

BoomPop



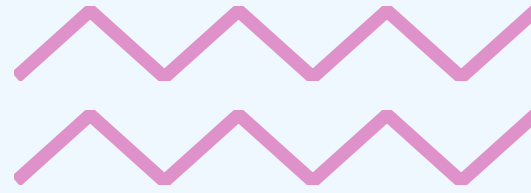
# Offsite Budgeting Guide

Plan, Organize, & Save Money

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# Introduction to offsite budgets

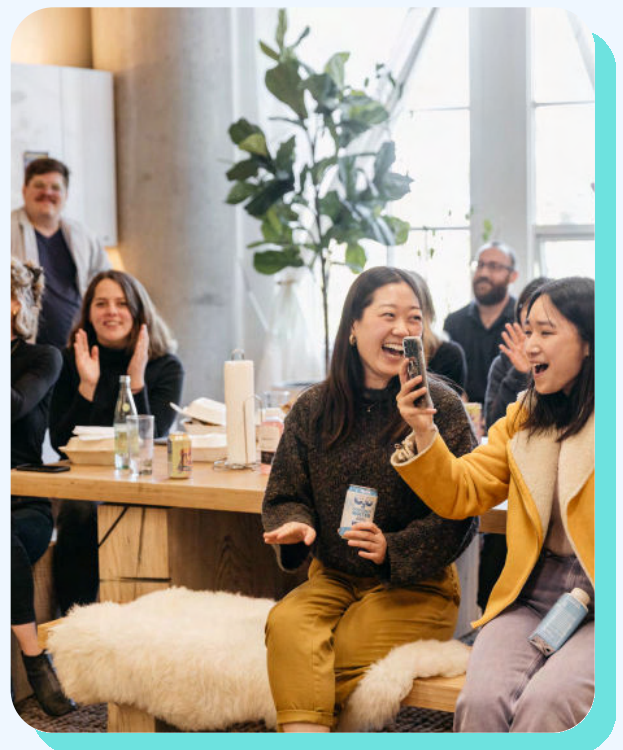


Offsites and retreats can come with a significant price tag, but it's an investment in connection that always pays off. Deciding just how big that investment should be is a complex question—and how budgets are set varies widely across different organizations.

One question we get a lot from our clients as they get started is, “How much do offsites cost?” Sadly, there's no one simple answer. Depending on location, duration, number of attendees, and program goals, the spend will be variable. But what we can say is that a little over 80% of our clients who responded to a recent survey spend between \$10K and \$50K, with just over 6% spending more than \$200K, and most organizations spend about \$2-3K per person, per event.

In many cases, organizers are given a per person or total budget and left to allocate it themselves. This can be overwhelming at first, but that's why we're here to help!

This ebook will help you understand how to create and track your budget, what kind of costs to prepare for, how much other organizations are spending, and much, much more. If any of your questions are left unanswered, reach out to BoomPop's offsite experts for help.



# Best practices for budgeting

## Estimate costs early, but understand things will change

The key to successful estimates is to determine fixed and variable costs.

For example, your facility rental fees and speaker fees are likely fixed costs. You're contracting space for your estimated guest count and welcoming the same keynote speaker regardless of who attends. You can ballpark those prices based on quick conversations with a hotel sales manager and/or a peek at websites.

On the other hand, catering, print materials, travel, and swag are all examples of variable event costs. For these, you'll want to get proposals from vendors and travel managers, menus, etc., to estimate a per-person price and multiply that by your estimated attendee count to get your final estimated cost to place in the budget.

As meticulously as you estimate costs, it's important to understand that events are complicated—things almost certainly will change along the way, so bake in a little flexibility to your budget where possible.

### Keep everyone on the same page

Leaders need to understand how much an event will cost, why spend is prioritized as it is, and what they can expect to see as a result of that spend. There's one key to getting your budget through leadership: create overarching goals for your event based on your organization and team's unique needs.

Try to develop a full proposal on how each line item ties to a key performance indicator that will impact your organization in the long run, not just make the individual event better. The better everyone understands why certain budgeting decisions are being made, the less likely you are to regret them later.

