

CONFIDENTIAL

*A Study Conducted among Current Users
of
Merchandise and Travel Items
for
Motivation/ Incentive Applications*

Prepared for



Prepared By

Center for Concept Development, Ltd.

May 2005



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Merchandise and Travel Items
for
Motivation/Incentive Applications*

Has been sponsored by the following members of **The Incentive Federation**:

Association of Retail Marketing Services
Incentive Marketing Association
The Motivation Show by Hall-Erickson Inc.
Promotion Marketing Association
Promotional Products Association International
Site Foundation

The Incentive Federation represents the legislative interests of the incentive marketplace. The 2005 "Study Conducted among Current Users of Merchandise and Travel Items for Motivation/Incentive Applications" was funded by the following members of the Incentive Federation: Association of Retail Marketing Services, Incentive Marketing Association, The Motivation Show, Promotion Marketing Association, Promotional Products Association International, and the SITE Foundation (Society of Incentive & Travel Executives). The survey, a benchmark study to a 2003 report, was conducted by the Center for Concept Development and the methodology and findings were reviewed and approved by Frank Mulhern, PhD, managing director of the Forum for People Performance Management and Measurement at Northwestern University.

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1.0 Background

1.1 Project Overview

The Incentive Federation Inc. has commissioned a survey involving current users of merchandise and travel items for motivational applications. The Center for Concept Development (CCD) was asked to analyze the data collected in this survey and to prepare this report on the survey findings.

1.2 Project Objectives

The overall objective of this study was to gain insight into practices and attitudes among current users of merchandise items and travel items for motivational applications. Data from this survey would allow for comparisons with information from the 2003 IFI survey.

The survey gathered information from participants in the following specific areas:

- Current usage of four basic incentive or motivational applications:
 - *Consumer/User Promotions*: Offers tied to specific products/services; can be merchandise or travel; terms can be free, self-liquidators, at cost, or other.
 - *Dealer Incentives*: Merchandise or travel items for dealer principals, distributors, and wholesalers.
 - *Sales Incentives*: Merchandise or travel items for sales management, internal and outside sales force, dealer and distributor sales personnel, independent sales representatives, and sales support personnel.
 - *Non-Sales Recognition/Motivation*: Merchandise or travel items for safety, productivity, quality control, suggestion box, training/self improvement programs, ride share, team work, attendance, etc.
- Sources of merchandise items and travel items used for each of the four motivational applications.
- Methods employed (internal and external) to communicate incentive programs.
- Specific merchandise items and travel items anticipated for use in incentive programs.
- Setting program objectives for each application.
- Factors or issues considered when creating a program for each application.
- Average acceptable sales or performance increases set as incentive goals.
- Factors used to base quotas for sales improvement and criteria used to evaluate incentive programs.
- Use of ROI as an evaluation criterion.

- Number and length of incentive sales programs conducted per year.
- Use or non-use of online incentive programs.
- Number of non-sales recognition/motivation programs conducted per department and evaluation methods.
- Participants' thoughts about cash versus merchandise and travel.

1.3 Methodology

The methodology for this project was a questionnaire mailed to 6,000 participants on December 29, 2004. The project was "closed" on March 15, 2005 with a result of 245 useable questionnaires.

Sample Details

Incentive Magazine made 6,009 "records" (subscriber name, address, etc.) available. Mr. Pete Ericksen contributed 7,877 records (attendees at motivation shows). Combining these two lists and removing duplicates resulted in 13,661 unduplicated records. The sample, 6,000, was drawn at random from the 13,661.

Mailing Packet Details

Each potential respondent received an envelope containing the following:

- A two page letter that explained the project and that provided all necessary definitions;
- A four page questionnaire;
- The incentive sheet that contained the sweepstakes offer (open to all) as well as the offer of a copy of this report (to be sent by mail to only those completing the questionnaire); and
- A return envelope.

1.4 Participants in the Study

Approximately 2 out of 3 participants whose completed questionnaires were included in this study were in Manufacturing (24%) and Services (42%). The remaining participants who answered this question represented Finance/Insurance/Real Estate (10%), Retail Trade (10%), Wholesale Trade (5%), Transportation/ Communications/ Utilities (2%), and Construction (2%).

Almost half of the participants (44%) had over 100 employees in their organization. Nearly one-fifth of these (18%) had 1001 or more employees in their organization; about one-fourth (26%) had 101 to 1000 employees in their organization. The remaining participants had 41 to 100 employees (21%), 11 to 40 employees (15%), or had 1 to 10 employees (12%).

Half of participants (50%) identified themselves as the Owner of or Senior Management for their organization. About one-fourth were Marketing or Sales (12% for each respectively). The remaining participants were Other Managers/ Other Directors (13%), Other VP/Executives (3%), Human Resources (3%), Secretary/ Clerk or Administrator (1%), or had other titles (8%).

Nearly half of the participants worked in Management (47%); about one-fifth worked in Sales (21%) and another one-fifth worked in Marketing (19%). Other functional areas identified were CEO (3%), HR/Recruiting/Training (2%), and Procurement/ Purchasing/Buying (1%).

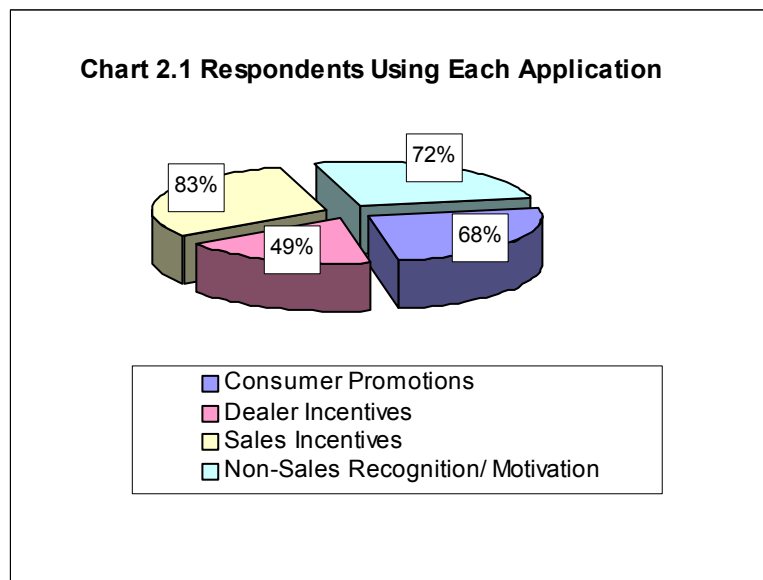
Classification information for participants is summarized in graphic form in the **Details** section in this report.

2.0 Summary of Key Findings

Note to the Reader: This section provides an overview of the findings for each of the questions asked in this study. For the interested reader, more detailed information for each question is presented in graphic form in the **Details** Section of this report, on the specific page numbers indicated below.

2.1 Overview and Highlights

- As in the 2003 study, most respondents in the current study are using more than one type of incentive or motivational application. *Sales Incentives and Non-Sales Recognition Motivation programs are the most widely used applications* of the four applications investigated in this study, as shown below, followed by *Consumer Promotions*. Relatively fewer respondents use *Dealer Incentives*.

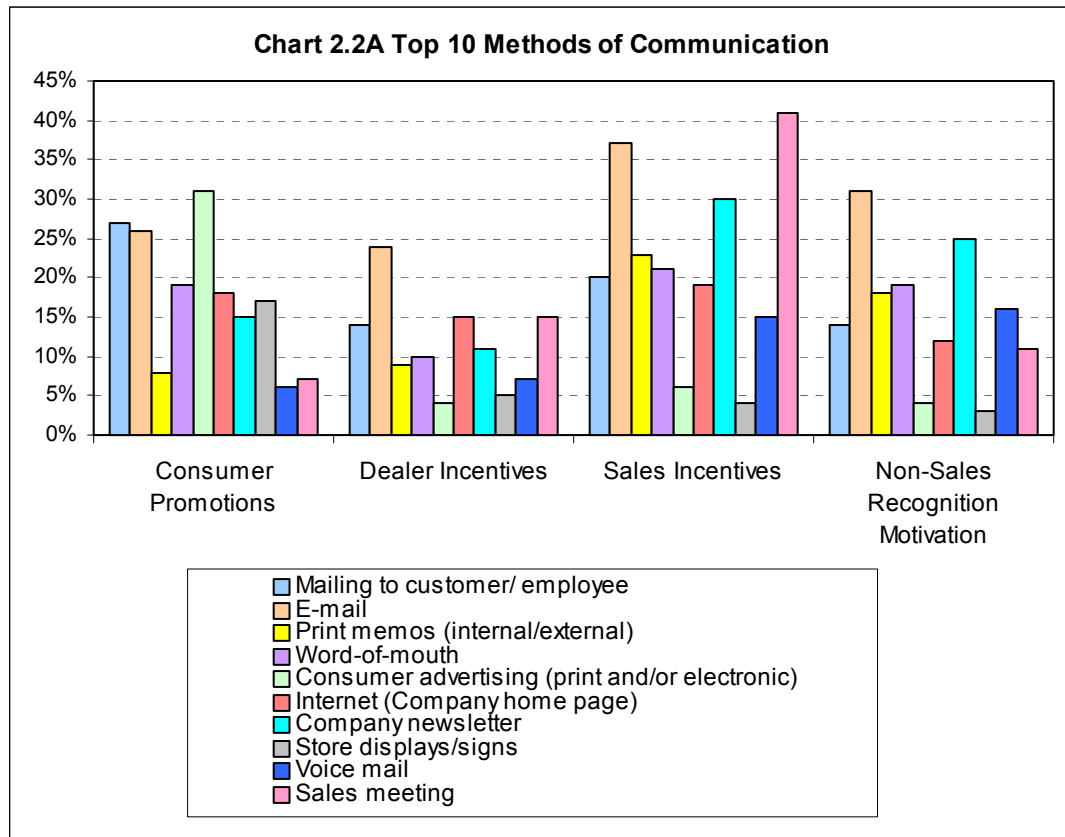


- In terms of specific types of incentives or awards, more respondents indicate that *merchandise incentives and travel incentives are more compelling than cash*. (See **Details**).
 - About four of five respondents believe that *travel awards and merchandise awards are remembered longer than cash awards*.
 - Almost two-thirds of the respondents feel that *cash awards are remembered for the shortest time*.
 - Furthermore, about three-fourths of respondents agree that *they can build a more exciting, memorable program around travel or merchandise than cash*.
 - Respondents feel that three out of five (60%) of employees see cash as a part of their compensation package.

