

# Does Incentive Travel Improve Sales Productivity?

Research Conducted by

Luton Business School  
Luton, United Kingdom

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The Incentive Research Foundation

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# PREFACE

This is a groundbreaking study originally published in 1998 involving research into the effectiveness of incentive travel at a leading insurance company in Great Britain. The company allowed researchers to confidentially dissect the implementation and impact of its incentive program in exchange for anonymity.

Overall, the study findings reveal that incentive travel has a positive impact on performance, but that better understanding of program dynamics can yield even better results.

On the positive side, the study found that the incentive travel program motivates the top performers based on surveys of participating managers and sales people eligible for the program. The study, conducted by the Luton Business School, also found a correlation between the launch of a program and an increased rate of sales increases, and found that winners generally had a positive attitude toward the program.

On the other hand, new and less senior salespeople expressed less enthusiasm for the program, especially because the design allowed only for the best performers to participate in the travel event, rather than a tiered event allowing room for mid-level performers who significantly increase their performance. A fundamental of professional incentive program planning focuses on the “middle 60 percent” of performers, yet, Federation research indicates that many incentive programs focus primarily on the top 20 percent of people who would win anyway.

The Foundation is indebted to this leading insurance company and Incentive Company that had the courage and trust to subject itself to this analysis, which significantly contributes to the body of literature analyzing the use of incentive travel in actual practice rather than in theory.

These findings apply only to the cooperating company and may not apply to other organizations. Further usage of the measurement tool will provide the basis for developing such generalizations. Cost data on incentive programs besides a convention cruise travel incentive were not provided to the research team. Therefore, it is not possible to conclude whether one incentive program is more cost-effective than another or, whether or not the total program provides a favorable cost/benefit result.

The analysis does show that incentive programs can be approached in a more managerial way. For example, for this organization, it appears that a focused, more targeted approach, might lead to more consistently high performance levels by sales agents and incentive programs which can lead to profitable, incremental business.

Does incentive travel *really* work?

The University Of Luton Business School was approached by The Incentive Research Foundation in June, 1997 to investigate the commercial value of incentive travel within a “live” business environment. It was felt that the best way to discover the answer would be to examine an experienced, existing user of incentive travel.

Through Page & Moy Marketing, we were able to obtain access to a major UK bancassurer with a sales force of approximately 1,000 employed managers and sales people. By chance, the corporate client had canvassed the opinion of their sales force in 1992 about their traditional twice-a-year travel events. This research was made available so we can examine attitudes in 1992 and attitudes after the introduction of a “Club” program, together with the effect on sales productivity. The Club program has now been in force for four years (1994-1997).

The following provides details on the effectiveness of this company’s incentive travel program.

# INDUSTRY BACKGROUND

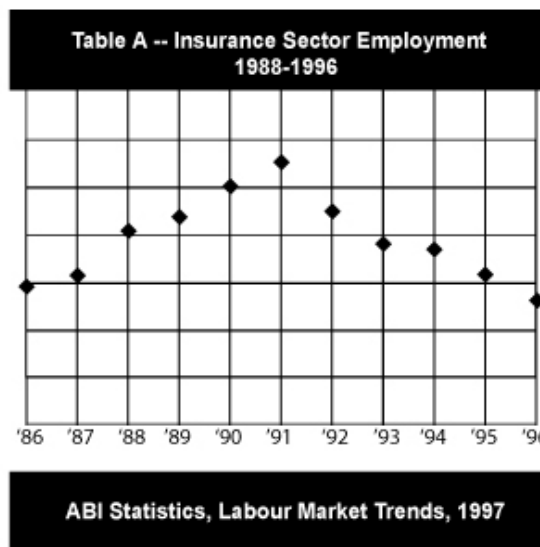
Employment within the UK insurance sector has fallen dramatically from a peak in 1991. The influence of licensing (Financial Services Act, 1990) has caused all the major UK life and pensions companies to review their costs bases and their levels of individual sales productivity. As shown in Table A below, sales forces within the UK during this timeframe have gotten smaller.

