

INCENTIVE TRAVEL INDEX

2023 Survey Highlights

October 2023



In association with



Incentive Travel Index

TABLE OF CONTENTS



- 1** Executive Summary
- 2** Introduction
- 3** Evolving Purpose of Incentive Travel
- 4** Growth, Budgets, and Spending
- 5** Challenges and Channel Dynamics
- 6** Destination Selection
- 7** Shifts in Program Design
- 8** Appendix

Foreword

This is the fifth year of the collaboration between IRF and the SITE Foundation on the Incentive Travel Index, formerly the Incentive Travel Industry Index. With research partner Oxford Economics, the organizations have again created an indispensable annual report on the state of incentive travel, providing data on current and future evolution.

The 2023 online survey, fielded globally from May to July 2023, was customized for five distinct incentive travel professional roles:

- Corporate end user
- Destination management company (DMC)
- Destination marketing organization (DMO)
- Destination supplier
- Third-party agency (incentive travel agency)

Nearly 2,500 incentive travel industry professionals, representing 19 industry verticals, and 83 countries, participated in the survey.

For the latest on the Incentive Travel Index, see [incentiveindex.com](https://www.incentiveindex.com).

Sponsors



A blue-tinted photograph of an airport tarmac. In the foreground, several pieces of luggage, including two large red suitcases and a smaller black one, are lined up. In the background, a large commercial airplane is visible on the tarmac, and a building with a glass facade is partially visible. A blue stanchion with a retractable belt is also present in the mid-ground.

1 Executive Summary

EXECUTIVE SUMMARY

INCENTIVE TRAVEL INDEX – 2023 SURVEY HIGHLIGHTS



Evolving Purpose of Incentive Travel

Incentive travel is becoming a necessary part of company culture due to its numerous benefits. Its purpose is growing in importance and evolving over time.

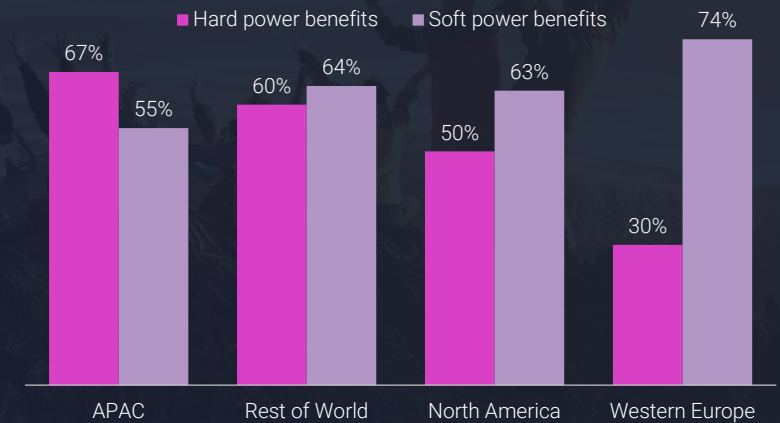


68%

Agree that incentive travel was previously used primarily for 'hard power' benefits, but now it's mostly about 'soft power' benefits.

The most important benefits of incentive travel are changing. Western Europe, North America, and Rest of World are shifting to soft power benefits, while Asia-Pacific (APAC) respondents are seeing hard power as becoming more important.

Primary future benefits reported by region
(Share of buyers selecting more important)



Primary reasons behind incentive travel's strategic importance

(Share of respondents who agree)

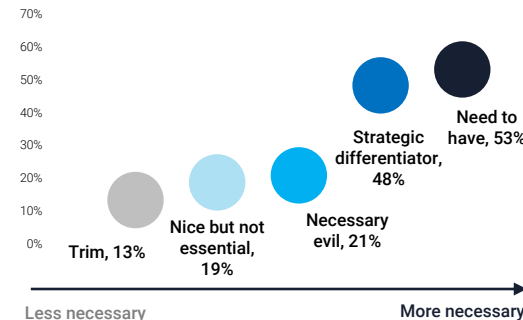


Senior Management Opinions

Many end-user companies have senior leadership that view incentive travel as 'need to have' (53%) and are 'highly engaged' in planning (37%).

Senior management view on incentive travel

(Share of end-users, multiple answers allowed)



Senior management approach to incentive travel

(Share of end-users, multiple answers allowed)

- 37%** Highly engaged
- 36%** Focused on maximizing ROI
- 35%** Want more company culture and engagement benefits

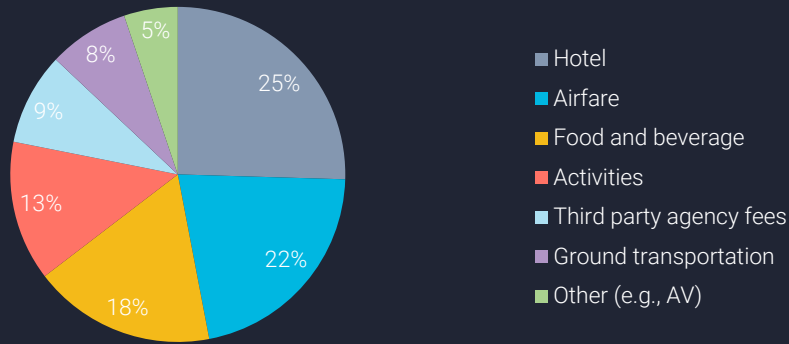
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INCENTIVE TRAVEL INDEX – 2023 SURVEY HIGHLIGHTS

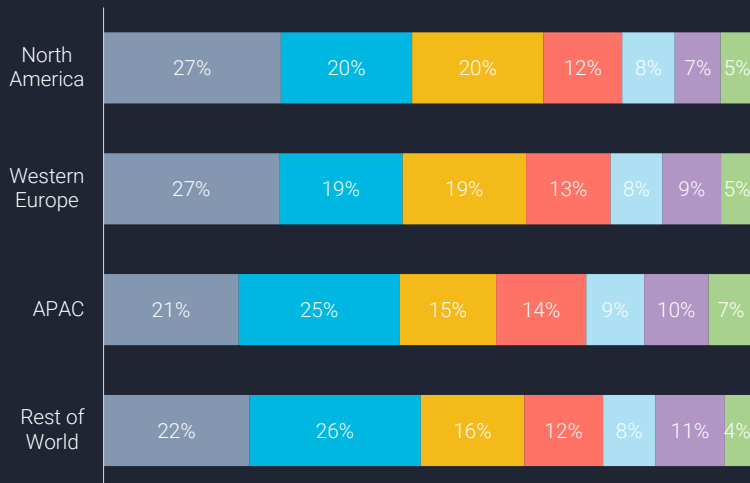


Growth, Budgets, and Spending

Average share of program budget allocation in 2024

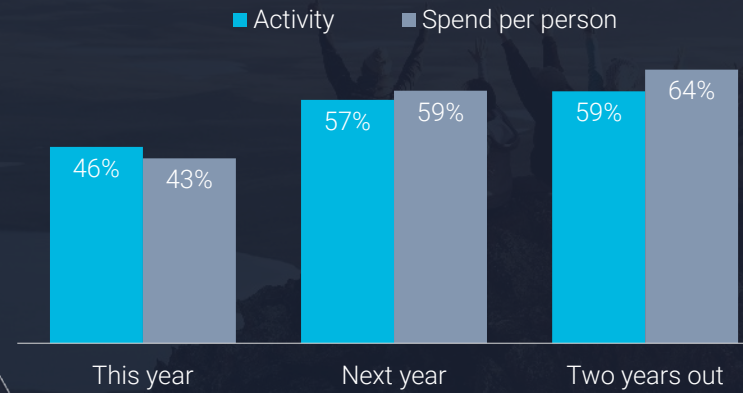


By region:



Expectations of incentive travel activity and spend per person

(Share of buyers reporting levels above or significantly above 2022 levels)



Many expect incentive travel activity and spend per person to rise above 2022 levels in coming years. Rising costs will help boost spend per person.

Share expecting incentive travel activity expansion by 2025

(Share of buyers reporting levels above or significantly above 2022 levels)

Industry
(buyers)

72%
Pharmaceuticals
and health care

65%
Technology

62%
Automotive

58%
All other
sectors

Region
(buyers)

77%
APAC

59%
Rest of World

58%
North
America

50%
Western
Europe

EXECUTIVE SUMMARY

INCENTIVE TRAVEL INDEX – 2023 SURVEY HIGHLIGHTS



Challenges and Channel Dynamics

Costs are becoming increasingly important as inflation is a major future challenge across all industries and regions.

Future challenges

(Share of respondents)



76%

Rising costs / inflation



55%

Attracting and retaining talent



49%

Uncertainty related to short-term planning



47%

Loss of industry knowledge due to staff departures



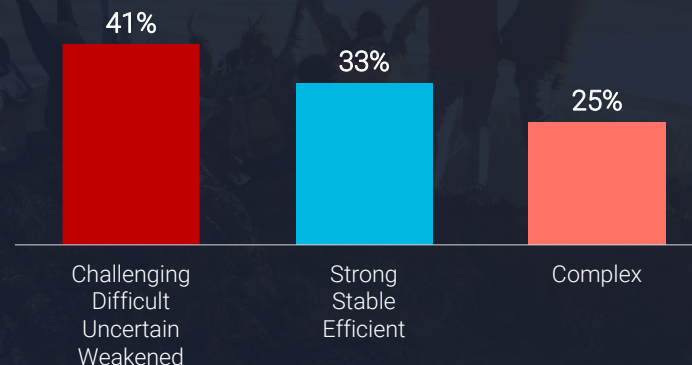
38%

Legal aspects with increased focus on contracts

The recent operating environment has tested even the strongest relationships, with planning uncertainty and limitations such as airlift and resort availability. Survey results confirmed this situation, as among buyers and sellers, many indicated relationships are challenging, difficult, uncertain or weakened, even as some of their colleagues referred to relationships as strong, stable or efficient.

Relationship between buyers and suppliers

(Share of aggregated responses)



Destination management company (DMC) considerations

50%

Say that the presence of a good DMC is increasing in importance

42%

Agree that current DMC pricing models are outdated and should be fee-based

Support from Destination Marketing Organizations (DMOs)

51%

Say that destination expertise is the most useful support from DMOs

48%

Say that assistance with venues and DMCs is the most useful support from DMOs

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INCENTIVE TRAVEL INDEX – 2023 SURVEY HIGHLIGHTS



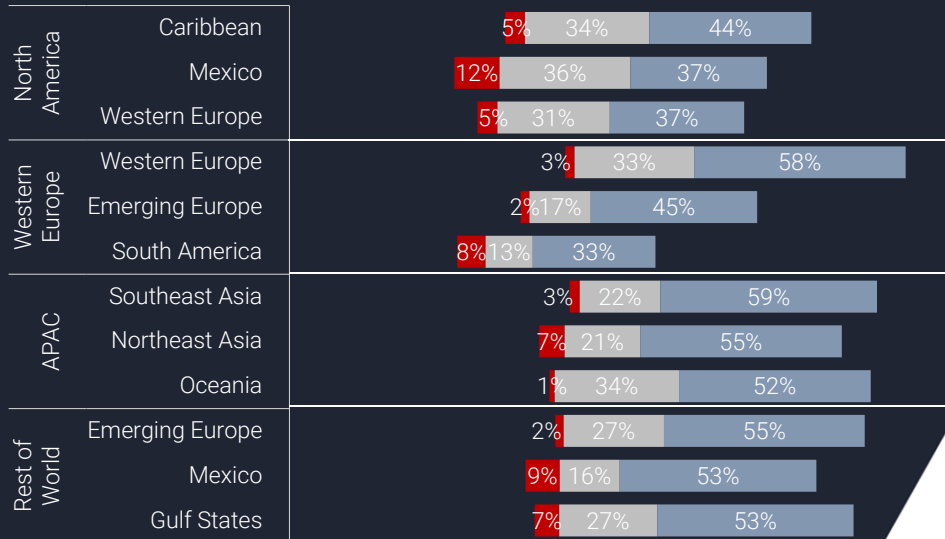
Destination Selection

Across regions, buyers expect to increase incentive travel to destinations that are within closer proximity, while considering destinations not used before.

Top planned destination use across regions

(Share of buyers for top three increase usage areas)

■ Less than in 2022 ■ Same amount as in 2022 ■ More than in 2022



Percentage of respondents planning to use each destination

Changing Destination Types

While decreasing distance of travel and increasing resort use, buyers are still looking for new destinations they haven't used before

Share of buyers expecting increasing use in the future



71%

New destinations

53%

All-inclusive resorts

41%

Shorter distance

Activities key to a successful program

Share of respondents saying an activity is important:



60%

Group cultural sightseeing experiences



58%

Relationship building activities



57%

Group dining experiences



53%

Luxury travel/ 'bucket list' experiences



43%

Team-building

EXECUTIVE SUMMARY

INCENTIVE TRAVEL INDEX – 2023 SURVEY HIGHLIGHTS



Shift in Program Design

The future of incentive travel sees program characteristics and considerations changing and differing by region.

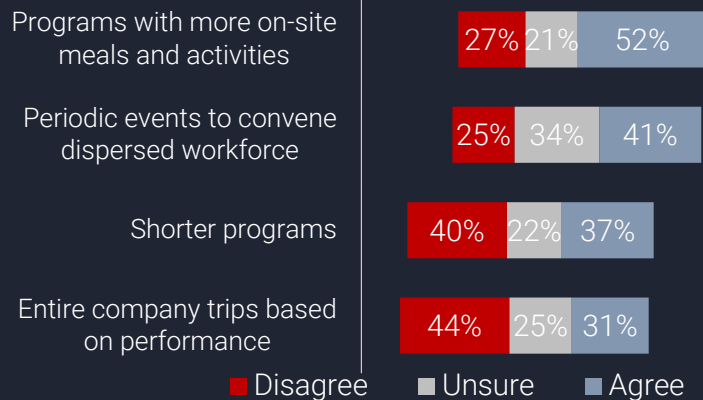


47%

Buyers are seeing a shift in program focus towards motivational events that cross functions

Changing program characteristics

(Share of buyers)



Changing program considerations

Buyers are seeing an increase in the importance of safety from crime/threat as well as cost across regions.

Share of buyers seeing increased importance in program consideration:



72%

Perceived as safe from a crime/threat perspective

71%

Cost of incentive program

58%

Perceived as safe from a health perspective

Future of incentive travel

Share of respondents that agree:



51%

Political considerations will override other destination considerations



42%

Individual travel incentives may be valued by attendees, but corporations remain unlikely to offer them



31%

ChatGPT and other artificial intelligence will significantly disrupt incentive travel marketing and communications

2 Introduction

The background image shows an airport baggage claim area. In the foreground, there are several red and black rolling suitcases. In the background, a large airplane is visible in flight against a blue sky. The entire scene is overlaid with a semi-transparent blue filter.

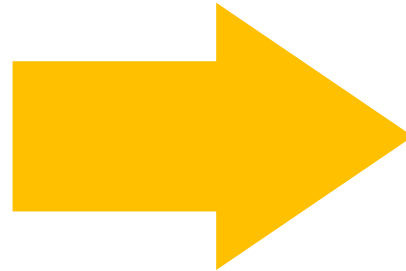
A global survey to understand incentive travel

Buyers

- Incentive travel end-users
- Incentive travel agencies

Sellers

- Destination management companies (DMCs)
- Suppliers (hotels, cruise lines, venues)
- Destination marketing organizations (DMOs)



Terms

- Incentive travel corporate program owner (e.g., end-user)
- Incentive travel agency (e.g., incentive house, third party planner, independent planner or other intermediary)
- Destination management company (e.g., DMC coordinating local on-site implementation)
- Supplier to the incentive market (e.g., hotels, cruise lines, venues, transportation companies, AV companies, décor companies)
- Destination marketing organizations (e.g., DMO or convention & visitors bureau)



2,464

total survey respondents



1,648

complete survey responses



933

buyers across 19 industries



83

countries represented by survey respondents



May to July 2023

online survey period

The survey reflects incentive travel buyers and sellers

A balanced, 360-degree view of incentive travel

Incentive travel comes to life through an extensive, collaborative network. The ITI is based on a balanced view of seller (62%) and buyers (38%).

Buyers include:

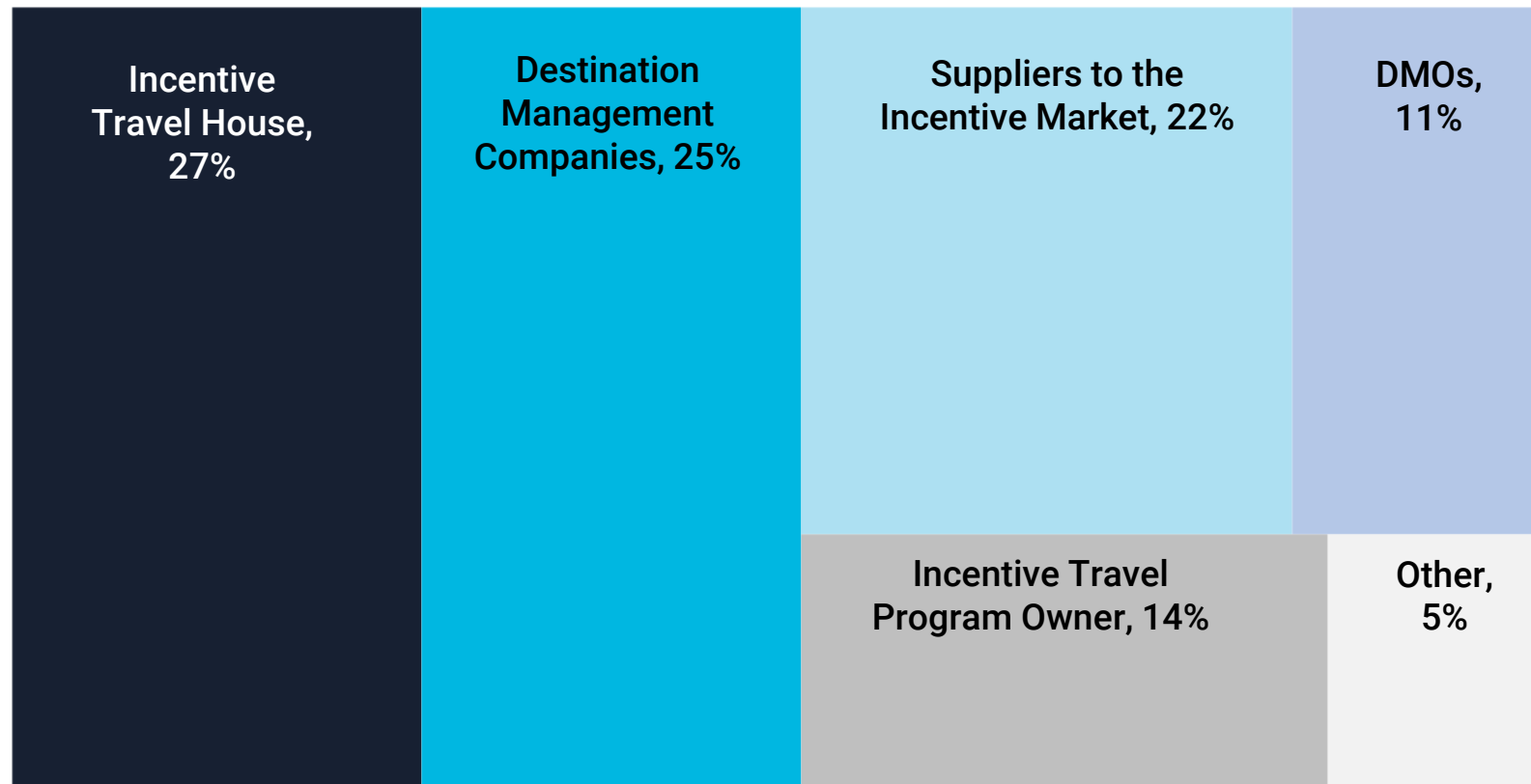
- **Incentive travel house** organizing events on behalf of client organizations
- **Incentive travel program owner** sponsoring events on behalf of their organization

