RESHAPING THE FUTURE OF REBATE MANAGEMENT WITH AI

Many businesses are already exploring the immense potential of artificial intelligence – and its transformative power in rebate management is just beginning to emerge.

AI isn't just a single tool. It's an adaptive intelligence layer – a powerful engine for insights, analytics, and automation, including advanced Large Language Models (LLMs) like ChatGPT. AI technology has the potential to transform how businesses optimize commercial deals, track rebates, analyze data, collaborate with trading partners, and even negotiate contract terms.

But what can AI really do for businesses managing rebates? In this eBook, we'll dig deep into the true impact, potential, and future of AI in rebate management.

We'll reveal how:

Analytics, modeling, automation, and other AI-powered features are reshaping the way we manage rebates.

AI will enhance human capabilities in rebate management, not replace them.

Your team can leverage AI to optimize rebate outcomes and operations.

The Impact of AI in Rebate Management

The rapid pace of AI's adoption — as well as the scope of its potential applications and abilities — means that more of your daily tasks will become automated. Some are worried about AI replacing human jobs, but as Enable VP, Rebate Strategy Mark Gilham points out, just as autopilot assists but relies on human pilots for oversight and critical judgment, AI advancements are designed to support our work, not replace it." Human expertise remains essential to guide, evaluate, and make decisions, ensuring technology serves us safely and effectively.

Many experts and thought leaders anticipate that the true impact of AI will enhance your team's capabilities and allow focus on the more strategic aspects of rebate management. For example, AI-powered tools could help to automate much of the "busy work" and trivial day-to-day tasks that take up your team's time, freeing them up to focus on more strategic tasks.

> Instead of overriding the need for human analysts, AI-powered analytical tools allow human analysts to spend more time focusing on the accuracy and implications of their data – rather than performing cumbersome manual calculations."

AI's ability to analyze large volumes of data, find and retrieve information, uncover relevant patterns, and provide near-instant tailored answers to specific queries make it a powerful tool to support negotiations. But it won't simply take over negotiating with your clients entirely.

Still, these improvements are just the beginning. According to Forrester, "By improving task productivity roughly 30% to 300%, over the next few years, genAI-powered applications will reshape every knowledge-fueled task and job and reconstruct knowledge practices and resources in every company in every industry." Forrester highlights that some organizations are already seeing major productivity gains, such as KPMG's 50% rise in productivity after adopting Microsoft Copilot.

The Future of Rebate Management Powered by AI

AI is evolving rapidly, and new applications surface every day – but let's take a measured look at what the future of AI in rebate management could have in store.
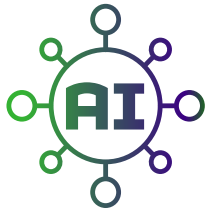
AI Analytics

AI models may soon become advanced enough to evaluate current rebate deals using extensive historical data. They could alert you to areas of risk or opportunity and suggest strategies you can implement to improve out-comes. For example, an AI Analytics solution could notify you when key performance metrics are reached, allowing you to quickly capitalize on the opportunity. Smart analysis features could also uncover risk patterns you may not have otherwise noticed, helping you to mitigate them before it becomes a problem.

Forecasting and Predictive Modeling

With AI's ability to analyze massive volumes of rebate performance data, future solutions could provide key insights to support reliable forecasting. This way, you can run "what-if" scenarios much more quickly and refine deal terms before finalizing new agreements.

