

A guide to incentive travel

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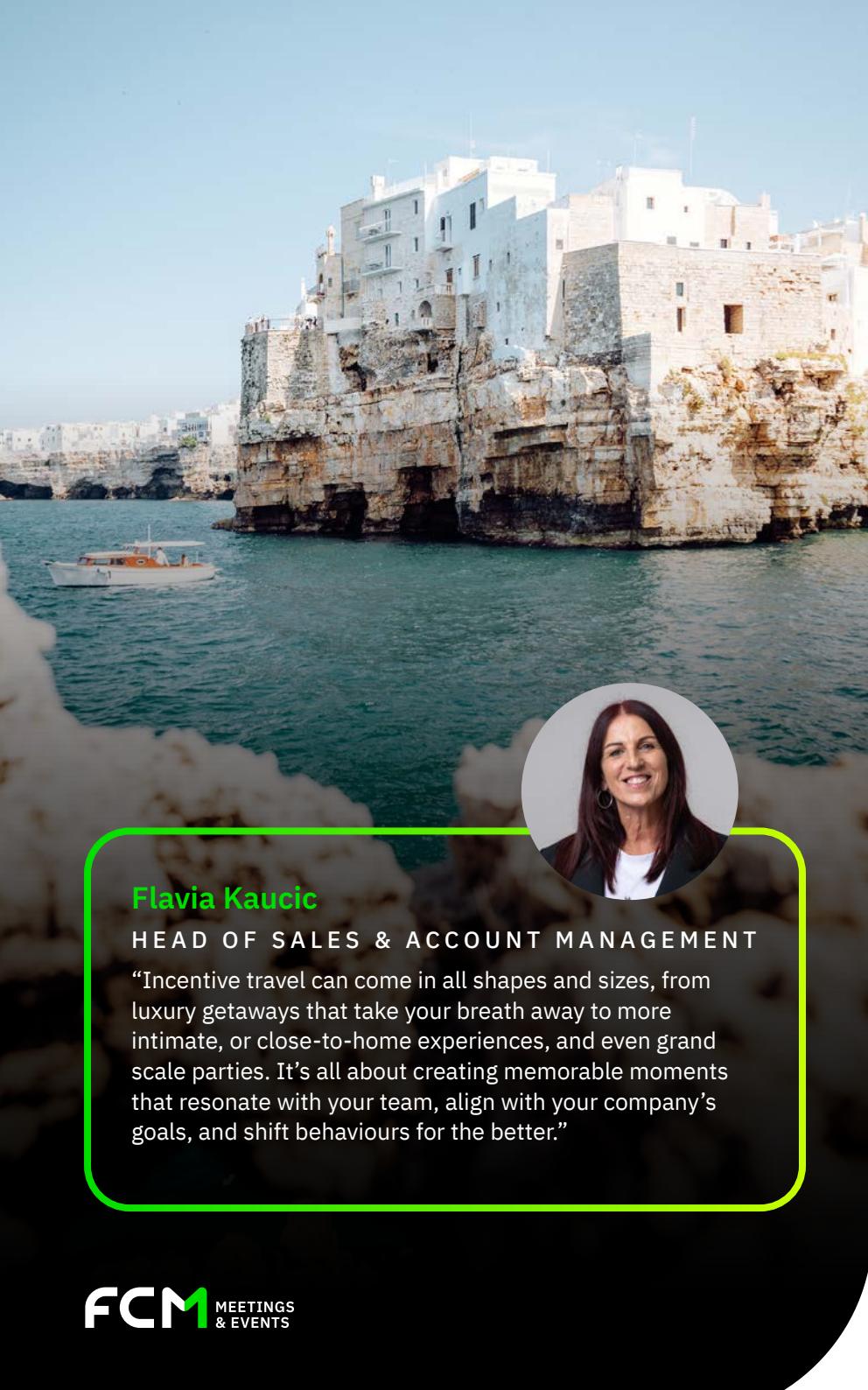
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Definition

Incentive travel is a performance enhancement tool used to inspire outstanding workplace behaviours against clearly defined goals. It's a key part of the reward and recognition program and is often a vacation awarded to employees as a bonus.

SOURCE: WHAT IS INCENTIVE TRAVEL? SITE 2024



Flavia Kaucic

HEAD OF SALES & ACCOUNT MANAGEMENT

“Incentive travel can come in all shapes and sizes, from luxury getaways that take your breath away to more intimate, or close-to-home experiences, and even grand scale parties. It’s all about creating memorable moments that resonate with your team, align with your company’s goals, and shift behaviours for the better.”



What is incentive travel?

Incentive travel mixes work and play, it’s the “I” in the Meetings, Incentives, Conferences and Exhibitions industry, and often a secret ingredient that can turn a regular workplace into a great place to work.