Sellers include:

- **Suppliers to the incentive travel market** (e.g., hotels, cruise lines, venues, transportation companies)
- **Destination management companies** (e.g., DMC coordinating local on-site implementation)
- **Destination marketing organization** (e.g., DMO, convention and visitors bureau, national tourism office)

Respondent roles

(Share of respondents by role)



Balanced respondent base provides global perspective

Global response base with strong representation of North America

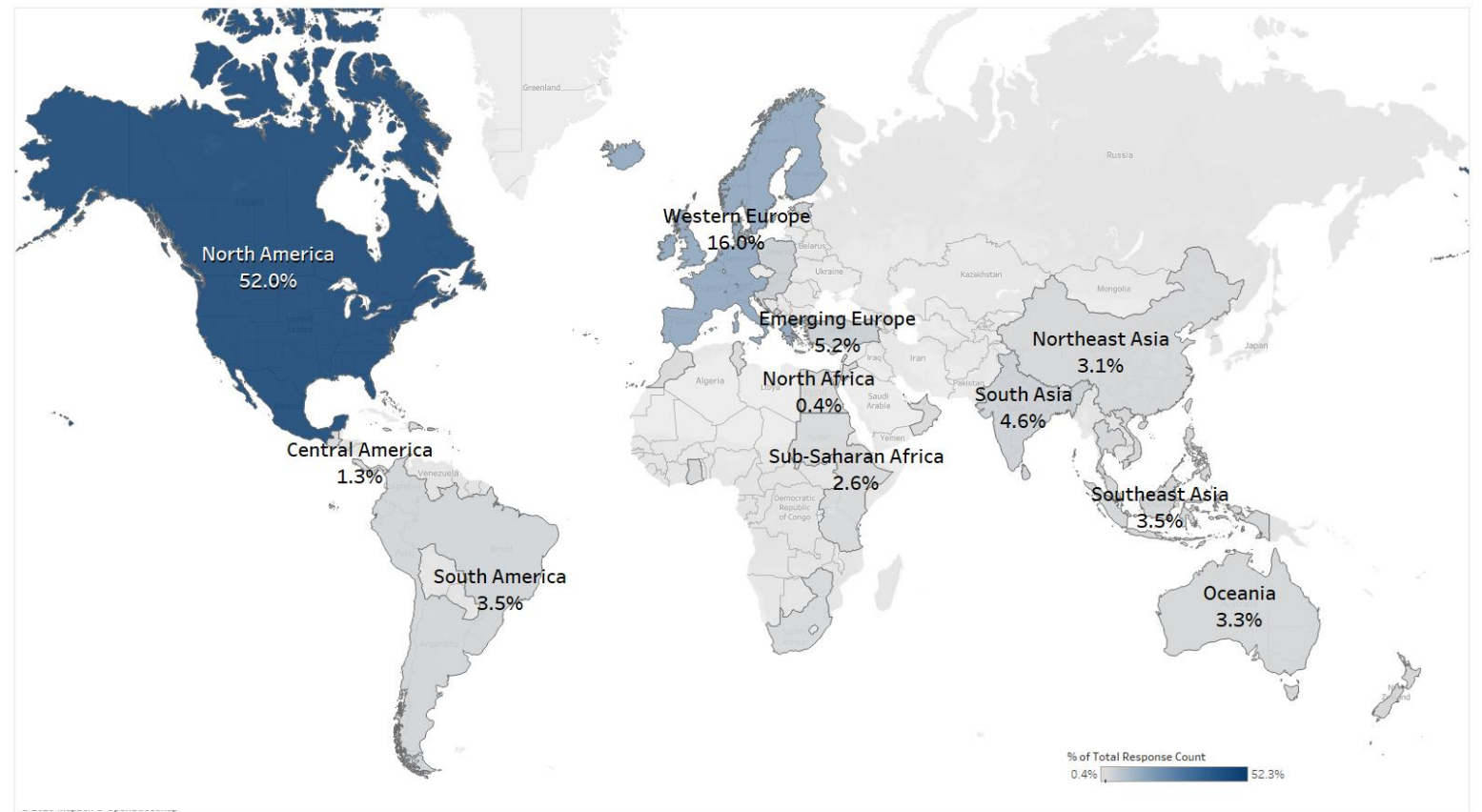
In total, 52% of respondents are based in North America. The share of respondents from Western Europe is 16%, with 15% from APAC. The Rest of the World made up the remainder of respondents (18%).

M1. Where is the organization for which you work based?

Response base: n = 1,646 respondents

Location

(Share of respondents)



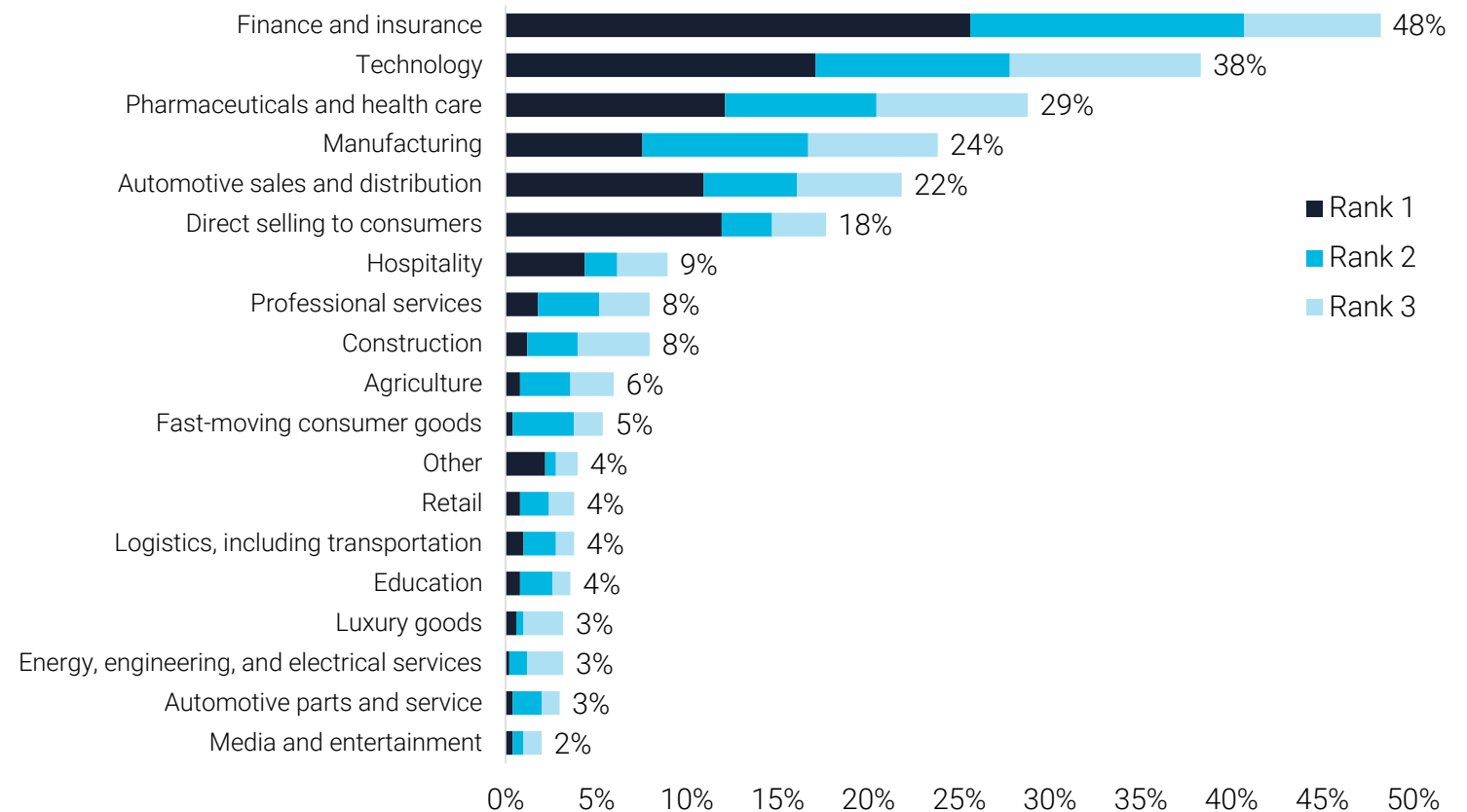
Finance, insurance and tech top the industries served

Finance and insurance is a primary industry for incentive travel programs

Finance and insurance is the most important industry (rank 1) for 26% of buyers and 48% of buyers rank the industry in their top three client sectors.

Customer industries

(Share of buyers indicating a top three rank)



M5. For which of the following industry(ies) does your team primarily organize incentive travel programs?

Rank 1 is most important; label is % of all buyers choosing sector in top three
Response base (Buyers): n = 504 respondents



3 Evolving Purpose of Incentive Travel

Hard power benefits are the main reason for incentive travel

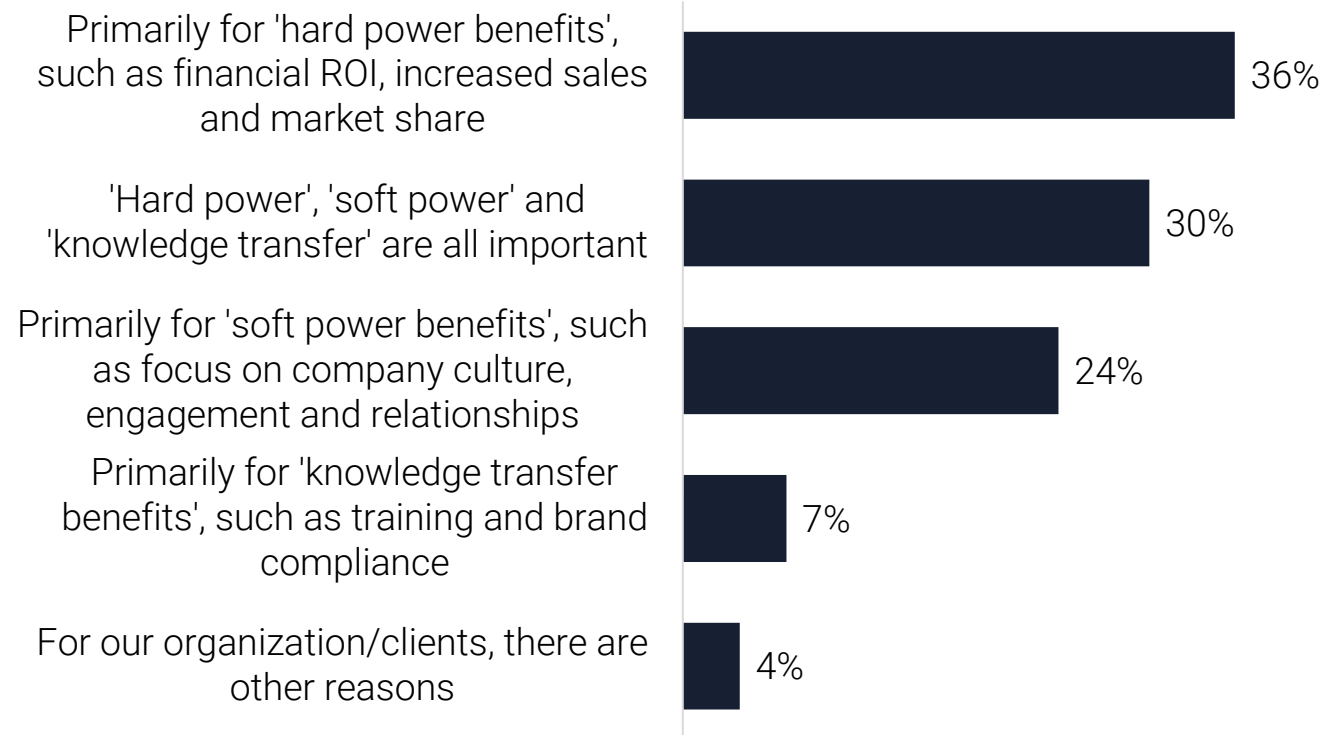
Many buyers currently use incentive travel for its hard power benefits

Hard power benefits, such as increased sales and market share, are the most cited reason for using incentive travel (36%).

Many buyers cite that all benefits are important (30%), while 24% cite that primarily soft power benefits are the reason for using incentive travel.

Reasons for using incentive travel

(Share of buyers)



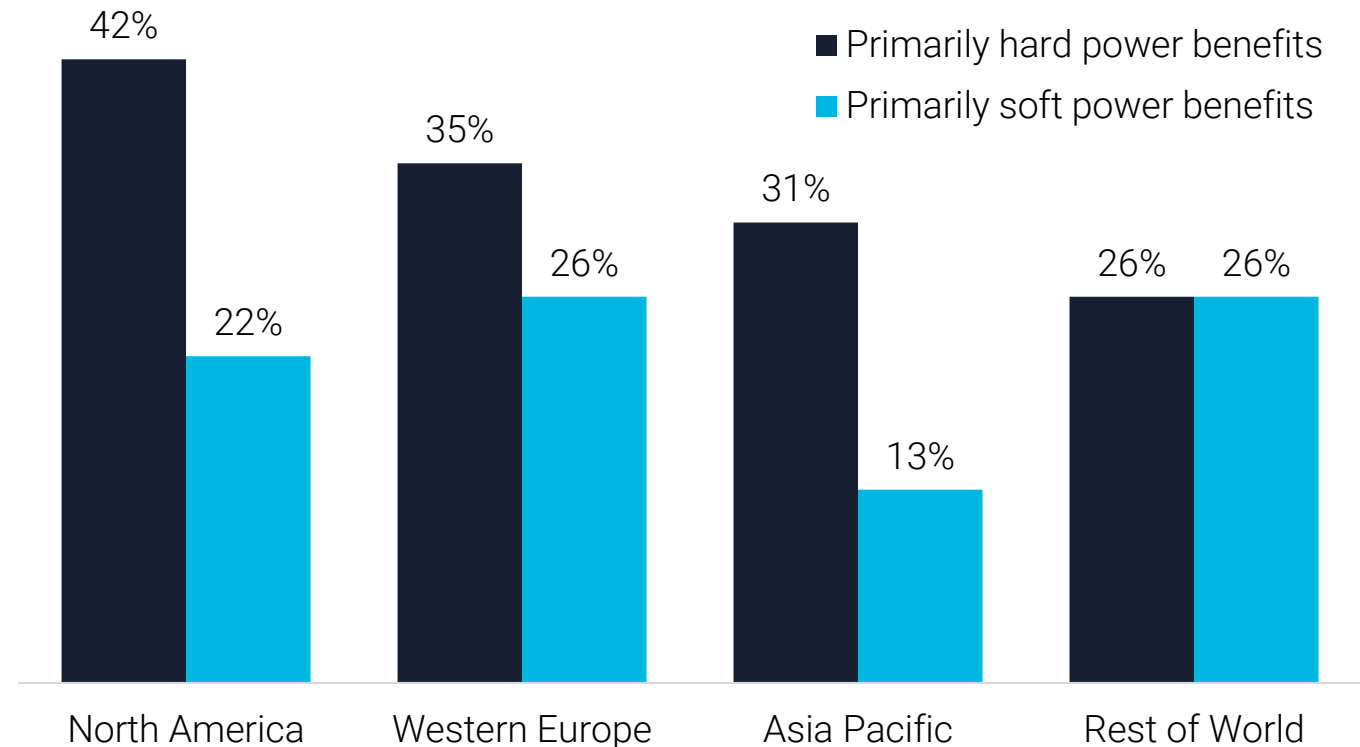
North American buyers more focused on hard power benefits

Buyers in North America and Western Europe are particularly focused on hard power benefits

Hard power benefits are the most important reason for using incentive travel in North America (42%) and Western Europe (35%). In Asia Pacific, 31% of buyers report hard power benefit are the primary reason for using incentive travel.

For the rest of the world, hard power and soft power benefits share importance.

Primary reason for using incentive travel by region (Share of buyers)



The importance of soft power benefits is growing

Buyers are shifting future program focus towards soft power benefits

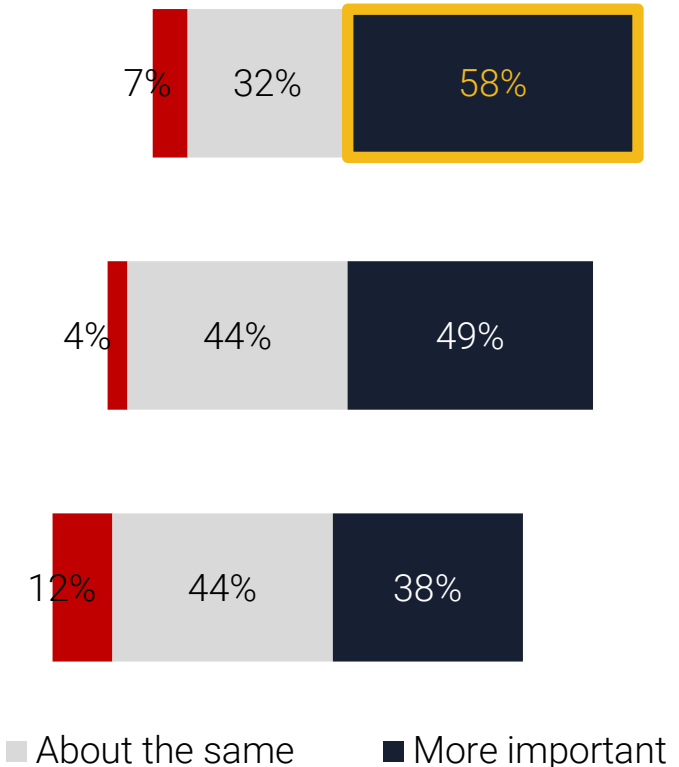
While hard power benefits, such as increased sales, remain key, nearly three-in-five of buyers report they are shifting future programs toward a greater focus on soft power benefits, such as company culture and engagement.