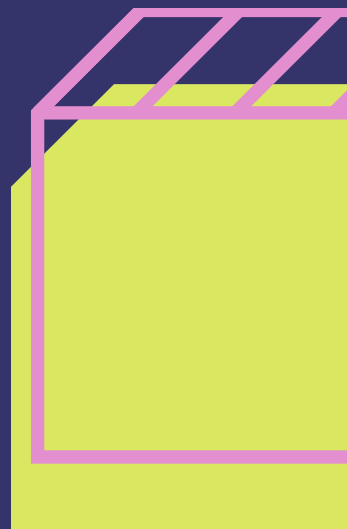
### Track everything, always

To ensure you stay on everyone's good side after they give you the green light, you need to have proper budget tracking in place. You'll want to track both offsite general expenses and employee travel expenses in detail so nothing gets lost.

First, you'll want to invest in software designed for expense tracking or create a super thorough Excel document or Google Sheets to track offsite expenses.

Then, you'll also want to track employee travel expenses. Proper software is critical for this, as manual reimbursement forms are tedious. If you're going the Google Sheet route for overall budget tracking and require just travel expense and reimbursement software [Concur](#) or [Zoho](#) are great options.

Before team members even get invited to the company offsite, create an employee travel reimbursement policy for distribution before the meeting. This way, you don't run into any sticky situations once the team gets on the road.



# Common offsite expenses

When making decisions about allocation, there are four core areas you'll need to consider: accommodations, dining, activities, and travel. Travel tends to be the most inflexible of these four, so it's best to quickly create an estimate based on where your attendees are traveling from, then set that money aside.

With the remainder of your budget, you'll have to strike a balance between the remaining three areas of accommodation, dining, and activities. In some cases, coworking space will be another added consideration.

Accommodation generally requires the highest portion of all these areas, with activities second, and dining third. That depends greatly, however, on the goals of your event and the interests of your attendees. Some activities may be free, while some dining experiences may be quite expensive. It all varies based on your own agenda.

Here's a more extensive list of common expenses you should consider, broken into categories.

## General Offsite Expenses

These are some standard company offsite expenses you'll likely incur.

- Event management software
- Facility rental
- Food and beverage (breakfast, AM & PM breaks, lunch)
- Audiovisual (equipment, pre-recording, and/or live streaming for hybrid)
- Print & digital materials (agendas, signage, workbooks, etc.)
- Labor (graphic design for print and digital, meeting planner, on-site labor costs for A/V, catering staff, coat check, etc.)
- Team building activities during the meeting
- Swag (branded clothing, pens, tchotchkes, etc. to boost morale during the company offsite)
- Speaker fees
- Shipping fees (for any equipment, print materials, swag, etc. heading to the meeting locale)

## Offsite Entertainment Expenses

After the meeting has wrapped up for the day, the fun isn't over. It should just be getting started! One of the best ways to facilitate interpersonal connection at company offsite is to produce some epic evening events.

- Dining experiences "after-hours" (multi-course tasting dinners, happy hour cocktail-making class, or cooking challenges, etc.)
- Entertainment for evening events (bands, comedians, etc.)

## Offsite Travel Expenses

Pro Tip: You'll want to consider travel for team members, hired speakers, and/or entertainers.

- Airfare
- Ground transportation
- Accommodation

Looking at those line items, dollar signs may be dancing in your head, but you have no idea how to fill in the estimated cost next to each item. So, what do you do? Let's break it down.

# Cost benchmarks



When it comes to creating company retreat budget examples for management review, you may be asking, “Is my budget even realistic?” How does it stack up against what others are spending, or what employees may be expecting you to spend?

Most planners, even ones who have been in the game for years, are struggling to create their team offsite budgets after the COVID-influenced transformation in the travel industry. Hotel rates are 22% higher than pre-pandemic, food and beverage is recorded at 120% higher due to food inflation, and it’s predicted airfare will soar above pre-pandemic fares in 2023.

Even with all of these expenses considered, companies know that offsites are an essential part of keeping teams connected and engaged, plus retaining top talent. Especially for distributed teams, there’s simply no better way to create bonds. The investment is worth it—and by understanding average costs, you can make sure you’re prepared to plan an excellent event at the right cost for your organization.

### Travel costs

In the most recent consumer airfare index report by Hopper for Q2 2022, they found that the average domestic airfare is \$330, an increase of 7% over 2019 fares. This is a good benchmark estimate to put in for each team member traveling, and you can create deeper estimates by checking out average fares from locations team members are based.

