

# Rewarding Sales.

Using noncash awards  
to motivate your team.

# Rewarding Sales.

Using noncash awards to motivate your team.

**Do sales awards work?** The almighty dollar may rule many realms, but cash is not king when it comes to rewarding your employees. While workers in every industry definitely appreciate—and often deserve—monetary compensation for a job well done, noncash incentives should be part of your recognition strategy. Read on to learn how nonmonetary awards can benefit your brand, from perception to the bottom line.

## How do noncash awards motivate?

At first, it may seem counterintuitive to reward your top performers with anything other than money. But material and experiential awards can actually have a greater impact.

Think about it this way: Most commission and salary checks these days get automatically deposited into a bank account. This means your sales rep gets to enjoy the financial reward of hitting a performance goal but may not get the emotional experience of receiving an award (unless the bonus is accompanied with a letter). And the emotional part of this equation is huge. Positive brand experiences foster greater loyalty and engagement.

“Sales professionals will always make the connection between those emotional awards and their work (i.e., this TV my family watches every night is courtesy of my employer), while a cash direct deposit may be quickly spent on miscellaneous items or used to pay bills.” – Joseph DiMisa, Salesforce Effectiveness Expert, Sibson Consulting.

## Types of Nonmonetary Awards

<b>Traditional feel-good recognition</b>	<ul style="list-style-type: none"><li>• Inscribed plaque</li><li>• Team outings</li><li>• Letters from manager</li><li>• Article in company newsletter/website</li><li>• Sales employee of the month/year</li></ul>
<b>Work-life balance</b>	<ul style="list-style-type: none"><li>• Paid time off</li></ul>
<b>Experiential</b>	<ul style="list-style-type: none"><li>• Tickets to sporting events, concerts, golf tournaments, etc.</li></ul>
<b>Career booster</b>	<ul style="list-style-type: none"><li>• Upgrade to better territory</li><li>• Company spokesperson</li><li>• Conference attendance</li><li>• Dinner with CEO</li></ul>
<b>Status awards</b>	<ul style="list-style-type: none"><li>• More senior/prestigious title</li><li>• Corner office</li><li>• Prime parking spot</li><li>• First-class airline upgrades</li><li>• Upgrade of company car</li><li>• Golf/club memberships</li></ul>
<b>Monetary value</b>	<ul style="list-style-type: none"><li>• Periodical subscriptions</li><li>• Home electronics</li><li>• Home maintenance (e.g. lawn service, snow removal)</li><li>• Gift certificates</li><li>• Company stock</li></ul>
<b>Recognition of significant other</b>	<ul style="list-style-type: none"><li>• Dinner or trip for family/significant other</li></ul>

## Additional brand impressions

Another great thing about noncash rewards: They come with bragging rights.

Most people shy away from discussing money with family and friends, but iPads, apparel and other rewards, including traditional engraved plaques and trophies, are fair game for casual conversations. This is good for your organization, as the rep's positive experience creates a ripple effect, generating even more good impressions for your brand.

Offering nonmonetary awards gives you, as the employer or program manager, more options. Good managers understand that different people are motivated in different ways. Your sales award program should empower your leaders to reward their reports accordingly. The right strategy, such as a system where points are accrued for hitting goals and can be redeemed for assorted merchandise, also place more power into the hands of your sales force by allowing them the freedom to choose the reward that means the most to them.

Implementing a strategy that includes noncash awards can also help stretch your budget. Nonmonetary awards come in many forms. They may cost little but go a long way in building goodwill for the brand. A handwritten note from an executive, dinner with the CEO or a designated front row parking space are all low-investment rewards that can make your brand representatives feel valued and appreciated.

## Why isn't the paycheck enough?

Considering the commissions your team of sales professionals has the capacity to rake in, you may be thinking those dollars should be reward enough. "It's important not to confuse compensation and incentives," says Janet North, Senior Director, Incentives & Recognition for Staples Promotional Products.

Annual sales goals are often tied heavily to cash compensation and commission. What's missing in a cash-only system is focus on the leading indicators or steps-to-the-sale. A properly structured program will couple a noncash incentive strategy that rewards the sales force for the little things along the way, such as compliance with the organization's sales methodology or the discipline to make the right amount of sales calls weekly alongside the cash commission structure. Tangible awards or reward points work extremely well to define and sustain the sales behaviors and actions that lead to achievement of overarching sales goals. Noncash awards can also be themed better.

Here's a simple example: Let's suppose your VP of sales is trying to drive compliance among his sales representatives. He wants them to make a certain number of calls or appointments with clients each week. Putting awards into play, such as iPhones or branded phone accessories in a themed sales contest, would be a good strategy. "This same initiative with cash as the carrot would be harder to promote," North says.

## Case Study

The following case study shows how a themed sales contest successfully inspired compliance within one of our teams at Staples Promotional Products.

**GOAL:** Grow our customer and prospect email database.

**STRATEGY:** To foster a sense of excitement among the sales team, we set an end of summer "Splash" theme. Individual and team goals were established and communicated to the sales force at launch, along with an array of prizes, such as beach balls, that tied back to the theme. Teams were encouraged to decorate their workspaces and required to keep score of their results throughout the contest week.

**RESULTS:** The team achieved 18% of the annual goal in just five days.

**Are you ready to make more happen with sales awards? Consult your Staples Promotional Products representative today.**

Source: [www.sibson.com/publications-and-resources/articles/recognition-programs-relevant.pdf](http://www.sibson.com/publications-and-resources/articles/recognition-programs-relevant.pdf)

## SmartPapers™

*At Staples Promotional Products, we're dedicated to helping you meet your marketing and promotional goals. That's why we've developed our exclusive SmartPapers™, expert guides that address real world issues facing businesses in every industry.*