



# A FREE 12 key guide to the ingredients of a successful sales incentive programme

You will no doubt want to get back into sales mode post Coronavirus – but how?

What follows is an outline of the 12 key ingredients of a successful sales incentive programme, for those companies wishing to boost their performance whilst self-liquidating the cost. **Feel free to use and share.**

## 1 Consult with participants to get buy-in

We never impose a sales improvement (incentive) programme. It is better to get buy-in because, when we do, every participant will feel that they have made a contribution and therefore will own it, promote it and work it. So we recommend a pupil/parent/teacher consultation period (despite the fact that we may already know the outcome).

## 2 Create a dynamic theme for the incentive programme

A powerful theme is really important. Why? Because it is the rallying call / the banner under which the entire programme will hang.



For example, if your company is travel based (or vehicle sales organisation) wishing to improve sales, a theme for you could be: **Let's Make Tracks** (meaning, let's get going and make sales, and do it NOW)

Or if you have a time related incentive, it could be:

**Every Day Counts**

Or a profit based incentive: **Margin Masters**

## 3 Cascade launch the programme for efficacy



Getting all participants and managers together for one big launch is the most impactful way to launch any sales incentive programme BUT not the most practical from a business point of view (we can't take 100 or more sales people out of the business for a day).

So we would recommend a cascade launch because as each level of management presents to the next, they must really know and understand the programme in order to present it convincingly and to answer questions.

Note, after the cascade launch there should be monthly/ weekly teasers leading up to the launch date (to build excitement). E.G.



## 4 | Set the measurement level and currency

If the theme is **Let's Make Tracks** then the unit of currency for participants could be **Miles** (points). The more miles participants earn the further they can go towards monthly awards and the ultimate end-of-programme award. OR if the theme is 'Every Day Counts', the unit of currency could be 'seconds'.

To create a level playing field, participants should be measured on **percentage improvement over target performance** BUT we must first set the target and the measures – which means we must pre-measure participants **covertly** over the 3 months prior to the launch of the programme, in order to set the targets at the right level for each participant.

## 5 | Create the measurement structure

**Measurement is the second most important element of a sales incentive programme (behind communication). It is important so it must be structured properly, like this:**

### Measurement by site

Best individual performers on % over target (last year's or last quarter's sales level)

### Measurement by district

Best District performers in the region on % over target (last year's or last quarter's sales level)

### Measurement by region

Best Regional performers nationally on % over target (last year's or last quarter's sales level)

### Measurement nationally

Best performers overall on turnover, irrespective of targets, plus  
Best performers on % over targets

### Measurement by performance band, across the business

Best performers, in turnover bands across the business, on % over target (last year's or last quarter's)



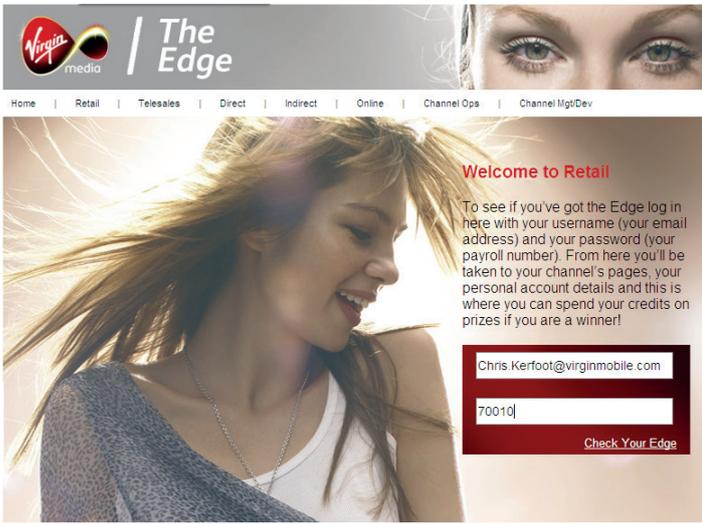
Again based on the theme 'Let's Make Tracks', measures could be:

- Miles, linked to sales persons sales
- Miles, linked to key task assessment by District Manager / Regional Manager
- Miles, linked to distance learning questionnaire percentage performance
- Miles, linked to customer feedback
- Miles, linked to mystery shopper feedback
- All miles added and put into a unique 'bank' account for each participant to spend

Sales and other data could be fed to Full Circle on a weekly basis (by 12.00 noon on a Friday). Then updates for participants will be available online by 12 Noon on the Monday (on their unique website page).

## 6 | The power of self-registration into the programme

Participants are required to register into the programme – this process cements their commitment to take part and to adhere to the terms of the programme. If they don't register by the required date they will not be eligible to take part – it's tough, but those are the rules!



- Registration information to include: name, site, title, payroll number, email (We will already have input this data) BUT it is important to get participants to engage – **if they don't engage they are out**. This is also a cross check of information (you will be surprised how inaccurate company payroll information can be)
- Participants automatically get Points for just registering (we need to get them on the reward ladder early)

## 7 Incentive launch pack ensures uniform communication

The launch pack for each manager presenting (i.e. Board members and GMs/Regional Managers,) includes:



- Each presentation level (Board members/GMs / RMs/ DMs) gets:
  - a DVD / USB of the PowerPoint presentation
  - Script Crib Sheet in hard copy (showing specific text, no deviation, against specific slides) and electronically
  - Launch Brochure
  - A Q&A Sheet (for managers to rehearse answers to potential questions)

- Each presentation level also gets a package containing the following (for them to hand out to each participant):
  - Sufficient Launch Brochures to hand on to the next level. It's important that hard copy brochures are taken home (in order to involve partners)



## 8 Awards, because sometimes it isn't just the thought that counts

Note, in order to establish an overall budget, we need to agree the number of **Miles** (or points) we can afford to issue over a period and the eventual value of each **Mile or point**.