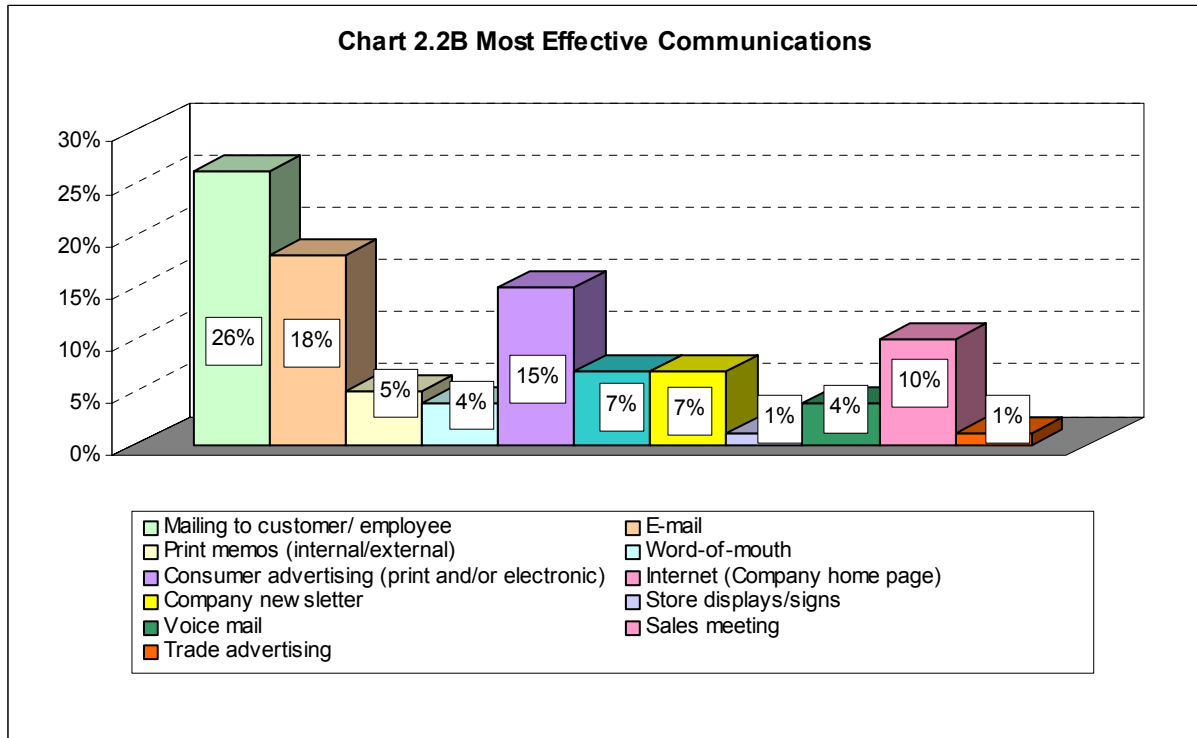
- In general, respondents *use more than one type of supplier for their incentive applications*. (See **Details**).
 - Those who are “heavy” users of incentive programs (defined as 8 or more programs per year) generally use more types of suppliers than either “moderate” users (defined as 4 to 7 programs per year) or “light” users (1 to 3 programs per year).
- Respondents use a variety of suppliers for their incentive applications; e-commerce (the Internet) continues to grow (see **Details**).
 - About one in five respondents *use the Internet for consumer programs (22%), sales incentives (20%), and non-sales employee programs (22%)*. Fourteen percent of respondents use the Internet when buying merchandise for dealer incentives.
 - However, *usage of the Internet is higher in the segment of users of online incentive programs* when buying items for all applications. Internet usage also is slightly higher in the segment of “moderate” users when buying merchandise for consumer promotions and for non-sales recognition/motivation.

2.2 Communications Methods

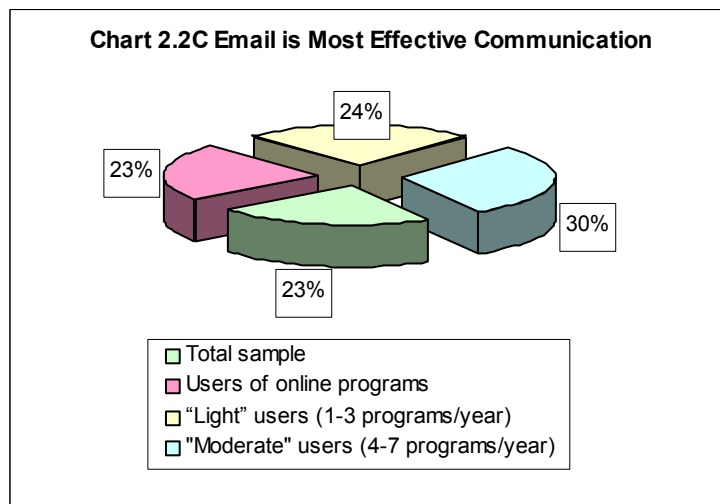
- *Mailings to customers/employees* and *e-mail* are two of the most widely used communications methods to communicate the incentive programs under consideration.
- In addition, there are other communication methods that are important for different types of incentive programs, summarized as follows:
 - Consumer promotions: *consumer advertising (print and/or electronic), word-of-mouth, and Internet (company home page)*.
 - Sales incentives: *company newsletter* and *sales meetings*.
 - Dealer incentives: *Internet (company home page)* and *sales meetings*.
 - Non-sales recognition/motivation: *bulletin boards, company newsletters, and Intranet (LAN)*
 - Manufacturer representatives are often involved in selling products to other suppliers, including middlemen, incentive companies, sales promotion and advertising agencies, etc.



- According to more respondents, *e-mail*, *mailings to customers/employees* and *consumer advertising (print and/or electronic)* are among the most effective communications methods overall.

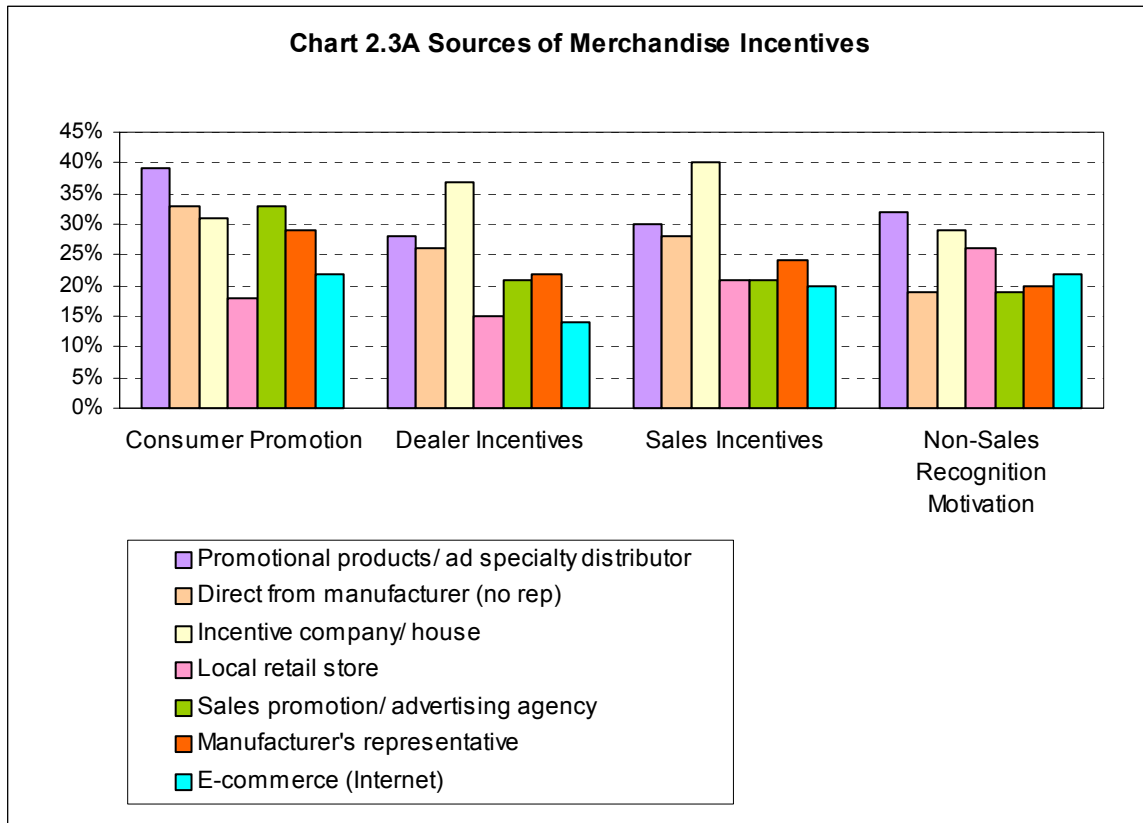


- E-mail is the most effective communication method according to slightly more of the “moderate” users of incentive programs.

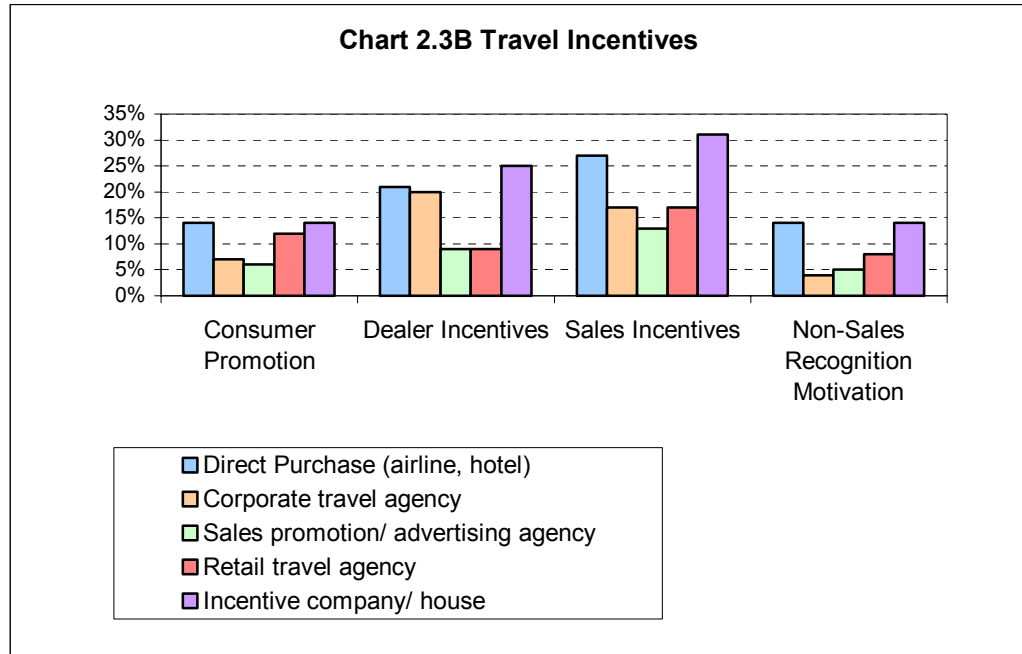


2.3 Types of Suppliers Used

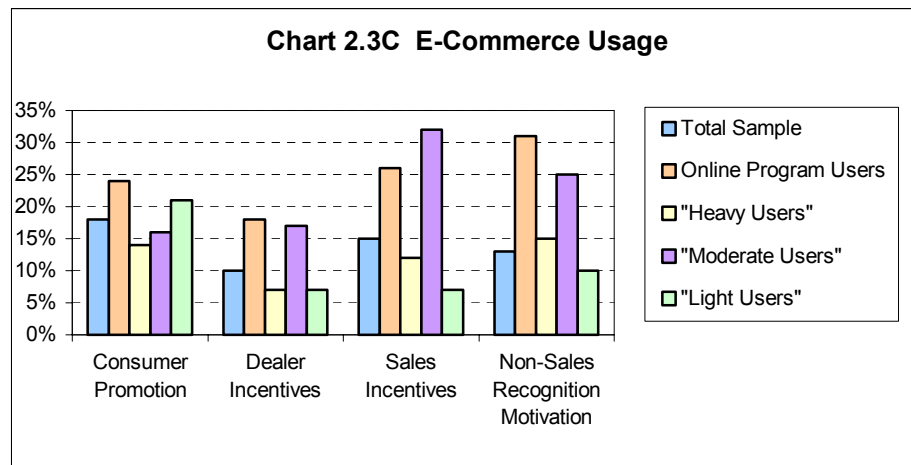
- When buying Merchandise Incentives, the main types of suppliers or sources are nearly identical for consumer promotions, sales incentives, dealer incentives, and non-sales recognition/motivation. *Promotional products/ad specialty distributors, direct from the manufacturer (no rep), and incentive company/house* are important sources for each type of motivation application.
- *Sales promotion/advertising agency and manufacturer's representative also are important for consumer promotions; and local retail store and manufacturer's representative also are important for non-sales recognition/motivation.*