Changing benefits reported by buyers (Share of buyers)

Soft power benefits, such as focus on company culture, engagement and relationships

Hard power benefits, such as financial ROI, increased sales and market share

Knowledge transfer benefits, such as training and brand compliance



■ Less important ■ About the same ■ More important

Shift in primary benefit of incentive travel differs by region

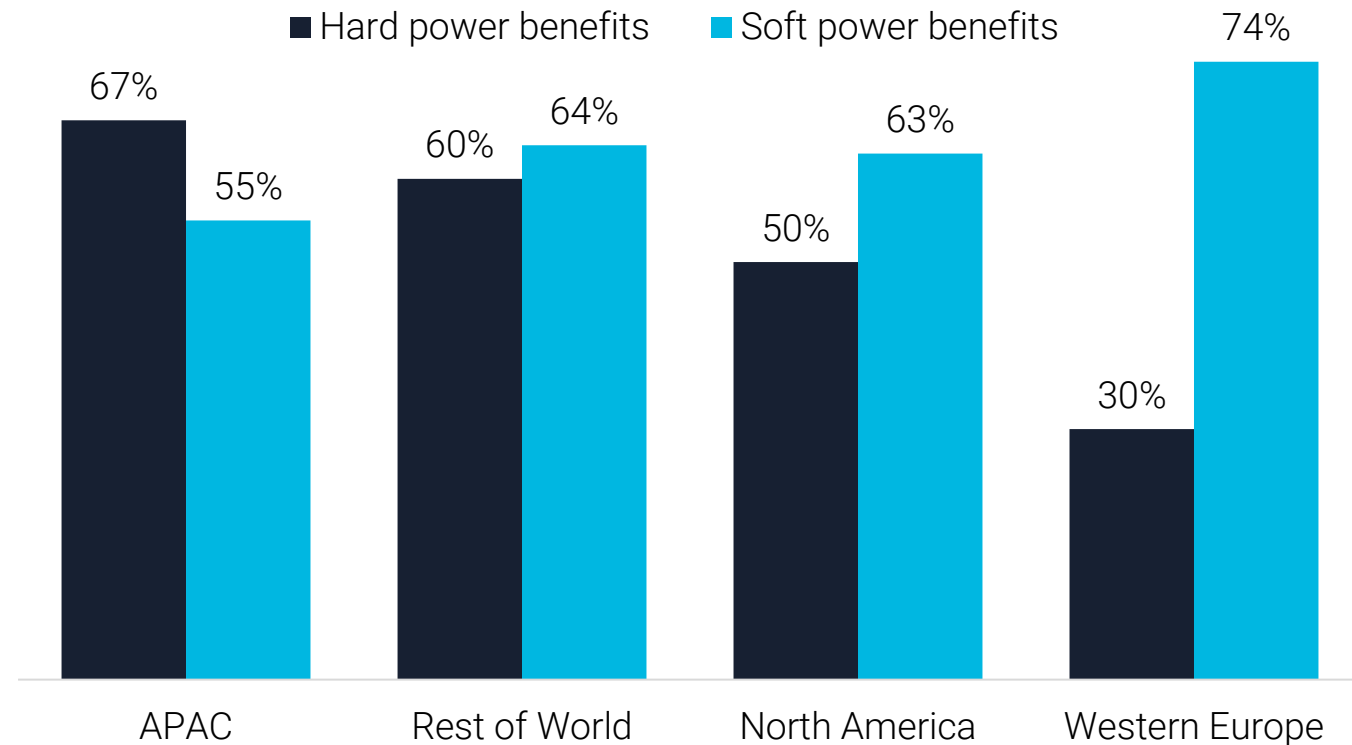
Western Europe, North America, and Rest of World are shifting to soft power benefits, while APAC respondents are seeing hard power as becoming more important

For Western Europe (74%), North America (63%), and Rest of World (64%), soft power benefits is cited the most by buyers as a benefit that is becoming more important.

Hard power is the most cited benefit that is becoming more important in APAC (67%).

Primary future benefits reported by region

(Share of buyers indicating each type of benefit is becoming more important)



Perceptions on incentive travel are shifting

Two-thirds agree that incentive travel is now mostly about soft power

Many company executives (68%) agree that incentive travel is a key part of future workforce strategy.

The social prestige of incentive travel has become more important according to 66% of respondents.

Future of incentive travel

(Share of respondents that agree)

68%

Agree that company executives increasingly recognize that incentive travel is a key part of future workforce strategy.

68%

Agree that incentive travel was previously used primarily to motivate individual performance (“hard dollars”), but now it’s mostly about company culture, relationships, and overall performance (“soft power”).

66%

Agree that the social prestige of incentive travel has become even more important.

Incentive travel for performance motivation remains key

Many agree that soft power benefits can be great, but incentive travel will always come back to its roots motivating individual performance

While soft power benefits have increased in importance, 76% agree that incentive travel will always come back to its roots motivating individual performance.

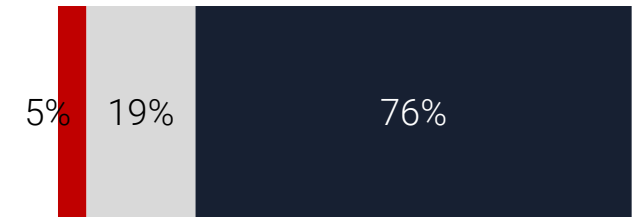
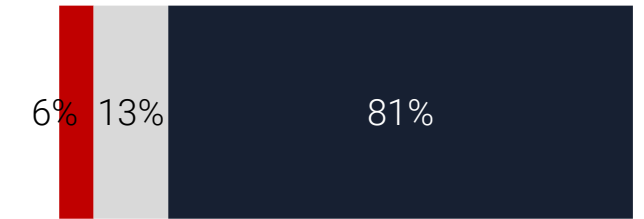
Incentive travel has many other roles. Most agree that with a dispersed workforce, incentive travel has an even more important role building engagement and company culture (81%).

Soft power benefits of incentive travel

(Share of respondents)

With a dispersed workforce, incentive travel has an even more important role building engagement and company culture

Soft power' benefits can be great, but incentive travel will always come back to its roots motivating individual performance



■ Disagree

■ Unsure

■ Agree

Helps retain talent and engage dispersed workforce

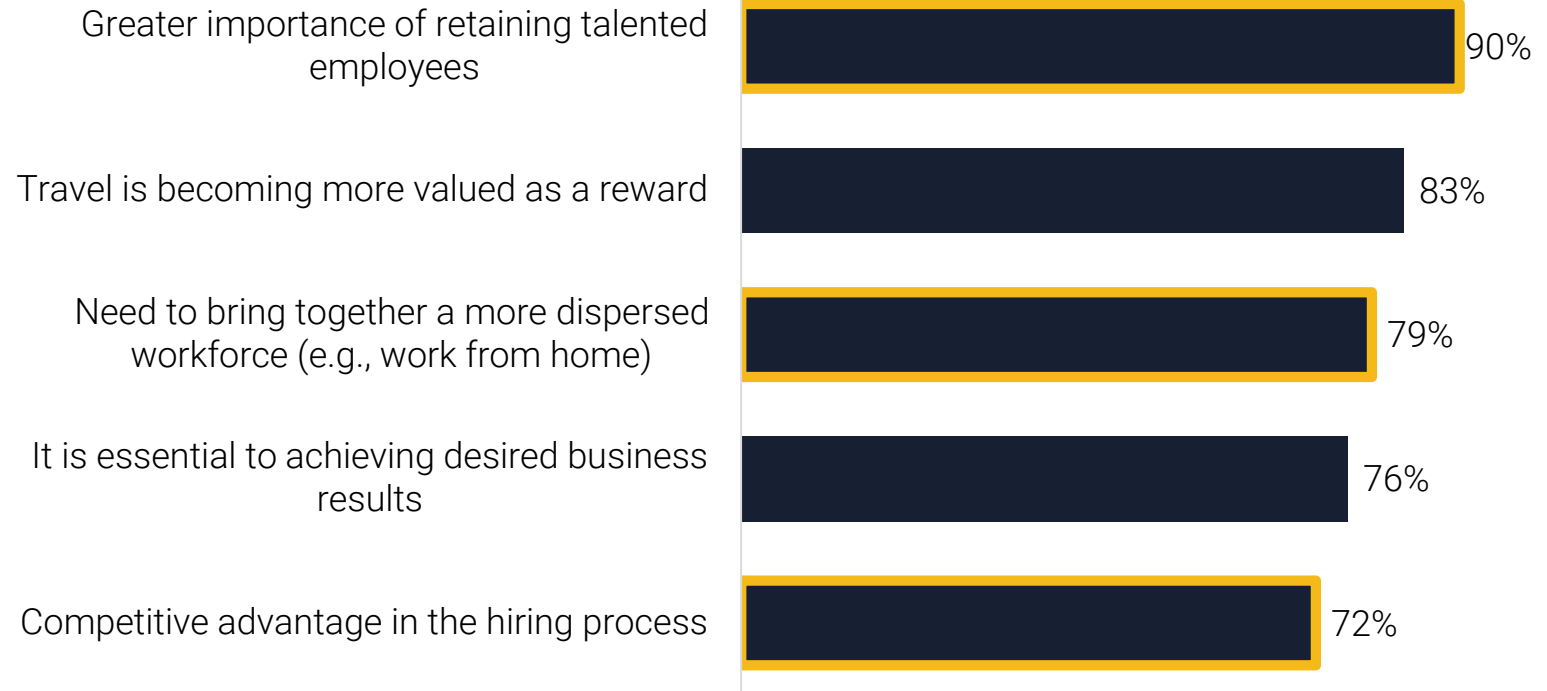
Organizations are striving to retain talent and rebuild relationships with the help of incentive travel

Retention of employees (90%) is the most commonly-cited reason why incentive travel is gaining strategic importance, followed by “travel is becoming more valued as a reward” (83%). Also, incentive travel is strategically important as it fulfills the need to bring together a more dispersed workforce (79%).

Drivers of incentive travel strategic importance

(Share of respondents who agree)

Yellow highlight represents category that involves retaining and engaging talent



S6. Why is incentive travel gaining strategic importance?

Respondents who answered that incentive travel is gaining strategic importance in question S4.

Each respondent asked to select the most important factors (up to two).

Response base: n = 1,256 respondents

Incentive travel is gaining strategic importance

Three-quarters agree that incentive travel is gaining strategic importance

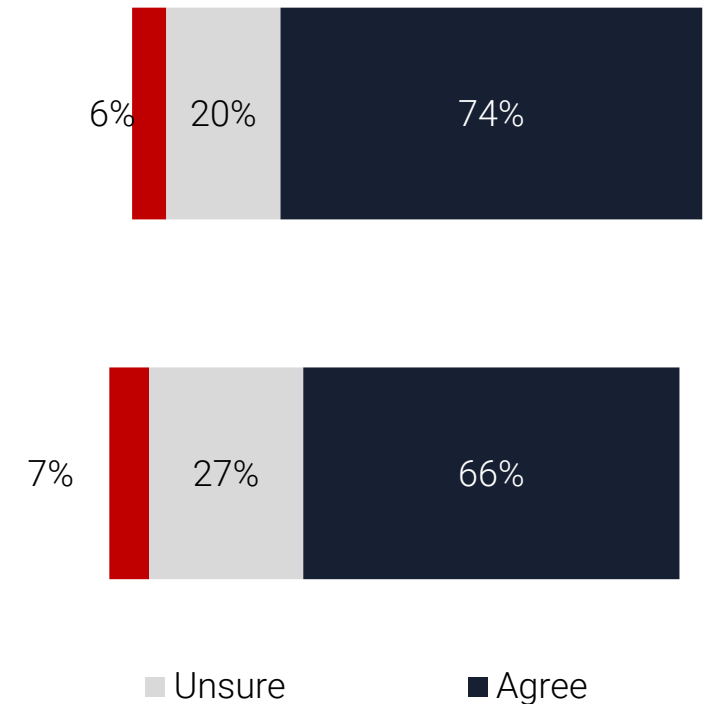
Incentive travel is also agreed to be helping meeting professionals have a more important 'seat at the table' (66%).

Strategic future of incentive travel

(Share of respondents)

Incentive travel is gaining strategic importance

Meeting professionals today have a more important 'seat at the table'



■ Disagree

■ Unsure

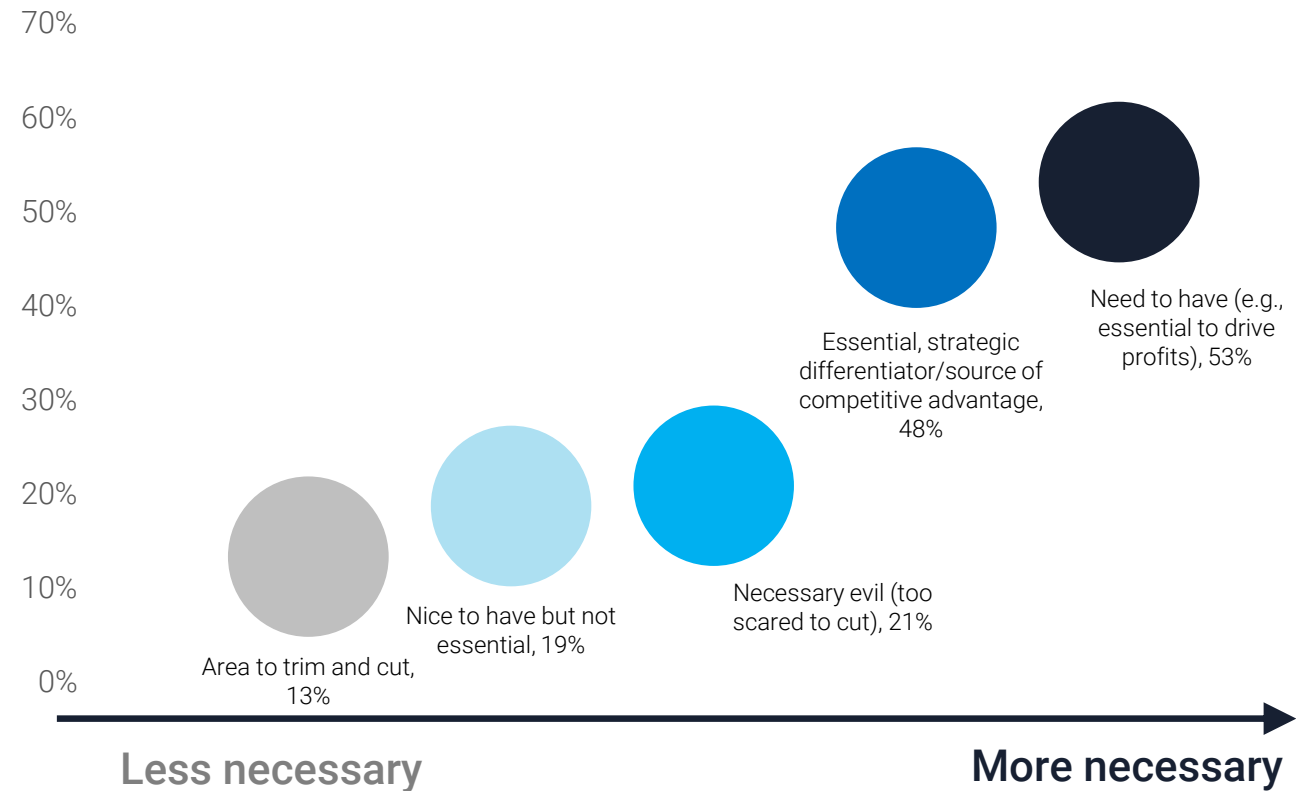
■ Agree

Senior leadership view incentive travel as a must have

The majority of senior leadership in end-user companies view incentive travel as 'need to have' from the perspective of driving profits

Among end users, 53% report senior leadership view incentive travel as a 'need to have' – such as essential in driving profits. Incentive travel is also viewed as an essential strategic differentiator among 48% of respondents.

Senior management view on incentive travel (Share of end-users)

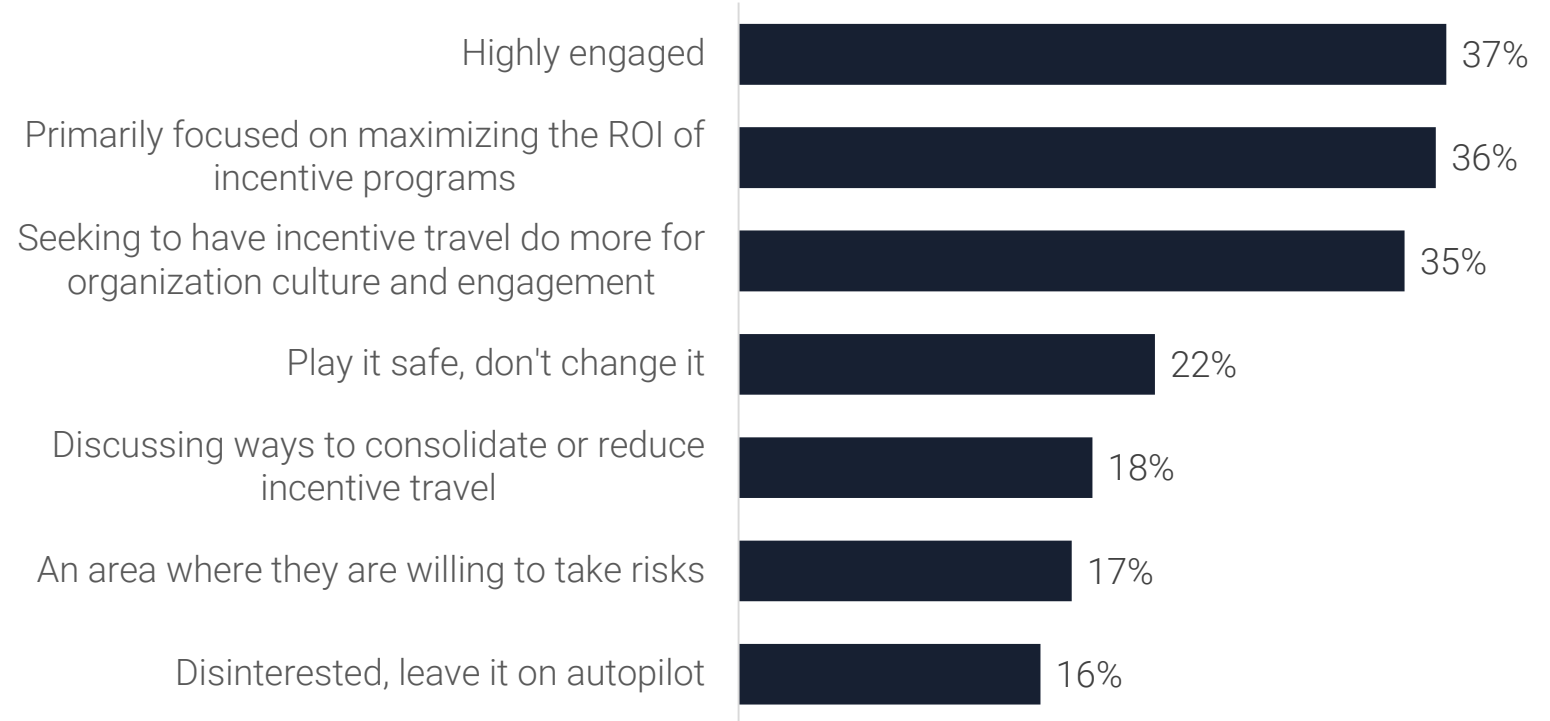


Senior leadership remain keen on hard and soft power benefits

Senior managers are highly engaged on incentive travel programs with many primarily focused on maximizing ROI

In terms of approach to incentive travel, senior managers are highly engaged (37%). While 36% of respondents say senior leadership is primarily focused on maximizing ROI (hard power), 35% seek more cultural and engagement benefits (soft power).

Senior management approach to incentive travel (Share of end-users)



A blue-tinted photograph of an airport terminal. In the foreground, several pieces of luggage, including two large red suitcases and a smaller black one, are lined up. In the background, a large glass-walled terminal building is visible, and an airplane is flying in the sky above. A blue-tinted semi-transparent banner is overlaid across the middle of the image, containing the text.

4 Growth, Budgets, and Spending

Incentive travel activity anticipated to display strong growth

Solid growth anticipated in incentive travel activity

In the 2022 survey, many respondents reported incentive travel activity was above pre-pandemic levels. The industry is expected to expand further, with many respondents expecting incentive travel activity above 2022 levels in 2023, with the share growing in 2024 and 2025.

