

INCENTIVE

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Mexico All Together Now



By Donna M. Airoidi

Mexico has long been known for its all-inclusive resorts, but incentive groups tended to stay away from them. That's been changing.

"In the past, a typical reason for a client to choose an all-inclusive was for value—they couldn't afford to put a lot of meat into the program," says Valerie Bertelsen, a senior buyer for Carlson Marketing in Minneapolis, whose territory includes Mexico. "But now more clients are considering all-

inclusive [options] they may not have previously, such as family programs, couples programs and stag programs. We've had good feedback from clients."

Popular all-inclusives include the Occidental Hotels & Resorts properties, as well as the Sol Melia Paradiso resorts. Bertelsen recently sold a program to La Blanc, a Palace Resorts property that opened in late 2005, for an automotive company to bring 70 couples to the resort in August. "We just did a site inspection, and the client loved it," she says.

More Options; Improved Service

So what has changed? All-inclusive packages make it easier for planners to plan a program as well as keep track of costs, especially in the current climate of increased scrutiny over spending and accounting procedures. It also doesn't hurt that all-inclusive properties have ramped up to four- and five-star levels, such as Occidental Hotels and Resort's Royal Hideaway Playacar, just outside Playa del Carmen on the Riviera Maya, the first all-inclusive property to earn an AAA five-diamond designation and become a member of The Leading Hotels of the World.

"[The growth of] elegant, all-inclusive properties, with high-end spa services and good golf, is a trend," says Laurie Derryberry, director of account management for Ambassadors, based in Newport Beach, Calif., adding too that clients expect more bang for their buck.

"[Incentive groups] demand a level of service above what [leisure] demands," says Carlson's Bertelsen. "The service at all-inclusive resorts is better, and they're easier to work with, with contracts and negotiating. They also better understand our business and what we need in our proposals."

In addition to top service, those needs include being able to provide exclusive private group functions, help planners be more creative with theme ideas and handle more of the work in-house rather than outsourcing it.

Bertelsen rates the Grand Villas in Puerto Vallarta as one of the nicest all-inclusive properties around. "It has a heavy focus on groups and incentives, and the food quality is above and beyond what is typical at an all-inclusive," she says. "Service is really good as well. I consider it more of an [European-Plan] hotel but with all-inclusive benefits."

Getting in on the Act

European-Plan

(EP)resorts—whose rates include room cost and taxes, but not meals or other incidentals—haven't ignored the fact that incentive groups are increasingly seeking out all-inclusive deals. Some incentive planners report

that certain EP hotels in Mexico are willing to create custom all-inclusive plans for them, even though they are not an all-inclusive property, opening up new opportunities for groups.

"Some hotels, like the Fiesta Americana brand, are EP hotels that sometimes will offer all-inclusive pricing," says Bertelsen. "A clients gets EP quality, but the pricing isn't always that much better. It depends on the type of program the client is looking for, but it could add a little more value."

This past February, Newport Beach, Calif.–based Ambassadors brought a sales incentive group of 300 truck dealers and their guests to the Grand Bay Resort in Isla Navidad, Manzanillo for five days for General Motors' Isuzu Commercial Trucks, based in Serritas, Calif.

"All-inclusive is a really big deal for this group," says Derryberry. "They wanted their guests not to worry about a thing and not spend a single dollar out of their pockets. That was the overriding factor. The client also wanted an exclusive, high-quality property, and the Grand Bay is a beautiful resort, a gem off the beaten path in a special area that's not terribly developed."

"The resort created a customized pack for the group," says Kelly Allgyer, the account manager who was on site with the program. "The attendees thought it was an all-inclusive, and Grand Bay did a great job accommodating that for us. It was very private and it felt like an exclusive resort."

One neat aspect of Brand Bay is it has its own marina, says Derryberry. "You can have an elegant dinner along the walkway at the marina in front of giant million-dollar yachts. It's beautiful."

The program stayed mostly on-site, and included three evening events. "The first event was for a special VIP group that came in on their own the first night," says Allgyer. "It included a beach party with watercraft, catamarans, jet skis, and felt like an island experience. The food was based on fare found in ports around the world."

