



Distributor Rewards Program Case Study

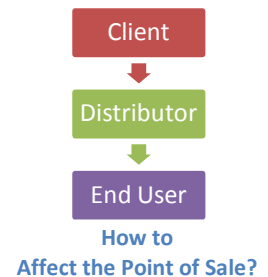
A Maxim Innovations Solution

Overview

A leading provider of metalworking fluids, cleaners, corrosion preventatives and lubricants wanted to improve its competitive position, improve sales, and increase revenue. They engaged Maxim Innovations for a custom marketing solution.

Challenge

A significant challenge was identified at the distribution level. Many of the client's products are sold B2B via a large independent distributor channel. The sales representatives at these independently owned and operated service facilities are not employed by the client and typically offer a variety of competitive products as well. To increase sell-through, the client would need to encourage the sales representatives at nationwide distribution locations to recommend their products at the point of sale.



Strategy

Maxim Innovations proposed the creation of a custom rewards program that would provide incentive to sales representatives for recommending the client's products. The program would increase awareness of the client's product line, promote familiarity with their brand, and effectively turn the independent sales representatives into an active, motivated sales force.

Solution

Maxim Innovations developed an online system, integrated with the client's distributor portal, which recognized and rewarded sales representatives for desired behaviors. Channel communications supported the launch of the program, promoting it to independent distributors nationwide. Sales representatives could now earn reward points for three kinds of activities: **selling** the client's products, **learning** about the client's products, and **sharing** brand-specific success stories. This multi-faceted strategy worked to accomplish three important objectives:

- 1.) **Increase Selling** – Directly lifting sales of the client's products
- 2.) **Promote Learning** – Indirectly lifting sales by educating representatives on the client's products
- 3.) **Encourage Sharing** – Promoting the client's brand by showing real life examples of their solutions in the market



Points earned by sales representatives could be banked and redeemed online. Leveraging their partnership with a major online retailer, Maxim Innovations created and hosted a client-branded redemption center that offered countless reward options from the online retailer's merchandise catalog. The program further benefited from an exceptional fulfillment record and customer service.

Results

The custom reward program proved very successful. In just the first year, the client saw a significant lift in sales revenue, increasing its margin over competitively held business by a substantial amount. Their return on investment was in excess of 1500%, and the program yielded a number of additional benefits:

- *Collection of valuable distributor data* – Collecting the contact information of participating representatives provided a new level of visibility, enabling “two-way” communication between the client and frontline sales staff
- *Collection of POS data* – Tracking sales details enabled the client to better understand who their customers are, including how and why they use and buy their products
- *Library of Case Studies* – Collecting the personal stories of sales representatives enabled the client to build a library of case studies for use in future marketing activities

Results Included:

ROI: 1500%

Valuable Distributor Data

Collection of POS Data

Library of Case Studies

