

FORCE MULTIPLIER

The Sales Manager's Incentive Hand Book

Javed Akhtar



Force Multiplier

The Sales Manager's Incentive Hand Book
by Javed Akhtar

Dedication

This book is dedicated to all those Sales Managers who are constantly on a knife edge, when it comes to keeping the team motivated and ready to roll. I understand how you feel and I sincerely hope that this little book will take some weight of your shoulders.

Chin up

Meaning of the term 'force multiplier'.

The armies of the world have learnt through years of experience, that soldiers must be treated as individuals; however, each individual must have the capacity to act in a manner that maximises his or her capability. Therefore it is critical for planners and ground commanders to equip soldiers correctly, according to the strengths of each member or special skill sets of their respective regiments, so as to multiply the effectiveness of their force.

This book is about applying the same principle to an organisation's resellers & field force. Commercial organisations equip individuals with knowledge and collaterals, but the one most effective weapon is motivation and people are motivated when they are appreciated, not only through verbal or written or for that matter public acknowledgment but also by a reward mechanism.

Contents

- ◆ Forward 4
- ◆ It's the Frontline that brings up the bottom-line! 5
- ◆ If work is Fun, Business is up 9
- ◆ Only people can motivate people 13
- ◆ The key is to have a destination, a flight path and a compass 15
- ◆ Don't forget, We're people
Addressing people about people related issues 23
- ◆ A pat on the back and a smile in the eye, helps but is not enough.
Show your appreciation 29
- ◆ "A rolling stone gathers no moss
only momentum" 35
- ◆ Look to the future
With a handle on the present 39

Forward

We live in an age where several forms of automation have enslaved us. Where would we be without the mobile or satellite television or the myriad other means that get us around almost at the speed of sound? In the melee, we often forget the fact that humans haven't 'automated'; it's the gadgets around them that have.

For the foolhardy it has not really sunk in, it's people who eventually make things happen, and thankfully people are still people. So when organisations view people as a moving mass of flesh and bones, just as one would cattle or equipment, they end up experiencing the power of the people. People migrate to other organisations, productivity slumps; the bottom line seems to do a belly up. But the worst nightmare is the constant stress and strain of dealing with unhappy people. Let's make this clear it's not only about money, even people with good monetary packages, kick their assignment or simply lose interest.

When people are treated as people need to, the under belly shows, then HR can deal with problems that one can see. This book deals with the importance of knowing that people are not automated, that they need rekindling every now and again. Importantly they need to be appreciated, and shown that they are indeed valuable enough to be rewarded. It is this reward system and its merits that we must dwell on.

HR management has ceased to be about attendance and discipline, it is more about how to create comfortable work environment today. More and more enlightened people are desisting from confrontational postures and are developing ways and means to reward and publicly appreciate.

-Girish K

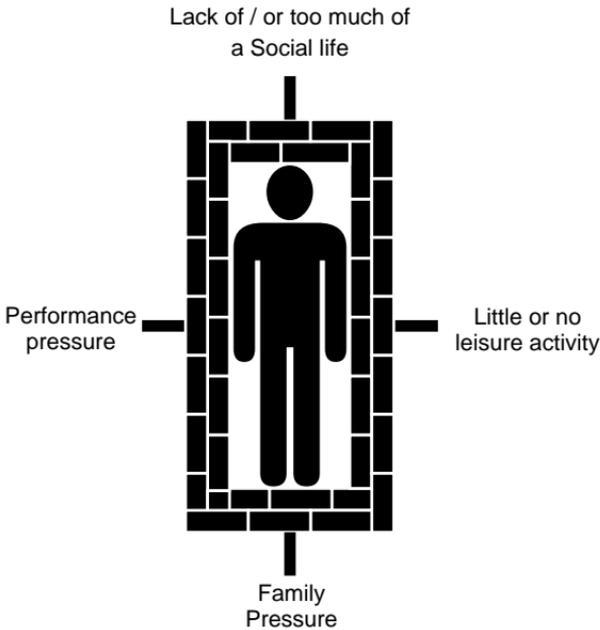


It's the Frontline that
brings up the bottom-line!



Why Incentive Programs?

The illustration below is an indication of the predicament most employees find themselves in, especially the performing one, and don't forget that! This despite the apparent mask of enthusiasm they walk around with. So you want to ensure they de-stress, loosen up and are rekindled from time to time.



A company cannot take its position in the market for granted. And since it is people who make the company, it is imperative that management takes care of their greatest asset. There are many methods that managements have devised to counter depression, stress and performing employees who have slipped.

