



# Travel Incentives

Scott A. Jeffrey, Ph.D.  
Monmouth University

# Major Trends

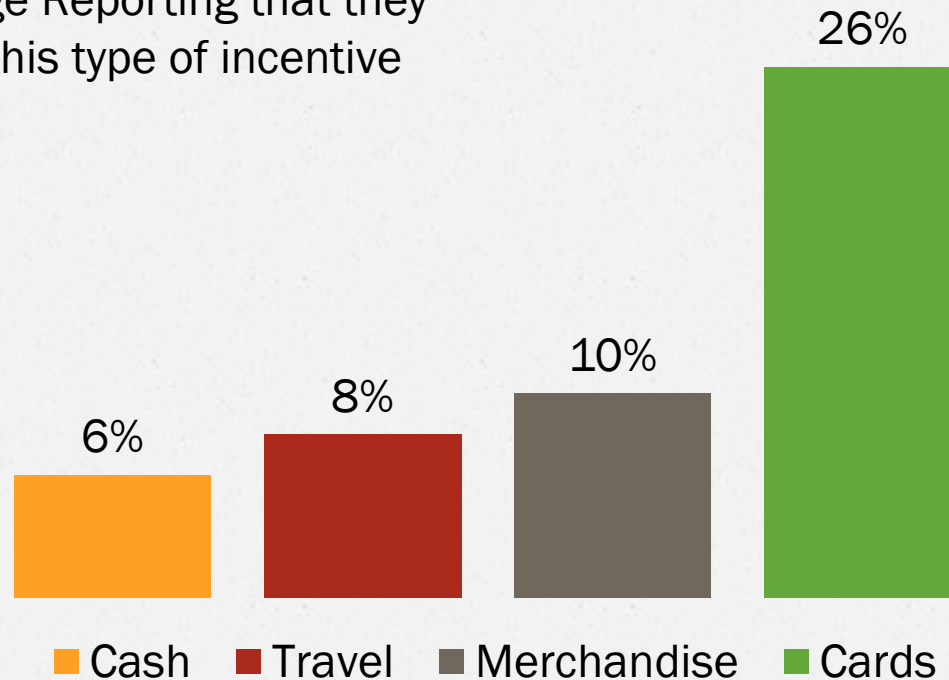
- Use of Prepaid Cards
- Generational Differences
- Importance of Being Technologically Savvy

# Incentive Use

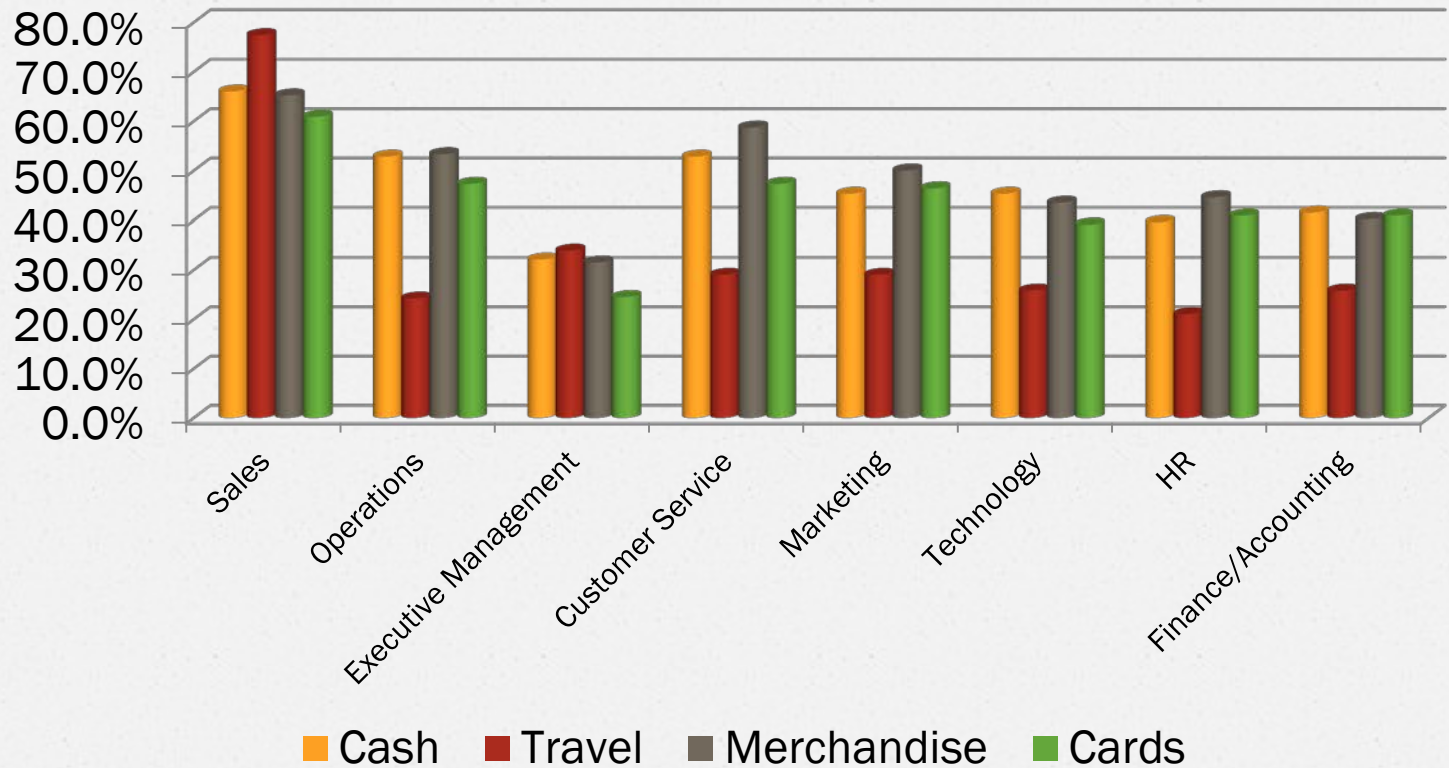


# Incentive Use

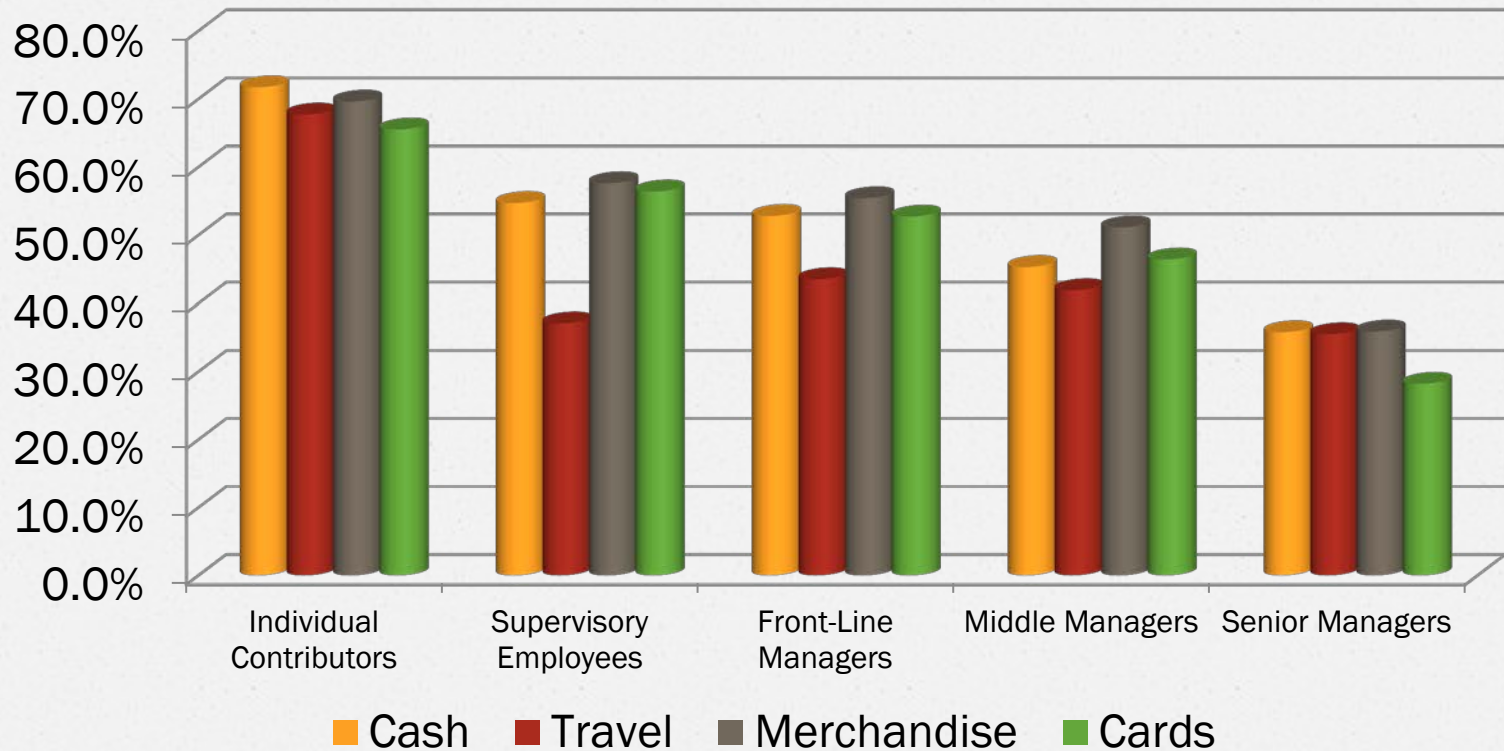
Percentage Reporting that they  
Only use this type of incentive



