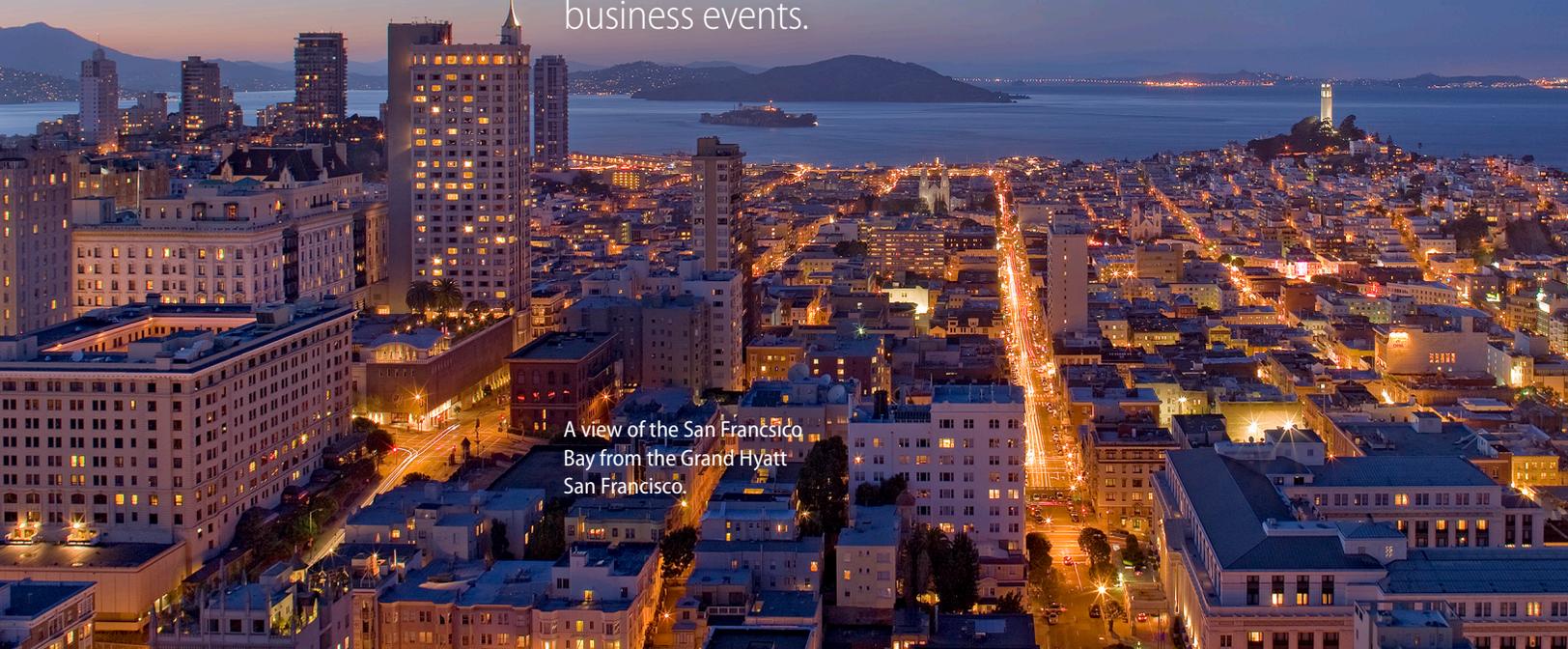


Hotel Public Space: The New Heartbeat of Networking at Meetings

MeetingsNet undertook an exclusive survey of event organizers, exhibitors, and hotel sales managers to identify the reimagining of the role that lobbies, lounges, cafes, restaurants, and other hotel public spaces play in maximizing the unique benefits of in-person business events.



A view of the San Francisco Bay from the Grand Hyatt San Francisco.

CHART #1.

Event Organizers Rank Importance of Hotel Proximity

How important is it for your headquarters or co-headquarters hotels to be within walking distance of your convention or exhibition headquarters?

51%
Extremely Important

29%
Very Important

Somewhat Important **6%**

2%
Somewhat Unimportant

Very Unimportant **8%**

4%
Not at all Important

Any hotel in a meeting, convention, or trade show’s inventory of negotiated guest rooms—a.k.a. the room block—plays an important role in contributing to a satisfying experience for event attendees and exhibitors alike.

There is, however, a shift taking place on the part of event organizers and of the hotel properties they tend to include in their room blocks. It’s a shift driven not only by what satisfies today’s attendees and exhibitors, but also by larger demographic forces affecting business travel in general. What is this shift? It’s a reimagining of the role that lobbies, lounges, cafes, restaurants, and other hotel public spaces play in maximizing the unique benefits of in-person business events. “Where you stay is a critical part of the live event experience, and should be as awesome as the event itself. Hotels are the emotional and social headquarters of events,” noted Colin Bunn, VP of product development and marketing for **onPeak|GES**, an event-accommodations firm, in GES’ 2015 Trend Tracker Report.