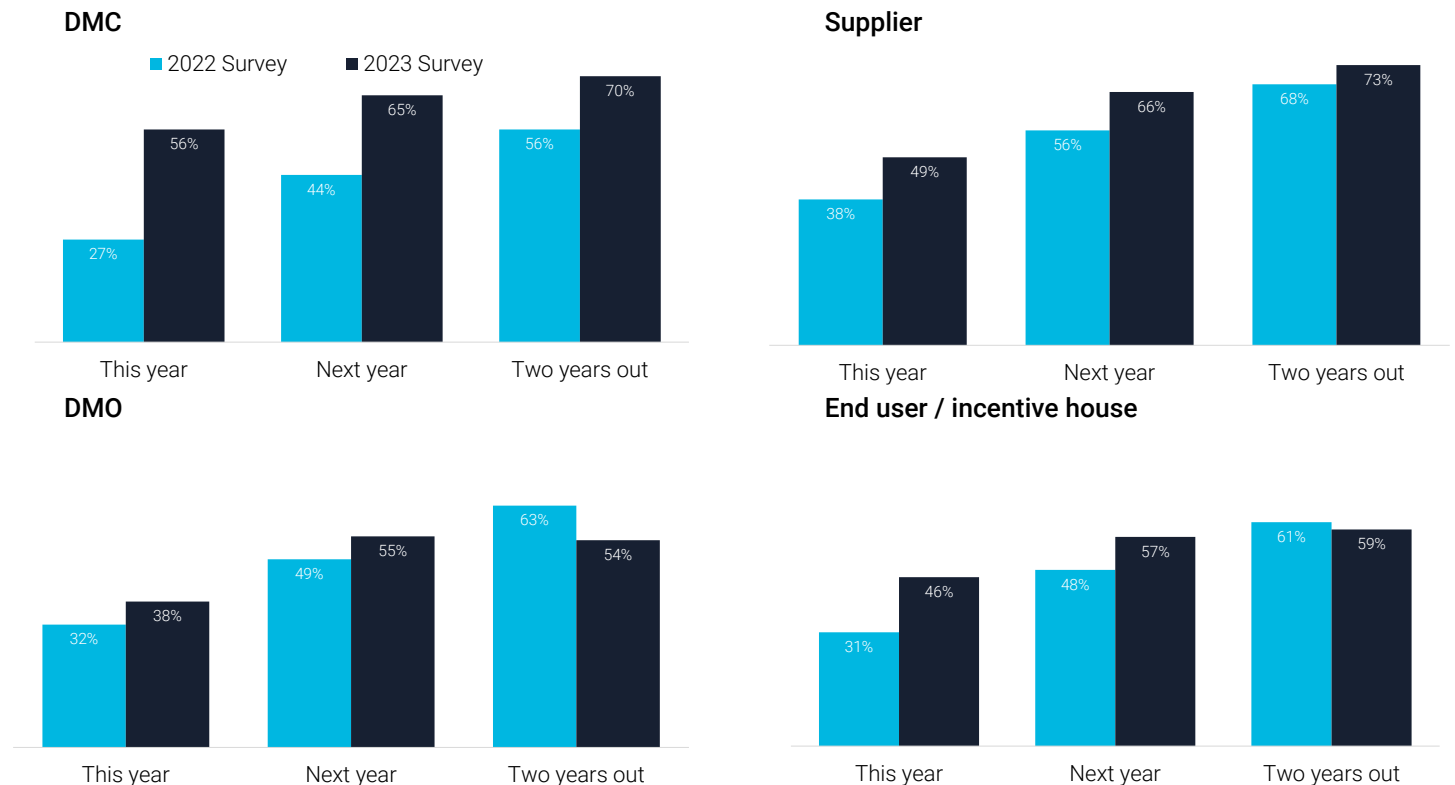
Optimism is strongest among suppliers, followed by DMCs.

G1. Level of incentive travel activity compared to 2022, in terms of the number of people (qualifiers, guests and other participants)?

Response base: n = 1,953 respondents

Expectations of incentive travel activity by role

(Share of respondents reporting number of people above or significantly above 2022 or 2019 levels)



Note: 2023 survey is relative to 2022 activity, while 2022 survey is relative to 2019 activity

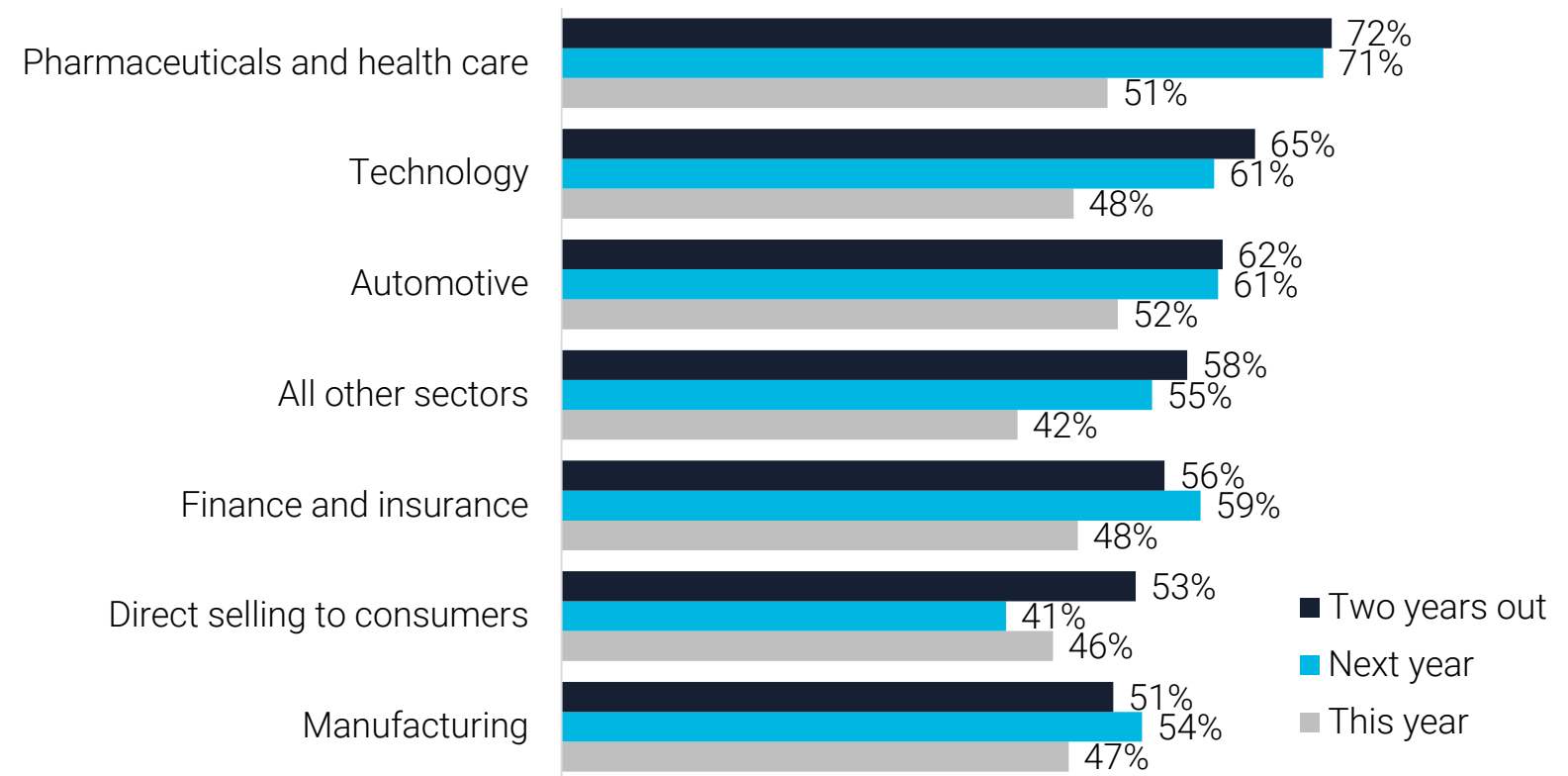
Pharma/health care expects greatest increase in activity

The pharmaceuticals and health care sector expects the largest increase by 2024

By 2024 (next year) the majority of buyers (more than 50%) expect an increase in incentive travel activity compared to 2022. The increase is led by the pharmaceuticals and health care sector.

Expectations of incentive travel activity for buyers by industry

(Share of buyers reporting activity above or significantly above 2022 levels)



G1a. Level of incentive travel activity compared to 2022, in terms of the number of people (qualifiers, guests and other participants)?

Response base (buyers): n = 708 respondents

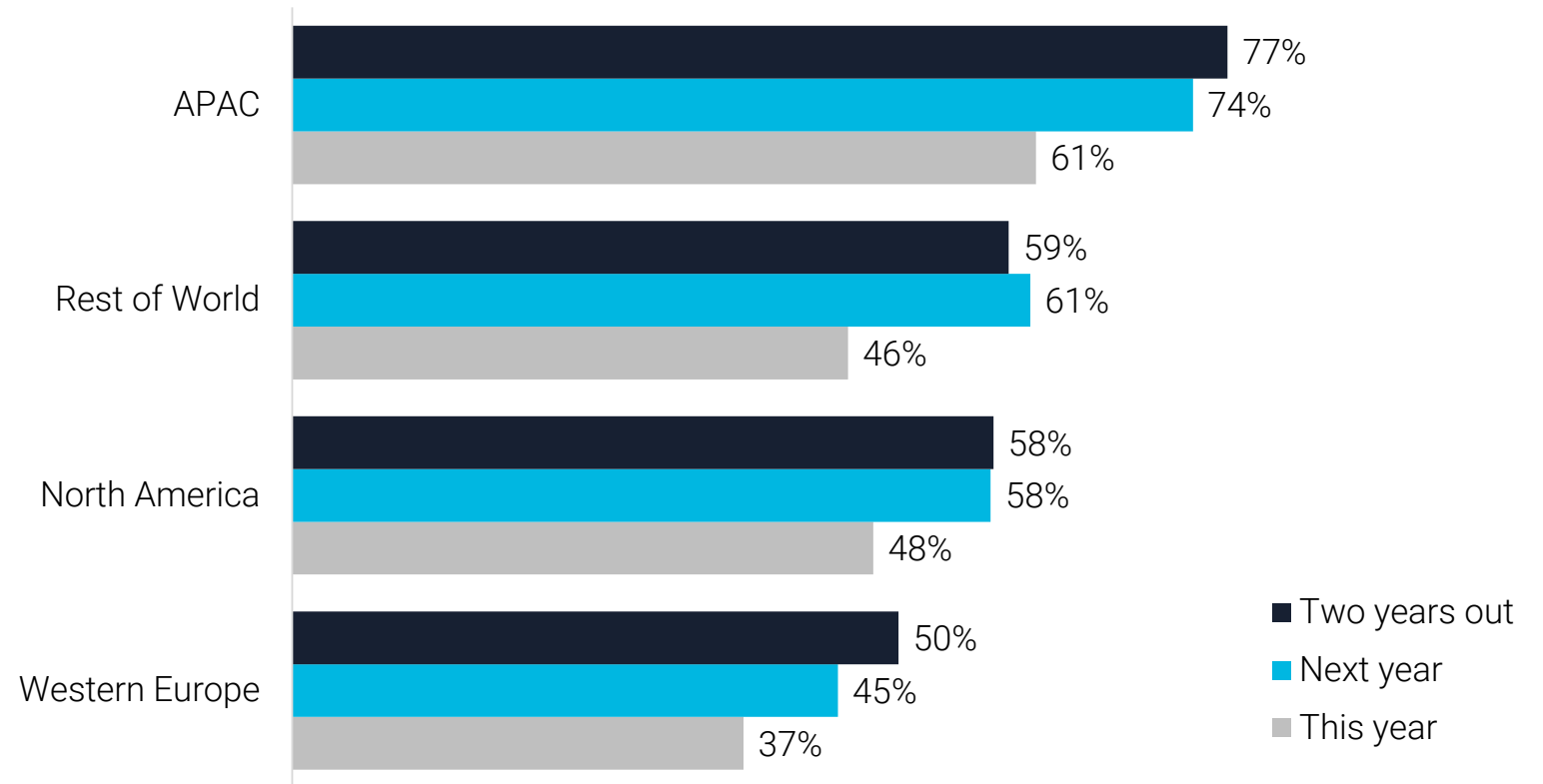
APAC expects greatest increase in activity

APAC expects the largest increase by 2024

The largest expectation of Incentive travel activity increasing above 2022 levels is displayed in the APAC region with 77% of respondents reporting activity above or significantly above 2022 levels by 2025.

Expectations of incentive travel activity for buyers by region

(Share of buyers reporting activity above or significantly above 2022 levels)



G1a. Level of incentive travel activity compared to 2022, in terms of the number of people (qualifiers, guests and other participants)?

Response base (buyers): n = 708 respondents

Spend per person is also expected to increase

Rising costs will help boost spend per person

Most respondents (76%) believe rising costs is the most important future challenge facing incentive travel professionals. Higher costs add to expectations of higher spending per person. Higher spend per person as well as activity will result in greater spending within the industry.

G2. Level of spending per person compared to 2022?

Response base: n = 1,912 respondents

Expectations of spend per person by role

(Share of respondents reporting spend per person and number of people expectations above or significantly above 2022 levels)



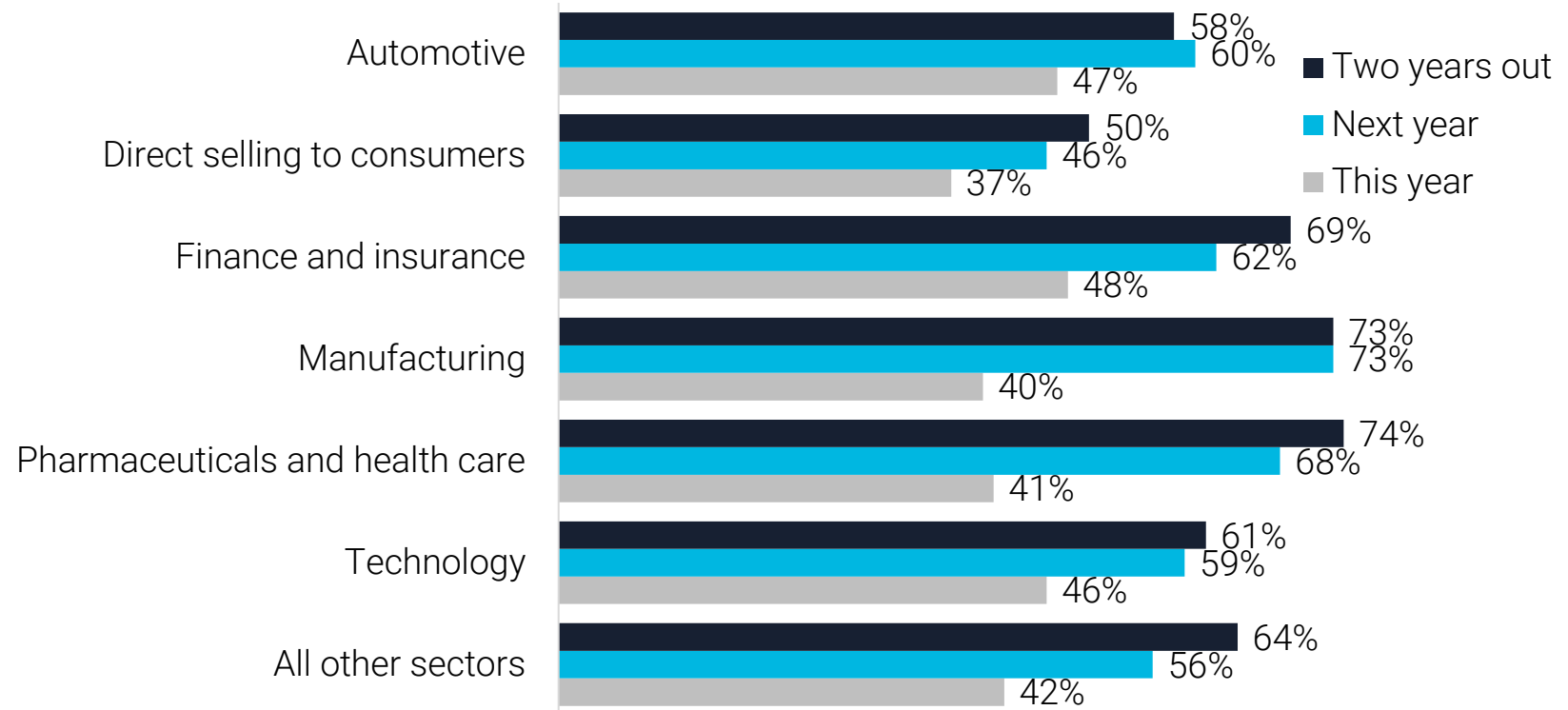
Manufacturing spend per person growth strong

Spending per person is anticipated to grow strongly over the next two years for each industry

Despite relatively weaker activity growth over the next two years, manufacturing spend per person is expected to grow quickly.

Expectations of incentive spend per person for buyers by industry

(Share of buyers reporting spend per person are above or significantly above 2022 levels)



Hotel and airfare account for the majority of program budget

Program budgets for 2024 comprise of spending on numerous categories

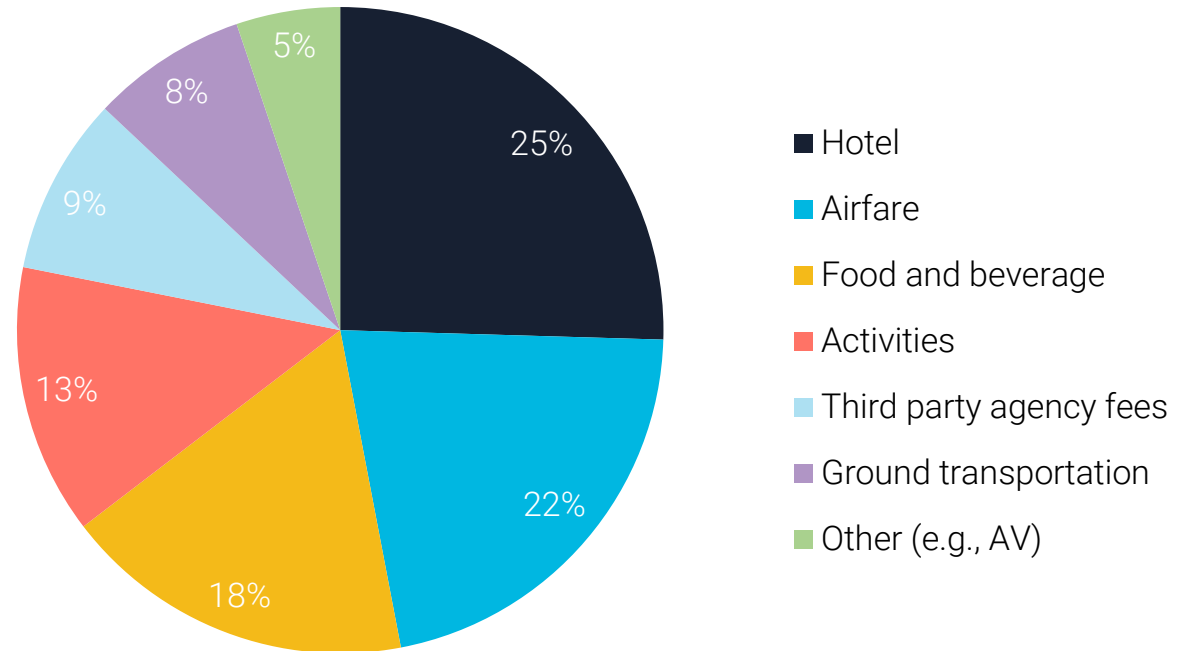
The largest expense expected in 2024 for incentive travel programs is on hotels, which should represent 25% of total budget allocation. Airfare will comprise 22%, followed by food and beverage spending (18%), and activities (13%).