Don’t forget local commute costs like fuel, fares, and ride share trips. These costs vary depending on location, but are easily researched online.

### Accommodation costs

Accommodation costs, as mentioned, have risen over the past year. In fact, as demand is high, hotel average daily rates have recovered compared to pre-pandemic levels. So, here’s what you can expect on average for some of the most popular company offsite destinations in the U.S. based on recent averages:

#### Average Group 4-Star Hotel Rates for Q1 2023

New York, NY: \$329.00

San Francisco, CA: \$289.00

Austin, TX: \$259.00

These costs can vary widely based on season, other large events taking place in these locations, or the quality and amenities level you’re seeking.

Pro Tip: If you’re trying to reduce your budget, negotiate on the hotel contract to see if you can get lower rates. With larger groups, try to add a “Lowest Rate” clause to ensure you’re getting the best rate available at the property (not including previously contracted business) over your dates.

## Meeting space and coworking costs

Meeting space and coworking costs are perhaps the most variable you'll have to navigate. Some offsites don't require this space at all, but if yours does, here's what to expect...

Coworking spaces sometimes charge per person, per day, and can get rather high if the facility has a ton of amenities (but, this saves on snack cost, coffee, etc.). Alternately, a hotel will likely charge based upon the overall spend for the company offsite and the size of the space being used. This is a situation where averages aren't necessarily present, so if you have specific venues in mind, try gathering estimates from them before budgeting.

Pro Tip: At hotels, you can likely negotiate lower room rental rates if you're also contracting accommodation and food and beverage. Some hotels will even waive the room rental with a food and beverage minimum.

## Activity costs

Activity costs are highly dependent on the number of participants. For example, an Aged Tea and Honey Pairing in NYC has a base cost of \$1,370 for the team to come out and offer this experience. So, if you're hosting a small management retreat for 6 people, the cost would be \$228 per person. But, for groups over 10 participants, the cost goes down to \$137 per person. Similarly, a Wine & Chocolate Truffle Making Class in San Francisco by [tinyB Chocolate](#) is \$232 per person for a group of 10, but \$187 per person for a group of 100.

To sum it up, unique tasting experiences like the two examples above will typically range from \$100+ per person in every city, varying by attendee count. However, you can also opt for more budget-friendly activities that are still incredibly fun and personalized! Think paint experiences or meditation workshops for stress management, which even in an expensive city like Los Angeles, can run for less than \$60 per person.





## Dining costs

Dining costs will likely be one of the largest line items on your budget. Not only is food cost high, but service fees and gratuity add up quickly. Yes, service and gratuity, not one or the other.

Many hotels and venues will charge tax and a service fee, plus additional gratuity, with potential for even more labor and event fees in today's landscape.

Here are a few examples pulled from real 4-star hotels in three cities that will provide a good estimate to start. Note: Taxes and fees are on top of these figures.

### Standard Continental Breakfast Buffet

Austin, TX: \$30/ per person

New York, NY: \$68/ per person

Los Angeles, CA: \$40/ per person

### Standard Buffet Lunch

Austin, TX: \$60/ per person

New York, NY: \$120/ per person

Los Angeles, CA: \$59/ per person

### Standard Dinner

Austin, TX: \$80/ per person

New York, NY: \$155/ per person

Los Angeles, CA: \$85/ per person

### Taxes & Fees for Each Property

Austin, TX: 18% gratuity, 4% admin fee, and 8.25% taxes

New York, NY: 15% gratuity, 10% admin fee, and 8.875% taxes

Los Angeles, CA: 11% gratuity, 14% admin fee, and 9.5% taxes

# Offsite budget examples

In this next section, we'll outline five different company offsite options for diverse functions. These are fictional examples, but they'll give you a jumping-off point with accurate ballpark figures and supporting info that will help you understand the various components that come together to create a final budget.



## Austin, TX: Team building offsite

The intent of this team building offsite in Austin is to gather a 10-person software engineering team for the first time all together. The goal is fun, connection, and luxury, with a little bit of coworking and brainstorming meshed in. Let's look at the numbers.

### Accommodation: \$1,000 / person

2 nights in a 4-star hotel in downtown Austin.

Pro tip: Keep in mind that hotel prices for company retreats vary greatly depending on seasonality, number of attendees, how many dates, location of the hotel in the city, etc. This is based on a very highly regarded, centrally located hotel, so the group could save on any transportation costs. Everything is highly walkable from this property.