# Usage By Function

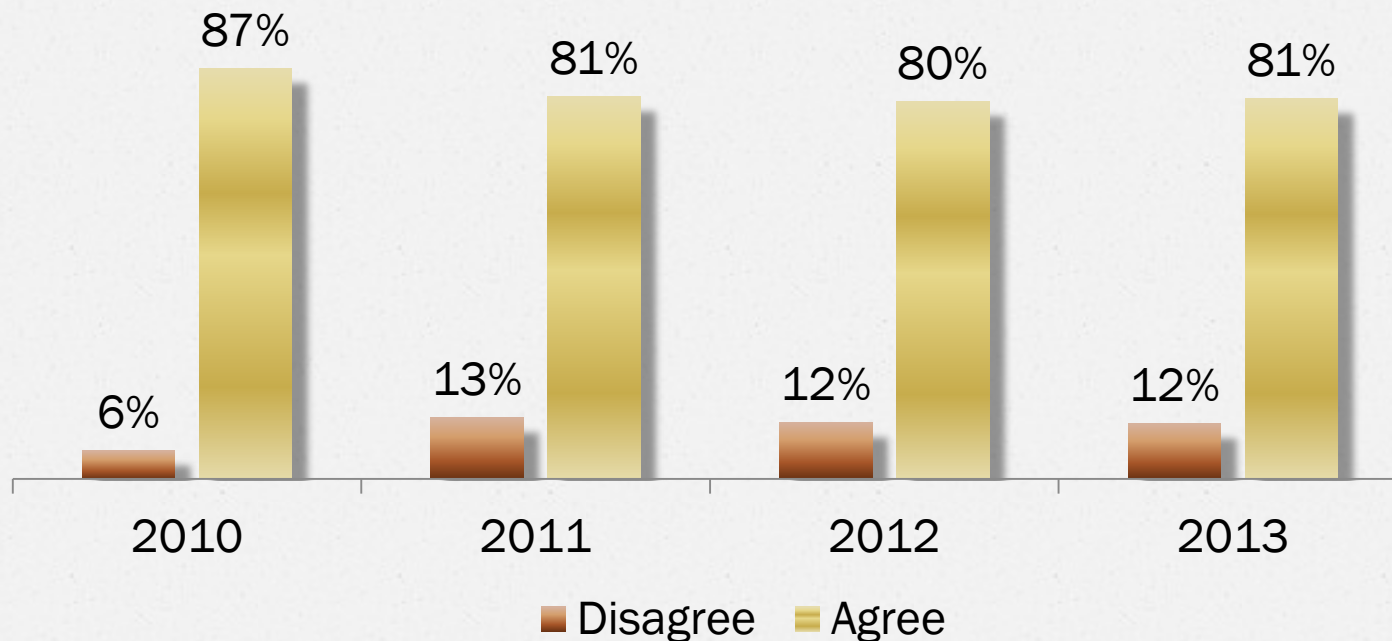


# Usage By Level



# Generational Differences

The effectiveness of each motivational tool varies based on the generation being motivated (Note: Motivational Tool is defined here as the medium of reward (e.g. travel, merchandise, etc.)



# Generational Differences

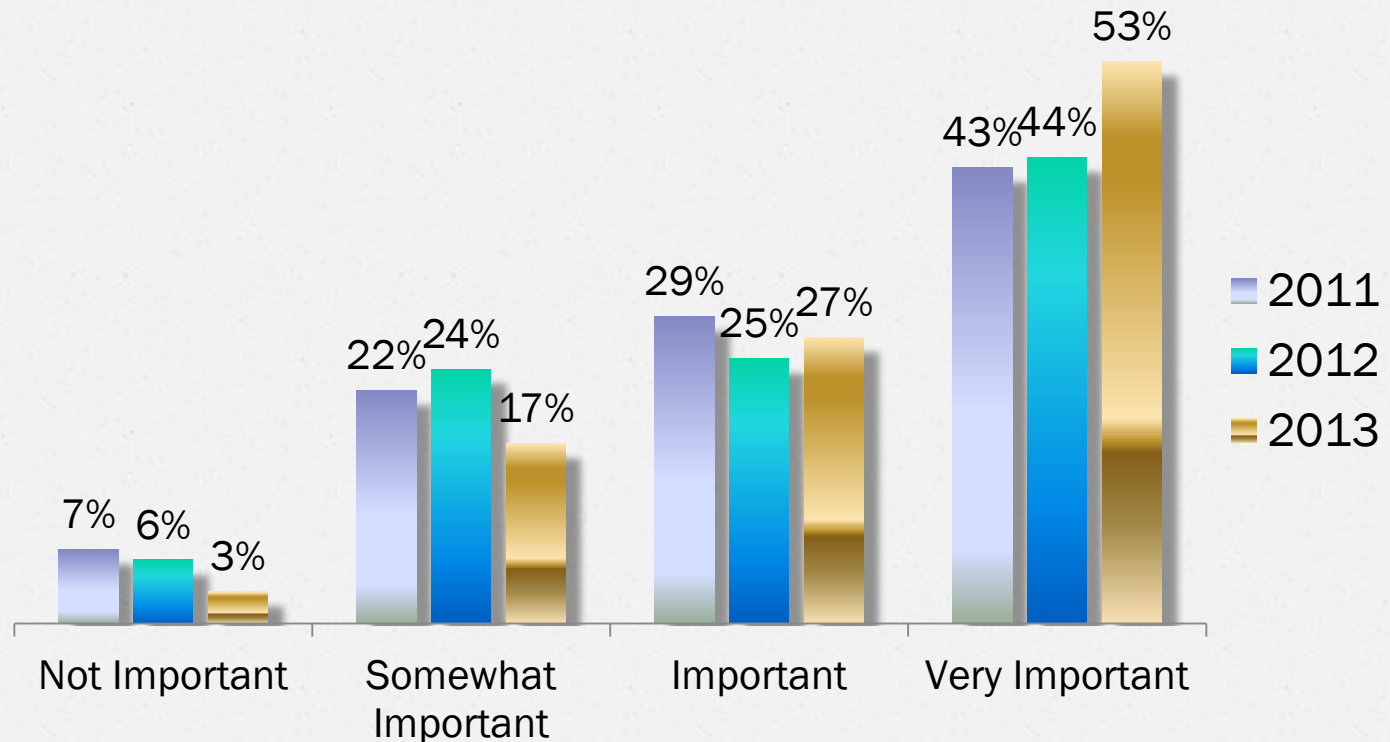
o Please rank the generations based upon how you think they are motivated by external rewards such as travel and merchandise

1. Boomers (1946 - 1964)
2. Gen X (1965 - 1980)
3. Traditionalists (1925 - 1945)
4. Millenials (1981 - 2000)



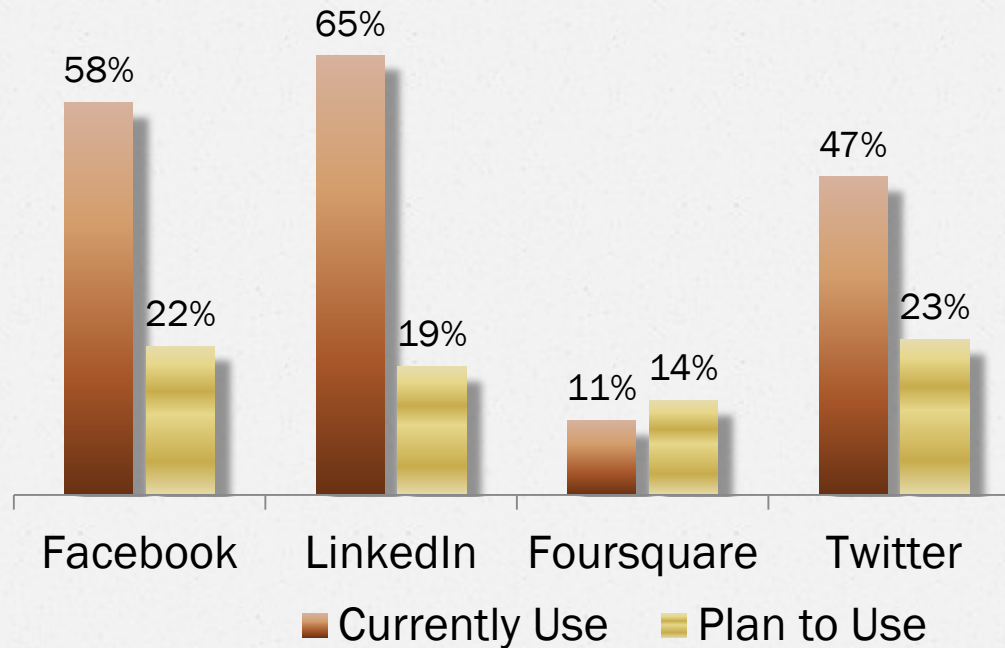
# Mobile Technology

How important is the use of smart/mobile technology by all personnel involved in program operations?



