

12 IDEAS

TO MAKE YOUR NEXT SALES INCENTIVE MORE EFFECTIVE

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According to a recent survey by BIWORLDWIDE, sixty percent of sales executives design and implement their own incentive programs.

If you are one of those do-it-yourselfers, here are a few tips to make your program work BETTER.

12 IDEAS:

- 1 Don't assume everyone is automatically enrolled – ask for a commitment.**
Make them sign up, choose a goal, or publicly raise their hand saying they want to participate.
- 2 Keep it simple.**
Too often incentive compensation and incentive programs don't make the connection between the behavior and the award. You don't want to hand out an award and have the recipient not know why they earned it.
- 3 Reward both activities and results.**
Example: Put together a BINGO card that rewards for balanced performance and engages everyone on your team. Have an award for the most cards completed – AND a drawing for all cards completed. It will keep more people participating in the sales incentive program longer.
- 4 Don't give everyone the same goal.**
Unlike quotas, which need to be strict to pay out for top performance, your incentives can reward for improvement. Set short-term, small goals and your team will be even more motivated.
- 5 Segment your audience and communicate differently to top performers than you do to middle and bottom performers.**
The more specific your challenges, the better.
- 6 Include managers.**
The fastest way for your sales team to check out is to have their manager disengaged. Give managers a percentage of their team's earnings – or give them their own goal.
- 7 Publicize progress with a tracking chart or standings sheet.**
And don't do it only at the end of the program – let them know daily, or weekly, how they are performing.
- 8 Help them visualize the award.**
This is why trips and events are such powerful motivators – your salesperson can see him- or herself standing on the beach or at the concert.
- 9 Don't show them the money.**
The growing evidence from those who study behavioral economics overwhelmingly shows that people ask for cash and gift cards but perform at a higher level for a non-cash award.
- 10 Change it up.**
Don't run the same program over and over again or you will disengage up to 80% of your audience the minute you launch a new program. If they didn't win last time, they probably won't win this time.
- 11 Surprise and delight.**
During your program, introduce new ways to win using a fast start or a fast finish.
- 12 Keep it short.**
You can always extend a program that is successful in changing behavior and getting results. But it is hard to shorten a program that's a dud.