Globally, the incentive travel industry was valued at AUD11.5 billion in 2023 and is cruising towards 5.2% per year growth until 2029, with the Asia Pacific (APAC) region leading the charge.

This growth is thought to be fuelled by two factors:

- The need to balance employees’ fast-paced lives with some well-deserved downtime.
- The focus on building a strong company culture through reward, recognition, and retention strategies.

SIZE DOESN'T MATTER HERE

Incentive travel is not just for big companies with deep pockets. It's a universal tool that any business can use to boost morale and keep employees engaged, and it looks different for everyone.

In this guide, we'll explore the possibilities of incentive travel, some benefits, and how to make it work for your business.

SOURCE: GLOBAL INCENTIVE TOURISM MARKET RESEARCH, MARKET DATA FORECAST



43%
OF SENIOR MANAGERS
AGREE THAT INCENTIVE
TRAVEL IS ESSENTIAL
FOR MAXIMISING
RETURN ON INVESTMENT.



45%
OF BUSINESSES
EXPECT INCENTIVE
TRAVEL DEMAND AND
SPEND TO CONTINUE
GROWING.



\$14B (AUD)
IS EXPECTED TO BE SPENT
GLOBALLY ON INCENTIVE
TRAVEL BY 2029.



Simone Seiler

GLOBAL GENERAL MANAGER

“For senior leaders looking to improve company culture, boost performance, retain talent, and create strong teams, including an incentive travel program in their overall strategy is a good place to start. More often than not the benefits are qualitative, not quantitative.”

SOURCES: INCENTIVE TRAVEL INDEX 2024, INCENTIVE RESEARCH FOUNDATION

Benefits

PRODUCTIVITY AND OUTCOMES

Incentive travel can spark enthusiasm and motivate employees. In Australia, 68% of companies have seen a noticeable uptick in motivation and performance thanks to incentive programs. Globally, 91% of employees say they feel more engaged after participating in incentive travel programs, making it clear that these rewards really can ignite a fire amongst teams.

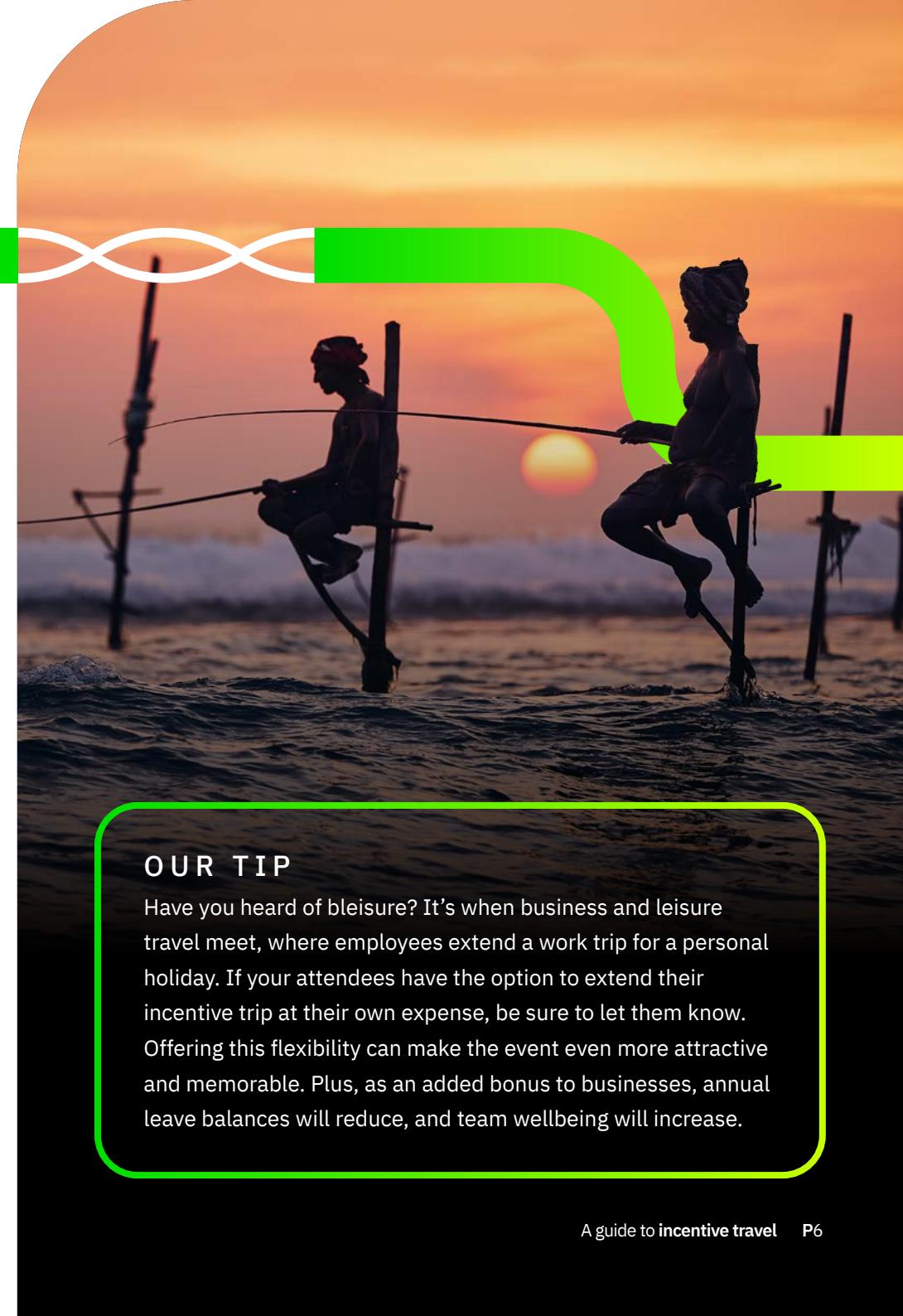
Imagine your team hitting targets like never before, driven by the sight of an incredible reward. The Incentive Research Foundation's Trends Report indicates that 81% of companies around the world use incentive travel to retain top talent. In the Asia Pacific region, the focus is more skewed towards 'soft power benefits', like company culture, engagement, and relationships.

