
THE INSIDER'S PERSPECTIVE

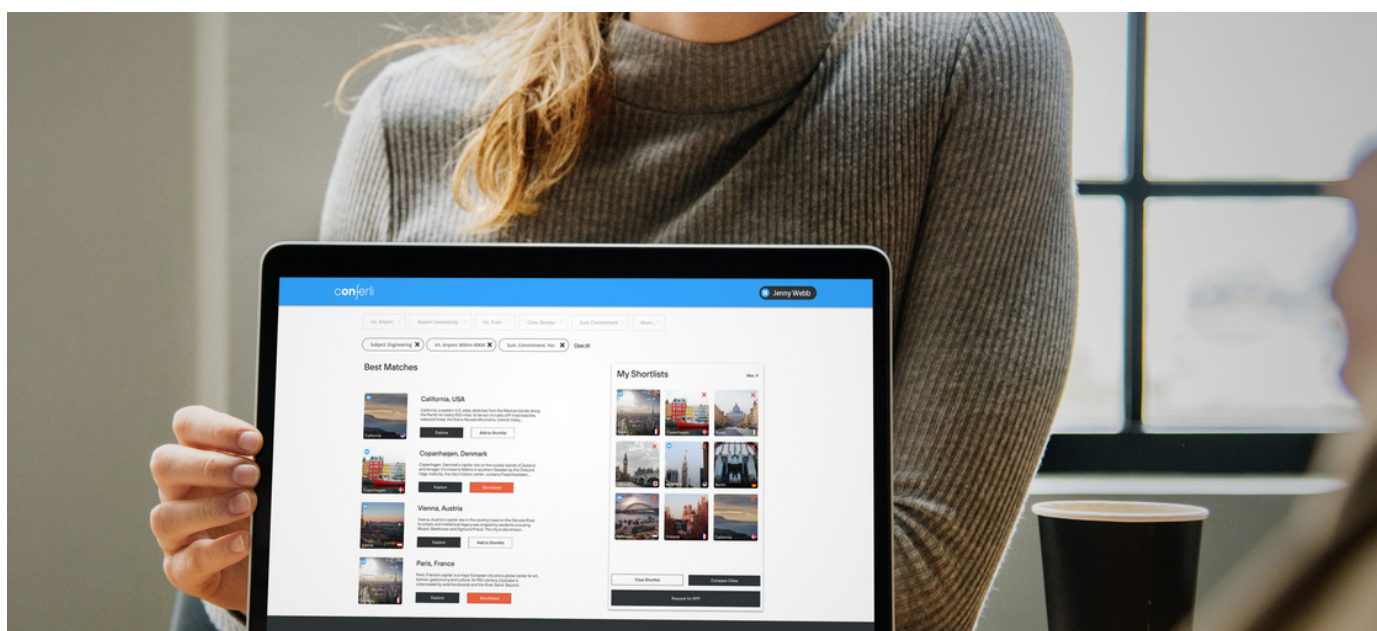
A Critical look at the conference tender process of associations



ABOUT CONFERLI

Conferli is a conference matchmaking platform for organisers, venues and destinations. Our aim is to level out the playing field in the event industry, enabling events of all shapes and sizes to find best-suited destinations - easily and efficiently. We do that by creating access to independent benchmarking data, supported by smart technology and fueled by our passion for the conference world. Associations will get free support on destination matching, shortlisting, benchmarking and the tender process.

www.conferli.com



ABOUT THE AUTHOR

Nienke van der Malen has a broad expertise in the event industry, with over 15 years of experience in various functions. Most recently, she worked as Director of The Hague Convention Bureau. Working in the conference industry her entire career, Nienke had one ambition - to build a platform that connects associations, venues and destinations. She noticed that creating and maintaining these connections can be challenging and that the entire event industry would benefit significantly from having better access to each other. This is how Conferli.com was created.

INTRODUCTION

The conference tender/ RFP process of associations is a bespoke topic. For some a passion, for others a yearly returning headache.

Conferli decided to write a market study about this topic in order to get more insights. There was a survey conducted, an open discussion with associations and two round tables during an UIA (Union of International Associations) event.

During the survey, over 70% of the participants found the tender process for a conference efficient, with many thinking that "it works efficiently". However, Conferli recognized that some of the process needed "revision" and that it was "tedious" "complex" and "archaic" as can be seen in the below picture, which was an outcome of one of the questions asked during a workshop hosted by Conferli during the UIA roundtable sessions. It seems that once the conversation is started, there is a lot to be critical about.

How is the conference tender process organised within your organisation and what can you learn from others? Did the pandemic change the way an association should look at their tender process? The timing might be right seeing that the rotation patterns are disrupted and associations are eagerly searching for income, delegates, and sponsorship streams.

With this market study interesting trends will be raised and best practices will be shared. Even a plan of approach is shared if you decide to change your conference tender process.

The purpose of this market study is to get you to take a critical look at your current tender process and maybe get you inspired to adjust your tender process to the changing times ahead of us.



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SCOPE AND METHODOLOGY

This market study is conducted to get a clear understanding of the conference tender process of associations. A survey was sent to the Conferli database of associations, through Conferli's destination partners, Boardroom, UIA and ESAE. Forty-nine associations participated in the survey. Besides the survey, there was a Zoom meeting with associations on the 12th of April 2022 where there was an open discussion on the conference tender processes of associations with 10 international associations. Furthermore, Conferli hosted 2 roundtable sessions at UIA in Brussels on the 20th of May 2022 where about 35 associations participated in the sessions. The market study is a combination of these three sources.

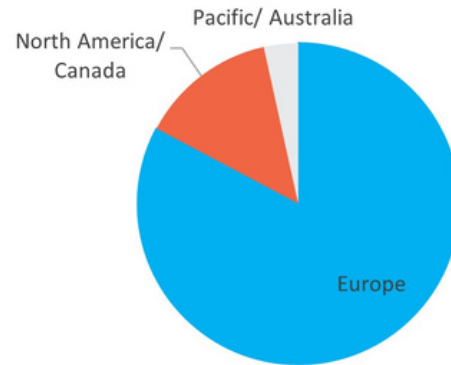
The results are examined on a global scale and used to draw general trends, conclusions and recommendations. It is not our intention to steer the reader in a certain direction. In the report, you will find best practices and quotes. These are all collected with the approval from the specific organisation.



