



AwardEmployees

... with the award they would choose for themselves.

What Is Award Neutral?

What Is “Award Neutral?”

Today it seems that it’s almost *de rigueur* for us “experienced” incentive sales types to say to a client that we are completely “Award Neutral” when it comes to recommending the right award solution for their incentive program. But what does that really mean? And are we being totally honest with the client?

In the “old days”

Back in the early 1970’s I was pounding the pavement of the San Francisco bay area looking for unsuspecting prospects to listen to my well rehearsed presentation on the merits of sales incentives. When the motto of the company back then was “Motivating Men to Sell Your Product,” do you think it was a different time? How do you think that motto would fit into our world today??

At that early time in my career, I was taught never to approach a client initially about awards. It was drilled into me never to take our beautiful hard bound deluxe book of merchandise awards to the first meeting, and often not the second or even the third. My job was to learn as much about the client as I could. The theory was that if I learned about their company, organization, products, distribution, pricing etc. I would be in the best position to recommend a program that would produce results. And, my teachers were right. Approaching the business from this perspective allowed me to concentrate our resources on building the best solution for the client before we discussed what they should use to award the participants for results. We didn’t have to worry about being “award neutral” because in fact we were. Of course it helped that at that time all the industry had to sell were two rewards, merchandise, and group travel.

Award Options Abound

From the 1970’s to today the incentive industry grew exponentially and along with that growth came a surfeit of different types of awards to sell. Today when a company sends out an RFP for ideas for incentive or recognition awards, they better have a degree in “award solutions” because they will be inundated with every conceivable type of award on the planet. And, every award company will have their own nuance on these awards, and each nuance will have its own unique pricing structure often designed to confuse the client and make it difficult, if not impossible, to compare with other suppliers. And, every award option will be the “most effective, most desirable, most unique and absolutely the best way to motivate increased performance.” RIGHT!

Award Neutral Today

The term “Award Neutral” came into being fairly recently because suppliers today want to differentiate themselves from their competition and get back to the selling philosophy of the “old days.” They say they can provide virtually any award in existence and lead the client to believe that because they are “award neutral” they are more consultative. Truth be told, most companies

who say they provide the gamut of award solutions really don't. Frankly their operating and overhead expense and gross margin requirements simply won't allow them to be. They may tweak their core award here and there, add awards to it as needed depending on client request or the competitive situation, but they really aren't going to be "award neutral." Frankly, they shouldn't be. Clients deserve to see the gamut of awards presented to them by experts in that award field. That gives them the opportunity to clearly see the differences, compare and contrast the features, benefits and values, and make the decision that best suits their needs.

“Caveat Emptor”...What to do in Tough Economic Times

“Let the buyer beware” is an axiom that is very important in the incentive industry. Selecting the awards for an incentive or recognition program may not be the most important thing to do in a planning process, but it is certainly right at the top. In today's tough economic climate, when budgets are tight and cuts being made, the awards you choose can impact both the results as well your cost. Just because you've always implemented your program with certain awards or a certain vendor doesn't necessarily mean you should continue to do so. Awards are commodities and subject to market forces. As commodities they are also subject to price fluctuation. You might want to look at different awards than you previously used or even different vendors to ensure that your pricing is competitive. I certainly understand protecting valued vendor relations, but you may be surprised the cost savings that might be available in alternative award ideas.

Remember, the supplier's job is to convince you that their award solution is the best one to achieve your objectives. And they will be a tad biased. Spend the time to determine what award you should really use, and the supplier to purchase it from. It will be time well spent! And you may even be able to go to management with a substantial cost savings and the same or a better program. I know, I've seen it done many times. It's what a professional salesperson thrives on.

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Email: LeyB@awardemployees.com