It is unclear as yet whether we are simply returning to the 1985 level or whether the downward trend will continue. In tandem with this contraction, most life companies at some time during the past three years have undertaken a review of the costs of their non-cash incentive programs as they represent a considerable proportion of the cost of sale, which now needs to be declared to clients as part of the sales process.

Is there a trend away from group incentive travel as the prime motivator?

It certainly fell away post-recession, but broad motivation program and incentive travel statistics across all sectors have shown resurgence over the past 3 years.

The Meetings & Incentive Travel Benchmark Survey (1996 -1995) reveals a growth rate of 13% for the top 50 companies overall who operate in this product sector.



Another survey by Conference & Incentive Travel magazine reveals a reported growth rate of 17% for incentive travel projects in the UK for 1996. We can assume the trend is therefore positive and in double digits.

Page & Moy Marketing statistics for incentive-travel based projects purely within the financial services sector show an even more buoyant picture over the past three years. Note for example Table B shown on below.

Using an index of 100 for 1993, the last three years have shown growth rates for financial services incentive travel within the Page & Moy Marketing database of 11%, 26% and 29% respectively.

<b>Table B – Financial Services Sector, Incentive Travel Expenditure</b>		
<b>Year</b>	<b>Index (Spend)</b>	<b>% Increase</b>
1993	100	-
1994	155	55%
1995	172	11%
1996	216	26%
1997	279	29%

**Source: P&MM Group, 1997**

Falling sales force numbers -- but rising usage of incentive travel -- suggests that financial services clients are using incentive travel more, not less, in overall terms and that if anything, a higher proportion of participants are being involved as overall size of sales forces fall. Overseas incentive travel is no longer the preserve of the top 3%. In fact, the average percentage of traveling qualifiers is closer to 10%.

All the major life and pensions companies run incentive travel programs, although there is considerable discrepancy when it comes to per-head-spend. In Table C shown on the following page, actual company names have been omitted for confidentiality purposes -- but the per-head-cost for the main overseas event are accurate for events that took place in 1997, based on 1996 performance.

**Table C –Comparison Of The Cost Of UK Life Company Incentive Travel Event, 1997**

	<b>Per-Head In Descending Order</b>	<b>Destination</b>
Company A	£2,600	South Africa
Company B	£2,300	Bermuda
Company C	£2,100	Scandinavia
Company D	£2,035	Far East
Company E	£1,840	Far East
Company F	£1,450	USA
Company G	£1,150	USA

Source: P&MM files, 1997, excluding fees, VAT, grossed -up tax, £/\$1.65

Further evidence that incentive travel is still the most popular reward medium comes from other Page & Moy Marketing research across 400 corporate buyers (1990 and 1995) where the pecking order for the preferred non-cash reward was established.

Interviewees were asked which reward medium was the most effective when motivating sales people toward higher performance. Once a cash bonus or override scheme was in place, overseas group travel hosted by the sponsoring company was significantly more favored than any other reward medium.

**Table D –Preference For Reward Media**

	<b>Per Cent</b>
Cash	
Overseas Travel	43
Vouchers	35
Merchandise	23
UK Breaks	16
Sports Events	14

Source: Page & Moy Marketing, 1990 & 1995

The same question was repeated five years later (1990 v 1995) and the same rank order table was found with marginal differences in the percentages.

Overseas travel is still the most popular reward choice by some margin over other non -travel options.

# Destination Choice

Assuming overseas group travel is the preferred motivator, the choice of destinations clearly has a bearing on the motivational effectiveness of the campaign. Recent ex-UK industry research shows long haul destinations returning after a recessionary switch to Europe and the Eastern seaboard of the USA.

In terms of specific popularity, the following (Table E) consists of an extract from the M&IT (Meetings & Incentive Travel) Magazine Survey for 1996 of 65 motivation agencies.

Within Europe, Paris is the most popular choice, but Barcelona has risen dramatically since the 1992 Olympics. For long haul, the USA dominates the table, but Cape Town is experiencing unprecedented popularity and is in great demand up to the year 2000, as evidenced by ever-increasing hotel rates.

