

PROMOTION TOOLKIT

LAUNCH PROMOTIONS

with Legrand Perks



Welcome to your how-to guide to launching promotions to motivate your distributors and customers. Promotions are a great way to move specific products, create campaigns that last all year, or launch period-based campaigns that amplify sales.

Trying to figure out how to develop a distributor sales promotion, a sales leaderboard, or a customer promotion? This toolkit can help by guiding you through these easy steps:

1

Determine your audience.

Who can best help you achieve your objective? Is it a distributor sales rep audience? Maybe their sales or branch management? Are customers your best path to success? Or, is it all of the above?

2

Determine your budget.

What's your total dollar spend? What type of return are you expecting?

3

Establish a proven incentive structure.

What will motivate your audience? Is it a simple campaign, or should it have a few tiers? Is there a manager override to consider? Will leaderboards do the trick?

We're here to help. This toolkit will present the questions you should have answers to structure your promotion, a library of structures that have proven successful for Legrand, and a contact you can reach to help you make some important promotion decisions.

Where Do I Start?

Start by defining why you want to run a promotion, and ask yourself these questions:

Key Design Questions and Considerations

What objective are you trying to achieve?

What are your immediate goals and timeframe? Total sales lift? Product lift? Purchase?

What are your long-term goals? Distributor loyalty? Customer loyalty?

How is achievement measured?

What budget is available to impact your objective?

Who are the distributor or customer stakeholders that can impact those goals?

What markets matter most?

What are the key goals of those salespeople (Distributor salespeople)?

Do they have the knowledge, skill, tools, resources, authority to achieve their goals?

How are they measured?

Is sufficient tracking in place? What is reporting frequency?

Are they achieving those goals? Why or why not? (Unrealized performance goals)

How many salespeople are achieving those goals?

What do the high performing salespeople do well, that the others do not?

What motivates them to achieve?

Short-term promotions?
Long-term incentives?

Gift cards, or
brand-name merchandise?

What is prohibiting achievement?

Do they lack the skill or will, or both?

What enables/disables the new behavior?

Closed-end vs. Open-end Promotion

Promotions are usually “closed-end” which means the awards budget is limited to a specific amount (\$20,000 for example) or “open-end” which means that everyone who achieves his/her goal earns an award.

Reward Best Practices

Awards should be appealing and commensurate with the effort required to achieve them.

Promotion values can tie directly to total revenue generated or profit margin achieved.

Examples:

5-10%

of total profit for the program period

20-50%

of incremental profit for the program period

1-5%

of the employee's typical compensation for the program period

Point values should be communicated; cash values should not.

Reward Types

Legrand rewards can be delivered as gift cards, points, or name brand merchandise.

Tips for managing to budget

There are practical best practices that will allow us to structure a program, work within an approved budget and maximize your ROI. Potential rules may include:

Manage number of eligible participants

- Eligible distributors or contractors must be invited to participate (good standing)
- Implement a registration deadline to participate

Minimum goals for new distributors or contractors

- Can be utilized to eliminate non-productive or unengaged participants

Install a cap on the reward payout

- The total number points a contractor can earn during the promotion period can be capped at a predetermined value

Manage points expiration

- Points won't expire for a year, but can be capped

Best Practices: Distributor Sale Promotion

When should I create a Distributor Sales Promotion?

- You want to create an open-end / flexible budget sales promotion
- You need to launch a new product or service
- You need sales lift for a product or service
- You need to stimulate sales in a region

What are some types of Distributor Sales Promotion?

- Reward each sale
- Goal-based Promotion
- Tier-based Promotion

What information do I need before creating a Sales Promotion?

- Objective, audience, desired behavior, promotion timeframe, budget, award type

Best Practices: Distributor Sales Leaderboard

When should I create a Distributor Sales Leaderboard?

- You want to create a closed-end / fixed budget sales competition
- You need sales lift for a product or service
- You need to stimulate sales in a region

What are some types of Distributor Sales Leaderboards?

