



**STATE OF THE
INDUSTRY**



INCENTIVES REPORT 2020



CONTENTS



Top 20 UK incentive agencies of 2020	3
Top incentive trends for 2020	4
Emerging incentive destinations for 2020	6
How are incentive budgets changing in 2020?	7
2020's most popular incentive destinations	9
The wellness incentives delegates really want	10
Is demand for thrill-seeking incentives on the rise?	11
Are experiential food and drink incentives on the rise?	12

Top 20 UK incentive agencies of 2020

The top UK event agencies ranked by incentive-based turnover are published in the *C&IT* State of the Industry Incentives report for 2020. *By Mark Williams*

Last year, *C&IT* compiled its first ever top 20 incentive agencies ranking, after we asked UK-based event agencies to take part in the State of the Industry: Incentives Report.

This year, we asked agencies once more to tell us their total incentive-based turnover for the most recent financial year, so we could determine who is the top incentive agency.

And it's CR Worldwide that has reclaimed the top spot by a considerable margin, with

£13.7m in incentive-based turnover.

Second and third place are new entrants (agencies that didn't take part in the first survey last year) Nteractive and Black Tomato Agency respectively.

First Event has remained fourth but is joined by XSEM, as both have incentive-based turnover of £4.1m.

And while CR Worldwide has remained top, the agency's incentive-based turnover has decreased by £3.8m. On the other hand,

Capita Travel & Events NYS has seen its incentive-based turnover rise to £3.3m from £1m in 2019's ranking.

The 2020 State of the Industry: Incentives Report will be published over the next two weeks and will also look at the most popular current and emerging incentive destinations, as well as how budgets have changed and much more.

The top incentive agencies of 2020 in the UK are:

RANK	AGENCY	INCENTIVE-BASED TURNOVER (£M)	CHANGE SINCE 2019, IF IN TOP 20 LAST YEAR (£M)	TOTAL ANNUAL TURNOVER (£M)	STAFF
1	CR WORLDWIDE	13.7	-3.8	14.4	58
2	NTERACTIVE	7.8	N/A	29.1	63 IN UK
3	BLACK TOMATO AGENCY	6.1	N/A	6.1	22
4	FIRST EVENT	4.1	0.7	11.5	50
4	XSEM LTD	4.1	N/A	6.5	33
6	GRAY DAWES EVENTS	4	1	13	20
6	TAG (THE APPOINTMENT GROUP (UK) LTD	4	N/A	9 (UK)	180 IN UK (300 GLOBAL)
6	PRINCIPAL. GLOBAL EVENTS	4	1.8	12.7	22
9	BANKS SADLER	3.9	-0.8	UNDISCLOSED	220
10	CAPITA TRAVEL AND EVENTS AND NYS GROUP	3.3	2.3	10	689
11	SLEDGE	3.1	N/A	14.6	37
12	ABSOLUTE CORPORATE EVENTS	3	1	4	20
13	CI GROUP	2.3	N/A	3.2	65
14	WORLDSPAN PLC	2.2	0.2	6.8	44
15	STRATA	2	0	15	60
15	INCONNECTION UK LTD	2	N/A	4.5	20
15	PENGUINS	2	-0.5	55	30
18	FMI LTD	1.7	N/A	2.9	16
19	UVET UK	1.5	N/A	6	12
19	SEVENEVENTS	1.5	0.3	5.9	15



Top incentive trends for 2020

We asked event planners what trends they have noticed in incentive travel for this year as part of the State of the Industry report. *By Andrew McCorkell*

A third of event planners said that the environment, CSR, ecotourism and wider sustainability were the biggest trends they have noticed for 2020.

In the survey for *C&IT's* State of the Industry: Incentives report, some also reported a spike in bookings for Eastern European destinations, while others mentioned wellness, more personalisation and Instagram-worthy destinations.

Event planners also mentioned a huge rise in inquiries for unique, 'quirky' experiences and lots more experience-led requests.

In2Events marketing director Richard Harper said: "CSR and wellbeing are ongoing trends that we are predicting will continue into 2020. Businesses are aware of their impact so are more open to including activities that create a more PR friendly view of their incentive programmes.

"With consciousness to the local communities and cultural and societal impacts, we have recently been proposing activities such as engaging in local street

art in a low-income suburb of Miami, and a beach clean up.