<b>Table E – Destination Choices</b>			
<b>1996 Short Haul</b>		<b>1996 Long Haul</b>	
1	Paris	1	New York
2	Barcelona	2	California
3	Amsterdam	3	Massachusetts
4	Dublin	4	Florida
5	Rome	5	New Orleans
6	Venice	6	Arizona
7	Lisbon	7	Tokyo
8	Marbella	8	Victoria Falls
9	Florence	9	Cancun
10	Limassol	10	Cape Town

Source: Meetings & Incentive Travel Survey, 1996

A further survey commissioned by Reed International in 1995, across a wide cross section of European buyers produced the following findings (Table F) showing Hawaii just below Paris in the popularity stakes for an incentive or conference. Glasgow, somewhat undeservedly, came out in last place out of 40 destinations.

<b>Table F – Appeal of Incentive or Conference Destinations (out of 10)</b>			
<b>Destination</b>	<b>Avg. Score</b>	<b>Destination</b>	<b>Avg. Score</b>
Paris	8.0	Los Angeles	6.4
Hawaii	7.8	Lisbon	6.4
Hong Kong	7.5	Budapest	6.3
Singapore	7.5	Brussels	6.3
New York	7.5	Edinburgh	6.2
Geneva	7.4	Copenhagen	6.1
London	7.4	Milan	5.9
Cannes	7.3	Stockholm	5.9
Monaco	7.3	Istanbul	5.8
Rome	7.1	Cyprus	5.8
Florence	7.1	Munich	5.8
Nice	7.1	Frankfurt	5.7
Vienna	7.0	Athens	5.6
Amsterdam	6.9	Dublin	5.6
Bangkok	6.8	Luxembourg	5.3
Barcelona	6.7	Marbella	5.3
Berlin	6.7	Helsinki	5.2
Madrid	6.4	Cairo	4.9
Miami	6.4	Dubai	4.3

## ***Summary and Conclusion***

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Despite relatively recent doom and gloom in some isolated areas of the UK financial services sector, in general, the usage of incentive travel as the prime motivator in a year-long program is actually growing again with a higher proportion of the sales force now enjoying a hosted overseas event than ever before. In short, although sales forces have contracted, the top people have remained.

Within the specific industry environment of Company X, our UK bancassurer, new business share by bancassurers in recent years has been lackluster.

<b>Year</b>	<b>New Yearly Premiums % Share</b>
1993	<b>18.4</b>
1994	16.4
1995	14.4

Source: Insurance Statistics Yearbook, 1985-1995

The market is becoming more diversified with more institutions competing for financial services than ever before.

In an increasingly regulated and standardized working environment, the recognition and reward program -- in particular incentive travel events -- may be one of the few distinguishing factors between competitive companies within the top quartile of employees.

Company X (a major UK bancassurer) had been running two incentive travel events per year since the mid-1970's. Typically, the qualification period would be six months at the end of which the top 100 salespeople (out of 1500 measured on earnings) would be invited to an exotic, overseas destination with their partners.

In 1992, coinciding with the UK recession and the increasing focus on productivity and efficiency, Company X undertook some research to canvass opinion about the value of their incentive travel program. The objectives were to:

- A. Understand what motivates sales staff;
- B. Investigate understanding of the rules;
- C. Investigate general opinions about the national scheme and regional/local schemes;
- D. Investigate the effectiveness and understanding of the communication of the incentives.

## ***Methodology***

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A sample was chosen at random from various levels of the sales organization as follows:

Status	Total	Sample	%
Managers	108	66	61
Consultants (Product)	44	8	18
Senior Representatives	242	83	34
Representatives	1100	118	11
		1494	275

Interviews (both face-to-face and by telephone) were conducted in the April/May, 1992 timeframe.