- When buying Travel Incentives, *direct purchase and incentive company/house* are the main sources for all four applications investigated in this study. Corporate travel agencies also are an important source for dealer incentives.



- Although participants are using a variety of suppliers for their incentive applications, *e-commerce (the Internet) continues to grow as a source for incentive applications*. Overall, in the total sample e-commerce usage ranges from 1 in 10 respondents for dealer incentives to about 2 in 10 respondents for consumer promotions.
 - E-commerce usage is slightly higher among online program users across all applications.
 - E-commerce usage also is slightly higher among “moderate” users for sales incentives and non-sales recognition motivation, and among “light” users for consumer promotions.



2.4 Usage Expectations

- In terms of merchandise items, there are some similarities and some differences in the most popular items that respondents would be most likely to use.
 - For example, *gift certificates* and *electronic items* are popular items for all four applications.
 - In addition to gift certificates and electronic items,
 - *Writing instruments, food and beverages, and apparel* are popular for consumer/ user promotions.
 - *Food and beverages, watches and clocks, apparel, and sporting goods* are used frequently for dealer promotions.
 - For sales incentive programs, *plaques and trophies, watches and clocks, apparel and food and beverages* are popular.
 - For non-sales employee awards *plaques and trophies, watches and clocks and apparel* incentives continue to rate highly – most likely because respondents have included advertising specialty items such as t-shirts and caps.
- * *Electronic items include cameras and accessories; computers, accessories and software; home entertainment such as television; and telephone-related items.*
- The most popular items are:

Consumer/ User Promotions		
1	Gift certificates	58%
2	Electronic Items:	
	Cameras and accessories	19%
	Computers, accessories, software	28%
	Home entertainment	15%
	Telephone-related	9%
3	Writing instruments	32%
4	Food & Beverage	31%
5	Apparel	30%
6	Watches & clocks	25%
6	Plaques & trophies	25%
6	Tools & flashlights	25%

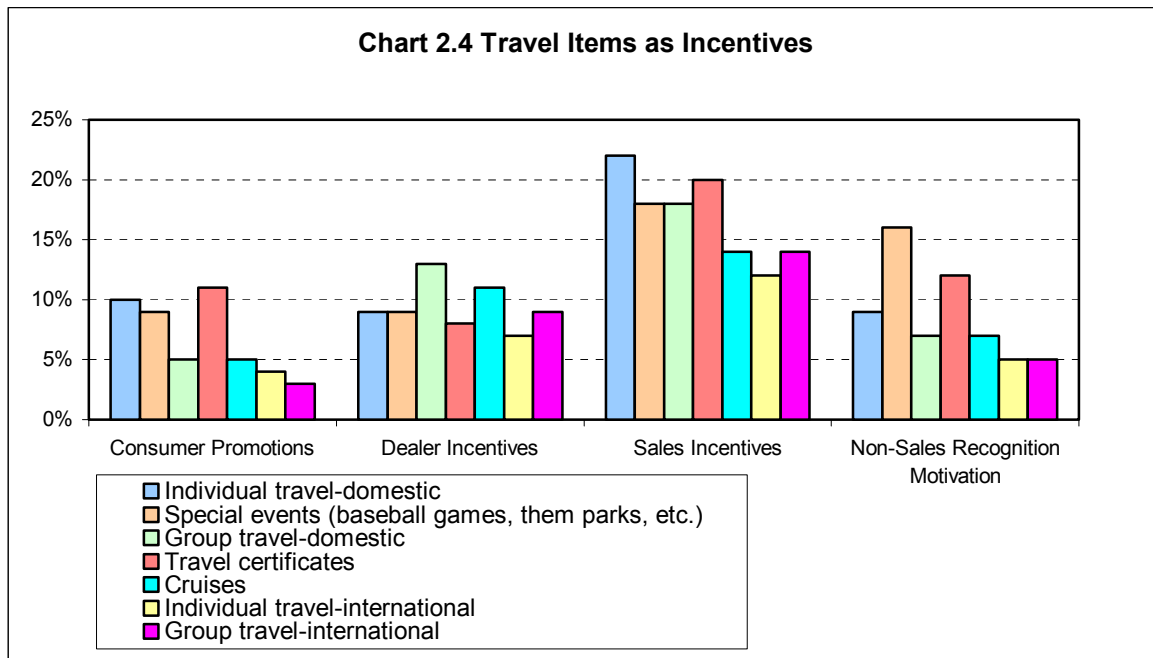
Dealer Incentives		
1	Gift certificates	49%
2	Electronic Items:	
	Cameras and accessories	22%
	Computers, accessories, software	30%
	Home entertainment	14%
	Telephone-related	7%
3	Food & Beverage	27%
4	Watches & clocks	24%
4	Apparel	24%
4	Sporting goods	24%

Sales Incentives		
1	Gift certificates	59%
2	Electronic Items:	
	Cameras and accessories	28%
	Computers, accessories, software	40%
	Home entertainment	25%
	Telephone-related	14%
3	Plaques & Trophies	39%
4	Watches & clocks	36%
5	Apparel	32%
6	Food & Beverage	31%

Non-Sales Employee Awards		
1	Gift certificates	62%
2	Electronic Items:	
	Cameras and accessories	24%
	Computers, accessories, software	22%
	Home entertainment	22%
	Telephone-related	14%
3	Plaques & trophies	48%
4	Watches & clocks	40%
5	Apparel	37%
6	Food & Beverage	30%

There also are similarities and differences in plans for travel items.

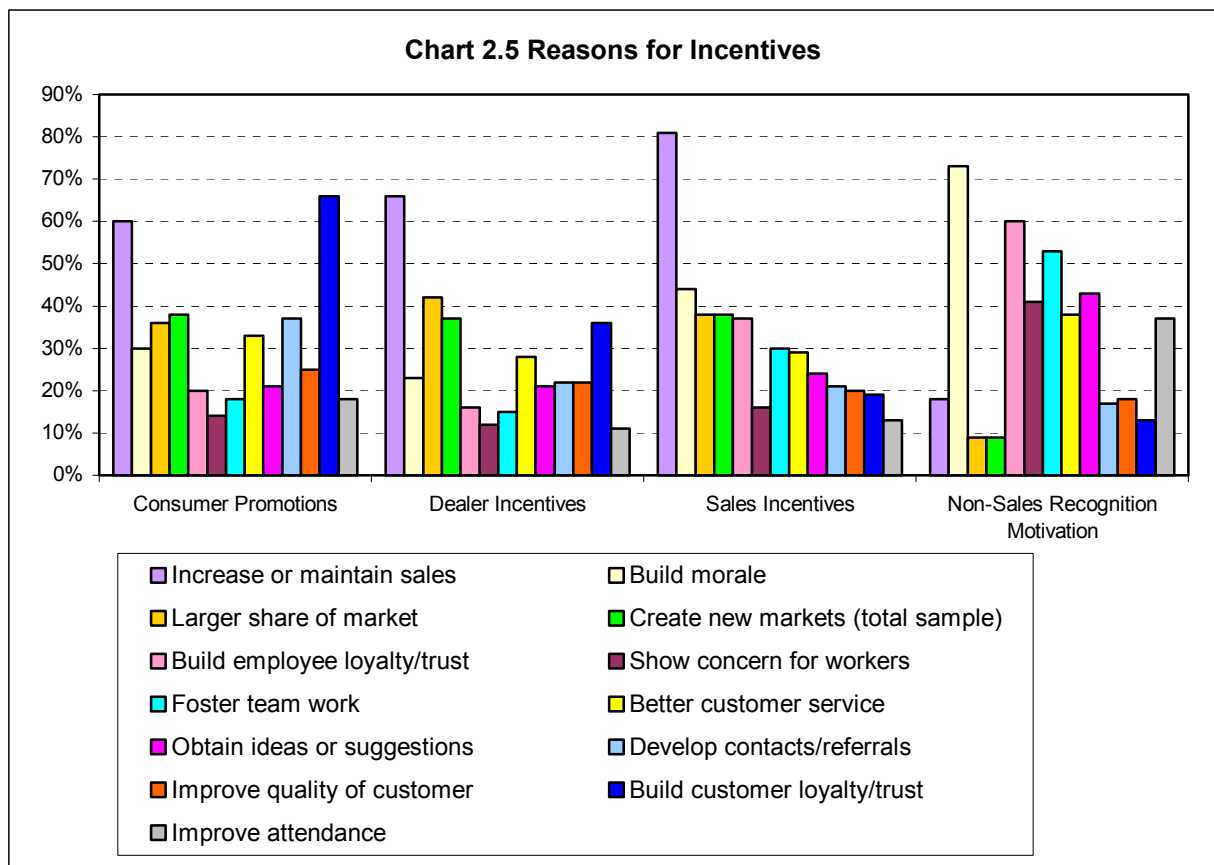
- *Individual travel (domestic)* and *travel certificates* are popular in plans for consumer promotions and sales incentives.
- *Group travel (domestic)* and *cruises* are popular in plans for dealer incentives.
- *Special events* and *travel certificates* are popular travel items for non-sales recognition/ motivation.



- In general, “heavy” users are more likely to use a wider variety of items than “moderate” users or “light” users.