# Social Media

Which social media platforms are you using or plan to use in the next year for marketing your company or your clients' incentive programs?



Note: Only 54% are tracking effectiveness

# Key Learning

- o The need to stay technologically current is extremely important
  - o Born digital generation coming into workplace in larger numbers
- o Opportunities to extend travel use beyond sales employees

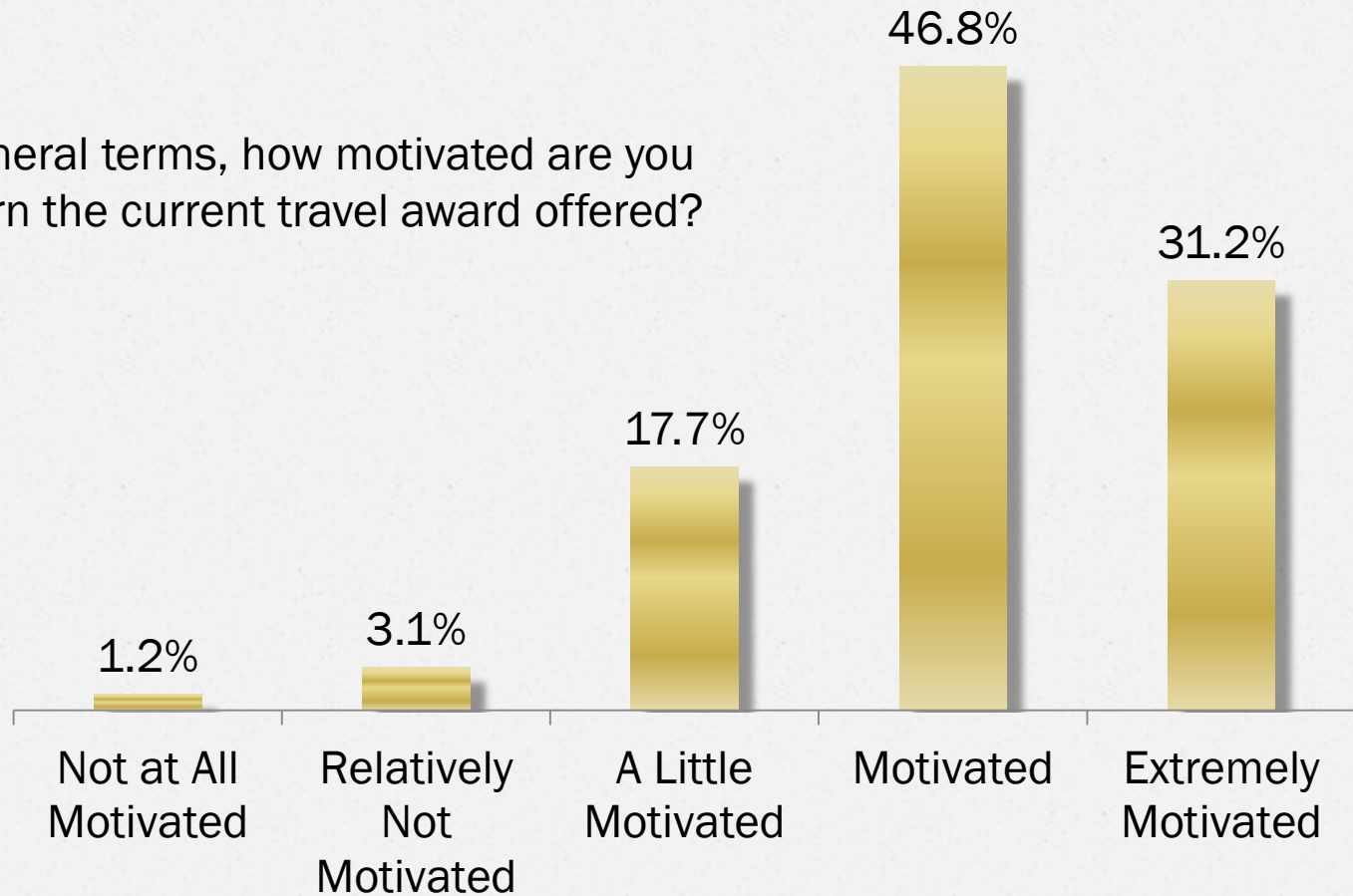
# Key Learning

- o Generational shift in workplace bears observation
  - o Retiring Boomers may be most motivated by external rewards, Millennials not as motivated
  - o As millennials take over the work place, watch for increasing importance of including CSR in travel
  - o “Born Digital” will expect more technological sophistication

# Motivational Power

- Why does travel motivate?
- How could travel events motivate better?
- How do qualifiers and non-qualifiers feel?
- Are other incentives better?

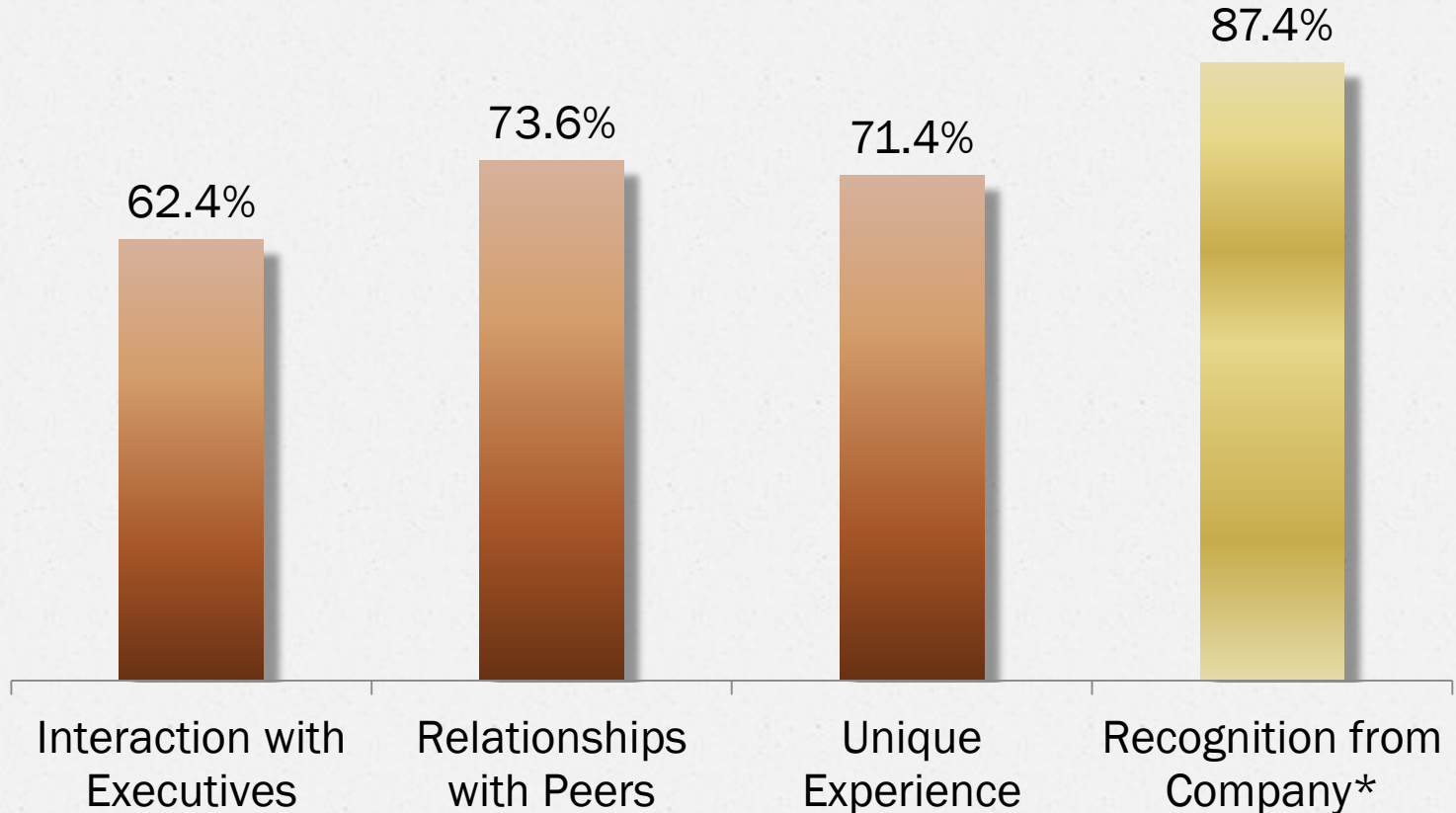
In general terms, how motivated are you to earn the current travel award offered?



