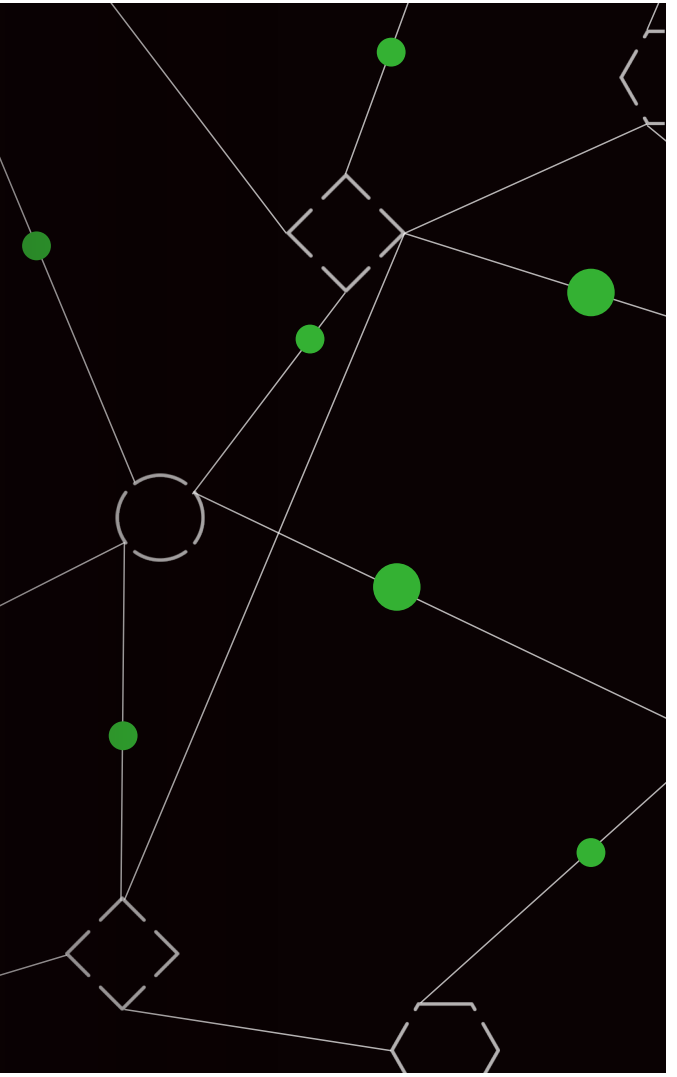




The Science of Incentives



Presenter

Mark Gilham

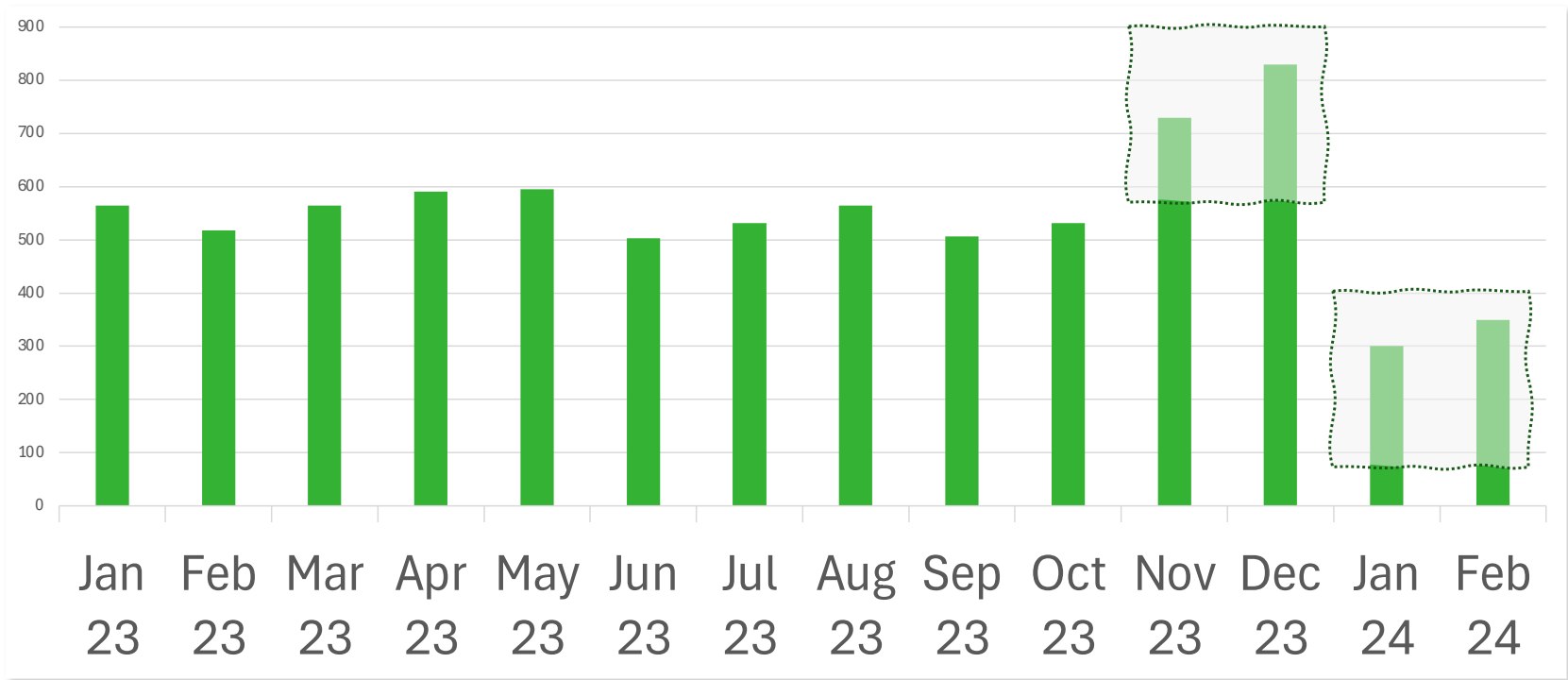
VP, Rebate Strategy | Enable

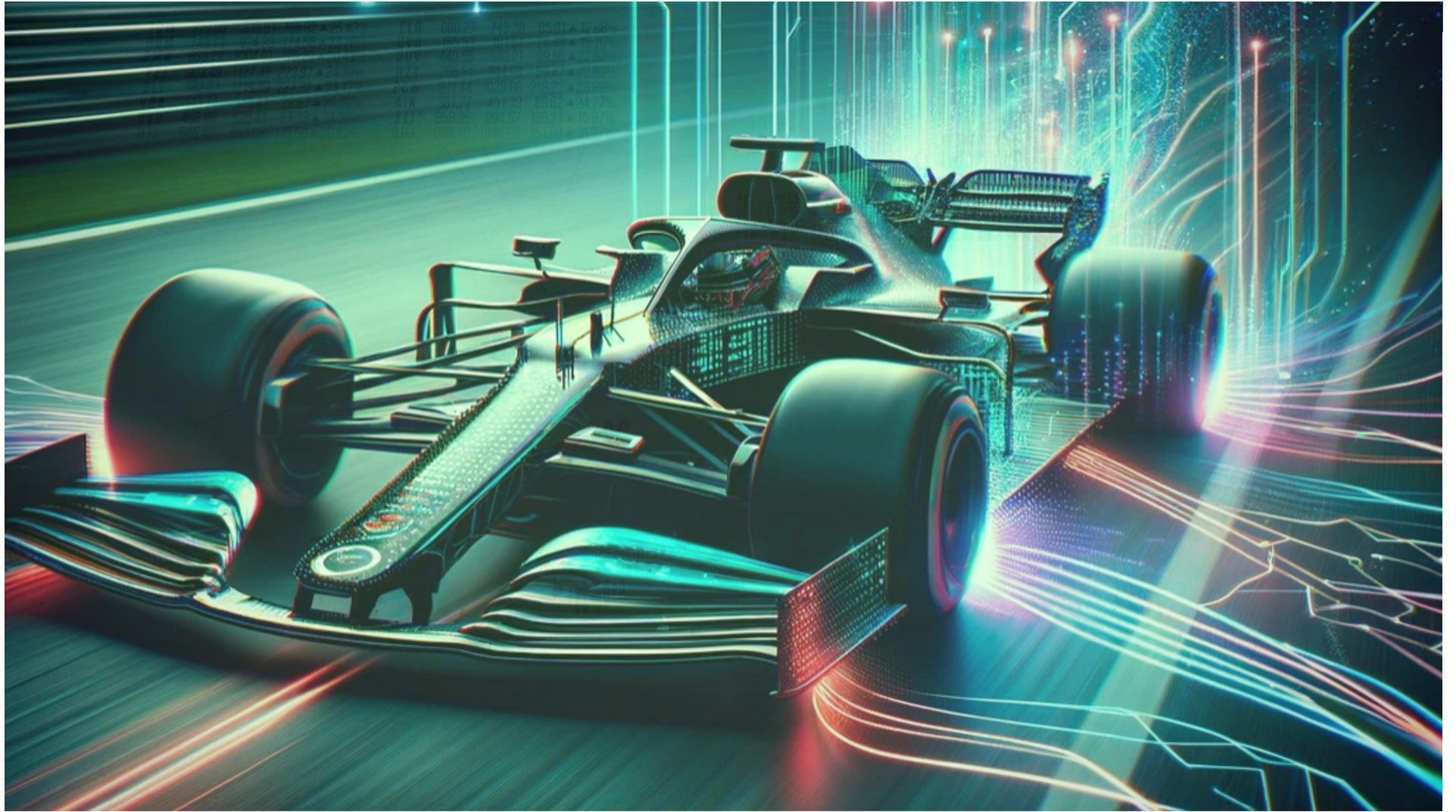


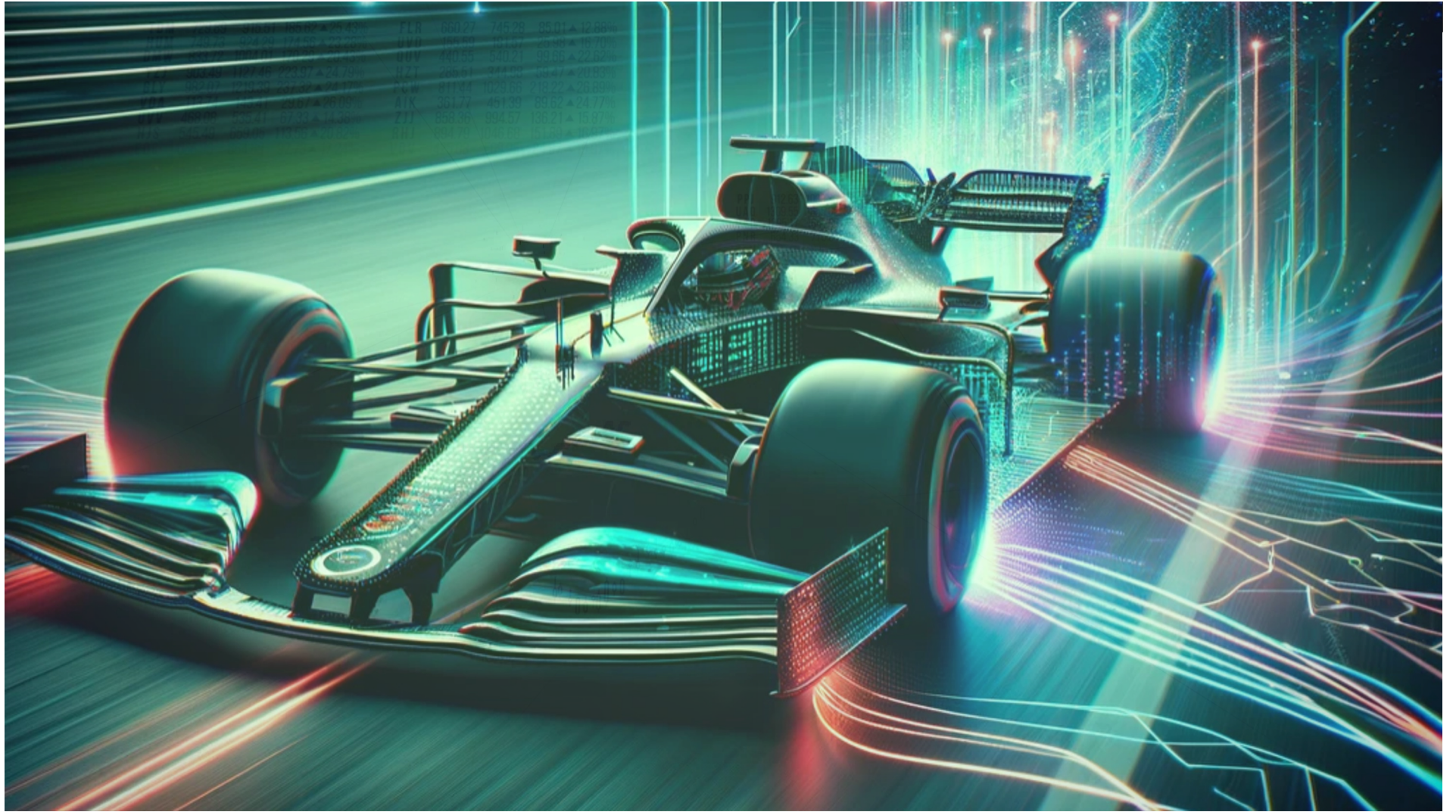


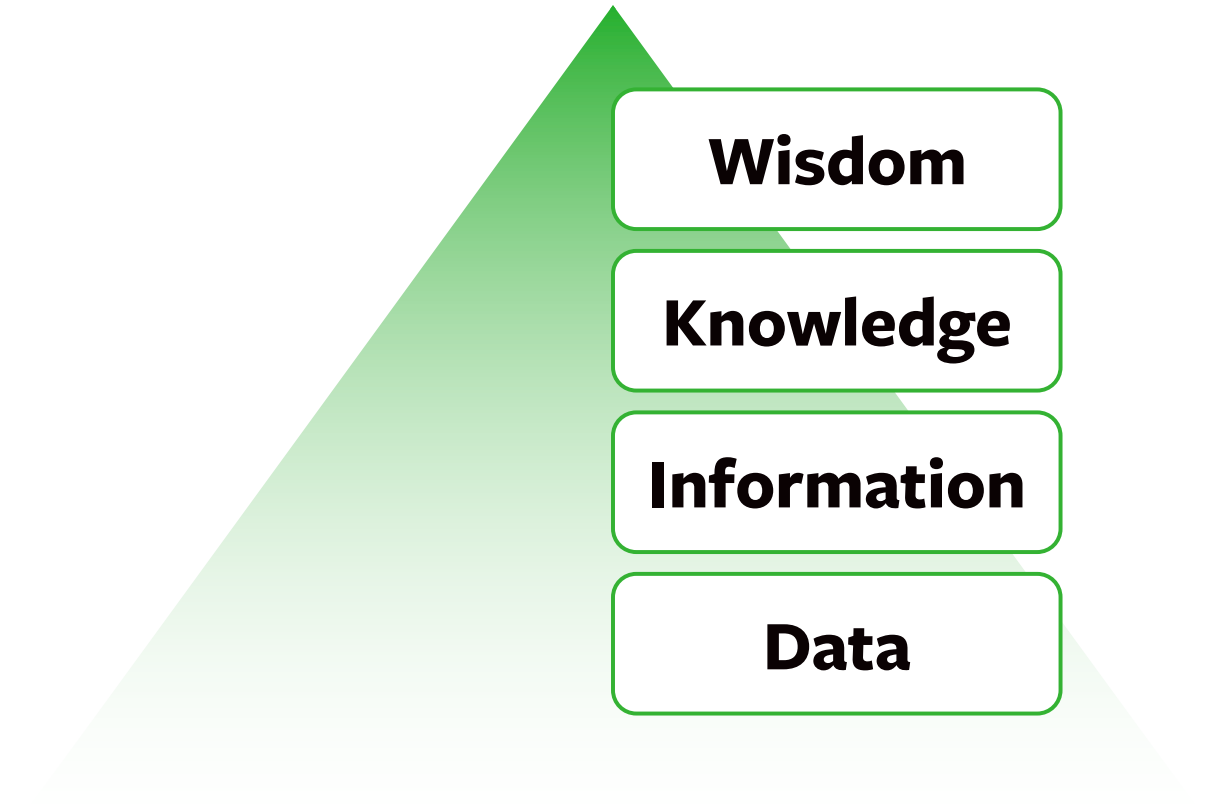
I  **REBATES!**

The Rebate Rush

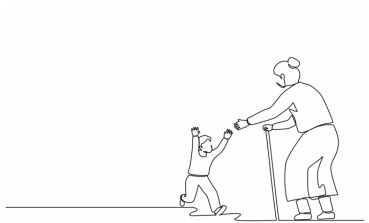






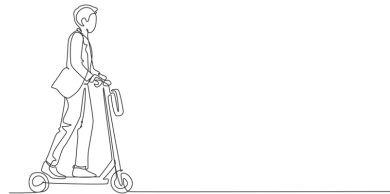


Changing Generations



Baby Boomers

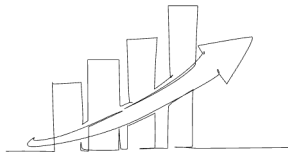
Growth & Security



Gen Y & Z

