



EIBTM PROFESSIONAL EDUCATION

New Business Development - is your company '*Fit for Purpose*' for 2010?

By

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GFG **Generation For Growth**

Introduction to GFG Ltd

Business development and Marketing Services agency providing support in four distinctive disciplines:-

- Lead generation and Appointment setting
- Business analysis and new market development
- Marketing services – strategy and planning review
- Training support workshops

25 years of the MICE, Leisure and Hotel industry

- Extensive experience
 - Excellent association and knowledge of the Hotel, Venues and Hospitality industry
 - 10 + years with a number of UK MICE agencies
- Personal achievements
 - As BDD excelled in NEW Business development – integrated marketing solutions to corporate sector
- GFG client base
 - Supporting a broad range of UK companies
 - DMC, MICE Agencies and Hotel Chains
 - Event Management companies and Stadia

This mornings objectives

OVERALL GOAL

- Broad overview of some fundamental *sales techniques* and initiatives
 - Re-install those fundamental disciplines for the predicted upturn - may have lapsed?

OBJECTIVES/OUTCOMES

- With your existing/prospect clients – position yourself far more effectively in terms of:-
 - Demonstrating your ‘added value’ as a true ‘**strategic partner**’
 - **Increase sales** from your existing clients
 - Targeting **NEW** business – what makes **GREAT** telesales people?
 - Through a structured marketing communication plan, implement effective targeted **e-marketing campaign** through CRM

The RECESSION

How has our industry adapted
over the last 12 months?

Representatives – WHO?

Hotels, DMC's, Conf Venues, PCO's, Event Management?

What has GFG witnessed?

- **UK MICE Agencies**

- Consolidation and *forced* administration!
 - THA Group, McMenemy Hill, Universal Procon, Indeprod, etc
- Margins reduced, head count has declined **BUT** has lead to the creation of → ‘Centre of Excellence’ teams
- More *aggressive* S & M → identifying and targeting NEW business and NEW sectors using telemarketing agencies (*IBI*)
- Adapting to client ‘event’ needs with more cost effective and *intelligent* solutions – i.e. Digital/Video conferencing

- **Opportunities for 2010?**

- Business needs haven’t changed dramatically
 - Channel Partners still need to be engaged
 - Staff need to be motivated with Travel Incentives

What has GFG witnessed?

- **Established Hotel Chains**

- Groups and Incentives business has declined on the one hand, while FIT and Leisure has maintained levels – i.e. Middle East, Russia
- “REVPAR” is down, however TRI Hospitality consulting
 - London Hotels in 2009 - 2nd highest occupancy levels – 85.1%
 - Elsewhere fell to 73.6%
- Special emphasis and focus on NEW Business sectors – i.e. Pharmaceutical
- Adapted to the Digital age – establishing dedicated meeting rooms –i.e HP ‘Halo telepresence’

- **Opportunities for 2010?**

- Exploring new revenue streams - forging partnerships with ‘Lifestyle Management’ companies (high net worth individuals)
- Increased ‘brand’ loyalty and ‘footfall’ via introduction of ‘membership’ culture, to exclusive properties/ excellent corporate rates at 5 * Hotels and celebrity chef’s restaurants

What has GFG witnessed?

- **Hotel Representation Companies (HRP)**
 - Due to limited marketing budgets – larger chains withdrew ‘representation’ and concentrated on existing client relationships
 - Small independent and luxury Hotels saw a downturn in terms of corporate business → looked for HRP to explore NEW sales channels
 - Panacea? Not in the short term!
- **Opportunities for 2010?**
 - As budgets improve, will gradually see an upturn
 - Become more CREATIVE - over and above traditional solutions
 - On-line and Internet marketing services
 - E-mail marketing – ‘tracking’ e-zines campaigns
 - Web development with complimentary suppliers

What has GFG witnessed?

- **DMC's**

- Ever since 9/11 - core market from the US declined
 - Exploring new and selected markets – Asia Pac, Europe (£ vis-à-vis €)
- Marketing budgets scrutinised
 - Continue to participate at 'Trade Shows' and 'Sales workshops'
 - Endeavour to incorporate measurable KPI's – difficult.

- **Opportunities in 2010?**

- International Trade shows
 - Corporations continued presence at International Farnborough Air Show 10 – guaranteed business
- London 2012
 - Relationship building with associated suppliers → 'kick off' from March 2010

What has GFG witnessed?