Counseling: Very often the HR counselor takes on a superior attitude and it ends up more intimidating than a counseling session. So the person feels he/she has a problem and in defense takes a negative attitude. It is not to say that every company HR counselor has the same attitude, far from it. But we must agree that a significant percentage does.

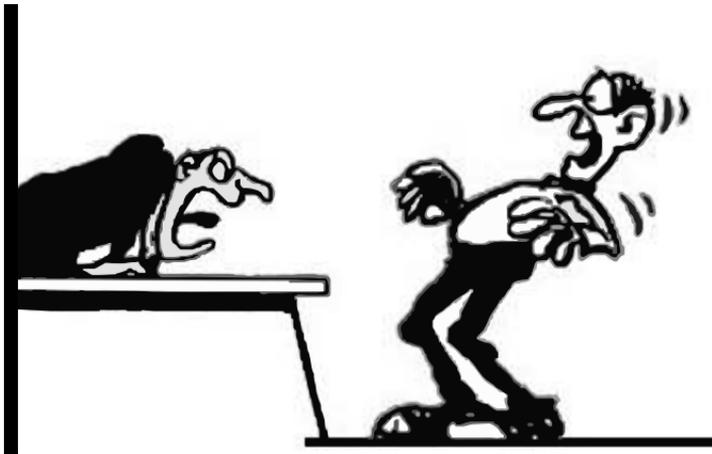
Picnics, nights out or overnight “holidays” are often perceived to be the magic potion. Firstly, not all go or can go on such trips or outings. Secondly, it helps build bonds and creates’ teams but only on few occasions can it really help individuals unwind. Many return with a greater feeling of competitiveness or a sense of defeat. The 'Joker', the 'smart alec' and the 'I know all' are responsible; because they hog the limelight, ridicule the shy or awkward, force people to entertain or make spectacles of themselves. Again we don't mean that happens at all company picnics, but it is a significant number.

And there are organisations who look the other way... “After all they have to be tough if they want to do well in life, nothing comes easy!” A familiar refrain? Well folks, want to know the’ truth? Too many studies have shown that people cannot sort problems out all on their own. Certainly not with their heads still in the office, they are incapable of perceiving the macro picture.

Every manager wants members of the team to have the same fire in the belly as he (hopefully) has and nerves that are simply twitching to do something big.

Life is not all failure, of course there is a good and perhaps even smarter way to keep the excitement fever pitch; Get the individuals out of the office and business environment, send them to a place where they can have a ball on their own terms in their own way, with their families. Ever met someone who is just back from a great holiday? Well you'll find your answer there.





Stress is your stomach telling you "tell your boss to go to hell so I can digest a meal for a change."



Vacation is a time to leave the office behind. And the way my wife packs, that's about all we leave behind!



If work is Fun, Business is up





Incentive programs provide a unique opportunity for organisations to achieve measurable business objectives by involving those people, within the organisation, who can make the difference. The benefits of incentive programs are starkly apparent, increased sales, customer retention, quality, and productivity.

- ♦ Highly Focused— on individuals who have the capability to deliver.
- ♦ Efficient— investment only if results measure up.
- ♦ Measurable— relatively easy to determine ROI.

Despite the obvious, several corporates fail to implement such programs. Everybody has heard of frequent buyer programs, gift-with-purchase offers, sales contests, sweepstakes, and contests, but somehow people take them for granted. Few executives have received formal education about incentives when earning their degrees, and until recently the field received little attention in the media. Those companies that run incentive programs often do so as a matter of faith, and those that don't often say they lack compelling evidence to prove that incentive programs raise performance levels.

Today, there is a renewed emphasis on focused marketing, customer retention, and customer service. This has once again placed the spotlight on motivation and incentive programs. More and more organisations understand that retaining customers is less expensive than acquiring new ones. Customers need to feel valued & rewarded. On the flip side employees need to be empowered so as to deliver on promises made by marketing and sales. Those organisations that have implemented well thought out incentive programs understand the advantages of having done so.