Industries such as finance, technology, pharmaceuticals, healthcare, manufacturing, and automotive see even greater benefits, with employees feeling more connected and motivated when incentive travel is part of their reward structure.

GOALS AND PURPOSE

Ever notice how employees can sometimes drift from business goals or company values? It's not just new hires who might need a nudge—long-time team members can also feel disconnected. Incentive travel can bridge this gap by aligning personal and team achievements with company objectives.

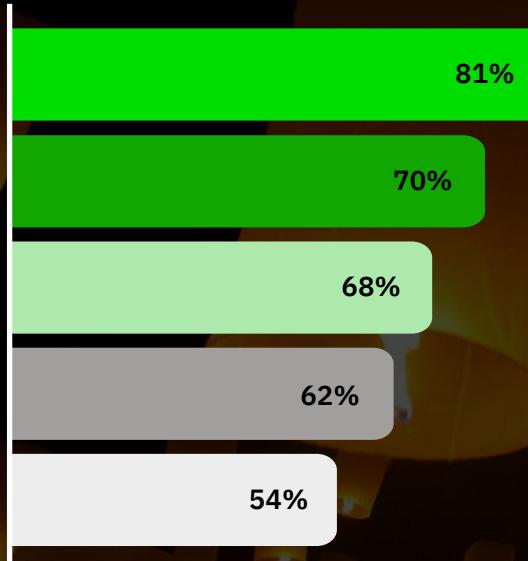
Offering travel rewards gives employees something exciting to look forward to, making them feel valued, driven, and connected to the company. 69% of employees state that recognition boosts their motivation, and 80% say regular recognition is a major factor in job satisfaction and performance.



OUR TIP

Have you heard of bleisure? It's when business and leisure travel meet, where employees extend a work trip for a personal holiday. If your attendees have the option to extend their incentive trip at their own expense, be sure to let them know. Offering this flexibility can make the event even more attractive and memorable. Plus, as an added bonus to businesses, annual leave balances will reduce, and team wellbeing will increase.

PRIMARY DRIVER FOR INCENTIVE TRAVEL



- Retaining top performing employees
- Engaging new generations of qualifiers and leaders
- Travel becoming more valued as a reward
- Competitive advantage in the hiring process
- Bringing together a more dispersed workforce

PRIMARY BENEFITS FOR INCENTIVE TRAVEL



- Soft power (Company culture, engagement, and relationships)
- Hard power (ROI, increased sales, and market share)
- Knowledge transfer among people, such as training and brand compliance



Culture and connection

Shared travel experiences can turn colleagues into close-knit teams. For geographically scattered teams, incentive trips provide a rare chance to connect face-to-face, enhancing collaboration and fostering a cohesive work environment.

Incentive travel isn't just a break from the daily grind and all about the numbers—it's a tool for boosting morale, nurturing good company culture, and increasing brand recognition. It's true that most companies once used incentive travel primarily to drive performance, but in some regions, it's now becoming recognised as a tool for improving culture, building relationships, and setting standards.

43%

of companies use
incentive travel for driving
organisational culture
and engagement

SOURCE: INCENTIVE TRAVEL INDEX 2024,
INCENTIVE RESEARCH FOUNDATION



Image source: Ondrej Sustek, Hidden Studio

Planning an incentive trip

THE OBJECTIVES

Before getting into the nitty gritty of planning—what's the purpose? Are you aiming to ramp up company culture, reward top performers, toast a big milestone, influence new behaviours or gear up for future success? Knowing the 'why' will steer the planning process and align the itinerary with your company's vision.

