



**SEPTEMBER 2024** 

# Unmatched Experiences

Incentive travel is an ideal motivator for today's multigenerational workforce



# Right Destination, Right Design... Right On!

## The motivational power of incentive travel has never been bigger

Bringing top performers to an exotic location to bond, build relationships and celebrate their success is a time-tested tool for getting sales and non-sales employees alike to reach stretch goals and increase company loyalty. However, today's incentive travel programs have few similarities with the President's Club events of 20 or even 10 years ago.

For starters, companies are assembling workforces that feature four generations, from Baby Boomers through Gen Z. Adapting to the differences of these age groups in the office (when there is an office) is challenging enough. Creating an offsite event for all of them that is compelling, memorable and aspirational is another thing altogether.

### By Paul Nolan

### No Doubting the ROI

One thing hasn't changed over the decades. Group incentive travel for employees and channel partners is highly effective. The Society for Incentive Travel Excellence (SITE) reports that:

- 78% of incentive travel program participants feel more engaged with their company.
- 76% of participants feel more fulfilled in their role.
- 63% of participants make career-advancing connections during these events.

"What [incentive travel] does is motivate me to stay with the company. That's just one more extra thing my company does for me. It motivates me to stay put," a respondent to a SITE program participants survey stated.

### FEATURE STORY

According to SITE Global, for every dollar spent on travel, businesses get an average boost of \$12.50 in revenue and \$3.80 in new profits. More than half (53%) of senior leaders feel incentive travel is a "need to have," while 48% feel that it is a "strategic differentiator."



It's because they are so effective that incentive travel programs have been a staple of motivating with non-cash recognition for decades. However, increased costs transportation, food, hotels and entertainment — are making these programs a tougher sell to the C-suite.

When structured properly, the improved performance (i.e., increased revenue) these programs drive should more than cover the cost of the programs themselves. Speaking in a SITEsponsored webinar recently, Kimberly Napolitano, executive director of industry relations & intermediary group sales at Hilton Worldwide, said her group talks facts first when working with sponsors of corporate travel programs.

"Data is the C-suite's love language," Napolitano said. "Facts drive these leaders, who want to see clear evidence of any initiative's return on investment. To secure strong buy-in for an event, I suggest anyone's messaging highlight the tangible benefits and outcomes that align with the company's strategic objectives. Demonstrate how the experience will contribute to the company's key business goals. We want people to know that our meetings and events are a strategic asset to the organization."

### **Know Your Participants' Preferences**

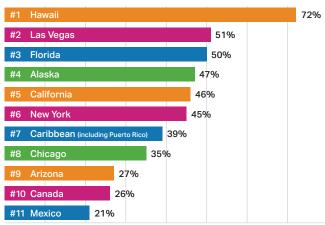
Once a company commits to sponsoring an incentive travel program, it's important to understand what drives maximum motivation to qualify for the trip. Stephanie Harris, president of the Incentive Research Foundation (IRF), said it continues to confound her from the surveys they conduct is the discrepancy between participants' preference in destinations and the actual destinations selected by program sponsors.

The IRF has surveyed program participants four years in a row. Among the North American destinations evaluated, Mexico, Canada and Arizona are the least likely to be selected as a top-three preferred destination, yet Cvent data shows in 2024, nine of the top 10 booking destinations for incentive destinations are in Mexico or the Caribbean.

"I understand a lot of that could be budget-driven or the comfort level of the C-level executives, but I think they'd be surprised at the difference in effort people would make to earn a destination that is really appealing to them," Harris said.

It should be noted that even the less-preferred destinations are highly rated by participants in terms of attractiveness for a leisure vacation.

Other highlights from the most recent IRF survey of program participants include:



#### North American Incentive Destination Preferences

- The appeal of incentive travel is very high; even the leastpreferred trip destinations and features are appealing and motivating to attendees.
- 2024's top North American leisure destinations preferred by qualified employees include past favorites such as Hawaii, Las Vegas and Florida.
- When traveling within North America, respondents said the ideal length or a trip is four to six days (52%), with 33% desiring seven to 10 days. For international incentive travel programs, 40% request seven to 10 days, another 23% says 10 days, and another 20% desire more than 10 days.