Stadia

- Core revenue streams declined
 - Racecourses (not necessarily premier Football Clubs)
- Increased focus on C & E business
 - Hotel construction – i.e. Twickenham RFU, Brooklands (Mercedes), Epsom Downs Racecourse
 - Effective engagement with MICE/Production/VS Agencies – ‘added value’ differentiation → compete ‘head on’ with Hotels and Conference centres
- Increased Staff training
 - Delivering a true ‘customer experience’
 - Pro-active telesales culture
- **Opportunities in 2010?**
 - Truly develop the ‘brand’ – a serious alternative to the Hotel and venue market

What has GFG witnessed?

- **Event Management companies**

 - Themed Christmas parties, Family Fun Days, Team building, Corporate Hospitality

- The one sector which has suffered - unable to **easily** diversify!
 - UK - Xmas parties down by 20%
 - ‘Celebratory/staff events’ perceived to be insensitive when laying off staff!
 - More ‘Events’ handled in house
- Positioning themselves as a ‘**sustainable**’ Agency USP?
 - Corporates can then justify/demonstrate a positive difference → NOT only benefiting the environment, BUT save company money!
- **Opportunities in 2010?**
 - ‘Face-to-face’ communication through live events will be still required
 - Best way for companies to build **emotional connections** with their brands
 - Event Management – Interface between the Client and Venue

MOVING FORWARD

What do **YOU** and your **SALES** teams have to do when the market picks up?

What are we going to *review*?

- Implementation and structured **Sales and Marketing plan** → but with sensible and realistic goals!
- Reposition your 'venue/company/agency' as a true '**strategic**' partner – offering enhanced services?
- Targeting NEW business – **effective telemarketing** and lead generation → What makes great telesales people?
- Making the most of your **Customer Relationship Management Database**
- Effective **Client Account Plans** for existing clients → leading to long term sales pipeline growth

So what's the first thing you need to review?

The Sales Team

SALES team

- **Motivated?** → install a ‘can do’ team spirit attitude
 - The right people in the right job!
 - Make them feel valued!
 - Off site team building activity?
- **Team structure**
 - Gain the full ‘buy in’ and team support
 - Involve them with your Business planning strategy →SWOT analysis, strategic and tactical planning
- **Personal development**
 - Staff appraisals – implement structured ‘staff development plans’
 - Increase the Training budget!
 - Fact – **ONLY** 15% of ‘Sales’ professionals have participated in Sales Training courses
 - Many training modules including.....
 - Advanced selling skills for Telesales
 - Key Account Management
 - Client meeting – ‘face to face’ selling
 - What ‘customer service excellence’ should be?

Business Planning and Sales and Marketing strategy

GFG's experience

- Undertaken by Hotel Chains + MICE agencies + Congress Centres
- SME's are NOT so disciplined!
 - Amazing how many companies have grown organically without any clear direction, and survived!
- Comes a point when you need to think about strategy
 - where you want to be in 3 years time
 - **HOW** you're going to get there!
- Two basic stages of Business Planning

The Business Plan

- **What is a PLAN?**

“**Statement of intent – a calculated intention to organise effort and resource to achieve an outcome**”

- However the most important driver for almost any business plan is “**Return on investment**”
- The **PLAN** - disciplined **process** to include:-
 - Competitor evaluation through Market research,
 - Establish your Corporate Aims – Short, Medium and Long
 - Your ‘Mission Statement’ – vision and values
 - Define your service offering – customer benefits?
 - Brand positioning
- Detailed business plan → consider undertaking:-
 - Ansoff and Boston Matrix
 - Customer matrix – strategies according to customer types

Sales and Marketing activity plan

- **Month by Month activity**
 - Keep it simple and set yourself **realistic objectives**
 - Review every 3 months to see if your on track?
 - Business models change – especially over the last 18 months – ‘Micro and Macro’ environmental issues
- Ensure rigid KPI’s are in place!

Your BEST marketing tool?

- Electronic and digital world

COMPANY WEB SITE

- Last 3 to 5 years changes
 - Web 1.0
 - Web 2.0
 - Web 3.0

Reposition your 'Business' as a true 'strategic' partner

**Types of
Account and
Sales professionals**

Strategic Partner

What do we MEAN by this?

- Rapidly changing business environment
 - Role of a Sales team → educational
 - More rapid change → look to you as a solution provider → keep informed what's available to address business challenges
- Business is won due to either:-
 - Have a substantial degree of trust
 - Have advanced knowledge in what the competition are going to do
 - Have visibly superior and intelligent 'product/service' solutions
- Products change quickly, sometimes appearing that your solution is the same as everybody else's!
 - Perceived commoditisation creates PRICE pressures → leading to increased CHALLENGES in selling your product and services

Strategic Partner

What do we MEAN by this?

