

The promise of a vacation and some on-trend gifts is not enough to inspire Millennials to do their best in the workplace. A local, immersive experience is what this growing population is looking for.

Incentives: ~~Reward. Recognize.~~ ENGAGE.

The latest trends in incentives and the generational trendsetters.

Barbara Scofidio, Editor, Prevue Magazine www.prevuemeetings.com and American Express Meetings & Events

With all the buzz about how Millennials are changing the workplace and shifting planners' meeting strategies, it should come as no surprise that this generation – defined globally as individuals born between 1981 and 2000¹ – is perhaps the most influential force in the incentive travel space today. Millennials are taking their turn in the driver's seat and rewriting the formula for a successful incentive program.

Prevue magazine recently completed a joint research study² with the Incentive Research Foundation (IRF) to determine how companies are adjusting their incentive trips with this generation in mind. A full 77% said they see generational demographics changing the way they plan events in the next two to five years. Many of those changes are already in full swing. 94% have altered the trip's activities, 76% have changed the entertainment and 66% have stepped up the social media around the trip.

Some companies have gone so far as to create totally separate trips to appeal to different generations. When asked to rate the effectiveness of various trip incentives, companies rated creating

separate trips the highest. But not every company has the bandwidth or budget to customize trips by generation. With Millennials set to comprise half of the global workforce by 2020¹, keeping the generations together with an eye to the evolving preferences of Millennials may be a more successful and sustainable strategy.

A Desire to ENGAGE

Perhaps the most exciting philosophical shift is that the Millennial generation is one that wants to be engaged. The promise of a vacation and some on-trend gifts is not enough to inspire Millennials to do their best in the workplace. A local immersive experience is what this growing population is looking for, and what will inspire them to succeed.

"The ultimate goal of an incentive program is to motivate, recognize and reward. We can now add 'engage' with confidence as the road to a successful incentive program really starts with engagement," says Milton Rivera, Vice President of Sales at American Express Meetings & Events. "The Millennials

Sources: (1) <http://www.catalyst.org/knowledge/generations-demographic-trends-population-and-workforce>, August 20, 2015. (2) Prevue and The Incentive Research Foundation conducted an email survey of U.S.-based Prevue readers and IRF supporters for a three-week period beginning July 14, 2015. The results are based on 128 usable participants across multiple industries (pharmaceutical, financial, technology, etc.).

are driving decisions from the very inception of the incentive program, the structure, the destination, the program content and the outcomes. This generation is full of game changers. Their fundamental need to engage is driving the evolution of incentive programs and the creation of new immersive and cultural experiences.”

The impact can perhaps best be seen when exploring five key components of any incentive trip: destination selection, property selection, food and beverage, entertainment and gifts.

Emerging Destinations & Corporate Social Responsibility (CSR)

Millennials often crave exotic and cultural adventures. They are also motivated by doing good – leaving a location better than they found it. “Sun and Fun” style trips are slowly being replaced by those that involve hard work, either in the form of altruistic (CSR) activities (building houses or other infrastructure, for example) or extreme recreational activities, such as climbing, repelling, and survival skill challenges. “Younger employees want to feel that they’re making a direct impact on someone’s life,” says Alan Ranzer, Managing Partner of Impact 4 Good and a leading voice in the CSR movement.

Incentive planners looking to cater to a predominately Millennial audience can engage attendees with opportunities to explore the local geography and cultures while giving back. And it needs to

be meaningful, not a token charitable activity.

To illustrate, one cruise line has a new ship that will begin a weekly cruise from Miami to Amber Cove, Dominican Republic, starting in April 2016. Onboard, cruisers will undergo two days of intensive training in volunteer activities, such as learning to teach English or building water-filtration devices out of clay. Once in port, passengers will spend up to three days working with residents and local volunteer organizations. There’s no casino on board and no fancy entertainment, just plenty of local food and beverage options.

Another example is “NeighborGOOD,” a program that allows participants to see and learn about a city via an interactive urban challenge executed through their cell phones. “When the hunt leads to a give-back experience, everybody wins,” says Mr. Ranzer.

The promise of these types of experiences is what motivates today’s incentive travelers.

For hot incentive destinations, see next page.

Selecting Properties with a Purpose

Millennials are having an impact on hotel development and experiences. Many major hotel chains are developing brands geared towards the youngest working generation, with the mission of fostering a uniquely local experience.

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HOT DESTINATIONS FOR INCENTIVE TRAVEL

Today's hottest destinations for incentive travel are a mix of the up-and-coming and the tried and true. *By American Express Meetings & Events*



LOS CABOS, MEXICO

Put on the map by the Baby Boomers (individuals born in the late 1940s and the 1950s following the end of WWII¹) Los Cabos remains one of the top destinations for incentives. In addition to offering great weather and a beautiful landscape, you will find activities that appeal to all generations.