## ***Findings***

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- A. 60% felt convention thresholds were too high and therefore not motivational;
- B. Preference for the qualifying period to be 12 months, not 6 months;
- C. 67% wanted regional differences to be accounted for within the qualifying criteria;
- D. 48% found the communication slow/difficult to understand;
- E. 57% of representatives would prefer to replace the big national event with other, more local activity;
- F. Only 15% of the sample claimed to be positively motivated by the then current incentive travel program.

The independent research agency concluded:

- A. Company X needs to increase and promote the benefits of attending the convention more strongly. Literature should be punchy and direct with professional video support;
- B. Performance updates need to be produced more quickly i.e. within a week of the month -end;
- C. Explore ways to simplify the rules;
- D. A two tier system may work better rather than a single, long haul destination;
- E. Make the regional/local events more professional;
- F. Make rewards available to more people.

Reviewing the verbatim comments, it is clear that the overseas convention is perceived as a “glamorous and prestigious event.” It provides a “meeting point for senior and successful company people to communicate and socialize.”

But it is a poor motivator for most of the sales force (only 7% qualified) and there were specific negative comments about the lack of communication concerning individual progress during the campaign period.

The most negative comment came from one of the junior managers who stated “... a significant proportion of the sales force completely disregarded it (the convention).”

The convention was viewed by qualifiers as high quality and well-managed, but by non-qualifiers as largely irrelevant. “The scheme is generally undersold at all levels of management,” was a comment heard.

Senior Managers agreed that communication was the weakest area of the program. “An incentive of such high status is underperforming due to lack of commitment and presentation,” said one interviewee. In terms of the future, the general view was that the convention was a good thing but was “totally undersold” and they need to involve more qualifiers in the convention process. “There is a need to bring the opportunity to more of the sales force, to widen the franchise to enable the lower achievers to mingle with the others.” A two or even three tier system was mooted, but without reducing the quality of the main convention.

## ***Benchmark Comment***

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In summary, at the mid-point of 1992, Company X was employing a long haul incentive travel product on a regular basis in an attempt to improve performance. But the internal perception was that it was not as effective as it could be due to poor communication and an incentive program structure which restricted participation to just 7% of the sales force was not good. Personnel changes at the top of the sales company prevented any action being taken to correct the findings of the research during the next 18 months. Eventually, in September 1993 the research was reviewed and Page & Moy Marketing UK, a full service performance improvement agency were given the task of translating the findings into a practical motivation program. By the end of 1994, the sales force has fallen in numbers from 1500 in 1993 to 1300 and average productivity was 16,420 credits (a measure of commission/product mix).

## COMPANY X CLUB CONCEPT

Up until 1992, Company X had been running an incentive scheme with a fixed number of places (7%). The research suggested that a tiered “Club Concept” may be a better way to motivate more people, with qualification based on threshold rather than rank order.

The new Club concept had the following features:

- A. A major long haul incentive travel event (Hong Kong);
- B. Three UK regional events for three quarterly performance periods (resort hotels);
- C. A recognition system including trophies, cuff-links, certificates and BMW cars;
- D. Monthly performance bulletins.

During 1994 -- 1996, the Club concept was refined and became:

- A. A major long haul travel incentive (Bermuda);
- B. A short haul travel incentive (Barcelona);
- C. Four UK regional events (stately homes or country parks);
- D. An enhanced recognition system to include business support and better cars (Status Club);
- E. Monthly performance bulletins;
- F. Annual, regional sales conference;
- G. Sales Magazine (monthly);
- H. Tactical campaigns (e.g. Xmas Cracker Competition).

The effect of these enhancements was to raise the number of rewarded participants to 25% of the sales force with a promotional influence on the top 40%. The Incentive Research Foundation then funded the following research to investigate whether this enhanced investment, featuring two incentive travel movements had improved productivity within the target audience of the top quartile.

## ***Purpose***

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The following objectives were agreed to in The Incentive Research Foundation research brief; namely, to:

- A. Establish a direct link between the motivation program and improved sales productivity;
- B. Establish the relative importance of incentive travel within the motivational mix;
- C. Establish the relative importance of internal communication techniques within the motivational mix;
- D. Gauge which elements of the incentive travel event are the most/least important;
- E. Discover which travel concepts would appeal most, given a free choice.

