to avoid last-minute reservations that are past the group cutoff.
- Reward those who stay in contracted hotels with extras like complimentary airport or convention center shuttle, priority seating at sessions or admittance to meal/social functions.
- Reward those who stay in the contracted hotel with perceived monetary value like reduced annual membership fees, a \$100 coupon toward future programs or a reduced conference registration fee.
- Bundle registration and housing together for convenience and room block management.
- Deny registration to those who do not have a room reservation at the contracted hotel.

### Room-block audits

Stipulate in your hotel contract that a room-block audit will take place during or after, and rooms found outside the room block will be credited toward your final pick-up and earned

complimentary units. Have this conversation with the hotel prior to the meeting and confirm in writing that such an audit will take place at the conclusion of the event. Have no misunderstanding going into your meeting that such an audit will take place.

Conventions, meetings and events are often thought of as fun and exciting.

As much as this is true, there is also a great deal of awareness and preparation that has to take place prior to booking your location, entering into an agreement and seeing that event to fruition. There are many industry organizations that can help you stay abreast of the latest industry trends and legal considerations. At the end of the day, the hospitality industry is a relationship business, but most importantly it is a business. Be sure to mind your business so you don't fall victim to attrition.

*Dallas Teague Snider is national account director and recruitment manager for Los Angeles-based ConferenceDirect. She can be reached at 205-967-5536.*

[Contact the Editor](#) [Need Assistance?](#) [More Latest News →](#)

---

[Subscribe](#)

---

*All contents of this site © American City Business Journals Inc. All rights reserved.*