2.5 Setting Objectives and Crafting Incentive Programs

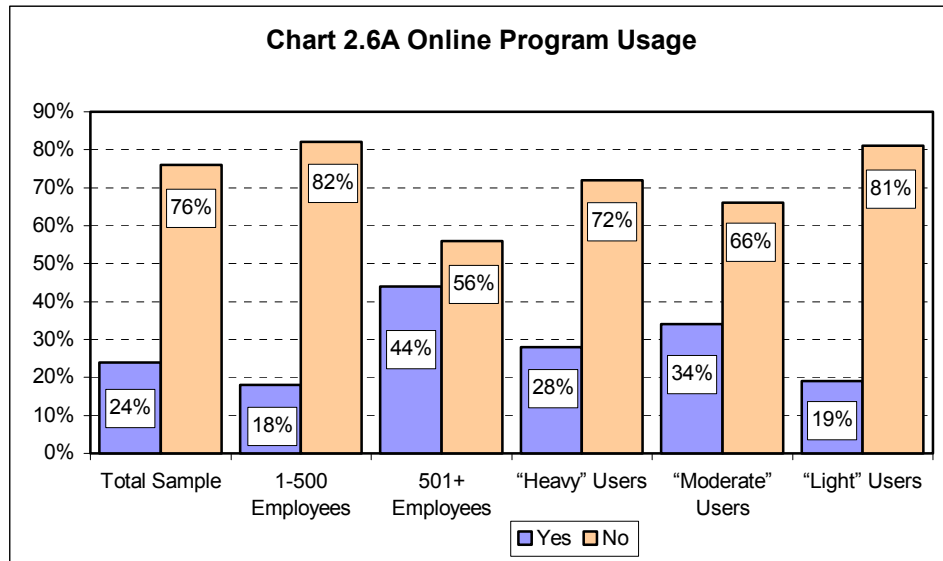
- Some of the *main objectives for consumer promotions, sales incentives and dealer incentives are similar*:
 - *Increase or maintain sales* is a common objective for consumer promotions, sales incentives, and dealer incentives.
 - *Create new markets and larger share of market* are other common goals for consumer promotions, sales incentives, and dealer incentives. *Create new markets* is a particularly important objective for sales incentives and dealer incentives among users of online incentive programs, “heavy” users, and “moderate” users.
 - *Build customer loyalty/trust* also is an important goal for consumer promotions.
- By contrast, the main objectives set for non-sales recognition/motivation programs are very different. For example, the most common *objectives for non-sales recognition motivation programs are better customer service, build morale, foster teamwork, and obtain ideas or suggestions*.



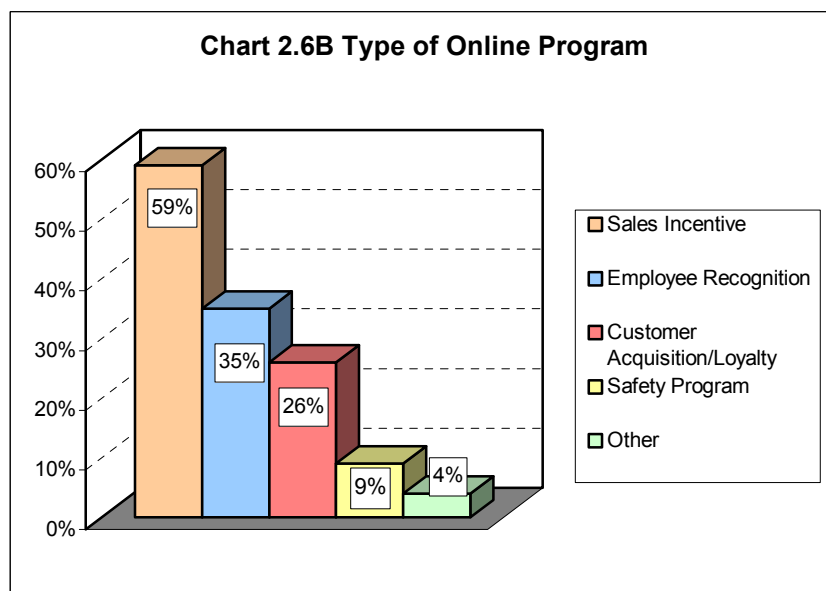
- There are *similarities and differences in the factors considered in crafting a program for each incentive application*.
 - Important considerations across all four applications are *cost versus shared result, freshness (unique) over time, perceived value, and ease of administration*.
 - *Ease of administration* is especially important across all four applications to online users and to “moderate” users.
 - *Being fair to everyone* is important for sales incentives, dealer incentives, and non-sales recognition/motivation.
 - *Profitability* is another important consideration for consumer promotions and sales promotions according to online users, “heavy” users, and “moderate” users.

2.6 Use or Non-Use of Online Incentive Programs

- About 1 in 4 respondents (24%) have ever run an incentive program online (up from 19% in 2003). However, 44% of the larger companies have run online programs.



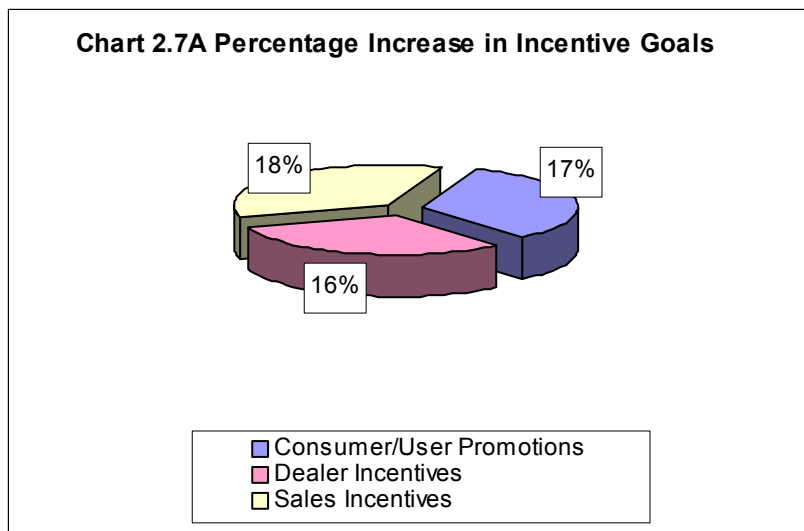
- Over half of the online programs (59%) were sales incentive programs.
- Employee recognition programs and customer acquisition programs each represented about one-third (36%) and one-fourth (26%) of the online incentive programs.



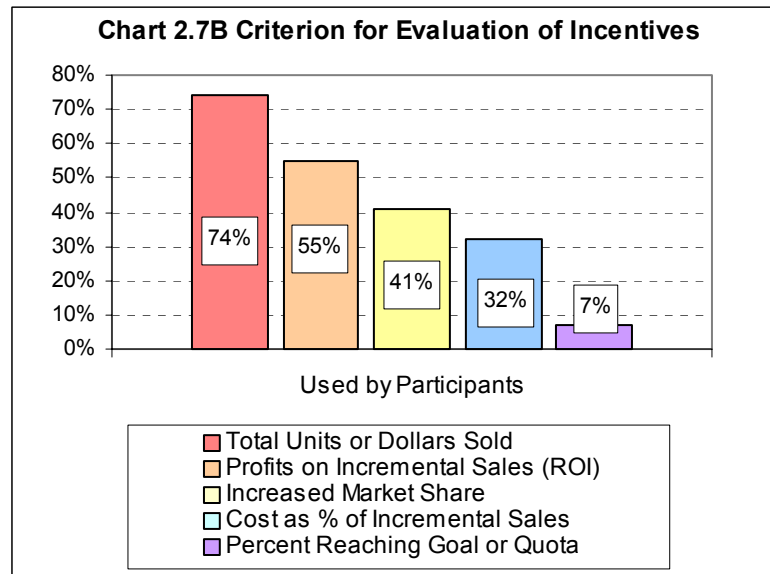
- *Being unsure of how the program would work* is a common reason for not using an online incentive program, according to 38% of non-users of online incentive programs.
- About 1 in 5 respondents (21%) have not run an online incentive program because they feel that *most of their potential participants have limited access to the Internet*.
- Relatively few non-users (7%) have not used an online incentive program because it costs too much.

2.7 Program Goals and Evaluation of Results

- When respondents set incentive goals, *there is very little difference in the percentage increase in volume required for consumer/user promotions, sales incentives, or dealer incentives*. The percentage increase ranges from 16% to 18% for the total sample.

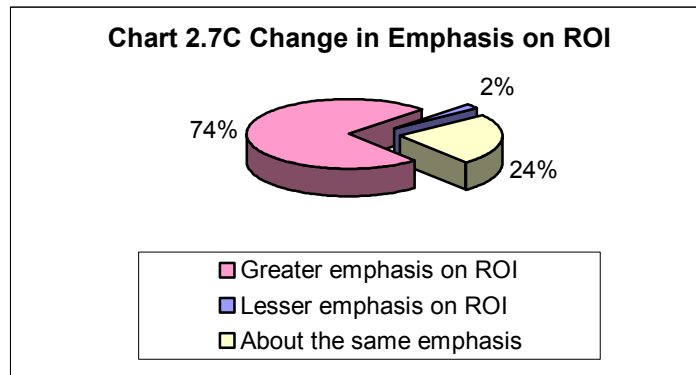


- The percentage of programs reaching their volume increase goals is very similar for dealer incentives and sales incentives and for consumer/user promotions. In the total sample, 3 of 5 (60%) of sales incentive programs reach their goals, followed by dealer incentives (59%) and consumer/user promotions (55%).



- Online users report that slightly more sales incentive programs (63%) and more dealer incentives (64%) reach their goals. However, slightly fewer consumer/user promotions (50%) reach their goals versus the total sample.
- The two most widely used measures for basing quotas for sales improvement programs are previous sales for established duration and sales forecasts.
 - More heavy users (68%) and online users (80%) use previous sales for established duration versus the total sample (60%).
 - Similarly, more heavy users (60%) and online users (57%) use sales forecasts versus the total sample (51%).

