

Constructing Dealer Loyalty

For almost a decade, this program has been refined and continues to ensure multiple benefits to both the incentive recipients and our client partner.



About the Client

Our client is an international manufacturer of a full range of construction, mining and compact construction equipment. The equipment is sold using an independent network of distributors. Creative Group has helped our partner develop and fulfill its performance incentive programs for the past nine years.

The Challenge

Our client was looking to drive parts sales with their independent distributors located across the U.S. and Canada.

The Solution

Creative Group and their client worked to build an incentive program specifically designed to drive the behaviors necessary to achieve incremental sales of their parts product line. After taking a deep dive into the business and sales data, we understood that parts sales increase after machine inspections. As part of its ongoing customer service offering, our client offers annual machine inspections to its customers. To leverage this insight, the program incented both distributors and the client's regional sales managers to conduct machine inspections, which led to additional parts and labor sales.

The program was structured to have four components to maximize the results with both the distributor and regional sales manager.

- 1) To help shift the overall performance curve and maximize participation, an annual cash-back rebate based on achieving specific volume thresholds was offered.
- 2) Each inspection claim earned the participant an award value.
- 3) An annual incentive travel component was included for top performing distributors.
- 4) To help create urgency and focus around specific sales initiatives, several spurt programs were run in conjunction with the main program.

Each year we have refreshed the program focusing on selected high margins parts products.

Armed with an annual communication campaign that included digital announcements, program brochures, and marketing materials for distributors, Creative Group provided the client the resources needed to motivate and educate distributor personnel on how the program benefited them and their customers.

The Outcome

The program has been in operation for over nine years which speaks highly of its success. In addition, the client has continually recognized the following results:

- Increase in parts sales
- Growth in distributor participation
- Rise in distributor market share
- Increase in cost savings
- Escalation in rewards issued

 Creative Group helped an international construction manufacturer increase their parts sales and cost savings, resulting in higher profit.