RESPONDENTS

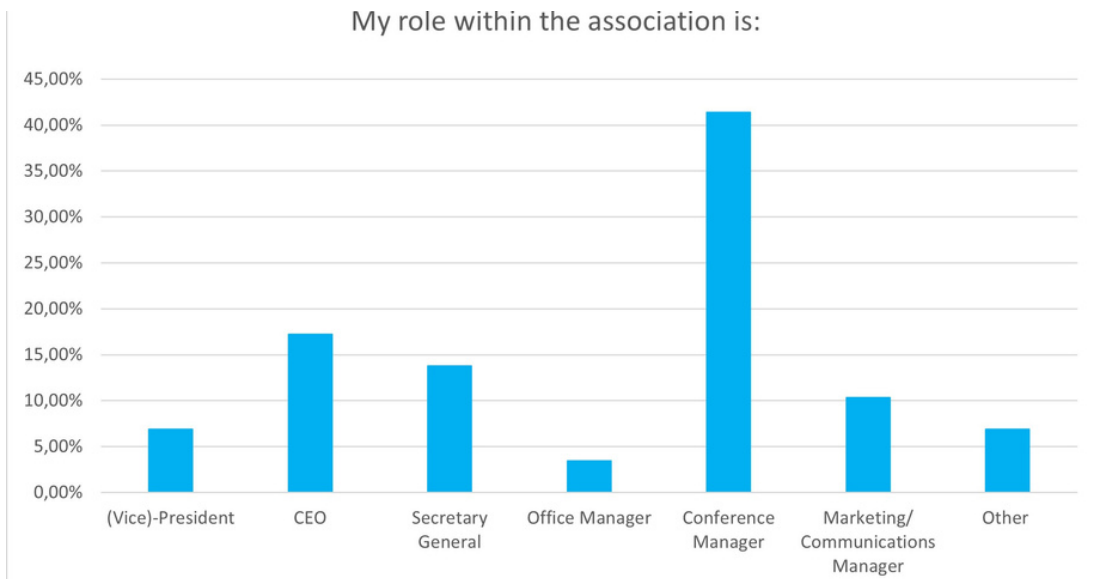
The far majority of respondents are based in Europe. This can be explained by the fact that Conferli is currently operating in Europe and the biggest part of the database of Conferli consists of European based associations.

I am located in:



The majority of respondents are Conference Managers followed by CEOs and Secretary Generals.

My role within the association is:



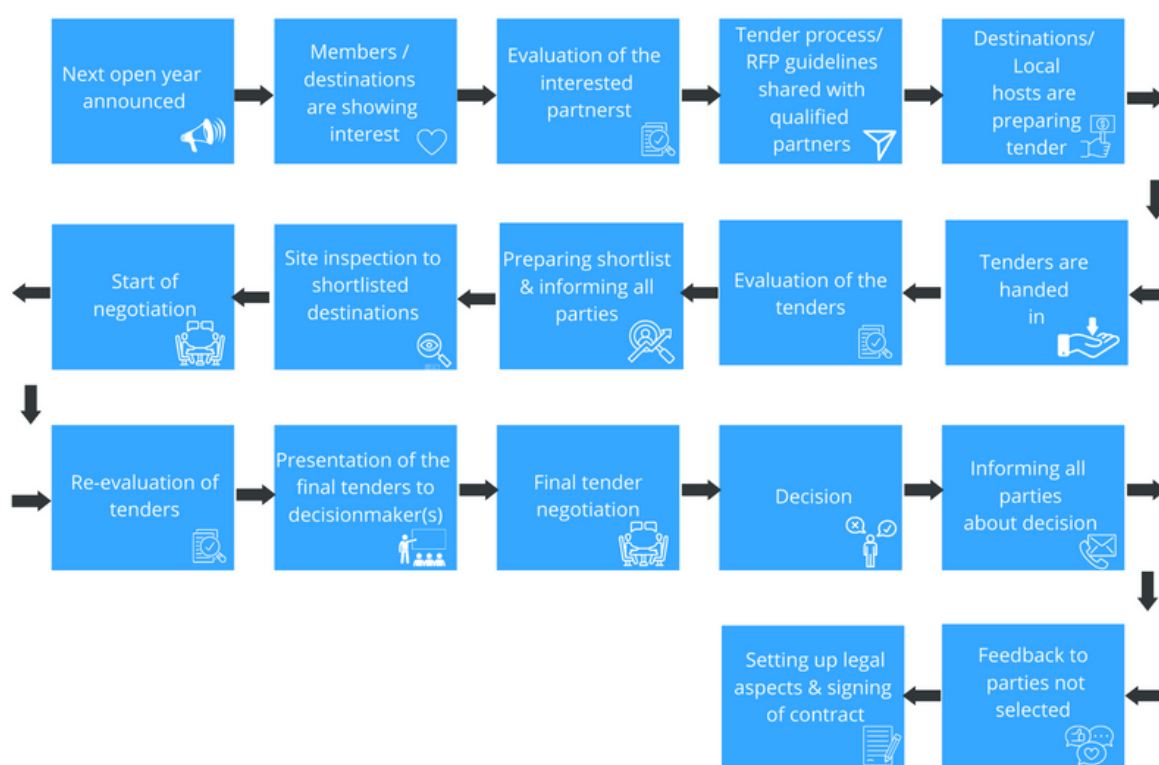
What is in the name?

Things get complicated because there is no general consensus on what we call the process of getting conference proposals in. Some call it the RFP (Request for Proposal) process. Others call it Bid procedure and still others Tender process. To keep it simple, we will use the word "tender process" in this market study.



The association conference tender process in general

Every association has its own tender process with its own way of deciding where the conference will be held. Most of the processes are built up through years of experience and are not based on industry standards. Most of the time it is a complex process which takes months or even years. In general, no global standards are followed but most of the tender processes are at least involving the following steps:



In general two types of tendering can be described:

- 1) Centrally driven tender process: The association itself is the lead of the tender process. They approach individual members, destinations or venues and make sure they are receiving the proposals. In some cases they hire a Professional Conference Organiser (PCO). In general, they announce that the conference bidding process is open and they will reach out to those they want to participate but in general other interested parties can react as well.
- 2) Traditional tender process: A local host is involved. This is possible in different constructions. For example, a predefined local host group will be invited to bid or all members get the announcement that the congress is open for bidding or the local host is showing interest themselves. This is often in combination with the help of a convention bureau.

The final decision where a congress is taking place is very diverse and different within associations. The following decision makers are the most common:

- The Liabile (1 person, usually the President of the Board or chairman)
- The association executive (1 person, usually the CEO or Secretary General)
- Full Board of directors
- Executive Boards
- Congress Committee (sometimes a formal group within the association and sometimes a group just setup for one congress)
- Representatives of the different sub-chairs of the association
- National representatives
- Delegates with voting rights (mostly done during a congress and live presentations or General Assembly)
- All members (mostly through online voting)



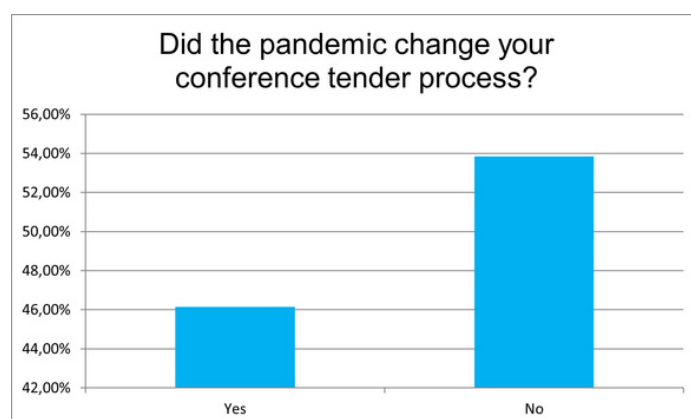
The pandemic and the effect on the tender process

As the pandemic hit, conferences of associations were directly impacted. People were no longer allowed to come together and the majority of conferences were cancelled, postponed or went virtual. Did this impact the tender process of associations? And, if yes, how was it affected? As tender processes for association conferences normally start at least 2 years or more in advance of the actual conference, it is interesting to see what the outcomes are.

