



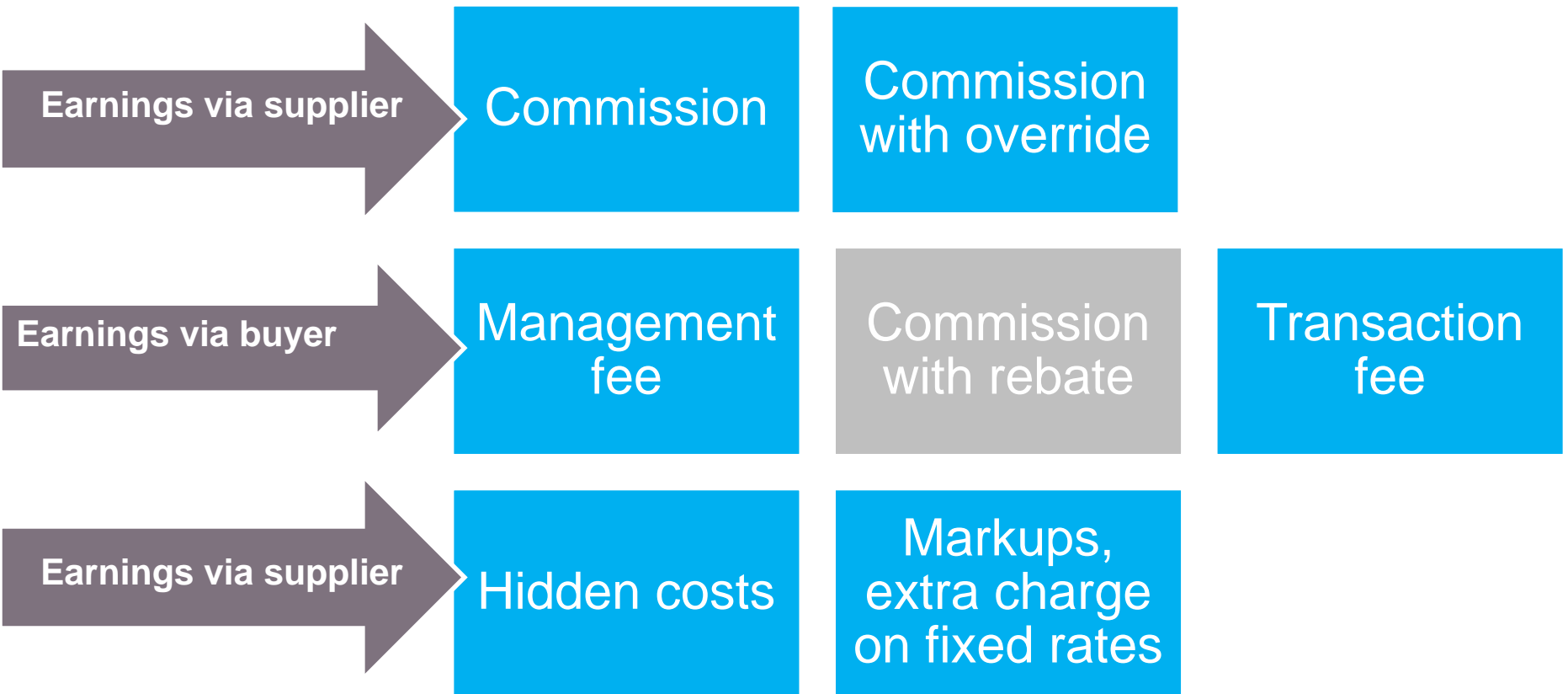
Making the Business Model Work

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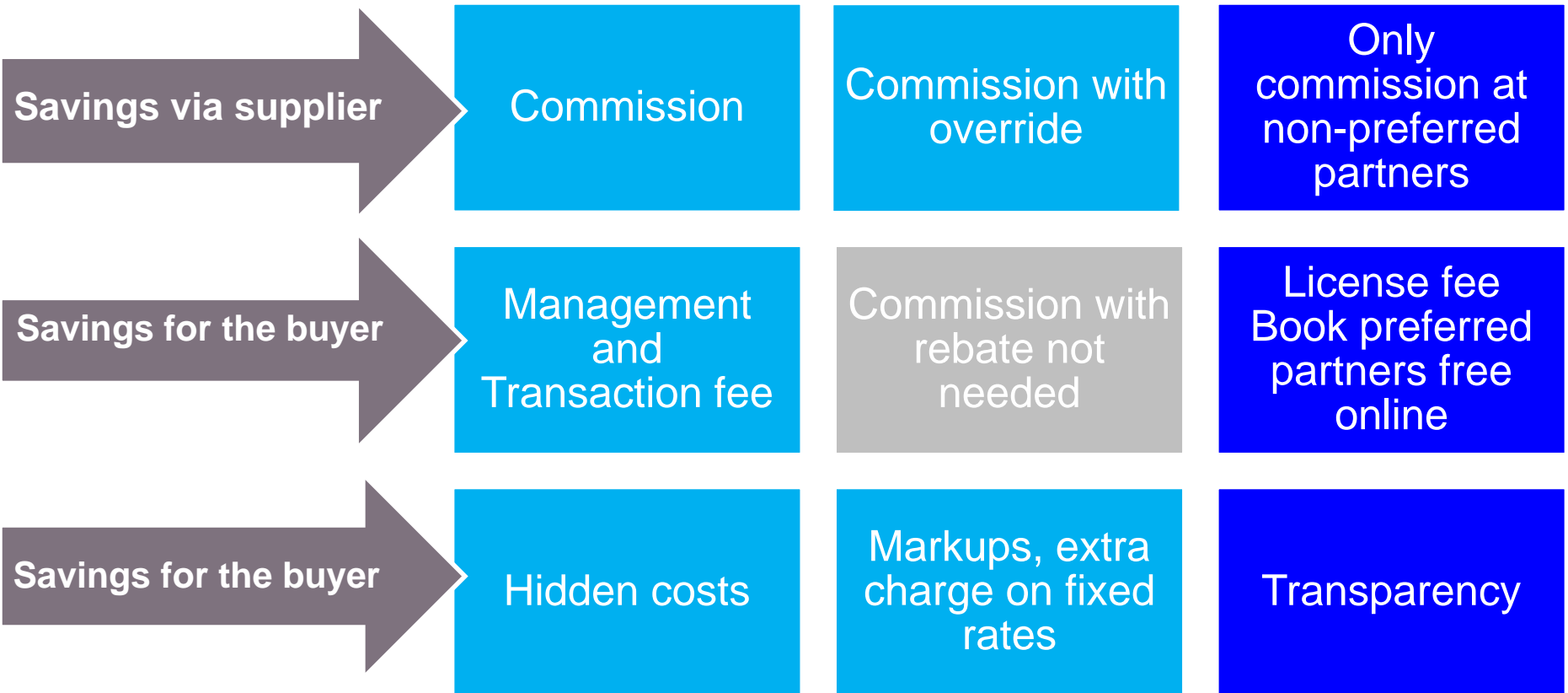
Introduction

- Specialized in meeting management solutions
- Founded in 2007 together with 2 investment companies
- Online and Personal meeting service
- Advanced meeting technology, simple and easy in use
- Large cost savings for companies
- High time savings for bookers such as event managers, secretaries, PA's, office managers etc.
- Nominated for Entrepreneur of the Year 2008 by the Dutch Chamber of Commerce and nominated by the Management Support as most innovative product of 2008
- Ambition to be the best meeting management company in Europe
- Introduced a new business model in the market

How does the meeting industry earn its money?



New business model



SDE – Super Douper Europe

- Company specialized in beauty products
- European head office based in Amsterdam
- Sales & Marketing and distribution offices throughout EMEA
- Factories in Switzerland and Japan

| Breakdown | Spend (£5,12m) | No's | No of Transactions |
|-------------------------------------|-----------------------|------------------|--|
| Accommodation | £1.7m | 13,100 rm nights | 7,880 |
| 8hr Meeting | £800k | 14,550 delegates | 2,900 |
| 24hr Conference & Events | £2.2m | 6,450 delegates | (1 annual showcase = £700k) + 120 transactions |
| Group Travel | £120k | 25 delegates | 24 trips |
| Incentive | £300k | Top 100 staff | 1 event |

- Flight tickets are booked via a TMC

Accommodation

| Breakdown | Spend (£5,12m) | No's | No of Transactions |
|---------------|----------------|------------------|--------------------|
| Accommodation | £1.7m | 13,100 rm nights | 7,880 |

Company / Buyer costs

Commission

Average of 10% on rooms

Indirect costs of £ 170.000
BAR no indirect costs

Transaction fee

Personal service £ 15 to £ 30
Online £ 0 to £ 20

Personal: direct costs of
£ 118.200 – £ 236.400

Online: **£ 0** – £ 157.600

Accommodation – negotiated rates

| Breakdown | Spend (£5,12m) | No's | No of Transactions |
|---------------|----------------|------------------|--------------------|
| Accommodation | £1.7m | 13,100 rm nights | 7,880 |