### FEATURE STORY

- The features that incentive travel recipients desire most in a destination isn't a shocker — a nice beach and sunny weather. Also listed in order were adventure travel; mountains; a historical location; and a wooded or nature area
- The top three drivers of a positive incentive travel experience in order are ample free time, unique experiences built into the itinerary, luxury accommodations and experiences.

### Destination and Design

According to the IRF participants survey, an attractive destination and creative program design are the two key ingredients to produce a program that leaves participants eager to qualify for next year's program.

"Destination can be a huge 'wow' factor at the point of the announcement in particular," Harris said. "Destination really impacts the program design in terms of what experiences you can offer, what local culture you can bring to the table, and what food and beverage design can make an impact on the experience that attendees have.

"Destination has the biggest impact. However, I have seen some fantastic programs designed in destinations that might feel less motivating at the outset," she added. "Planners can take advantage of what's unique or what's little-known about that destination and design a really successful program."

Destination can help make an incentive travel experience more memorable, but it can't do it on its own. Your design should include new experiences, preferably ones that your participants may not be able to access on their own.

As a result of younger workers being part of incentive travel events, so-called thrill experiences are a more common component of the design. Think ziplining, bridge-climbing or other adventures that take advantage of a destination's natural or architectural features. You don't want to pressure anyone into participating in something they're not comfortable with, Harris said, but you do want to present the opportunity for participants to experience something they haven't done before.

Speaking of those younger participants, IRF research shows that while incentive travel opportunities are highly motivating to all age groups, Gen Z and Millennials find them even more motivating than Gen Xers and Baby Boomers. Harris said one reason for this may be the shift to remote working has left younger workers hungry for camaraderie and opportunities to celebrate success together.

Increasing interest across all age groups in seeing new places and having new experiences sets employers up to create incentive travel programs that can produce unimaginable ROI. Incentive travel has long been the top-rated non-cash reward among workers. With the right destination and a killer design, the motivational impact of incentive travel is as big as the world itself. **SMM** 



### Understand Trends for a More Successful Event

Eventbrite, a global self-service ticketing platform for live experiences, publishes an annual trends report that can be an invaluable tool for meeting and incentive travel program sponsors. These trends from Eventbrite's 2024 report can help you plan your incentive travel event itinerary. Download the full report here.

**Year of Adventure –** People want to get out of their comfort zones and experience new things. Think immersive, experimental and interactive events – a themed speakeasy soiree with a secret password and Prohibition-era history instead of the traditional cocktail hour.

**The VIP Treatment –** Make your guests feel extra special by introducing VIP add-ons. This could include backstage tours, high-end goodie bags or a meet-and-greet with a business, sports or entertainment celebrity.

**Back to Nature –** Three-quarters of 21- to 35-yearolds (and 69% of all attendees) feel more positive about events that enable them to connect with and immerse themselves in nature.

**Events as Self-Care** – People actively seek transformative experiences to improve their well-being. From sound baths to rooftop yoga sessions, ecstatic dance to breathwork, workouts for the mind and body are what people are clamoring for.

**Innovative Marketing –** Selling the excitement of your incentive travel opportunity from kickoff through execution is essential. The more immersive, interactive, experiential and out-of-the-box your communication about the program is, the better.



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### SPONSORED CONTENT

# Motivating Today's Multigenerational Workforce BY STEVE MASELKO

### Travel is meaningful to all ages. Gift cards provide choice and flexibility.



Ever since the work world emerged from the COVID pandemic, much attention has been given to strategies for effectively engaging millennial and Gen Z employees. While it's true that workers aged 30 and under are gaining a larger foothold in both professional and blue-collar environments, it would be misguided for companies to neglect motivational strategies for older members of their teams.

The U.S. Bureau of Labor Statistics projects the labor force will increase by 8.9 million people (5.5%) from 2020 to 2030. The number of people between 16 and 24 is projected to shrink by 7.5% during that period, while the number of people aged 75 and older in the work force is expected to increase by 96.5%.

