

Incentive Travel Award Types

Overview of the types of incentive travel, and corresponding vendor capabilities.

By Rodger Stotz, CPIM, Maritz Inc., and Bruce Bolger, CPIM, Selling Communications, Inc.

Categories of Incentive Travel

Incentive travel generally falls into the following categories.

Group Incentive Travel. Qualifying meetings and incentive trips held in especially appealing destinations, usually targeting salespeople and resellers—among the most potentially powerful in terms of impact but also among the most logistically complex.

Individual Travel. Packaged programs for individuals and significant others, used in every type of program from employee recognition to consumer sweepstakes and contests. Many major airlines and hotel chains sell certificates for such awards, and there are several dozen companies that package and resell them.

Events. Regional events often held to attract a local audience, frequently in the form of road shows.

Vouchers. Certificates bought by or given to consumers that can be applied for discounts on travel packages, a business unfortunately tainted by unscrupulous practitioners over the years. Legitimate suppliers provide a certifiable discount by asking the consumer to book through their agencies, which buy in bulk, receive commissions or achieve other economies that can be shared in the form of savings.

Types Of Vendors

This is a business in which it is easy to make claims about capabilities, so buyer beware. The following provides an overview.

Full-Service Incentive Companies. These companies can provide fully integrated services that incorporate incentive travel into other types of incentive and communication programs.

Meetings And Incentive Travel Specialists. These agencies specialize specifically in incentive travel and meetings programs. Estimates put their numbers in the thousands, but many are boutique shops with only a few clients.

Corporate Travel Agencies. Larger travel agencies have set up meetings and incentive travel departments.

Event Marketing Companies. These marketing and promotion agencies specialize in orchestrating road shows and other consumer events. Many also specialize in the integration with other branding and marketing initiatives and subcontract various logistics services or work in coordination with other travel vendors. The following organizations often have a corporate meetings department with people who may or may not understand motivational travel:

- ***Hotels.*** Those properties or chains for which motivational travel is important often have a dedicated staff that does understand the difference between a meeting and a motivational event.
- ***Airlines.*** Yes, there are still corporate departments that can, for an extra fee, add amenities to make the travel experience more enjoyable.
- ***Cruise lines.*** Those cruise lines active in the business have departments that cater to the corporate market and should understand the extra demands of a motivational event.
- ***Destination management companies.*** These organizations are specialists in specific regions or areas and are particularly attune to the nuances, local venues, etc., associated with particular destinations. Many incorporate event-planning services and often work at the front lines of the motivational experience.
- ***Ticket brokers.*** Organizations that obtain tickets in bulk to major sporting or entertainment events.

What To Look For In A Vendor

Because the business of incentive travel, and its distinction from meetings, is so little understood, corporations often take a somewhat cavalier attitude toward vendor selection. The uninitiated might complain about seeing quotes for a Bahamas program 25% higher than those advertised in their favorite travel publications, without analyzing the value of the motivational strategy that should come along in a proposal from an expert. Purchasing departments often put out Requests for Proposals on motivational programs that show little understanding of the complexities involved with orchestrating a program.

Start By Considering The Level of Motivation Required

To select a vendor, it's important to start with a self-assessment: Determine the degree of "motivation" required in the program and hence the level of expertise needed. If the program is indeed motivational and involves an important audience, then look for these vendor characteristics:

Experience. The organization or its founder can display examples showing strategy development, implementation and measurement of motivational events.

Knowledge. The organization's representatives ask the right questions about the objectives, the audience, other programs in use or under consideration, etc., and demonstrate their understanding of the latest research findings in the field.

Solutions-orientation. The organization should be able to demonstrate an ability to solve a business problem or address a challenge. Their questioning should address strategic issues related to achieving the goals, rather than simply questions about your prize or fulfillment strategy.

Commitment to measurement. The organization includes concrete strategies for measuring return on investment.

If you seek a vendor primarily to address performance issues, you will want to consider a performance improvement or full-service incentive company that will propose whatever solution makes sense. If your organization has already decided on the need for a motivational event, it can work specifically with qualified meetings and incentive travel specialists.

Key Considerations In Selecting A Vendor

Ask yourself these questions when selecting an incentive travel provider:

Business understanding. Do they ask the right questions about your objectives?

Creativity. Do they present ideas for extraordinary experiences in line with your audience demographics, objectives and budget?

Experience. Can they show you concrete examples of past accomplishments?

Commitment. What is their involvement in organizations that provide training and promote standards in motivational events, such as SITE and MPI?

Return-On- Investment Measures

In addition to the traditional performance measures, incentive travel has a number of non-financial measures that can be tracked through surveys and behavior changes:

Learning. What did people come away with, and is it what you wanted them to come away with?

Alignment. Is there a greater common understanding about goals and means to obtain them?

Buy-in. Do participants demonstrate a commitment to performance?

Emotion. Did attendees leave the program feeling good about themselves and the organization?

Relationships. Did the right people attend, and did the right people in your organization meet them?

Brand awareness. Did the event support the brand?

Loyalty. How big is your turnover rate among top performers (a longer-term measure)?