

Overcoming obstacles to contest design

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Picture this scenario: you're in a meeting and sales are down. As you brainstorm ideas with your team, you suggest running a sales contest to close out the quarter strong. Your boss thinks it's a genius idea and tasks you with designing a program to launch **next week**.

Sales organizations of all shapes and sizes run sales contests, incentives, or SPIFs on a regular basis. They may seem like a simple way to motivate your team to sell more of a new, underperforming, or lagging product, but designing one that truly works is more complex than it may appear on the surface.

There are many obstacles BIWORLDWIDE has observed when designing effective contests for sales organizations. Here are eight challenges you may face as well as solutions to make your contests drive the results you're looking for..

Challenge #1: **Data**

One of the cardinal rules of contest design is connecting the behavior or result as closely as possible to the reward. When accurate data can lag for weeks or longer, it's hard to make that connection and celebrate success.

Solution #1:

Design around behaviors that lead to increased sales

The best thing about a contest is that it doesn't conflict with compensation plans, so there is limited concern about overpaying for activities. Contests are short-term in nature, allowing you to test different activities and see which lead to the strongest results.

Challenge #2: **Adjustments**

Think of running a contest like playing a football game. When a team is down at halftime, the best coaches analyze the opponent's strategy and make adjustments to change the momentum. Adding a contest when half the earning time has already passed can demotivate most participants and only reward those who were already achieving.

Solution #2:

Run contests strategically.

Adding contests at the end of an earning period isn't inherently bad. However, you need to ensure your salesforce can meet the challenge. Give them enough time to make adjustments, make sure the goals are achievable by everyone and not just top performers, and have data to support the need so you can track the return on investment.



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Challenge #3 Winner takes all

The go-to solution for quickly motivating a salesforce is to set up a leaderboard and reward the top achievers. Contests that reward only the top performers can demotivate the rest of the team, especially if the gap between winners and losers is wide. Fairness is a major concern with contests like this, as sales reps in different territories or with varying account sizes might face unequal opportunities. A contest that gives participants a clear advantage over others can create resentment and undermine team morale.

Solution #3: Reward multiple levels.

To keep morale high, it's important to design contests that reward multiple levels of achievement or emphasize team goals. Many times, leaderboards are the perfect layer on top of a contest design that has opportunities for all levels to earn.

Challenge #4 Running the same program

The last contest you ran was successful and surpassed its goals, so you decide to run it each quarter. But progressively, you see a trend of sales being lower than normal until you post the contest when you see activity increase. You realize that your audience is gaming the contest and holding back sales until the contest is live.

Solution #4: Keep things fresh.

Avoid repeating contest schedules too often and keep things fresh. If your sales team can predict when contests occur, they might time their efforts strategically rather than fostering genuine, consistent behavior changes. Remember that variety is the spice of life, and it's also the key ingredient for a successful contest.

Challenge #5 Appropriate goals

Successful contests have attainable goals, but if employees feel the targets are too easy, they won't inspire the desired level of effort. Conversely, if goals are too ambitious, they start to feel demotivated.

Solution #5: Strike the right balance.

Striking the right balance can be difficult and requires deep insights into each rep's capabilities and past performance. Defining clear, measurable metrics that fairly capture contributions is a challenge, but it's the best way to ensure a successful, engaged salesforce for your contest.

Challenge #6 Disappointing results

You've identified a problem, analyzed the data and designed the perfect contest with customized goals for reps to choose from. You've determined the ideal mix of inspiring awards and launched the contest with an email to the team. Then you wait for the anticipated results.

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However, you don't send any follow-up communications, and reps have no way to track their progress. The results aren't what you expected.

Solution #6: **Remember to follow up.**

Designing the perfect contest is only one part of the formula for success. Another part is launching it with vivid, clear, and inspiring communications. Providing frequent updates so reps are aware of their status and ensuring management is included in the communications plan leads to further success of the contest. A successful contest relies on sales reps being aware of it, understanding it, and receiving regular updates on their progress.

Challenge #7 **Boring names**

Many times, sales contests have boring names like "Fourth Quarter Challenge" or the product name followed by the word "contest." This works for clarity, but it doesn't stop people long enough to gain and keep their attention.

Solution #7: **Be creative.**

Give your contest a memorable name. If your product works fast, incorporate speed into the name. If it does a variety of things, make it all about a winning combination. When naming a program, a play on words is often the key to getting attention. Pair it with compelling visuals, and it acts as a reminder for the sales reps. When they see the words "Market Share Monsters" and a visual of Godzilla, they won't forget that it's their job to go out and scare the competition!

Challenge #8 **Wrong rewards.**

If you ask salespeople what motivates them the most, they'll usually say, "Show me the money!" But multiple research studies show that for short-term incentives and contests, tangible non-cash rewards are more compelling and get the most action.

Solution #8: **Have fun with the awards.**

Just like you should get creative with the design of the contest, get creative with the awards. Look for unique items or packages that reps can envision earning. Also think about experiences, as many studies show that experiences far outpace other awards as motivators. People talk about where they travel and the experiences on those trips, and they'll remember those awards much longer than how they spent a cash award.

Creating a contest that inspires and delivers results doesn't have to be difficult, and you don't have to be a genius to make it work. It just takes a little thought, a little creativity, and the experience to know which obstacles to avoid.

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