- The most widely used criterion for evaluating sales improvement incentive programs is *total units or dollars sold*. This criterion is used by about 3 out of 4 respondents (74%) and by about 4 of 5 of the “heavy” users and online users (79% for each segment).
 - *ROI is used by about one half of the total sample (55%);* however, more “heavy” users (44%) and online users (40%) rely on ROI to evaluate their programs.
 - *Increased market share* also is used by about 4 in 10 of all respondents (41%). Again, more “heavy” users (40%) and online users (42%) use increased market share to evaluate their programs.
- In the past two years, *almost 3 of 4 of respondents (74%) are placing greater emphasis on ROI as an evaluation criterion.*



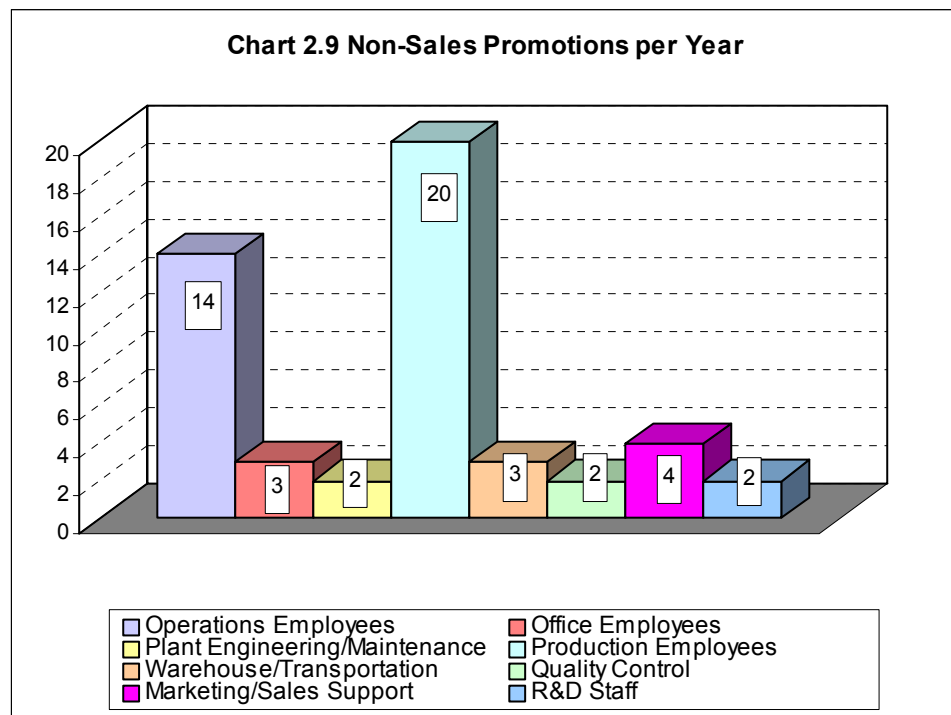
- About 1 in 4 respondents (24%) is placing about the same emphasis on ROI in the past two years.
- Very few (2%) are placing less emphasis on ROI in the past two years.

2.8 Number of Incentive Programs Annually

- Respondents conduct slightly more sales incentive programs (9) in a year than either consumer/user promotions (7) or dealer incentives (6).
- On average, the duration of each type of program ranges from 3 months (consumer/user promotions) to 5 months (sales incentives).

2.9 Non-Sales Recognition/Motivation

- Most non-sales motivation and incentive programs are targeted to production employees (20 programs per year) and to operations employees (14 programs per year.) The remaining employee groups (marketing/sales support, warehouse/ transportation, office employees, plant engineering/maintenance, quality control, and R&D staff) typically are the targets of 4 programs or fewer per year.



2.10 Non-Cash Incentives Allocation

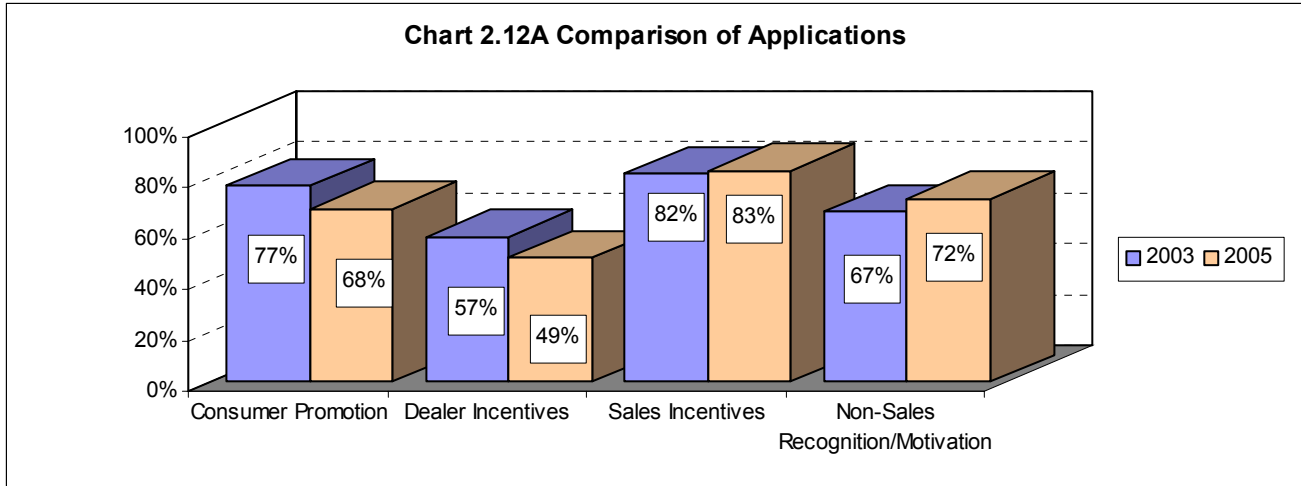
- *Over half of the total cost of non-cash incentives (52%) is for merchandise awards. Travel awards and recognition awards comprise relatively less of the total cost of non-cash incentives, at 25% and 23% respectively of the total cost.*

2.11 Thoughts about Cash Compared to Travel and Merchandise

- *Three of 5 respondents agree that a cash payment is perceived to be part of an employee's total remuneration package.*
- *About 4 of 5 respondents (78%) perceive that travel is remembered longer than cash; about 4 of 5 (84%) agree that merchandise is remembered longer than cash. Nearly two-thirds of respondents (62%) feel that cash is remembered for the shortest time.*
- *Approximately 3 of 4 respondents (74%) agree that they can build a more exciting, memorable program around travel than around cash.*
- *Similarly, about 3 of 4 respondents (73%) agree that they can build a more exciting, memorable program around merchandise than around cash.*
- *Slightly more than half of the respondents (53%) agree that employees tend to look at bonus payments as something they are due as part of their compensation package.*

2.12 Comparison of the 2003 and 2005 IFI Surveys

- Applications



- Types of Suppliers Used

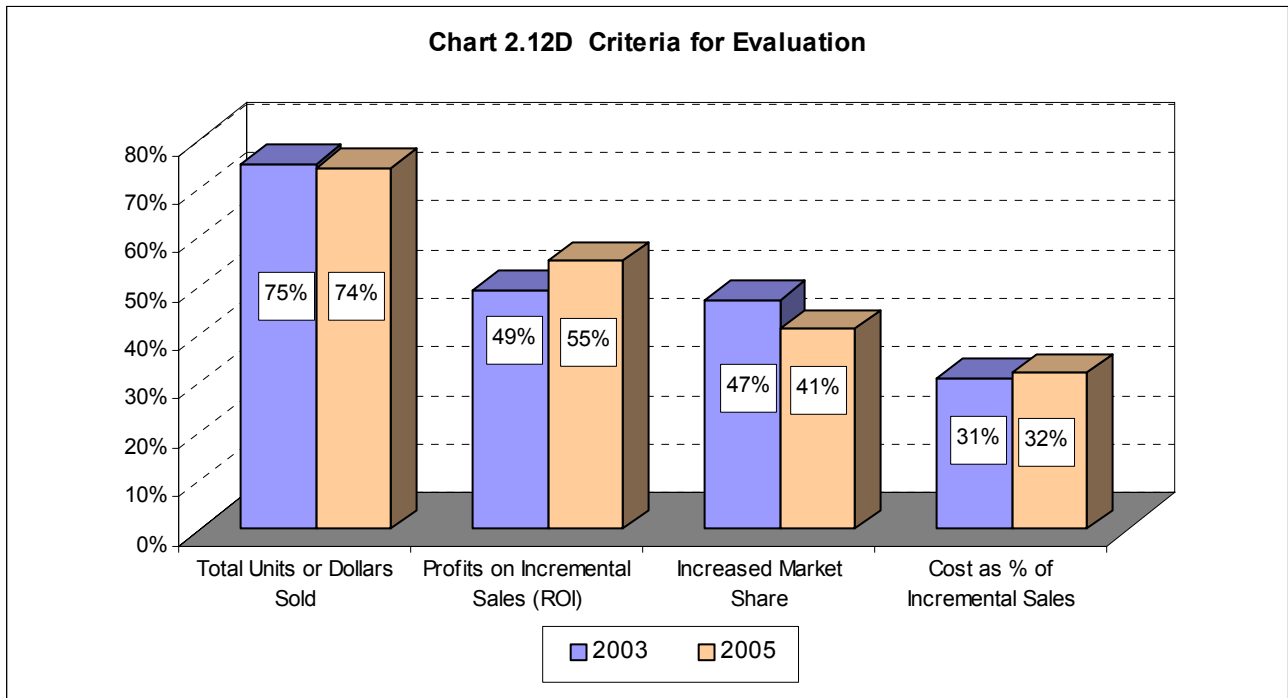
2.12B Merchandise Incentives	Consumer Promotion		Dealer Incentives		Sales Incentives		Non-Sales Recognition	
	2003	2005	2003	2005	2003	2005	2003	2005
Promotional products/ ad specialty distributor	35%	39%	26%	28%	39%	30%	29%	32%
Direct from manufacturer (no rep)	37%	33%	31%	26%	34%	28%	30%	19%
Incentive company/ house	32%	31%	24%	37%	37%	40%	31%	29%
Local retail store	23%	18%	16%	15%	27%	21%	30%	46%
Sales promotion/ advtg. Agency	28%	33%	17%	21%	24%	21%	13%	19%
Manufacturer's rep *	21%	29%	20%	22%	27%	24%	17%	20%
E-commerce (Internet)	19%	22%	12%	14%	14%	20%	17%	22%

* *Manufacturer representatives are often involved in selling products to other suppliers, including middlemen, incentive companies, sales promotion and advertising agencies, etc.*

2.12C Travel Incentives	Consumer Promotion		Dealer Incentives		Sales Incentives		Non-Sales Recognition	
	2003	2005	2003	2005	2003	2005	2003	2005
Direct Purchase (airline, hotel)	21%	14%	16%	21%	31%	27%	22%	14%
Corporate travel agency	12%	7%	14%	20%	29%	17%	11%	4%
Sales promotion/ advtg. Agency	14%	6%	13%	9%	15%	13%	7%	5%
Retail travel agency	13%	12%	12%	9%	18%	17%	12%	8%
Incentive company/ house	12%	14%	14%	25%	18%	31%	7%	14%

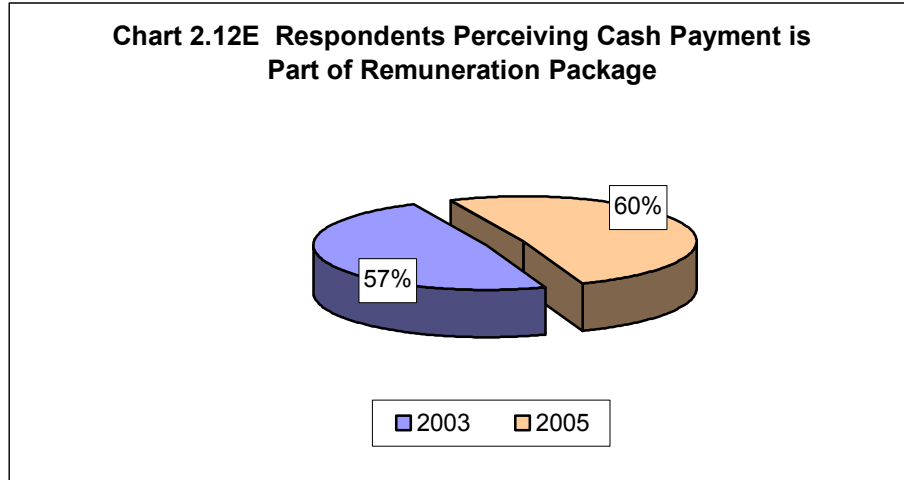
- **Criteria for Evaluation Sales Improvement Incentive Programs**

- ROI, as a criterion for program evaluation, showed an increase over 2003.



