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May—June 2010 Volume 1, #2

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giftentrepreneurs

Creativity with Integrity



**Those lazy crazy days of summer!
Are you making the most of them?**

The Hospitality and Tourism Industry

By Laurie Howard
Gifts LLC—St Louis, Missouri

Are you capturing the hospitality/tourism industry in your area? If not, you should be! The opportunities are there just waiting for you to take advantage of them.

Although travel and budgets are down as a result of the economy, there is still a demand for:

- Welcome Gifts
- Speaker Gifts
- Attendees Gifts
- Hotel Amenities
- Turndown Gifts
- Door Prizes
- Promotional Products
- Centerpieces and favors

Flowers and balloons can also come under the category of meeting and convention gifts.

I connected with three gift entrepreneurs throughout the country to discuss the meeting and convention industry in their area. They are **Paula Asadurian**, owner of **One Park Place** in Las Vegas, **Katarina O'llis**, owner of **A Basket Case** in Nashville, and **Nancy Jeffreys** owner of **Nancy Js** in San Antonio. I represent the St. Louis metro area as the owner of **GIFTS**.

One aspect that we all had in common was the pride we have for our home towns. The most popular design that was requested for most meeting and convention gifts were gifts that showcased the unique flavors of our individual cities. Not only do our regional gifts show our city pride and promote local businesses, but they also are helping the environment.

Sourcing close to home, and creating our locally-designed gifts in re-usable containers, reduces the "carbon foot-

prints" involved in getting the products into our store. Being environmentally conscious is no longer considered just a fashionable trend. It is necessary for businesses to be responsible to their clients.



St Louis Themed Gift

Created by Laurie Howard—Gifts LLC

Prices vary with most in the \$25.00 to \$65.00 per gift range. The number of gifts per convention ranges from as few as 25 gifts to as many as 500 gifts per meeting.

The hospitality / tourism industry consists of both leisure and business travel. There are gifting occasions in leisure

travel, such as the gift basket for someone staying in a hotel who is celebrating a birthday, anniversary, or other special occasion. But the majority of opportunities are for business travel.

Gift Designers are the allies of the tourism industry. We have the ability to provide the supplies and support services to make them look good but you have to make them aware of you and what you can do for them. Creating strong relationships is essential. They have to know you, know they can trust you to provide quality products and services. Their reputation is at stake and if you fail to perform as expected, you can write this industry off your marketing list.

Endless Possibilities

The possibilities of serving this industry are endless. We are only limited by our imagination.

The tourism industry represents more than just hotels, although they are usually our primary customers. But when you think tourism, think of local attractions, other lodging facilities, tour companies, transportation companies, caterers, visitor publications, destination marketing organizations, special events planners, restaurants, and even shopping areas throughout a region.



**Welcome To Las Vegas Convention Gift
Paula Asadurlan—One Park Place**

Realistically, we are now also limited by a distressed economy. It is no secret that business travel has been demonized and has come under attack in the media and Congress. This includes the backlash from the headlines in the media of *extravagant* corporate events but these events are the rarity rather than the average. Nine in ten meeting planners stated that their meeting budgets were being cut due to "general economic conditions" while more than one-third cited "image / publicity/ public-policy considerations" as a reason they expect to book fewer meetings in 2010.

"Las Vegas offers a great venue for conventions and meetings," says Paula Asadurian, owner of Las Vegas based One Park Place Enterprises. "With more than 148,000 rooms, Las Vegas offers the best value for group events in the world. Las Vegas has more than 242,000 resort industry employees to ensure the best convention experience."

"We have felt the crunch of the economy," she continues. "Some companies have stopped their out of state conventions, and those who are holding conventions, have asked us to assist in lowering the cost per gift." To help explain in more detail how the economy has affected Vegas conventions and attendees, here are some interesting statistics:

"In the month of January 2009, we had a total of 1368 conventions/meetings with 532,415 attendees. The same month of January 2010 the conventions were down 12.5% to 1197 conventions and 449,917 attendees, which is a decrease of 16.4%."

According to the US Department of Commerce Office of Travel and Tourism Industries, "real travel and tourism spending" is still below its 2007 third quarter peak. This has suppressed the demand for travel and tourism related goods and services and sent prices spiraling to the lowest point on record, declining nearly 16%.

Nancy Jeffreys, owner of Nancy Js in San Antonio, has also seen a decrease in amenity orders due to the economy. "The types of items we offer are often the first thing that people will cut from budget, says Jeffreys. "I have created some low cost amenities that I can offer in lieu of



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the price points they usually go for. Sometimes, however if the decision is made early in their planning stage, they never reach out to me.

