



Global Connections



Motivational Experiences



Business Results

Site Index: Insights into the Motivational Events and Incentive Travel Industry

**Presented by the Site International Foundation at IMEX
26 May 2010**

Unleashing human potential through extraordinary motivational experiences

Site

Welcome!

Moderator:



Fay Beauchine, CITE

President, Site International Foundation

President, Engagement & Events – Carlson Marketing

What is the Site International Foundation?



The Mission:

To enhance the awareness and effectiveness of motivational experiences and incentive travel thereby increasing usage globally.

A registered non-profit 501(c)(3) organization, the Foundation facilitates research, trend analysis and educational program support for the incentive and travel professional.

Who is the Site International Foundation?

Fay Beauchine, CITE
 President Engagement &
 Events - *Carlson Marketing*

Roger Tondeur
 Immediate Past President -
MCI Group Holding S.A.

Steve O'Malley
 Vice President, General
 Manager - *Maxvantage*

Stephen Powell
 Senior Vice President
 Worldwide Sales -
InterContinental Hotels Group

Ray Bloom
 Chairman - *IMEX*

Oliver Bonke
 Senior Vice President, Sales
 and Marketing - *Starwood*

Sean Mahoney
 Vice President of Worldwide
 Charter and Incentive Sales -
Silverseas Cruises, Ltd.

Madelyn Marusa, DMCP
 Vice President Industry
 Relations - *PRA Destination
 Management*

Penny Wing
Incentive Travel, LLC.

Brian Walsh
 COO & CFO
Wyndham Jade

Brenda Anderson
 CEO - *Site*

Allison Summers
 Executive Director – *Site
 International Foundation*

What is the Site Index?



Executive Summary

The 27th edition of the annual analysis and forecast for the motivational events industry, published by the International Foundation for the Motivational Events Industry, is now available. The report provides an overview of the industry and its future prospects.

Key findings from the report include:

- The industry is expected to continue its growth, with a projected increase in revenue of 4.1% in 2010.
- There is a strong focus on technology, with 43.1% of respondents reporting that they use it in their work.
- Investment in technology is expected to increase, with 41.0% of respondents reporting that they plan to invest in technology in 2010.
- There is a growing emphasis on measurement and reporting, with 60.0% of respondents reporting that they use measurement and reporting in their work.



Executive Summary

This Site Index survey addresses current and future use of technology in the motivational events industry. The report shows that technology is becoming increasingly important to the industry, with 43.1% of respondents reporting that they use it in their work. The report also highlights the importance of measurement and reporting, with 60.0% of respondents reporting that they use measurement and reporting in their work.

Key findings from the report include:

- There is a strong focus on technology, with 43.1% of respondents reporting that they use it in their work.
- Investment in technology is expected to increase, with 41.0% of respondents reporting that they plan to invest in technology in 2010.
- There is a growing emphasis on measurement and reporting, with 60.0% of respondents reporting that they use measurement and reporting in their work.

Key findings from the report include:

- There is a strong focus on technology, with 43.1% of respondents reporting that they use it in their work.
- Investment in technology is expected to increase, with 41.0% of respondents reporting that they plan to invest in technology in 2010.
- There is a growing emphasis on measurement and reporting, with 60.0% of respondents reporting that they use measurement and reporting in their work.

Use of Technology, January 2010

Investment

When statements come closest to describing your organization's approach to investing...



Executive Summary

This Site Index survey addressed the measurement of Return on Investment (ROI) and Return on Objectives (ROO) in the motivational events industry. It zeroed in on current activity as well as predictions for the future.

Key findings from the report include:

- There is a strong focus on technology, with 43.1% of respondents reporting that they use it in their work.
- Investment in technology is expected to increase, with 41.0% of respondents reporting that they plan to invest in technology in 2010.
- There is a growing emphasis on measurement and reporting, with 60.0% of respondents reporting that they use measurement and reporting in their work.

Key findings from the report include:

- There is a strong focus on technology, with 43.1% of respondents reporting that they use it in their work.
- Investment in technology is expected to increase, with 41.0% of respondents reporting that they plan to invest in technology in 2010.
- There is a growing emphasis on measurement and reporting, with 60.0% of respondents reporting that they use measurement and reporting in their work.

Responses

- Develop that and ongoing relationship with client.
- Establish goals and invest those that address them through cash bonuses.
- Follow the usual motivational practice.
- It tends to be anecdotal.
- Other than program accounting and the resulting cost compared to revenue reports, most program participant surveys are used more than any other measurement device with most of our clients.

