



Scaling Your Channel Incentive Program: Moving from Spreadsheets to an Incentive Program Management Platform



Scaling Your Channel Incentive Program:

Moving from spreadsheets to a modern incentive program management platform

Intro

When channel marketers first launch a partner incentive initiative, it's usually with the hope of increasing short-term sales of a particular product, or perhaps as a means of testing the ability of incentives to boost the engagement and loyalty of their partners. Either way, most marketers manage these early-stage efforts using everyday tools like spreadsheets.

While these tools might meet your needs during the test-and-learn phase of an incentive program, when you are ready to roll out a more sophisticated, more compelling program, management-by-spreadsheet is sure to hold you back.

And incentive programs have shifted from being purely tactical to becoming a valuable strategic tool. Channel marketers and corporate managers have found that incentive programs are an effective tool for:

- Aligning partners to corporate goals
- Working through disruptive changes in the market
- Influencing and changing partner behaviors

And to get the full benefits of this strategic shift, something more substantial than a spreadsheet is necessary to run your program.

The Shortcomings of Spreadsheets

Because of the complexity of managing thousands to millions of dollars of compensation for hundreds to thousands of partners, spreadsheets are not a scalable solution. A spreadsheet system will quickly become unwieldy, and is prone to breaking, leading to errors and

management difficulties. Other issues also arise because of factors such as:

- **Manual processing** – All the information in a spreadsheet has to be entered manually, including all the data needed to calculate the actual incentives. Also, sales orders and behavioral performance results must be collected individually for each person in the program. This data is often stored in multiple files, making it difficult to track and reconcile, and adding to the labor hours needed to run a program.
- **Speed** – Not only is the data-entry aspect time-consuming, compensation analysts have to go through the complicated and lengthy process of verifying the accuracy of the calculations for each rewards period. Switching to an incentive program platform will track data automatically, provide insights into what's working, and distribute rewards accordingly, alleviating the need to manually verify all data.
- **Complexity** – Think of all the required steps needed to run an incentive program – plan sign-offs, approvals, inquiries, payout, reconciliation – and you get an idea of how managing with spreadsheets can get very complex, very fast.
- **Human error** – As much as we aim for perfection, mistakes just happen. Between the manual processing and the intricacies of balancing the multiple program steps, it's very easy to have a slip-up. Just a simple inaccuracy on how commissions are calculated can be very costly – and can make your team and your partners very unhappy.

Transitioning to an incentive program management platform

Channel marketers and managers now have multiple options to grow and modernize their programs in the form of a rich, scalable cloud-based incentive program management (IPM) platform.

Whether you opt for a turnkey Salesforce-native IPM platform like Fielo or an engagement platform CRM extension, transitioning away from spreadsheets is imperative. An automated cloud-based IPM platform will enrich and facilitate the management of your program and help you avoid the many common issues of running a partner program manually. The effectiveness of an IPM platform will increase your revenue and productivity benefits, foster more participation, and overall give you higher, and more satisfying, partner engagement.

Once you select a platform that's right for you, your organization, and your partners, you need to plan your initial implementation steps. So how do you get from the "here" of spreadsheets to the "there" of an IPM platform?

Here's a step-by-step approach:

1. **Review your partner database and segmentation.** You may have segmented your incentive program by multiple criteria such as partner tier, geographical region certification/specialization, etc. Make sure that this is still a data structure that makes sense with the new IPM platform. Database hygiene and a segmentation review is recommended before taking the next steps.
2. **Make sure your new IPM platform has a CSV import capability.** You'll want to leverage all your database segmentation work and populate your new IPM platform with your spreadsheet program data. An IPM's analytics engine can mine your historical program data and provide you with valuable insights to optimize your program: Do you need a new segmentation scheme? Is a program design overhaul necessary? What partner behaviors changes do you want to focus on via incentivization?
3. **Map and import your spreadsheet columns to the IPM fields.** Incentive program management platforms can ingest large amounts information and data points. It's probable that your spreadsheet model can't capture all the information that an IPM platform can consume (e.g., real-time ROI and other KPIs), but the more data you bring over, the better. Stats such as:
 - Partner identifiers and attributes
 - Program rules
 - Start & end dates
 - Program participants
 - Program goal attainments, and
 - Rewards and payouts

... can provide you with invaluable insights. Of particular importance is to bridge any in-field incentive/loyalty program to your new platform.
4. **Brand your partner incentive experience.** IPM platforms not only come with modern tools for designing and managing effective incentive programs, but also with adaptive portals – or the option to leverage a PRM portal such as Salesforce Community Cloud – to provide your channel partners with a superior personalized experience. This individualized approach helps to drive their participation to new highs and, by extension, to meet their program goals faster.

Also, designing a portal experience that is interactive, easy-to-use, and that

resonates with your partners is paramount. With a tailored program interface, partners can get not only a visual representation of how the program works, but are also able to monitor their progress towards goals, receive alerts for approaching milestones, and bank their results.

5. **Communicate your cutover plan.** Let your partners know that your incentive program is changing. They need to know when the new program will be active and what the benefits of the new rewards system are. Does it offer more compelling, easier-to-consume incentives? Is there a more relevant and higher-value rewards catalog? Does it provide a better partner experience? These are all items that you need to communicate in order to maintain engagement while you transition.
6. **Discontinue any spreadsheet-centric systems and communications.** Make a clean cutover. The best way to avoid confusion, or to have two incentive programs running simultaneously, is to quickly transition all functions to your new automated platform. You also don't want redundant or conflicting messages going out to your audience.

These initial steps will help you to get the process started right and set a solid framework for the subsequent implementation process.

Summary

Although many channel incentive programs start out as spreadsheets, studies show that partners who engage with incentive program management platforms are more knowledgeable, more productive, and more effective in everything they do – including closing deals. An automated cloud-based IPM platform will enrich and facilitate the management of your program and help you avoid the many common issues of running a partner program manually.

About Fielo

Fielo's Incentive Automation Platform allows organizations to easily design, manage and scale incentive and loyalty programs. Its Salesforce-native solution not only incentivizes desired outcomes, but also the behaviors that drive those results. **Learn more at fielo.com**

To learn more, contact us at marketingfielocom or visit www.fielo.com.