25%

Share of budget spent on hotel accommodation

Average program budget allocation in 2024

(Spending category share of total budget allocation)



G4. What is the average program budget allocation of programs next year (2024)?

Response base (buyers): n = 645 respondents

Hotel plus airfare share highest for Rest of World buyers

Budget allocation slightly differs by region

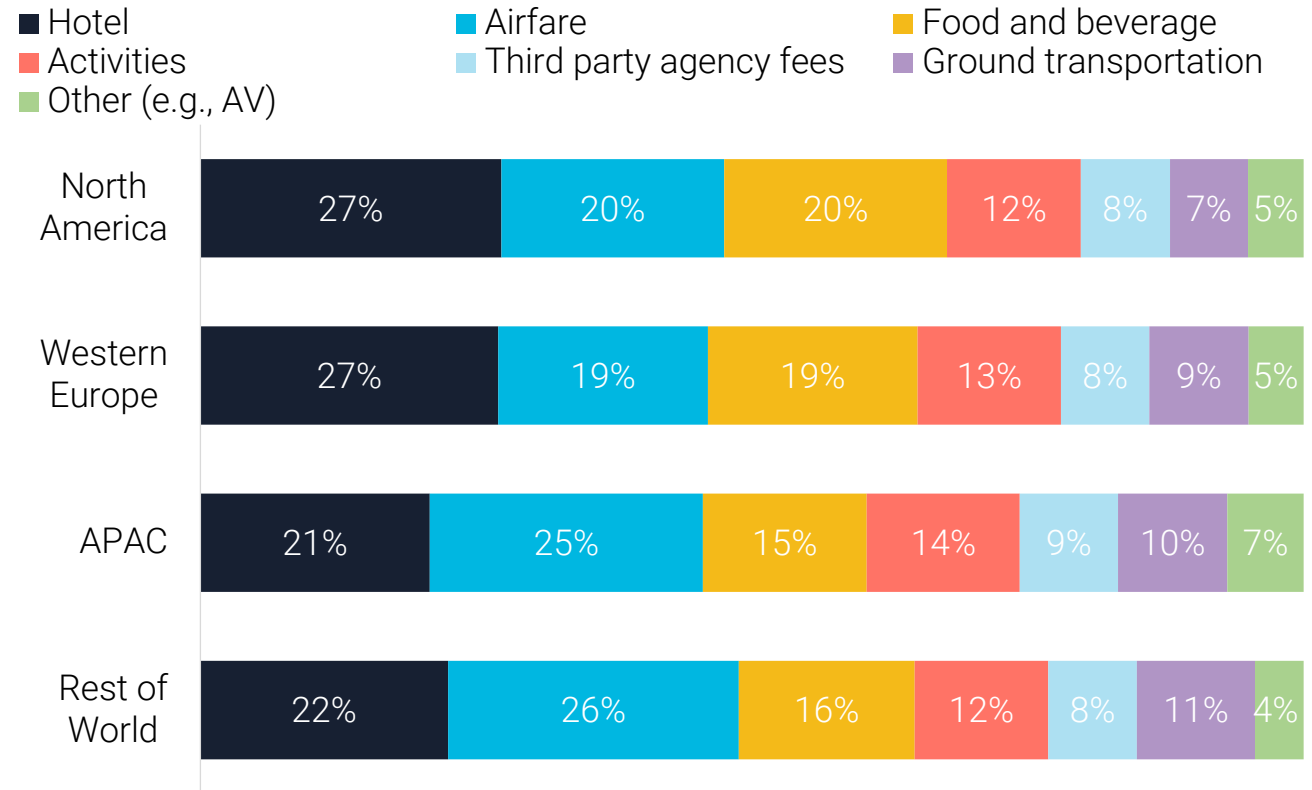
While buyers in North America and Western Europe see highest budget allocation in hotels, APAC and Rest of World witness greatest allocation in airfare costs.

Spending share on hotels is highest in North America and Western Europe at 27% of total 2024 budget, while spending share on airfare is highest for Rest of World at 26%, followed by APAC at 25%.

For these top two spending categories, Rest of World respondents see the largest contribution among regions (48%).

Average program budget allocation in 2024 by region

(Spending category share of total budget allocation)



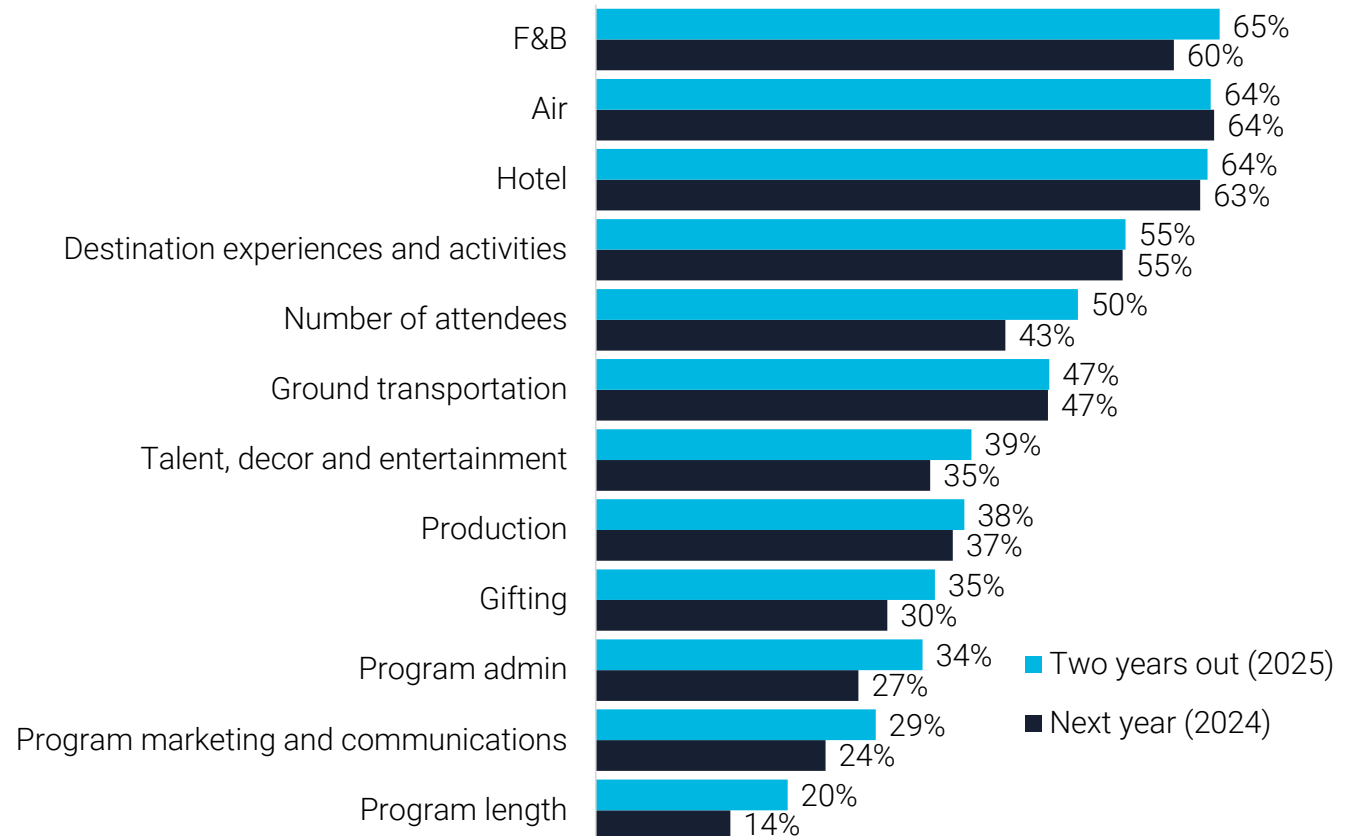
Food and beverage spending to see biggest increase by 2025

Increases expected in key budget drivers

Among key budget drivers, most buyers (65%) expect spending on food and beverage to increase by 2025. Following F&B in the share of buyers who see either an increase or large increase are the traditional key spending areas of air and hotel, and then activities.

Changes in key budget drivers

(Share of buyers who see an increase or large increase)



G5.How will key budget drivers change in future years?

Response base (buyers): n = 627 respondents

A blue-tinted photograph of an airport terminal. In the foreground, several pieces of luggage, including two large red suitcases and a smaller black one, are lined up. In the background, a large glass-walled terminal building is visible, and an airplane is flying in the sky above. A semi-transparent dark blue horizontal band is overlaid across the middle of the image, containing the text.

5 Challenges and Channel Dynamics

Inflation and talent attraction/retention challenges loom

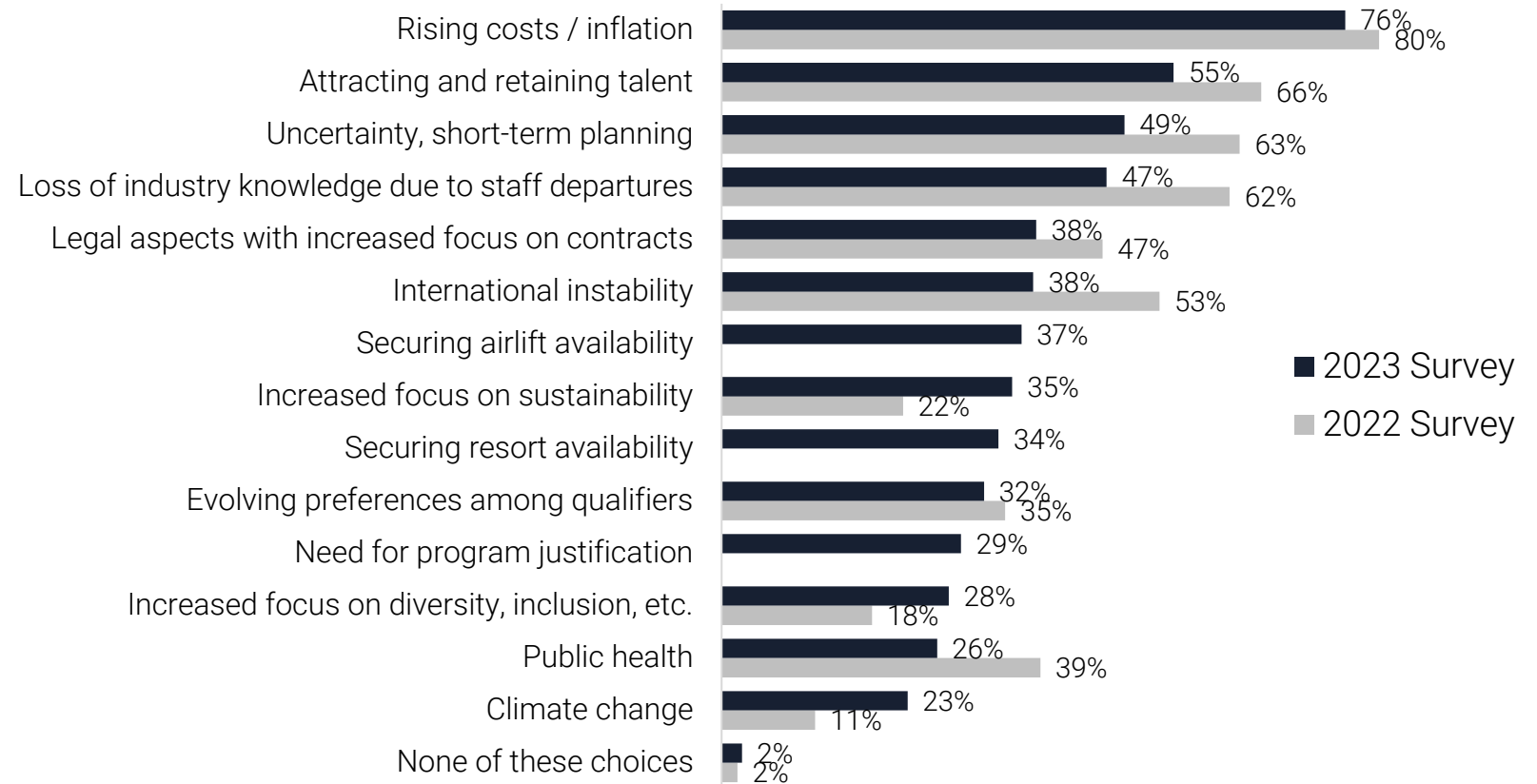
The shares citing challenges have fallen but these challenges remain

Inflation is a widespread future challenge, cited by 76% of respondents – down from 80% in 2022.

Other widespread future challenges include attracting and retaining talent (55%), uncertainty regarding short-term planning (49%), and loss of industry knowledge due to staff departures (47%).

Future challenges facing incentive travel professionals

(Share of respondents)



S3. What important future challenges face incentive travel professionals?

Response base: n = 1,801 respondents (multiple responses allowed)

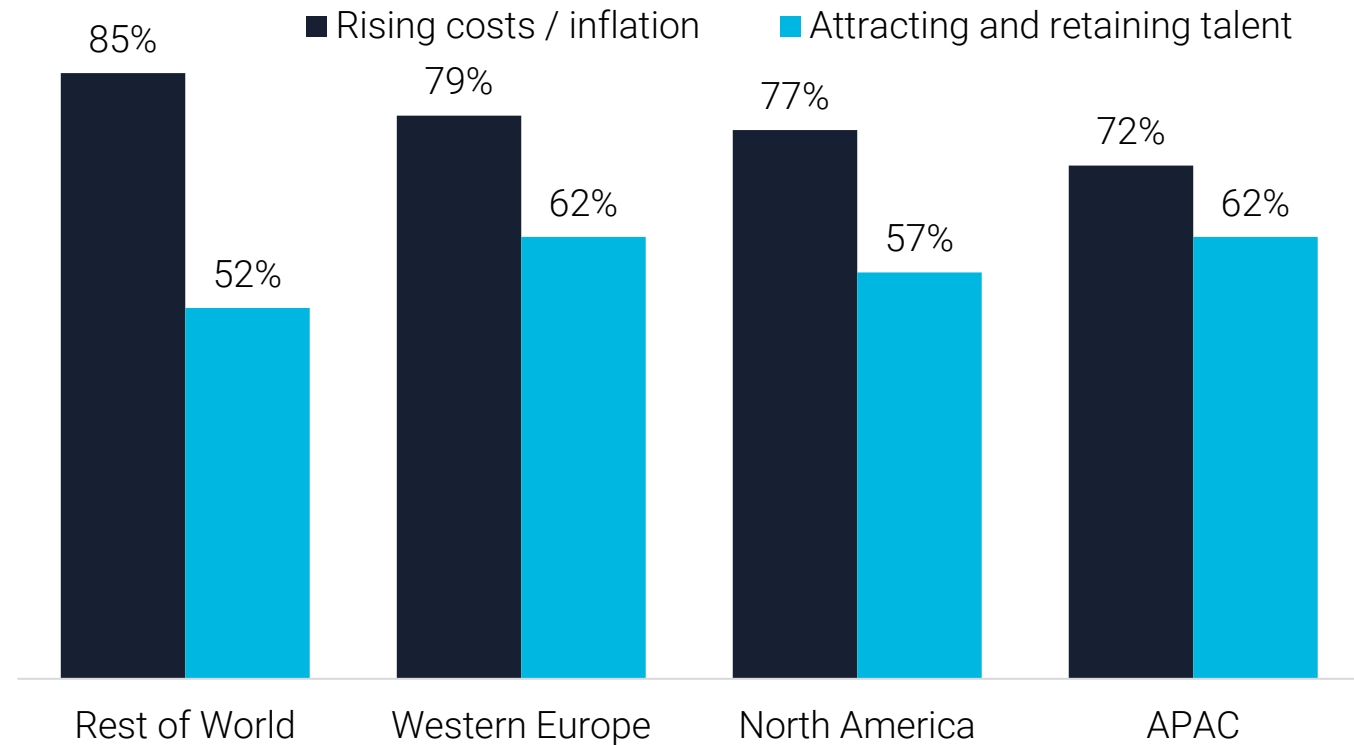
Inflation is the top challenge for all regions

All regions face challenges pertaining to inflation and talent retention

The primary future challenge facing incentive travel professionals in each region is rising costs/inflation. The largest share of respondents citing inflation challenges are in Rest of World (85%).

After inflation, the challenge of attracting and retaining talent is also important. APAC and Western Europe have 62% of their respondents stating that talent retention is an important future challenge.

Future challenges facing incentive travel professionals by region (Share of respondents)



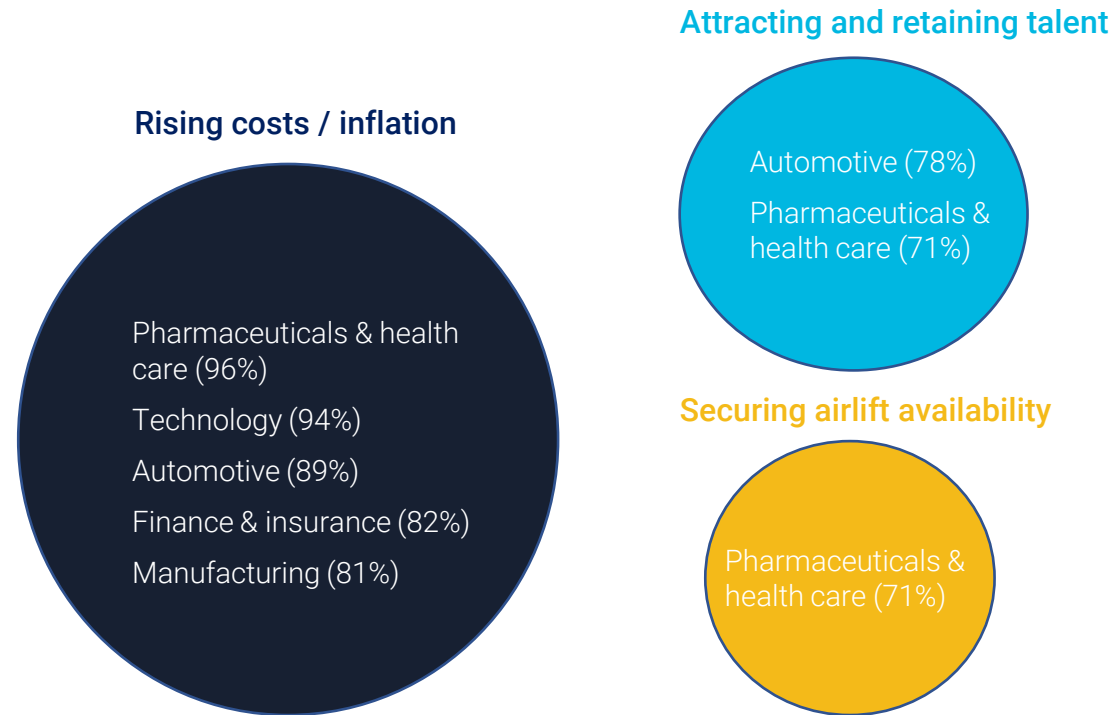
Inflation is also the top challenge across industries

Multiple future challenges face each industry

The primary future challenge facing incentive travel professionals in each industry is rising costs/inflation.