- **Cash as an Incentive**

- Cash payments continue to be viewed as part of their remuneration package rather than a reward/ incentive.



3.0 Implications

- Findings from the 2005 survey of current users indicate a continuing opportunity for suppliers of merchandise and travel items for motivational applications. Based on the 2005 survey's findings, it appears that users plan to continue using a variety of merchandise items and travel items for each of the four motivational applications investigated in this study.
- Heavy users (7+ programs per year) represent a key target and opportunity for the incentive industry.
 - In findings that are consistent with the 2003 survey, heavy users in 2005 not only execute more programs per year than other users, but also use a wider variety of suppliers for their merchandise and travel incentive needs.
 - In addition, heavy users indicate that their plans include using a wider variety of merchandise items in particular as compared to other users.
- To gain a competitive edge, companies and agencies involved in the supply side of the incentive industry should keep in mind users' key program objectives. Suppliers may stand out versus their competitors if they can help users choose incentives that are targeted specifically to achieving their key objectives.
 - Based on the 2005 survey, suppliers should offer items that support users' key objectives such as increasing sales and market share, creating new markets, and building loyalty among customers or employees, for example.
- Suppliers also may gain a competitive advantage by being attuned to users' main considerations as they develop motivational programs and choose incentives.
 - According to the 2005 survey, suppliers should address users' key needs and concerns in terms of the cost, profitability, uniqueness or freshness, and ease of administration of the merchandise and travel items they offer.
- A noteworthy finding in the 2005 survey is that ROI appears to be increasingly important as an evaluation criterion for users. Nearly 3 of 4 users in this survey indicate that they are placing more emphasis on ROI when they evaluate the results of their motivational incentive programs.
 - To interest users, suppliers should gear their communications toward helping users realize tangible rewards and meaningful value for their investment in incentive programs.
 - Offering a "guaranteed return" can be very compelling to users, if suppliers can support this promise.

- There has been an increase overall in usage of the Internet for running incentive programs in the 2005 survey versus the 2003 survey.
 - The incidence of using the Internet for running programs appears to be higher in 2005 among “moderate” users than the average. It may be that the Internet is a particularly attractive vehicle for running an incentive program to users who are not accustomed to running a large number of programs per year.
 - There also appears to be more usage of the Internet for incentive programs among larger companies (501+ employees) who participated in this survey. To larger companies, the Internet may be an efficient way to run larger programs.
 - Suppliers should continue to keep a presence on the Internet to attract users who are looking for incentive ideas and for suppliers.
 - In addition, suppliers should offer guidance and support in executing Internet-based incentive programs, given that not knowing how to run an Internet-based incentive program is a barrier to over half of the non-users of online incentive programs.
 - Although the Internet still is not widely used to execute incentive programs, the Internet emerges in this study as one of the two most effective ways for users to communicate incentive program details to participants. An opportunity for suppliers looking for a competitive edge may be to offer assistance to users with their e-mail notification of program details.

4.0 Details

4.1 Communications Methods

Question: *Which of the communications methods listed below have you used within the past 12 months to communicate your incentive programs to the intended recipients? Which one, in your opinion, is most effective?*

Summary of Findings:

- Two communications methods tend to be the most widely used to communicate each type of incentive program under consideration. These methods are mailings to customers/employees and e-mail.
- In addition, there are other communication methods that are uniquely important for different types of incentive programs.
 - For example, consumer advertising (print and/or electronic), word-of-mouth, and Internet are other important communication methods for consumer promotions.
 - Company newsletter and sales meetings are important for communicating sales incentives.
 - Internet (company home page) and sales meetings are important for communicating dealer incentives.
 - Bulletin boards, company newsletters, and Intranet (LAN) are important for non-sales recognition/motivation.

- More respondents indicate that e-mail, mailings to customers/employees and consumer advertising (print and/or electronic) are among the most effective communications methods overall.

Table 4.1A Communications Methods Used	Consumer Promotions	Dealer Incentives	Sales Incentives	Non-Sales Recognition Motivation
Mailing to customer/employee	26%	20%	27%	14%
E-mail	26%	24%	37%	31%
Print memos (internal/external)	8%	9%	23%	18%
Word-of-mouth	19%	10%	21%	19%
Consumer advertising (print and/or electronic)	31%	4%	6%	4%
Internet	18%	15%	19%	12%
Company newsletter	15%	11%	30%	25%
Store displays/signs	17%	5%	4%	3%
Voice mail	6%	7%	15%	16%
Sales meeting	7%	15%	41%	11%
Trade advertising	10%	8%	4%	2%
Bulletin boards	10%	7%	18%	35%
Union meetings	1%	1%	1%	1%
Pre-show announcements	10%	12%	11%	5%
Lunchroom displays	3%	4%	12%	18%
Employee reviews	2%	2%	13%	13%
Intranet (LAN)	6%	6%	23%	20%

- As shown below, slightly more of the “moderate” users (4-7 programs per year) of incentive programs indicate that e-mail is the most effective communications method overall.

Table 4.1B E-mail as Communication	“E-mail” is most effective communication
Total sample	18%
Users of online programs	18%
“Light” users (1-3 programs/year)	19%
“Moderate” users (4-7 programs/year)	23%

4.2 Type of Suppliers Used

Question: For each motivation application used in your organization, please indicate the type(s) of supplier you use. (multiple answers allowed)

Summary of Findings:

- When buying Merchandise Incentives, the main types of suppliers or sources are nearly identical for consumer promotions, sales incentives, dealer incentives, and non-sales recognition/motivation. Promotional products/ad specialty distributors, direct from the manufacturer (no rep), and incentive company/house are important sources for each type of motivation application. Additional important sources for two applications are as follows:
 - Consumer promotions: sales promotion/ advertising agency and manufacturer's representative.
 - Non-sales recognition/motivation awards: local retail store and manufacturer's representative.
- When buying Travel Incentives, direct purchase and incentive company/house are the main sources for consumer promotions, sales incentives, dealer incentives, and non-sales recognition/motivation. Corporate travel agencies also are an important source for dealer incentives.

Table 4.2A Merchandise Incentives	Consumer Promotion	Dealer Incentives	Sales Incentives	Non-Sales Recognition Motivation
Promotional products/ ad specialty distributor	39%	28%	30%	32%
Direct from manufacturer (no rep)	33%	26%	28%	19%
Incentive company/ house	31%	37%	40%	29%
Local retail store	18%	15%	21%	26%
Sales promotion/ advertising agency	33%	21%	21%	19%
Manufacturer's representative *	29%	22%	24%	20%
E-commerce (Internet)	22%	14%	20%	22%

**Manufacturer representatives are often involved in selling products to other suppliers, including middlemen, incentive companies, sales promotion and advertising agencies, etc.*

Table 4.2B Merchandise Incentives, Heavy Users	Consumer Promotion	Dealer Incentives	Sales Incentives	Non-Sales Recognition Motivation
Promotional products/ ad specialty distributor	42%	43%	37%	37%
Direct from manufacturer (no rep)	47%	46%	35%	37%
Incentive company/ house	36%	46%	54%	41%
Local retail store	11%	4%	23%	41%
Sales promotion/ advtg. Agency	50%	32%	28%	26%
Manufacturer's representative	42%	29%	30%	26%
E-commerce (Internet)	14%	7%	12%	15%

- In general, those who are “heavy” users of incentive programs (7+ programs per year) generally use more types of suppliers than either “moderate” users (4 to 7 programs per year) or “light” users (1 to 3 programs per year.) They tend to use more types of suppliers for both merchandise incentives and travel incentives.
- Although respondents use a variety of suppliers for their incentive applications, e-commerce (the Internet) still is not widely used as a source for incentive applications. In the total sample, e-commerce usage ranges from 1 in 10 respondents for dealer incentives to about 2 in 10 respondents for consumer promotions. However, usage is slightly higher among online program users across all applications. E-commerce usage also is slightly higher among “moderate” users for sales incentives and non-sales recognition motivation, and among “light” users for consumer promotion.

Table 4.2C Travel Incentives	Consumer Promotion	Dealer Incentives	Sales Incentives	Non-Sales Recognition Motivation
Direct Purchase (airline, hotel)	14%	21%	27%	14%
Corporate travel agency	7%	20%	17%	4%
Sales promotion/ advtg. Agency	6%	9%	13%	5%
Retail travel agency	12%	9%	17%	8%
Incentive company/ house	14%	25%	31%	14%

Table 4.2D Travel Incentives, Heavy Users	Consumer Promotion	Dealer Incentives	Sales Incentives	Non-Sales Recognition Motivation
Direct Purchase (airline, hotel)	19%	32%	33%	15%
Corporate travel agency	8%	29%	23%	4%
Sales promotion/ advtg. Agency	8%	14%	21%	11%
Retail travel agency	8%	7%	16%	7%
Incentive company/ house	19%	36%	42%	15%

Table 4.2E Usage of E-Commerce (Internet)	Consumer Promotion	Dealer Incentives	Sales Incentives	Non-Sales Recognition Motivation
Total Sample	18%	10%	15%	13%
Online Program Users	24%	18%	26%	31%
"Heavy Users"	14%	7%	12%	15%
"Moderate Users"	16%	17%	32%	25%
"Light Users"	21%	7%	7%	10%

4.3 Usage Expectations

Question: *Which merchandise and travel items might your organization use for each of the applications? (multiple answers allowed)*

Summary of Findings:

- There are some similarities and some differences with respect to the most popular merchandise items.

Please note:

For research purposes we divided electronic items into four areas: cameras and accessories; computers, accessories, and software; home entertainment; and telephone-related. While the individual research results are interesting, all four can be considered a single category – “Electronic items”. For this reason, in the following two charts, we have grouped them together.

- For example, gift certificates and electronics are popular items for programs in all four applications.
- “Apparel” probably contains advertising specialty merchandise, such as t-shirts, caps, etc.