In fact, research conducted by MeetingsNet shows that the public space in hotels is now a strong focus for event planners because such spaces create networking opportunities that exhibitors and attendees desire beyond the show floor itself. From surveys completed by nearly 120 meeting and show organizers as well as more than 50 hoteliers and 45 exhibitors from various industries, two important points became evident. Number one: Meeting and show organizers, attendees, and exhibitors all consider hotel public space a major factor in their hotel choices for events. Number two: Many hoteliers are responding to these evolving preferences by adapting or planning to redesign their lobby, lounge, restaurant, and other main-floor public spaces to create a more seamless flow, and thus make their properties into hubs for an event’s informal networking.

What Event Organizers Think

The survey responses from 119 event organizers (from the MeetingsNet reader database) reinforce that some factors will always be at the fore when they choose a headquarters hotel and other properties for their room blocks. Besides the top priority of reasonable room rates, 80 percent of planners said that being within walking distance of the convention center is either very important or extremely important (**see chart 1, Event Organizers Rank Importance of Hotel Proximity**). Sufficient meeting space for ancillary meetings plus size of the room block at a property were items that 72 percent of planners said were either very or extremely important to them when choosing hotels (**see chart 2, Event Organizers Rank Most Important Factors in Hotel Selection**).

On the other hand, the public-space factor is clearly gaining prominence, as planners must fulfill the needs of the next generation of attendees and exhibitors to maintain the value proposition of their in-person events. To wit: 84 percent of planners said they take into consideration the quality of a hotel’s public spaces—and nearly 65 percent rated this as very or extremely important—when vetting hotels (**see chart 3, Event Organizers Rank Importance of Hotel Public Space**).



CHART #2.

Event Organizers Rank Most Important Factors in Hotel Selection

After room rates, these factors rated as extremely important or very important in selecting official hotel(s).

“Before we start sourcing hotels for an event, we collaborate with the organizer to learn the profile of attendees and exhibitors and what they want in their hotel experience,” says Brian Schend, onPeak’s senior hotel industry relations manager, whose markets include Boston, New Orleans, San Francisco, Seattle, and Washington, D.C. “These considerations lead us as we put together the total hotel package in a destination. With younger attendees and exhibitors, a lot of what they want revolves around the utility of the hotel.” For instance, “exhibitors still have some breakfast meetings ahead of show hours, but nowadays the immediate after-show bar scene is huge—and it’s not about simply going there to get a drink.” Between the device-charging stations, the long, narrow tables, and the various seating options now seen throughout the lounges and common areas at many hotels, “people look forward to continuing their networking in these spaces. You see everyone talking and jotting notes on their iPads or phones—or even on napkins,” Schend observes.

What Exhibitors Think

The public-space element is indeed on the radar screen of our responding exhibitors as well. MeetingsNet surveyed a number of executives who exhibit at Penton trade shows, and in a separate survey, hotel sales and marketing managers who exhibit at meeting and travel industry trade shows. After distance to the convention hall and room rate, the next two most important elements for these respondents are whether a critical mass of attendees is staying at the hotel, and the quality of the hotel’s public spaces for networking. Naturally, these two factors go hand-in-hand and demonstrate the desire exhibitors have to further engage customers and prospects in an environment different from a show booth (see chart 4, Exhibitors Rank Factors in Choosing a Hotel).

CHART #3.

Event Organizers Rank Importance of Hotel Public Space

When selecting your official hotels, do you take into consideration the public spaces where your exhibitors and attendees can network outside of the convention/exhibit hall?

Yes
84%



No
11%



Don't know
5%



Interestingly, the public-space element is particularly appreciated by hoteliers themselves when they are exhibitors at hospitality-industry shows, as they make connections with meeting and show organizers, and other potential travel trade customers. “You can only have so many people in your booth at once, so in that space you get right into your pitch,” notes Michael Scherbert, associate director of sales for the Grand Hyatt San Francisco. “But when you spend some time hanging around where the food and beverage is on the show floor, the conversations there take a different form. That’s also the case when you’re off the show floor.” And he appreciates the more free-flowing dynamic of interaction in areas outside the exhibition hall. “In a hotel’s public space, both people are on the same level; there are no preconceptions or barriers to overcome like when I’m presenting in the show booth.”

“I use a hotel’s public spaces as much as possible—they are perfect for engaging people as they’re going in and out,” adds Hilary Rosenthal, account director for the Sheraton Chicago Hotel & Towers and the Westin Chicago River North, and incoming president of the Midwest chapter of the Professional Convention Management Association. “I do most of my event networking in the hotel lounge. On the show floor, people are pulled in multiple directions. But when I’m stationed in the headquarters hotel lobby, I can catch up with so many people for a few minutes each.”

The experiences of these salespeople are hardly unusual. Consider this result from our survey: 31 percent of responding hotel reps said that when they



CHART #4.

Exhibitors Rank Factors in Choosing A Hotel

These factors rated as extremely important or very important in selecting preferred hotel(s).

are at an industry show, they get more than 40 percent of their leads from interactions they have in the public spaces of a hotel. And among all other responding exhibitors, nearly 29 percent said they get at least 25 percent of their leads from interactions in these public spaces as well. (See chart 5, **Hotelier Exhibitors Rank Importance of Hotel Networking**, and chart 6, **All Exhibitors Rank Importance of Hotel Networking**).