"These societal shifts have given rise to the multigenerational workforce. Now and in the future, we will have four to five generations in the workforce at any given time," Harvard Business Review reports. "This unprecedented diversity brings an exciting array of skills and expertise, perspectives and life experience that can enhance an organization's innovation, productivity and overall performance."

### **Choice and Memorability**

Cultivating a culture of recognition is critical to keeping a multigenerational workforce engaged. The human desire to be praised for one's achievements doesn't dissipate simply because someone has more years on the job.

What gets trickier, however, is finding ways to recognize different generations in a manner that is meaningful to them. Recognition that isn't memorable isn't worth doing. Marriott GiftCards incorporate two elements of recognition that are proven to be essential to satisfying the needs of today's multigenerational workforce: freedom of choice and memorable experiences. Let's look more closely at both.

- **Freedom of choice** By enabling recognition and reward recipients to select experiences that suit their tastes, the rewards are far more likely to be meaningful. Marriott GiftCards can be redeemed for hotel stays at more than 30 brands within the Marriott Bonvoy portfolio and 10,000 destinations offering options that meet the diverse needs of the multigenerational workforce. In addition to hotel stays, they may be redeemed for a day at the spa, a culinary experience, a round of golf and much more.
- **Memorability** The most effective recognition strategies create lasting memories and motivate workers to repeat the performance that earned them the reward so they can have another memorable experience. Unlike some forms of recognition, the memories made through redemption of a Marriott GiftCard don't get lost on a shelf, tossed in a drawer or, worse yet, discarded within days of receiving it.

### **Budget-Friendly and Easy to Administer**

Success is the result of small efforts repeated daily. It's important to recognize workers not only for grand achievements, but also for the steps that lead to accomplishing them. The flexibility of placing any value from \$25 up to \$2,000 on Marriott GiftCards makes them ideal for this purpose.

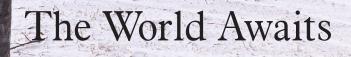
After beginning a professional career in public accounting, Steve Maselko joined Marriott as an internal auditor. He has worked in Marriott's incentive and gift card space since 1992, taking on the full leadership role of the business in 2012.

Open a world of opportunity for your reward recipients to discover with a Marriott GiftCard that can be presented in person with a physical gift card or an e-gift card that is sent when you choose. Allowing your recipients to choose where they travel, when they travel, and with whom makes your reward more relevant and meaningful to them.

To learn more about using Marriott GiftCards in your incentive and recognition campaigns contact Sharon Conley at <a href="mailto:sharon.conley@marriott.com">sharon.conley@marriott.com</a>.

## MARRIOTT GiftCards

Elevate your rewards and recognition strategy through the power of travel with Marriott GiftCards.



BONVOY



# Good Vibrations for Multiple Generations

Today's diverse work teams require extra planning for incentive travel programs

BY PAUL NOLAN

Glance around your office (if you still go to a traditional office) and ask yourself how many of your colleagues would like to climb to the top of the Sydney Harbor Bridge? Who would be brave enough to take a polar plunge in a frigid Canadian lake? Which of your workmates would embrace a daylong jeep tour of a rainforest? Who would be up for a hands-on New Orleans cooking class, and who would tell you they'd rather set their hair on fire?

Now you can empathize with the planners of corporatesponsored incentive travel experiences in a work world that includes four generations and at least 40 times that many ideas of how to enjoy four or five days on a group travel event that's meant to reward top performers.

"It's one of the biggest challenges for program owners today, and one reason why I'm such an advocate for surveying the potential participants in your organization both before and after you put a program together," said Stephanie Harris, president of the Incentive Research Foundation (IRF).

As the adage states, when you assume, you make an ass out of "u" and "me." You may have 60-somethings on your team who will beat the whole group to the top of Sydney Harbor Bridge and Gen Zers who would rather lounge poolside than zipline over a crocodile pit in Mexico.