Future challenges facing incentive travel professionals by industry

(Share of respondents greater than 70%)



Delivering incentive travel is now more challenging

Planning and delivering incentive travel experiences has become more challenging

Challenges also exist on the business side of incentive travel. Planning and delivering incentive travel experiences has become more challenging for 75% of buyers.

The majority of buyers (85%) agree that higher costs and reduced airlift/hotel availability are making it more difficult to satisfy senior leadership/decision makers.

Many (84%) also agree that the capabilities of experienced incentive travel organizers have never been more valuable.

Status of the incentive travel business

(Share of buyers that agree)

85%

Agree that higher costs and reduced airlift/hotel availability is making it more difficult to satisfy senior leadership/decision makers.

84%

Agree that the capabilities of experienced incentive travel organizers have never been more valuable.

75%

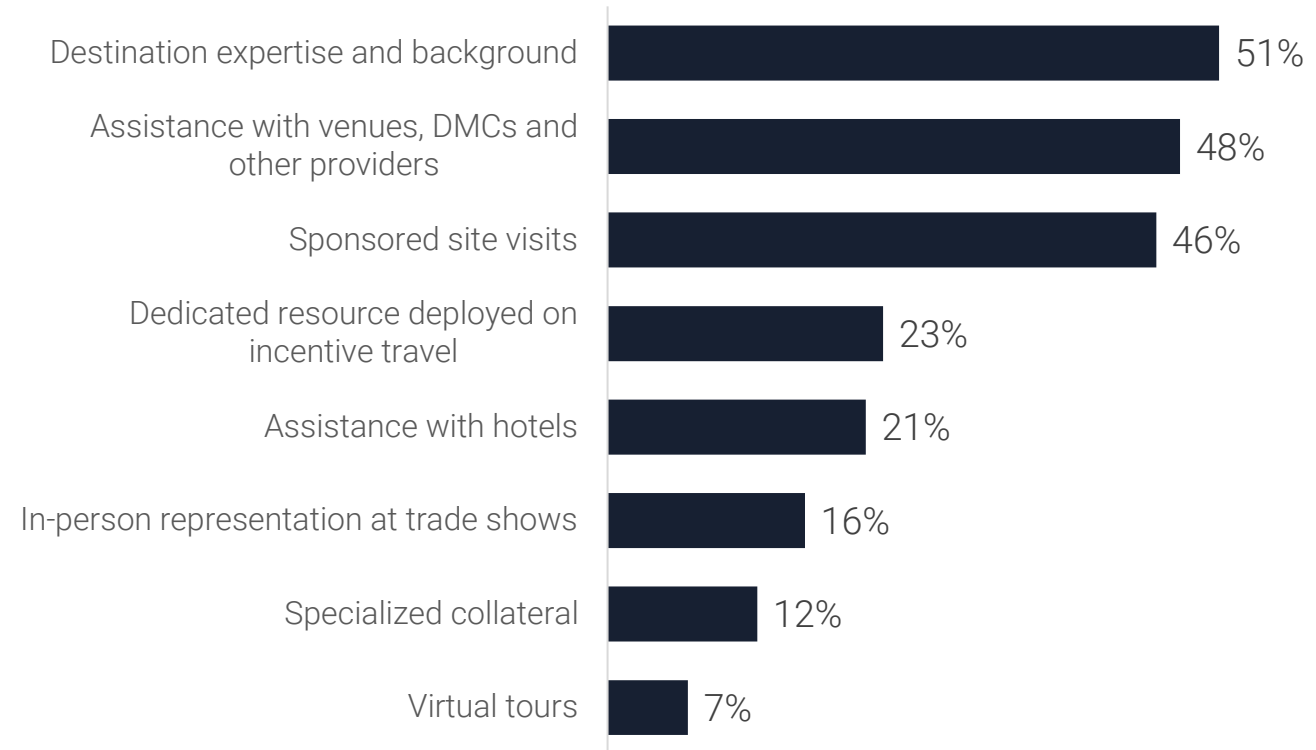
Agree that planning and delivering incentive travel experiences has become more challenging

DMO support is valuable

Buyers rely on DMOs for numerous aspects of incentive travel

Destination expertise and background is most cited as the most useful support received from DMOs (51%), followed by assistance with venues (48%), and sponsored site visits (46%).

Support from DMOs (Share of buyers)



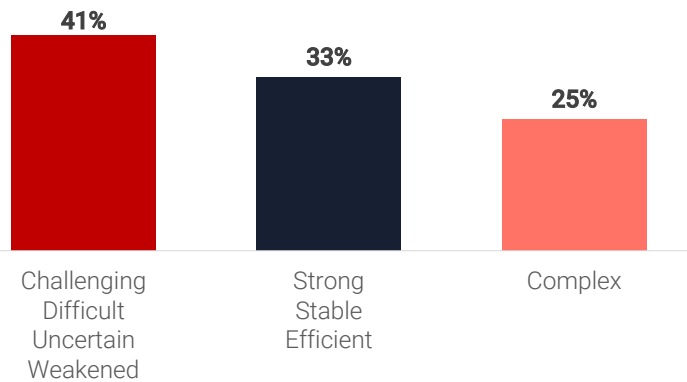
Relationship between buyers and sellers are strained

Most (54%) view the relationship between buyers and suppliers as complex

The recent operating environment has tested even the strongest relationships, with planning uncertainty and limitations such as airlift and resort availability.

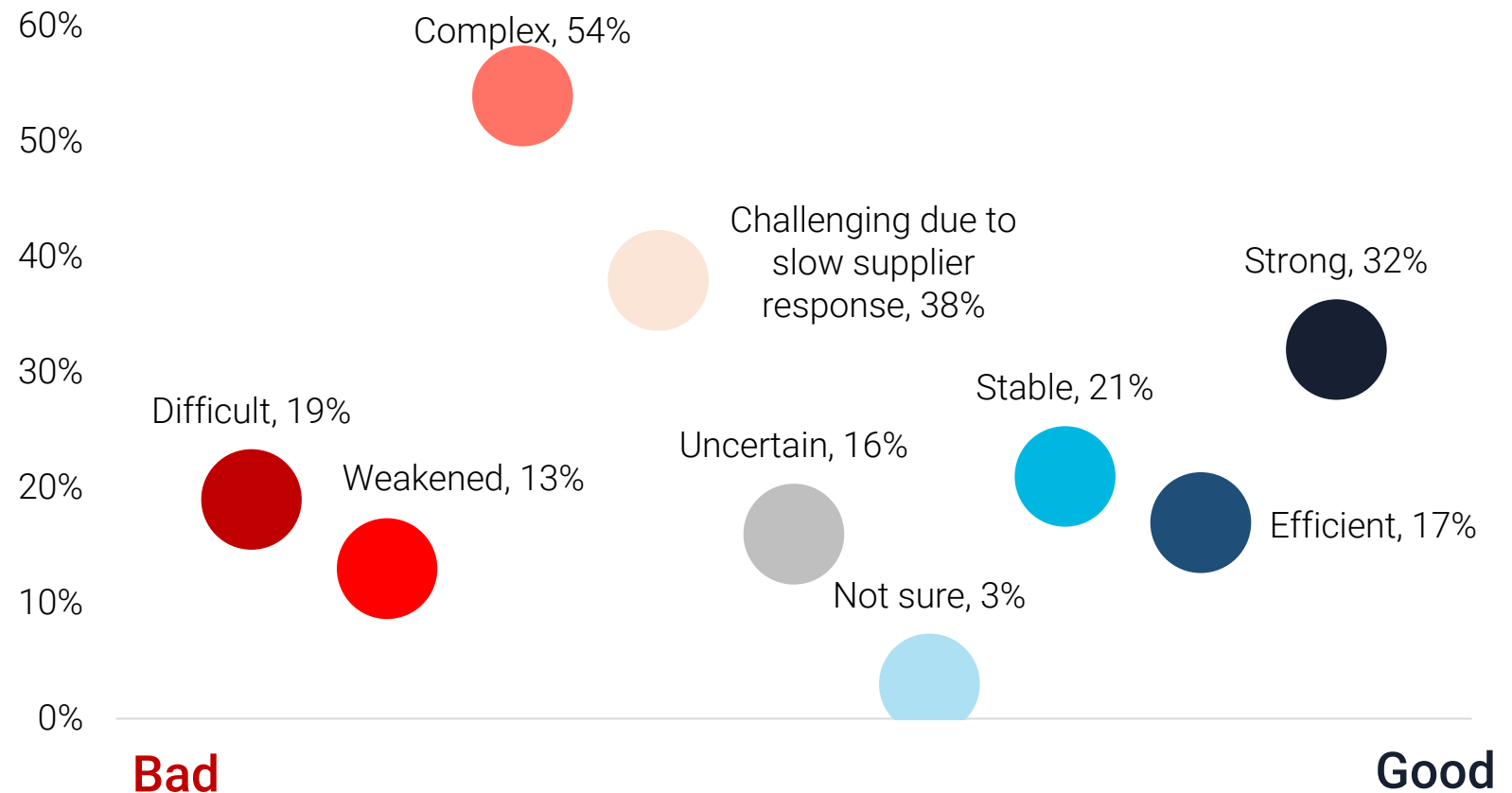
Survey results confirmed this situation, as among buyers and sellers, many indicated relationships are challenging, difficult, uncertain or weakened, even as some of their colleagues referred to relationships as strong, stable or efficient.

Aggregated responses to Question S9



Incentive Travel Index

Relationship between buyers and suppliers (Share of respondents)



S9. Relationships between incentive travel buyers and suppliers are currently?

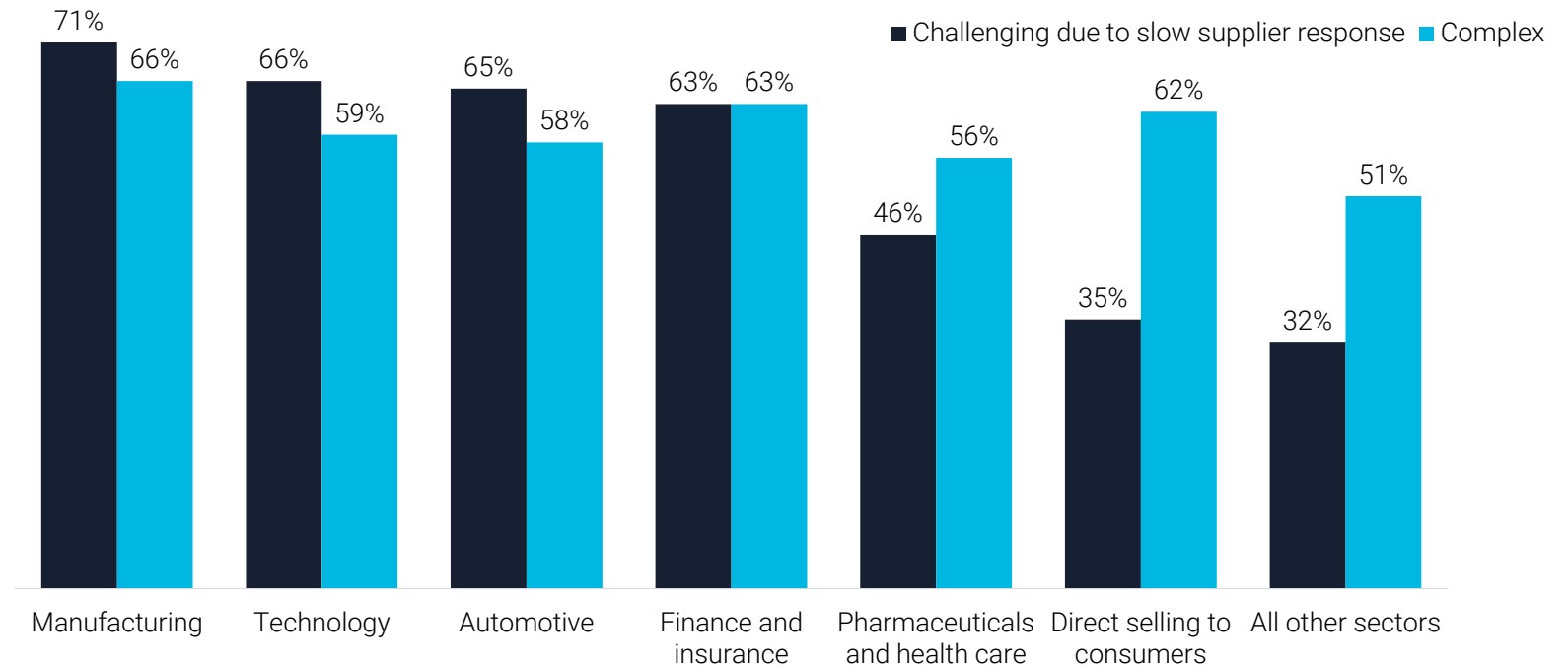
Response base: n = 1,760 respondents

All industries report challenging or complex relationships

Relationships are mostly complex or challenging for various industries

All industries report either challenging or complex relationships between buyers and suppliers.

Top description of relationship between buyers and suppliers by industry (Share of respondents)



Having a good DMC is important to buyers of incentive travel

Half of all buyers view the presence of a good DMC as increasing in importance

The presence of a good DMC is increasing in importance among half of all buyers, and 42% of respondents agree that current DMC pricing models are outdated and should be fee-based.

DMC considerations

(Share of buyers)

42%

Agree that current DMC pricing models are outdated and should be fee-based

S5. Do you agree with the following statements about the future of incentive travel?

Response base (All): n = 1,769 respondents

50%

Say that that the presence of a good DMC is increasing in importance

D3d. Do you see program considerations changing?

Response base (buyers): n = 546 respondents

The background image shows an airport baggage claim carousel with several red and black suitcases. In the upper right, an airplane is visible in flight against a blue sky. The entire scene is overlaid with a semi-transparent blue filter.

6 Destination Selection

Buyers actively seek new destinations not used before

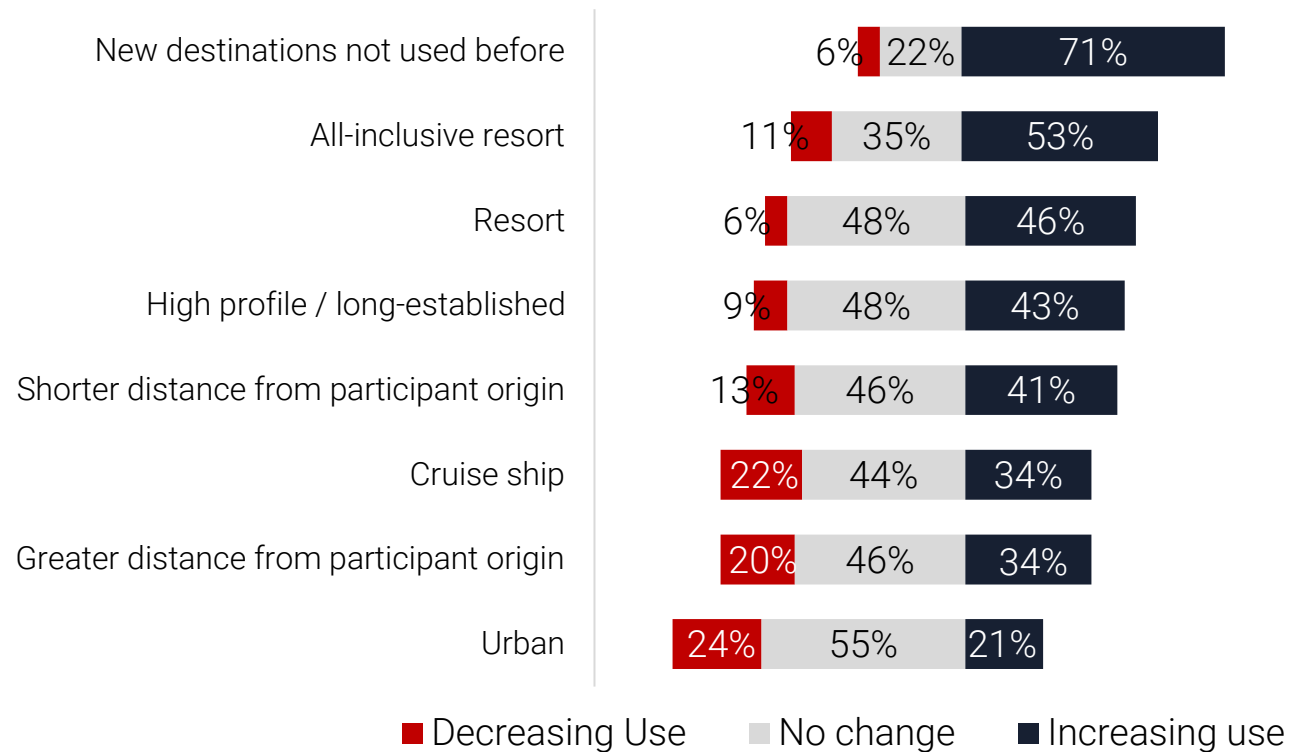
More buyers are looking for new destinations they haven't used before

Buyers are increasingly looking for something new and seeking destinations they haven't used before (71%). Resorts – both all-inclusive and regular – have gained popularity, while high-profile destinations should also see increased use.

Interest is increasing for shorter distance trips (41%), while urban locations see more decreasing use than increasing use.

Changing destination types

(Share of buyers)



Many buyers tend to look closer to home

Across regions, buyers expect to increase incentive travel to destinations that are within closer proximity

Large shares of North American, Western Europe, and APAC buyers plan to increase their use of destinations that are within closer proximity.

D1. How do you expect your planned use of the following destinations for incentive travel will change as you plan future events relative to 2022?

