

# Creating a Request for Proposal is as Easy as ABCD

By Wanda Kovacs, CMP

**I**n creating a request for proposal (RFP), the more information you can give a vendor about your meeting, attendees, and specific needs, the more complete the final proposal will be and the more accurate it will be for budget purposes. For example, do you require individual pick-ups or group pick-ups at the airport? Are full-day or half-day tours more popular? Do you need an LCD projector in every meeting room? Quality input definitely yields quality output. High-quality information will help enable your organization to generate positive revenue since your expense projections will be accurate.

If you're uncertain about what to include in your RFP — or simply want to make sure you're covering all the bases — review the four steps necessary for writing a detailed request for proposal.

## STEP ONE

Begin by giving the selected vendors basic information about your group:

- Organization name
- Name of meeting
- Your name, address, telephone and fax numbers, and e-mail address
- Location of meeting (city and facility or facilities)
- Headquarters hotel, if applicable
- Dates of meeting. Be sure to point out if any of the dates are a holiday. Even if your organization doesn't celebrate a certain holiday, a union might . . . and overtime and double-time can have a huge impact on your budget.

It's equally essential to check for holidays when planning meetings outside the United States.

- Number of attendees
- Attendee profile. The attendee profile is extremely important when putting together an RFP for services such as tours, entertainment, and theme parties. Knowing the degree to which your delegates have “been there, done that” will help the vendor come up with the most appropriate events for your group.
- Previous locations (city and facility)
- Deadline for proposals. Allow vendors at least 10 business days to help ensure that the proposals you receive will be as complete as possible.

## STEP TWO

List the items for which you require pricing, and remember to be as specific as possible. Let the vendors know, for example, if you would like the audio-visual equipment priced a particular way (a la carte vs. package price per

meeting room). We suggest that you provide a template for the suppliers to make their job, and yours, easier. A simple spreadsheet document will help keep all bids in a common format, enabling you to make comparisons more efficiently.

The following is a rundown of major items to include in your RFP:

### Airport Transportation

- Major arrival date
- Major departure date
- Number of attendees
- Specify whether you require individual pick-ups or group pick-ups upon arrival or departure.
- Do you want the meet and greet staff stationed at the gate or in the baggage claim area?
- Type of vehicle requested (van vs. sedan)
- Is a restroom on the bus required?
- Age and capacity of buses
- Do you want driver gratuities included in the price?
- Do the vehicles meet ADA standards?
- Specify the maximum “wait time” for any individual. The shorter the wait, the higher the price since this usually requires more vehicles.
- Do you require a dispatcher at both the airport and the staging area?
- Where will the company stage the transportation?

### Tours/Entertainment

- Date and time frame available for tours. Are some days unavailable for tours due to meeting activities? Do you want full-day or half-day tours on specific days during the conference?
- Profile of attendees for any specific tour or all tours (spouses or companions only, children, couples, age, etc.)
- Specific thoughts or preferences on tour options. Have museum tours been very successful with your group in the past? Do your attendees prefer more physical activities like biking or snorkeling or even city walking tours?
- Provide actual attendance figures from previous tours to illustrate the type of activities that generally do and don't go over well with your delegates.
- Minimum number of attendees required to conduct a tour. If you want a lower minimum than most destination management companies normally require, specify this in your RFP. It will increase your per-person cost, but it may spare you from canceling a tour at the last minute due to lower participation.
- Maximum number of attendees allowed on tour
- Lunch, dinner, or snacks to be provided during tour
- What type of transportation will be provided?

If buses, do they have restrooms?

- Specify whether you want all taxes and gratuities included in the pricing.
- Indicate the types of themes and entertainment you have used in recent years so that history is not repeated.

### Audio-Visual

- Provide the entire conference program including:
  1. Number and location of concurrent sessions. Indicate whether you have a 24-hour hold on any or all of these rooms since setup and teardown could have a major impact on your labor costs.
  2. General session. Include move in, move out, and actual session times.
  3. Equipment needs. If you already know your needs for this year, spell them out. If you're going out to bid before knowing your exact requirements, however, you could use last year's equipment list (just be sure to alert the suppliers that this is the case) or estimate what you will require this year. The latter strategy works well if you provide the same equipment in each breakout room such as an LCD projector, screen, and lavalier microphone.
  4. The cost of tear-down and setup time required to move equipment from one room to another.
  5. Are projectionists required?
  6. Exhibitor rentals. If your conference includes a trade show and the AV vendor will have an opportunity to provide equipment to exhibitors and generate additional revenue, your overall piece of business becomes more attractive, which could result in a deeper discount. So be certain to include some history on exhibitor rentals from previous years.
  7. Obtain standard printed price sheets and explanations of the discount you will receive.