Process

In 54% of the cases, the tender process as a whole wasn't affected. In the 46% of the cases that it was, following changes were mentioned:

- More careful about program planning and sleeping room patterns
- Incorporated hybrid event solution options during a conference into the tender process which increased the attention to the destination technology capabilities
- Increased awareness on the venue in terms of partnership, terms & conditions (cancellation policy) and extra services, like facemasks in the room, or disinfectant in the bathroom.
- There was no tender process and the pandemic made it clear there need to be one
- More short term planning and deciding
- Frequency and size changed



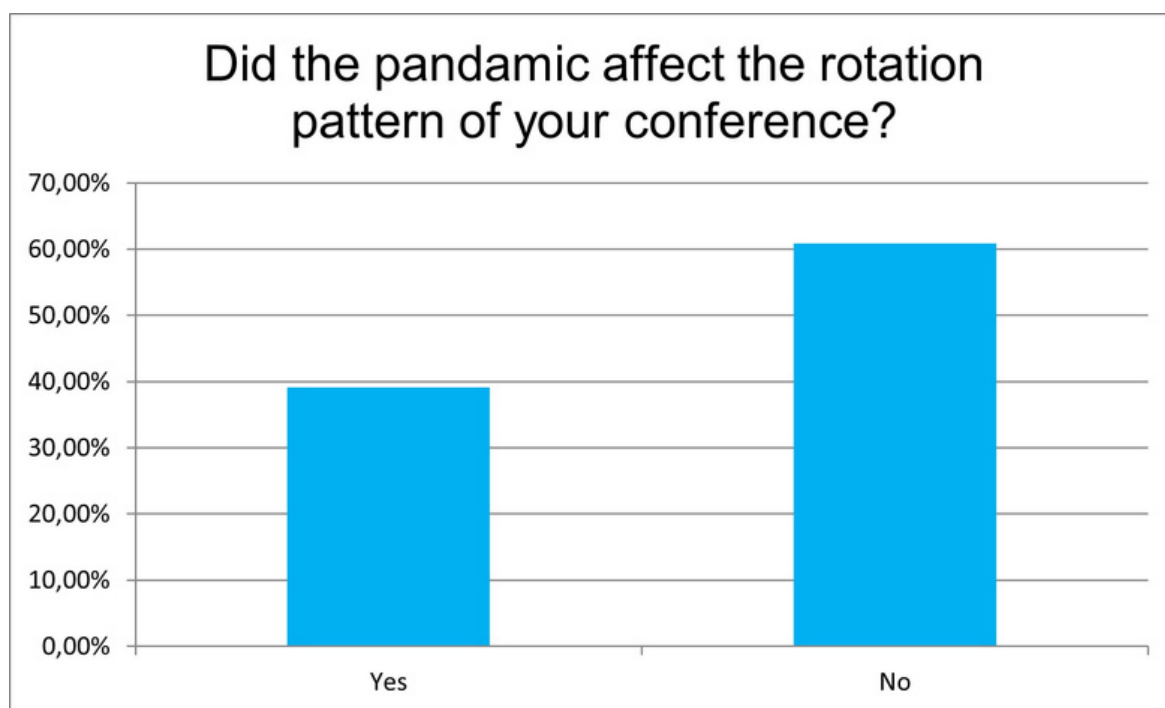
No Tender Process

Not having a tender process in place was something that was stretched out during the UIA roundtable session as well. In the first session, over 20 associations participated and only 1 had a tender process in place.

The associations that did not have a tender process in place mainly had the challenge of getting the right proposals in. Because there is no consensus with the board as to what is requested or needed, the requested information is usually not accurate or complete and different board members interpret the proposals differently. Problems arise from miscommunication between suppliers and board-level and poor quality of proposals which frequently returns into a back and forth between supplier and association or local hosts and supplier. A time consuming job according to the associations facing this problem.

Rotation pattern of the annual conferences

Most of the associations work with a fixed rotation pattern. Meaning one year they will have the annual conference in i.e. Europe, the year after in North-America, the year after in Asia and so on. There are all kind of rotation patterns, think of rotation of cities, rotation of continents, rotation of regions and so on.



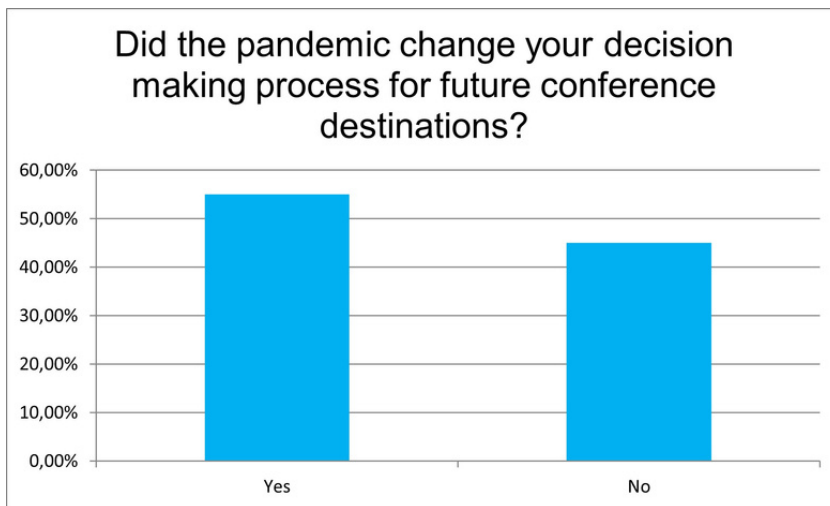
39% of the respondents replied that the rotation pattern of the conference changed. Meaning that normally they rotate between countries or even continents, and now this pattern has been disrupted due to a stop on conferences for two years. The main explanation given was that the conferences were postponed and therefore, the 2020 and 2021 conference destinations will now be visited in 2022 and 2023. Furthermore, the political instability in Eastern Europe was claimed as an important factor of change in rotation pattern.

Type of conference

With a new way of organising conferences and the need to decide if the conference will be hybrid, virtual or in person, most respondents said that this will affect the tender process. Hybrid is seen as double effort requiring tendering for both a virtual platform and a destination/ venue. Furthermore it is important to search for destinations/ venues that are technically able to host hybrid events and Internet bandwidth is called as an important component in the deciding factors for hybrid events. As for many associations, it is all pretty new and internally not yet decided how to proceed with virtual/ hybrid in the long run. It is mentioned that a lot of flexibility is requested in order to continue with virtual and hybrid events.

Decision Making process

If the rotation pattern and the process have changed, how has this affected the decision making process? In the below graph, it shows that 55% of the respondents state that the decision making process has changed in the pandemic.