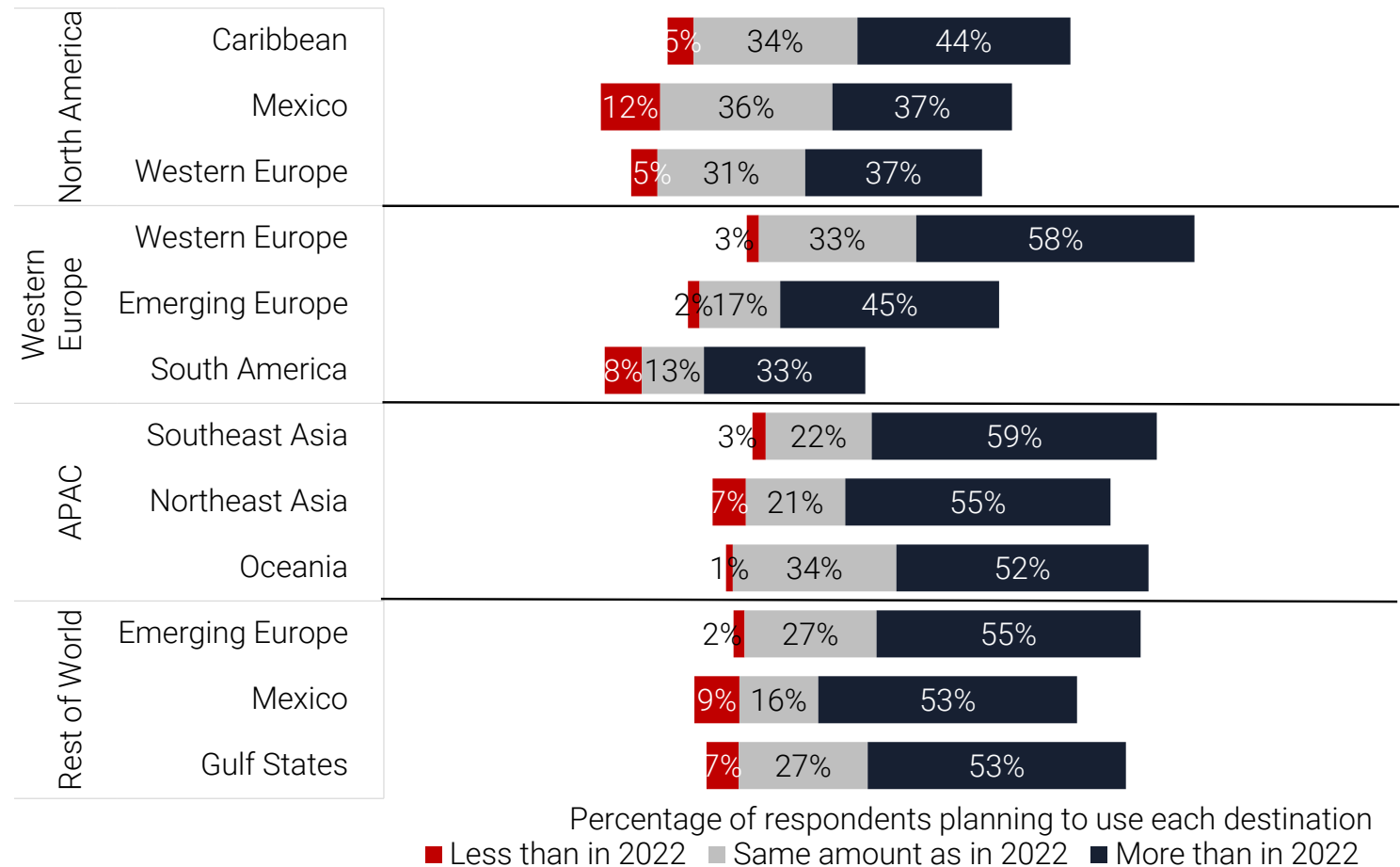
Respondents "not using" a destination excluded from chart

Response base (buyers): n = using: 538 respondents

Incentive Travel Index

Destination use planned by buyers across regions

(Share of buyers by region for top three increase usage areas)



Many buyers are open to considering new destinations

Many North American buyers report they aren't using Oceania, Alaska and South Asia, but that they are open to considering them

For example, one-third of North American buyers say they aren't using Oceania for incentive programs, but that they would be willing to consider.

Western Europe stand out as a region from which buyers would be most willing to consider new destinations.

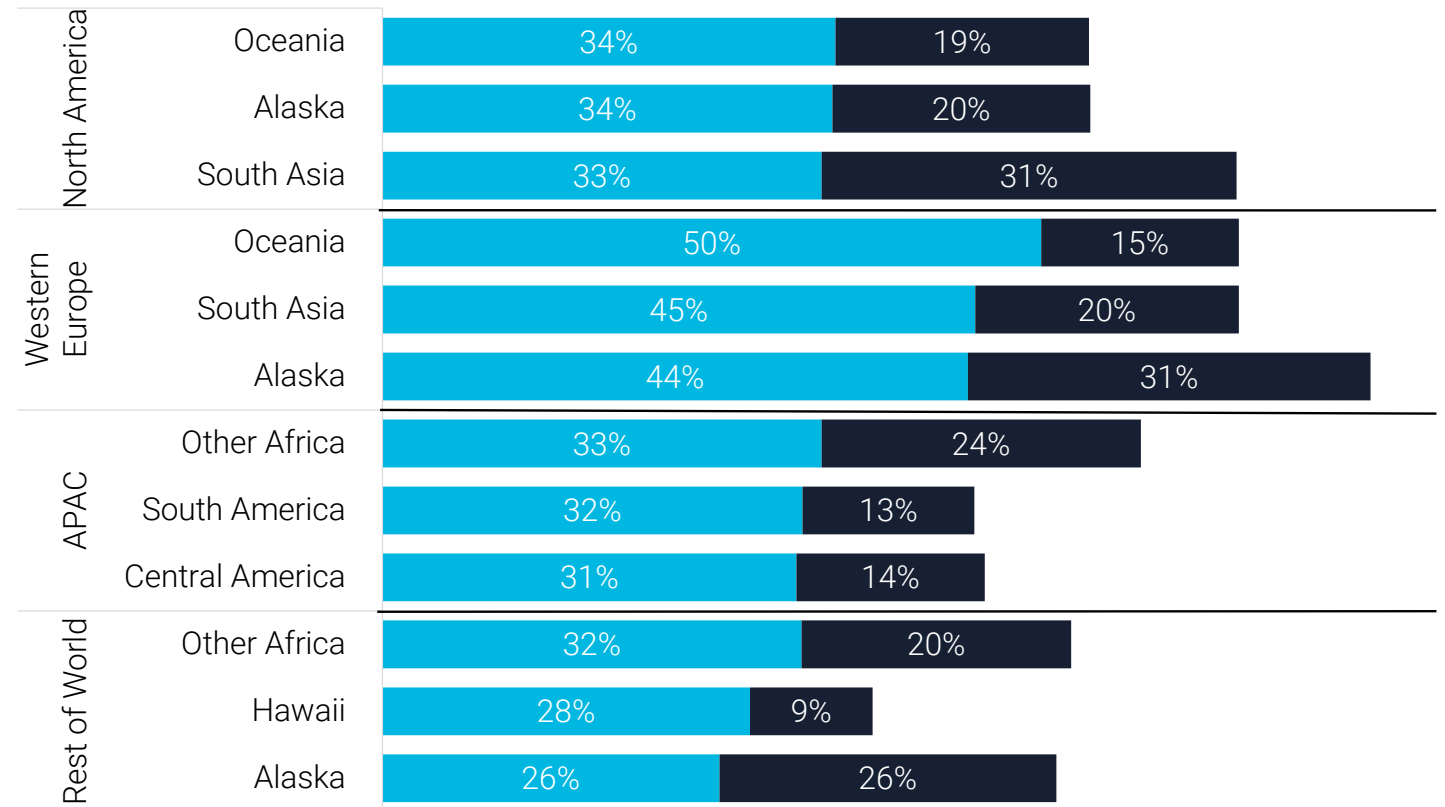
D1. How do you expect your planned use of the following destinations for incentive travel will change as you plan future events relative to 2022?

Respondents "using" a destination excluded from chart

Response base (Buyers): n = 538 respondents

Destinations not used but under consideration by buyers

(Share of buyers by region for top three areas under consideration)



Percentage of respondents not using but will consider each destination

■ Have not been using but willing to consider ■ Have not been using and will not consider

Program success is based on sightseeing and connections

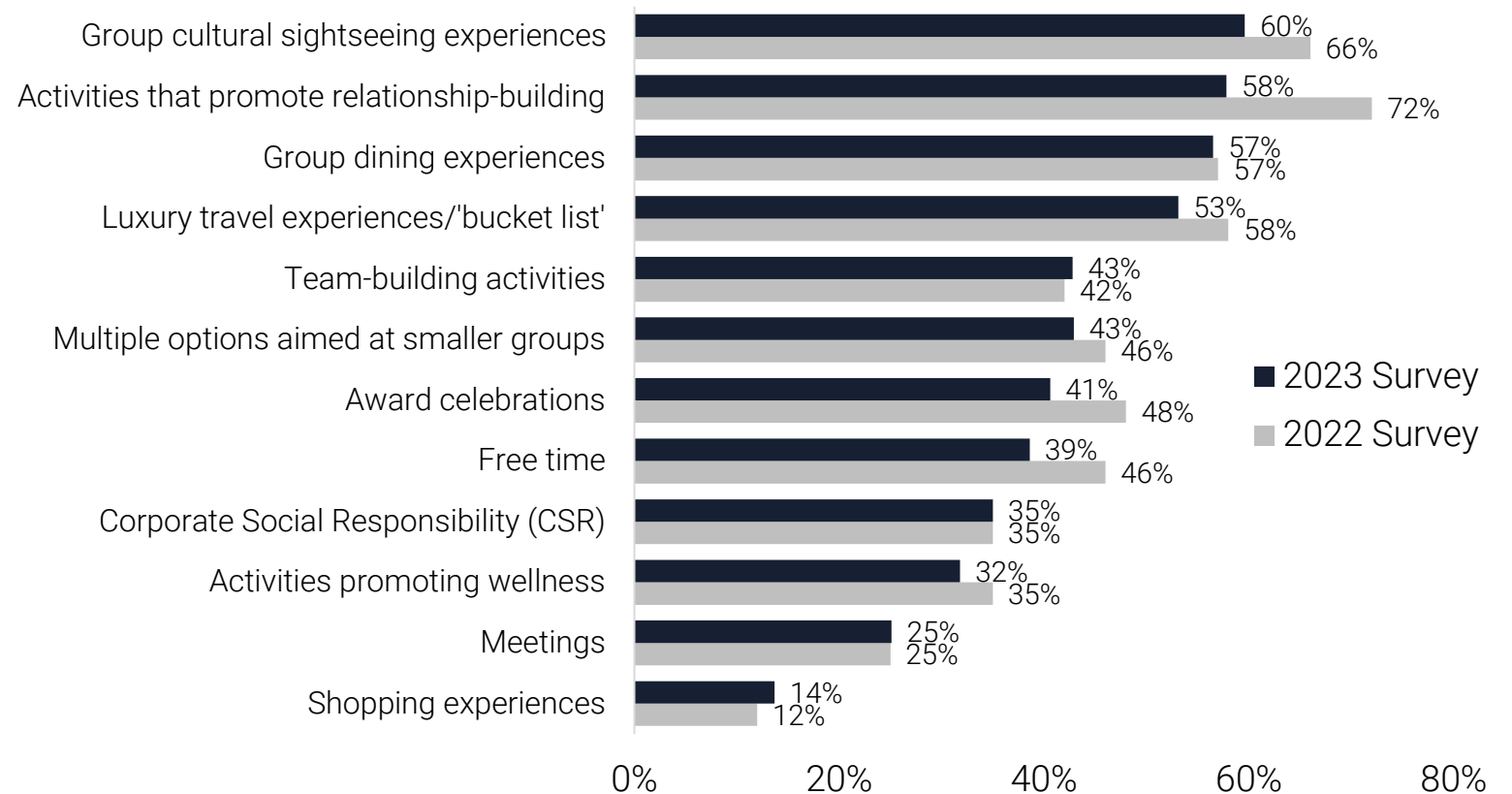
Group cultural sightseeing experiences is the most appreciated activity in an incentive travel program

Relationship building (58%), group dining (57%) and luxury/bucket list travel (53%) were also considered important by most respondents. Relationship building, however, was down from 72% of respondents in 2022.

Activities that promote relationship building is most important to the manufacturing (78%), finance and insurance (73%), and pharmaceuticals and health care (73%) industries. Group cultural sightseeing activities are relatively more important in Rest of World (69%), while group dining experiences take greater significance in Western Europe (66%).

Activities key to a successful program

(Share of respondents)



P2. Which of the following program activities do you consider most important for a successful incentive travel program?

Response base: n = 1,713 respondents



7 Shifts in Program Design

Many buyers see shift to on-site meals and activities

Buyers are seeing programs changing toward more on-site meals and activities, as well as events to convene a dispersed workforce

Buyers are witnessing changing program characteristics. Many agree there is a shift toward programs with more on-site meals and activities (52% in 2023 compared to 37% in 2022), followed by a shift towards events to convene a dispersed workforce (41%).

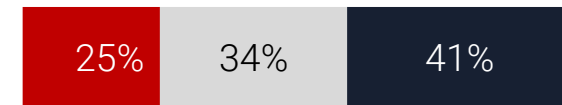
More buyers disagree that they are seeing a shift toward entire company trips based on performance (44%), as well as shorter programs (40%), than those who agree.

Changing program characteristics (Share of buyers)

Programs with more on-site meals and activities.



Periodic/recurring company events to convene a dispersed workforce



Shorter programs



Entire company trips based on company performance/achievements



■ Disagree ■ Unsure ■ Agree

Increasing use of qualification-based incentives

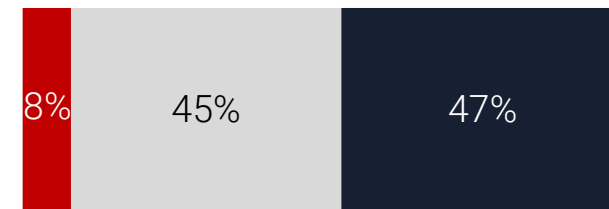
Buyers are seeing a shift in program focus towards motivational events that cross functions

Buyers see greater use of qualification-based incentives. Motivational events that cross functions is most popular with 47% of buyers expecting increased use in 2023, compared to 39% in 2022.

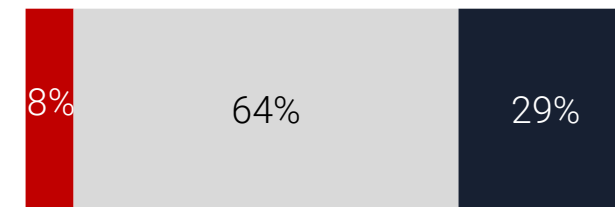
Increasing use of sales incentives is less popular but is up from 22% of all buyers in 2022 to 29% in 2023.

Changing program focus (Share of buyers)

Qualification-based motivational events that cross functions



Traditional, qualification-based sales incentives



■ Decreasing use ■ No change ■ Increasing use

Many view safety considerations are increasing in importance

Buyers are seeing an increase in the importance of safety from crime/threat as well as cost

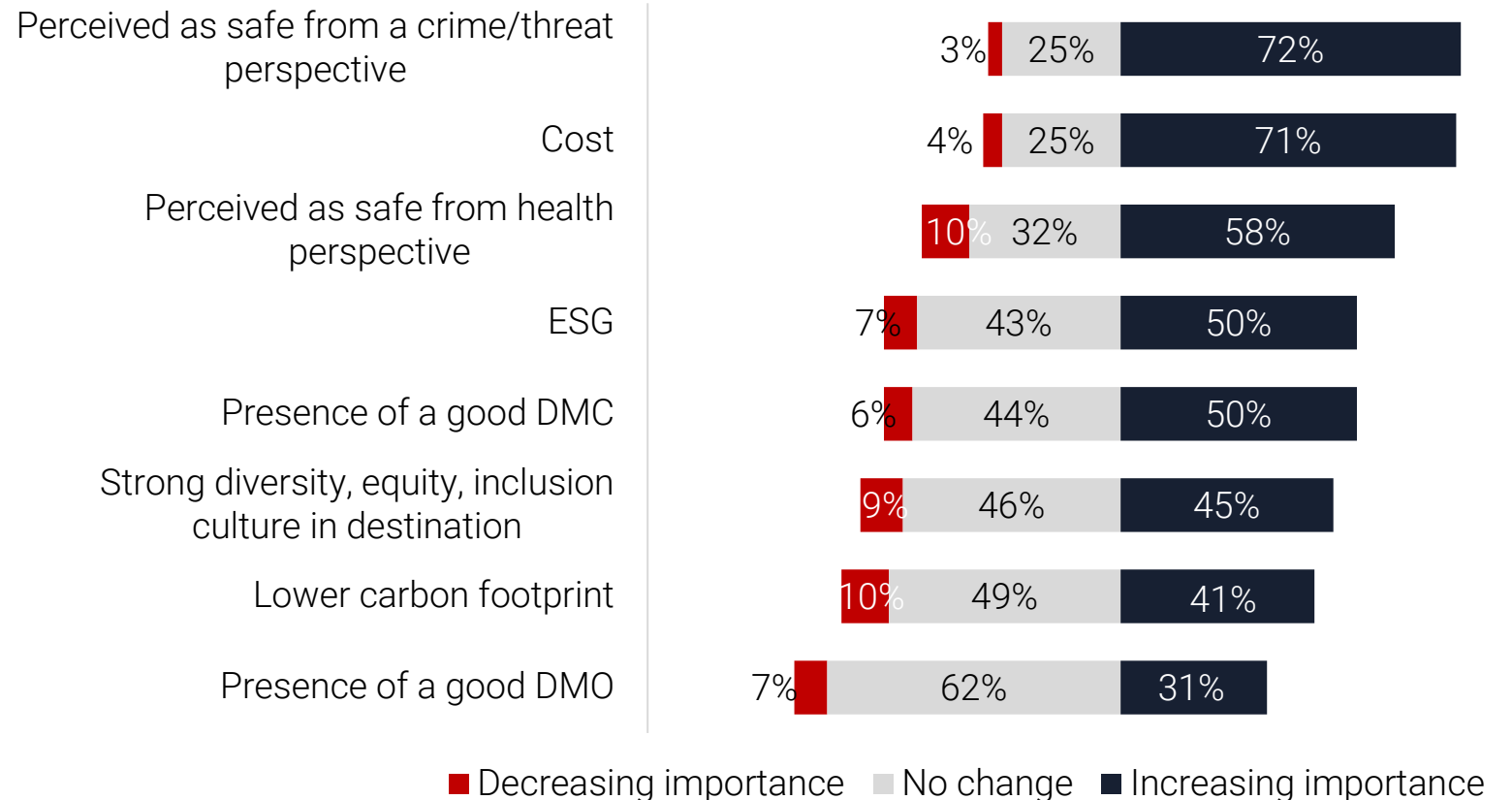
The most commonly cited program consideration that is increasing in importance is that the destination is perceived as safe from a crime/threat perspective (72% in 2023 compared to 76% in 2022). Cost considerations are also prominent with 71% of buyers expecting it to increase in importance.

The share of buyers citing health risks as increasing in importance fell from 76% in 2022 to 58% in 2023.

The presence of a good DMC is increasing in importance among half of all buyers surveyed.

Changing program considerations

(Share of buyers)



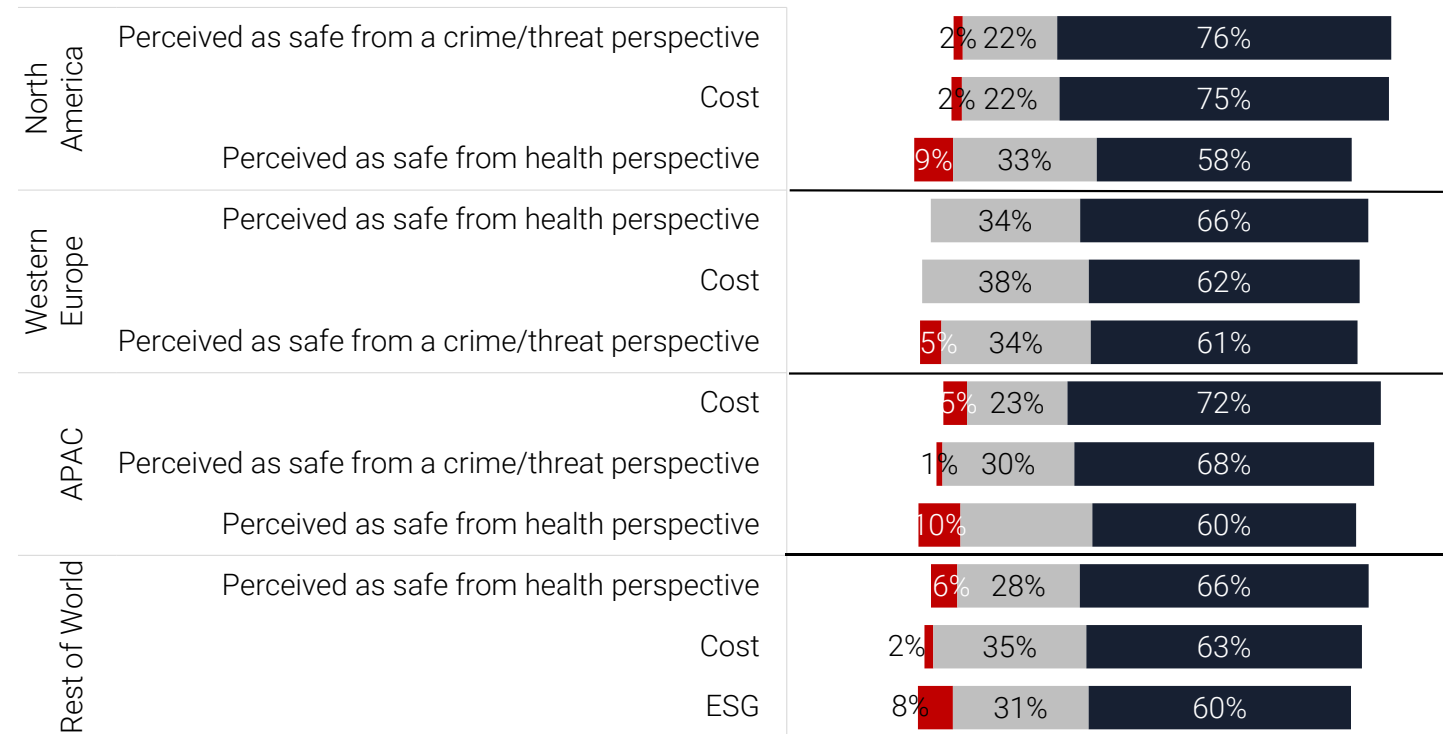
Changing program considerations differ by region

Health, personal safety, and costs are increasingly important considerations across many regions

Many regions see health, personal safety, and costs as increasingly important program considerations.