Sustainability & Innovation

Common Behaviours to Incentivize



Demand

Value
Units
Stocking



Retention & Loyalty

Payment Terms
Multi-Year
Group Terms



Margin

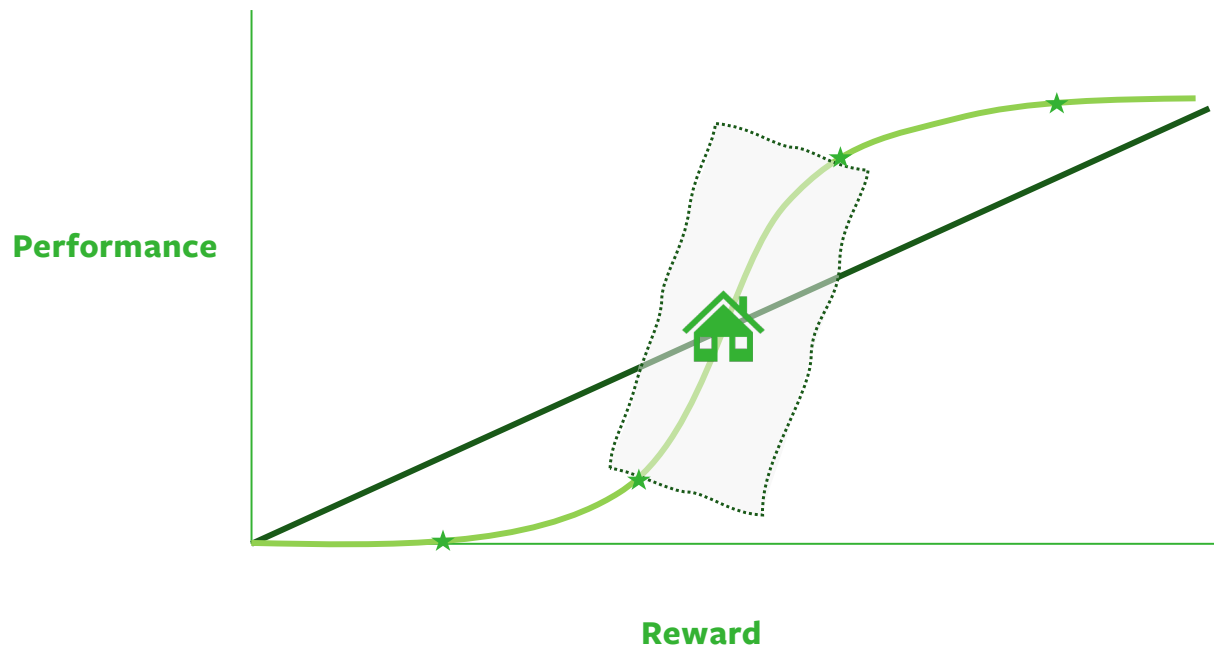
Product Mix
New Products
Wallet Share



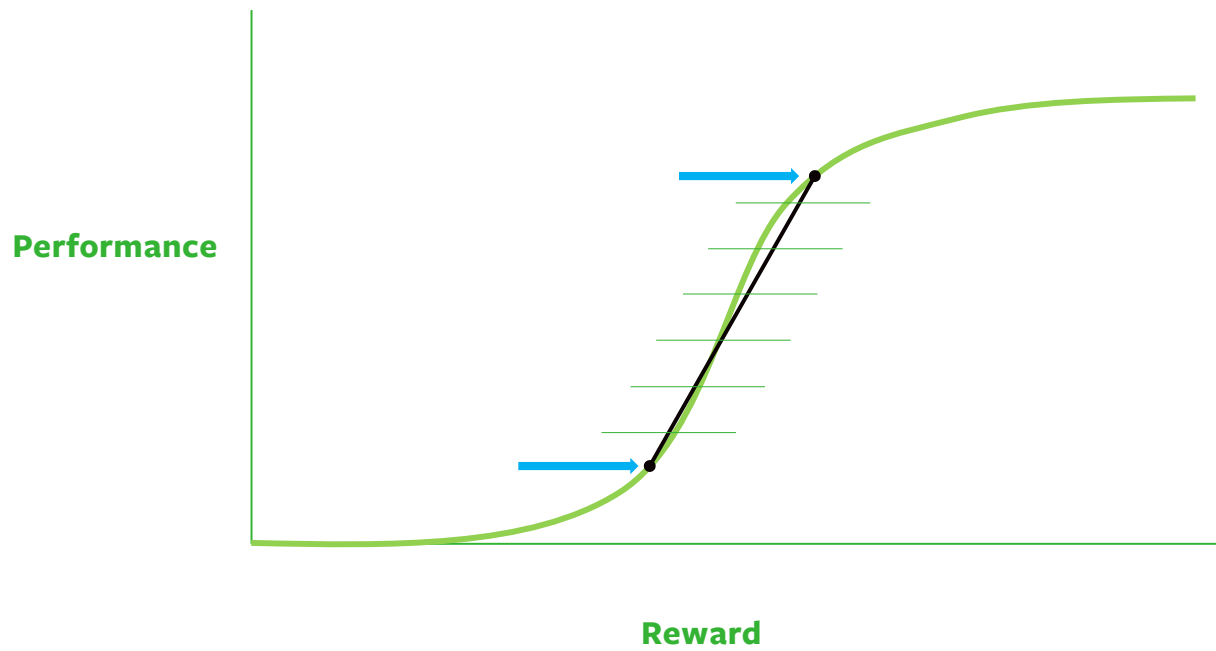
Efficiency

Logistics
Administration
Enablement

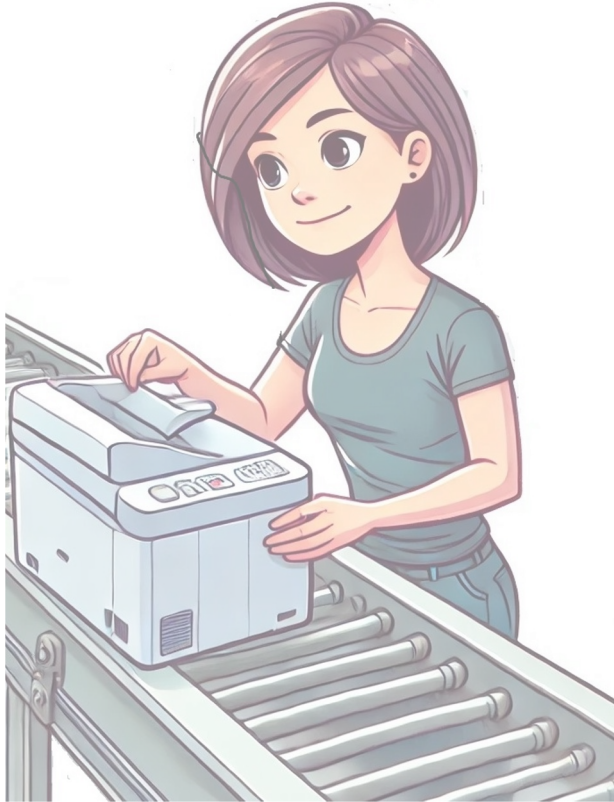
Bang for Buck



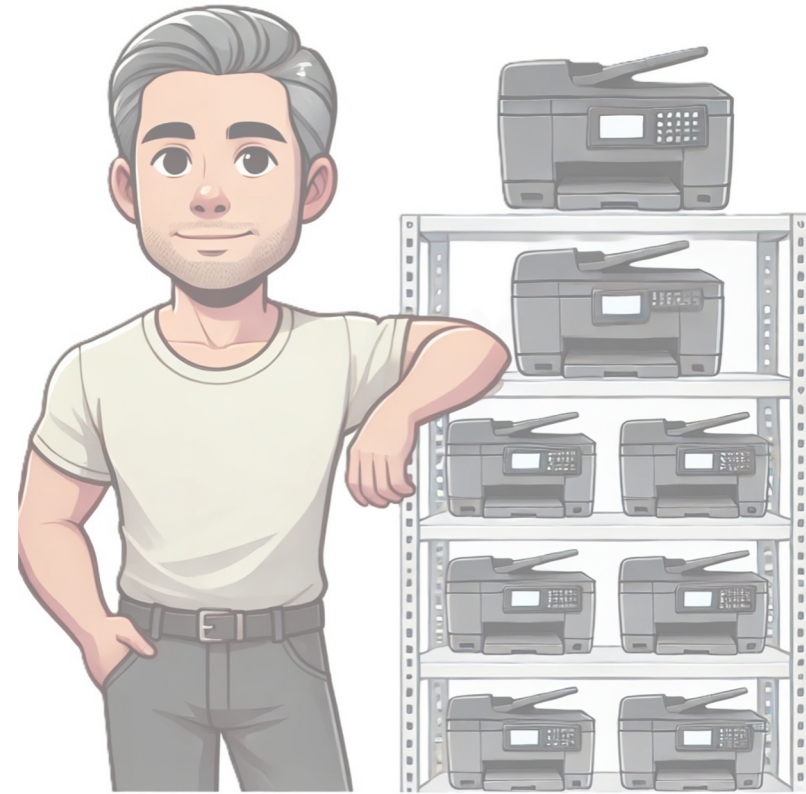
Value for Money



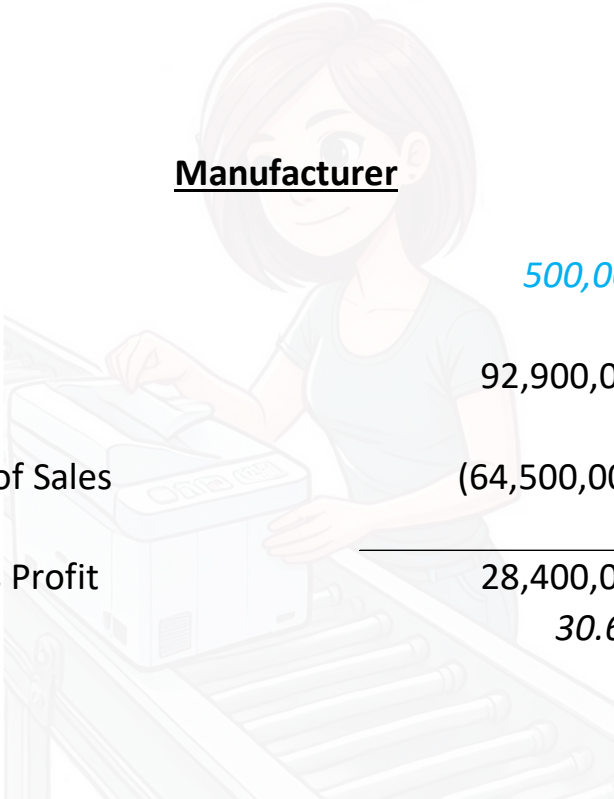
Manufacturer



Distributor

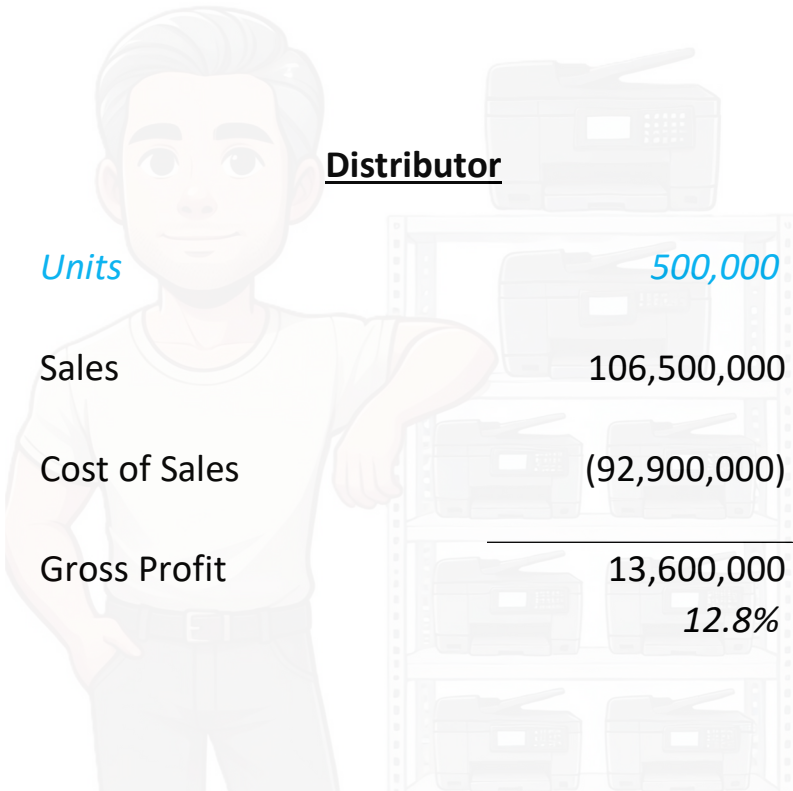