By building on the initial research of 1992, and using industry figures as a benchmark, our goal is to show that a pre-planned, motivation program approach is more effective than operating incentive travel in isolation and that such activity will lead to an increase in sales productivity within the target participant group.

## ***Research Methodology***

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After consultation with research partners, it was decided that the study would rely solely on primary quantitative data, gleaned from a combination of focus group interviews and telephone questionnaires covering all levels of participants in the incentive program. Because the respondents are busy with their day-to-day work commitments and were not obliged to respond, the research method adopted was the best way to ensure a statistically valid response.

### **Stage One**

- Focus group involving ten (10) Regional Directors of Company X (100% sample);
- All participants had been to the main incentive convention, so they had good knowledge of the major travel incentive and the program in general;
- Members were spread across the four regions North, Central, South and East;
- Members had a range of working experience from 10 - 25 years with Company X.

### **Stage Two**

- Questionnaire developed to investigate the views of 20 Regional Sales Managers (RSM's) (100% sample);
- Telephone interviews and appointments made at the workplace and time convenient for the interviewee;
- Average length of interview, 15 minutes;
- Spread across all regions;
- Experience range from 2 - 15 years.

### **Stage Three**

- Questionnaire designed to research the views of 40 Field Sales Managers (FSM's) (43% sample);
- Interviews were conducted over the telephone at the workplace, at a predetermined time which was appropriate for the interviewee;
- Spread across all regions of the company;
- 60% had qualified for at least one of the incentive opportunities offered by Company X;
- Experience range from 1 to 10 years.

### **Stage Four**

- Questionnaires developed to research the views of 100 sales advisers (25% sample);
- Spread across all regions;
- Only 10% had qualified for any one of the incentive opportunities offer by the company;
- The range of experience was between 6 months to two years.

### **Sample Summary**

<b>Status</b>	<b>Total</b>	<b>Sample</b>	<b>%</b>
Regional Director	10	10	100
Regional Sales Manager	20	20	100
Field Sales Manager	93	40	43
Sales Adviser	800	200	25
	923	270	29

### **Personal Profile**

**A. Sex:**

M	F
67%	33%

**B. Age:**

25-35	3.8%
36-45	35.7%
46-55	32.5%
55+	15.9%

**C. Length of Service:**

Less than a year	23.3%
1-3 years	12.6%
4-7 years	30.2%
More than 7 years	34.0%

All data was collected during the period of July - October of 1997, by independent, professional telephone interviewers, with emphasis on anonymity.

The findings are matched against the research objectives as follows.

### **OBJECTIVE 1 -- To Establish A Direct Link Between The Motivation Program And Improved Sales Productivity**

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#### **Company X Participant Opinions**

- A. Regional Directors all agreed there was a definite link between improved productivity and the Club program, quoting a perceived effect of at least a 10% increase.
- B. 80% of Regional Sales Managers perceived the Club program to be of significant value or very valuable in increasing productivity. 50% said it could account for at least a 10% increase in sales. 60% said withdrawing the Club program would have a significant effect on future sales achievement.
- C. Only 40% of Field Sales Managers thought the Club program to be very valuable or of significant value, but 90% agreed there would be some effect on sales if it were withdrawn.
- D. Among Sales Advisers (sales people), only 40% said the Club program was valuable in increasing productivity. Very few could quantify the downside effect of withdrawing it, although 50% said such action would have some effect on future productivity.

A summary of these opinions would be that all groups recognize that the Club program has an effect on sales productivity. Those with more industry experience were more able to quantify the effects which they identified as at least 10%. The relatively low scores among Field Sales Managers and Sales Advisers regarding its 'value' to increase productivity perhaps reflect the target audience of the program. The Club program is designed to reward 25% of participants and reach 40%, in promotional terms, so a score of 40% from the lower status groups who value it, is right in line with the Club program's strategic aim.