- Top 3-5 overall salespeople in a distributor or region
- Top 3-5 salespeople for a specific product or service

What information do I need before creating a Leaderboard?

- Objective, audience, desired behavior, promotion timeframe, payout structure, award type

Best Practices: Customer Promotion

When should I create a Customer Promotion?

- To complement a simultaneous sales promotion (create push/pull strategy)
- You need to increase purchases for a product or service
- Drive traffic to a point of sale or online store

What are some types of Customer Promotions?

- Goal-based reward strategy offering points for purchase thresholds
- Scratch-off cards for purchase-based activities

What information do I need before creating a Customer Promotion?

- Objective, audience, desired behavior, promotion timeframe, payout amounts, award type

Sample Promotion Structures

We've included a list of sample promotion structures for your consideration, below:

Do This, Get That structure: Samples

Purchase \$500 in specific Legrand product, receive \$25 in points	Purchase \$500 in specific Legrand product, receive \$25 gift card	Purchase \$5,000 in Legrand product, receive merchandise (Yeti cooler)	Earn .5% of sales / purchases in points
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Goal-Based structure: Goal-Based Promotion Samples

Contractors who reach minimum spend will earn .5% of sales in points	Contractors earn a percentage in points for every \$1 in Legrand purchases - .5% in points for direct orders, 1% in points for all stock orders	Minimum goal required, points pending until contractor reaches 90% of total sales goal - Must reach minimum purchase goal of \$5k before they're eligible - Points accumulate from dollar one after minimum \$5k goal is met - Points are pending until customer achieves 90% of total sales goal
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Tiered Promotion: Samples

Level 1 Sell \$500 in specific Legrand product, receive \$25 gift card	Level 2 Sell \$1000 in specific Legrand product, receive \$50 gift card	Level 3 Sell \$2500 in specific Legrand product, receive \$150 gift card	Minimum spend required: contractors / distributors who reach minimum spend begin to earn: - .5% of sales in points up to Tier 1 goal - 1% of sales in points up to Tier 2 goal - 1.5% of sales in points up to Tier 3 goal
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Goal-Based structure: Goal-Based Promotion Samples

Leaderboards can be added to any promotion to motivate promotion to goal, and winners can receive predetermined allotments of points, gift cards, or merchandise.

Sample Leaderboard awards:

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- First Prize: Yeti® Hopper Flip 18 Softside Cooler
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- Second Prize: Sony® Portable Wireless Bluetooth Speaker
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- Third Prize: Legrand Beach Ball, Beach Towel & Frisbee

Push / Pull Promotions

The best promotions combine Push and Pull promotions together.

PUSH STRATEGY

Targets distributor sales:

- Outside sales
- Inside sales
- Counter sales

Incentives and rewards for sales increases, milestones, or joint selling.

PULL STRATEGY

Targets end customers:

- Contractor
- Counter traffic
- Project management

Rewards or prizes for brand preference, purchase, or product trial.

Sample Push / Pull Promotions

Do This, Get That:

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Pull: upon purchase, contractor gets code for redemption on Legrand Perks website.

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Push: at the end of the promotion, branch manager awards extra first prize (points, gift cards, merchandise) to top salesperson; criteria set by branch manager.

Goal-Based

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Push: distributors place minimum threshold for stocking order of qualifying products, receive gift card or merchandise

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Pull: upon purchase, contractor gets code for redemption on Legrand Perks website.

Tier-Based:

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Push: distributors earn points or gift cards for sales:

Level 1: Sell \$500 in specific Legrand product, receive \$25 gift card

Level 2: Sell \$1000 in specific Legrand product, receive \$50 gift card

Level 3: Sell \$2500 in specific Legrand product, receive \$150 gift card

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Pull: upon purchase, contractor gets code for redemption on Legrand Perks website.

Still Need Help? For help in crafting your promotion, please contact Next Level Performance

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