The following are compelling reasons to take a closer look at incentive programs for your business:

- ♦ Incentive programs can increase performance by up to 44% in teams and 25% in individuals—
- ♦ 80% of the reasons for customers' satisfaction and the return to place of purchase are knowledgeable and enthusiastic employees.
- ♦ Fewer than 25% of employees work to full potential; half of all workers do no more than what is directly asked of them, and 75% of employees say they could be more effective in their jobs.
- ♦ 70% of unhappy customers abandon vendors because of poor service,
- ♦ Frederick Reichheld says in *The Loyalty Effect* "A simple 5% increase in customer retention can increase lifetime profits from a customer by 75 percent".
- ♦ 65% of executives believe that programs using travel and merchandise are more memorable than those using cash; 60% of executives believe that sources of merchandise and travel are more helpful in creating an incentive program than are sources of cash, and
- ♦ 57% of executives believe that bonus payments are often regarded by employees as something they are due.





The Customer is always right. I like that. It takes the pressure off me!

The customer is not always right. Once the Cheque clears, he can be as wrong as the rest of us!





Only people can motivate people



So are you ready to start a Program?

Incentive programs marshal a combination of processes that include goal setting, assessment, award selection, communications, planning, tracking, training, and direct selling. These elements are designed to help organisations motivate and equip people to achieve set goals in a specified period and do so in a way that does not conflict with long-term compensation and pricing issues.

Incentives go far beyond the issue of selecting appealing awards, however: They lie at the heart of developing a successful, performance-oriented corporate culture. Here's the checklist:

1. Motivating the Sales Team
2. Inspiring Resellers
3. Recognising the performer
4. Marketing Promotions.
5. Incentive Travel Program





The key is to have a destination,
a flight path and a compass



Motivating the team



Although the Sales Manager's job encompasses several areas of responsibility, his or her success depends on two overriding factors: recruiting & mobilizing the sales force. In addition to directing troops in the field, there is the creation of sales promotion & incentive programs. Obviously those who succeed are the ones who apply sound management principles with people skills.

Then there is the task of research, analyzing competitive products, reviewing selling techniques, & working on budgets & quotas. They contribute to decisions on computer systems, pricing policies, choice of distribution channels, travel & entertainment policies, territories, & which trade shows & conventions to participate in. They also have the last word in determining how incentive programs can be used to support these & other sales functions.

The responsibilities of directing the sales force include recruitment, training, performance evaluation, directing daily sales activities, dealing with customer service, developing & tracking leads, compensation, and whether they like it or not, motivation.

Smarten up to the need

Today's fast paced economy calls for radical changes in the way sales managers perform their tasks. And if they want to meet the challenges of this rapidly changing marketplace, they must equip themselves with newer skill sets. The prime focus area *"containing costs while increasing the sales forces' ability to gather strategic information & cultivate relationships with customers and prospects"*.

Such managers must possess two important qualities, up-to-the-minute knowledge of the marketplace, & strong leadership that enables them to recruit & mobilize sales people cost-effectively. We are not talking "cheap" but cost effective. Remember peanuts can only buy monkeys.

Key elements for Success.

Vision. Lead by example i.e. identify newer ways to create value for customers.

Strategic planning. Leaders who understand the big picture must be able to identify the best sales opportunities and detail a plan as to how the sales force should go after them.

Training strategies based on specifics. Make sure everybody in your sales operation buys into your strategy. Training should spell out successful routes for each individual.

Relationship-oriented management. Shift your focus from reactive to proactive, from reviewing to planning. Help individuals plan crucial calls.

Correcting compensation plan. With more people sharing corporate accountability, sales managers need to measure & reward their sales force for their impact on profit, not gross sales.

Empowerment. Effective managers prefer that salespersons make most key decisions. Adopt an attitude of trust & teach individuals to make decisions.

Incentive programs. Achievement awards must be based on what salespersons want, & the requirements for winning must be realistic. Incentive programs should focus not only on an individual's productivity, but also on the contributions of all involved in the sales effort.

Know whom to promote. Ambitious individuals want to move into management, even though they might do better in sales. Make sure such individuals get recognition within the organisation. They should feel valued and do not feel a continual need to improve their status.

Automation. Make sure your company has a contact-management software program. That will make it easier for salespersons to keep track of customers & prospects & communicate with them.

Incentive Program Success

Here are the fundamental steps to success:

1. Specify Your Objectives

Begin by specifying your objectives in numeric terms. Example: Increase sales by 10% in the third quarter.

2. Determine Who Is Critical

Look at your organisation to determine who has the best chance of improving performance. Chances are you'll find it's

the middle 60% of your organisation. They generally have plenty of room for improvement. Thus your incentive program probably should be geared to promote incremental performance of a large number of people, not just the top 20% of your sales force.