### **Statistical Evidence at Company X**

An examination of individual sales productivity from Company X records before the Club program was introduced (1993) and after (1994 — 1997) should indicate whether it has been effective, although it has to be remembered that there are many other factors which can influence improvements in productivity (products, management style, retention, remuneration).

### **Top Quartile Productivity**

If we look at average productivity for the top quartile, we can see a significant improvement from when the Club program was introduced in 1994 despite falling sales force numbers.

	1993	1994	1995	1996	1997
<b>Sales force size</b>	1494	1161	977	888	932
<b>Top 25% productivity</b>	16,420	20,497	18,190	26,668	28,109

The improvement between 1993 and 1997 has been 71% or almost 18% per year on average for the top quartile. The 'blip' in 1995 can be explained by new legislation requiring sellers to be examined for specific product licenses and complete customer briefing documents known as *factfinds* and as a result the number of proposals/*factfinds* submitted reduced by 24%. This had a knock-on effect on business generated throughout the year, even among the top quartile; however, Company X recovered significantly during 1996.

## **OBJECTIVE 2 -- To Establish The Relative Importance Of Incentive Travel Within The Motivational Mix**

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### **Industry Research**

- A. We have already cited the Page & Moy Marketing industry surveys of 1990 and 1995 which show conclusively that after cash, incentive or group travel is the preferred reward medium to stimulate higher performance (Sample of 300 corporate clients).
- B. In terms of relative importance of incentive travel within the motivational mix, an analysis of the top 10 UK full service agencies shows an average spend on incentive travel of 25% of total client spend on motivation, although total market figures are not available.
- C. Growth in incentive travel ex-UK (1995 v 1996) has been shown to be 13%, according to the *Meetings & Incentive Travel Magazine* industry Benchmark Survey.

### **Company X Research**

- A. Regional Directors said that the recognition associated with being a 'best producer' at the incentive travel event carried considerable motivational power, although some could see the attraction of individual travel vouchers. All agreed that travel was the best option.
- B. 70% of Regional Sales Managers said that the promise of group travel was the best motivator, although again their second option was individual travel vouchers.
- C. Lower down the scale, Field Sales Managers were less convinced (only 55% agreed), 31% preferred individual travel vouchers, and 7% preferred more cash.
- D. Sales Advisers preferred individual travel vouchers (40%), followed by group incentive travel (33%), followed by cash bonuses (17%).

In general terms, it is clear that incentive travel or individual travel is the most preferred reward medium. However, the rising number of requests for individual travel at lower levels suggests that the 'incentive travel experience' could gain from more promotion to encourage non-qualifiers to want to qualify. Those who have already experienced it need little convincing.

### **OBJECTIVE 3 -- To Establish The Relative Importance Of Internal Communication Within The Motivational Mix**

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#### **Company X Participant Opinions**

- A. Regional Directors emphasized the need for quality in the promotional material and for participants to be consulted on the style and standard of destinations. It was also felt important that promotional materials could be used for related purposes such as recruitment or internal presentations once the program had been launched.
- B. All the Regional Sales Managers considered the Club communication to be good or very good. 88% asked that nothing should be changed regarding the launch mechanism (regional conferences, main stage presentation, video, brochure distribution). 81% agreed that the material should have an after-life during the year, but they could benefit from more teasers on an ongoing basis.
- C. 68% of field Sales Managers considered the promotional material to be important.
- D. Monthly management reporting was seen as important by 52% managers with 58% endorsing the roadshow launch approach. 61% gave the current promotional material a high rating, with 63% saying they use it during the year for other business purposes.
- E. 72% of Sales Advisers considered incentive program communication to be important and useful. Surprisingly, only 23% of Sales Advisers found the roadshows useful and assessments of the promotional material reflected the target audience percentage. Only 41% rated the monthly bulletins 'useful'. (Perhaps because only 40% were pro-rata on target to qualify).

All comments about communication need to be treated carefully, as assessment depends on whether the recipient is within the target audience (The Club program is aimed at the top 40%). However, the majority agree that communication is important if an incentive travel program is going to improve sales productivity.