Next up, set those goals, objectives, and expectations. What does success look like? Are you aiming to increase sales, boost customer growth, retain top talent, or improve overall performance? Clear metrics will help measure the program's success, demonstrate its value, and set expectations.

WHAT DEFINES YOUR SUCCESS?



INCREASED SALES?



CUSTOMER GROWTH?



TALENT RETENTION?



IMPROVED PERFORMANCE?



The numbers

METRICS

Targets for team or individual success should be fair and inclusive so everyone has a good shot at securing a spot on the trip. This means that rookies and new team members also have a chance, not just your top performers. Don't overlook the contribution of supporting roles either, like marketing, finance, human resources, and operations. Although they may not have tangible results, their impact influences success too.

Set reachable, scalable, and relevant targets and consider incorporating fortnightly or monthly goals in addition to annual ones so people can track their progress. Metrics can also include meetings, client feedback, new projects and campaigns, peer nominations or even creative problem-solving, teamwork, and personal growth — not just sales and revenue figures.

**Everyone
should have an
opportunity to
secure a spot
on the incentive**



BUDGET

Before diving into the details, determine the amount you're willing to spend and set a clear budget that covers everything: venue hire, entertainment, transport, accommodation, activities, insurance, meals, and those sneaky incidentals. Prioritise a large portion for hotels, airfares, and food, as these often make up 66% of the costs. But remember, it's not just about the big-ticket items. Small costs like ground transport, catering materials, and decorations can add up quickly.

While cutting corners to stay within budget is tempting, it's also worth considering the value each element brings to the experience. Sometimes, investing a little more in a venue, activity, or performance can make all the difference.

Balance the budget with the basics and the wow factor.

OUR TIP

Tourism boards around the world often offer valuable incentives to attract visitors, such as discounts, credits, and exclusive experiences. Leveraging these can elevate your event while potentially saving you money. As industry experts, we have the contacts and expertise to organise these opportunities for you.