### General Service Contractor

- Number of booths
- Size of booths or booth packages
- “Extras” about your show such as the size aisles you desire, number and location of any lounge areas, etc. A copy of last year's floor plan may prove helpful.
- Number of registration counters
- Signage needs. This includes not only signs inside the exhibit hall, but also any other signs you may require for meeting rooms, sponsor acknowledgements, banners, etc.
- Drayage requirements. General service contractors (GSC) make most of their money from drayage. As a result, if you know how heavy your show is, you may be able to negotiate more complimentary items such as moving freight from the dock to the registration area, entrance units, etc.

# Beyond the Yellow Pages

By Susan Murphy

**Y**ou've booked a meeting in a destination that you've never used before — you may not have even done a site inspection if it's a small event — and you need to find vendors that can provide various services for the meeting. Who do you call? Who do you send your RFP to? Following are a few ideas to get you started:

**Call the local convention and visitors bureau,** check out its Web site or thumb through its meeting planner's guide. Many bureau Web sites now have pages specifically geared toward meeting planners that list all the vendors in the city . . . or at least all the vendors that are members of the organization.

**Contact the convention services manager** or catering manager at the hotel or convention center and ask for his or her recommendations. Keep in mind, however, that many facilities have exclusive or preferred vendors and are only authorized to recommend those. The property may even have its own in-house suppliers or a financial arrangement with cer-

tain local suppliers whereby the facility receives a commission based on booked business. As a result, you may not necessarily get an unbiased opinion.

**Talk to your peers.** Ask fellow members of the Professional Convention Management Association, American Society of Association Executives, or Meeting Professionals International if they've been to the city, what suppliers they used and how they performed. Remember, networking is one of the major reasons that we all belong to industry organizations.

**Surf the Web.** Virtual tours of properties as well as databases containing thousands of suppliers are just a mouse click away. Some meeting planning-oriented Web sites, such as [www.plansoft.com](http://www.plansoft.com), even have the capability of assembling an RFP for you.

**Read industry magazines.** Virtually all of the meetings magazines publish special sections or supplements on various destinations throughout

the year. Several also publish a year-end directory filled with hundreds of supplier listings.

**Tap last year's supplier.** This strategy works particularly well with general service contractors and audio-visual companies, many of which are national, if not international. Even if they don't have an office in the destination or can't travel to the location of your event, they can probably recommend a vendor in the area.

It's also a good idea to tap the destination management company (DMC) that you used last year, even though it may be limited to doing business in its particular city or region. The company may be able to suggest a fellow member of an industry organization such as the DMC Network, which has specific criteria for membership.

Now, with all of these options, who needs the Yellow Pages?

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- Labor requirements
- Exhibitor revenue. Specify how much revenue your exhibitors generated for the GSC in previous years. If the GSC can't provide you with exact amounts, ask for usage figures on items such as carpet, tables and chairs, upgraded furniture, prefabricated booths, assisted labor, etc. Armed with this information, you may be able to negotiate a deeper discount or additional complimentary items.

## STEP THREE

Compile a wish list. Let the suppliers know what complimentary or discounted items you would like to receive based on the value of your piece of business. You may not get everything you ask for — the vendor has to turn a profit, after all — but if you don't ask, you may not get anything.

An audio-visual vendor, for example, may be able to provide complimentary walkie-talkies, speaker ready room

equipment, or even one microphone per day per room. A DMC may be able to supply complimentary tour desk staffing or site visit transportation. A general service contractor may be able to pick up the tab for all or some of your show management shipping needs or furniture or equipment for your show office. It's almost always possible to obtain a discount off the full price. Be sure to find out how great a discount you will receive.

## STEP FOUR

Finally, ask the vendor to provide a list of references . . . and be sure to check them before making your final decision.

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# Comparing Apples to Apples

By Marlene Burle, CMP, and Gina Golde, LES

**W**hat do you do when you have oranges and you want to make apple juice? Comparing supplier proposals when each company presents the information in a different format can be a bit like trying to squeeze apple juice out of an orange — and in order to properly analyze multiple supplier proposals, you need to compare apples to apples.

The best way to ensure a line-by-line comparison is to clearly state in your request for proposal (RFP) how you require the information to be presented. Better yet, provide your RFP on a spreadsheet that has been designed so that suppliers can drop in the answers.

Just in case all of the vendors don't follow your instructions, however, here are a few examples of how bids can differ:

**Audio-visual.** Equipment prices can either be quoted per piece of equipment or as a package. First, check to see that all of the suppliers quoted similar types of equipment (i.e., same lumens for each LCD). Then make sure all accessory equipment is included in the price. For example, did one company separately quote a 35mm slide projector, zoom lens, remote control, and safe-lock stand, while another company offered a package price for the same equipment? Be certain your apples match.

**Destination management.** Destination management companies (DMC) can quote shuttle service prices several different ways. One supplier may quote \$200 per coach with a four-hour minimum and an additional \$50 per hour after the minimum is reached, for example, and another supplier may quote \$250 per coach with a five-hour minimum and an additional \$50 per hour after the minimum is reached.

