

Many Happy Returns

AFTER A YEAR OF planning and communicating to sales reps, your sales incentive trip goes off without a hitch. Everyone has a great time. There are high fives, pats on the back and notes complimenting all aspects of the trip. It's time to move on to your next project.

Not so fast! Your job has just begun.

Analysis must be provided that includes information on the performance objectives that were achieved and at what cost. Calculating ROI arguably is the trickiest part of an incentive travel program.

Think ROI From the Beginning

Follow-through mechanisms should be created at the onset of the program, says Ed Robbins, general manager of Rosemont, Ill.-based JC Penney Incentive Sales. "You really can't retrofit ROI measurement into the program once it has started. It's important to be specific about what you're trying to accomplish at the beginning. In order to get return on investment, the program has to have the proper design."

Incentive travel often is treated as an expense by companies more than an investment. Businesses that assess the value of everything else they invest in fail to gauge ROI on an annual trip.

"This industry has

not been high profile in metrics and measurement," says Robbins. "It's been assumed that these programs get results. The simple measurement that is truly indicative is ROI. Everyone talks about it, but few actually do it."

A company shouldn't invest a penny in an incentive travel program if it isn't going to show ROI, says Louise Anderson, president and CEO of Hastings, Minn.-based Anderson Performance Improvement Company, which specializes in incentives focused on behaviors. Anderson says she will not create a program unless she can expect to pinpoint a return on investment of 200 percent or more.

How is this calculated? Anderson says the person who owns the business strategy within the company must define what success is. "They must specifically spell out how this can be a successful program," she explains. "The key is to go back to that definition of success and track it throughout the program."

More Than Crunching the Numbers

Of course, a successful program isn't all about the numbers. A qualitative measurement of participants' satisfaction should be part of the anticipated measurement

Make sure you're getting more than fond memories from your incentive travel efforts

BY JENNIFER JUERGENS



The days of incentive trips with a sole objective of treating the sales team to some well-earned R&R are over. To prove to management the effectiveness of the program, a specific return on investment must be calculated.

in most cases, says Doug Press, president and CEO of The Incentive Group in White Plains, N.Y.

Jim Dittman of Dittman Incentives in New Brunswick, N.J., a founder and past president of the Society of Incentive & Travel Executives (SITE), recently created and facilitated a sales incentive trip to Jamaica for one of the top paint manufacturers in the country. He e-mailed

a survey to all participants immediately upon their return to gauge their satisfaction and get recommendations for making the next trip better. Dittman insists on getting a 40 percent return on the surveys he sends out or he e-mails them again.

"If you don't survey participants, you may not get a feel for what can be the most serious problem in a program – apathy," he says.

Key design elements of a sales incentive travel program:

- ✎ Create a scorecard for participants and management
- ✎ Feedback is a powerful motivator; Overcommunicate
- ✎ Insert surprises and unique elements; Don't let programs get stale
- ✎ Make sure the destination fits your audience and budget
- ✎ Evaluate reward on activities
- ✎ Create multiple performance deadlines



ANDERSON
Performance Improvement™

ACCELERATING THE ART OF SELLING THROUGH THE SCIENCE OF PERFORMANCE

12181 Margo Avenue South | Hastings, MN 55033 | 651.438.9825
www.AndersonPerformance.com | APIC@AndersonPerformance.com