The factors that changed are:

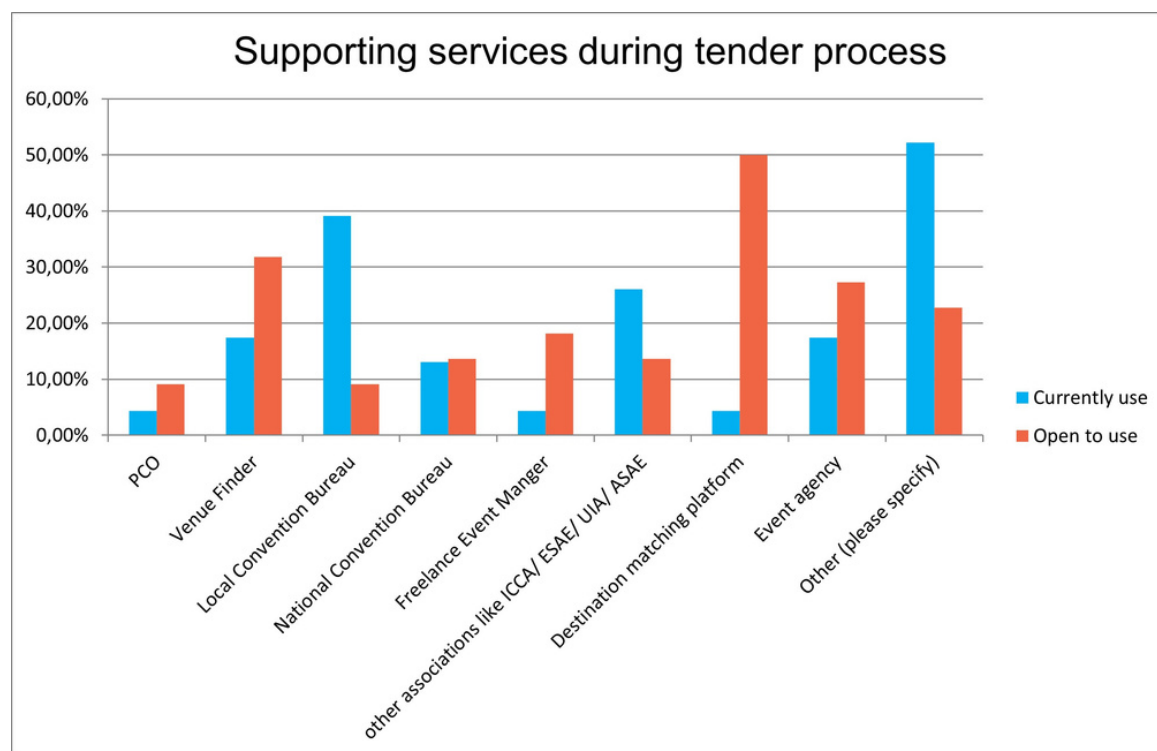
- Technology pricing and capabilities are now being taken into account
- Contract flexibility is a must
- Local health & safety regulations do play a very important role
- Risk assessment in place
- Increased importance of partnership and strong involved candidacy



State of the current tender process

With over 70% of associations finding their current tender process efficient, it seems that there is no urge to change. However, if we dive deeper we see a lot of uncertainties and inefficiency that should be looked at.

Supporting services

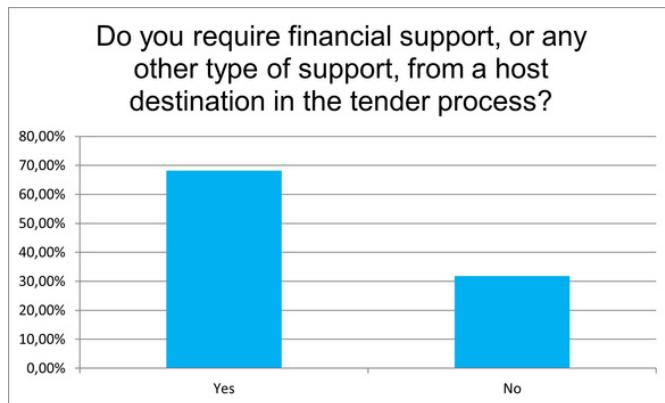


39% of the respondents are using a local convention bureau during their tender process. Compared to a recent [study of UIA](#) 38% of the associations were not even aware of the existence of a Convention Bureau, it is great to see that most of the respondents in this research know their way to this free service.

Associations that filled out the option "other" mostly mentioned local/ national members and local universities. Looking at the services associations are willing to use, but are currently not using, we see that they are very open to work with venue finders and destination matching platforms. An important factor is that the services need to be free to use. For the hybrid component, popular choices are event agencies and freelance event managers.

Support from the host destination

In some cases convention bureaus are offering extra support to associations, when organizing a conference that fits the cities ecosystem. Support can be offered in many different ways. The research show that 68% if the respondents is looking for some type of support.



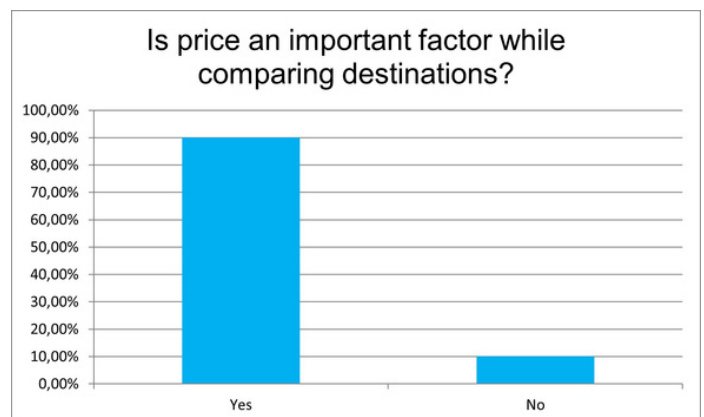
The support needed varies from:

- Financial Contribution
- Sponsorship
- Local transportation coordination (reduced rates and capacity)
- Recommendations of suppliers and venues for conference and social events
- Flexibility (being able to cancel)
- Assistance in organising
- Funding for site visits
- Grants for participants
- Welcome reception
- City branding
- Direct contacts to municipality



Price

90% of the respondents find price important when destinations are compared.



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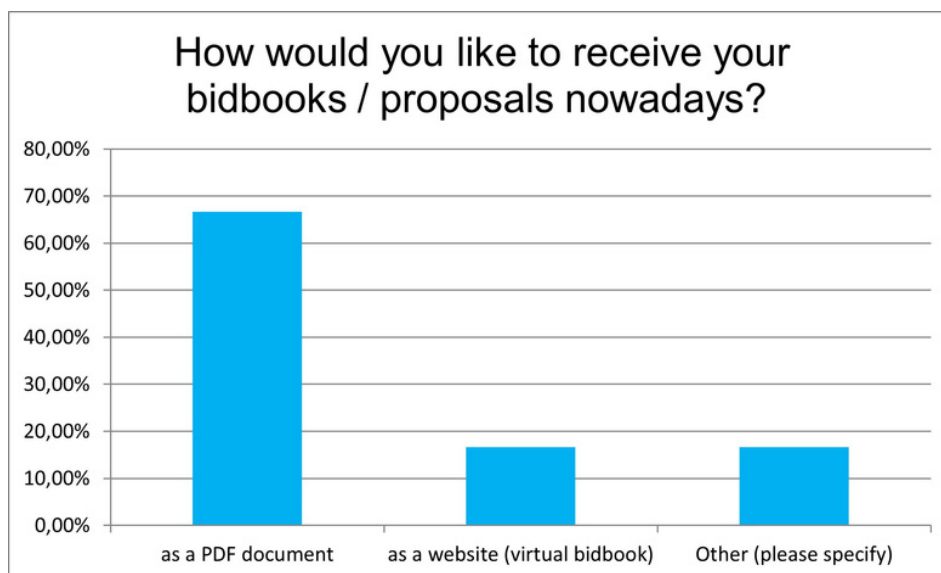
We always look at the financial offer in combination with added value for our association and a personalised programme.