Which company would you choose, based on the bottom line alone, if you needed one coach for six hours? At first glance, it might look like an apples-to-oranges comparison, but if you do the math, you'll be able to compare apples to

apples. Also make sure your minimums are “garage to garage” — meaning the clock starts ticking when the coach leaves the garage and stops when it returns to the garage — so that you're not unexpectedly charged for overtime on site.

Tour prices also can be quoted a few different ways. DMCs tend to price tours based on the number of participants — the higher the number of participants, the lower the per-person price. A tour with a 40-person minimum, for example, would have a lower per-person price tag than the same tour with a 30-person minimum. So be certain that the minimums are equivalent when comparing the bids of various vendors.

It's also important to weigh the pros and cons of a higher minimum versus a lower minimum. A higher minimum will give you a lower per-person cost, which may help to sell more tickets to association members who are paying their own way. But if you don't reach the higher minimum, the tour may need to be canceled unless your organization is willing to pay for the unsold tickets. The bottom line? Tours with lower minimums, although more costly to delegates, may help you avoid cancellations.

**General service contractors.** Some contractors quote aisle carpeting in square yards; others quote it in linear feet. If you find yourself in this situation, you'll need to convert feet to yards in order to reveal the real pricing structure.

One of the most effective and efficient ways to analyze bids is to put together a chart or spreadsheet listing the main items of each proposal. Then, as you review each bid,

# Exposition Services Comparison Chart

Following is a side-by-side comparison of actual proposals from three decorators. If we compared the bids based on price alone, Decorator #3 would have been the logical choice. However, Decorator #1 was selected based on past performance and service history along with the personal relationship established between the account executive and the organization. Knowing what is important to your group is ultimately the deciding factor when selecting a vendor.

	Decorator #1	Decorator #2	Decorator #3
<b>10'x10' Booth w/ID Sign Standard</b>	\$8.00	1998-\$6.00 • 1999-\$7.00 2000-\$10.00	Complimentary
<b>Aisle Carpet</b>	9' wide - \$2.20/sq. yd. 10' wide - \$2.60/sq. yd.	1998-\$2.45/sq. yd. • 1999-\$2.45/sq. yd. 2000-\$3.65/sq. yd.	9' & 10' @ \$2.22/sq. yd.
<b>Masking Drape</b>	1st 200' of each 3' & 8' @ no charge 3' - .50/linear foot 8' - 1.50/linear foot	1st 200' of 8' @ no charge 3' - .75/linear foot 8' - 1.00/linear foot	1st 200' of each 3' & 8' @ no charge 3' - 1.00/linear foot 8' - 1.75/linear foot
<b>Association Freight</b>	20,000 pounds - complimentary Additional @ 25% discount	3,000 pounds - complimentary Additional @ 50% discount	40,000 pounds - complimentary Additional @ 50% discount
<b>Association Booths</b>	10 booths w/furniture - complimentary Additional @ 50% off list	(1)10'x10' booth w/furniture - complimentary, Plus labor @10% discount	(1) 10'x10' booth w/furniture - complimentary
<b>Registration</b>	(20) counters, (40) padded chairs, (20) 6' draped tables, 1,800 square feet padded carpeting, 4 kiosks, 10'x15' office, 100' of 16' colored drape, kick-plate logos for counter, one set dimensional cut-out letters indicating "association" - complimentary Additional counters @ \$150 each	(20) counters, (40) arm chairs, (20) 6' draped tables, (20) wastebaskets, 80' of 16' high drape, 1,800 square feet carpet w/foam padding, (2) MIS sign-in counters - complimentary Additional counters @ \$150 each Additional sign-in counters @ \$250 each, 8' high office @ \$15/linear foot	All counters, furnishings, high drape, office, 1,800 square feet 1" padded carpeting - complimentary Framed letters designating "registration" @ \$18/letter, 4 kiosks @ \$150 each
<b>Entrance Unit</b>	(1) custom unit, graphics and floral - complimentary	(1) custom unit, graphics and labor - complimentary	(2) units w/standard graphics and floral - complimentary
<b>Signage</b>	(4) You are Here, (10) 22"x28" signs and stand - complimentary Additional signs @ 20% discount	(10) 22"x28" with logo - complimentary (4) 1 mtr. x 8' directional sign @ \$200 ea. 30 days prior to move-in - 25% discount	20% discount @ 30 days out 10% discount @ 29 days out
<b>Labor</b>	<b>Denver:</b> Straight (8am -5pm): \$39/hour O/T (before 8am, after 5pm, Saturday, and Sunday): \$69/hour <b>Orlando:</b> Not listed <b>St. Louis:</b> Straight (8am-5pm): \$46/hour O/T (before 8am, after 5pm, Saturday, and Sunday): \$92/hour	<b>Denver:</b> Straight (8am-4:30pm): \$39.50/hour O/T (4:30 daily, 8am-midnight Saturday): \$59.25/hour D/T (all other): \$79/hour <b>Orlando:</b> Not listed <b>St. Louis:</b> Straight (8am-4:30pm): \$60.30/hour O/T (all other): \$116.10/hour	<b>Denver:</b> Straight (8am-4:30pm): \$35.95/hour O/T (4:30 daily, 8am-midnight Saturday): \$54/hour D/T (all other): \$71.90/hour <b>Orlando:</b> Not listed <b>St. Louis:</b> Straight (8am-4:30pm): \$44/hour O/T (all other): \$74/hour
	* List less 10%	* List less 10%	* List less 15%

