



Inspired Incentives

Designing a Successful Channel Incentive Program

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When it comes to navigating the channel, you need partners you count on to help you move your products effectively and efficiently. But how do you design and implement an incentive program to get them to buy in? It's all a matter of asking the right questions.

Why do I need a Channel Incentive Program?

- To strengthen your channel partner relationships to help move your products more effectively
- To identify and target the managers and salespeople who are the most valuable points of influence in your channel
- To increase channel-wide engagement to increase efficiency at all points
- To give your partners another reason to do more business with you
- To measure your channel's mindshare
- To survey your channel partners to gain valuable insight into their operations
- To build channel unity with the integration of an overarching partner portal
- To track trends with analytics to measure successful endeavors and/or products

How do I choose the right Channel Incentive Program?

When choosing a program to implement, you must have a clear understanding of:

- Your sales objectives and goals: What are the measureable results you are looking to achieve?
- Your audience: Who are you looking to have meet your objectives (Manufacturer Sales Reps, VARs, Distributors, Wholesalers, etc)?
- Your budget: Is the budget for the program open ended or fixed?

How does a Channel Incentive Program work?

1. Identify and target key performance indicators (KPIs) in your channel using a steps-to-the-sale approach
2. Create an incentive strategy that rewards for reaching defined KPIs
3. Communicate regularly and with consistent messaging
4. Measure progress and regularly update participants on their status
5. Analyze results and modify the program on an on-going basis to ensure continued engagement and success
6. Reward goal achievers / overachievers

To find out more about the necessary components for Channel Incentive Program success, differences in Channel Incentive Programs, and some general rules for Channel Incentive Program success that should apply no matter the distribution channel.