- Clients often have several seemingly viable options available, so it becomes more difficult to differentiate your solution
- Clients make their choice based on the **business** and **personal** benefits they receive from that particular solution
 - How well you understand their needs and how YOUR solution particular address's their needs
- You're not the teacher anymore, you are the coach!
- Selling successfully in today's' market, it's necessary to have more than just the best product at the best price
- Biggest competitive advantage you have today is the manner in which YOU sell, NOT the product itself!

Product type 'Account Professional'

Who – Sales and Account Manager

Product Centric

- Excellent working product knowledge
- Aware of Client success stories
- Be able to reference areas of potential benefits to the Client

Good communication skills

- Present well, and able to interview and uncover the Client needs



Business type 'Account Professional'

Who – Business Development, Global Account Dir Value Centric

- Working knowledge on how your Agency/Hotel solutions can add value to your Clients business operations
- Good business acumen, credible and confident
- Able to position your solution at a business level → demonstrating ROI



Advance Communication skills

- Objection handling, controlling an audience, business issues, elevating and activating dormant pains, active listening, etc

Strategic type 'Account Professional'

Who - Director of Sales, Managing Director
Client Centric

- Present solutions which helps clients understand the impact/benefits of your solution
- Extensive industry knowledge
- Sensitive to company politics and client structures
- Delivering a business case, NOT just ROI, **BUT** the impact of NOT implementing **your** solution!
- **Polished Communication skills**
- Can read 'situations' quickly and act accordingly
- Understand and 'know-how' to execute on strategy



Strategic Partner - examples

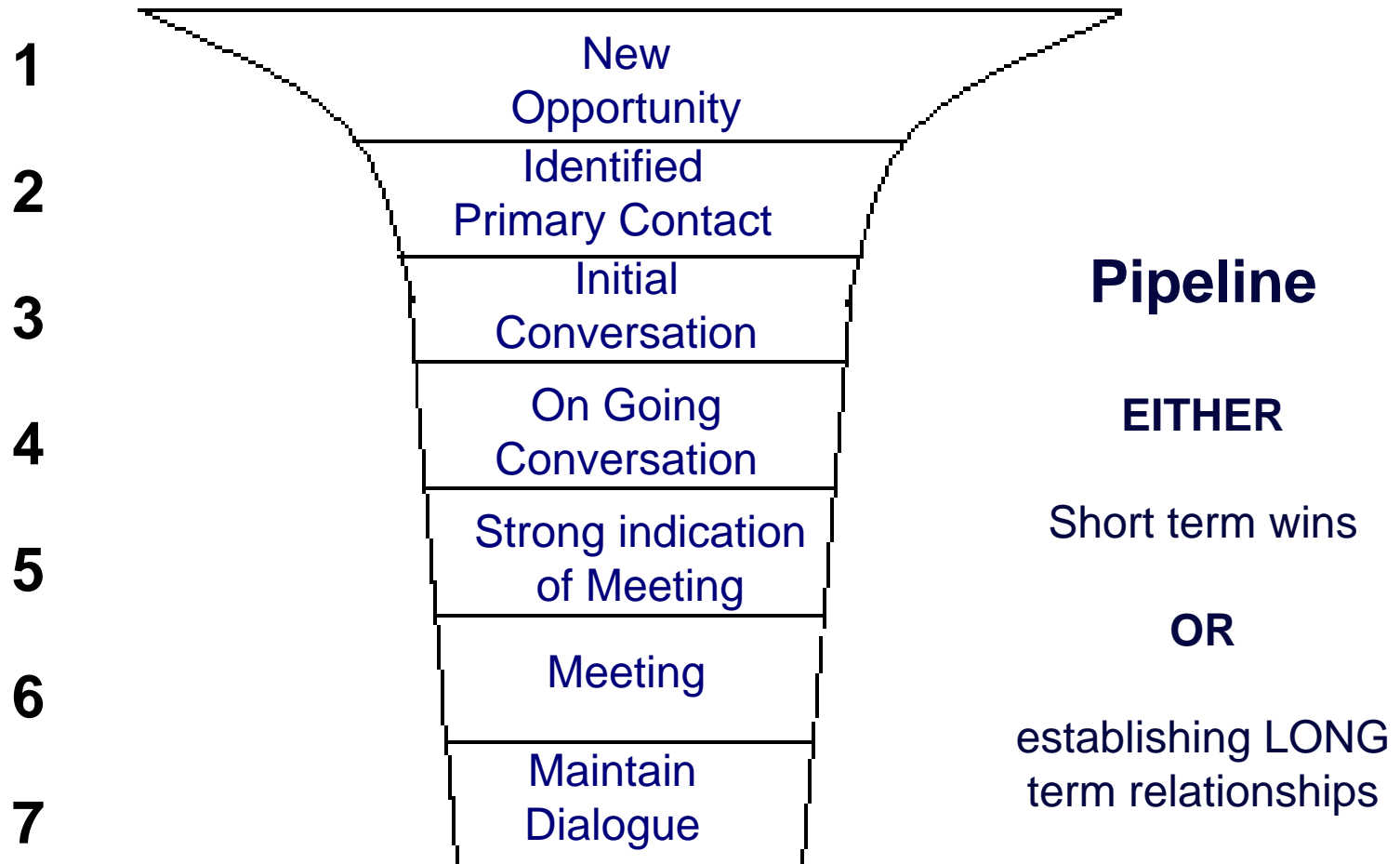
- **DMC** - Transportation – Coaches eco friendly - bio-fuels? *CSR – off setting your clients 'carbon footprint'*
- **Hotel Chain** - *Worked more effectively with Procurement*
- **MICE Agency** - *Venue consolidation? Bundle venues together?*
- **Congress Venue** – Work more effectively with NTO's and CVB's → directly with the end user → improve brand awareness
- **NTO's**