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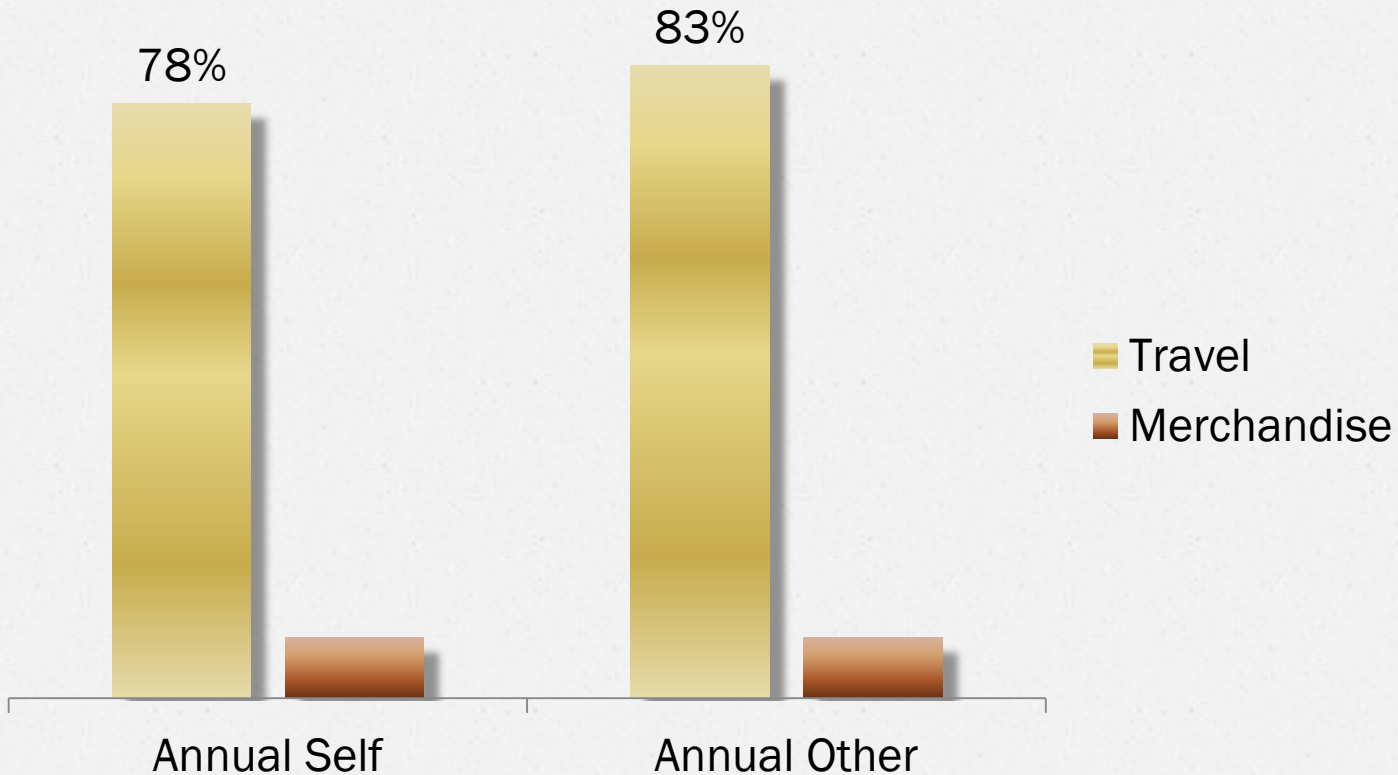
	Earners	Non-Earners
Not At All Motivated	0.6%	2.8%
Relatively Not Motivated	2.7%	3.9%
A Little Motivated	16.3%	21.4%
Motivated	46.8%	46.6%
Extremely Motivated	33.6%	25.3%