Table 4.3A Merchandise Items: Total Sample	Sales Incentives	Consumer Promotions	Dealer Incentives	Non-Sales Recognition Motivation
Gift certificates	59%	55%	49%	62%
Electronic items:				
Computers, accessories, software	40%	28%	30%	22%
Cameras and accessories	28%	19%	22%	24%
Home entertainment	25%	15%	14%	22%
Telephone-related	14%	9%	7%	14%
Plaques & Trophies	39%	25%	18%	48%
Watches & clocks	36%	25%	24%	40%
Apparel	32%	30%	24%	37%
Food & Beverage	31%	31%	27%	30%
Sporting goods	28%	19%	24%	21%
Leather goods	28%	19%	18%	23%
Luggage	22%	12%	19%	16%
Outdoor leisure	20%	16%	11%	16%
Jewelry	20%	7%	8%	20%
Writing instruments	19%	32%	20%	25%
Tools/flashlights	18%	25%	12%	16%
Small appliances	15%	12%	11%	12%
Desk accessories	14%	24%	12%	22%
Books & informational media	14%	17%	10%	17%
Toys & games	12%	14%	7%	9%
Office equipment	12%	10%	8%	8%
Debit cards	11%	9%	10%	12%
Tableware	10%	9%	7%	24%
Automotive accessories	9%	11%	9%	10%
Home furnishings	9%	6%	4%	6%
Major appliances	8%	4%	6%	5%

Table 4.3B Merchandise Items: Heavy Users	Sales Incentives	Consumer Promotions	Dealer Incentives	Non-Sales Recognition Motivation
Gift certificates	67%	58%	54%	66%
Electronic items:				
Cameras and accessories	46%	35%	40%	31%
Home entertainment	45%	27%	35%	25%
Computers, accessories, software	41%	30%	28%	23%
Telephone-related	21%	18%	15%	16%
Plaques & Trophies	61%	22%	38%	49%
Watches & clocks	52%	33%	35%	42%
Apparel	47%	46%	35%	51%
Sporting goods	37%	31%	26%	35%
Luggage	37%	24%	23%	20%
Food & Beverage	33%	33%	27%	42%
Leather goods	33%	28%	30%	24%
Writing instruments	29%	39%	31%	33%
Desk accessories	29%	28%	22%	30%
Outdoor leisure	29%	21%	24%	21%
Small appliances	29%	19%	22%	14%
Jewelry	25%	12%	13%	20%
Toys & games	22%	18%	10%	18%
Tools/flashlights	21%	31%	23%	18%
Major appliances	19%	9%	14%	12%
Debit cards	17%	15%	15%	16%
Books & informational media	16%	24%	9%	13%
Home furnishings	16%	15%	14%	12%
Tableware	16%	16%	9%	19%
Office equipment	14%	18%	15%	20%
Automotive accessories	11%	14%	11%	12%

- The most popular items, by application, are:

Table 4.3C Most Popular Items					
Sales Incentives: Total			Sales Incentives: Heavy Users		
1	Gift certificates	59%	1	Gift certificates	67%
2	Electronic Items:		2	Electronic Items:	
	Cameras and accessories	28%		Cameras and accessories	46%
	Computers, accessories, software	40%		Computers, accessories, software	41%
	Home entertainment	25%		Home entertainment	45%
	Telephone-related	14%		Telephone-related	21%
3	Plaques & Trophies	39%	3	Plaques & Trophies	61%
4	Watches & clocks	36%	4	Watches & clocks	52%
5	Apparel	32%	5	Apparel	47%
6	Food & Beverage	31%	6	Luggage	37%
			6	Sporting goods	37%
Consumer/ User Promotions: Total			Consumer/ User Promotions: Heavy Users		
1	Gift certificates	58%	1	Gift certificates	55%
2	Electronic Items:		2	Electronic Items:	
	Cameras and accessories	19%		Cameras and accessories	35%
	Computers, accessories, software	28%		Computers, accessories, software	30%
	Home entertainment	15%		Home entertainment	27%
	Telephone-related	9%		Telephone-related	18%
3	Writing instruments	32%	3	Apparel	46%
4	Food & Beverage	31%	4	Writing instruments	39%
5	Apparel	30%	5	Watches & clocks	33%
6	Watches & clocks	25%	5	Food & Beverage	33%
6	Plaques & trophies	25%			
6	Tools & flashlights	25%			
Dealer Incentives: Total			Dealer Incentives: Heavy Users		
1	Gift certificates	49%	1	Gift certificates	54%
2	Electronic Items:		2	Electronic Items:	
	Cameras and accessories	22%		Cameras and accessories	46%
	Computers, accessories, software	30%		Computers, accessories, software	41%
	Home entertainment	14%		Home entertainment	45%
	Telephone-related	7%		Telephone-related	21%
3	Food & Beverage	27%	3	Watches & clocks	35%
4	Watches & clocks	24%	3	Apparel	35%
4	Apparel	24%	4	Plaques & trophies	34%
4	Sporting goods	24%	5	Leather goods	30%
Non-Sales Employee Awards: Total			Non-Sales Employee Awards: Heavy Users		
1	Gift certificates	62%	1	Gift certificates	66%
2	Electronic Items:		2	Electronic Items:	
	Cameras and accessories	24%		Cameras and accessories	31%
	Computers, accessories, software	22%		Computers, accessories, software	23%
	Home entertainment	22%		Home entertainment	25%
	Telephone-related	14%		Telephone-related	16%
3	Plaques & trophies	48%	3	Apparel	51%
4	Watches & clocks	40%	4	Plaques & trophies	49%
5	Apparel	37%	5	Watches & clocks	42%
6	Food & Beverage	30%	5	Food & Beverage	42%

There also are similarities and differences in plans for travel items.

- Individual travel (domestic) and travel certificates are popular in plans for consumer promotions and sales incentives.
- Group travel (domestic) and cruises are popular in plans for dealer incentives.
- Special events and travel certificates are popular travel items for non-sales recognition/motivation awards.

Table 4.3D Travel Items: Total Sample	Consumer Promotions	Dealer Incentives	Sales Incentives	Non-Sales Recognition Motivation
Individual travel-domestic	10%	9%	22%	9%
Special events (baseball games, them parks, etc.)	9%	9%	18%	16%
Group travel-domestic	5%	13%	18%	7%
Travel certificates	11%	8%	20%	12%
Cruises	5%	11%	14%	7%
Individual travel-international	4%	7%	12%	5%
Group travel-international	3%	9%	14%	5%

- In general, “heavy” users are more likely to use a wider variety of items than “moderate” users or “light” users.

Table 4.3E Travel Items: Heavy Users	Consumer Promotions	Dealer Incentives	Sales Incentives	Non-Sales Recognition Motivation
Individual travel-domestic	13%	17%	39%	19%
Special events (baseball games, them parks, etc.)	13%	13%	31%	26%
Group travel-domestic	7%	28%	22%	9%
Travel certificates	24%	7%	29%	16%
Cruises	13%	26%	29%	16%
Individual travel-international	11%	13%	22%	12%
Group travel-international	7%	20%	27%	7%

4.4 Setting Objectives and Crafting Incentive Programs

Question: Which of the objectives listed below do you most often set for incentive programs?

Summary of Findings:

- Some of the main objectives for consumer promotions, sales incentives and dealer incentives are similar:
 - Increase or maintain sales is a common objective for consumer promotions, sales incentives, and dealer incentives.
 - Create new markets and larger share of market are other common goals for consumer promotions, sales incentives and dealer incentives.
 - Build customer loyalty/trust is also an important goal for consumer promotions in particular.
- Create new markets is a particularly important objective for sales incentives and dealer incentives among users of online incentive programs, “heavy” users, and “moderate” users.

Table 4.4A Objectives for Incentive Programs	Consumer Promotions	Dealer Incentives	Sales Incentives	Non-Sales Recognition Motivation
Build customer loyalty/trust	66%	36%	19%	13%
Increase or maintain sales	60%	66%	81%	18%
Create new markets (total sample)	38%	37%	38%	9%
Online users segment	59%	43%	44%	17%
“Heavy” users segment	48%	41%	48%	10%
Develop contacts/referrals	37%	22%	21%	17%
Larger share of market	36%	42%	38%	9%
Better customer service	33%	28%	29%	38%
Build morale	30%	23%	44%	73%
Improve quality of customer	25%	22%	20%	18%
Obtain ideas or suggestions	21%	21%	24%	43%
Build employee loyalty/trust	NA	16%	37%	60%
Improve attendance	NA	11%	13%	37%
Foster team work	18%	15%	30%	53%
Show concern for workers	NA	12%	16%	41%
Safety: reduce claims/lost time	NA	11%	7%	27%
Greater middleman attention	3%	25%	9%	4%

- By contrast, the main objectives set for non-sales recognition/motivation programs are very different. For example, the most common objectives for non-sales recognition motivation programs are better customer service, build morale, foster teamwork, and obtain ideas or suggestions.

Question: Which of the factors or issues listed below are considered in crafting a program for each incentive application? (Multiple answers allowed)

Summary of Findings:

- There is more consistency in the factors considered in crafting a program for each incentive application.
 - For example, about half of the respondents or more indicate that having a lasting impression, cost vs. desired result, good appeal, and perceived value are factors they consider for each incentive application.
 - Profitability is another important considerations for three types of applications: consumer promotions, sales incentives, and dealer incentives. Profitability is especially important to users of online incentive programs and to “heavy” users (7+ programs per year).
 - Being fair to everyone also is an important consideration for three of these applications: sales incentives, dealer incentives, and non-sales recognition/ motivation.
- For most applications (except dealer incentives), ease of administration tends to be relatively more important to “light” users of incentive programs (1-3 programs per year).

Table 4.4B Factors/Issues	Consumer Promotions	Dealer Incentives	Sales Incentives	Non-Sales Recognition Motivation
Have lasting impression	19%	18%	25%	20%
Cost vs. desired result	38%	29%	47%	32%
Good appeal	21%	18%	33%	28%
Perceived value	27%	24%	31%	22%
Profitability (total sample)	14%	12%	20%	9%
Online users segment	20%	11%	26%	13%
"Heavy" users segment	21%	19%	38%	14%
"Moderate" users segment	22%	16%	23%	15%
Ease of administration	23%	20%	28%	36%
Online users segment	30%	32%	45%	40%
"Heavy" users segment	24%	19%	34%	30%
"Moderate" users segment	37%	35%	33%	42%
Freshness (unique) over time	23%	20%	31%	27%
Fair to everyone	16%	20%	37%	41%
Matching program to audience	19%	17%	22%	18%
Comparable to prior programs	19%	20%	28%	26%
Potential damage to company image	9%	6%	6%	5%
Verification criteria (required action)	8%	7%	12%	5%

4.5 Use or Non-Use of Online Incentive Programs

Question: *Have you ever run an incentive program online?*

Summary of Findings:

- About 1 in 4 respondents (24%) have ever run an incentive program online. This is higher than in the 2003 survey (it was 19% then). There is a higher incidence of online incentive programs among companies with 501+ employees (44%) and among “heavy” users (28%) and “moderate” users (34%).

Table 4.5A Online Programs	Total Sample	1-500 Employees	501+ Employees	Heavy Users	Moderate Users	Light Users
Yes	24%	18%	44%	28%	34%	19%
No	76%	82%	56%	72%	66%	81%
Total	100%	100%	100%	100%	100%	100%

Question: *If so, what type of program was it?*

Summary of Findings:

- Among respondents who have ever run an incentive program online, over half of the online programs (59%) were sales incentive programs.
- About one-fifth of the online programs were employee recognition programs (35%) or were customer acquisition/loyalty programs (26%).

