

## SPIFF Development and Management

A SPIFF (Sales Performance Incentive Funding Formula) is a financial incentive that encourages a sales representative to sell a specific product or group of products. Follow these five simple rules for development and management of a successful SPIFF program.

### 1. Align with Corporate Goals

Spiff is an excellent tool to drive particular product sales or change sales rep behavior to increase margin or sell a new product or product category. There is a difference between moving inventory and changing behavior, and the program should be developed specifically to meet those objectives.

### 2. Operations Support

Operation, finance or combination of both is the key component to track and report sales results on a specific schedule and secure and distribute awards to winners, including:

- Identify specific part numbers
- Generate historical report by sales rep to ensure data accuracy
- Schedule monthly management report and analysis
- Define audit and awards distribution process
- Define close out and tax liability requirements

### 3. Duration

Depending on the product sales cycle, quarter (possibly two quarters) long promotion is an ideal duration for a successful program. Anything longer than two quarters, will require additional promotions, communications and monthly awards to maintain sales interest level.

### 4. Awards

Awards should motivate the sales team and it can be a cool gadget, vacations or even a car lease. The best award that everyone can agree on is cash! Cash in the form of check, gift card or cash! Depending on the program structure and awards, schedule frequent payouts to keep the interest level high.

### 5. Communications

After developing the initial theme and the kick-off meeting, program communication is often overlooked. Regularly scheduled theme driven weekly or biweekly communication is critical to maintain program momentum and ensure success. Communication should include:

- Current ranking of the organization and top performers
- Special pricing or promotional offers
- Marketing opportunities or sales tools

[Contact HPC](#) for more information and support with your next SPIFF program or your Channel Marketing Manager for MDF requirements and approval.

### Honeywell Channel Marketing Managers

Northern Region	<a href="#">Marlene Kouba</a>
Southern Region	<a href="#">Irene Cyrwus</a>
Western Region	<a href="#">Esther Han</a>
Canada	<a href="#">Marlene Kouba</a>
National NBR	<a href="#">Michelly Da Silva</a>