

Sales

Bigger Carrots, but Fewer

Despite falling budgets, *Incentive's* latest research shows spending on awards is up

By Leo Jakobson

If you look at the numbers from our recent survey of incentive planners, you'll see that 26.4 percent increased sales program budgets (Table 1) while 62.4 percent raised their per-recipient budgets (Table 5). Which suggests that more money is being spent on sales awards for fewer people. Indeed, those who reported increasing the value of awards offered outnumbered those who cut them by a margin of 2.5 to one (Table 1).

On the other hand, in last year's Sales IQ survey (then called the Sales Facts report), half as many respondents (6 percent) reported cutting their program budgets, and virtually none cut

the per-recipient budget. So clearly, the recession is having an impact.

Finally, you'll have to go to the full results online for the numbers, but the respondents who put their overall incentive budget in the \$100,000 to \$499,999 range increased 7 percent from 2007 to 2008, while those in the \$1 million-plus range decreased about 7 percent. The \$500,00 to \$1 million bracket was flat, at about 6 percent.

For complete results of this year's Sales IQ survey, please VISIT INCENTIVEMAG.COM/SALESIQ 

Table 1

How will your sales incentive program budget in 2008 differ from 2007?

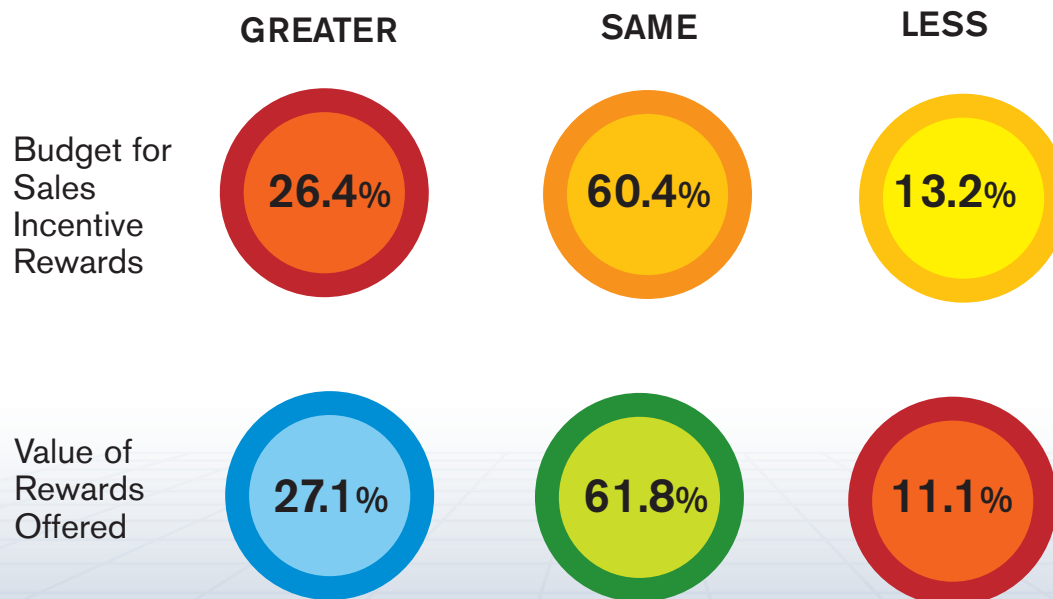


Table 2

What is your company's annual budget for all incentive, recognition and reward programs for 2008?

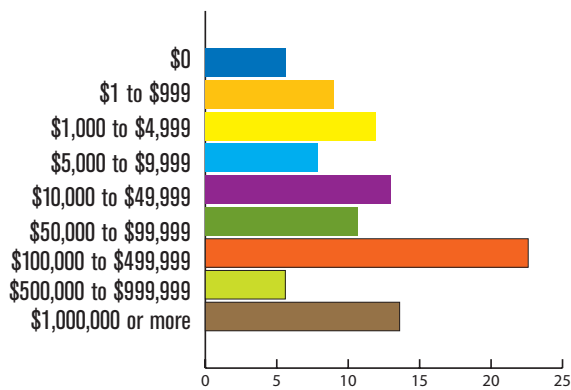


Table 3

Approximately what percentage of this budget is allocated for sales reward programs?

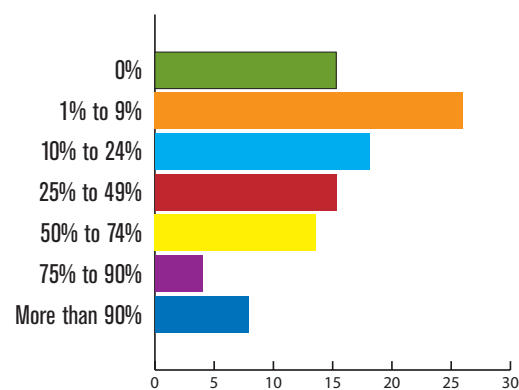


Table 4

On average, how much will you spend on sales rewards per recipient in 2008?

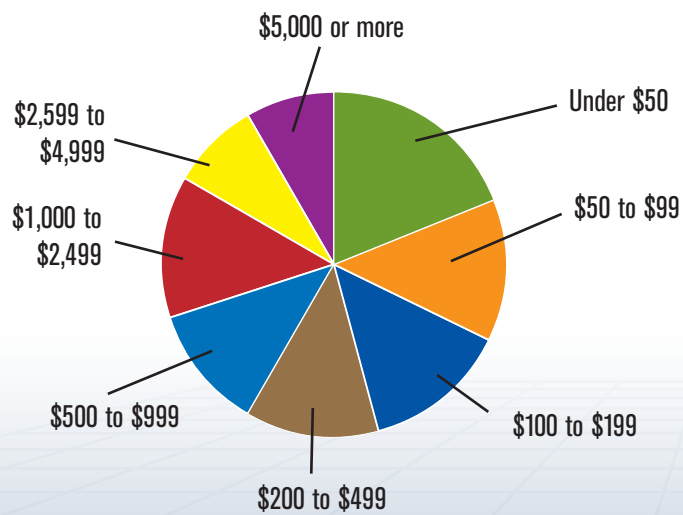


Table 5

How much of a change is this from last year?