Hotels Heed the Message

Among our survey’s hotelier respondents, just 27 percent said that meeting and show organizers find the public and networking spaces on property very

important or extremely important as they select hotels for their room blocks. Another 42 percent did say that event organizers find this element to be somewhat important. But even though the perception of critical importance is currently different between hoteliers and their event clients, wider business-travel trends are changing such that hotels are responding in a way that benefits meetings and events.

Specifically, many properties have either already repurposed or reconfigured their public spaces to make them more seamless, open, and inviting, or they are planning to do so. More than 63 percent of hoteliers responded that their properties had recently added or renovated public space to be more conducive to networking, while nearly 46 percent of those who had not made such changes said they have future plans to do so.

Schend from onPeak says that he sees “more than a few Marriotts knocking down walls and opening things up across their main floor to make the space flow better. What used to be the pass-through areas are now the place to be. The Sheraton Boston and the Westin Boston Waterfront transformed their lobby bars into bigger open spaces. The InterContinental New Orleans really opened up its lobby and now has more lounge areas with couches and different types of chairs. And the Hotel Palomar San Francisco went to movable walls near the lobby bar so that the space can be customized to the size of the crowd.” At some other properties, Schend now sees public spaces with long butcher-block tables sporting power outlets underneath. “The electrical and tech support is also being factored into these spaces in order to facilitate doing business,” he notes.

At the Grand Hyatt San Francisco, a first-floor renovation completed in late 2013 was specifically designed to create a more social environment. There are now ledges set into the floor-to-ceiling glass windows along with higher chairs and more power outlets. “It is very much like a Starbucks,” Scherbert notes. “It allows people to work independently or with others.” Another feature supporting social activity is a grab-and-go coffee and pastry cart that disappears after breakfast hours to reveal more seating plus a large square table with high chairs to accommodate 10 people. And a wall extending much of the way across the back of the lobby contains a fireplace, various art pieces, and different styles of seating. Called the Library, this space “draws people in to hang around for hours at a time, no matter if they are working or reading or conducting business; it’s just like a huge living room,” Scherbert says. “Overall, we have a much more communal environment now.”

At the Sheraton Chicago, a recent renovation created new “grouping areas” just beyond the lobby bar that have large tables each accommodating 12 people, plus higher chairs so that those seated are almost eye-to-eye with those standing. There are also new seating pods set near the floor-to-ceiling windows overlooking the Chicago River, and the Internet bandwidth in the public spaces was upgraded while electrical outlets were added under all tables. “Now I walk through that area at any time of day and there are convention attendees there,” Rosenthal says. “Many are having conversations, but some are just working on their laptops and having a drink—they’d rather catch up on work there than stay holed up in their rooms, and they end up interacting with colleagues too.”

Especially for meetings and events that typically don’t draw a highly social crowd, these reconfigured hotel public spaces are enhancing the event experi-

CHART #5.

Hotelier Exhibitors Rank Importance of Hotel Networking

While exhibiting at an industry trade show, what percentage of sales effort (leads, new relationships, or deals) is generated outside of your booth while networking at a hotel lounge/restaurant?

0–10%	12%
11–25%	19%
26–40%	33%
41–50%	14%
51% or more	17%
N/A	6% ↗

CHART #6.

Non-Hotel Exhibitors Rank Importance of Hotel Networking

What percentage of sales effort (leads, new relationships, or deals) is generated outside of your booth while networking at a hotel lounge/restaurant?

0–10%	33%
11–25%	38%
26–40%	20%
41–50%	14% ↗
51% or more	17% ↗

ence and ensuring that attendees and exhibitors alike see greater value and therefore choose to attend year after year. For instance, Rosenthal works with several medical and scientific associations, and “doctors and engineers are not known for socializing at the bar. But now they’re coming down to the lobby lounge areas, not even having a drink but simply congregating. And with the doctors’ groups, you see the young pharma reps down there too. They’re using their iPads to present things to the doctors in a different way than they do in the show booth, and the doctors can ask questions they might not ask in the booth.”

One other possibility that reconfigured hotel public spaces present is the ability for event organizers or sponsors to cordon off part of the public space specifically for event attendees and exhibitors, for a fee. Scherbert stresses that there needs to be a balance between public



The Grand Hyatt San Francisco’s lobby now has a much more communal environment.

access and private use—“travelers choose and love their brands for the overall experience, so the public space always has to work for the brand and for other guests without disruption”—but opportunities exist nonetheless. For instance, a recent long-term incentive program was able to use part of the Grand Hyatt San Francisco’s lobby space because “the group needed a high-visibility area for its people as they came and went each day,” he says. And at the Sheraton Chicago, there’s a two-sided lobby that allows one side to be reserved for networking throughout the day. Décor such as sheer curtains are generally used so that the space is not fully separated from the atmosphere of the rest of the public space. “I think that event planners can get creative in the way they use these public spaces,” Rosenthal says. “It never hurts to ask the property about it.”

Overall, as hotels provide more spaces where attendees and exhibitors can engage in informal networking and idea sharing, the value of in-person events remains clear and their future remains bright.



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