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YOUR BEST YEAR

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Smart Perspectives

DMCs: Your agents in the field.

When planning a meeting in an unfamiliar locale, it's good to remember the timeless wisdom of Sun Tzu from *The Art of War* "...the general who wins a battle makes many calculations in his temple ere the battle is fought. The general who loses a battle makes but few calculations beforehand. Thus do many calculations lead to victory, and few calculations to defeat." Choosing the right destination management company, or DMC, for your group's needs is one of the most important calculations you can make from your "temple" to ensure success in the field.

DMCs are comprised of professionals who know the destination, have relationships in place with suppliers and can partner with the meeting planner to create a memorable experience. "We're the umbrella that brings suppliers together so our client doesn't need to make the calls," says Sharon Geraci, principal of Meeting & Incentive Management in Las Vegas. Becoming an extension of the planner's team is a key component of a DMC's value, she adds.

While convention and visitor bureaus promote their destinations, the big difference is that their focus is to bring group business to town. DMCs help planners carry out the details once the groups have arrived by providing transportation, developing spouse programs or producing a dazzling special event. In a sense, planners are akin to general contractors who design the overall plan and then hire out completion of the particulars to subcontractors, the DMCs, who carry them out.

And, like a respected builder, you want to work with the best. "Anyone can find a trio to play Hawaiian music in Hawaii," says Patti Jubell, director of program development for MC&A Hawaii. "But the level of professionalism and appeal to the (specific) group makes all the difference."

ON-SITE SAVVY

Can you take care of arrangements for special events without a DMC? Certainly. Can you do it effectively? That depends on your needs. If your group just wants a catered banquet at the convention center, you may be able to go it alone. But a group like AARP that offers numerous area tours, evening programs and entertainment for 15,000 may well benefit from using a DMC, particularly if the planner is unfamiliar with the territory.

If you're trying to arrange a city tour in a strange town, you may get into trouble because of unfamiliar traffic patterns, local laws or construction delays that turn a two-hour tour into an episode of *Lost*. "If you don't know the city, you need someone with feet on the ground and relationships with the vendors or else it will be a disaster," asserts Terry Quick, president of Seattle-based Entco International.

DMCs can additionally use their local knowledge to add value to a program. Their involvement can save you time and money while they handle the details for extracurricular activities. That way you can focus on the meeting content.

Shawn Thomson of Rocky Mountain Connection, which has offices in Jackson Hole, Wyo., says her team will visit restaurants to test their service and help them learn how to better work with groups. "Today, meeting planners are pulled in many directions, so to be on top of the game, they need the help," she says.

Further, it's the job of the DMC to evaluate your group's demographics and design activities accordingly. For example, when doing an event at one of the city's many galleries, Arlene Schiffer of Passport New Mexico in Santa Fe, tries to match the makeup of the group with a gallery's offerings for maximum appeal.

A VARIED GROUP

Like people, DMCs come in all shapes and sizes, from large companies and franchise operations to one-person shops. They handle corporate, incentive or association groups—or a mix of all three. They create programs for groups of 10 and conventions of 20,000. They may handle transportation needs, the details for a special event or create a team-building program. They can help with registration, suggest venues or restaurants for special events, or set up VIP programs.

A good DMC will listen to your needs, then put together a program to meet those needs and even suggest things that might enhance it, says Barbara Sloate, president of Whirl Around in Costa Mesa, Calif. and a 30-year industry veteran.

THE WISE SELECTION

Of course, some DMCs are better at what they do than others, and therefore you need to exert due diligence in making your selection. Once you've picked your destination, there are multiple reliable resources that, when taken together, should lead you to the right choice.

First of all, the destination's CVB will have a roster of DMC members, or, if not a membership bureau, it can provide you with a list of companies in the area.

With this list in hand, you can turn to two groups for further qualification. The [Association of Destination Management Executives](#) provides a list of members on its Web site. This organization was formed in 1995 with the mission of improving professionalism and effectiveness of DMCs. It also is working toward achieving standards for DMC professional certifications.

Likewise, the [DMC Network](#) is an organization of experienced destination management companies throughout the U.S., including British Columbia, California, Nevada, Colorado, Utah and Arizona. It was started in 1973 and is comprised of independently owned DMCs in the top 25 meetings markets in the U.S. and Canada.

Don't overlook the value of asking around. If you've already chosen a hotel, ask the sales staff for references; they have a lot riding on your satisfaction. And, possibly the most valuable resource will be the first-hand experiences of your colleagues who've used DMCs in your destination city. It's apolitical, sometimes even heartfelt, offered freely and thus, it's the gold standard.

