

Points-based program drives incremental sales from small- to mid-sized accounts, generating an ROI of 240% for the company.

THE SCOPE

A major distributor of HVAC supplies in the United States had been running an incentive travel program for their top customers for a while, but hadn't been targeting their "middle 60%", or their small- and mid-size buyers. Since there's a lot of room for incremental growth in this group, the client was looking to develop those business relationships further.

THE CHALLENGE

The company's primary challenge was incentivizing spending during a tough time for HVAC. While the year had been a peak for the industry in general, price hikes caused by external forces like tariffs put a strain on customer relationships and made competition steep. The company was hoping that a points program aimed at their small- and mid-tier accounts would help increase sales.

THE SOLUTION

HMI ([now part of 360insights](#)), worked with the client to design a program geared towards incentivizing their mid-performers, not only to buy more quantity but also buy more frequently from the client. Data analytics were used to identify which accounts had the greatest potential for growth. After this target audience was solidified, a program was designed accompanied by an extensive marketing campaign to help drive engagement with the program.

The structure was simple: as program participants purchased, they [earned points](#). Once they achieved their personalized growth goal, they started earning points at an accelerated rate. These points could be redeemed for rewards from an extensive catalog. To help with program engagement from the start, new enrollees were also offered a first-touch bonus opportunity: if participants enrolled by a certain date, they were awarded the option to choose from three merchandise prize options.

THE RESULT

The program was a massive success. Compared to a flat performance from those not enrolled in the program, enrolled accounts saw an 8% sales increase YoY overall. The client's total business saw a 5% increase in sales YoY, with the program generating an ROI of 240%. Accounts that hit their goals grew 55% YoY, exceeding their target goals by an average of 30%. The program's marketing strategy was also awarded at the Hermes Creative Awards.



360CaseStudy



CONSUMER DURABLES

POINTS-BASED SPIFF REWARD PROGRAM

COMPANY

HVAC Supply Distributor

INDUSTRY

[HVAC](#)

BUSINESS OUTCOMES

- Increase Sales
- Increase Loyalty
- Win Mindshare & Market Share
- Measure Program Success

PRODUCTS USED

- [SPIFFs](#)
- [Incentives & Rewards](#)
- [Points-Banking](#)

THE SUCCESS

5%

increase in sales YoY

240%

ROI

55%

growth YoY from accounts that hit their goal

30%

average for exceeding target goals

The collaboration and creative insights helped us build a highly successful Rewards Program. This work will drive customer loyalty and success in our company for years to come.

Program Stakeholder



ARE YOU ON THE RIGHT PLATFORM TO SUPPORT YOUR CHANNEL?



360insights
how it all makes sense.