### Travel: \$398 / person

Cost for standard economy from New York to Austin plus \$50 in Uber ground transportation to and from the airport.

### Meals: \$564 / person

2 coffee breaks, 2 lunches, 1 bubbly brunch, and 1 dinner with an open bar hosted at the hotel. Note: This figure includes 8.25% tax and 25% service fee.

### Coworking Space: \$0

Hosted at the hotel. Space rental waived due to food and beverage consumption.



Activity #1:  
Cooking Class & Mixology  
Experience: \$250



Activity #2:  
Ghost Pepper Glass  
Blowing: \$85



Swag Box:  
\$75



Planning Fee:  
\$150

### Total estimated costs:

Total (per person): \$2,522

Fixed costs (shipping, print materials): \$375

Team offsite total: \$25,595



## San Francisco, CA: Co-working & fun

It's been a while since this company has had its entire 75-person team in one space. They're flying the whole team out to their Silicon Valley headquarters for 4 days and 4 nights for strategy sessions, coworking, brainstorming, and of course, a little bit of fun.

### Accommodation: \$1,380 / person

4 nights in a 4-star hotel in Union Square.

### Travel: \$450 / person

Cost for standard economy from Dallas to San Francisco plus \$80 in Uber ground transportation to and from the airport.

### Meals at Hotel: \$450 / person

1 welcome reception and dinner and 1 departure bubbly brunch. Note: This figure includes 8.7225% tax and 24% service fee.

### Offsite Meals: \$350 / person

3 coffee chats, 3 lunches, 1 dinner

### Coworking Space: \$0

Hosted at their office.



Activity #1:  
Scavenger Hunt in the  
Mission District: \$75



Activity #2:  
Murder Mystery Comedy  
Magic Show with Dinner: \$300



Activity #3:  
Multi-Course Food &  
Drink Tour: \$160



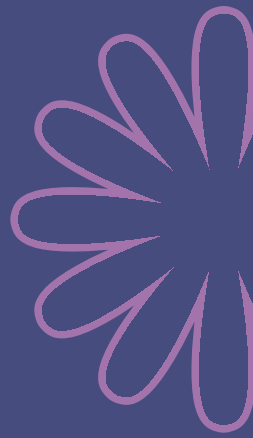
Planning Fee:  
\$150

### Total estimated costs:

Total (per person): \$3,045

Fixed costs (transportation to activities,  
photographer/ videographer – great for recruitment  
and marketing materials post-event): \$4,500

Team offsite total: \$232,875



## Denver, CO: Design team strategy offsite

This organization is dealing with a bit of competition, so they want to get their 25-person design and innovation team together for a 2.5-day, 2 night offsite where they can brainstorm new products. The goal is mostly coworking with some entertainment activities to get creative juices flowing.

### Accommodation: \$550 / person

2 nights in a 4-star Downtown Denver property.

### Travel: \$470 / person

Cost for standard economy from Orlando to Denver plus \$80 in Uber ground transportation to and from the airport.

### Meals at Hotel: \$180 / person

1 welcome reception and dinner. Note: This figure includes 8% tax and 26% service fee.

### Offsite Meals: \$250 / person

2 coffee chats, 2 lunches, 1 dinner

### Coworking Space: \$90 / person

The coworking space is \$45 per day, per person.



Activity #1:  
Intention Setting  
Workshop: \$60



Activity #2:  
Resilience Workshop: \$60



Activity #3:  
Wine & Chocolate Truffle  
Making Party: \$202



Planning Fee:  
\$150

### Total estimated costs:

**Total (per person):** \$2,012

**Fixed costs (shipping, print materials):** \$450

**Team offsite total:** \$50,750



## New York, NY: Luxury executive retreat

Each year the 8 management team executives gather to review goals and strategize for 2.5 days and 2 nights.

**Accommodation: \$1,400 / person**  
2 nights at a 5-star hotel near Central Park.

**Travel: \$958 / person**  
Business class fare from Dallas to New York with premium black car service to and from Manhattan.

**Meals at Hotel: \$350 / person**  
1 welcome dinner, including a multi-course tasting menu with pairings. Note: This figure includes 8% tax and 26% service fee.

