

**A Bus is Just a Bus....or is it?
Values and Benefits of Using a
Local DMC vs.
Working with a Traveling Shuttle
Company**



**ASSOCIATION OF DESTINATION
MANAGEMENT EXECUTIVES**

**DEFINING THE
DMC PROFESSION**

Table of Contents

| | |
|--|---|
| A Bus is Just a Bus...or is it? | 3 |
| Transportation Equipment Vendors | 3 |
| Knowledge and Expertise..... | 3 |
| Due Diligence | 4 |
| Shuttle Route Development..... | 4 |
| Shuttle Staffing | 4 |
| Contingency Plans..... | 4 |
| Conclusion..... | 5 |

A Bus is Just a Bus...or is it?

With time being one of the scarcest resources in today's economy, one could logically think that it makes sense for a convention planner to use a company that offers shuttle service in a wide range of cities, otherwise known as a traveling shuttle company. Just like a service contractor, A/V provider or housing service, a transportation provider who works with your group over several years will learn the intricacies of your shuttle and attendee patterns, saving you the time of selecting and educating a new transportation provider every year. There are, however, pitfalls when using a traveling shuttle company. Unlike service contractors, AV providers and housing services, knowledge of the destination is the most important factor when planning a safe and efficient shuttle.

The Association of Destination Management Executives (ADME) has endorsed this white paper to educate planners on the value and benefits of using a local Destination Management Company (DMC) for this very critical meeting component.

In the past decade, convention shuttles appear to have become a commodity. As a result, many traveling shuttle companies have emerged to compete with local DMCs. This paper has been written to compare the benefits of working with a local destination management company vs. a traveling shuttle company. Note, when a DMC is used to provide shuttle service in a destination other than their own, it is wise for them to use a local DMC for all the reasons outlined in this paper. A partnership between two DMCs can create a perfect solution, in which the traveling DMC has the ongoing relationship with the client and knowledge of their shuttle, and the local DMC has the knowledge, expertise and staff in the destination.

When selecting a shuttle provider, the following criteria should be taken into consideration:

Transportation Equipment Vendors

A local DMC will make every effort to use reputable, local transportation equipment vendors. Unlike a traveling shuttle company, a local DMC will have:

- Volume pricing and long term relationships with local vendors and drivers. Traveling companies typically have national contracts with equipment companies where equipment and drivers are brought in from out of town. In many cases, the drivers may be changed daily during the shuttle and may not work the entire program. Therefore, these drivers may not be very familiar with the city.
- Best equipment available in the city. To offer competitive pricing, a traveling shuttle company's equipment is generally older, making safety, quality, and the environment an important issue to consider.
- Handpicked, local and experienced drivers. With a traveling shuttle company, each morning, new, out of town drivers must be trained on running the routes, and it is not unusual for them to make mistakes in the first, most important runs in the morning. In most cases, the drivers do not know the destination, traffic patterns, and back-up routes. In case of heavy traffic, accidents, or the occasional need to run a different route, an out of town driver is at a distinct disadvantage.

Knowledge and Expertise

A local DMC has unsurpassed current knowledge and expertise in their destination. Unlike a traveling shuttle company, a local DMC will have

- **Local Business License**
- **Local office with knowledgeable staff.** Many traveling companies join the local convention and visitors bureaus of popular destinations, but this only means they have paid dues, not that they know the best and safest local traffic patterns and laws.
- **Knowledge of local traffic laws and relationships with local police departments** – both of which improves service at challenging intersections during peak hours, assists in permit processes, helps handle emergencies if they arise and ensures that the DMC will be apprised of changing traffic conditions.

Due Diligence

A local DMC has a stringent due diligence process with all vendors, particularly local transportation equipment companies.

- Local DMCs not only require a current certificate of insurance of at least \$5 million from each equipment provider but they also monitor renewal dates.
- A DMC will have a Vendor Indemnification Agreement in place that protects both the DMC and the client from liability insurance claims. This may not be a standard procedure for traveling shuttle companies, which can create a serious risk management issue for the client.

Shuttle Route Development

A local DMC is knowledgeable about local traffic patterns, laws and safety and will focus on developing safe and efficient routes.

- A local DMC will develop routes for the shuttle to ensure that legal and safe boarding areas are used, especially when new or additional hotels are added. Because the traveling provider is not as familiar with the destination, they may not know that what looks like a safe boarding area is actually quite dangerous, and there might be a history of pedestrian accidents in that location during shuttles.
- Loading or unloading on a one-way street with the door opening into traffic is generally unsafe. This is a more common occurrence than you would expect, but one that a local DMC can usually avoid or obtain a street closure to ensure safety.
- Many cities require special permits. A local DMC will have the relationships with the appropriate authorities to obtain necessary permits. A traveling company may not be familiar with permit requirements and runs the risk of fines and shuttle disruption.

Shuttle Staffing

Staffing can make the difference between a successful shuttle and a challenging shuttle.

- A local DMC employs local on-call staff who are experienced in managing shuttles in the destination. Many traveling companies use the equipment provider's staff or freelancers which is not optimum. They are not objective, may not report equipment problems, may not be uniformed and are probably not the level of staff you would prefer to have interact with your attendees.
- Using local shuttle staff can save a considerable amount of money for air, hotel and per diem that traveling shuttle companies must pass on to the client.
- Depending on peak usage and special events, a local DMC can add or subtract staff as necessary.
- Local staff can answer many attendee questions regarding directions, restaurants and local attractions.

Contingency Plans

Just like the rest of the meeting, a shuttle can hit bumps in the road. A local DMC is best equipped to deal with surprises and changing conditions:

- No one stays on top of current events like a local DMC. They know about special events, construction, protests and other local issues which may affect the shuttle. Some events are highly publicized but others are not. Only a local DMC can be depended upon to know what is happening on an hour to hour basis in their destination, and even they can't predict everything.
- It is safer to work with a local DMC who makes it their business to know as much as possible about potential challenges that may affect the shuttle and has a large network of community professionals to inform them of sudden changes that could adversely affect the entire program. The DMC has considerable experience in contingency planning and risk management – two important considerations.

In conclusion, is a bus just a bus? When the safety and service of thousands of convention attendees is at stake, it may be a risky proposition to work with a traveling shuttle company or one who does not partner with a local DMC. Many traveling companies choose not to partner with a local DMC in order to keep costs artificially low. Always make sure you are comparing apples to apples in terms of staff, equipment quality and risk management issues. You will find that investing the time and effort during the sourcing process will pay off with a successful and safe shuttle.

A good DMC is your best insurance policy.

Checklist:

- Company managing the shuttle on-site is a reputable local DMC
- Company uses local drivers knowledgeable about the destination, including potential detours
- Company will use newest appropriate equipment for shuttles
- Company will provide appropriate and local knowledgeable staff to manage the shuttles who are also familiar with the destination and do not require costly travel expenses
- Company will have stringent due diligence processes to address risk management issues
- Company will have long-term relationships and volume pricing with local equipment providers.