"We are also seeing a number of requests for 'different' activities – the usual destinations such as Monaco and Dubai have been done and corporates are looking for new and exciting ways to incentivise their staff that they may not have experienced before."

Capita Travel and Events and NYS Group directors of events Caroline Medcalf said that, much like in 2019, decisions are being "impacted by financial uncertainty" but also being made with a "stronger focus on an incentive's environmental impact."

Medcalf added: "This could involve more incentive activities that help contribute to the environment, or companies looking to consider short-haul instead of long-haul destinations or considering places that are more easily reached by train or Eurostar as both of the latter means of travel produces fewer carbon emissions than air travel."

Black Tomato Agency co-head David Heron said: "Impact of increased global concern about environmental issues in 2019 will certainly see many clients looking to address how they can make an impact – and this will affect how many people look at travel."

CR Worldwide events director Jo Kelly was clear on trends for this year.

Kelly said: "Society is more conscious of their carbon footprint and individuals are more environmentally aware."

Kelly also talked about nature-based tourism where the key was the "relationship between mental and physical wellness relating to animal therapy."

SevenEvents business development manager Helen Wheatley pointed to a number of distinct trends for 2020.

"Sustainable travel and Instagram-worthy destinations will have a big influence in 2020 due to raised awareness of CSR in the workplace and the influence of social media," Wheatley said. >>



“Wellness is also at the forefront of people’s minds too, so health retreats and relaxing destinations will also feature more heavily this year.”

Sledge’s head of incentive travel Gemma Price said that she expected enotourism to become more popular than ever before because it supported the “understanding of how things get from field to glass”.

“The three trends we predict to have the most traction for 2020 will be wellness, sustainability and enotourism. Wellness is something that has been spoken about throughout 2020 but now is the time where clients will really look to implement,” Price said.

“Sustainability is going to continue to be important to people and only grow more and more as the environmental impact of events is improved.”

‘Repurposing budget’

Strata CEO Simon Hambley said that at the higher budget end clients who are “willing to be a little more adventurous” will still look for more unusual and unique experiences.

“At the opposite end, driven by changes in legislation but more importantly perception. Some clients are repurposing budget away from high value, long haul to more tactical UK based, more regular activity,” Hambley said.

“This has seen some interesting results in terms of sales field motivation as it allows a client to touch more people with the reward activity.”

FMI engagement and operations director Clare Bingham spoke more specifically about destinations.

She said: “With current bookings, we’re seeing a move to Eastern European destinations, where guests can visit more unusual destinations whilst giving the client better value for money.

“We’re also seeing the more long-haul desirable destinations feature more highly.”

Inconnection client services director Adele Woods said CSR and sustainability were “massively important” to clients now more than ever.

“We’re also predicting to see more incentives that give back to the local community in some way, whether it’s a beach clean up or getting involved in a local project,” Woods said.

“We’re seeing a huge rise in the desire for unique, ‘quirky’ experiences, whether that’s going to relatively new/emerging incentive destinations or trying new activities (or even once-in-a-lifetime experiences) at more common destinations.

“We’re aware that some of our attendees are invited on multiple incentives a year so we need to offer something different.”

Top Banana director of incentives Elliott Grant said he was seeing “lots more experience-led requests.”

“A nice destination and good hotel with nice dining options just don’t cut it anymore,” Grant added

“People want experiences. They want memories – these can be either through creative and adventure programmes or through a more CSR/charitable element, be that environmental (beach cleanups), human (working with a local school) or animal (elephant orphanages or rhino notching).”

“A THIRD OF EVENT PLANNERS SAID THAT THE ENVIRONMENT, CSR, ECOTOURISM AND WIDER SUSTAINABILITY WERE THE BIGGEST TRENDS FOR 2020”



Emerging incentive destinations for 2020

State of the Industry: Incentives report offers insight into the destinations event planners are booking compared to last year. *By Ellie Kahn*

The most popular emerging destinations for 2020 are Scandinavia, Morocco and Japan, according to the *C&IT* State of the Industry: Incentives report 2020.

Some 29% of people mentioned either Finland, Sweden or Norway while 16% said Morocco or Marrakech and another 16% said Japan or Tokyo. In this year's survey, we asked planners for their emerging destinations, which we defined as cities or countries that have seen a rise in bookings.