**Offsite Meals: \$450 / person**  
2 coffee chats, 1 lunch, 1 brunch



**Activity #1:**  
Aged Tea & Honey  
Pairing: \$196



**Activity #2:**  
Luxury Food & Drink Tour  
in the East Village: \$157



**Activity #3:**  
Resilience Workshop: \$60



**Planning Fee:**  
\$150

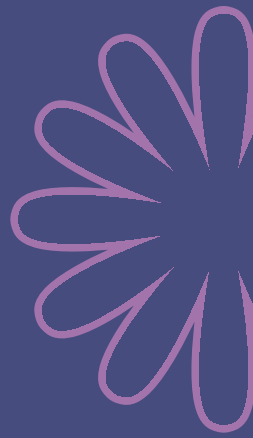
### Total estimated costs:

**Total (per person): \$3,571**

**Fixed costs (hotel meeting space, activity transportation): \$2,000**

**Team building offsite total: \$30,568**





## Miami, FL: Sales kickoff meeting

This 35-person sales team is kicking off a new year with goal-setting sessions, strategy workshops, and a whole lot of fun! The SKO will be 3-days, 2-nights long.

### Accommodation: \$500 / person

2 nights in a 4-star property in Sunny Isles Beach, East Miami.

### Travel: \$536 / person

Cost for standard economy from Chicago to Miami plus \$100 in Uber ground transportation to and from the airport.

### Meals at Hotel: \$450 / person

1 welcome reception and dinner, 2 coffee chats, 2 lunches. Note: This figure includes 7% tax and 24% service fee.

### Coworking Space: \$0

Hosted at the hotel, complimentary with food and beverage spend.



Activity #1:  
Florida Everglades Airboat  
Adventure: \$60



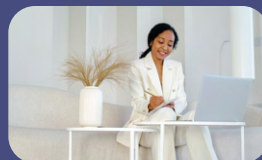
Activity #2:  
Island Snorkeling: \$125



Activity #3:  
Mosaic Art Class: \$75



Swag Box:  
\$75



Planning Fee:  
\$150

### Total estimated costs:

**Total (per person):** \$2,296

**Fixed costs (shipping, signage, print materials,  
photography/ videography):** \$2,450

**Team offsite total:** \$82,810

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# Tips for saving money

Team offsites are a major investment—one with plenty of benefits, of course—but not every company can dish out an oversized budget to treat their team to a high-end experience.

Even for bigger spenders, making the most of your money is still wise. Considering travel costs rising due to pent-up demand from the pandemic, global food and fuel inflation, and labor shortages, the per-attendee cost for business travel has increased by over 25% since 2019.

The good news? Saving money and still having an excellent offsite is more than possible. There are a ton of options to save money on your company retreat while still producing a quality experience. Let's go over a few tips our offsite planners deploy daily to help our clients create impactful experiences within their budgets.

## Start planning early – really early

We're dealing with a unique global landscape right now when it comes to meetings and events. Demand is increasing tenfold due to remote teams gathering and postponed events from the pandemic, directly impacting pricing.

Looking ahead, some key markets are entirely booked for groups through 2023 and demand is rising back to pre-pandemic levels. What does that mean for organizers looking to host a company offsite in the next few months to a year? Higher costs when booking last minute.

Since few hotels, venues, and destinations are struggling for business right now, they'll charge a premium for late and last-minute bookings. Planning in a pinch is more labor-intensive, and venues already know they've booked plenty of business. This leaves little to no room for negotiation.

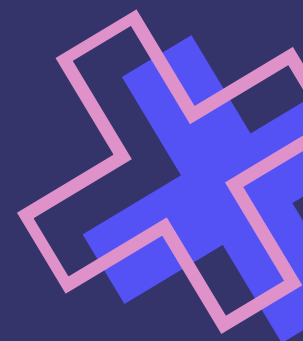
Planning early leaves you more options, more negotiating power, and an overall better cost situation. But what does planning early really mean? Most businesses we work with only begin planning their events 2-4 months in advance. It's more than possible to plan an event in that time, but it's not ideal. 6 months or more, even up to a year in some cases, is the sweet spot that will help make sure you aren't spending more than you need to.

## Choose your destination wisely

Your destination can truly make or break your budget. Here are a few things to consider when making your shortlist of company offsite destinations.