3. Involve Your People

To get the best out of employee-involvement efforts, use a human resources employee or a trained facilitator so that employees speak freely. Consider introducing a process to identify:

- ♦ Leverage points—which areas do the salespersons feel they can better?
- ♦ Resources needed—what is it that your salespersons feel is holding them back?
- ♦ Types of recognition that will have appeal and be promotable but not become confused with compensation

4. Structure the Program

When building your incentive program, consider these options:

Open-ended strategies : motivate all salespersons to improve their performance over the past.

Closed-end strategies : distribute awards to the top performers in each category or region.

New product introduction: a small amount of your new-product budget should be set aside to get salespersons increase their commitment to the product.

Plateau programs reward : For salespersons in an increasingly significant way for making incremental sales, such as 5% or 10% above last year's quota.

5. Determine Your Award System

Depending on your objectives & your audience, you may want to use cash, cooperative marketing Rupees, or non cash awards such as merchandise, travel & gift certificates. Tangible rewards such as travel, merchandise, debit cards & gift certificates, often work best when companies want to:

- ♦ Publicise the top achievers; it's easier to publicise tangible rewards rather than cash bonuses, which can create jealousy and spur questions about compensation
- ♦ Clearly distinguish the incentive program from cash compensation so that the reward system doesn't become expected
- ♦ Build relationships with salesperson at off-site travel programs
- ♦ Get the attention of high-income individuals for whom cash has no impact

6. Develop Your Budget

If you structure your budget properly, the program will cost relatively little. Incremental costs will be incurred if the program generates improved performance, but the added revenue should make it worthwhile. Fixed costs, such as administration, communications, tracking and development costs and time have to be taken into consideration. If the program is properly structured, award costs come into play only if the group achieves its goals.

7. Decide who will run the program

Establish whether you want to implement the program on your own or outsource it to a full-service incentive company to handle administration, database and other functions. If your company is too small to use a full-service agency, it can buy merchandise and travel directly from leading consumer products and travel suppliers or it can find a regional promotional products agency that handles these programs. However, companies often find it difficult to provide their own

initiatives for ongoing communications, tracking, awards and fulfillment.

8. Establish a Communications Plan

Make sure your reward program is easy to understand and filled with benefits for your target audience. Develop a theme that relates to your other marketing themes. Communication should be monthly for longer programs (six months to a year) and biweekly for shorter programs. Use printed materials, e-mail, and Internet and Intranet sites.

9. Launch the Program

Time your kickoff to coincide with your overall marketing effort. Make adjustments or send out additional information based on month-by-month results. Consider how you will announce the program: a personal letter, e-mail, company Web site, or a combination of these elements.

10. Fulfil with Integrity

Whatever you've promised the top achievers, deliver it. The point of the program is to make achievers feel special and to make their colleagues eager to perform during the next program. Publicise achievers' performance and present the awards promptly and as personally as possible.

11. Conclude and Evaluate the Program

When the qualification period is over, generate reports immediately and notify all participants of their final standing. Then look carefully at the results to isolate the factors that could have affected your program. Consider tracking your salespersons performance after the program to see whether the momentum is sustained when no incentive program is in place.





One company issued cost saving travel rules; No one travels first class, upper management travels economy and all others either in the overhead bin or under the seat in front of them!



The most distressing part of pay day is that most companies insist on paying us what we're worth.



Don't forget

We're people

Addressing people

About people related issues



Inspiring Resellers



Reseller incentive strategies differ from other relationship-building efforts in that they often have short- or long-term goals linked to sales, retention, or participation in company co-op marketing programs. Your program should be structured to reflect the type of middleman you want to motivate. Here are 10 steps for implementing a program for middlemen

Steps to Success

1. Specify Your Objectives

Begin by specifying your objectives in numeric terms. Example: Increase sales by 10% in the third quarter.

2. Who Is Critical?

Determine which resellers are critical to your business. Identify what these target audiences can do to help you achieve your objectives: stock more product, participate in marketing or training programs, put up displays, participate in co-op marketing programs, or provide customer databases.

3. Determine What's in It for Them

Consider sponsoring a customer council where top resellers are invited to express their needs and concerns. Dealers and distributors often react more enthusiastically to strategies that help them address fundamental problems, such as fighting competition, improving the training and retention of salespersons, building consumer loyalty, or building sales of a product or service category.