Installing a 'Telesales culture' What makes great telesales people?

Lifeline for every Business is Sales 'PIPELINE'

- So what do we mean by this?
 - The 'Sales' cycle can vary from six months to a year
 - **HOWEVER** in this current economic climate.....
 - Evidence shown - 7 contacts prior to the pitch opportunity
 - Some business's are trapped in a vicious circle where they over-focus on highly visible areas
 - Closing late-stage deals, and under-invest in key areas such as early-stage lead generation
 - Some still rely heavily on instinct, guesswork and "seat-of-the-pants" management to control their sales pipelines
- SO you need to achieve a regular flow of sales to avoid damaging "boom-bust" cycles

Pipeline – Basic principals



The basic principals of Telemarketing

- Where does EXISTING business come from?
 - Referrals/W.o.M, current clients, marketing, etc
- How do you go about in getting NEW Business?
 - Increase the SALES and MARKETING activity → DM, e-zines, trade shows, supplier tie ups
- BUT also ***Telemarketing*** activity
 - It's **NOT** a short term plan, **BUT** long-term and on-going sales and marketing strategy
 - Rather than just relying on a few, encourage everybody to have a go!

Basic principals of Telemarketing

- We need to understand our clients current priorities and business needs
- Looking for 'Agencies/Hotels/Venues' which can offer **added value:-**
 - An alternative solution?
 - A solution which can demonstrate measurable ROI, CSR agenda's (carbon footprint)
 - 'Service' delivery – over and above your competitors
- **NOT** just PRICE!
- Are there easier ways to make 'cold calls'?

'Referral' Marketing

Not applicable to everybody!

- Leveraging all your 'contacts' by getting others to spread the word about your venue and services
- An approach by you **directly to a contact**, requesting that they:-
 - Refer you to one their Colleagues, Friend or Peer (**Indirect**)**OR**
 - Provide you with contacts whereby you can communicate your services (by using their name as a referee (**Direct**))
- Involved in developing an easy referral system that will generate between 5% - 10% increase in:-
 - Customers
 - Sales
 - Profits

Why am I suggesting this?

- Reliable
- Most rewarding and least expensive from a personal point of view
- Best 'Return on Investment'
- Builds credibility and awareness
- Accurate targeting
- Cheapest form of advertising, however it takes time to see the returns

SUCCESS Story

Telemarketing Options

Telemarketing Options?

OPTION A

- Outsource to a **third Party**
 - Many agencies out there!
 - Make sure they understand your sector and business!
 - DELIVERABLES? – 80 calls in 4 hours = 1 to 2 meetings – BUT all depends on who they are targeting?

OR OPTION B

- **In-House** - More cost effective → train your sales team and re-enforce those disciplines

What makes great Telesales people ?