Focus on Measurement, April 2010

Observations

This research highlights several very clear opportunities for both providers and users of motivational events.

- First is that there is demand for providers to add value to clients in helping them measure the ROI/ROO of their events. Simply, users who are not providing measurements to prove the value of programs to management are missing an important step in the implementation process of events.
- There is a large amount of prior research indicating that the effects of motivational events tend to dissipate after the event. Given that fact, measuring the long range impact is clearly an area where value can be added by creating good follow-up measures.
- Consistent with the increasing importance of measurement, 75.0% of respondents want to learn how to add ROI/ROO into the program design. There is extensive information in this report. The following Site International Foundation white papers make an excellent starting point:
 - A Measurement Model to Validate Performance of a Motivational Experience Program. <http://www.siteglobal.com/Portals/0/WhitePaper/MeasurementModelValidationWhitePaper/ValidationOfPerformance.pdf>
 - Measuring Results of Incentive Programs and Meetings in a Client's Context. <http://www.siteglobal.com/Portals/0/WhitePaper/MeasuringResults.pdf>
 - Return on Investments: The How and Why of Incentive ROI Presentation. http://www.siteglobal.com/Portals/0/WhitePaper/ROI/ROI_Presentation.pdf

Partners on the Site Index project:



Objectives of This Session

- **We will explore key indicators -the use of technology and measurement- the SITE INDEX**
- **Panellists will translate how the topics affect their business strategies**
- **We will invite points of view from the audience**

Our Panelists

Luca Favetta

Senior Director Global Events EMEA + India
SAP SA

Carole Poillerat

Global Category Leader- Conferences
ISMO (International Sales & Marketing Organization)
AstraZeneca

Stephen D. Powell

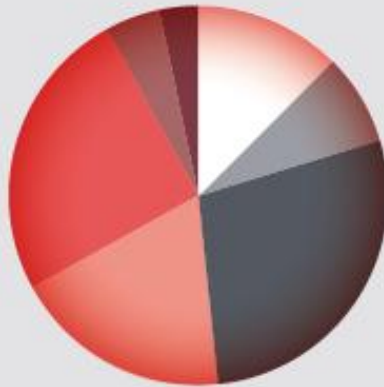
Senior Vice President Worldwide Sales
InterContinental Hotels Group

Tell us about yourself...
what do you really do in your job?

Let's talk technology...

Investment

Which statement comes closest to describing your organization's approach to investing in new technologies?



- We have an organized multi-year plan 12.5%
- We are currently satisfied with our level of technology 7.8%
- We invest in upgrades as we have funds available 28.1%
- We invest as new demands develop from our clients 18.8%
- We invest as we offer new products and services 25%
- We experiment with lots of new ideas and hope that clients will be attracted to them 4.7%
- Other 3.1%

Approximately 44% of investment is made in response to the market -- either direct demand from clients (19%) or based on new product development (25%).

Only 7.8% indicated they were satisfied with current level of technology.

How are you currently using technology in the planning and execution of events...and are you satisfied with the level of technology?

What is the role of virtual meetings today and in the future?

Site Index: Focus on Measurement

Release April 2010

Site Index
The Annual Analysis and Forecast for the Motivational Events Industry | Site International Foundation

Executive Summary
This Site Index survey addressed the measurement of Return on Investment (ROI) and Return on Objectives (ROO) in the motivational events industry. It zeroed in on current activity as well as predictions for the future.

As might be expected, ROI/ROO measurement is gaining focus in today's environment where every expense is closely examined. Therefore, the need for clear measurement and reporting will only increase.

The Site Index also studied the application of motivational events. Not surprisingly, the most common usage of motivational events is in sales programs, followed by dealer programs. Very few (26.5%) respondents use travel for consumer promotions. Also not surprising is the fact that hard measures (increased sales, profitability, and growth of market share) are considered more important than soft measures such as commitment, loyalty, trust, etc.

Responses to Question 3 tell us that over 80% of respondents understand that the focus on ROI is now increasing. (Nearly 80% say the same for ROO). Seventy-five percent say that the number of programs for which ROI/ROO is measured will increase in the next three to five years. This fact must be considered with data from the earlier Focus on the Economy survey that showed more involvement in motivational event programs by higher management.

Focus on Measurement, April 2010

Observations
This research highlights several very clear opportunities for both providers and users of motivational events.