4. Structure the Program

When building your incentive program, consider these options:

- ♦ Open-ended strategies motivate resellers to stock or sell more by setting goals above the past year's quota.
- ♦ Closed-end strategies distribute awards to the top performers in each category or region.
- ♦ New product introduction is an approach that budgets a small amount of your new-product budget to get dealers to increase their commitment to your product.
- ♦ Plateau programs reward dealers or distributors in an increasingly significant way for making incremental purchases, such as 5% or 10% above last year's quota.
- ♦ Cooperative marketing programs give resellers bonus points for using co-op Rupees, putting up displays, or participating in training program for salespersons.
- ♦ Product-specific programs offer bonus points to distributors who sell or buy more of a specific product.
- ♦ Database programs offer dealers a reward for providing customer names for co-op direct marketing or tele-sales

solicitation on behalf of your company's product.

- ♦ Customer-affinity programs invite top distributors to special meetings that blend training, motivation, and entertainment.
- ♦ Sales/purchase incentives promote sales in a particular season to maximize results.

5. Determine Your Award System

Depending on your objectives and audience, you may want to use cash, cooperative marketing Rupees, or noncash awards such as merchandise, travel, and gift certificates. Look at your competition and find out what options will get the most attention, making sure that they are divorced from compensation and pricing issues. Tangible rewards, such as travel, merchandise, debit cards & gift certificates often work best when companies want to:

- ♦ Publicise the top achievers—it's easier to publicize tangible rewards than cash bonuses, which can create jealousy and spur questions about compensation;
- ♦ Clearly distinguish the incentive program from cash compensation so that the reward system doesn't become expected;
- ♦ Build relationships with owners, managers, and employees of smaller concerns who appreciate the special recognition;
- ♦ Get the attention of high-income individuals for whom cash has no impact.

6. Develop Your Budget

If you structure your budget properly, the program will cost relatively little. Incremental costs will be incurred if the program generates improved performance, but the added revenue should make it worthwhile. Fixed costs, such as administration, communications, and tracking, not including development costs and time. If the program is properly

structured, award costs come into play only if the group achieves its goals.

7. Decide Who Will Run the Program

Establish whether you want to implement the program on your own or outsource it to a full-service incentive company to handle administration, database, and other functions. If your company is too small to use a full-service agency, it can buy merchandise and travel directly from leading consumer products and travel suppliers. However, companies often find it difficult to provide their own initiatives for ongoing communications, tracking, awards, and fulfillment.

8. Establish a Communications Plan

Make sure your reward program is easy to understand and filled with benefits for your target audience. Develop a theme that relates to your other marketing themes. Communication should be monthly for longer programs (six months to a year) and biweekly for shorter programs. Use printed materials, e-mail, and Internet and Intranet sites.

9. Launch the Program

Time your kickoff to coincide with your overall marketing effort. Make adjustments or send out additional information based on a month-by-month check of results. Consider how you will announce the program: direct marketing, e-mail, Internet, advertising, sales calls, a personal letter, or a combination of these elements.

10. Fulfill with Integrity

Whatever you've promised the top achievers, deliver it. The point of the program is to make achievers feel special and to make their colleagues eager to perform during the next program. Publicize the achievers' performance and present the awards promptly and as personally as possible.

11. Conclude and Evaluate the Program

When the qualification period is over, generate reports immediately and notify all participants of their final standing. Then look carefully at the results to isolate the factors that could have affected your program. Consider tracking your resellers' performance after the program to see whether the momentum is sustained when no incentive program is in place.



Customers do have something that most resellers admire : money !



When an employee doesn't want to do any work he's called shiftless; when the Boss doesn't want to work he calls a meeting!



A pat on the back and
a smile in the eye,
helps but is not enough.
Show your appreciation



Employee Recognition



For performance-oriented companies, employee recognition is a vital part of continually communicating and reinforcing ever-changing goals. Not to be confused with incentives, recognition involves drawing attention to employees who perform. Recognition can be spontaneous, whereas incentives are publicized in advance and generally are intended to induce people to achieve a specific objective.

Traditionally, recognition meant service awards based on the number of years an employee spent with a company. In an era of downsizing and restructuring, traditional service awards seem inappropriate, but it is still important to maintain morale.

Research and common sense suggest that happy, committed employees work more productively and provide better service, thereby increasing customer satisfaction and profits. But some companies have been slow to react to this correlation between employee satisfaction and profits.

Key Elements of Satisfaction

The key elements of employee satisfaction are:

- ♦ Sense of purpose
- ♦ Fair compensation
- ♦ A feeling of appreciation
- ♦ A feeling of participation in the way their jobs are done
- ♦ A management style that incorporates coaching, encouraging, and empowering

Some researchers argue that using traditional incentives can create an atmosphere of destructive competition within a company, focusing on winning instead of working together. But understanding the basics of recognition can help companies keep the emphasis on steady improvement in employee performance, not competition.