- Perseverance
- Accept feedback and criticism
- Well organised
- Willing to try new approaches
- Listen, don't lecture
- Genuinely cares about client needs
- Respect the time of your caller
- Resist making negative comments about others, including the competition
- Believe in the value of what you are doing

CRM Database

Using it to its FULL potential and
prospecting applications

Customer Relationship Management

Discuss and review the following:-

- Database accuracy - some facts and figures
- 'Off the shelf' CRM software packages
- Using CRM as effectively as possible
- Dovetail E-marketing activity using CRM

General facts and figures

- Databases accuracy
 - Traditionally, one third of the data becomes obsolete every six months
- It's **NOT** a numbers game – I've got more contacts than you have
 - BUT how you use that information
 - It's all about **QUALITY** and **NOT** Quantity
- Perception by your colleagues – I can't do that!
 - And some of you may be right?

Software Packages

There are many distributors offering:-

- Entry level packages
 - **ACT** (inc. Swift e-marketing package), **Goldmine** and **Telemagic**
- Advanced “On line” packages
 - **Sales Force**, **CRM Dynamic** and **Sage CRM**
- Basic Principals of CRM
 - Central storage of customer communications
 - Identify your most profitable customers
 - In built calendars – activity alarms
 - Create letter and e-mail templates + tracking
 - Track sales pipeline
 - Improving business insight – understanding your Customers

CRM – use it effectively!

- YOU might say that's OBVIOUS!
 - However and similar to other packages (PowerPoint) – most organisations only use 20% of its true functionality
- **SO** ensure **everybody** is trained to use it!
 - Incorporate **mandatory** fields to include:-
 - Source of enquiry – w.o.m, referral, trade show
 - NOTES – write everything down! In 6 months time..
 - 'Attach' Sales letters –easy access
 - Track the enquiry for 'pipeline' purposes
- And so on – far more effective marketing!

E-Marketing and E-Zines

- Effective and targeted communication
 - In the **Digital** world we live in, it's become part of a way of life!
- JUNK mail is **ALSO** a part of life – so make sure that your communication platforms are:-
 - Targeted, engaging, interactive and educating
 - Instigate tracking processes, incorporate data capture opportunities direct recipients to your WEB site
- Ensure your communication is structured and dovetailed into your PR activity
 - Make it pertinent to the audience needs and **DO Not** dilute your brand by sending 'poor' and substandard information → easiest way to turn people off!

FOR YOUR MOST IMPORTANT CLIENTS - ACCOUNT PLAN

Understand their Key Drivers and
Business Needs – KBR's

'Key Business Requirements'

- So what are **KBR's**?
 - **Actions** your client must achieve or perform to accomplish their organisational goals
 - **Goals** which drive strategy and tactics within the organisation
 - **Strategies** which tell them **HOW** they are going to accomplish these goals, via a series of tactics
- Move back up the organisation in the form of **RESULTS**

Account Plan - most important clients

- Selection → Nationwide/pan European clients where you have a true 'champion' and established track record
- May NOT apply to all of YOU, but it's a very effective way to develop long term business - includes:-
 - Brief overview of the company – their business?
 - Completed and current events
 - Relationship assessment plan – WHO HAS the BEST
 - Strategic and Tactical Plan - how and who →grow the Account over the next twelve months
- Individual accountability and responsibility → increase SALES across a broad number of **alternative** solutions
- Success story.....

So in Conclusion

So in conclusion

- Review the Sales Team structure –
 - ‘Round pins in round holes’
- As a Strategic Partner
 - Tailor make your Agency/Venue/services to the needs of the Corporate Market
 - Market your brand more effectively – joint collaboration if need be?
- **Telemarketing** - HAS to be part of a long term ‘disciplined’ strategy, NOT just a short term solution
 - Set realistic goals
 - Rather than doing it in isolation - YOU will get far better results if you do it as a team effort
 - Once a fortnight/once a week – 2/3 hour stretches

So in conclusion

- Use your CRM database and 'clean' it on a regular basis
 - **CRITICAL** → for more effective niche marketing
- Use e-marketing effectively
 - the most cost effective especially if you incorporate 'tracking' software → ROI
- Treat your existing Clients as '**GOLD DUST**' – YOU can't afford to lose them
 - build stronger relationships using an 'Account Plan' model
 - Undertake some qualitative research – make them feel that you really care about them and their needs

In Conclusion

- Take the time to meet your prospect clients and get out there by **NETWORKING**
 - somebody always knows somebody!
- Continually look at your ‘business model’
 - adapt to the global economy and the need from business sectors to review their expenditure and governance

**Thank you for
listening!**



Generation For Growth



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kkotowski@conventionindustry.org

Results of re-positioning your 'Business'

- New business sources?
 - 38% - recommendation
 - 29% - personal contact
 - 25% - own acquisition efforts
 - 7% - direct marketing