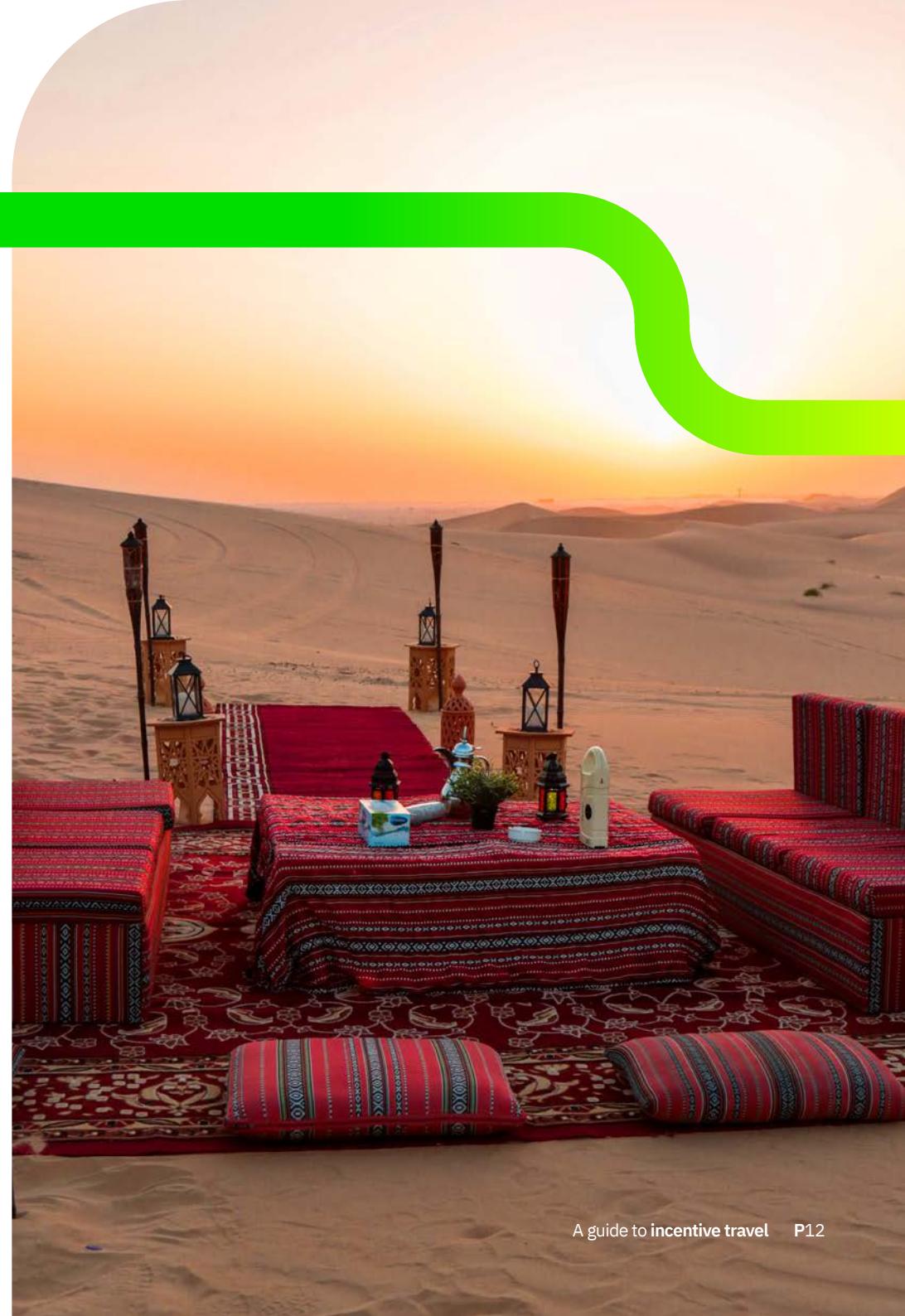
Choosing your destination

Choosing the right destination for your incentive travel is like picking the perfect playlist—it sets the tone, and getting it right almost guarantees everyone will have a great time. Start by thinking about destinations that align with your employees' interests and preferences. Ensure it's accessible, safe, and offers a variety of unforgettable experiences for all.

Top requirements for incentive destinations often include making sure the location will treat all visitors equally, offers luxury and 5-star options, caters to all generations, and provides a mix of resort, leisure, city, and cultural experiences.

OUR TIP

Other factors can influence your choice of destination. Budget, activities, corporate social responsibility (CSR) opportunities, and access to talent. The trip duration, demographics, whether the location is Instagram-worthy (hello Gen Z), flight times and routes, and the locations of attendees all play a role. Don't forget to factor in risk and safety. If you're unsure how to choose a destination, start with these elements first and then circle back to the destination decision.





Destination selection checklist

A good way to narrow down your location is by using SITE's preference selection criteria:

DESTINATION APPEAL
Is it unique, exciting, and attractive?

INFRASTRUCTURE
Can it accommodate your group's needs and size?

ACCESSIBILITY
Is it easy to reach and can all attendees get around with ease?

SAFETY, HEALTH, AND SECURITY
Will your people be safe? During the day and night, and everywhere in between.

CONNECTIVITY
Can your people stay in touch with the organising team and their people back home?

VALUE FOR MONEY
Does it offer a good return on investment?

SUSTAINABILITY & CORPORATE SOCIAL RESPONSIBILITY (CSR)
Does it align with your company's sustainability and CSR goals?

Destinations on our radar

Experience type:

Nature & Wildlife

Food & Wine

Culture & History

Beach & Ocean

Adventure

Pampering & Luxury



Group travel

Planning the travel is about more than just getting on the flight. The journey begins as soon as your attendees leave their front door. Here are some simple questions to ask yourself when planning the travel component, and these might even influence destination choice:

- Are there plenty of flight options, or are there only red-eye flights?
- Are travellers coming from various locations?
- Can they fly direct, or will they need to connect?
- What's the arrival process like? Will travellers need to transfer between terminals or stay overnight near the airport?
- Will travellers need to sacrifice personal time or deal with inconvenient schedules?
- Is the travel time fair, or are some people travelling longer than the actual duration of the trip?
- How will they get to the accommodation or venue upon arrival? Is the only way to get there via bus, or do they have to wait around for taxis? Or is private transfer an option?



Bennett Lansley

GROUP TRAVEL OPERATIONS LEADER

“Flexibility is a non-negotiable. Being able to adapt to changes with thoughtful solutions and making sure every aspect of the journey contributes to an unforgettable experience, not just the activities.”



GET FLEXIBLE

Plans can change, but being adaptable will make all the difference.