Respondent Survey A critical look at the conference tender process

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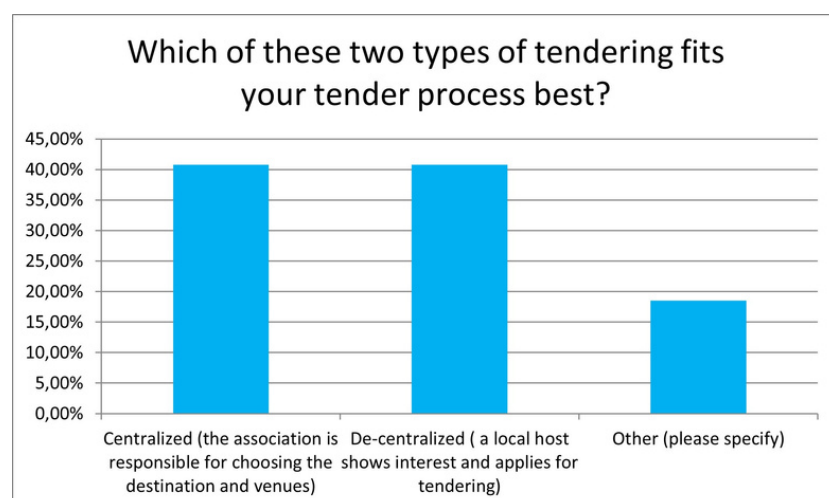
Form of the proposals / bidbooks

The far majority still would like to receive a PDF document of the proposals coming in; print is no longer requested. It was also mentioned that a combination of both, PDF and online, would be required.

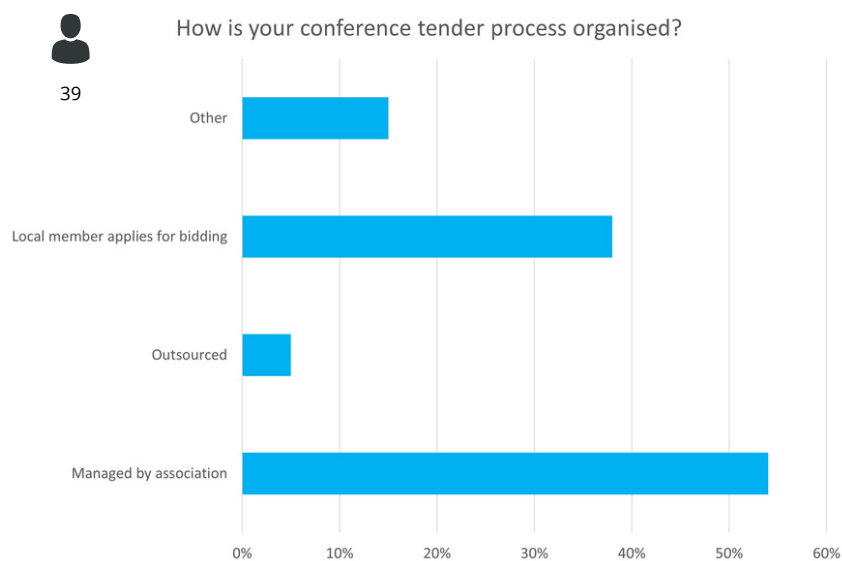


From Reactive to Proactive

In the past, the far majority of associations had a traditional tender process meaning a local host needed to apply for bidding. The biggest trend we saw during all our conversations was the switch from a traditional procedure to a centrally driven procedure, or as some of the participants call it, from a reactive approach to a proactive approach. In the survey the following was discovered:



Central and Traditional score exactly the same. By "others", it was mentioned that it was a combination of both - the destination was selected by the association, but local members needed to agree on it. Some comments stated that the process was outsourced. We get more or less the same picture if we look at the respondents from the UIA roundtable participants.



The associations that made this switch from reactive to proactive commented that by doing so, many more opportunities opened up with destinations coming forward with stronger proposals and because of this it seems to be a more fair competition. The two biggest takes out of this approach are:

- 1) Transparency
- 2) Good Governance

Transparency

Both the bid process as well as the decision-making process are more transparent. The association is in the lead and in charge of the proposals. This makes it easier to communicate and the proposals that come in are easier to explain. You do not have to take into consideration any political issues and by using a fixed grid and ranking system it is easy to explain why a certain destination won the tender and the other one lost it.

Good Governance

Board members etc. are no longer involved in the actual tender process which will eliminate political influence. Only destinations can contact national/ local members to get recommendations (to avoid conflict of interest) but no endorsement can be given. This makes the decision a fact based decision and can be explained in terms of governance, for associations serving an entire community this is a fair approach and less risky than the traditional process.



One critical note that came back from associations that are already using this tender approach is the following: You need to make sure to avoid too much national competition. For example, a meeting of 400 persons will fit into nearly every destination and you do not want to receive too many proposals per country.

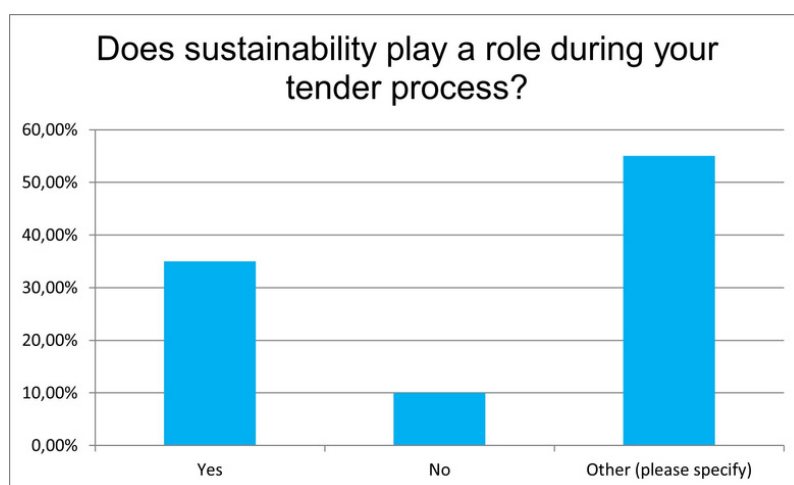
This can be eliminated by communicating this clearly to the local community and otherwise by contacting the National Convention Bureau and being clear on the fact that you do not want national competition.

Furthermore, the tender process should be seen as the starting point of a partnership. After the tender process has been completed and the destination has been chosen, it is important to build a relationship with the destination and the local community until after the conference has left the city. In some cases this can be years.

New Requirements

Times have changed and there is more of a need for other requirements than just event logistics and accessibility. We can see (page 17 graph criteria of a destination) that sustainability and support on building legacy are not ranking as high as accessibility and costs but they are being taken into consideration. In this chapter we want to see if the new requirements - Sustainability, Legacy/ Impact, DEI (Diversity, Equality & Inclusion) and Health play a role during the tender process.