The Recognition Process

The critical steps in a recognition program are:

- ♦ Determine your objectives (i.e., the behaviors you want to recognize)
- ♦ Analyze the demographics of your organisation to understand the culture(s) you have to reach
- ♦ Determine the statement you want to communicate
- ♦ Develop a communications strategy that creates awareness about the recognized individual
- ♦ Develop an awards strategy that distinguishes compensation from recognition
- ♦ Involve employees in developing the program and even in helping to select achievers

- ♦ Develop a meaningful presentation strategy so that people feel that management cares
- ♦ Rethink recognition on a regular basis to make sure what is being recognized is in keeping with current corporate values and objectives

Recognition can be as broad a concept as you want to make it, based on the values you want to promote within the organisation. A human resources specialist suggests that managers take the number of people they supervise and multiply by two minutes to determine the amount of time specifically devoted each week to getting to know people and understanding what makes them feel appreciated and motivated.

Award Selection

Managers who plan recognition programs often wonder whether they should offer cash as an award or tangible incentives such as merchandise, travel and gift certificates. Proponents of cash argue that it's easy to administer and employees can use it for anything they want without the restrictions placed on other types of awards.

In contrast, proponents of tangible incentives say cash is a poor motivator, because it has little "trophy value." Most people don't talk about how much they earn, and the money often ends up being spent on everyday necessities or paying bills. Cash incentives also quickly become confused with salary and bonuses, so they can become yet another yearly expectation.

Both cash and tangible rewards can be appropriate in a recognition program, depending on the company's purpose for distributing the reward. If the goal is to compensate people for extra performance, cash should be offered. However, if the goal is to recognize people and express thanks for overall performance, something tangible should be considered.

Tracking

It's easy to assume that there is no way to measure

recognition efforts. If you set goals for the recognition program, however, there are obvious ways to measure results. Some examples:

- ♦ Reduce employee turnover—ratio of voluntary departures, period to period
- ♦ Improve employee awareness of company values—percentage of employees who demonstrate knowledge of company goals and values in employee surveys

Job satisfaction—percentage of employees that, in company surveys, cite the recognition effort as an effective strategy for promoting employee loyalty





You know its time to ask for a raise when you realise you're not only working like a dog but also being paid like one.



Budget is a Latin word meaning "whatever you need, you can't have."



“A rolling stone gathers no moss
only momentum”



Promotion Marketing

Promotion Marketing is defined as any marketing device, other than advertising, that is designed to stimulate an action or sale. This broad field includes merchandise and travel premiums and incentives, point-of-purchase (P-O-P) displays, sweepstakes and contests, event marketing, couponing, advertising specialties, frequency marketing, licensing, sampling, and in-store marketing.

Promotion Marketing is used to address specific tactical problems or objectives. With companies focusing increasingly on integrated marketing strategies, it is frequently linked to advertising, training, meetings, and employee incentives.

Incentives are also used in the following ways in consumer promotions:

Gift-with-purchase offers: added value to prompt people to make or increase purchases; frequently used by fast-food, automotive, telecommunications, and other industry giants.

Frequency programs: awards given to loyal customers, now a part of every major airline and hotel chain's marketing mix.

Self-liquidators: special items customers can purchase at a low cost that breaks even for the sponsor; used by many of the top names in consumer products.

Direct mail syndication: sale of special items to customers at reduced prices; these programs are a staple of the credit card and utility industries.

Sweepstakes and contests: frequently used to get customer attention and generate increased response; almost every company uses one from time to time.

Onpacks / near packs: merchandise packaged in some way with a product.

10 Golden Rules for Success

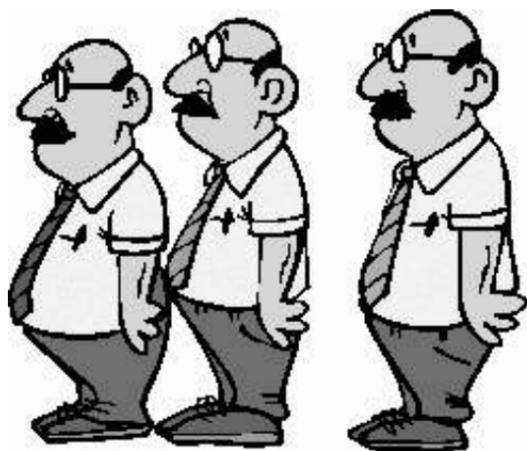
Keep these points in mind when developing a program to marketing promotion using incentives:

- ♦ Recognize that consumer incentives work as part of an

overall program and have to be integrated with other marketing and communication efforts.