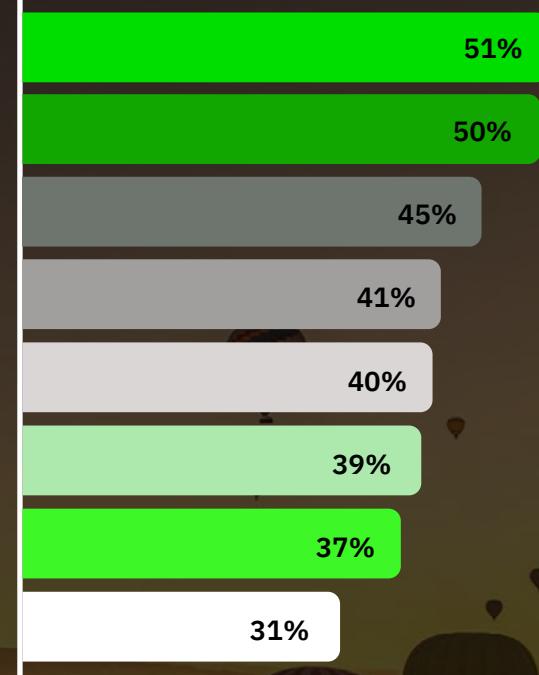
People are reasonable, they know flight delays aren't anyone's fault. But what can be done to make up for lost time? Can rooms be ultra-prepared? Are welcome drinks on offer? How can additional wait times be avoided? Or can the next day's activities be pushed back to give people an extra hour's sleep? If guests arrive late, need extra rest or have already been inconvenienced, provide solutions and thoughtful adjustments. Be ready to roll with the punches and address unexpected issues with creativity.

OUR TIP

International border regulations

Travellers often face different requirements based on the passport they hold. Factors like the country of origin, departing location, passport expiry date, intended length of stay, and even the visa application process can impact some travellers. Check your destination border rules, find out what passport your travellers have, and plan for different visa application processes.

INCENTIVE TRAVEL SUCCESS IS BASED ON:



SOURCE: INCENTIVE TRAVEL INDEX 2024, INCENTIVE RESEARCH FOUNDATION

- █ Group dining experiences
- █ Group cultural sightseeing experiences
- █ Relationship-building activities
- █ Free time
- █ Award celebrations
- █ Bucket-list luxury travel
- █ Team building activities
- █ Corporate Social Responsibility (CSR)



An example itinerary: Top 20 salespeople, annual incentive

Destination: Vietnam

	DAY 1	DAY 2	DAY 3	DAY 4	DAY 5	DAY 6
MORNING	All Guests Arrive Transfer to Park Hyatt Saigon	Group Activity Private Saigon Immersion Tour & Lunch at Hoa Túc Saigon	Optional Activities <ul style="list-style-type: none">Mekong Delta TourCu Chi TunnelsSaigon Cooking School, with secret MasterChef guest (Luke Nguyen)VIP Shopping & Art ExperienceAt leisure	Travel Fly domestic from Ho Chi Minh City to Danang	Optional Activities <ul style="list-style-type: none">Farming & Bike TourArmy Jeep of Monkey MountainFisherman's Life TourSpa Treatment at Resort	
LUNCH				Group Activity <ul style="list-style-type: none">Hoi An Walking TourPrivate tailor fittingLunch at Mango Mango	Group lunch Fatfish Restaurant & Lounge Bar	
AFTERNOON		At leisure	At leisure		At leisure	All Guests Depart Transfer to airport
EVENING	Welcome Dinner Transfer via speedboat to The Deck Saigon	At leisure	At leisure	Gala Dinner Beach at the Four Seasons Resort	Farewell Dinner Transfer via basket boat to a private village in Hoi An	
OVERNIGHT	Park Hyatt Saigon	Park Hyatt Saigon	Park Hyatt Saigon	Four Seasons Resort The Nam Hai, Hoi An	Four Seasons Resort The Nam Hai, Hoi An	



The 1% club

It's all about those small, thoughtful touches. We call them the '1% touches' that make a world of difference. Do you know your attendees' coffee orders? What about having their favourite wine waiting in their room upon arrival? Or how about gifting a signed book from your guest speaker who happens to be a renowned author?

Think about surprising them with something new in their room each day. Are they visiting a sunny destination? Why not gift a high-end beach towel or premium sunscreen—something they wouldn't typically splurge on for themselves. The goal is to create memorable moments that show you've thought of every detail, making the experience feel truly personalised and unique.

SAY NO TO BUSINESS TALK

A true incentive trip should leave the presentations and notepads behind. Business activities should only tie into the reason for the trip or how they got there, not dominate the experience.



Livia Carrier

HEAD OF EVENTS

"The most memorable trips offer experiences that go beyond the ordinary and have small gestures scattered throughout. It's about making people excited and showing them how valued they are for everything they have done for the company."



Once-in-a-lifetime activities

Ask yourself: could attendees do this on a personal holiday? If the answer is yes, then it might not be right for this trip. Or if you do decide to keep it, how can you up the ante and add the wow factor? What's the story they'll take home? What's going to be that unforgettable moment they keep talking about and show off?

Incentive trips are about providing a unique experience, something that can't be done as a regular traveller; because of access, group sizing, budget—whatever it may be.

OUR TIP

Not everyone wants to do the same thing. Some attendees might be dreaming of a relaxing spa day, while others are keen on deep-sea fishing. This is where knowing your audience comes in. If you're not sure, you could give them the freedom to choose their own adventure, offer a range of activities running simultaneously, or ask them what they would like to do in the planning stages.