## What do you like about travel? Percent Agree or Strongly Agree

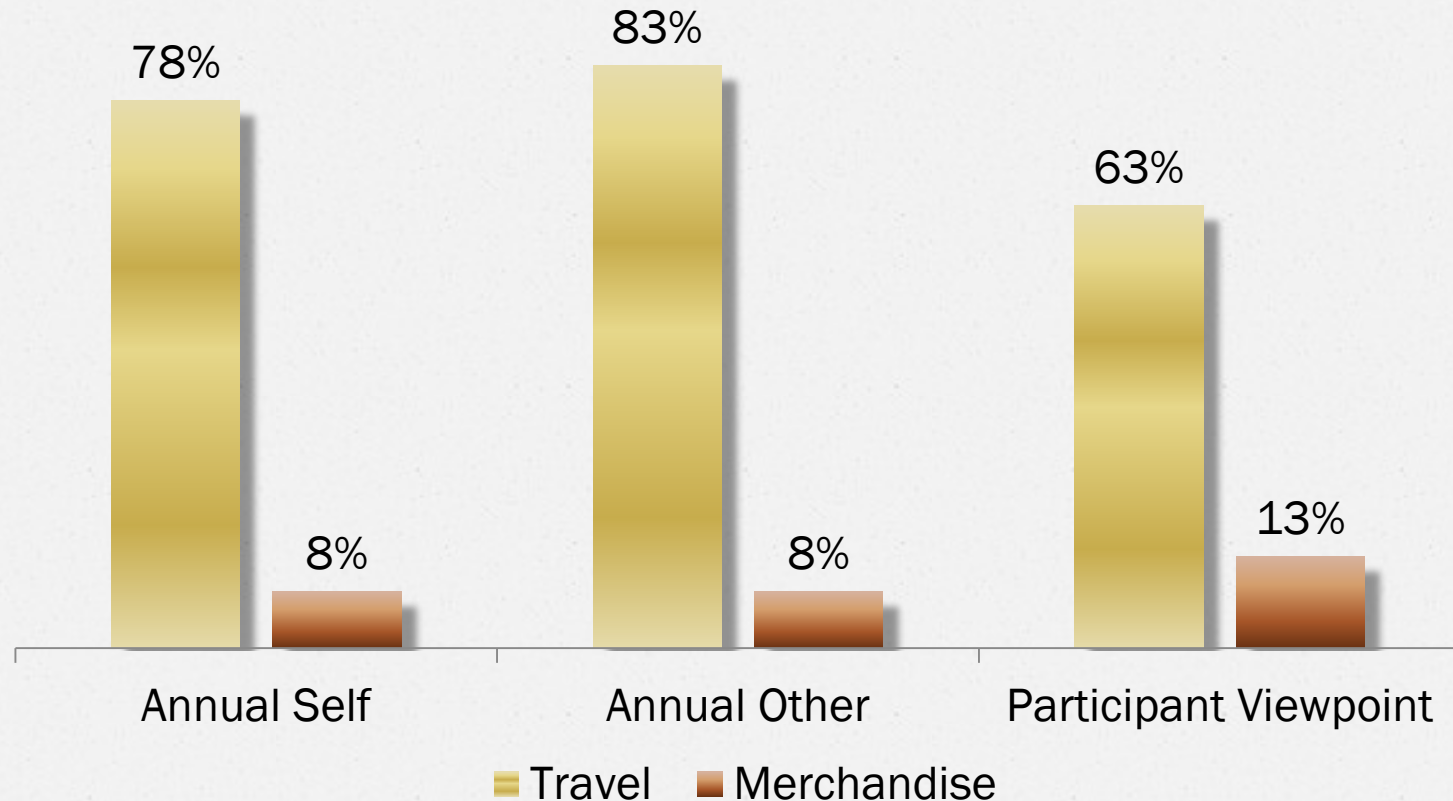




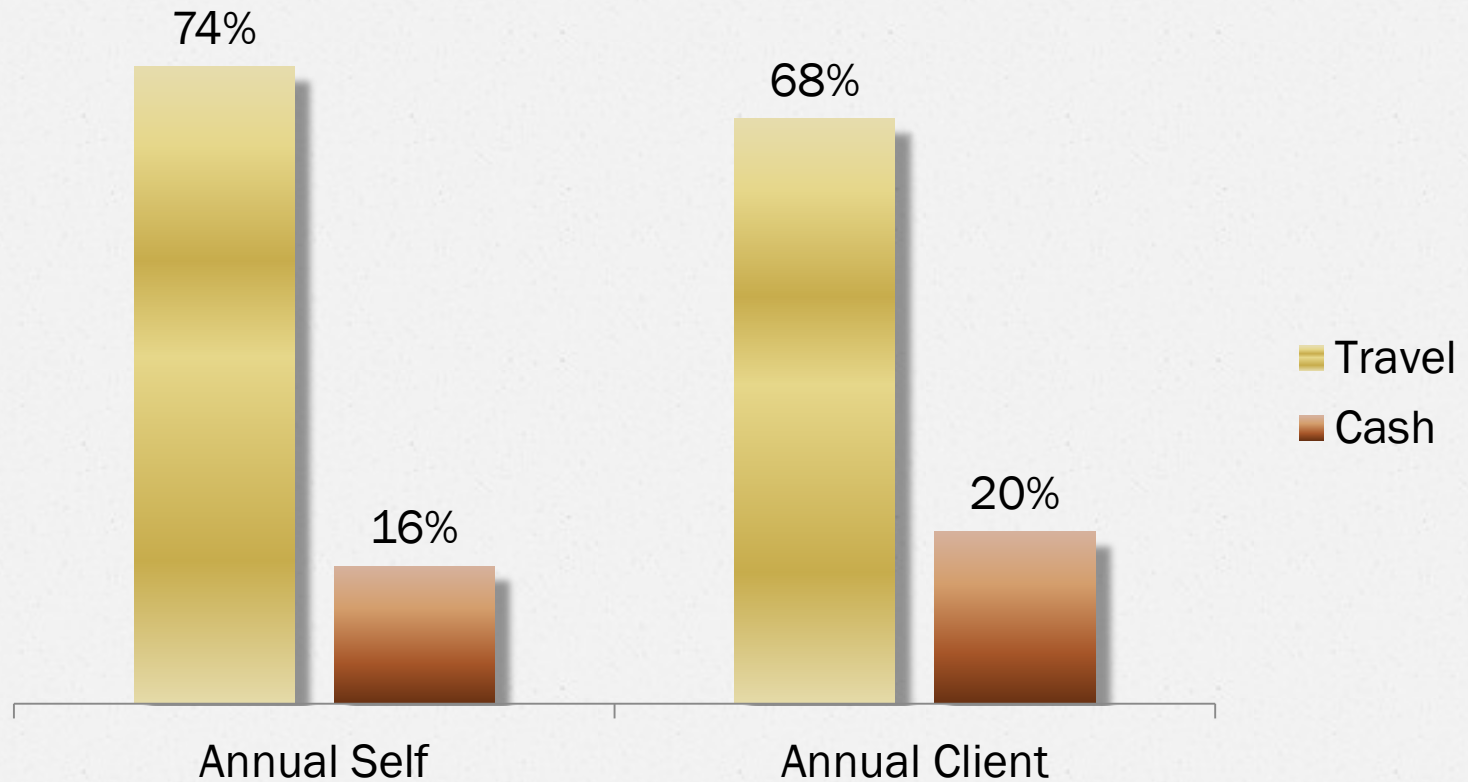
What is the relative strength of the two types of rewards in motivating employees and delivering measurable business results.



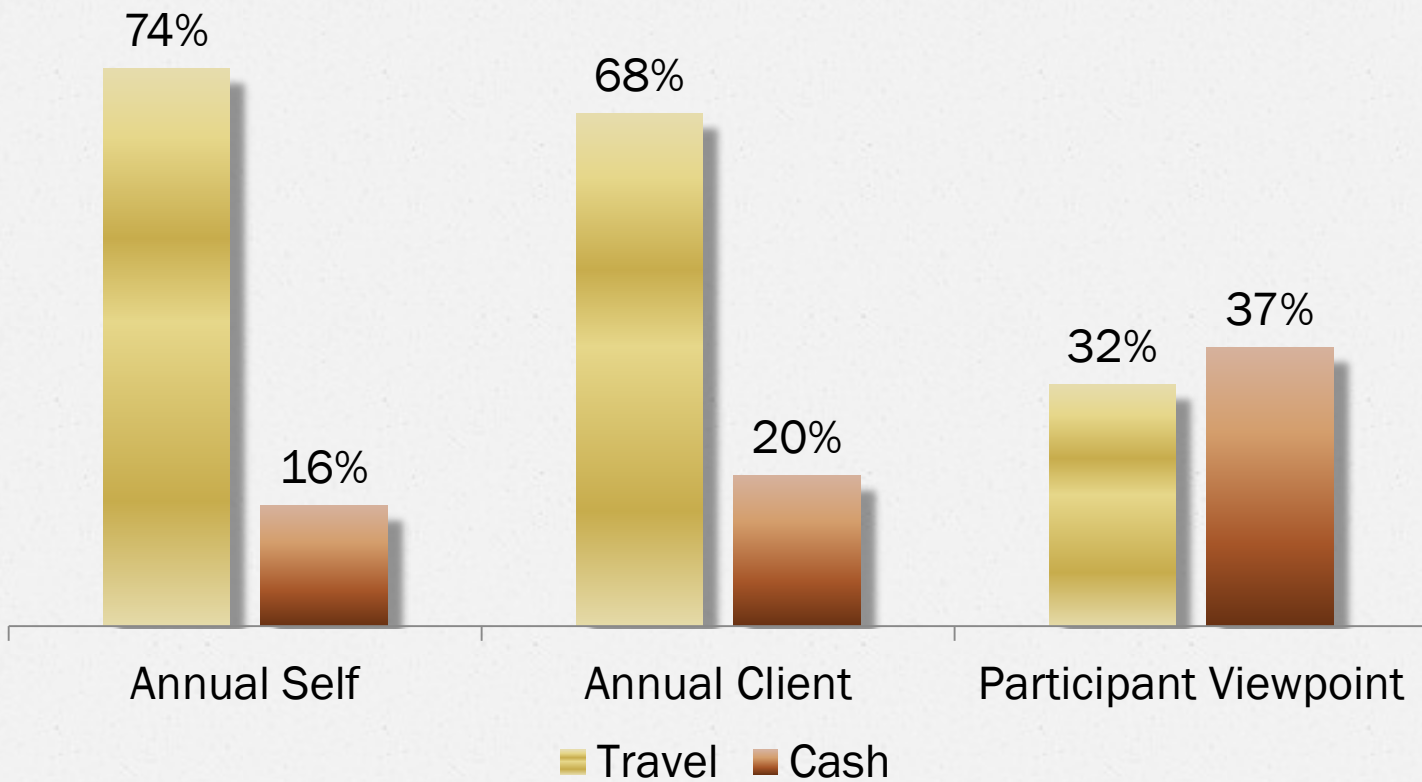
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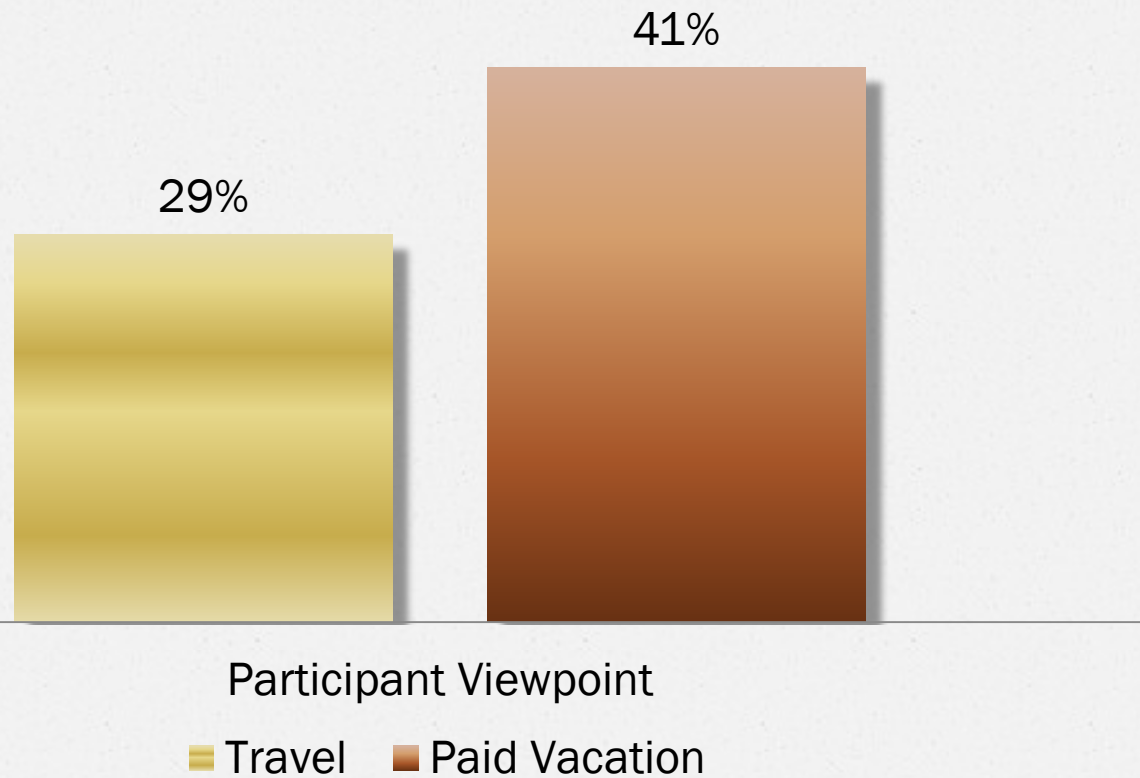
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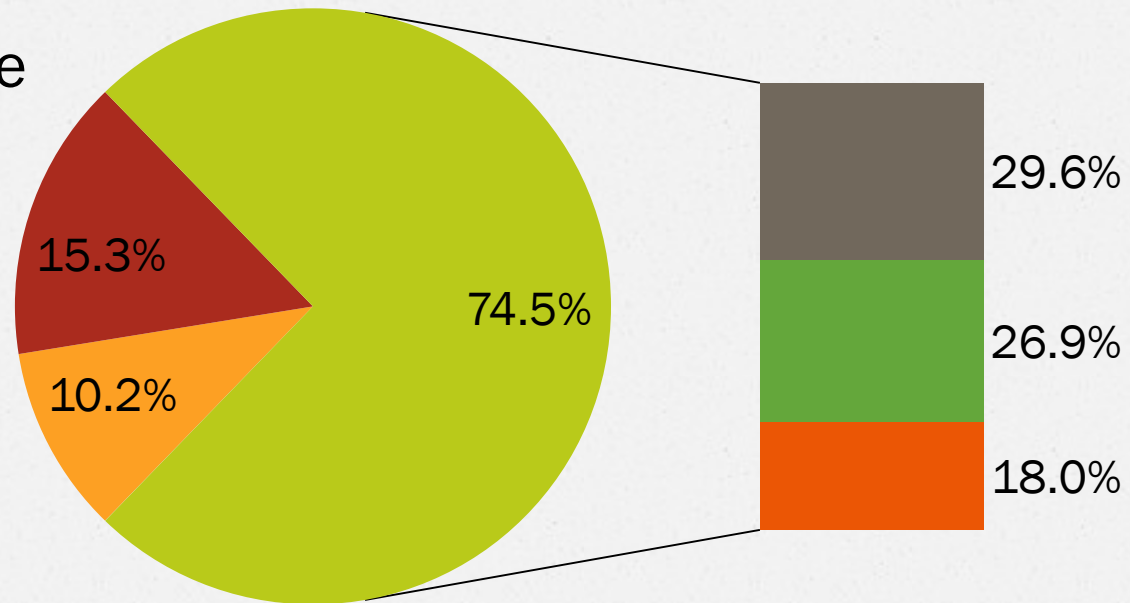


