

How to 'move the middle' with sales contests



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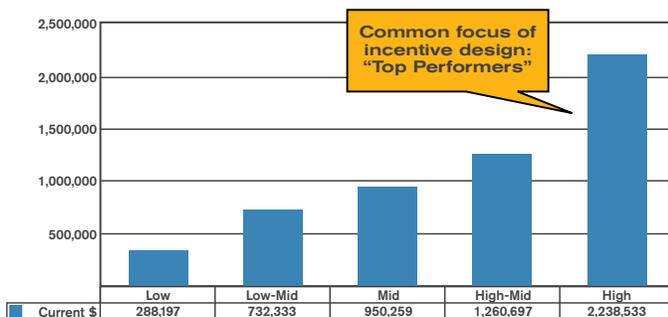
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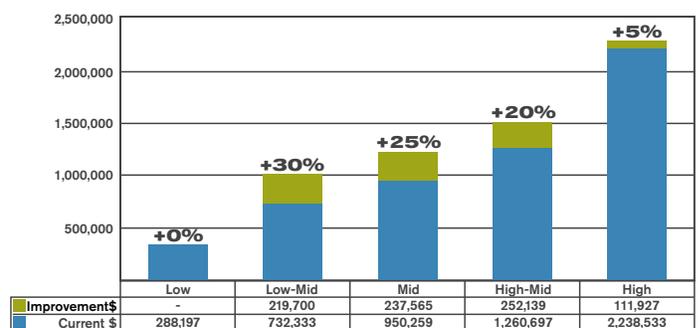
The sales landscape has certainly changed in recent months. Many sales organizations took a brief step back from their sales goals to focus on training and watch how the market would change. Sales leaders are now in a position where they have to get back to driving results. And while the path to reaching their goals [may look different](#), the goals themselves haven't changed. So how can you effectively use sales contests and incentives to focus your teams' efforts where they matter most?

We've found one of the biggest [mistakes sales contest creators make](#) is directing all of the awards toward the top 10-20% of their sales audience. In reality, only 35-40% of incremental performance is actually generated by those top 20%, as illustrated in the figures below.

Analyzing Distribution of Performance



Moving the Middle 15% improvement scenario



While top performers deserve to be recognized and rewarded, this type of sales incentive design excludes – and therefore disengages – a large section of your team. If you want to get the most from your sales contest, you need to move the middle by engaging the additional 60% of your audience. Rules structures that provide **idiosyncratic fit**, such as a personal goal-setting methodology or a deterministic *Do This - Get That* structure, encourage salespeople to participate and do their personal best. Research has shown when people select their own goals and feel in control of the outcome, they are more likely to achieve those goals.

There may be times when you need to work within a fixed budget and feel it's best to opt for a closed-end stack ranking structure to make sure you don't exceed it. When this is the case, you should consider layering in additional move the middle strategies that positively impact sales team motivation and shift the bell curve for better results.

Idiosyncratic fit:

Believing you have a unique advantage over others.

In incentive programs, if salespeople don't feel like they have an advantage, they won't participate.

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To help, we've put together some suggested sales incentive structures and strategies to move the middle. These can be used independently or layered into existing top performer programs.

Breakthrough

In a breakthrough rules structure, participants are given their own personal product volume baseline and three progressive goals based on an increasing percentage of sales growth. With each gated goal, reps earn a reward and then continue striving to hit the next gated goal.

Compared to stack ranking, which tends to disengage all but the top performers, this structure engages the entire sales force. Everyone has the chance to improve their results, be rewarded and ultimately provide greater sales lift in the program.

Fast start/fast finish

A fast start or fast finish rule structure can stand alone and drive focus during a particular quarter or at the beginning or end of a fiscal year. It could also be layered over a standard sales contest structure to capture attention and drive results out of the gate. For example, reps could earn double points for any sales made in the first two weeks of the contest. A fast finish SPIFF should focus on making sure reps sprint to the finish line to end a sales cycle strong. **Goal-gradient theory** suggests that as reps see the finish line and visualize the reward opportunity being close, the faster their progress will be to finish strong. Providing these layering opportunities for all reps at all performance levels captures the biggest opportunity for growth.

Goal-gradient theory:

The closer people get to a goal, the more effort they put into meeting it.

Monthly success recognition

If you are running a longer sales contest, say over a 5-6 month period, and are rewarding your top performers at the end with larger award packages, consider layering in smaller monthly awards. This will recognize monthly performance on a smaller scale but will impact more participants. In longer contests such as these, it's important to maintain engagement and celebrate success along the way. Including communications that showcase leaderboards or individual progress will remind reps to keep their eye on the prize. Using smaller, more frequent rewards will immediately reinforce and encourage repetitive positive behaviors and results.

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Monthly sweepstakes

A cost-effective yet very promotable idea that supports moving the middle is to layer a monthly sweepstakes into your sales contest. A sweepstakes allows you to add in another award opportunity for all to achieve but within a fixed budget. The sweepstakes structure could include hitting a monthly baseline or growing over last month, etc. It should be layered in to encourage a personal best over previous performance. All reps who achieve within the monthly period are entered into the drawing for a desirable award. This adds an element of surprise and delight to keep the contest exciting and top of mind.

Steps to the sale

While most contests focus on overall business results like increased sales, volume and ROI, incorporating a behavioral component focused on leading indicators and critical sales behaviors can have a multiplier effect on your results. Consider setting aside a small recognition budget for managers to use during ride-alongs or at national or regional sales meetings. They can use these awards to effectively reinforce the behaviors they see that lead to sales success.

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