Changing program considerations by region

(Share of buyers)



Percentage of respondents planning to use each destination

■ Decreasing importance ■ No change ■ Increasing importance

Incentive travel will evolve in the future

Many buyers agree that political considerations will override other destination considerations

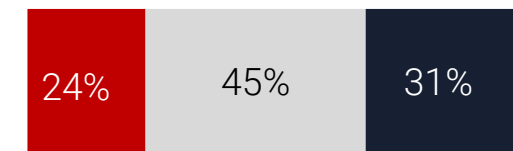
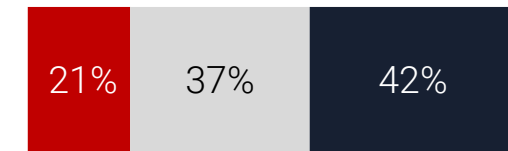
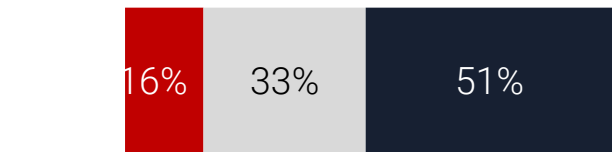
Most respondents (51%) agree that political considerations will override other destination considerations.

Future of incentive travel (Share of respondents)

Political considerations will override other destination considerations

Individual travel incentives may be valued by attendees, but corporations remain unlikely to offer them

ChatGPT and other artificial intelligence will significantly disrupt incentive travel marketing and communications



■ Disagree ■ Unsure ■ Agree

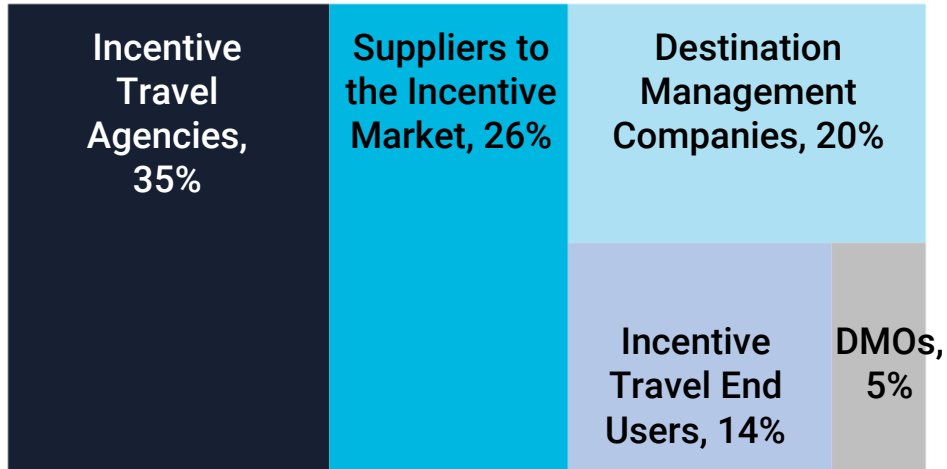
8 Appendix

The background image is a blue-tinted photograph of an airport terminal. In the foreground, there are several pieces of luggage, including two large red suitcases and a smaller black one. In the background, a large airplane is visible in flight against a clear sky. The terminal building has a modern design with large windows and a curved structure. A blue stanchion with a rope is visible on the right side of the image.

Demographic detail (1 of 4)

Respondent roles

(Share of respondents by role)

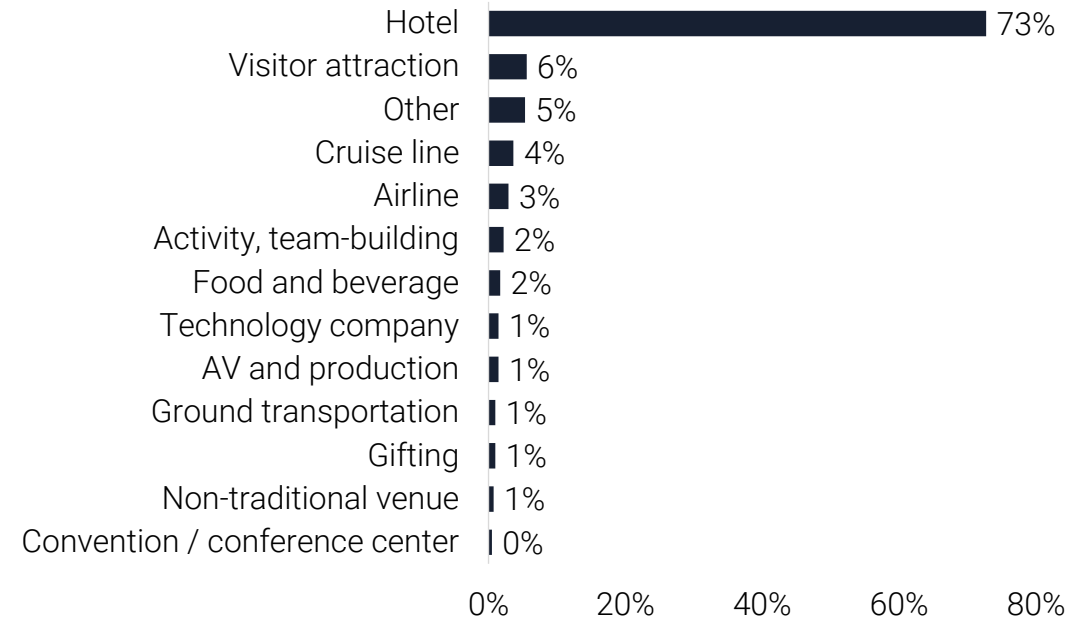


I1. Please select the role that best describes your involvement in incentive travel

Response base: n = 2,464 respondents

Sellers by category

(Share of sellers)



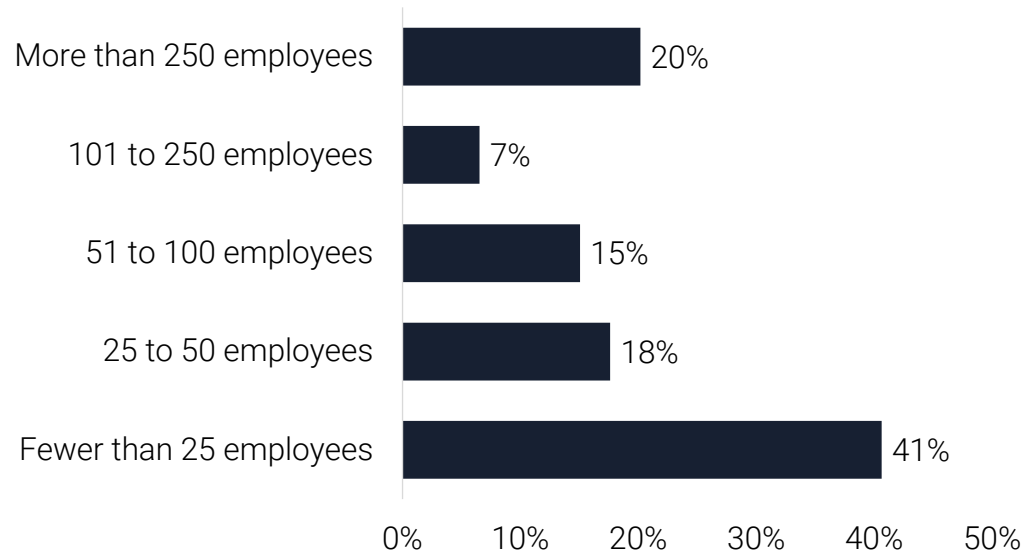
M8. Which of the following best describes the company for which you work?

Response base (sellers): n = 414 respondents

Demographic detail (2 of 4)

Incentive agency size

(Share of incentive houses)

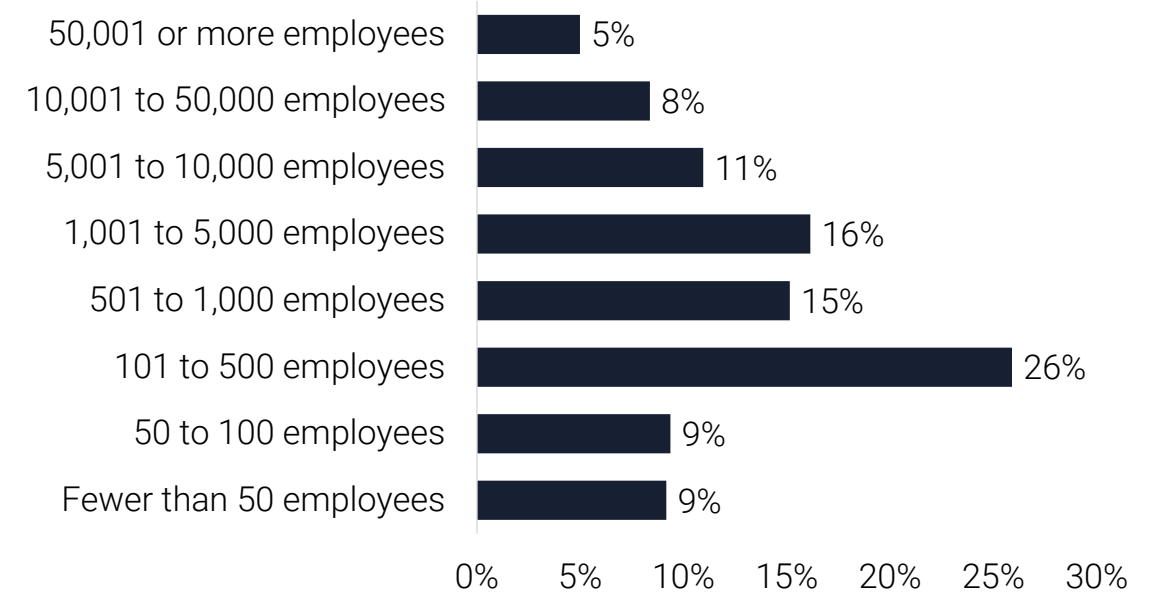


M4. Which of the following best describes the size of your company?

Response base (incentive houses): n = 352 respondents

Participant company size

(Share of buyers)



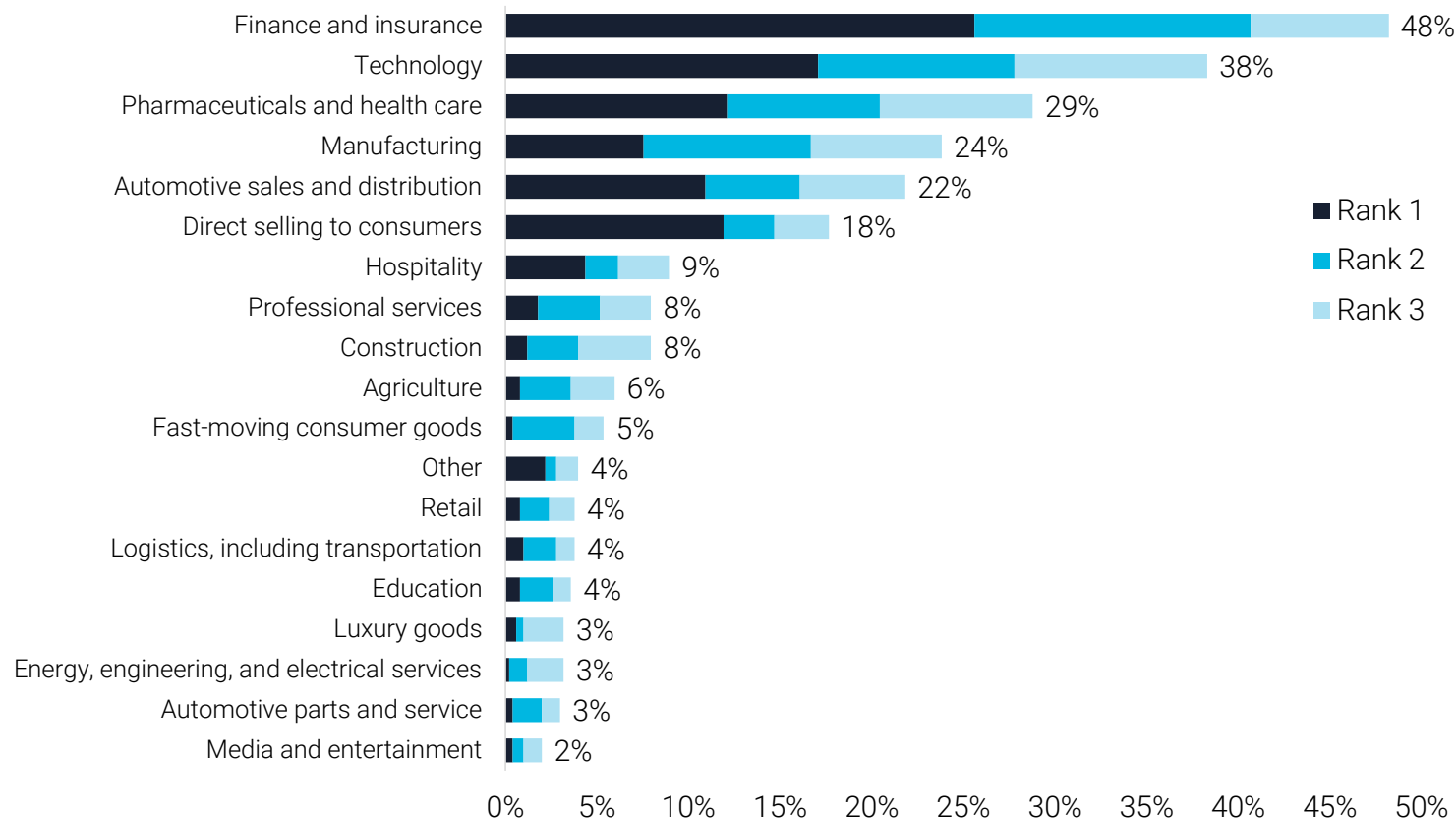
M3. Which of the following best describes the size of the company(ies) for which your team is primarily organizing incentive travel programs?

Response base (buyers): n = 502 respondents

Demographic detail (3 of 4)

Customer industries

(Share of buyers indicating a top three rank)



M5. For which of the following industry(ies) does your team primarily organize incentive travel programs?

Rank 1 is most important; label is % of all buyers choosing sector in top three

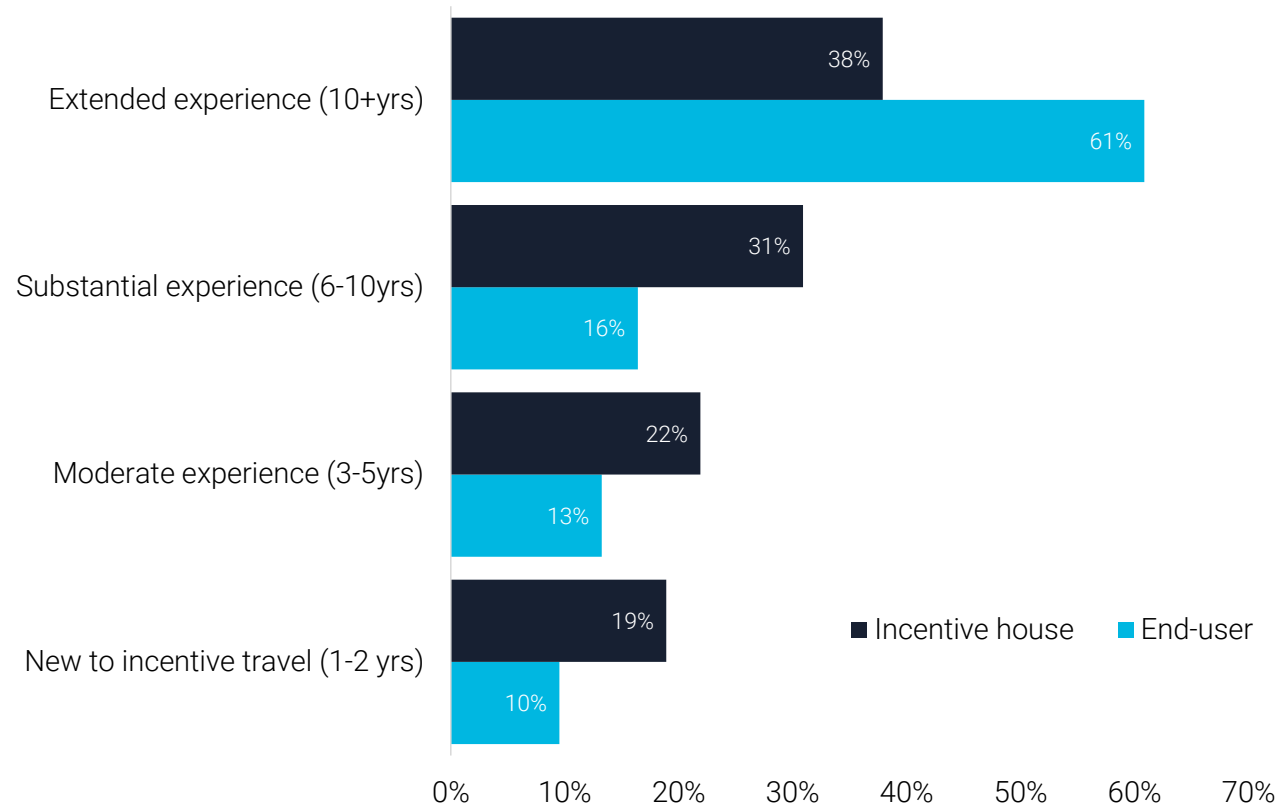
Response base (buyers): n = 505 respondents

■ Rank 1
■ Rank 2
■ Rank 3

Demographic detail (4 of 4)

Experience with incentive travel

(Share of incentive house respondents or end-users)



G6. What is your experience with incentive travel?

Response base (buyers): n = 616 respondents

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