# Results

- o Please consider each of the following actions that could be taken to change the incentive travel award. For each one, choose a number one through five that reflects how much more meaningful, motivational, and memorable the award would be if that item were implemented
  - o More leisure/unscheduled time: 3.3
  - o More choice of destinations: 3.2
  - o More promotion of award: 2.9
  - o Different award levels: 2.8
  - o Use of all inclusive resorts: 2.8

# Results: Increased Motivation

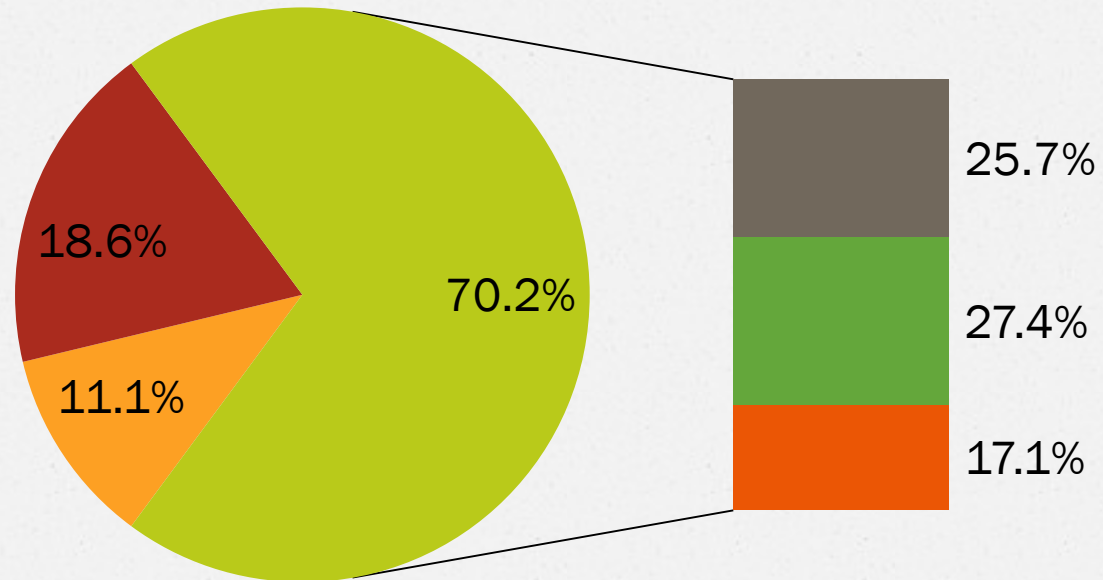
More Leisure Time



■ No More ■ A Little More ■ More ■ Much More ■ Very Much More

# Results: Increased Motivation

More  
Destination  
Choice



■ No More ■ A Little More ■ More ■ Much More ■ Very Much More



# Attitudes Towards Sponsor

Table 7. Earner attitudes towards company providing travel incentives.	Agree	1	2	3	4
1. Earning the travel award made me feel appreciated	88.0%	--	.60***	.66** *	.54** *
2. I have an increased feeling of loyalty towards the company that provided this award to me	71.7%		--	.71** *	.72** *
3. Earning the travel award increased my feelings of "belongingness" to the company that provided this award	76.1%			--	.68** *
4. Earning the travel award increased my feelings of trust towards my company	62.4%				--

Agree = Percentage of respondents who agreed or strongly agreed, \*\*\* p < .001

# Attitudes Towards Sponsor

Table 6: Non-earner attitudes towards company providing travel incentives	Disagree	1	2	3
1. I feel bitter towards my employer	65.8%	--	.78** *	.53** *
2. I feel unfairly treated by my employer	62.3%		--	.58** *
3. My overall level of engagement with the company offering the incentive is lower	49.8%			--

# Goal Attitudes

Percentage who agree or strongly agree	Earners	Non-Earners
I believe the performance goal necessary to earn the travel is clear.	74.0%	69.2%
I believe the performance goal necessary to earn the travel is achievable.	80.4%***	71.0%
I believe the performance goal necessary to earn the travel is fairly determined.	76.8%	68.6%
I receive ongoing feedback that helps me understand my progress towards the incentive travel award.	58.5%	54.6%

# Other Findings

- Asked to non-earners
  - “Are you envious of the people who win?”
    - M = 3.96
      - Note: No correlation with estimated future effort
  - “Is it the same people winning each year?”
    - M = 3.92
      - Note: No correlation with estimated future effort

1 = Strongly Disagree, 2 = Disagree 3 = Neither, 4 = Agree, 5 = Strongly Agree

# Other Findings

- o Asked to All
  - o “Should ‘buy in’ be available for those who are close to earning?”
    - o Earners M = 4.28, Non-Earners M = 3.96,  $p < .001$
  - o “I would prefer a ‘tiered’ program”
    - o Earners M = 4.39, Non-Earners M = 3.96,  $p < .001$

1 = Strongly Disagree, 2 = Disagree 3 = Neither, 4 = Agree, 5 = Strongly Agree

# Key Learning

- o Incentive travel still highly motivating
  - o Driven largely by feeling of recognition
  - o Provides a unique experience that might be difficult to obtain on one's own.
  - o No significant discouragement for non-earners
- o Participants reported a desire for more leisure time and fewer company events
  - o Disturbing given recent trend towards increase of company events
  - o Some desire for additional guests of recipient's choice