PANAMA CITY, PANAMA

Still emerging but coming on strong, this destination is exotic and diverse. From the vibrant and electric nightlife scene to jungle trekking, amazing ecosystems and surfing, there is an activity to suit every style. And of course – there is the awesome site of the 8th Wonder of the World, the Panama Canal.

MIAMI BEACH, FLORIDA, U.S.A.

Just take a look around and beauty is everywhere – the people, the beaches, the charming art deco boutique hotels. Your perennial favorites on South Beach continue to deliver on the promise of an outstanding event.

LAS VEGAS, NEVADA, U.S.A.

Las Vegas has changed so much from the “sin city” moniker of old to a culinary and

entertainment mecca. Millennials seem to be driving this new Las Vegas persona: they are not big gamblers but they love experiences. Expect to see more entertainment options and culinary choices as many seek to experience this destination in a new and more rewarding way.

NEW ORLEANS, LOUISIANA, U.S.A.

Ten years after Hurricane Katrina, this resilient “incentive gem” of a city has made its comeback. The rebuild has been transformative, and once again travelers can enjoy the amazing food, music and history of this French colonial city. There is still work to be done, however, resulting in an abundance of programs that offer visitors the opportunity to be immersed in post-Katrina city renewal projects.

RIO DE JANEIRO, BRAZIL

From the incredible vistas to the iconic images of famous guests, Rio de Janeiro is an incentive favorite. And with the Olympic Game coming to Rio, there has never been more excitement about one of the most beautiful cities in the world. Incentive groups have long desired to visit this exotic destination to explore the food, people, beaches and culture!

BUDAPEST, HUNGARY

This Eastern European city is rich in culture, history, and mystique that can equally satisfy all generations of incentive travelers. There are 135 natural springs with recognized medicinal properties across the country. In recognition of the increasing interest in healthy lifestyles, more



hotels in Hungary have developed fitness-wellness program packages. Add on the banks of the Danube, the Buda Castle Quarter, abundant gastronomic possibilities, golf and wine, and there is something for everyone.

VIETNAM

Vietnam is blessed with a pleasant climate and stunning landscapes ranging from mountains to river basins, with dense forests and vast tracts of emerald-green rice fields. Hanoi, known as the cultural center in the north, and Ho Chi Minh City (formerly Saigon), in the south, are both chaotic, invigorating cities with a delightful melding of cultures in everything from food to architecture.

EUROPE – RIVER CRUISING

Charter a vessel and explore some of the most beautiful rivers and canals in Europe. Smaller vessels can venture where the larger ships cannot, allowing for that local feel and more adventure. Shopping, entertainment, pubs and the local scene and scenery are just steps away as your attendees experience Europe in this unique and exciting way.

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New themes and amenities are abundant, focusing on priorities like connectivity and wellness. Do not be surprised if you walk into a guest room to find more conveniences than in the past, like multiple outlets for various devices right on the headboard or a direct line to have a yoga mat delivered to your room.

“What I see is that design and individuality is a strong point in hotel construction. More unique and locally adapted properties are becoming the norm” says Rolf Schmidt, Founder and Managing Director of TOPHOTELPROJECTS. You will no longer see the same Hilton around the world. If you look at the latest 20 Hiltons, each are different in design.”

Case in point: Curio – A Collection by Hilton has breathed new life into historic buildings, each with “stories to tell and secrets to share” and a promise of satisfying its guests’ curiosity while delivering a local and remarkable experience. Certainly this approach takes on the Millennials’ desire to not only have a unique experience but to acquire new knowledge as well.

Radisson® is focusing on catering to the Millennials’ overall lifestyle through a unique and immersive experience. With Red, Radisson hopes to humbly wow its guests as it “re-interprets the guest experience,” focusing on stylish and multi-functional guest rooms, and space to work, play, be social and workout punctuated by “simple food & drink done really well.”

And speaking of food and drink, some

properties are promoting local healthy take-out or offering grab ‘n’ go options as a replacement for room service, which is often perceived to be more indulgent and expensive by younger generations.

It will continue to be important to ensure a property can accommodate your incentive group in terms of sleeping rooms and conference space. However there is a growing expectation that a hotel will delight and enrich, not just provide a decent night’s sleep.

It All Comes Back to the Food (& Beverage)

With a myriad of food shows on television, and ingredients formerly considered gourmet now deeply rooted in the mainstream, Millennials have grown up as foodies. Older generations have developed a new standard as well. There’s an expectation of having local food and wine or a craft beer experience as part of the incentive trip for attendees of all ages. Heightening the local focus and upping the level of sophistication around food and beverage can be a real winner for incentive events.