Manufacturer



<i>Units</i>	500,000
Sales	92,900,000
Cost of Sales	(64,500,000)
Gross Profit	28,400,000
	30.6%

Distributor



<i>Units</i>	500,000
Sales	106,500,000
Cost of Sales	(92,900,000)
Gross Profit	13,600,000
	12.8%

Distributor

	<u>Before</u>
<i>Units</i>	500,000
Sales	106,500,000
Cost of Sales	(92,900,000)
Gross Profit	<hr/> 13,600,000 12.8%

	<u>After</u>
<i>Units</i>	550,000
Sales	127,950,000
Cost of Sales	(111,550,000)
Rebate @ 6%	6,693,000
Gross Profit	<hr/> 23,093,000 18.0%

Manufacturer


	<u>Before</u>		<u>After</u>
<i>Units</i>	500,000	<i>Units</i>	550,000
Sales	92,900,000	Sales	111,550,000
Cost of Sales	(64,500,000)	Rebate @ 6%	(6,693,000)
Gross Profit	28,400,000		104,857,000
	30.6%	Cost of Sales	(72,750,000)
		Gross Profit	32,107,000
			30.6%

Manufacturer - Before

	Core	Bundle	Total
<i>Units</i>	300,000	200,000	500,000
Sales	49,500,000	43,400,000	92,900,000
Cost of Sales	(37,500,000)	(27,000,000)	(64,500,000)
Gross Profit	12,000,000	16,400,000	28,400,000
<i>Ratio</i>	24.2%	37.8%	30.6%
	60%	40%	

Manufacturer - After

	Core	Bundle	Total