# Key Learning

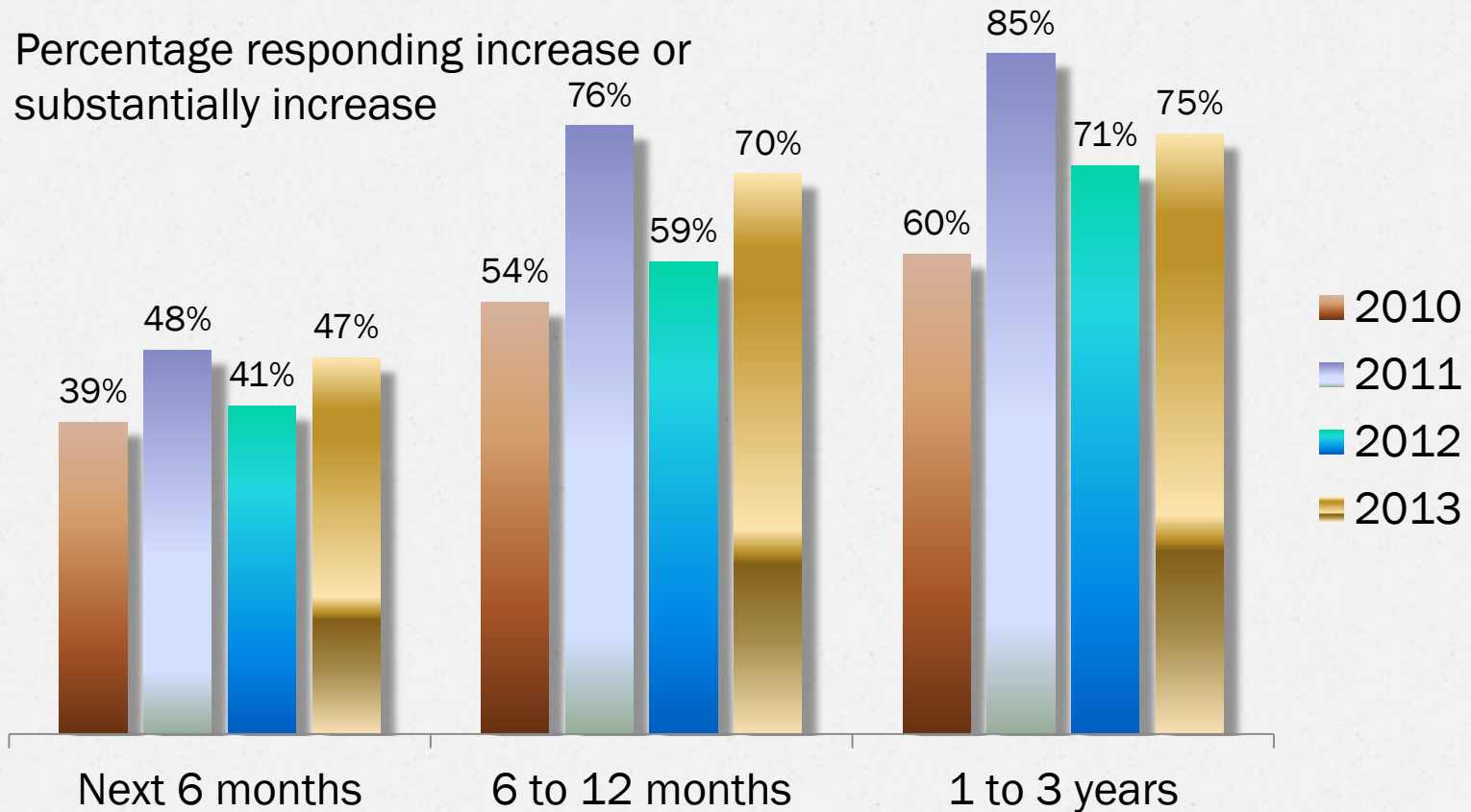
- o Attitudes towards company sponsors was positive
  - o Earners felt appreciated
  - o Earners felt more belonging to the company
  - o Non-Earners did not report feeling bitter
  - o Limited negative attitudes towards earners
- o Implementation issues
  - o Goals were viewed as fair, achievable, and clear by all participants
  - o Participants expressed an interest in buy-in and tiered programs

# What else is happening?

- Motivational Trends?
- Effectiveness of marketing methods?
- How do companies choose amount?

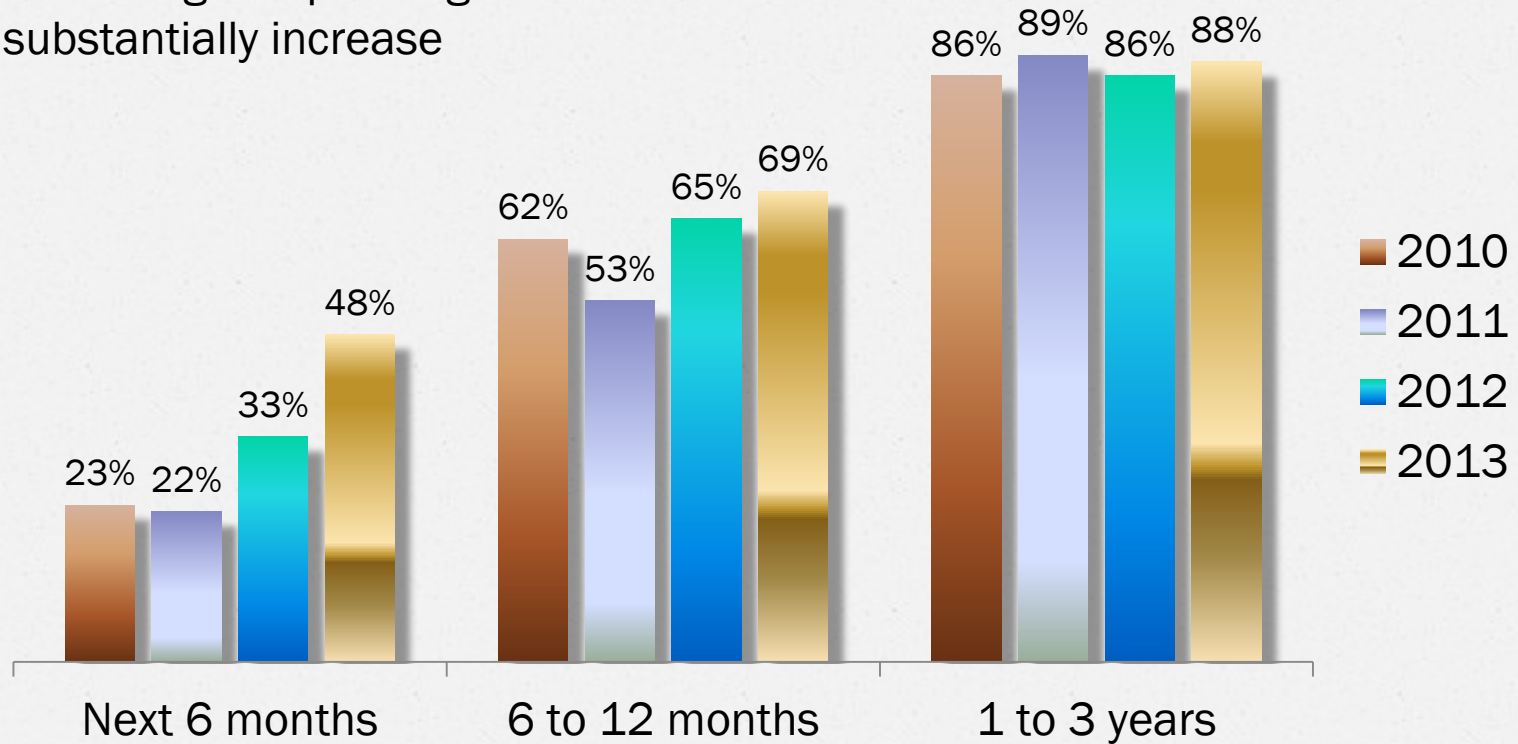


In the time periods listed, what do you believe will happen to the overall use of external motivational tools?

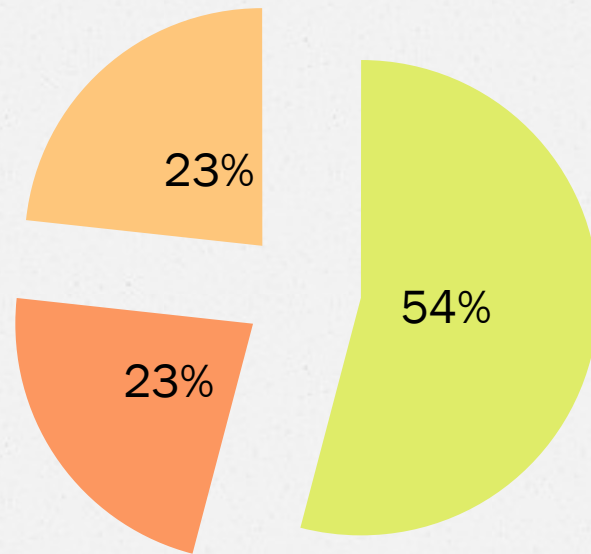


In the time periods listed, what do you believe will happen to the overall use of motivational travel experiences