SOME 10/10 ACTIVITIES WE HAVE ORGANISED:

1. Twilight dinner on the Great Wall of China
2. Driving vintage cars around the Italian countryside with bespoke leather gloves and designer silk scarves
3. Sunset hot air ballooning across North Queensland
4. Olive oil and wine tasting in Margaret River, Australia
5. Sunrise airboat safari ride in Kakadu, Australia
6. Private dinner and show in a New York penthouse
7. A gala dinner under the stars in the Kimberley, Australia

Sustainability

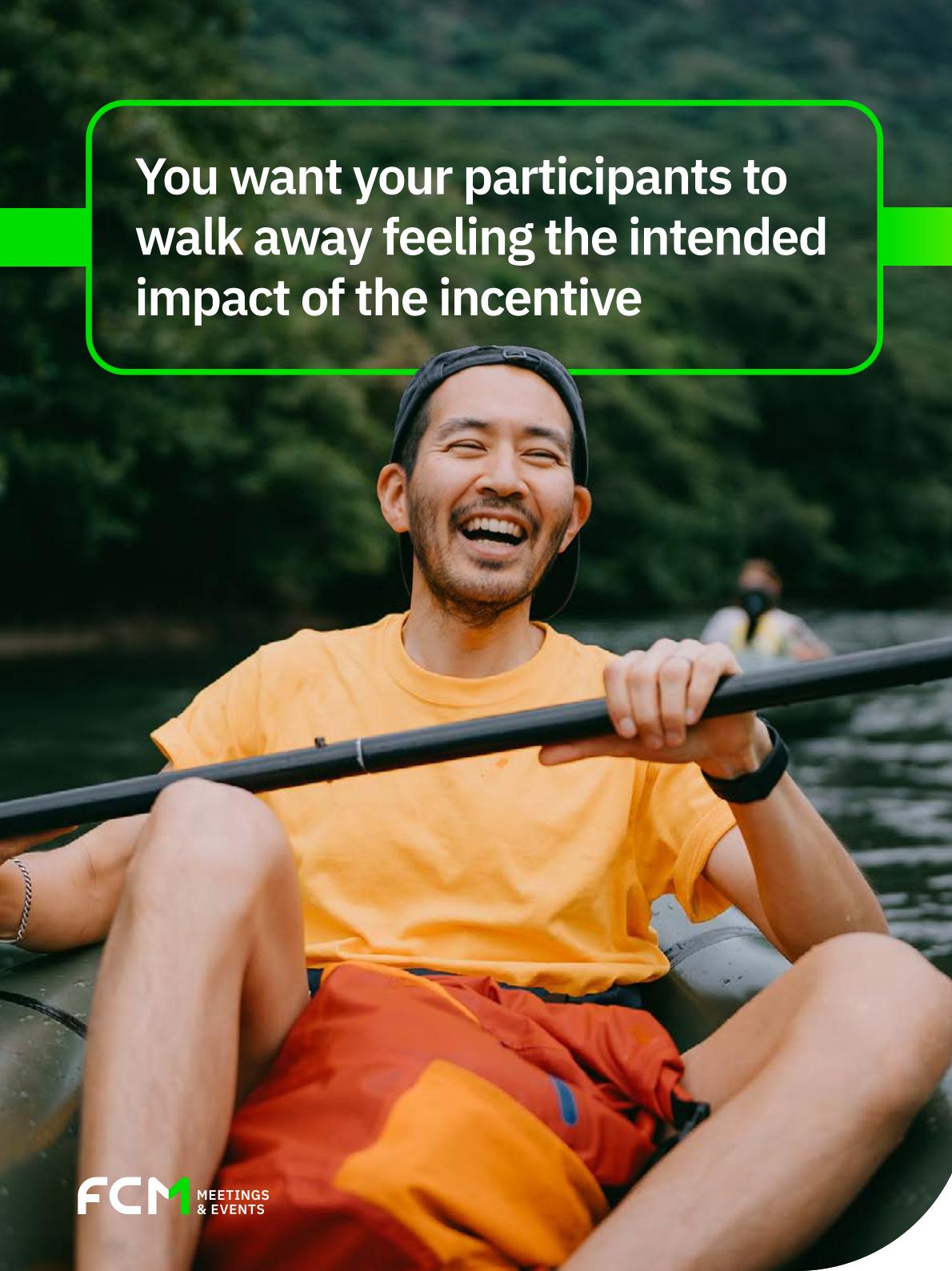
Sustainability is a big topic, and in certain areas of the world, it's a way of life through preserving fragile ecosystems, supporting local culture, or minimising waste. If your company has strong alignments with certain sustainability goals, why not dive into the local efforts?

Many vendors also have strong green goals, so get creative when deciding on activities, accommodation, and suppliers. Consider partnering with vendors who share and support your vision.