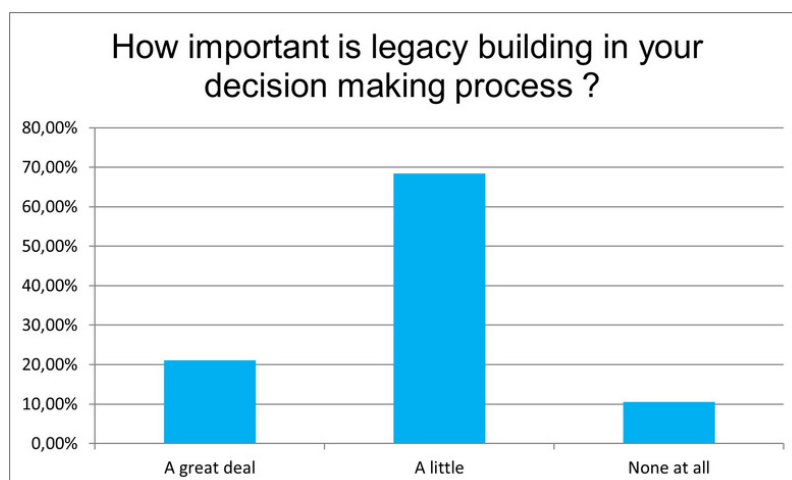
Sustainability



In 35% of the cases, sustainability already plays a role during the tender process. However, most respondents chose the option "other". The reason was that sustainability is getting more important but it is still a struggle as to how to incorporate it into the conference. The other answers were that it was a factor, but not a deciding factor, so meaning a nice-to-have.

Legacy/ Impact

We see that legacy building (or creating a long lasting impact) is currently only a little important during the decision making process. It is not seen as a deciding factor. It is seen as something that needs to be steered from the association and not from the destination and it needs to be in line with the association's goals. Most of the time legacy building/ creating impact is seen as something that will form its shape as soon as the destination has been decided, the goals of the local members together with the government are clear and the preparation and design of the conference is finalized. Being impactfull is a long term objective.

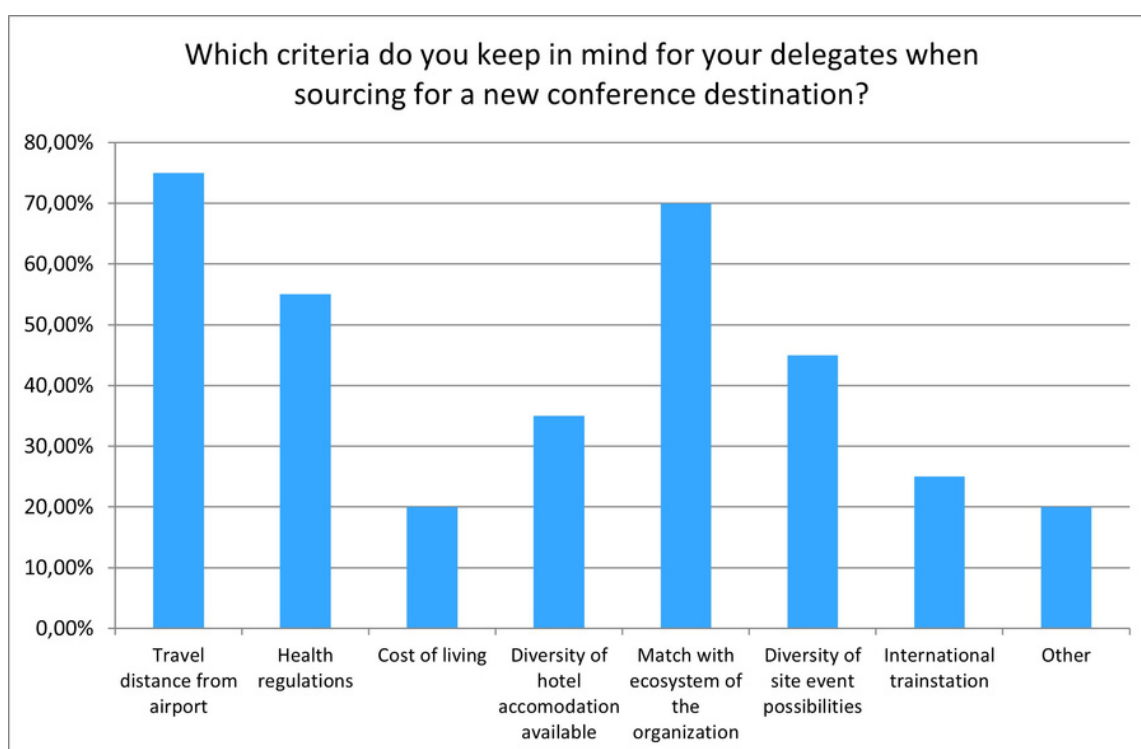


DEI (Diversity, Equality, Inclusion) / Social Justice

This is seen as an important point because sentiment changes, attendees change and it is a current worldwide hot topic. Delegates are more aware and conscious of DEI related situations and are expecting a destination that is safe and inclusive for every human. Associations struggle to see how to integrate this into the tender process. A link is made to the SDG (Sustainability Development Goals) but it is not yet incorporated into tender processes, therefore, there is not an accurate way to measure this.

Health

In a previous market study we conducted ([the changing need of the delegate](#)) the following can be seen:



Health is the 3rd criteria that has been taken into consideration when sourcing for a new conference destination. So we can conclude that this is integrated into the tender process of associations.

The overall conclusion is that associations are aware of the new requirements but still see them, in most cases, as nice to haves (except health) but not as a deciding factor. A good example was given by one of the respondents:

“

Logistics is still key; if you have a city with great intellectual capital on reducing emission and your conference is about reducing emission you will assume it is a great match. However if the delegate can only get there by car, it then collides with our mission to reduce emission, so this destination will not be chosen.

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Recommendations how to move from a reactive approach to a proactive approach

Switching from reactive to proactive might benefit your association. You might receive higher quality proposals and you might save time and money because your process is efficient. But what does it mean and what are the implications for your association? What topics should you reconsider and revise or set up? We tried to make it easy and will now show you an eight step plan of approach that might help you in your process.