Percentage responding increase or substantially increase



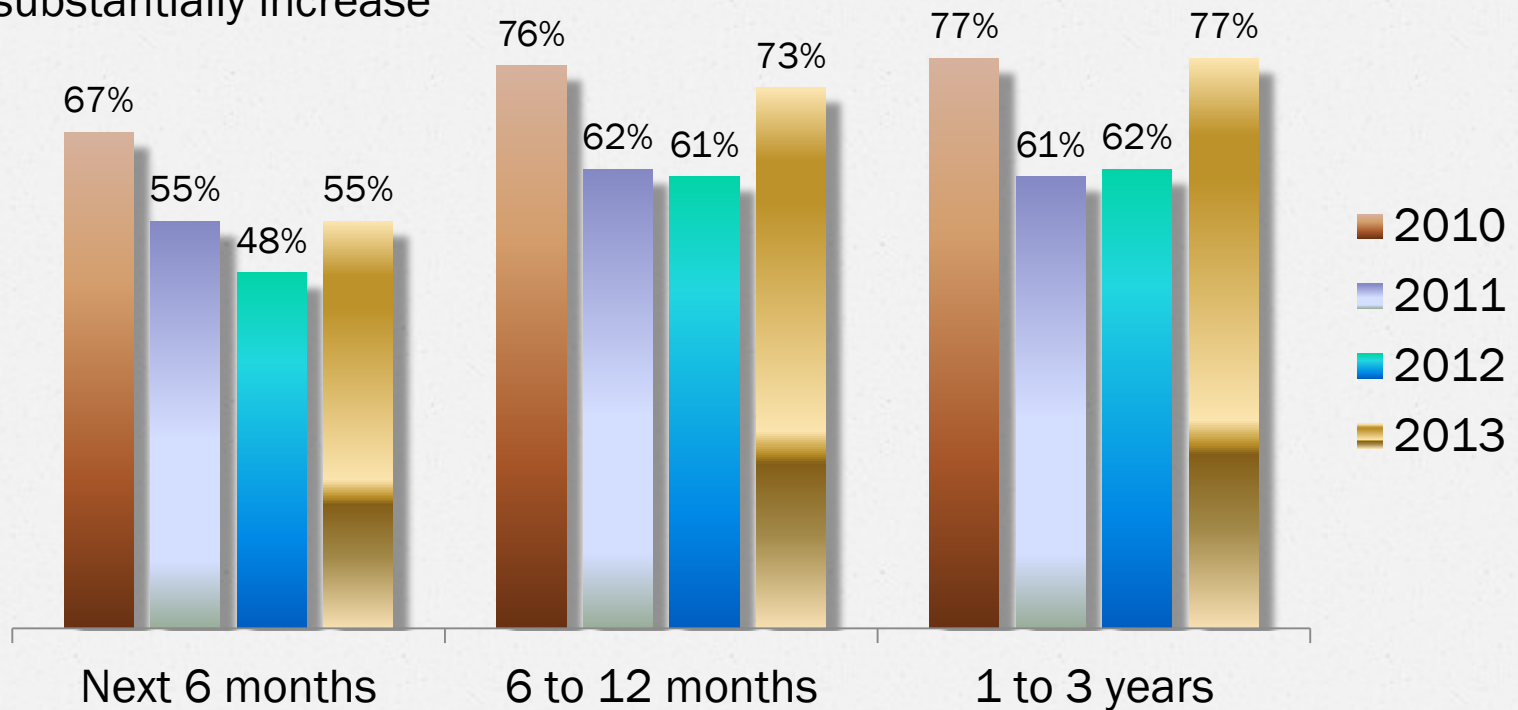
In your opinion, how has the power of external motivators like motivational events, merchandise, changed in over the last three years? (4 year average)



■ Increased   ■ Stayed the Same   ■ Decreased

In the time periods listed, what do you believe will happen to the inclusion of business meetings and other similar components in motivational events?

Percentage responding increase or substantially increase



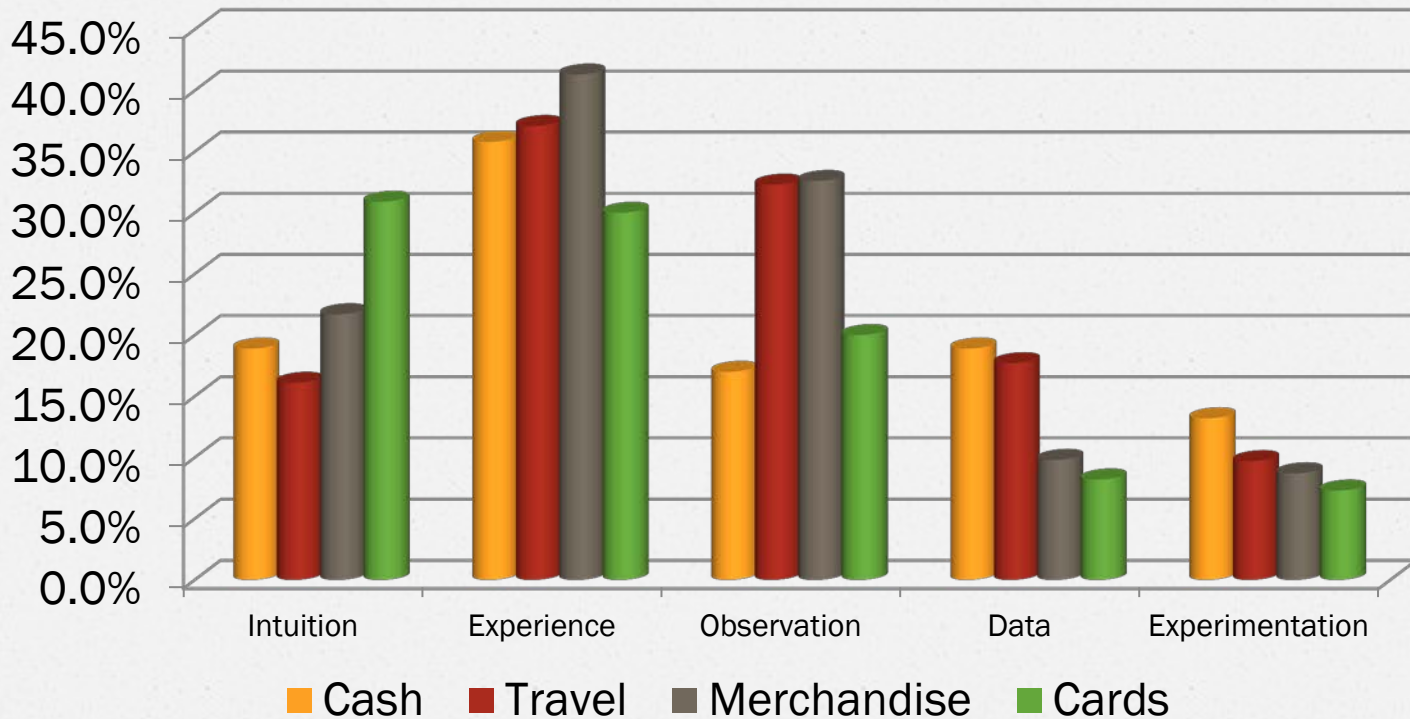
# Marketing Effectiveness

What do you see as the effectiveness of each of the following for destination marketing?

(Percentage responding effective or very effective)

1	Familiarization (Fam) Trips (88%)
2	The Presence/Availability of In-Market Sales and Marketing Representatives (71%)
3	Office Presentations (70%)
4	Trade Show Representation (67%)
5	Internet Destination Websites (59%)
6	Online Videos (51%)
7	Telephone Calls (33%)
8	Email Newsletters (31%)
9	Direct Mail (19%)

# How Appropriate Levels Determined



# Other Relevant Opinions

- o A majority of respondents feel that the need to measure ROI or R00 will increase, particularly in the 1-3 year range
- o Most respondents believe that the involvement of top management in decision making has “peaked”
- o 70% to 75% of respondents agree or strongly agree that the desire to include “CSR” events will increase in the next one to three years
- o Value of currency (exchange rates) and ease of obtaining travel documents are of little concern

# Key Learning

- o Relatively positive outlook for future of travel events and use of external motivators in general
- o Not much data driven decision making on amounts of incentives
- o Face-to-face interaction seems to be best marketing method



# Key Learning

- o Be careful about including too many company functions in travel events.
- o Being technically savvy is of increasing importance
  - o Ability to use mobile technology
  - o Use of social media
- o Understand relative usefulness of different marketing approaches
  - o Familiarization trips and in market representation are believed to be most effective

# Summary

- o Travel, notwithstanding its negative image, deserves an important place in the motivational toolbox
  - o Unique opportunity for employees
  - o Creates feelings of being valued, higher levels of commitment
    - o Lower turnover
    - o More “Above and Beyond” behavior
    - o Less “deviant” behavior
  - o Does not create resentment for firm or earners
  - o Clearly preferred to merchandise, open question with respect to cash and paid vacation

# Summary

- o The need to stay technologically current is extremely important
  - o Born digital generation coming into workplace in larger numbers
- o People seem to prefer cash
  - o But, beware of too much credibility given to what people say *they want* and pay attention to what they will strive for

# Summary

- o Implementation issues will be the key differentiating point
  - o Destination choice
  - o Buy-In criteria
  - o Tiered Rewards