Initially, each participant will receive **10 Miles**, just for registering.

Note that participants do not receive reward unless they exceed target on a monthly basis regardless of whether or not they are the best performer that month. **In this way we insure that incremental business pays for the cost of the programme.**

In the past, we have staggered the award points at 10% over target, 20% over target, 30% etcetera. The higher the percentage achievement the greater the numbers of points (Miles) – but participants always have to exceed target.



Consistent over target performers also get bonuses.

The awards 'catalogue' will be online (for physical, experiential or debit card awards) and individuals will be able to spend their points at will and receive an updated bank account statement online.

We could also give GMs / Regional Directors the ability to award discretionary points (Miles) to individual participants for say: 'glowing customer feedback'

GMs / Regional Directors would be able to make these awards automatically through the back end of the incentive website (but only for their District or Region).

At the end of the programme period, the 'best amongst equals' and their partners will earn an overseas trip.

## 9 | Recognition

A Recognition element (as part of a sales incentive programme) is hugely important, to give participants feedback and recognition for their performance. The 'best amongst equals' must have their day in the limelight, through recognition.



Recognition in this scenario is ad-hoc and designed to be given by colleagues, to colleagues – up, down and sideways.

Recognition must be public, so when one participant recognises another, a copy of that electronic recognition automatically goes to the recipient's Manager.

Awards for those recognised must also be public – on the sales floor, at the site, with everyone at that site present, presided over by the GM.

With recognition must come a physical award (not money) such as: a plaque or certificate or even a bottle

of Champagne – something small but significant. Plus of course, a picture of the recipient could go into the online newsletter circulated as a link to all in the company.

Being recognised also adds points into the recipient's bank account.

## 10 | Reporting

Every participant has his / her own page(s) on the incentive programme website:



### Dundee - NORVMS Store Position In Scotland and Northern Ireland

This Month			Year To Date		
	Stores	Average Score		Stores	Average Score
1	Dundee - NORVMS	84.65	1	Dundee - NORVMS	84.65
2	Ayr - SCO&NI VMS	63.75	2	Ayr - SCO&NI VMS	63.75
3	Edinburgh - SCO&NI VMS	60.65	3	Edinburgh - SCO&NI VMS	60.65
4	Glasgow Fort - SCO&NI VMS	53	4	Glasgow Fort - SCO&NI VMS	53
5	Belfast - SCO&NI VMS	52.95	5	Belfast - SCO&NI VMS	52.95
6	Glasgow Argyle - SCO&NI VMS	52.5	6	Glasgow Argyle - SCO&NI VMS	52.5
7	East Kilbride - SCO&NI VMS	49.65	7	East Kilbride - SCO&NI VMS	49.65
8	Cameron Toll - SCO&NI VMS	48.65	8	Cameron Toll - SCO&NI VMS	48.65

- Each participant can access his/ her own results / bank account of Miles showing how well he / she is doing, what has been earned and what has been spent. The participant will also see how he/she is performing against their peers

### Hello Chris

Welcome to The Edge! Here's where you can find your monthly and year-to-date results, as well as your store's current league position. From here you can navigate to the other areas of the site, find out more on the programme, check out your account and claim prizes.

**Your Edge Score**

# 84.7

**My Store Position in Retail**

## 1/105

**My Regional Position in Retail**

## 7/7

**My Stores Position In My Region**

## 1/15

**Claim your prizes here!**

**You have won a Prize!**

(click here to claim)

**Your Service Edge score**

# 96.3%

- Every GM/ Regional Director can access their own website page , plus the pages of their reports, plus how their site/region is performing against other sites in the region and nationally
- Board members can access everyone's results. Board members can also interrogate the results across the network

Participants will also receive email reminders of Miles earnings, monthly winners, positions by site, district, region etc. – to keep them on their toes. Nobody wants to be seen to be consistently at the bottom of the pile, and therefore leapfrogging occurs, and therefore performance improves.

## 11 | Distance learning

Every programme must have a distance learning element. Why? Because this reinforces good habit.

Distance learning programmes work because this quality measure can be used as a quality multiplier of quantity performance. That is, if a participant earns 200 miles he/she has to score 100% in the Distance Learning Questionnaire in order to retain all their miles.

- E.g. quality score 85% x quantity sales earnings of 200 = (200 x 85%) = 170 miles **not** 200

In a 4-month programme there will be 4 questionnaires. The reasons are:

- If a participant fouls up on the first questionnaire he/she will get another chance to make good the following month (they will not be penalised for the full 4 months)
- As people learn by imitation and repetition, it is important to arrive at the correct answer (and therefore learn) through questions couched differently

## 12 | Programme duration

Incentive programmes should be of 3 or 4 months duration. Why?

- Because maintaining energy and interest over a longer period is very difficult
- It is not motivational to keep participants waiting 12 months for a major prize

If programmes are to last say 12 months, we recommend that this period is broken down into 3 or 4 monthly mini programmes. Each programme is self-contained but a part of the whole. So while we may change the look, feel and prizes of every programme, we will retain the structure of the whole.

## Cautionary notes:

- Do not assume that reward is the most important thing in a sales improvement (incentive) programme, it isn't. **The most important thing is communication.** Next in importance is measuring and monitoring. Finally, it's reward (because sometimes, it isn't just the thought that counts)
- During the course of any programme, we will over communicate by 1000%

We have run sales improvement (incentive) programmes without reward but we have NEVER run them without communication – regular at that.

## A 5-year case study

British Gas were turning over £5m per 4 months on finance (via First National Tricity Finance). These 4-monthly programmes achieved the following results over 5 years:



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