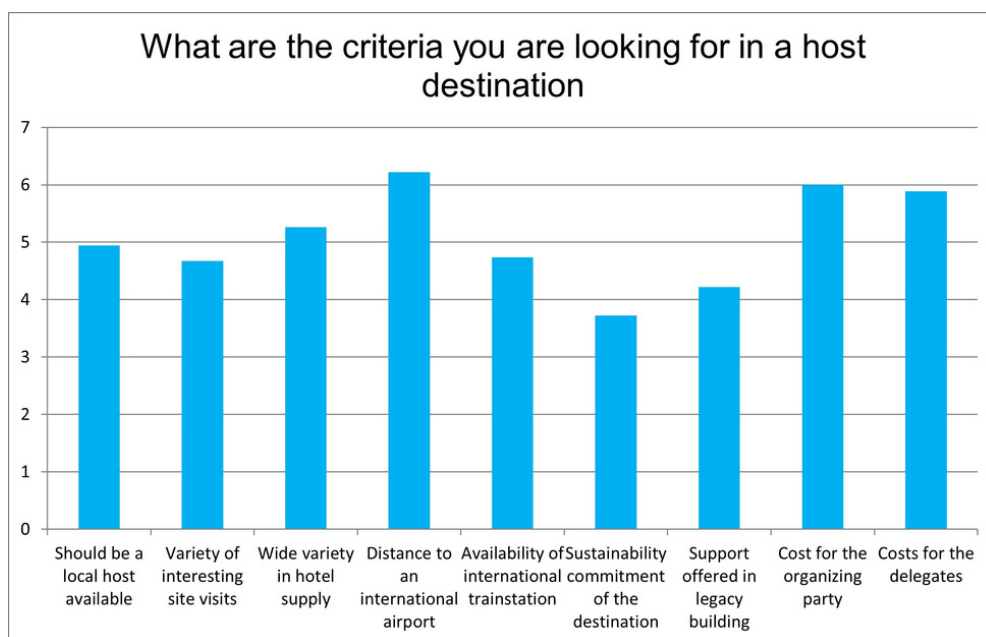
1) Examine By-Laws

Of course this needs to be decided together with the board and, depending on your by-laws, it could require a change which will necessitate an agreement of the general assembly. If for example, all your members currently have voting rights, changing this will have an impact.

2) Decide on Key factors

In order to make a decision you need to know what the decision is based on. It is important that before you start requesting proposals, a list is set up as to what criteria a host destination requires and which are "nice-to-have". Making a ranking system will assist to easily compare and shortlist destinations.

The surveys shows that currently these are the most important criteria of a destination:



The top 5 is made up of these criteria:

- Distance to an international airport
- Cost for the organising party
- Cost for the delegates
- Wide variety in hotel supply
- Should be a local member/ host available

3) Determine Rotation Pattern

Most of the time your destination choice is based on the rotation pattern of the conference, i.e. one year in Europe, another year in North-America, etc. When deciding on the destination, it will be important in regards to transparency to be open about the rotation pattern. Some associations are adding extra rotation patterns, like dividing Europe into subregions. For example, the first year the conference could go to Northern-Europe but then when Europe is back in the rotation pattern, the conference should go to Southern-Europe.

4) Decide on services you are going to use

In the section about the current tender process, some supporting services were named (page 11). If you change your tender process it will be good to decide which of these services you are going to use in the future. Think of:

-  PCO (professional conference organiser)
-  Venue Finder
-  Convention Bureau
-  Other associations like ICCA/ UIA/ ESAE
-  Destination Matching platform
-  Event Agency/ Freelance event manager
-  AMC (association management company)
-  DMC (destination management company)

PCO

A PCO is a Professional Congress Organiser - an intermediary party who is (partly) taking care of the organisation of the congress. Sometimes PCO's are in the lead for the entire tender process. Tasks that are often done by a PCO are: organisation, sponsorship, logistics, delegate acquisition etc..

Venue Finder

A venue finder is a platform where you can go and find the venue that matches your event logistics criteria. Often it is a free to use service.

Convention Bureau

It is wise to determine whether or not you want to work with a national/ local Convention Bureau. A Convention Bureau is a government subsidised institution who are promoting their city or region and are trying to attract the right conferences to their city. They focus on city promotion, getting subsidies etc. Most of the time they do get income through partners like hotels, restaurants, congress venues etc. and it is a free service to associations. They help you with finding the right venues and are often the linking pin to the government and local stakeholders.



Other associations like ICCA/ UIA/ ESAE

Knowledgeable industry leaders that often can connect you with the right suppliers or more insights to build on your knowledge.

Destination Matching platform

A free to use service where you can fill out your conference preferences and you get matched to all destinations that match your criteria. They provide the possibility to benchmark and shortlist destinations and send out tenders and get full support. Currently www.conferli.com is the only platform in the world that offers this service for free for associations.

Event Agency/ Freelance event manager

An agency or a freelance event manager that helps you with the marketing and organisation of the conference.

AMC

Association Management Company, a company who supports a (mostly smaller) associations and functions as an office function. Most of the time these are used for secretarial/ administrative tasks and meeting support. An AMC can work for more associations at the same time.

DMC

Destination management company is an enterprise that manages a range of products and services at a destination. They are the companies that coordinate travel experiences like coach tours, catering, cruises, etc.. DMCs are usually smaller, local organisations that have been on the ground at a destination for years. They bring crucial local knowledge and experience. This is a paid service.

5) Decide on goals

It is important to decide on goals to reflect on the conference and to see what should be improved and what was a success. There are a few decisions to be made:

- What are the association's long term goals and how can they be incorporated into this conference. For example, what impact would you like to leave with the local community, what are your SDG's (sustainable development goals), etc.?
- Financial plan - how many delegates do you aim to attract in order for the conference to be a smart financial investment?
- Set both soft (general and more vague goals) and hard goals (specific and challenging goals)
- Set short term goals. For example, how many people should attend specific workshops? How many new possible members can you attract? What is the overall rating of the conference? How many sponsors do you want to attract?

6) Decide on event logistics

Take a deep breath and write out what you need for your conference. Will it be a hybrid or an in-person event? If in-person, what do you need? If you don't have a detailed tender process on paper yet, this might be a good moment to do so. If you invest some time at this point, you will profit from it for the upcoming years. Think about your event capacity. How many delegates are coming? How many break-out rooms are necessary and in which capacity? Do you need exhibition space and, if yes, how much? How many hotel rooms do you need and in which category? Which AV do you need? When starting, it is suggested to look at the invoices and conference manuals of past years and see what has been used.

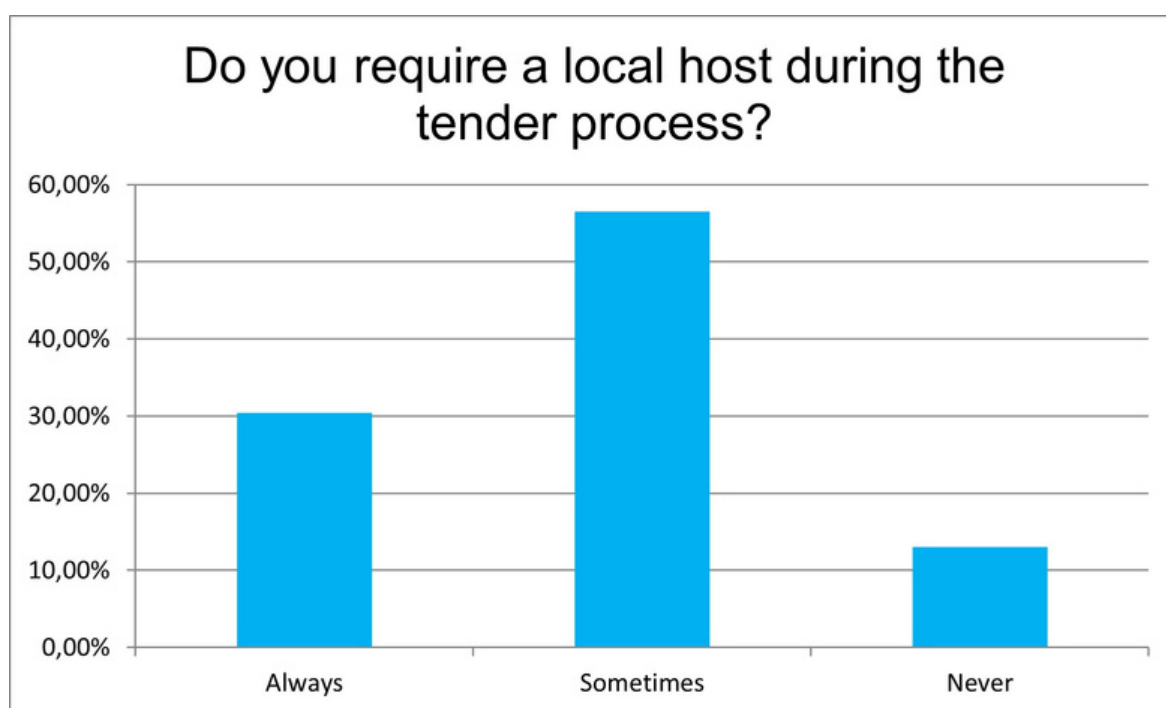
Furthermore, it is important to indicate a budget. Having this will make the proposals received more realistic and feasible and it will give suppliers a better insight if they can match your wishes.