There have been times in the past when planners had large incentive meetings and would do 'room drops' every night of the convention. I have done as many as 400 room drops, for a week for the same group. 400 Different gifts each night for the same people. That type of order has not come along in the past two years."



Hobo Pack

An inexpensive room amenity gift created by Nancy Jeffreys of Nancy J's in San Antonio.

Bottled water, Texas snack mix and two pralines on a plastic snack plate wrapped in a bandanna.

Sells for \$15.00

Katarina, owner of A Basket Case in Nashville, Tennessee adds that she has experienced "not a decrease in orders but maybe a decrease in the price of what they will spend per basket."

All is not doom and gloom, however if we recognize the value of travel and tourism to local, state, and national economies.

Briefly, The Business Travel Association, US Travel Association, The Convention Industry Council and others in the hospitality / tourism industry realize that the economic impact of meetings, events, and travel are critical to American jobs. Corporate and government business travel is being viewed as an investment and not

just an expense. "Across all industries, the average return on investment was roughly \$15.00 for every \$1.00 spent on business travel."

Economics was not my best course in college. However, I do comprehend the basics: *Sales of products and services are what drive the US economy. The success of every business in America depends on its ability to continue and grow sales of its products and sales.*

According to The National Business Travel Association, business travel "creates \$244 Billion in spending, 2.4 Million American jobs and \$39 Billion in tax revenue at the federal, state and local level. The meeting and events component is responsible for 15% of all travel and spending and generates one million jobs." Tourism is an economic engine. Tourism makes a difference.

Several factors contribute to a company's choice of meeting location. Today, businesses working within a tight budget base these decisions on affordability, geography (closer to home office) and even possibly fewer days for the event.



Welcome to Nashville
Created by Katarina O'llis—A Basket Case



St Louis Themed Gift Box Created by Laurie Howard—GIFTS LLC

We cannot control the economy so we, as gift basket entrepreneurs, must evolve to accommodate it.

Nancy Jeffreys is more open to lower budgets and uses more stand alone gifts than in the past. She analyzes her product line, seeking lower cost products in order to make the basket appear full. In addition, in order to keep the hospitality industry more aware of her company, she is networking more that she used to.

Paula Asadurian tells us that she has learned to walk away from a customer who may want a gift that is not economically feasible. She doesn't like to turn away customers, but has learned that the quality and integrity of her product has to be first and foremost. At the end of the day she wants her customer to be thrilled with their choice and to get their repeat business.

I, too, have found that the number of gift orders as well as the price point per gift has decreased over the past two years. Consequently when promoting our gifts, I focus on the value. I tell my customers that:

"Our St. Louis hospitality gifts are designed to welcome your guests and at the same time represent you with a professional and

prosperous image. We can design your hospitality gifts by theme and to fit your budget. Consider GIFTS to make the process of gift giving as effortless and cost-effective as possible: GIFTS makes it easy and convenient."

How Do You Market To This Industry?

So how should you market your gifting company to the hospitality industry? Just like marketing to the corporate world, it all comes down to networking and creating personal relationships with members within the industry. We must position ourselves as the "expert" gift professional and the "go-to" guy when they are looking for the established person to help them with their gift giving needs for their client's upcoming meeting and convention. If you can prove to them that you can make them look good while staying within their budget, you'll have their business.

There are a number of hospitality associations that you can join in order to network with the industry. In fact when I first started looking at the available associations available, it was Alphabet Soup! CVC, CVB, MPI, HSMIA, NCA, ISES, NACE to name a few and that does not include all the local associations. You should visit a meeting of the association that interests you to see if it is a "fit" for you and your company. Remember not to spread yourself too thin, as you want to make the most of your membership. Get involved, join a committee, and meet the other members outside the meeting. No association will work for you if you do not get involved.

Nancy Jeffreys recommends that you don't overlook local networking opportunities, even if not directly related to the hospitality / tourism industry. Weekly luncheon networking events and Chamber of Commerce memberships offer great opportunities to the motivated gift entrepreneur. Referrals do work.



Tennessee Hospitality Gift by Katarina O'llis



Hospitality Gift Ideas

These Welcome to St Louis gifts, created by Laurie Howard of Gifts LLC, demonstrate the wide range of creative and innovative possibilities for convention and hospitality gifts.