### Location

By default, some cities are more expensive than others. For example, the average hotel rate in NYC is \$235, but the average rate in Chicago, an equally diverse and exciting city for a company offsite, is only \$167. Those savings increase when you have larger offsites with 50+ team members traveling. You can also save on travel cost by hosting regional events with shorter travel distances, perhaps even driving distance.



## Seasonality

You'll also want to consider seasonality. For example, Miami in March is peak season with higher rates. However, you can consider a June-August company offsite in Miami, and while you may be doing a few more indoor coworking sessions during the height of the afternoon, your rates are going to be much lower since it's off-season. Think of all the incredible evening team-building events you can enjoy outdoors! There's always a diamond in the rough when it comes to activities in off-season destinations.

## Citywide events

The other thing you want to look at when choosing a destination for your company offsite is citywide events. These could be large conferences or conventions, festivals, sports tournaments, marathons, or other race events, etc. that will saturate the city's infrastructure. For example, while Philadelphia is typically a rather affordable city to host a company offsite, every November, they host the annual Philadelphia Marathon. During this weekend, every hotel sells out, and rates skyrocket to upwards of 4x their standard rack rates, even for groups.

## Company connections

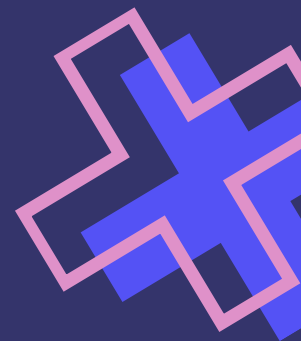
The other thing to consider is where your company headquarters are and where you have sponsors or clients who may provide connections or savings. If you have an office space you can use in a certain city, that will save you on venue costs for coworking or meetings.

## Align your budget with your priorities and preferences

Aligning your budget to what matters most is a great way to discover things you can cut. Our tip is to collect employee survey responses before and after every event to help you understand where money is best spent.

What did your team want to see more of at your offsites? Collaborative coworking sessions? More team-building activities? Maybe more dining experiences offsite?

Whatever it was, allocate more of your budget to those essential aspects to plan a company retreat your team loves, and devote less of your time (and money) to the things they don't.



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# Measuring the impact of your spend

First things first, you can't track impact if you don't know what you're measuring. We always recommend the first step towards designing a company retreat that cultivates impact is figuring out what "impact" means to your organization. Every team has unique goals, and that needs to be reflected in how you approach events.

Here are a few great areas for goal & KPI setting to ensure that your offsite is worth it.

## Morale

If, during a recent employee pulse survey, results for morale and engagement are low and you're seeing high turnover numbers, morale should be a top priority. It's much more cost-effective to invest in retreats to increase excitement and engagement than spending to replace and onboard new team members.

### The Goal:

Increase team member engagement by 20% post-company retreat.

### The KPI:

See a 20% positive increase among retreat attendees for the following questions on the next pulse survey:

How likely are you to recommend [your company name] to your friends and family?

How strongly connected do you feel connected to [your company name]'s values and mission?

## Revenue

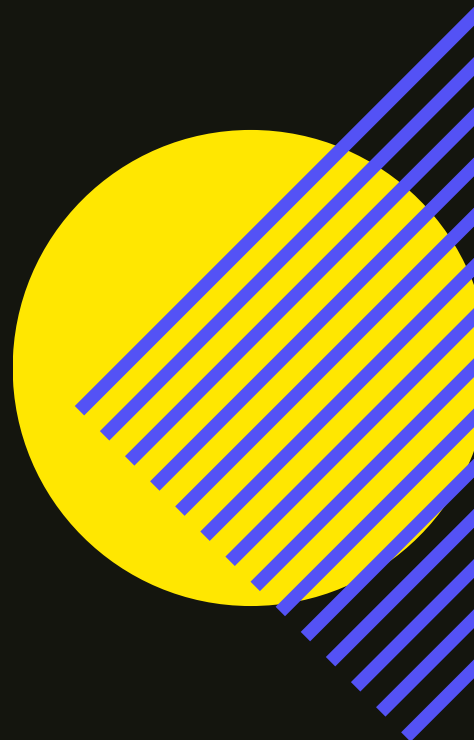
If the competition in your field is steep and you're struggling to compete, a company retreat is a great spot to get brainstorming on new services or offerings to infuse more capital into your organization.