To make culinary experiences more dynamic and memorable, you might consider the following ideas, courtesy of Hilton Worldwide:

Cold-pressed coffees: Include local coffees, iced or cold-pressed — even in the evenings. Millennials in particular do not necessarily want to drink alcohol every night.

Elixirs: When it comes to alcoholic drinks, it's all about the ingredients. One Australian company creates simple syrups, elixirs and bitters from local ingredients using a vintage Victorian press. Lemons, oranges and limes are run through the press, creating zests for the elixirs used in craft cocktails.

Roasts: Millennials and Gen X-ers (those born 1966-1980¹) have an expectation that they can acquire knowledge and get their questions answered. So why not bring in the local butcher or meat producer to do a roast during a buffet? Encourage interaction: give attendees the opportunity to learn the best techniques to roast their own meats.

Shared tables: There is a growing resistance towards separating tables, when the goal of an event is to get people to meet. Shared tables and food join a group together. It's no longer, "That's my table, that's your table." A benefit of this shift? Fewer complex seating charts to manage.

Wellness-driven F&B: Increasingly, attendees are expecting organic, sustainable food and an awareness of food allergens and intolerances. Seek to understand attendee needs well before you get to the event. Capture preferences and special needs during event registration. Familiarize yourself with the most common allergens as well as the characteristics of popular and religious dietary regimens such as gluten-free, vegan, kosher and halal. Work with the venue to ensure that they can accommodate all special needs to

the same standard and quality as the primary meals. Make sure that special meals make their way to the proper recipient. Label menus and buffet selections thoroughly, taking advantage of anywhere you have the opportunity to tell an attendee more about the food they are about to consume. Check on your attendees to be sure they are satisfied.

Engage with Interactive Entertainment

Down time for Millennials isn't as simple as planning music and fun by the pool, shopping excursions, or golf, which used to be the staples of incentive travel. They want to be stimulated, inspired, educated, and engaged. Yet being born into the digital age, they are accustomed to immediate gratification. And they have already seen and shared a lot of cool stuff. You are left with the challenge of trying to impress a worldly, savvy audience. If you don't deliver fast and now – or worse – allow them to get engrossed in their smartphones, you will lose them.

Dig deeper and think about those activities that will delight your attendees and keep their hands busy, such as these, courtesy of Craig Sutton, also known as the EventGo2Guy:

- A digital graffiti art station using digital "spray-cans," which are fumeless and odorless, to create printable graffiti artwork.
- A custom game room featuring

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basketball, table tennis, Cornhole, foosball and a putting green. Playing games gets people connected and communicating.

- › For a mini-break, a “brain-sensing headband” that works with an app and takes brain-activity down to a more relaxed state, allowing winners to relax, de-stress and meditate, clearing the mental clutter.
- › Offer a GoPro® camera for attendees to capture their adventures, both during the main program as well as on breaks, then incorporate the best footage into the closing program.
- › Of course, have a sound strategy for your mobile event app, incorporating Facebook, Twitter and Instagram and as well as a gamification angle so that when your attendees DO turn to their smartphones, they can still be deeply engaged in the event.

Gifting, Updated

Incentives wouldn't be incentives without the gifts. This is another area where new trends are emerging.

Whereas in the past brands and labels might have been important to winners, this generation of younger attendees prefer to choose their gifts at an amenity bar, often set up right at check-in. Here, the sponsoring company can offer a choice of everything from beverages for the rooms to

flowers to custom goodies, including some new on-site amenity experiences by Doug Chorpening, CEO of Graffiti Mercantile:

- › **Sunglass shop:** Let winners choose handmade wooden sunglasses (vintage style for hipsters of all ages). Each pair is a unique piece of art.
- › **Graffiti gifts:** Tag your brand with urban-inspired art on high-quality products, such as T-shirts and snowboards.
- › **Live event art:** Commission a high-profile local artist to capture the vibe of your event on canvas, and then send each attendee an original print as a commemorative piece afterwards.
- › **AMPed:** Let attendees select a pair of vintage inspired headphones or Bluetooth speakers.

The formula for a successful incentive event is certainly changing. In some way, perhaps, it is more complex but it is also more conscientious, inventive and unique – qualities that should engage and inspire your top performers and incentive travelers. Creating the right combination of destination, property, cuisine, entertainment, and gifts can help you meet and exceed incentive traveler expectations. Perhaps more importantly, you can create the motivation for employees to excel and drive business results in the hopes of being selected to attend the next year's trip.



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