#### **Know the Trends**

There is one safe assumption you can make: Workers who have earned their way on an incentive travel experience want it to be unique, memorable and worth the effort they invested to earn their place on the trip. Companies that sponsor incentive travel programs typically play some role in key decisions, such as destination choice and selection of activities. Much of it, however, is left to professional incentive and meeting planning providers. It's imperative, when working with an incentive travel supplier, that they know the demographics of your prospective participants and demonstrate a knowledge of trends in travel by the various generations.

Skift Research, which produces comprehensive reports on travel trends (including business and meeting travel), published a report last year on the travel habits of Gen Z and Millennials. Insights culled from the report are valuable when planning a group incentive trip that will include younger workers. Pertinent findings include:

- The majority of U.S. Millennials and Gen Zers (84%) opt for domestic travel while more than 50% of respondents from Germany and the U.K. embarked on international trips. (Keep in mind that traveling to different countries in Europe is easier than in the U.S.)
- The top five domestic destinations for Gen Z and Millennials in the U.S. are Florida, California, Texas, New York and Georgia.
- The data reveals a shared urban preference among respondents from the U.S., U.K. and Germany, with over half favoring large cities.
- Instagram and YouTube are the top social media platforms used by Millennials and Gen Z for "travel inspiration" and planning. This is important for program planners to be mindful of when designing how to promote an incentive travel program and keep it top of mind during the qualifying period.
- More than one-third (35%) of U.S. respondents prefer free and independent travel over complete packaged tours (26%).
- Both Millennials and Gen Z prioritize wellness-related activities into their travel itineraries. This includes seeking out scenic beauty (seems in conflict with the preference for urban settings), healthy and nutritious cuisine, and assessing the quality of spa and wellness facilities.

### How Do You Define 'Adventure?'

Travelers of all ages are increasingly enjoying so-called adventure travel and outdoor activities. Skift reports 38% of U.S. respondents to their Millennial/Gen Z survey say they are "very interested" in adventure and outdoor travel; another 40% report they are "interested."

According to Skift, connecting with nature emerges as the predominant factor (20%) driving Millennials and Gen Z to participate in adventure travel tourism, followed closely by exploring new destinations (15%) and seeking personal challenge and achievement (12%).

Stephanie Harris of the IRF said no matter the age of program participants, "thrill" activities provide a way for companies to create an experience that participants would have

## Tips for Planning Multigenerational Travel Experiences

An incentive travel experience with a multigenerational workplace team is akin to vacationing with multiple generations of your family. Planners offer these tips to make it more pleasurable and less stressful:

### Get input from all generations represented

You won't be able to accommodate every individual request, but you should get a sense of the differences in desires and the crossovers between the generations, then plan accordingly.

### Select accommodations with diverse budgets in mind

Luxury is a key element of incentive travel programs. However, participants frequently end up spending some of their own money, including by extending their stay or bringing children. Choose accommodations that are high end, but not so expensive it limits some participants' options.

### Choose activities for everyone

More Boomers golf than Gen Zers. Educational activities are more likely to appeal to all ages. Look for destinations that offer a wide range of activities so you can have a menu of options.

### Break bread together and separately

Team meals are great bonding experiences, but not every meal needs to be eaten together. Setting participants free to pursue their own culinary interests helps avoid griping and affords important "me time" for participants.

### Don't overschedule

Free time is highly rated by all generations of incentive travel program participants. Having time apart each day makes the time together more special.



difficulty duplicating on their own, which should be an important objective of incentive travel programs. Put the bargaining power of your corporate group to good use.

In this case, "thrill" can refer to a physical activity or simply an experience that is completely unique. Gaining private access to a museum or sports stadium, for example, or backstage passes to a Taylor Swift concert or similar event is a travel experience that most individuals cannot obtain on their own.

Thrill activities also can still involve those who don't wish to participate in the activity itself. Harris participated in a small group program in Canada that included a polar dip into the glacial waters of Lake Louise in Alberta. Participants and nondippers as well wore custom robes and met lakeside for a bonding event that was a trip highlight, Harris said.

