

HOW TO RUN A SUCCESSFUL

It takes a lot to make a business successful—good management, productive and content employees, quality products and excellent customer service, just for starters. But when it comes to getting your product into the hands of the end-user, no one is more important to a business than its dealers and distributors. Think of these key players as the oil in the engine—without them, your business simply won't run.

Keeping this vital customer link motivated and focused on your company's goals is critical to your success. The best way to do that is through incentives. A well-planned and orchestrated dealer incentive program is a time-proven means of keeping your dealer network inspired, motivated and rewarded with quality merchandise awards that recognize their hard work, excellent customer service and outstanding sales performance.

Think of the benefits: a dealer incentive program can skyrocket sales, help you economically achieve your company's objectives in a short time frame, create a greater sense of loyalty and goodwill with your dealer base and give you more control over how your product is displayed and merchandised. Perhaps the greatest advantage of running a dealer incentive is that it pays for itself. The resulting sales gains will offset the cost of your initial investment—sometimes by millions of dollars—needed to set up and run the program.

This step-by-step guide will give you a better understanding of how a dealer incentive program works and give you the tools to launch one on your own. You'll learn how to:

- 4 Target an audience
- 4 Set objectives

Reasons to Use Dealer Incentives

1. Increase overall volume
2. Introduce new product line
3. Sell new accounts
4. Improve morale/goodwill
5. Offset competition
6. Move full line or slow items
7. Build dealer traffic
8. Support consumer promotion
9. Bolster a slow season
10. Prepare for a strong season

The Benefits of Merchandise Awards

- n There's always something to please everyone and suit all lifestyles
- n Merchandise has "trophy value"
- n It's available in an array of price levels, suitable for points or plateau programs
- n Point-level merchandise award programs make it possible for all participants to win, regardless of their past track record for qualifying
- n Recipients don't have to travel or rearrange their work schedules to receive their award

- 4 Build a budget
- 4 Structure a program
- 4 Select awards
- 4 Track the program's progress
- 4 Evaluate the program's results

Even if you plan to use the resources of a professional incentive house, this guide will give you the basics so you can be prepared to work with your incentive house partner.

Step 1 Targeting Your Audience

In a dealer incentive program, anyone who is involved in the distribution and delivery of your product is a perfect candidate for your program. Companies that use a distribution channel often just focus on motivating dealers, but it's smart to include both your commercial dealers and distributors, or whomever sells to the end user, in your program.

To accomplish this, companies often run two programs simultaneously or create a multi-tiered program that includes everyone—distributors, jobbers, wholesalers and resellers—in the distribution chain. They may also give their distributors the materials to run their own campaigns. Cast a wide net—if you broaden your target audience, you can reap even greater financial rewards.

Before deciding on your target audience, check your dealer and distributor database to find out how these potential participants have performed in the past. This information should give you a clearer picture of who needs to be