6.550 rm at preferred and non preferred partners

Company / Buyer costs

Commission

Average of 10% on rooms

Indirect costs of £ 65.000
BAR no indirect costs

Transaction fee

Personal service £ 15 to £ 30
 Online £ 0 to £ 20

Personal: direct costs of
 £ 118.200 – £ 236.400
 Online: £ 0 – £ 157.600

Mixed



£ 65.000 or **no indirect costs**
 £ 98.350– £ 196.500
 £ 0 – £ 131.000

Meeting packages & DDR

| Breakdown | Spend (£5,12m) | No's | No of Transactions |
|--------------------------|----------------|------------------|--|
| 8hr Meeting | £800k | 14,550 delegates | 2,900 |
| 24hr Conference & Events | £2.2m | 6,450 delegates | (1 annual showcase = £700k) + 120 transactions |

Commission

Average of 10% on rooms, sometimes on total and meeting room rental, 5% on f&b

Indirect costs of £ 240.000
BAR no indirect costs

Transaction fee

Personal service £ 15 to £ 65
Online £ 0 to £ 50

Personal: direct costs of £ 46.815 – £ 202.865
Online: £ 0 – £ 156.050

Management fee

10-15% on total bill

Direct costs of £ 300.000 – £ 450.000

Meeting packages & DDR

Negotiated rates

| Breakdown | Spend (£5,12m) | No's | No of Transactions |
|--------------------------|----------------|------------------|--|
| 8hr Meeting | £800k | 14,550 delegates | 2,900 |
| 24hr Conference & Events | £2.2m | 6,450 delegates | (1 annual showcase = £700k) + 120 transactions |

Commission

Average of 10% on rooms, sometimes on total and meeting room rental, 5% on f&b

Indirect costs of £ 120.000
BAR no indirect costs

Transaction fee

Personal service £ 15 to £ 65
Online £ 0 to £ 50

Personal: direct costs of
£ 46.815 – £ 202.865
Online: £ 0 – £ 156.050

Mixed



£ 120.000 or **no indirect costs**
£ 23.407 – £ 101.432
Online: £ 0 – £ 39.000

Management fee

10-15% on total bill

Direct costs of
£ 95.000 – £ 142.500

Group travel

| Breakdown | Spend (£5,12m) | No's | No of Transactions |
|--------------|----------------|--------------|--------------------|
| Group Travel | £120k | 25 delegates | 24 trips |

Company / Buyer costs

Commission

Average of 10% on rooms, sometimes on total and meeting room rental, 5% on f&b

Indirect costs of £ 9.600
BAR **no indirect costs**

Transaction fee

Personal service £ 15 to £ 65
Online £ 0 to £ 50
Maximum

Personal: direct costs of £ 9.000 – £ 12.000
Online: £ 0 – £ 3000

Management fee

10-15% on total bill

Direct costs of £ 12.000 – £ 18.000

Group travel

Negotiated rates

| Breakdown | Spend (£5,12m) | No's | No of Transactions |
|--------------------------|----------------|------------------|--|
| 8hr Meeting | £800k | 14,550 delegates | 2,900 |
| 24hr Conference & Events | £2.2m | 6,450 delegates | (1 annual showcase = £700k) + 120 transactions |

Commission

Average of 10% on rooms, sometimes on total and meeting room rental, 5% on f&b

Indirect costs of £ 4.800
BAR no indirect costs

Transaction fee

Personal service £ 15 to £ 65
Online £ 0 to £ 50
Maximum

Personal: direct costs of £ 9.000 – £ 12.000
Online: £ 0 – £ 3.000

Mixed



£ 6.000 or **no indirect costs**
£4.500– £ 6.000
Online: £ 0 – £ 1.500

Management fee

10-15% on total bill

Direct costs of £ 12.000 – £ 18.000

Incentive travel

| Breakdown | Spend (£5,12m) | No's | No of Transactions |
|-----------|----------------|---------------|--------------------|
| Incentive | £300k | Top 100 staff | 1 event |

Company / Buyer costs

Commission

Average of 10% on rooms, sometimes on total and meeting room rental, 5% on f&b

Indirect costs of £ 24.000
BAR **no indirect costs**

Management fee

10-20% on total bill, excluding reservation fees and hourly fees (tour managers)

Direct costs of
£ 30.000 – £ 45.000

Hidden fees

Mark ups on rooms, food & beverages, room rental, dinners, transfers, registration, staff etc.

Tips

1. Selecting a travel and meeting partner?

Make a business case on the several business models.

2. Find out what the booking patterns are within your company.

Select the best business model for your company

3. Many meetings and group reservations within your company?

Negotiate net contracted rates for groups and meetings

4. Examine the cost reductions by booking meetings and group reservations online.

Make use of self booking tools for meetings and group reservations

5. Always using the same incentive or conference bureaus?

Double check their way of working, ask for original bills, pitch between bureaus

Find out the value of meeting management and select the best business model

Increase cost savings on meeting spend and increase your future negotiating power.



Thank you very much!

Meetingselect
Specialists in meeting management solutions