Gemma Price, head of incentive travel at Sledge said: "Morocco is a great option for those groups that want a location that offers something that feels completely different from Europe with great flight access and amazing accommodation offered at a reasonable rate."

She added: "Japan, with its capital hosting global events such as the 2019 Rugby World Cup and the 2020 Olympics, this is the

must-visit destination in Asia for 2020."

"Japan is surprisingly good value and truly unique – my tip for the next big thing," said Simon Hambley, CEO at Strata.

Next in the list with 12.5% of the vote were Iceland, Canada, Montenegro and several Eastern European cities including Baku in Azerbaijan, Tbilisi in Georgia, Istanbul in Turkey, and Israel. Value for money emerged as a key factor in these choices.

"Destinations that have previously experienced a downturn in interest, such as Turkey, are re-emerging as viable options for many corporates," said Richard Harper, marketing director at In2Events. "They are proving to be more cost-effective for moderate level budgets but still provide a unique experience."

Clare Bingham, engagement and operations director at FMI Ltd finds Turkey and Eastern Europe to be "good value for venues and hotels," while David Heron,

co-head of Black Tomato Agency believes that Georgia is "a yet unknown gem."

"Baku in Azerbaijan is a must-visit for those looking for the next popular destination while it's still under the radar," said Gemma Price. "Located at the crossroads of Eastern Europe and Western Asia, it combines classical Europe with culture from the Middle East."

Other worthy mentions among this year's emerging destinations – each with 8% of the vote – included Nepal, Sri Lanka, Rwanda and Costa Rica.

In 2019, popular emerging incentive destinations included Vietnam, South Africa, Rwanda and Argentina, with analysis suggesting that long-haul is not a problem if the destination offers something special.

One of last year's top emerging destinations, South Africa, moved up to second place in our most popular incentive destinations of 2020 list.



How are incentive budgets changing in 2020?

Budgets increases come despite fears over economic uncertainty, according to the State of the Industry 2020: Incentives report. *By Andrew McCorkell*

The State of the Industry 2020: Incentives report has found nearly four in ten incentive event planners say incentive increased in the last year.

In the C&IT survey, when professionals who specialise in incentives were asked how incentive budgets changed since last year, 38% said they had increased.

Some 50% said they had stayed the same while 13% said they had decreased.

But more than half (54%) of those surveyed in the report said that Brexit had had a huge impact on bookings, alongside so much uncertainty in the UK economy.

When incentive planners were asked what factors they thought had affected budgets most this year many also pointed to global politics, and the challenges from sustainability.

Clare Bingham, engagement and operations director of FMI said: “Brexit has played some part in incentive campaign planning, particularly for group incentive travel. Clients have also been smarter with reward budgets, moving to global reward stores and e-codes to make their spend go further.”

Richard Harper, In2Events marketing

director said: “In all, we have seen budgets in general increase or remain the same year on year.

“2019 saw similar factors affect budgets, such as sustainability and the political situation in the UK impacting European travel, however, we feel that corporates have taken a business as usual approach to incentives and travel whilst we wait to find out the real situation when the UK finally leaves the EU.

“In regards to sustainability, corporates are placing this back on the agenda, but instead of hampering incentive travel, >>



it has made us work smarter, finding intuitive ways to offset these activities, including CSR initiatives built into the programme.”

The survey was completed before the full impact of the coronavirus pandemic hit the events industry and the wider business travel sectors.

Gemma Price, head of incentive travel for Sledge, talked about the uncertainty around politics and the impact it was having.

Price said: “Everyone is uneasy at the moment with the political landscape being unstable. Depending on the industry, some of our clients have taken a hit from this, leading to decreases in the amount of projects and budgets while others are thriving.

“With this and more companies seeking new ways to reward, retain and welcome new talent, it has led to a balance in budgets for us.”

Brexit, budgets and planning

Meanwhile, Strata CEO Simon Hambley said much has remained the same.

He said: “Budgets remain pretty consistent. Increases in some areas but also changes in others. Especially in financial services where there is a trend away from long haul incentives, which is driving us to be more innovative with closer to home destinations and experiences.”

Many agencies talked about the negative impact Brexit and political uncertainty had on the sector.