- First is that there is demand for providers to add value to clients in helping them measure the ROI/ROO of their events. Similarly, users who are not providing measurements to prove the value of programs to management are missing an important step in the implementation process of events.
- There is a large amount of prior research indicating that the effects of motivational events tend to occur after the event. Given that fact, measuring the long-range impact is clearly an area where value can be added by creating good follow-up measures.

Consistent with the increasing importance of measurement, 73.5% of respondents want to learn how to build ROI/ROO into the program design. There is extensive information in this regard. The following Site International Foundation white papers make an excellent starting point:

- A Measurement Model to Validate Performance of a Motivational Experience Program, <http://www.siteglobal.com/Portals/0/White%20Paper%20Measurements%20Model%20to%20Validate%20Performance.pdf>
- Measuring Results of Incentive Programs and Meetings in a Down Economy, <http://www.siteglobal.com/Portals/0/White%20Paper%20Measuring%20Results.pdf>
- Return on Investment—The How and Why of Incentive ROI Presentations, http://www.siteglobal.com/Portals/0/White%20Paper%20RETURN_ON_INVESTMENT.pdf

Responses
This is a sampling of responses to the question: Please enter any other information regarding how you measure ROI and ROO.

1. Develop trust and ongoing relationship with client.
2. Establish goals and reward those that achieve them through cash bonuses.
3. Follow the usual international practice.
4. It tends to be anecdotal.
5. Other than program accounting and the resulting cost compared to revenue reports, post program participant surveys are used more than any other measurement device with most of our clients.
6. Rating of sessions offered, feedback from Sponsors Return rate and participation rate of our sponsors.
7. We do not formally measure ROI and ROO since we are suppliers to clients who do so. We do, however, monitor the trends through our evaluation responses from our meeting planner clients. We have found that their emphasis on ROI and ROO is increasing.

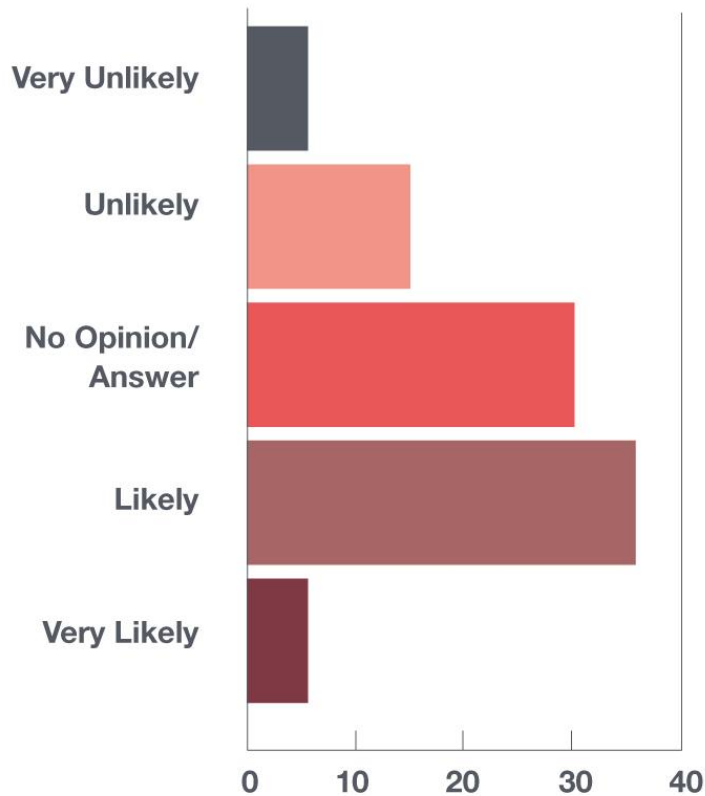
siteglobal.com

Respondents represented views from ten countries on the topic of ROI & ROO. Findings revealed:

- Over 80% believe the focus on ROI and ROO is increasing
- 75% believe that the percentage of programs that require ROI and ROO measurement will increase

Measurement and Motivational Events

How likely is it that corporate users who fail to measure ROI and ROO will cease using motivational events at some point in the future?