you can fill in the blanks and clearly see where the discrepancies between each company lie. Whenever you find an item quoted in another form (i.e., a la carte vs. package price, hourly vs. daily), ask the supplier to resubmit the information in the form that's easier for you to decipher.

Going through the steps outlined above will enable you to evaluate all suppliers equally even if the information

provided isn't consistent from one proposal to another. Remember, comparing apples to apples will allow you to make a more informed decision when selecting suppliers for your meeting.

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# When Money Doesn't Count

By Kim Becker, CMP, and Caroline Spinner, CMP

**W**hat? Money always counts in the bottom-line world of today's marketplace, but have you ever sent out a request for proposal (RFP) for a particular service and received back from the suppliers an "inexpensive" quote, an "expensive" quote, and a "middle-of-the-road" quote?

How then do you determine:

- If the inexpensive company is a case of getting what you pay for, or if it really does have economies of scale to offer the best price?
- If the expensive company is overcharging for less than desirable equipment, or if it truly does have the best equipment and/or service?
- If the middle-of-the-road company can meet your needs at the best price, or if you will just receive mediocre equipment and/or service?

Although price is certainly important, there are many other factors to consider when comparing quotes. So try to put bottom-line dollars on the back burner for a few minutes when reviewing bids and utilize the following checklist to make sure you are selecting the best supplier to meet your needs.

- Was professionalism exhibited in all aspects of your dealings with the company — from the first phone call, to e-mail correspondence, to the quality of the presentation submitted to you? Did the representative meet the RFP deadline? Did he or she follow up?
- Does the vendor have the particular resources or services to handle your program? Does it need to subcontract out any equipment or labor? Ideally, it is preferable for a supplier to provide all of the resources and services that you need for your meeting. In the event that a supplier has to subcontract out some portion of the event, be sure the prices you were originally quoted will apply to the subcontracted portion.
- Can the company service your meeting in a second-tier city as well as a first-tier city? If a supplier doesn't do business in a second-tier city often, it will cost more for the company to service your meeting from its next closest location. But consider the opportunities for a multi-year contract, which would make it less expensive for a vendor to service all of your meeting locations over the course of the deal.
- What is the company's relationship with the hotel or convention center you are using? Is it the in-house company, "preferred" vendor, "exclusive" vendor, or none of the above? In-house, preferred, and exclusive suppliers already have knowledge of the property, have established relation-

ships with the in-house staff, and have in-house storage facilities. However, the drawback to these vendors is the commission and fees typically paid to the facilities. Use of exclusive vendors also limits your ability to competitively price the supplier's service.

- What is the company's level of experienced personnel? How long has it been in business? How long have the key employees been with the company?
- Did the supplier include pictures of its physical equipment, props, and/or decor so that you know what you are paying for?
- Did the vendor offer any additional concessions over and above what was requested in the RFP? Typically, a supplier that wants your business will offer additional incentives — such as a higher discount percentage and/or complimentary signage, easels, or walkie-talkies — to help secure the contract. This could lead to a better bottom line even if the company's initial prices are higher than the competition.
- What is the payment/deposit structure of the company? Are you required to pay 100 percent upfront? Typically, suppliers require a 50-percent deposit at the time of contract signing, an additional 20 percent prior to the beginning of the conference, and the remaining balance within 30 days of the conclusion of the meeting. Steer clear of any vendor that requires you to pay the full amount before a service has been performed.
- Check the company's references. Ask your industry peers and other suppliers if they have worked with a particular vendor before and what their experience was like. Also be sure to check the company's reputation with the local unions or labor brokers.
- Is the supplier a member of the local convention and visitors bureau or any industry associations, especially associations for the company's particular service area?
- Did each company provide prices for all of the items listed in the RFP? If one supplier missed a few key items, it could make a big difference.
- Even though money doesn't always count when making a decision, did the supplier respect the submitted budget?

Remember that the lowest price doesn't necessarily mean the most beneficial deal for you, but by doing your research you can feel confident that you've made the best effort to find the best partner for your meeting.

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