David Heron, co-head of agency Black Tomato, said: “Brexit has certainly had an impact – but rather than decreasing budgets

it has simply made clients deliberate more while they wait for more certainty.”

Inconnection UK’s client services director Adele Woods added to the sentiment.

“Brexit has been a factor for many of our clients. We’ve also seen CSR and ethics become increasingly important for clients and this has had an impact in a number of ways. And of course, ROI,” Woods said.

Top Banana’s director of incentives Elliot Grant added: “Uncertainty around Brexit has meant some businesses have held off confirming an incentive or have reduced their budgets altogether.”

TAG (The Appointment Group) group events director Sam Robson said “more uncertainty in the UK market” had been having an impact on decision making.

“There is a tendency to choose less risky destinations in terms of terrorism or politics. There are more short-haul selection and more regional rather than global incentives,” Robson said.

Capita travel and events director of events Caroline Medcalf added: “The main factors negatively affecting budgets include the impact of both Brexit uncertainty and the pound being weak.

“On the other hand, one customer made funds available for a staff incentive, as they recognised it was needed to secure staff retention in a saturated employment market.” Another event planner added: “Incentives are consequent budgets and are an easy thing to cut and make big savings on if needed.”

Others talked about more expensive flight tickets and hotel fares while some countries have had a significant increase in prices.

“BREXIT HAS CERTAINLY HAD AN IMPACT – BUT RATHER THAN DECREASING BUDGETS, IT HAS SIMPLY MADE CLIENTS DELIBERATE MORE WHILE THEY WAIT FOR MORE CERTAINTY”

DAVID HERON, CO-HEAD, BLACK TOMATO

2020's most popular incentive destinations



In our State of the Industry: Incentives report, we look at the top countries and cities over the past year. *By Mark Williams*

America is currently the most popular destination for incentives among the UK-based event planners that took part in C&IT's incentives survey.

When we asked respondents to tell us their top three destinations for incentives during the past year, the USA came up more times than any other country.

The most popular destinations of 2019 were (with specific towns or cities mentioned in brackets):

1	USA (INCLUDING HAWAII, MIAMI AND LAS VEGAS)
=2	SOUTH AFRICA
=2	PORTUGAL
=4	ITALY
=4	SPAIN (INCLUDING VALENCIA, TENERIFE, PALMA)
=6	FRANCE
=6	UAE
=8	BALI
=8	MOROCCO
=8	ICELAND

That means last year's top five most popular destinations have remained the same but changed order, with USA knocking Spain off the top spot and South Africa moving up to second place.

We also asked event professionals which destinations offered the best value for money

and this is where South Africa was described as "fantastic" by one respondent.

Richard Harper of In2Events, echoed that, saying: "South Africa is a destination that may require a larger budget, but the level of activity in the programme provides huge value and once-in-a-lifetime experiences."

Strata's Simon Hambley added: "South Africa offers incredible value for money versus experience because of the favourable exchange rate."

Commenting more broadly on a continent level, Josephine Bradley of Venues and Events International said: "We are currently seeing that African countries give the best 'wow factor' in terms of experiences such as safari, for a similar price to a European city break in a four-star hotel."

Portugal and Lisbon were also favourites among event planners when it comes to getting your money's worth. "Lisbon offers fantastic value for money," said Adele Woods from Inconnection UK.

"It's extremely accessible while also being far less expensive than other European cities. It's also slightly less well-known than places like Barcelona or Madrid, which means attendees are less likely to have visited before.

Slovenia was one lesser-known destination also rated as great value for money by more than one respondent. "It's

cheap when you get there so you get a better itinerary, F&B etc for your money," said Helen Wheatley of SevenEvents.

Mexico also came in for praise from an event planner who said: "It is developed enough to have great five-star experience options that are comparable to the rest of the world but the dollar is very strong there so your money goes really far."

Further comments included:

- "New airline routes are making long haul option Argentina more affordable," said David Heron, Black Tomato Agency.
- "Malta has inexpensive flights, accommodation and ground services," said Jo Kelly, CR Worldwide.
- "A great destination for groups on a budget is Cuba. Although flights again can be expensive, once on the ground, all aspects are cheaper than in any other Caribbean country. But it still promises everything you would expect from a destination in this part of the world; beautiful beaches, fresh food and fantastic culture," said Gemma Price, Sledge.
- "Certainly Eastern Europe but also we're finding Turkey to be good value for venue and hotels," said Clare Bingham, FMI.