<i>Units</i>	150,000	400,000	550,000
Sales	24,750,000	86,800,000	111,550,000
Rebate @ 6%	(1,485,000)	(5,208,000)	(6,693,000)
	23,265,000	81,592,000	104,857,000
Cost of Sales	(18,750,000)	(54,000,000)	(72,750,000)
Gross Profit	4,515,000	27,592,000	32,107,000
	19.4%	33.8%	30.6%
<i>Ratio</i>	27%	73%	



*“A **6% rebate** will be paid if **550,000 units** are purchased of which **73%** are Bundles.”*



Manufacturer



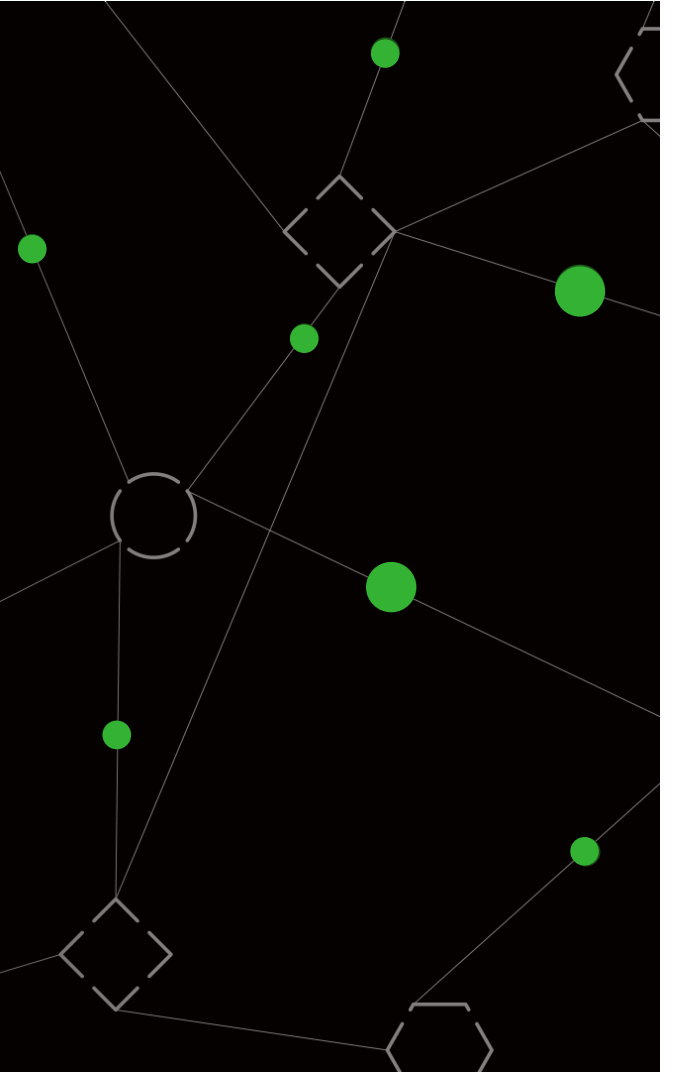
<i>Units</i>	+50,000
Reported Revenue	+11,957,000 +12.9%
Gross Profit	+3,707,000