Giving back

Elements of charitable work or donations can be a meaningful addition. Engage with the communities you visit, be mindful of the social and environmental issues at the destination, and find ways your team can contribute. It could be organising a food drive, planting trees, volunteering at an animal rescue, or even helping build homes. Contacting local charities is a great place to start when looking for opportunities and can help align your trip with the companies' CSR goals. And if you have a few Millennials and Gen Z's lucky enough to join you, these cohorts in particular, really value giving back to the communities they visit.





You want your participants to walk away feeling the intended impact of the incentive

Communicating the details

IT'S TIME TO LET EVERYONE KNOW!

A strong communications plan from the beginning with multiple touchpoints can support your incentive program by fostering excitement, encouraging participation, and promoting transparency.

Clearly define the timeline and success metrics so everyone knows what's expected, who has a ticket, or how to get one. Highlight the incentive purpose and communicate what's included and what's not from the get-go.

For reward trips aimed at top performers, make it known that spots on this trip are limited and reserved for outstanding achievements. But be transparent about how to secure a spot, so everyone has a fair chance of going, even your newbies.

OUR TIP

It's a big deal to offer incentive trips and what's it worth if people don't walk away feeling incentivised?

Ask them what they enjoyed and what they didn't. Instead of a typical email survey, consider sending a personalised gift, like a photobook with a QR code linking to the feedback form.

Love what you've seen?

Our global experts can move your people to where they need to be.
Nowhere is out of reach for your next incentive trip.



Cover - Howell,
Michigan, USA



Page 2 - Great Slave
Lake, Canada



Page 3 - Serengeti National
Park, Tanzania



Page 4 - Polignano a Mare,
Italy



Page 5 - Muir Woods,
California, USA



Page 6 - Galle,
Sri Lanka



Page 7 - Chiang Mai,
Thailand



Page 8 - Rishikesh,
Uttarakhand, India



Page 9 - Port Douglas,
Queensland, Australia



Page 10 - Mossman Gorge,
Queensland, Australia



Page 11 - Retaruke,
Whanganui, New Zealand



Page 12 - United
Arab Emirates



Page 13 - Glacier Bay
National Park, Alaska, USA



Page 16 - Sahara
Desert, Morocco



Page 17 - Cappadocia,
Turkey



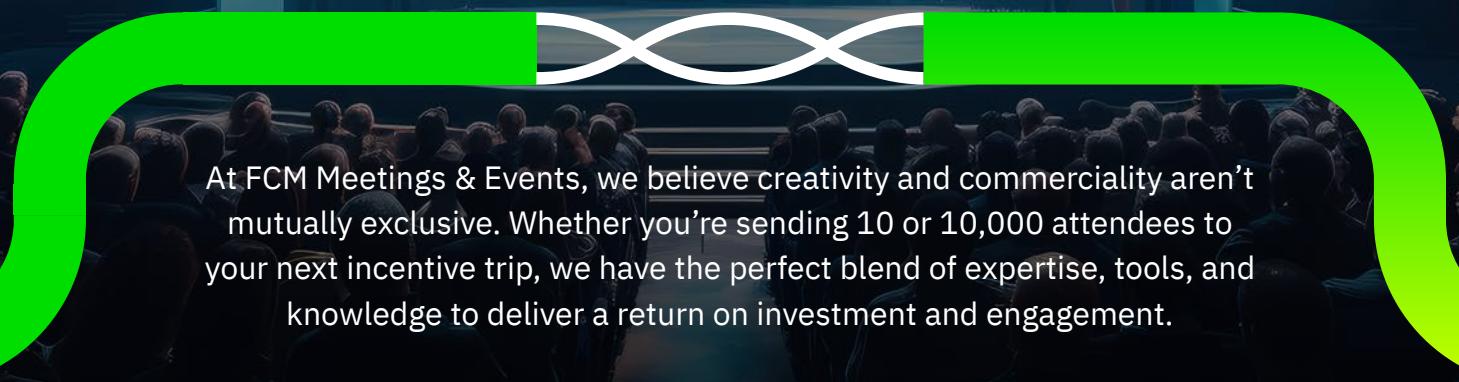
Page 18 - Hoi An,
Vietnam



Page 20 - Great Wall
of China, People's Republic
of China (PRC)



Page 22 - Iriomote,
Japan



This is where worlds meet.

At FCM Meetings & Events, we believe creativity and commerciality aren't mutually exclusive. Whether you're sending 10 or 10,000 attendees to your next incentive trip, we have the perfect blend of expertise, tools, and knowledge to deliver a return on investment and engagement.

CONTACT US TO DISCOVER HOW OUR
TEAM CAN SUPPORT YOUR NEXT
INCENTIVE TRIP.

fcmtravel.com/en-au/what-we-do/meetings-events