7) Decide on Local community involvement

Decisions need to be made as to if - and - when to use the local community or local members for this conference. There are several ways to involve them right at the start. You can invite them to bid for the upcoming conference or, after the destination has been selected, involve them in the content creation and long term goals of the conference.

In the traditional tender process, the role of the local community was always very clear. They come forward with the bid and they are actively participating in the organisation of the conference. Looking at the respondents now, in most cases the use of a local host is not even necessary. Only in 30% of the cases it still stays mandatory.



So this has changed over the years but, if you move from the reactive approach (waiting for a bid to show up) to a proactive approach (finding and selecting the suitable local host/ destination yourself) how do you keep your local community involved? In the end, you want to keep them involved because they will be your local eyes and ears and can help you with a great program for the conference.

The associations that already made the switch from reactive to proactive informed their members about the new process and if they have selected the destination from that moment onwards they expect involvement from the local members.

8) Create own RFP forms including scoring table

After completing all these steps, you are now at the final stage of putting together a document with all of the above outcomes. This will be your Tender/ RFP (Request for Proposal) document. At every stage, you should have a scoring table so you will be able to score per subject and also rank them. Decide (together with your board) what is more important and what will happen if you score high on point 7 (local involvement) but low on 6 (event logistics) what you will do?

Some associations decided to also share this ranking table in order to avoid too many proposals back.

After you have completed these steps, you are ready to start your tender process and find out what it is like to be in the lead!



Conclusions

After conducting the study it can be concluded that there are still a lot of options on how to improve the current tender process of association conference tenders.

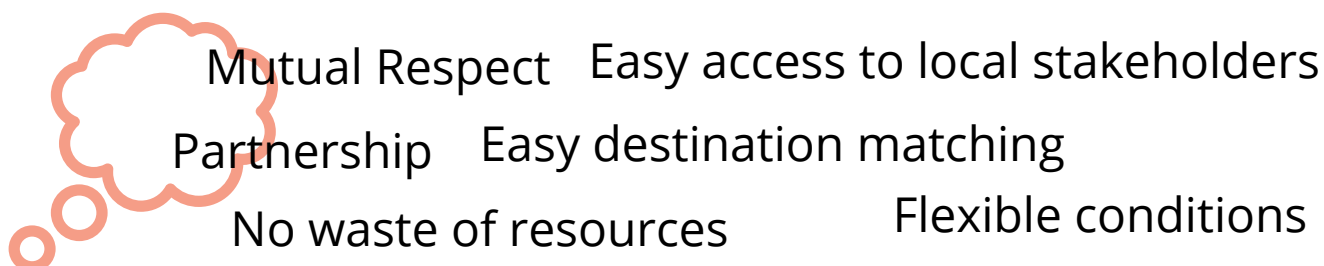
The main findings:

- In most of the cases, there is no tender process in place. In order to receive higher quality proposals the advice is to create a tender/ bid/ rfp process.
- 100% of respondents stated that the decision making process is different than 2 years ago. The factors that changed are the following:
 1. Technology pricing and capabilities are now been taken into account
 2. Contract flexibility is a must
 3. Local health & safety regulations do play a very important role
 4. Risk assessment in place
 5. Increased importance of partnership and strong involved candidacy
- Changing the tender process from reactive to proactive will increase transparency and will show good governance.
- A clear plan of approach to change from reactive (traditional) to proactive (centralised) can be done in 8 predefined steps as explained in recommendations:
 1. Examine By-Laws
 2. Decide on key deciding factors
 3. Determine rotation pattern
 4. Decide on supporting services
 5. Decide on goals
 6. Decide on event logistics
 7. Decide on local community involvement
 8. Create own RFP forms including scoring table
- Looking at new requirements such as sustainability, legacy/impact, DEI and health, only health is already included in the tender process. The others are seen as nice to haves but no musts.



Dream Scenario

At the end of the survey, all participants were asked to name a few words to describe their ideal "dream" tender process. This is what was dreamed about!



The Movement

As the world is settling back into the new normal where hybrid conferences are organised, where associations find new ways of educating members all throughout the year, where engaging members is challenging and when trying to connect with the youngest Generation Z, things can get hectic. Working together in finding solutions to all these daily challenges is happening more and more. Associations are realising that finding partnerships to battle challenges together is much more effective than sorting it all out themselves. And who could be a better suited partner than a destination? But looking at why one destination is preferred over the other, what is the choosing of a destination based on and what can associations do to take control over the destination selection process?

Destination Criteria

Distance to the airport is currently seen as the most important factor for deciding on a destination. Costs for both delegates and organising parties are also very important. But also criteria such as the availability of an international train station, availability of local host or local member and current hotel supply in a destination are of utmost importance to be a suitable conference destination.

So there is not one deciding factor but a combination of factors that need to be in perfect harmony to be the right destination. This is a complicated task with changing elements due to the worldwide pandemic as well as the geopolitical situation. However, nowadays the choice of a destination is becoming increasingly relevant.

Selection process

This market study shows that 41% of associations have the destination selection process centralised. Meaning the association's board is responsible for selecting the destination. With this in mind, being in charge of selecting the destination can contribute to the associations overall goals, sustainability wishes and support in creating impact. Whereas, depending on local hosts to bid for the conference and being reactive in this sense could mean losing sight of these goals and missions.

Creating a movement

With destinations all over the world focusing more on building strong ecosystems of certain clusters and therefore being able to add more value to association conferences by building long lasting impact and a focus on the SDG goals, we think it is about time to start a movement. A movement about change and stretching the fact "how a destination can make your conference more successful"

We call it:

Destinations as THE driving force of your conference! Are you in?

Do you want to be part of our movement and help spread the word?

Join us and get in touch with Bregje by sending her a message at bregje@conferli.com



THANK YOU FOR READING

Questions or suggestions, please contact us



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