- ♦ Understand that the type of award you select is critical; it must provide a true value to the recipient and reflect the highest standards of integrity.
- ♦ Set clear, realistic goals & a manageable means of tracking results. Don't bet on achieving goals that have never before been accomplished. Review your company's past promotional history for what has worked, what hasn't, and why.
- ♦ Consider the types of outside suppliers required; work with reputable vendors who will deliver what is promised on time.
- ♦ Create & communicate legitimate excitement; never resort to deceptive hype. Make sure rules & conditions are clearly spelt out.
- ♦ Review the strengths & weaknesses of your product or service & make sure the incentive program isn't an attempt to mask a fundamental problem.
- ♦ Identify types of consumers, middlemen, or employees who will be instrumental in achieving your goals; make sure they are considered in your planning and communication efforts.
- ♦ Check your promotion for legal issues.
- ♦ Communicate regularly with people essential to the promotion; keep your sales force excited.
- ♦ Evaluate your promotion against your objectives.





If practice makes perfect, and nobody's perfect, why practice?



A clear conscience is merely the result of bad memory.



Look to the future
With a handle on the present



Incentive Travel Program



Most major companies with large sales organisations or reseller networks have elaborate programs to motivate people through travel.

Incentive travel comes in two forms: "pure" incentive programs that offer travel as an award, and motivational meetings that use travel as a means of inspiring the troops and communicating organisation goals.

The process of designing incentive travel programs in which people qualify for travel as an award follows much of the same process covered in sections on Sales, Reseller, and Employee programs. However, travel does involve special considerations, which have been outlined in the step-by-step planning guide below.

Motivational meetings share with incentive travel the need to motivate and communicate, but they usually do not share the need for specific qualification criteria or pre-travel communication, since the goal is to do the motivation at the meeting rather than motivate people to attend.

In both pure incentive travel and motivational meetings, the travel program differs from any other form of consumer or business travel in that the goal is to inspire and communicate,

rather than simply offer an exciting trip. Whether the incentive trip is pure fun, entertainment, or enrichment, or the motivational meeting has long days filled with meetings, both get the best results when everything is choreographed to inspire the audience. That means coordinating site selection, transportation, transfers, events, hotels, conference centers, audiovisual equipment, entertainment, and meals.

Understand the Role of Incentives

Offer people enough of an incentive and they'll try to accomplish your goal, but that doesn't mean they're equipped to do it. Meaningful incentive programs address not only the desire but the ability of people to reach the goal. That means setting attainable goals, communicating them clearly, and providing for feedback. And no incentive program should be launched without addressing all of the elements that can affect performance.

Companies often use travel awards and other non-cash incentives to distinguish their campaigns from cash compensation packages, so that the programs do not become an expected part of an employee's income. Surveys show that organisations use incentive travel because it creates lasting memories for the participants and generates a positive buzz throughout the organisation. Because they do not have an impact on compensation, it's easier to use incentives as needed without creating the impression that people are getting pay cuts when no program is in gear.

Understand the Role of Travel

The nation's largest companies regularly use travel with every critical audience, from employees to top shareholders. The process of getting away together in a far-off land, or any off-site location for that matter can create bonds that simply don't occur any other way. Even the most hard-nosed skeptic has respect for travel programs after attending a well-constructed event and maybe even shedding a tear or two at a particularly moving event.

Properly constructed, a travel program leaves an indelible imprint on the recipient's mind and opens up candid dialogue

that helps all participants expand their understanding of how to improve performance. The emotions forged by experiencing an exotic land or exciting city together, even if some of the time is spent in meeting rooms, become part of an organisation's culture that can help inspire better teamwork and performance for years.

The following checklist doesn't begin to explore the details of choreographing an effective incentive travel or motivational meeting program. However, it provides a comprehensive outline of the critical steps involved.

Determine Your Incentive Strategy

Consider the following steps when structuring your incentive travel program: such as volatile market conditions or low employee morale?