Allgyer adds that the staff-to-guest ratio was incredible. "Someone was always available for the guests to answer questions," she says. "It's really just five-star service."

The only downside to the resort is that the spa is small, with only a few treatment rooms, says Allgyer, but it remained popular for the women on the trip, who booked massages and had their nails done.

The same VIP group that came in a day earlier than the rest of the participants had previously gone to the Grand Villas and loved that as well, says Derryberry. Grand Villas has more of a modern feel and is more elegant, while the Grand Bay is hacienda style and more traditional. "The client was thrilled with Grand Bay," she says. "They've been to Mexico many times before, and the resort is now their favorite there."

Dos and Don'ts

How did Ambassadors make the package work?

"We had to negotiate from the beginning with the [resort's] planning department, and we worked hard to come up with a mutually agreeable plan," says Derryberry. "The price had to include drinks and meals, and because they wanted to make this a special event for our client, they were very willing to work with us."

As for working with designated all-inclusive properties, Bertelsen says it's more difficult to get a credit when you go off property. "They're not as negotiable, [as EP resorts], she says.

Where planners can bargain is with surcharges that are added for exclusive private events, meant to cover the set up on the beach. "The hotels usually charge extra for that because extra labor is involved," says Bertelsen. "But we try to reduce or eliminate that charge."

All-inclusive resorts also tend to charge extra for beefing up their menus, adds Bertelsen, so planners should try to reduce their F&B costs by using the group's total spend as a bargaining chip. It will be easier to calculate that final all-inclusive figure.

Sidebar: New All-Inclusive Resorts in Mexico

The new **Iberostar Grand Hotel Paraiso** opened in March, completing the company's expansive **Riviera Maya** development as the fifth property onsite. An all-inclusive, the resort is Iberostar's first adults-only

property and offers 312 rooms, with 12 villa suites that each have private pools. Amenities on tap include four specialty restaurants, three swimming pools, butler and concierge service in each building, a nightclub, access to all the meeting spaces, restaurants, spa and activities at the four other resorts, and preferred tee-times for the par 72, P.B. Dye-designed **Playa Paraiso Golf Course**. www.iberostar.com

The all-inclusive luxury **Elan Resort — Spa -Cancun** opened on Feb. 28, with 95 rooms and 51 one-, two- and three-bedroom villa suites, six restaurants, two private beach areas, two swimming pools, two tennis courts, a fitness center and a Temazcal (an authentic Mayan sauna). **The Elements Spa** showcases signature Mayan and Ayurvedic treatments, and guests can take an unlimited number of yoga, Pilates and Tai Chi classes. Sitting on its own peninsula overlooking Nichupté lagoon, the resort sports a traditional Mexican colonial style. From April 8 to December 20, rates for rooms and villas are \$250 to \$1,000 per night.

Sidebar: Private Jet Option Great for Mexico

Even though Mexico is one of the most popular incentive destinations, it isn't always easy or that affordable to bring programs to the country, precisely because it is so popular—routes may often be full and demand has increased ticket prices. One way to address that is to consider charter or private air services for your group.

"Our number one seller for incentive groups is Cabo," says Greg Raiff, founder and CEO of Private Jet Services Group (www.pjsgroup.com) out of Seabrook, N.H., citing limited direct flights and many sold out flights to the area. "On a conversion basis, more groups will use that charter solution because of how it stacks up against commercial fares." Cancun and the Riviera Maya, followed by the greater Puerto Vallarta area are Raiff's number two and three spots.

PJS recently moved a large automotive company on a two-wave program with 1,200 people flown each date to Cancun. One group was from the South, the other from the West. While it may not have been the least expensive option because the different locations precluded using a live-live wave, it certainly was more convenient, says Raiff. A manufacturing group out of Wisconsin finished a program to Cancun in March with PJS for 350 people using two 737s, nonstop, door-to-door. "They probably couldn't get the seats on Northwest, and in this case, the client said the decision to go private was driven by price."