### The Goal:

Generate a new product and/or service idea to infuse \$XX,XXX in revenue to the bottom line within the next 24 months.

### The KPI:

We leave the retreat with 3 ideas to hash out, one idea will be implemented in the next year ready to sell, and \$XX,XXX in sales will be seen in the second calendar year post-retreat.



## Marketing

The job market is fierce right now. Candidates are seeking companies that are remote-first and offering great perks. In fact, LinkedIn says remote jobs are attracting more than half of their total search traffic. So, why not use your offsite as a way to generate marketing materials for your recruitment efforts?

### The Goal:

Cultivate a portfolio of imagery, video, and audio clips to utilize in a post-retreat marketing campaign for

### The KPIs:

500 images, 20 minutes of b-roll, 3 interviews about employee experience, and audio clips from sessions delivered to the marketing team for campaign generation.

A 10% increase in applications upon implementation of the campaign within 90 days of the company offsite.

For company offsites, many of the benefits are long-term—which you'll notice in the KPIs above. You'll want to keep this in mind when creating your own goals.

## Sending post-offsite surveys to attendees upon departure

While some of the goals and KPIs are measured in the long term, it is possible to see immediate impact as well. The best way to do this is a post-company retreat survey.

You can not only ask what they thought of the retreat itself, but how the experience impacted their overall feelings on the company, their role, etc. The responses are the best way to not only plan better team offsites, but also ensure your employees are engaged, happy, and productive.

Not sure where to start with a post-offsite survey? We have a whole post with tips, tricks, and over 25 actual questions to make it super simple for you.

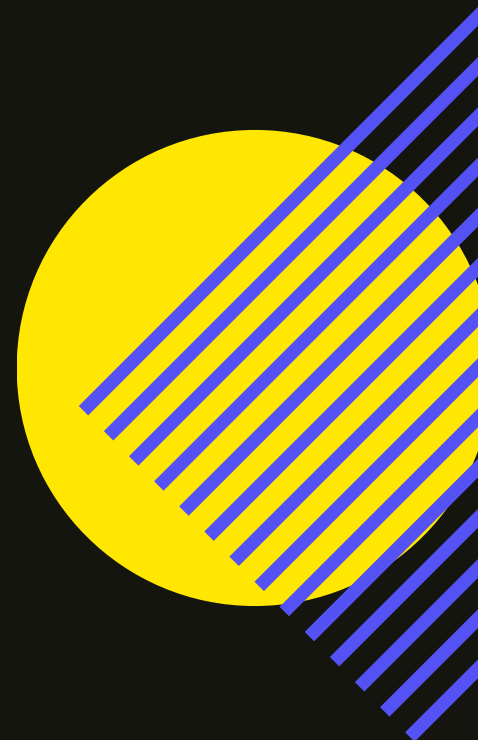
## Monitoring connections to organizational health

While the surveys are great at uncovering thoughts about the destination, activities, sessions, and short-term impact, you do want to go a little bit deeper with long-term impact monitoring.

What does this mean exactly?

Well, a healthy organization is one that has engaged, productive, and happy employees and customers.

So, you can do quarterly reporting on things like retention and satisfaction, absenteeism, productivity monitoring, and customer satisfaction to see if there's a direct correlation between those who attended the company retreat and positive growth. This helps make events a meaningful part of your overall engagement strategy, not just a one-off perk.



# Conclusion:

A recent [article by Inc.](#) shared an interesting dynamic: huge companies like Salesforce and Airbnb have adopted work from anywhere policies, but they also require attendance at company retreats a few times a year. Why? The benefits of team offsites are invaluable.

Talking to CEOs that have hosted their first team offsite, they're no longer asking the question, "Are offsites worth it?" They've seen the impact in communication channels, employee engagement, and more. They understand that the investment is earned back with ease.

But that doesn't mean every organization should can or should write a blank check for your next big event. Like any other expense, budgeting for your offsite requires a keen understanding of what matters to your organization and the kind of impact you want the experience to have on employees.

Need more guidance? Get in touch with BoomPop's offsite experts for help planning every detail of your event, from the first cost estimates to the day you can finally gather for a memorable retreat with your team.





# Thanks for reading

Want help planning your next Offsite?

Email us at [info@boompop.com](mailto:info@boompop.com)