1. Set goals. Define what your company wants to accomplish in concrete terms: increase sales, increase unit volumes, or increase customer satisfaction levels? Translate the goals into numbers that can be compared from one time period to another. Are there any obstacles to achieving these goals, such as volatile market conditions or low employee morale?
2. Decide who you are targeting. Are they consumers, salespersons, dealers/distributors, or customer service employees? Conduct surveys to learn more about the demographics, tastes, and lifestyles of these individuals.
3. Determine your budget. After determining the Rupee impact of your program, determine an amount you are willing to invest to achieve your goal. Surveys by Incentive magazine indicate that companies invest up to 20% of anticipated incremental sales in the awards, communications, and training necessary to achieve their goals. The budgetary process should also consider the tax implications of your awards.
4. Select an attention-getting incentive award. Not only should you select travel and award that's clearly distinguishable from your compensation package, but

also you should select one that will reinforce your message, fit your budget, and match the tastes and demographics of the target audience. Remember, the greater the recognition value of your awards, the greater the impact.

5. Determine who will manage your program. Will it be an internal resource, or will you use an outside agency? The discipline of incentive travel and motivational travel involves detailed knowledge of all aspects of travel, not just hotels and air transportation. An incentive travel expert marshals knowledge of marketing (to determine audience preferences), site selection, event planning, audiovisual techniques, team building, social-interaction management, and entertainment. This is no job for a mom-n'-pop travel operation, nor even for a corporate travel agent without a division geared to this business.
6. Determine how to track performance and measure results. Carefully measure the impact of your program against your objectives. Look at soft as well as concrete measures. What was the value of the bonding and communication and reaffirmation of shared vision?

Selecting Your Incentive Travel Award

Consider the following issues when determining your destination:

- ♦ Choose a destination with resources and attractions suitable to your audience, budget, and time constraints (don't just go where the boss' spouse wants to go). Look at your organisation's culture and the goal of the program. Surprise people by mixing it up. If running programs for resellers, look at what the competition is doing.
- ♦ Look carefully at international programs. Depending on the group, there is almost nothing more exciting than taking a group overseas. If it's a motivational meeting, you can go to an overseas destination where you do business.

- ♦ Look at the demographic mix of your target audience, as well as its travel experience.
- ♦ Don't worry if you have to travel close to home. With a creative destination management company, you can create interesting events in the most familiar of places.
- ♦ Consider individual travel. If you are looking at offering on-the-spot awards, are looking for an alternative to cash or merchandise, don't need to foster a group dynamic, or simply can't get everybody away at the same time, you can benefit from individual travel awards.



Vacation is a chance to get away from the hectic rat race, only to find that 75% of the rats take their vacation at the same time and place that you do !



Stress is getting to you when you notice that you hate to go to work in the morning and your wife and kids hate to see you come home in the evening.

Tail piece

TravelPort is a young robust organisation that, in the five years of its existence, has accomplished a great deal and made significant contribution to the cause of tourism and travel in India. TravelPort is built upon the premise that the burgeoning Indian economy has created a growing need for a wide spectrum of travel and leisure opportunities. The percentage of spend in favour of travel and leisure is fast dominating even areas of daily necessity, for the upward mobile Indian.

TravelPort has created, for the first time in India, a world-class travel solutions offering, that is comprehensive in every aspect of its functioning; From the professional management to the tech driven services. TravelPort is the only franchisee based travel solutions provider in India. A team of specialists, who ensure that the quality of service measures up to the best internationally, supports the seventy plus franchisees, which are located across the country and abroad.

Few organisations in India, if any at all, have such a comprehensive bouquet that encompass almost every need of the traveler, be they business, leisure or the avid one. Without doubt Travelport is the first organisation in the country to understand the nuances of the incentive market and the first to create a package for every situation possible. It is with this same experience and pioneering effort that TravelPort has embarked on another journey of promoting country specific destinations and property worldwide.

So the next time you see an advertisement or read a report on TravelPort products or achievements, you'll expect it from us.

About the author

Javed is a thirty something marketing professional with a decade's experience in the travel and tourism business under the belt. He has traveled the world, and is an advisor and consultant to over a dozen resorts and tourism boards both in India and abroad.

This is not the first time that he has drawn from experience to create a concise volume on the subtleties of motivation and incentive management; he has created a complete branding and systems structure that is well documented and in use across the country. This stems from his personal challenge to contribute to the shaping the future of India's tourism and leisure

Leading from the front, he however prefers to be the part of the conceptualizing stage as well as the start up before he passes the baton to handpicked professionals who excel in what they do.

Javed is currently advisor and consultant to
TravelPort Holidays (I) Pvt. Ltd.