Distributor

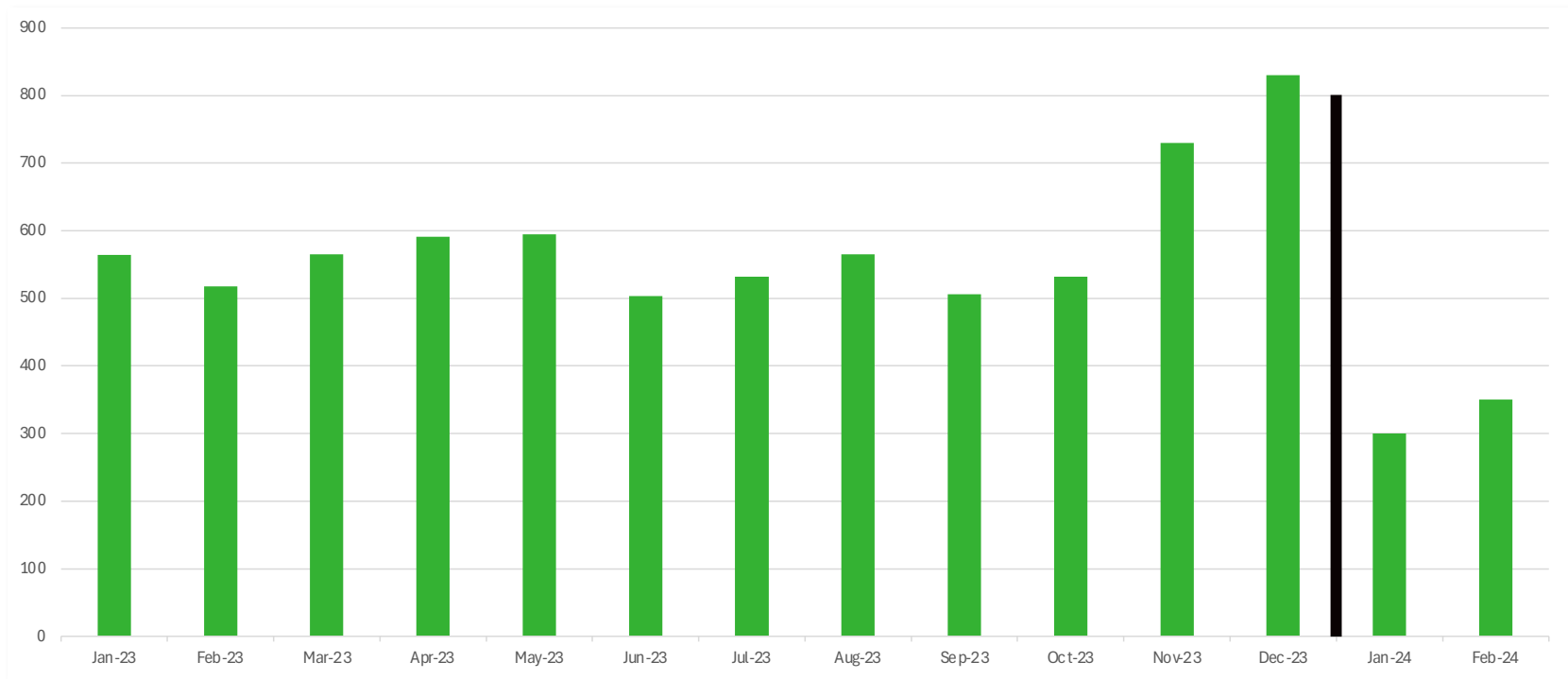


<i>Units</i>	+50,000
Sales	+21,450,000 +20.1%
Gross Profit	+9,493,000

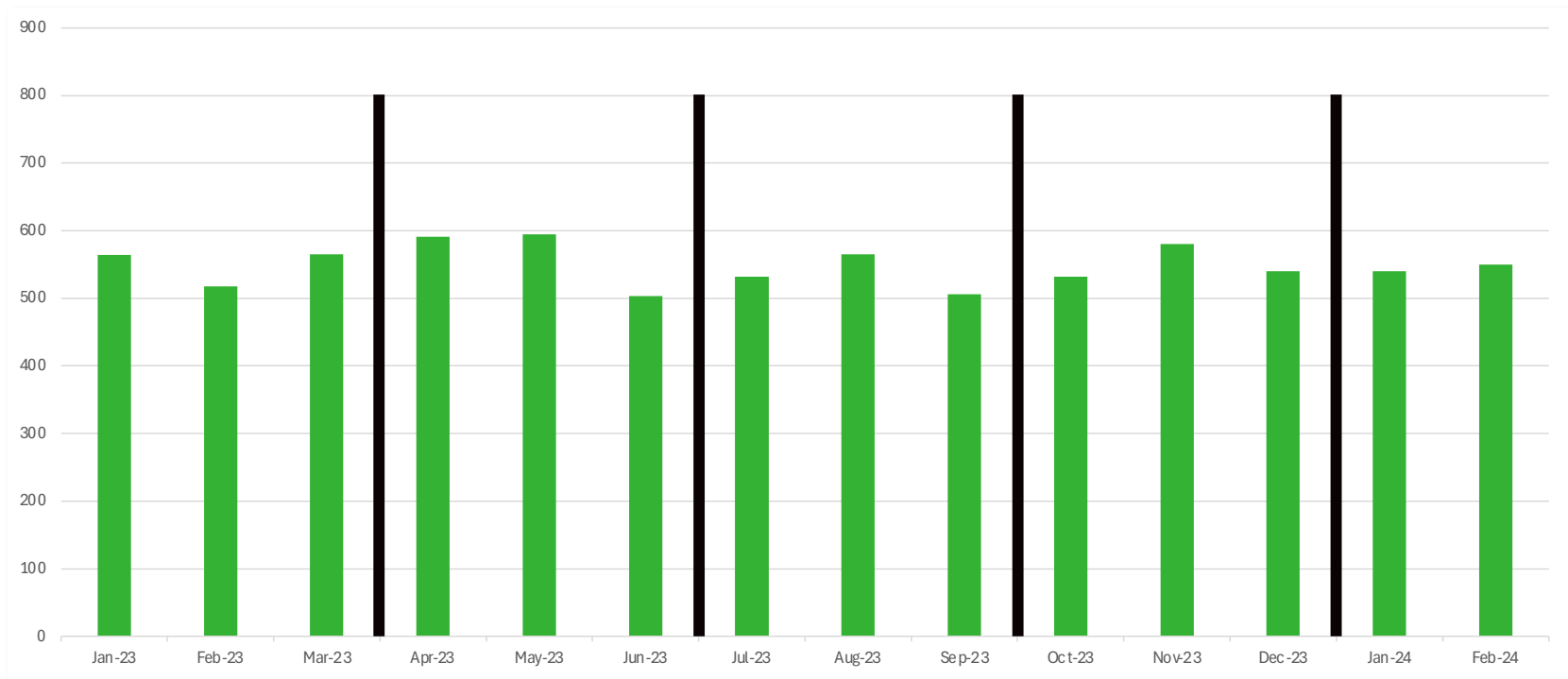
It's in the detail!