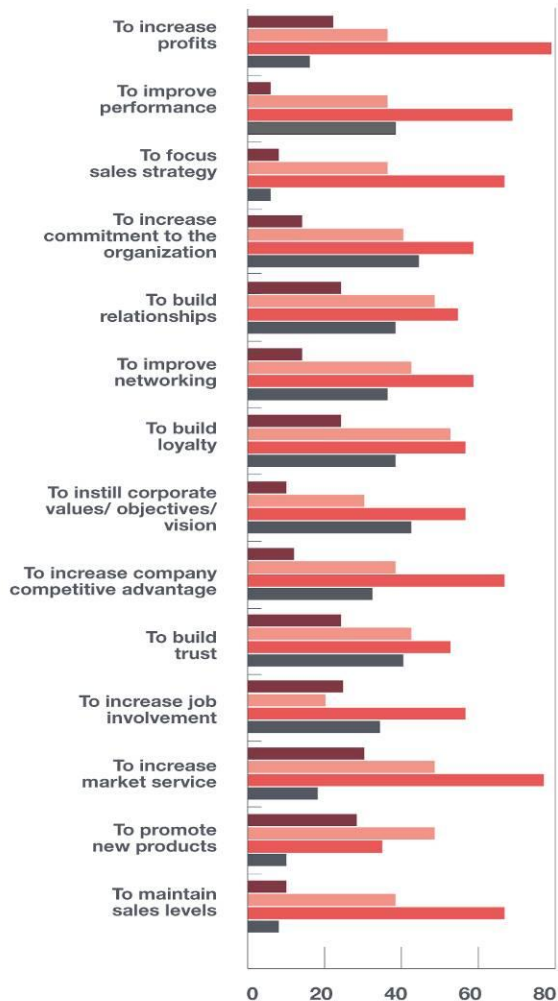


- Majority of respondents are measuring less than 50% of programs
- 45% believe that is likely that firms who do not track results will cease using motivational events

There is a clear opportunity for providers to add value to clients in helping measure ROI and ROO of events.

Program Objectives

For the following questions, please check off the boxes that correspond to your objectives in each of the four categories listed in Question 1. What are the objectives you attempt to satisfy by running motivational events?



The top objectives being satisfied through running incentive by program category were:

Sales

Increase profits

Distributor

Build loyalty

Non-Sales

Increase commitment to organization

Consumer

Increase market share

- It is evident is the priority for objectives is distinct and unique to each program type and measurement methodology should take this into consideration.

What's being measured?

What factors are important in determining return on investment?

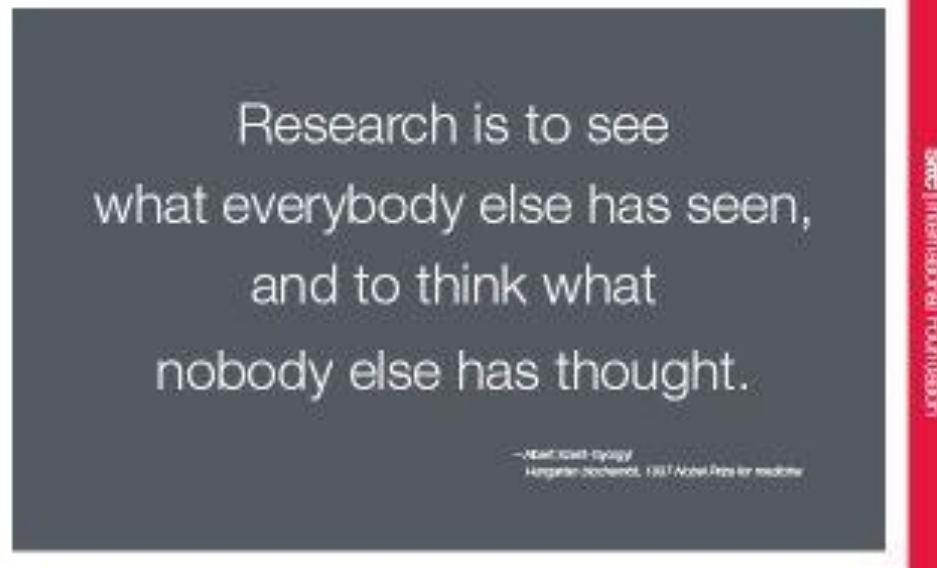
What is important that isn't being measured?

Post conference results (what is the behavior of the attendee after the event) are ranked important but are not extensively tracked. Why is this the case?

Open Q&A

Lend Your Perspectives to the Site Index Surveys

Visit www.siteglobal.com to enroll in the data panel, participate in this survey and receive results.





Global Connections



Motivational Experiences



Business Results

Site Index: Insights into the Motivational Events and Incentive Travel Industry

**Presented at IMEX
26 May 2010**

Unleashing human potential through extraordinary motivational experiences

Site