

AN ANALYSIS OF BEST PRACTICES UTILIZED BY LUXURY SUITE DIRECTORS

BEST PRACTICES

Some of the least effective or least used strategies are:

- Loyalty cards
- Membership clubs
- Virtual ticket selection options
- Per-ticket suite sales

Interestingly, respondents almost unanimously favor strategies that are directly related to cost savings or payment options, while added-value programs such as loyalty cards or membership clubs are not widely used by organizations. It is important to point out that loyalty cards and membership clubs are relatively new concepts in the industry, and the results of this survey are by no means indicative of their effectiveness; more studies need to be completed to determine their value.

FOOD AND BEVERAGE SALES STRATEGIES LEADING TO SUITE SALES

Strategies used in the sale of food and beverage listed as effective are:

- All-inclusive food and beverage packages
- Allowing catering companies to meet with clients in regards to menu options
- Adding food and beverage credits to the suite agreement

Some of the least effective or least used strategies are:

- Digital signage
- Tiered food and beverage strategies
- Dynamic food and beverage pricing

It is possible that these strategies are too new for the industry to gauge an accurate response of their effectiveness.

Members listed their annual food and beverage revenues generated for their different premium seat inventory. The average yearly revenues are:

- Traditional luxury suites: \$14,960,000
- Club seats: \$1,162,000
- Loge boxes: \$523,000
- Super/Party suites: \$234,000
- Stadium clubs: \$224,000

TECHNOLOGY USE FOR SUITE AND CLUB SEAT SALES

The results prove that technology and advanced database analytics are becoming more a part of the premium seat sales experience. In particular, the advancement of technology has been influential in the retention of existing customers.

According to the data, the most effective form of technology for suite and club seat sales is database marketing or prospecting software. Other effective methods are flex or suite share plans, as well as variable pricing.

Eighteen-percent of the respondents claim to use social media such as Facebook, Twitter or LinkedIn for premium seat sales. Of those respondents, 2% claim that social media outlets have been highly effective. According to results, the least effective technology used for suite and club seat sales is dynamic pricing.

CLIENT ROI MEASUREMENT

In regards to ROI measurement tools, 20% of respondents claim that their teams provide a method of measuring ROI. Of those who say they do provide ROI measurement tools,

the majority mention using Spotlight Ticket Management

software. Those using Spotlight have just recently begun using the software.

Thirteen-percent of respondents say their clients use some sort of measurable ROI tool, and all of those that have provided ROI did so in the form of a basic Excel spreadsheet.

PREMIUM INVENTORY

Respondents rated the popularity of their different premium options in regards to inventory usage. Results establish that traditional luxury boxes are still the most popular premium seating option. The premium options ranked in popularity are as follows:

- Traditional luxury suites
- Club seats
- Loge boxes
- Super/Party suites
- Mini-Suites
- Stadium clubs (with or without seating)

Members listed their annual revenues for each of the preceding premium seating categories. From this information, the approximate industry averages for revenues generated from each category are as follows:

- Traditional luxury suites: \$6,100,000
- Club seats: \$5,300,000
- Loge boxes: \$2,520,000
- Super/Party suites: \$942,000
- Stadium clubs: \$800,000
- Mini-Suites: \$420,000

Additionally, respondents described their venues' future plans on premium inventory upgrades, changes or new builds. The majority state no future plans are in order. Of the available options, the least considered options are those that include plans to deconstruct parts of the venue in order to add more suites or club level seating. The option that is currently in renovation/upgrade plans is the construction of a new venue. It is the association's belief that there is a strong correlation between the discrepancies between these two discoveries.

EMPLOYEE PERFORMANCE AND REWARD STRATEGIES

Respondents rated employee reward strategies on a scale ranging from "do not use" to "highly effective." Seventy-five-percent of respondents claim that they do not use incentive trips as an employee reward; however the 25%, that do use a trip as an incentive, rate it as highly effective.

Other effective strategies are:

- Performance based recognition
- Employee performance evaluations
- Incremental raises

Some of the least effective strategies are:

- Organization wide retreats
- Encouraging a distinctive venue culture for employees to follow

BIGGEST ISSUE IN THE INDUSTRY TODAY

Respondents have shown that there are many issues that organizations and venues are dealing with in regards to suite and club seat sales and retention. Recently, the main issues stem



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Editor's Note: By using certain scales of measurement, the survey may be limited in tracking new trends and methods. For instance, a "not effective" ranking could mean that members simply have not attempted to use certain methods, rather than find them not effective.