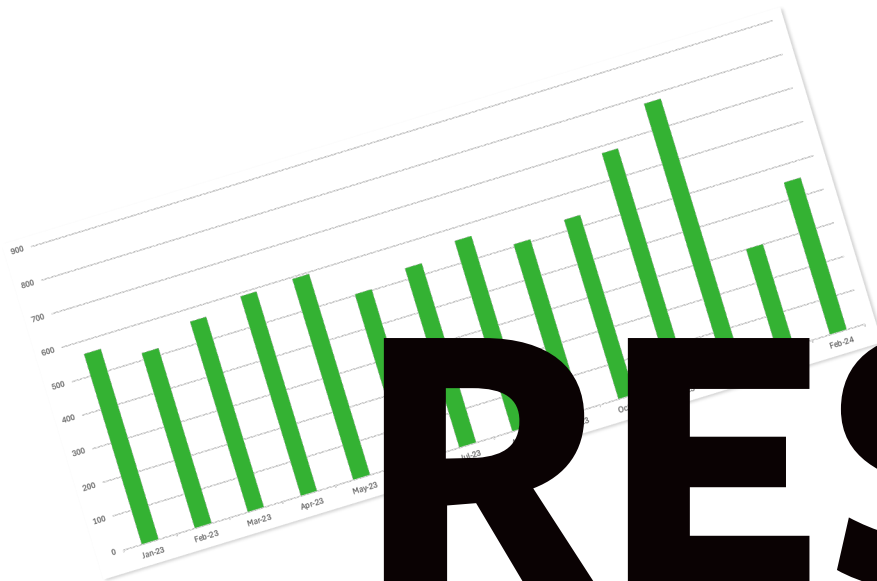


Avoiding the “Rebate Rush”



Avoiding the “Rebate Rush”



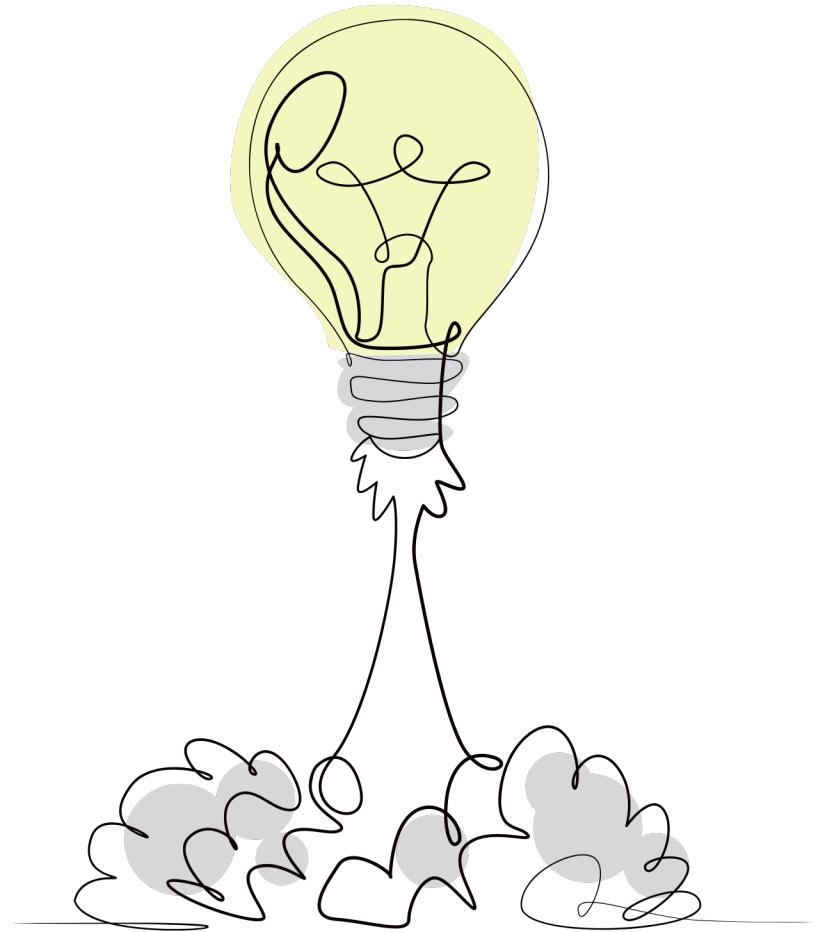


RESET

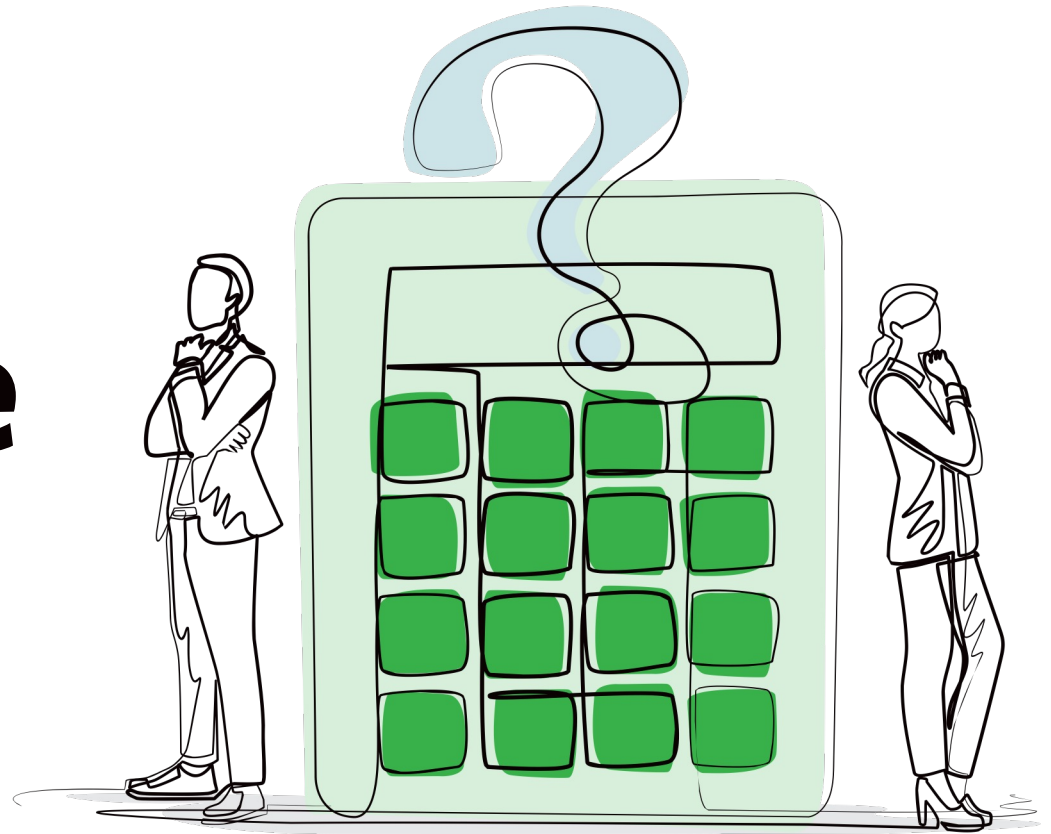


	<u>Before</u>	<u>After</u>
Units	500,000	550,000
Sales	106,500,000	127,950,000
Cost of Sales	(92,900,000)	(111,550,000)
Gross Profit	13,600,000 12.8%	6,693,000 23,093,000 18.0%

