

Overview of Incentive Travel As The Basis For Awards

- FOCUS -

Incentive travel award basics.

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First, Some Nomenclature

No facet of the incentive business has a more complex nomenclature problem than incentive travel. When originally conceived, the Society of Incentive and Travel Executives defined incentive travel as a spectacular travel experience offered to reward performance. However, over the years it has become clear that the end user of these programs, whether in the United States, Europe, Asia, or Central and South America, defines incentive travel much more broadly as any type of face-to-face event designed to motivate and inspire or bond relationships.

Event-Based Awards For Performance

Whereas the traditional definition tended to focus on salespeople, employees and channel partners, the buyer of these programs also has face-to-face programs with consumers and often integrates all audiences in different ways at a single event.

Almost every survey conducted by The Incentive Research Foundation (formerly the SITE Foundation) of users throughout the world has found that the buyers of these programs draw an often fuzzy line between events with key customers, employees or channel partners designed to change or reinforce behaviors and those routinely held to communicate or train. Motivational events generally demand expertise on how to mix entertainment with communication and corporate objectives, as well as the logistical issues that go along with any business travel program. The distinction affects the type of venues and vendors selected, as well as the return-on-investment measures.

Definition of Incentive Travel

We define incentive travel as any form of face-to-face event designed to motivate, either directly or indirectly. This includes the traditional definition of a formal, qualifying incentive program that offers incentive travel as one or all of the awards. It also includes any motivational use of a face-to-face event to accomplish a business objective—distinct from meetings designed to get work done and communicate routine information. Why does this distinction matter? Because the objective specifically determines how the program will be designed and what types of venues and vendors are used.

This distinction is increasingly significant with the increased involvement of purchasing departments in corporate travel decision-making. Purchasing managers who fail to understand this distinction might not understand why other executives want to pay more for the special expertise required of motivational events.

Incentive Travel Applications

Incentive travel addresses the following audiences:

Consumers via sweepstakes, contests and events.

Channel partners as awards in incentive programs targeted at principals or salespeople, dealer councils, new product introductions, road shows and trade-show tie-ins. The incentive-travel planner also looks at emotional, communication, engagement and alignment tools.

Salespeople as awards in qualifying incentive programs, new product introductions and national or regional motivational sales meetings.

All employees as awards in qualifying incentive programs, team building and internal marketing efforts.

Shareholders and board members as think-thank, or round-table planning meetings designed to forge closer ties, greater alignment and deeper communication.

Incentive Travel Program Structure

Incentive Travel obeys the same rules as an incentive program in terms of:

- Basing tactics on audience and organizational goals.
- Interfacing with other related tactics.
- Obeying the principles of motivation and incentive program design outlined in the first section of the program.

However, incentive travel has some special elements based on the advantages and requirements of the medium. The main issue is: How specifically will the organization use the face-to-face event to directly or indirectly engage the target audience in the company mission? So, while the planner of a results-based incentive program measures the performance outcomes and processes, the incentive-travel planner also looks at emotional, communication, engagement and alignment tools.

The Principles Of Face-To-Face Motivation

Incentive travel awards appeal as much to intrinsic as to extrinsic motivation. Whether or not a travel award is the ultimate motivator for any individual, a properly structured program can have an impact on the following motivational elements:

Buy-in. Making people feel engaged in the organizational goals or mission.

Support. Helping people feel appreciated for their efforts or loyalty.

Emotion. Fostering a positive move in the organization or among customers.

Teamwork. Creating new bonds between people in far-flung organizations or customer groups.

Alignment. Directing employees and channel partners toward similar goals; connecting promises made to customers to the actual level of quality products and service delivered by employees.

Brand Identification. Making people feel proud to be associated with your organization.

Success Measures

Incentive travel lends itself to a series of qualitative measures that can help predict the success of future motivational efforts.

Tools. Through the use of organizational surveys and tests, your organization can determine the level of buy-in, support, positive emotion, teamwork and alignment present in the target audience. Surveys help gauge how people feel about your efforts to engage them; tests can help determine how well they grasp what is expected of them or what they need to know to succeed at their objectives. Both are facilitated by online technology.

Importance of ROI Measures. Incentive travel programs with a strategic basis represent a powerful, highly targeted marketing program. But without return-on-investment measures, these programs quickly stray into the realm of boondoggles.

What's Required

A quick look at the checklist of skill sets required for an incentive travel program should clearly show the purchasing department why planners want to pay more for expertise. As one of the most powerful forms of target marketing tools, motivational events provide an almost unparalleled opportunity to motivate the people who can move the needle, and yet many companies make little strategic distinction between the needs of a motivational event versus a more routine work- or training-related program.

What Successful Client Managers Need To Do

Incentive travel requires management that:

Understands Objectives. What financial and non-financial outcomes are desired and how will they be measured?

Undertakes Audience Analysis. What are the demographics of the target audience, including their level of travel experience?

Helps Develop Budgets. What is the payoff for the program in financial and non-financial terms, and what is that worth to the organization?

Uses Entertainment For Marketing And Communications. What type of entertainment is appropriate given the audience, objectives and budget, and how should it be woven into the program?

Makes The Event Extraordinary. What can be done to make the event something the participants will never forget?

Works With Other Disciplines To Maximize Results. What marketing, sales, communications and training strategies are being used with this audience, and how, if at all, should the incentive travel program tie in?

Interweaves Communications Objectives. How can the event be best used to reinforce communications and alignment objectives?

Applies Training And Reinforcement Elements As Necessary. What training or information challenges is the company facing, and should they be addressed in the incentive travel event in any way?

Measures Return On Investment. How did the program measure up against its goals in specific terms?

The average business travel manager, meeting planner or corporate travel agent typically does not have training in these areas, let alone the extensive experience generally necessary to translate knowledge into superlative results.