#### **Think Extended Family Vacation Planning**

If your office mates are your family away from home, it makes sense to think of planning an incentive travel program as a multigenerational family trip. <u>In recounting a trip to Italy</u> that she helped plan for several generations of her family, Washington Post travel editor Amanda Finnegan captured both the joy and anxiety it entailed. "Multigenerational family trips can bring some of life's most cherished moments — but also some of its most stressful. You're wrangling various levels of stamina, budgets, interests and eating preferences, not to mention trying to get everyone to one place," she stated.

Professional trip planners who Finnegan spoke with advise planners to gather input regarding goals of a trip from all generations of the group and work backwards from there. Set realistic expectations about covering (or more accurately, not covering) every individual's wishlist. (See sidebar for key tips on multigenerational trip planning.)

"Sharing a multigenerational trip is more than a vacation; it's an experience that brings [people] together, forging bonds through shared adventures and discoveries," writes travel education consultant <u>Erica Forrest</u>. "By prioritizing clear communication, choosing the right destination, getting everyone invested, and carefully selecting activities, accommodations and considering health and safety, you lay the groundwork for a trip that transcends the ordinary. Remember, the magic of these trips lies not just in the places you visit, but in the moments you share and the connections you deepen."



# It's Not Your Father's Incentive Travel Experience

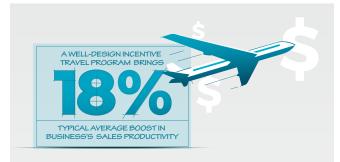
360Insights, a channel engagement and business optimization company, helps companies develop incentive travel programs that grow business. Its <u>Incentive Travel Playbook</u> provides insights on selling an incentive program to the C-suite, as well as strategies for developing a program that inspires workers to earn their way onto the trip. Here's are some of the highlights.

### Why Group Incentive Travel Is Worth the Investment

- **Memorability** One-time bonuses quickly fade recipients' memory. Incentive travel experiences create Instagram-worthy moments that participants cherish long after the trip is over. This "Return on Experience" (ROE) translates into a lasting sense of accomplishment and boosts morale.
- **Perception** Non-cash incentives like travel are seen as separate from compensation and often considered more valuable than cash in today's inflationary climate.
- **Relationship building** Incentive travel provides a unique opportunity for company leadership to connect with their team, top customers, or down-channel partners on a personal level. It fosters a sense of camaraderie and gives participants valuable face time with executives and managers, strengthening relationships that drive business results.

### **ROI of Group Incentive Travel**

Well-designed incentive travel programs typically boost a business's sales productivity by an average of 18%. 53% of senior leaders view incentive travel as a "need to have," while 48% feel that it is a "strategic differentiator."



### What a Successful Incentive Trip Looks Like

The days of a one-size-fits-all design for different trips are over. Successful programs are tailored to the individual audience as well as the sponsoring company's goals.

For example, one program sponsor wanted to reward topperforming channel partners from both the Middle East and



Europe. Middle East partners were treated to an exclusive experience in London, while European partners earned a oncein-a-lifetime trip to Dubai. The latter featured unique events and activities, including desert adventure tours, a camel polo experience and a sunset yacht cruise. Even the transportation was one-of-a-kind, with participants being shuttled around the city in a fleet of Bentleys, Porsches and other high-end luxury vehicles.

### The Logistics of an Effective Incentive Travel Trip

- Building relationships with on-site vendors Building strong relationships with hotels and destination management companies (DMCs) is essential. It's one reason many companies hire an experienced incentive travel program planner who has developed these valuable connections.
- More than a pool and a round of golf Today's incentive travel experiences include unique experiences that appeal to the select demographic profiles of your participants. Corporate social responsibility (CSR) efforts that aid local groups in need are a popular component, as are activities focused on well-being.
- **Communication is key** Keep your participants informed from the program kickoff to the post-event survey to sound participants out on their satisfaction. Participants want more communication, not less.

Group incentive travel is a valuable component of a holistic incentive strategy. It's a versatile performance improvement tool that caters to a variety of audiences and delivers a measurable return on investment.

IMAGES: 360 INSIGHTS, THE INCENTIVE TRAVEL PLAYBOOK