## OBJECTIVE 4 -- To Gauge Which Elements Of The Incentive Travel Event Are The Most/Least Important

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### Company X Participant Comments

- A. Regional Directors emphasized the need to strike a balance between the organized program and free time, especially in a resort location. It was important to listen to partner views as well as those of qualifiers. The option to extend their stay for a personal holiday was an important feature, although they did have concerns about lost man hours from sellers as a result.
- B. 82% of Regional Sales Managers said there was a good balance between organized events and free time: 89% said they look forward to going each year (qualifiers). 73% valued highly the option to extend their stay.
- C. 77% of Field Sales Managers agreed that the balance between free time and the organized program was the most important element. 93% valued the holiday extension option highly.
- D. 74% of Sales Advisers were happy with the quality and service of the incentive event they had attended, although 63% would have preferred even more free time.

In order of preference, the most/least preferable elements to include in an incentive travel event would be (1=most preferable, 5+ least preferable).

Company X qualifiers prefer long haul to short haul, prefer sun, sea and sand to culture and are reluctant to be forced to engage in strenuous activity. As always, such preferences will reflect the audience profile and should not be taken as a general view of the UK incentive travel participant.

	Element	Rating
1	Formal dinner	1.68
2	Sun, sea sand	2.14
3	Long haul	2.41
4	City	2.68
5	Sports	2.73
6	Free Time	2.82
7	Activities	2.90
8	Culture	3.50

For Company X, they really enjoy the formal gala dinner as part of the program and a few organized events but traveling between venues on the same event is an unpopular option. However, other groups in other market sectors would differ so no firm conclusions can be drawn, except to say that some free time appears to be a constant plea to incentive organizers. Qualifiers need time to relax and enjoy the property at the chosen destination.

Other issues identified by Company X were to investigate any significant differences in attitude between qualifiers and non-qualifiers and concerns about the rules.

## ***Qualifiers vs. Non-Qualifiers***

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- A. Qualifiers were almost twice as likely to value significantly the main incentive travel event as non-qualifiers.
- B. Qualifiers gave higher ratings for the effect on productivity than non-qualifiers (70% of qualifiers estimated an increase of 20% or more!)
- C. Only 15% of non-qualifiers scored the new Club program as moderately better or much better than the old system. 47% of qualifiers did! (27% did not know).
- D. There was no significant difference in perception of how motivating the destinations were, between qualifiers and non-qualifiers.

## ***Rules/Structure/Rewards***

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- A. 67% found the qualification criteria realistic.
- B. The second tier award (Barcelona) was thought by 81% of the sample to be important or very important and 62% thought it was right to run it at the beginning of the year as a Fast Start award.
- C. 70% of participants try to increase their productivity for the Area (country hotels) Incentives.
- D. Views concerning the recognition items varied from the highest ratings for stationery to lowest ratings for the pill-boxes.

## OVERALL ASSESSMENT

Each corporate client is different so no single case study research should be taken as a benchmark for any other corporate client. However some lessons emerge from the 1997 UK financial services market and its use of incentive travel as a tool to improve sales productivity; namely:

- A. Incentive travel is a sales promotion tool and works well in raising sales productivity. In the case of Company X, 18% on average.
- B. However, it works less well in isolation and needs to be part of an overall motivation program, aimed at a well-defined target audience within the sales force (not everyone can qualify).
- C. Communication is vitally important to support any incentive travel initiative. Individual performance feedback will make the program more effective.
- D. Participants still welcome the glamour of long haul travel, but there are growing calls for individual travel as a reward mechanism.
- E. Offer personal extensions as part of the incentive travel event proposal.
- F. Don't over-organize the event -- make sure participants have adequate free time.
- G. Consult with the potential participants (and perhaps their partners) for both the destination and the program so that you can tailor the incentive travel event accordingly.

By bearing these factors in mind, you can ensure that incentive travel will remain the preferred reward choice in any sales productivity program.



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