

Heating Up Engagement

A distributor needed a strategy that would consolidate promotions while further penetrating mid-sized customers

OBJECTIVE

How do you motivate mid-level dealers who don't typically qualify for a group trip, but who still offer the potential for significant gains in discretionary purchases?

CHALLENGE

How do you engage a customer base that's become distracted by too many messages and too many promotions being run simultaneously?

SOLUTION – A points-based rewards program utilizing HMI's proprietary OnDemand technology platform that targeted dealers above a minimum revenue amount but below the group trip cutoff amount. The program also:



Allowed points to be carried over year to year, giving even small dealers the opportunity to earn significant rewards



Provided a user-friendly platform to feature multiple sponsoring manufacturers and promotions

While the client initially expressed concern with the Points approach due to personal experience with consumer promotions, saying *"I don't want my dealers to give me sales for a year and then earn a salad spinner,"* it was explained that dealers could earn meaningful awards in the first year or accrue their points over multiple years to attain more desirable awards. The client then began to understand the power of a loyalty/customer retention strategy.

PROGRAM RESULTS

- ✓ Program participant sales have **increased by an average of more than 18% annually**, compared to an average decline of 15% annually for non-participant sales
- ✓ **Cumulative growth represented millions of dollars** in incremental gross margin, even after deducting program expenses
- ✓ Now in its 8th year, the program continues to generate significant overall gains, with the latest iteration in 2015 producing **nearly 4% total growth**

Client Feedback

"HMI has been instrumental in helping our company grow sales and gain market share among our customer base. Their customer service team is very responsive and experienced in dealing with any situation that may arise. Additionally, our account executive has acted consistently as an extension of my own team, providing periodic reports and analysis that have given us key insights about the program's performance as well as areas for improvement. I could not be more pleased about our mutually beneficial partnership with HMI, and we're looking forward to continued future successes."

– Greg K., VP, Sales & Marketing

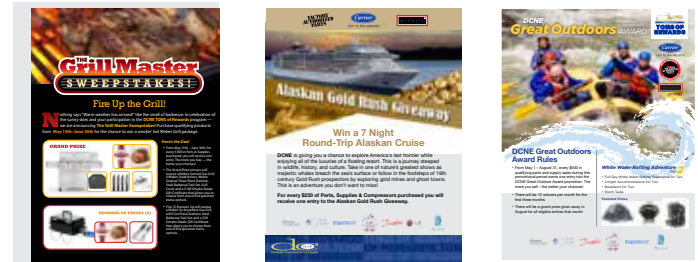
STRATEGY AND IMPLEMENTATION

Extensive communication

- Monthly eStatements with featuring exciting reward offerings
- Quarterly newsletters promoting featured manufacturers
- Interactive website with account summary

Multiple awards for on-going engagement

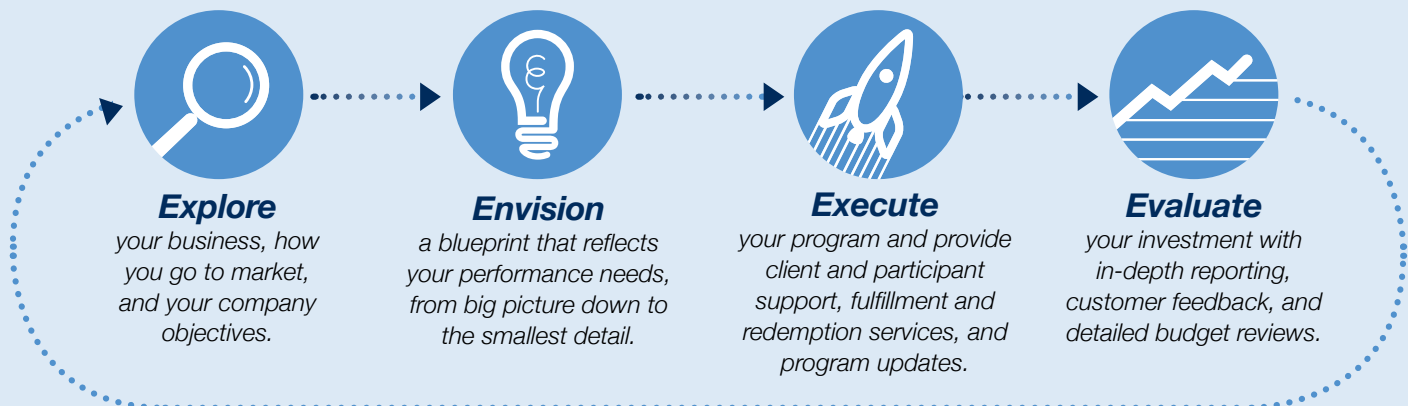
Semi-annual sweepstakes that offer smaller rewards throughout the promotional period



How will HMI work for you?

When you call on HMI for incentive solutions, we make your success our top priority. We promise you a dedicated partnership offering full-service performance improvement that honors your trust, values your collaboration, and takes you where you want to go.

The key to achieving success and keeping our promise to you is the **HMI Excellence Approach** – a four-stage process to ensure excellence and lock in results.



Founded in 1980, **HMI Performance Incentives** is a global leader in designing and implementing effective incentive strategies. We partner with you to create programs that increase sales and market share, accelerate customers' purchase frequency, strengthen brand loyalty, support product launches, differentiate channel strategies, and drive customer/employee engagement.

**Ready to go?
We're here to help.**

Visit us online at:
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