Also, when choosing your DMC, keep in mind that "Each destination helps define what you need to be good at," says Fabienne Hanks, a principal with The Meeting Manager, which has offices in four Southern California cities. For example, in San Diego, her company specializes in large association programs, but in the Palm Springs office, it's geared more to incentives.

WHAT PRICE GLORY?

Unlike the typically nonprofit CVB, DMCs are for-profit companies that charge for their services. In general, you can expect to pay between 15 percent and 20 percent above cost. Some DMC operators lament that planners think nothing of an 18 percent gratuity at a restaurant, but gripe about similar fees for more extensive DMC services. "The planner needs to understand we offer good value but have to cover our costs," says Ralph Johnson, president and CEO of MeetingsAmerica in Salt Lake City.

Naturally, fees vary by company and the extent of the DMC program. Some will bill you by the hour; others have a set commission. Most DMCs will ask you for a deposit along with the letter of agreement, the balance to be spread out over two or three additional payments prior to the program. But little is set in stone.

"Everything today is negotiable," says Rocky Mountain Connection's Shawn Thomson. "Planners need to be economical, but people still want good value." Thomson's company works to negotiate volume rates with some vendors, so the planners end up paying for both DMC services and the vendor combined at roughly the same price they'd pay on their own for just the vendor.

DMC executives report that the biggest challenge in pricing is that planners rarely know their budget, which is the cornerstone for creating the program. They also caution that planners shouldn't choose a DMC strictly based on the cost of transportation.

"Anybody can lowball a transfer cost," says Kathy Clarke, principal of Kathy Clarke Meetings & Incentives in Hawaii. "That doesn't mean it's a good or bad DMC." She suggests that planners ask what's included in the transportation quote—particularly for tours. Asking whether gratuities are included or what kind of lunch will be served can help you better evaluate and compare each bid.

In the end, you'll need to evaluate the DMC's bid against what it might cost you to handle the same program internally. "Paying a premium pales in comparison to the work they might incur otherwise," PRA's Suer comments.

CREATIVITY COUNTS

DMC professionals love talking about the creative side of their business as much as they love doing it. Most play to the unique features of the destination they're in, and to get an idea of what they might bring to your own gathering, the DMC professionals we interviewed told us about some of their favorite recent creations:

1. [PRA Destination Management](#), San Francisco has staged several wine-blending events for team-building. Teams create their own wine blends and then have a tasting contest. Some groups make their own labels and add a label contest. "It's the hot craze in wine country," PRA's Ferris Suer says.
2. Seattle-based [Entco International](#) in November staged a product launch for a wireless Internet company from the Space Needle that included the largest light show ever done on that landmark. It included lasers, LED lighting and conventional lighting staged at night to be visible for miles around. "It looked like the War of the Worlds," Entco's Terry Quick reports.
3. [Rocky Mountain Connection](#) created an ice hotel dining-room experience similar to the real thing in Norway (and Alaska). A hotel ballroom was transformed into an igloo with ice tables and ice bars.
4. [Passport New Mexico](#) in Santa Fe creates memorable cultural experiences for attendees with their scavenger hunts in the mountains, followed by outdoor dinners in a remote location complete with Native entertainment from area pueblos. The performers include championship dancers and singers. A spokesman narrates the performance with Native American history and then invites attendees to join them in a traditional friendship dance.
5. [Kathy Clarke Meetings & Incentives](#) developed a program on Kauai using its varied natural features for an insurance client. They kayaked up a river, and then took a short hike to a waterfall. There, they were met by vans and transported to a ranch meadow for a buffet lunch, music and craft demonstrations.
6. [ACCESS Destination Services](#) in L.A. demonstrated the benefit of local knowledge for a mortgage company that wanted a racing event in Long Beach. They couldn't race through the streets, but ACCESS staff knew of the annual Grand Prix course wound through the parking lot of the Long Beach Convention Center. So they created a racecourse there, hired the Grand Prix official announcer and staged a go-kart competition.
7. [Meetings America](#) in Salt Lake City hosted a reception in November for the National Tour Association at the Utah Olympic Oval, a five-acre park under a clear suspension roof used for the Winter Olympics. The group had the chance to free skate, play ice hockey or learn curling.
8. Whirl Around (now [Corporate Diversions](#) of Newport Beach, Calif.) in Costa Mesa, Calif. has received good response to its GPS scavenger hunts at Disneyland and Disney's California Adventure. One plus: the hunts can be customized based on available time. Teams get Disney character names and themes. "GPS is appealing to people now," says President Barbara Sloate. "You have to keep up with pop culture and use those themes to help keep programs fresh," she comments.

Regardless of what events you might get inspired to stage, good preparation in advance that includes working with a DMC can help expand your capacity to create the perfect meeting so you can emerge victorious.