Reflect



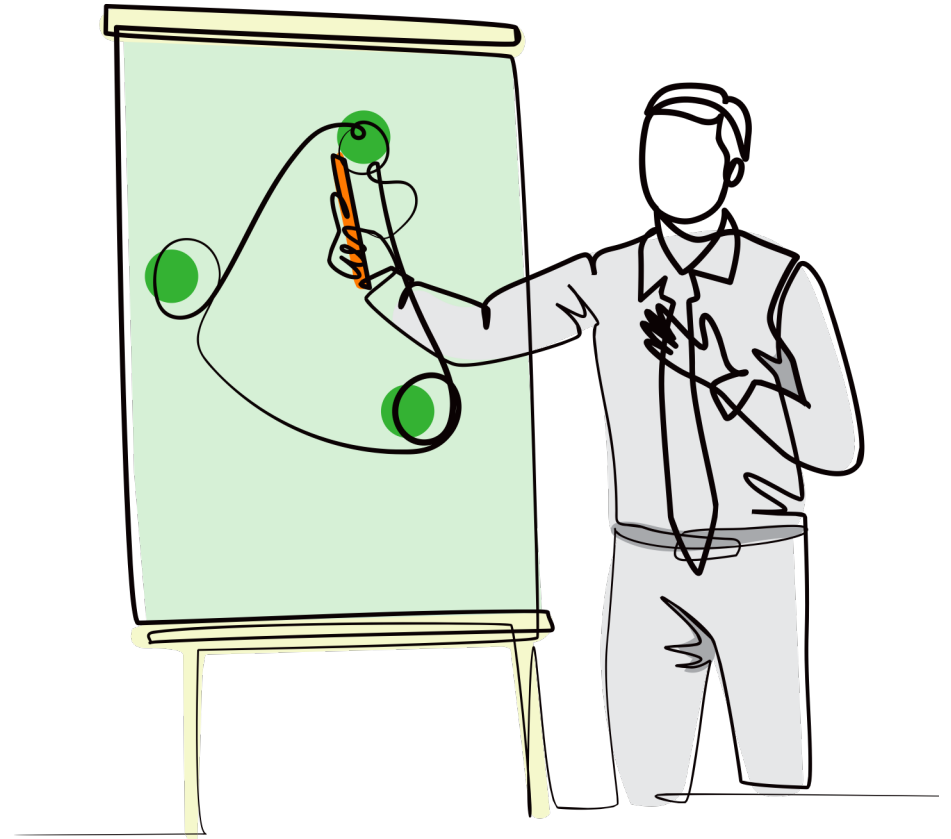
Evaluate



Strategise



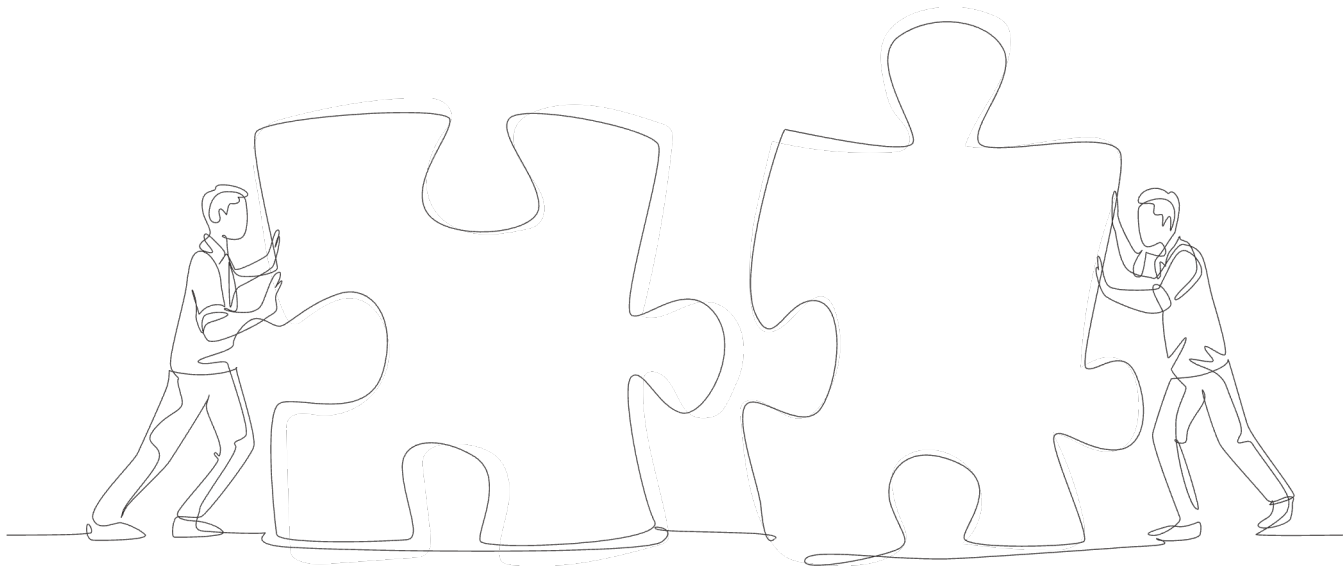
Engineer



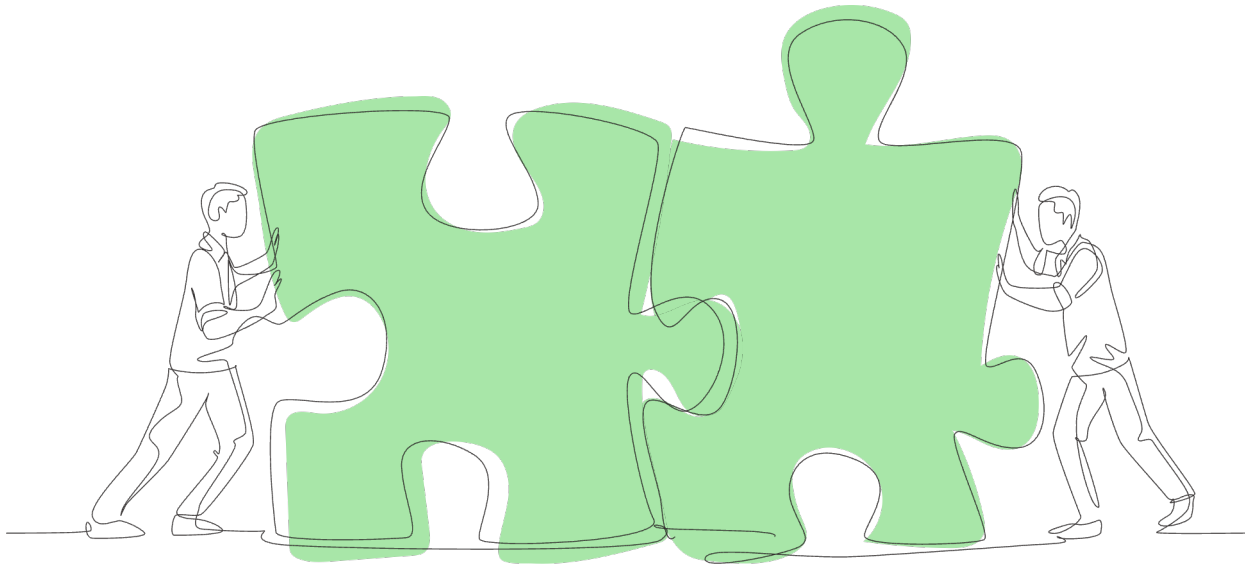
Transform




Rebate Strategy as the Foundation of a Partnership



A New Chapter



- 
- ✓ **Reward**
 - ✓ **Thank you**
 - ✓ **Collaboration**
 - ✓ **Sharing success**



RESET

Elevate

 **by Enable**

 *Australia*