The wellness incentives delegates really want



Planners reveal the most in-demand wellness trends in our State of the Industry: Incentives report. *By Ellie Kahn*

Part four of our SOTI: Incentives report looks at how planners are incorporating wellness into their incentive trips.

We reported on the rise in wellness incentives in the 2019 SOTI: Incentives report. Last year, more than eight in 10 agencies incorporated wellness activities into their incentive programmes, with an increased focus on physical and mental health.

In 2020, we asked planners how the number of wellness incentives has changed compared to last year. 58% of planners said that the number of wellness incentives had increased, while 42% said they had stayed the same, suggesting that it is still of huge importance.

Gemma Price, head of incentive travel at Sledge said: “With it having such a massive focus in the market at the moment, we try to make sure all incentives have an element of wellness associated.”

Another planner added: “There is certainly more of an awareness of it when designing experiences.”

Physical and mental health remained a priority this year, with exactly half of the planners building yoga into their

incentive trips.

Richard Harper, marketing director at In2Events said that clients had requested “yoga and fitness-based retreats in exotic destinations, with a focus on self-care, mindfulness and active wellbeing.”

Lidia Sakarapani, head of sales and marketing at Principal Global Events said: “Sound bath sessions, pilates mornings and yoga after a nature trek are just some of the elements that we have been asked to add to programmes in the past year.”

Elliott Grant, director of incentives at Top Banana had created a digital detox with no phones and laptops at barefoot resorts and yoga retreats, while Peter Squires, head of incentives at Gray Dawes Events had planned beach yoga at sunrise and meditation sessions within the hotel grounds.

But wellness does not necessarily need to be a planned activity. Some 29% of people said that more free time for delegates to do their own thing is an important aspect of their wellness.

“We’ve seen an increase in customers wanting more free time built into the itineraries for rest and recuperation,” said

Caroline Medcalf, director of events at Capita Travel and Events and NYS Group.

“We have seen an increase in clients asking to incorporate more free time into itineraries and often the opportunity for a spa treatment too,” said another planner.

“We always ensure there is plenty of downtime on group incentive travel incentives and we nearly always offer hotels with pools and spas for total relaxation,” said Clare Bingham, engagement & operations director at FMI Ltd.

Another planner said they had “more free time and spa time included in the budget” with someone else offering delegates “lots of retail therapy.”

“Wellness does not always need to be organised,” said Gemma Price. “Giving invitees an environment to be able to have an open conversation about their work environment can also be an experience that has a massively positive impact on their wellbeing.”

“Benchmarking how guests are feeling throughout an incentive is a great way to support wellness, giving both invitees the chance to raise any concerns and us the chance to ensure they have the best possible time.”

Four in ten event planners said the demand for thrill-seeking and adventurous incentives has increased in the last year, according to the *C&IT* State of the Industry: Incentives report.

Some 38% confirmed demand was up, 54% said it was the same, while 8% said numbers wanting thrills and spills had fallen, according to our survey of event planners specialising in incentives.

Some mentioned motorcycling, ice-driving and the future interest in space travel.

Others talked about shark diving, a trip to the arctic and dog sledding among a range of ambitious activities.

Top Banana director of incentives Elliott Grant said requests for adventurous incentives had increased.

“People are looking for more adventurous options like motorcycling in Nepal, desert camps in Morocco and eco-lodges in the Azores,” Grant said.

“Something that creates a positive transformative experience that resonates with the delegates and that they will, in turn, associate with the brand and business that they are working for.

“We must always be mindful of the delegate demographics of course and make sure that the incentive remains incentivising!”

In2Events marketing director Richard Harper also reported an increase.

Harper said: “Ahead of the curve, interest is being sparked in space travel with future innovations, but in the meantime, we are talking about the next best thing, with zero gravity plane experiences, and simulators giving the thrill-seekers new ideas for activities.”

Strata CEO Simon Hambley said: “We see a lot of interest in arctic based incentives that include adventurous activities such as ice-driving, because it’s relatively easy to reach and can be done in two or three days.