Table 4.5B Type of Online Program	
Sales Incentive	59%
Employee Recognition	35%
Customer Acquisition/Loyalty	26%
Safety Program	9%
Other	4%

Please note:

The questionnaire requested the “most recent program.” However a number of respondents reported more than one program.

Question: *If you've never run an online incentive program, please indicate why.*

Summary of Findings:

- Being unsure of how the program would work is a common reason for not using an online incentive program according to 38% of non-users of online incentive programs.
- About 1 in 5 respondents (21%) have not run an online incentive program because most participants have limited access to the Internet.
- Relatively few non-users (7%) have not used an online incentive program because it costs too much.

Table 4.5C Reasons for No Online Programs	
Not sure how it would work	38%
Most participants have limited access to the Internet	21%
Costs too much	7%
Other	18%

4.6 Program Goals and Evaluation of Result

Question: *What percentage increase in volume do you usually set as incentive goal(s)?*

Summary of Findings:

- When respondents set incentive goals, there is very little difference in the percentage increase in volume required for consumer/user promotions, sales incentives, or dealer incentives. The percentage increase ranges from 16% to 18% for the total sample.
- The percentage increase in volume required is very slightly higher (18% to 19%) among heavy users for all three types of programs. It also is very slightly higher among online users (18% to 19%) for consumer/user promotions and sales incentives.

Table 4.6A Percentage Increase in Volume	Total Sample	Heavy Users	Online Users
Consumer/User Promotions	17%	19%	18%
Dealer Incentives	16%	18%	12%
Sales Incentives	18%	19%	19%

Question: *What percentage of programs reaches their goals?*

Summary of Findings:

- The percentage of programs reaching their volume increase goals is very similar for dealer incentives and sales incentives and for consumer/user promotions. In the total sample, 3 of 5 (60%) of sales incentive programs reach their goals, followed by dealer incentives (59%) and consumer/user promotions (55%).
- By contrast, online users report that slightly more sales incentive programs (63%) and more dealer incentives (64%) reach their goals. However, slightly fewer consumer/user promotions (50%) reach their goals versus the total sample.

Table 4.6B Percentage of Programs Reaching Goals	Total Sample	Heavy Users	Online Users
Consumer/User Promotions	55%	54%	50%
Dealer Incentives	59%	57%	64%
Sales Incentives	60%	58%	63%

Question: *On what do you base quotas for sales improvement programs? (multiple answers allowed)*

Summary of Findings:

- The two most widely used measures for basing quotas for sales improvement programs are previous sales for established duration and sales forecasts.
 - More heavy users (68%) and online users (80%) use previous sales for established duration versus the total sample (60%).
 - Similarly, more heavy users (60%) and online users (57%) use sales forecasts versus the total sample (51%).

- In addition, more heavy users and online users rely on percent above plan and potential revenues versus the total sample, although these measures are not as widely used overall.

Table 4.6C Base for Quotas	Total Sample	Heavy Users	Online Users
Previous sales for established duration	60%	68%	80%
Sales forecasts	51%	60%	57%
Percent above plan	29%	36%	37%
Potential revenues	18%	26%	25%
Distribution of product	11%	11%	10%
Existing contract continuance	7%	6%	16%
Based on competition	8%	13%	10%
Daily contacts	13%	13%	10%
Gross profit “trigger”	13%	15%	8%
Longevity in territory	5%	4%	8%
How quick to recover costs	5%	4%	8%
Reduce hours/increase gross sales	8%	13%	8%
Other	2%	0%	0%

Question: *What criteria do you use to evaluate your sales improvement incentive programs? (Multiple answers allowed)*

Summary of Findings:

- The most widely used criterion for evaluating sales improvement incentive programs is total units or dollars sold. This criterion is used by about 3 out of 4 respondents (74%) in the total sample and by about 4 of 5 of the “heavy” users and online users (79% for each segment respectively).
 - ROI is used by about one half of the total sample (55%).
 - Increased market share also is used by about 4 out of 10 of all respondents (41%). Again, more “heavy” users (40%) and online users (42%) use increased market share to evaluate their programs.

Table 4.6D Criteria for Evaluation of Incentives	Used by Participants	Heavy Users	Online Users
Total Units or Dollars Sold	74%	79%	79%
Profits on Incremental Sales (ROI)	55%	44%	40%
Increased Market Share	41%	40%	42%
Cost as % of Incremental Sales	32%	21%	19%
Percent Reaching Goal or Quota	7%	6%	4%

Question: *If you use ROI as an evaluation criterion, how has this changed in the past two years?*

Summary of Findings:

- In the past two years, almost 3 of 4 of respondents (74%) are placing greater emphasis on ROI as an evaluation criterion.
- About 1 in 5 respondents (24%) is placing about the same emphasis on ROI in the past two years.
- Almost no one (2%) is placing less emphasis on ROI in the past two years.

Table 4.6E Change in ROI as Evaluation of Incentives	Total Sample	Heavy Users	Online Users
Greater emphasis on ROI	74%	69%	71%
Lesser emphasis on ROI	2%	0%	2%
About the same emphasis	24%	31%	27%

4.7 Number of Incentive Programs Annually

Question: *Approximately how many incentive sales programs do you usually conduct in one year? Approximately how many months does each program run?*

Summary of Findings:

- Respondents conduct slightly more dealer incentive programs than Sales Incentive or Consumer/ User Programs.

Table 4.7 No. of Programs	Number per Year			Number of Months		
	Total Sample	Heavy Users	Online Users	Total Sample	Heavy Users	Online Users
Consumer/User Promotions	7	8	5	4	3	3
Dealer Incentives	6	7	4	4	5	6
Sales Incentives	9	12	5	5	5	5

- On average, the duration of each type of program ranges from 4 months (consumer/user promotions) to 5 months (sales incentives).

4.8 Non-Sales Recognition/ Motivation

Question: *Approximately how many NON-SALES (not directly connected to sales volume) motivation and incentive programs do you conduct in each of the following employee groups annually?*

Summary of Findings:

- Most non-sales motivation and incentive programs are targeted to production employees (20 programs per year) and to operations employees (14 programs per year.) Each of the remaining employee groups typically receives 4 programs or fewer each per year.

Table 4.8 Non-Sales Promotions	No. per Year
Operations Employees	14
Office Employees	3
Plant Engineering/Maintenance	2
Production Employees	20
Warehouse/Transportation	3
Quality Control	2
Marketing/Sales Support	4
R&D Staff	2

4.9 Non-Cash Incentives Allocation

Question: *Excluding sales force incentive programs, what portion of cost of NON-CASH incentives, are for merchandise items, travel items, and recognition awards/ plaques?*

Summary of Findings:

- Over half of the total cost of non-cash incentives (52%) is for merchandise awards. Travel awards and recognition awards comprise a relatively smaller percentage of the total cost of non-cash incentives, at 25% and 23% respectively of the total cost.

Table 4.9	
Merchandise Awards	52%
Travel Awards	25%
Recognition Awards	23%
Total	100%

4.10 Thoughts about Cash Compared to Travel and Merchandise

To this point we have been dealing with merchandise and travel incentive items. Now we would like your thoughts regarding using CASH. Please indicate to what extent you agree or disagree with each of the following statements.

Question: *Most people think of a cash payment (bonus or commission, etc.) as part of their total remuneration package and not an incentive program.*

Summary of Findings:

- Three of five respondents agree that a cash payment is perceived to be part of an employee’s total remuneration package and not as an incentive program.

Strongly Agree	18%
Agree	42%
Neither agree or disagree	20%
Disagree	16%
Strongly Disagree	4%

Question: *Think about your experience with cash awards, merchandise awards, and travel awards. Which is remembered the longest? Which would be remembered next? Which would be remembered for the shortest time?*

Summary of Findings:

- As in 2003, slightly over half of the respondents (51%) perceive that travel is remembered longest and merchandise is remembered next longest.
- Nearly two-thirds (62%) agree that cash is remembered for the shortest time.

	Longest	Next	Shortest
Cash	16%	22%	62%
Merchandise	33%	51%	16%
Travel	51%	27%	22%

Question: *Comparing cash and travel, you can build a more exciting and memorable program around ...?*

Summary of Findings:

- About three of four respondents (74%) agree that they can build a more exciting, memorable program around travel than around cash. More online users (86%) agree with this statement.

Table 4.10C Enthusiasm for Travel vs. Cash	Total Sample	Heavy Users	Moderate Users	Light Users	Online Users
Travel	74%	69%	74%	82%	86%
Cash	26%	31%	26%	19%	14%

Question: *Comparing merchandise and cash, you can build a more exciting and memorable program around ...?*

Summary of Findings:

- About three of four respondents (73%) agree that that they can build a more exciting, memorable program around merchandise than around cash. More online users (81%) agree with this statement.

Table 4.10D Merchandise Incentives vs. Cash Incentives	Total Sample	Heavy Users	Moderate Users	Light Users	Online Users
Merchandise	73%	67%	70%	76%	81%
Cash	27%	33%	30%	24%	19%

Question: *Bonus payments tend to be looked at by employees as ...?*

Summary of Findings:

- Slightly more than half of the respondents (53%) agree that employees tend to look at bonus payments as something they are due. Two-thirds of online users (66%) share this belief.

Table 4.10E Bonus Payments	Total Sample	Heavy Users	Moderate Users	Light Users	Online Users
Something extra that they receive for their performance	47%	56%	48%	43%	34%
Something they have coming as part of their compensation package	53%	44%	52%	57%	66%

4.11 Classification Data

Question: *What is the primary product or service of your organization?*

Table 4.11A Organization's Product/Service	
Manufacturing	24%
Services	42%
Finance, Insurance, Real Estate	10%
Transportation, Communications, Utilities	2%
Retail Trade	10%
Wholesale Trade	5%
Construction	1%
Public Administration	1%
No Answer	5%
Total	100%

Question: *How many employees are there in your organization?*

Table 4.11B No. of Employees	
1001 or more	18%
501 to 1000	5%
101 to 500	21%
41 to 100	21%
21 to 40	15%
11 to 20	8%
6 to 10	5%
1 to 5	7%
Total	100%

Question: *What is your title?*

Table 4.11C Your Title	
Owner/Senior Management	50%
Marketing	12%
Sales	12%
Human Resources	3%
Other Managers	8%
Other Directors	5%
Secretary/Clerk/Administrator	1%
Other VP/ Executives	3%
All Other	6%
Total	100%

Question: *What is your function?*

Table 4.11D Your Function	
Management	47%
Sales	21%
Marketing	19%
Owner/ CEO	3%
HR/ Recruiting/ Training	2%
Procurement/ Purchasing/ Buying	1%
All Other	4%
No Answer	3%
Total	100%



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