“For longer haul, we’ve organised river rafting in South America, climbing, trekking and treetop adventures. It tends to be location-driven and always needs to be safe.”

Inconnection UK client services director Adele Woods said: “In 2019 we took a group to Kiruna, Sweden which is just inside the



Is demand for thrill-seeking incentives on the rise?

We asked event planners whether demand for adventurous incentives has increased, in the State of the Industry report. *By Andrew McCorkell*

Arctic circle. The group experienced dog sledding, a snowmobile tour and a wilderness lunch where reindeer was cooked on an open fire for the attendees.

“We’ve also designed a Cape Town incentive with shark diving, ski incentives in the European Alps and sailing activities have become more popular too.”

FMI engagement and operations director Clare Bingham said: “Clients have been asking for abseiling and water-sports all the way to charitable treasure hunts and city-scavenges. We’ve delivered open-air jeeps in Bali through to dune-bashing in Dubai.”

Capita Travel and Events and NYS group director of events Caroline Medcalf was among those who had seen a decrease in demand for adventure incentives.

“We haven’t seen as many requests, or as much of a need for adventurous and thrill-seeking activities,” Medcalf said.

“Our customers’ focus tended to be more on incorporating wellness, fitness, or relaxation into itineraries.

“We have also seen an increase in activities that incorporate CSR. For example, this has included both the planting of coral on one incentive and rhino notching, as a part of a rhino protection programme in South Africa, on another programme.”

Sledge head of incentive travel Gemma Price said: “We’ve had a lot of requests in the way of “foodie” experiences, which of course might not always seem like the most adventurous, but when done in the right way can absolutely provide a thrill.”

Are experiential food and drink incentives on the rise?

Planners reveal what food and drink experiences clients are increasingly requesting, in the C&IT State of the Industry: Incentives report. *By Ellie Kahn*

Three in 10 incentive event planners are getting more requests for incentives based around food and drink, according to the SOTI 2020: Incentives report.

We look at F&B and ask incentive event planners whether they are receiving more requests for food-and-drink-based incentives.

The results reveal the trends that event professionals are seeing, with 29% of respondents saying they had seen a rise in requests for food-and-drink-based incentives.

Adele Woods, client services director at Inconnection UK Ltd said: “We’ve definitely seen this type of incentive become more popular. It’s a great way of adding a unique, memorable experience to a more common or repeat incentive destination.”

More than half (54%) of respondents said that while they are not necessarily receiving more requests for incentives based around food and drink, it is still a hugely important factor.

One planner said “food and drink are integral parts of the programme and carry cachet” and another said that it’s “tightly aligned to the overall customer experience”.

Another event planner said it is “something that always receives strong feedback” regardless of whether the incentive itself is food-and-drink-based.



Educational experiences

A key trend emerged in this year’s responses with around half of the incentive planners revealing that clients want more educational experiences around food and drink.

“People want an experience on a deeper level,” said Gemma Price, head of incentive travel at Sledge.

“It’s not just about having a drink and a nice meal anymore, it’s understanding how things get from field to glass and gaining a deeper knowledge about what the group is consuming, and its impact.”

David Heron, co-head of agency at Black Tomato added: “There has been an increase in awareness of food sourcing, both in terms of quality but also sustainable credentials.”

Many responses suggest that clients and delegates increasingly consider themselves

to be ‘foodies’ who expect more than the standard ‘half a bottle of wine with dinner packages’.

Experiential food and drink activities, such as walking/immersion tours, micro-brewery visits, experiential dining and cooking experiences are in higher demand.

“Working with many beverages companies we often include a ‘brand immersion tour’ which is a food tour of the local area with our clients’ beverages served at each stop,” said one planner.

“This is always a hit with the client as it promotes the brand and guests feel like they are getting an authentic local experience.”

A quarter (25%) of respondents mentioned enotourism (wine tours) or other alcohol-based activities such as cocktail making or blend-your-own whisky classes, with one planner adding that they are seeing more requests for “grown-up non-alcoholic choices on bars.”

Some 12% of incentive planners also said that they had incorporated a celebrity chef element into their incentive trips.

One said they ran a food and drinks incentive in Singapore including a visit to a local television chef’s house and meal in her dining room.

Another said that in 2019 clients had requested cooking classes with famous chefs and private wine tasting sessions with master sommeliers.