Risk Detection

As AI grows more advanced, AI-powered tools could quickly uncover and alert businesses to any anomalies or discrepancies that, if left unchecked, might snowball into major issues later. When it comes to rebate management, even the most minor errors can lead to major miscalculations and costly mistakes.
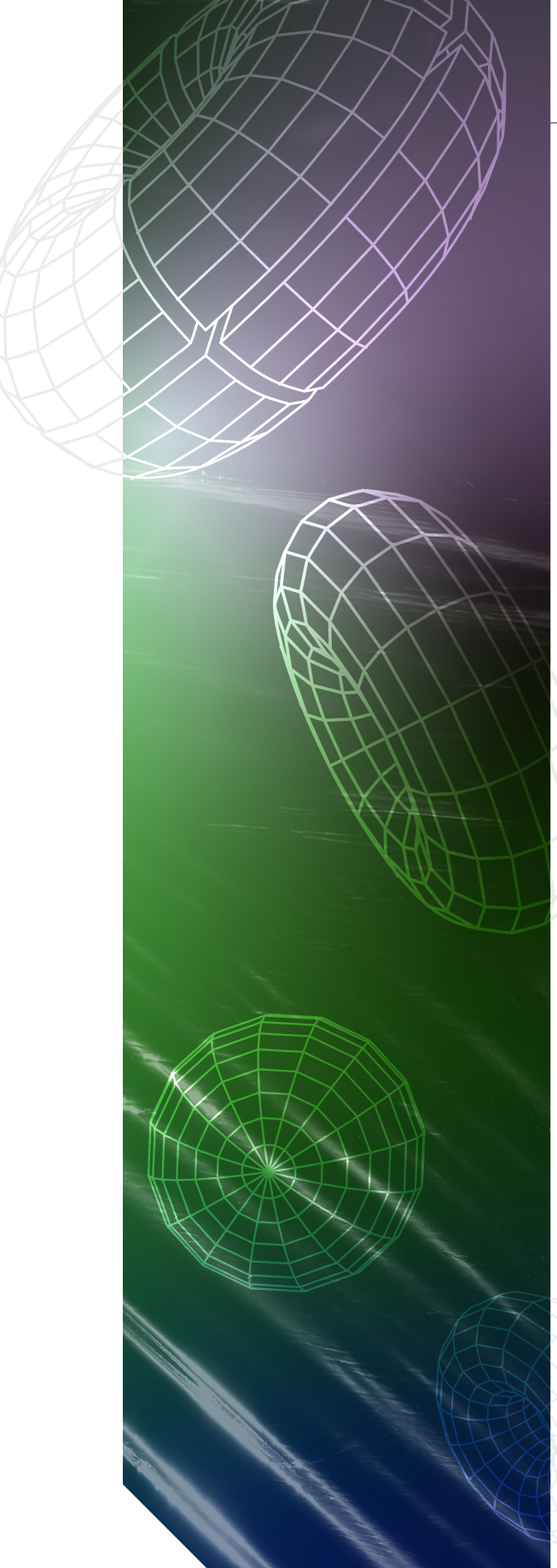
AI could also flag potential compliance issues and even fraudulent activity. This feature would serve as an invaluable early warning system against these serious risks and help your rebates stay above board.

Implementing AI to Optimize Your Rebate Management

Businesses face many challenges when manually managing their rebates and incentive programs:

- **Low Data ROI:** Many teams lack actionable insights from performance data, leading to inefficient rebate programs that fail to drive results.

- **Loss of Productivity:** Data silos and key-person dependency often create difficulties in optimizing current processes.

- **Subpar Partner Experiences:** Misaligned programs, missed deadlines, and lost opportunities can strain relationships with trading partners.

- **Planning Limitations:** Businesses commonly struggle with financial planning and flexibility, leading to a limited ability to adjust to changing circumstances.

AI solutions like AI-Powered Analytics can help rebate teams make smarter, faster decisions and drive strategic outcomes across many roles and industries.

Here's how:

- **Informed Decision-Making:** For rebate strategists, AI provides real-time, actionable data insights that optimize rebate programs and allow for scenario testing before implementation. This helps them build more effective rebate programs, removing the guesswork and helping teams respond quickly to changing conditions.

- **Streamlined Operations:** Distributors benefit from AI's ability to automate routine tasks and reduce administrative work, allowing teams to focus on high-impact, strategic initiatives. With AI delivering insights on demand, distributors can make data-backed decisions without spending hours on data retrieval and processing.

- **Enhanced Financial Insights:** Finance leaders can make use of AI's advanced anomaly detection and forecasting tools that allow them to identify discrepancies and strengthen financial planning. AI's predictive modeling supports better budgeting and helps finance teams manage risks, providing a clearer, more reliable financial outlook.

- **Improved Negotiation Leverage:** For procurement leaders, AI insights strengthen supplier negotiations, helping them secure favorable terms and maintain healthy supplier relationships. By analyzing spending and vendor trends, AI uncovers savings opportunities and aligns vendor agreements with business priorities.

- **Optimized Pricing & Inventory:** Manufacturers can leverage AI's predictive insights to maintain competitive pricing and efficient inventory levels, staying agile and responsive to demand shifts and market trends.

- **Real-Time Performance Tracking:** AI provides customizable dashboards for each team, from sales to finance, delivering role-specific insights that drive quick and strategic actions. This replaces complex spreadsheets with easy-to-understand, real-time data access, reducing time spent on information retrieval.

Businesses have the opportunity to lay strong, AI-integrated foundations by identifying key areas for automation and analysis, implementing initial AI capabilities, and setting up metrics to evaluate its impact. As AI technology advances, these foundations can be continuously optimized, with new capabilities layered in to keep your processes at the cutting edge.

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Should AI Change? Or Should We?

AI is evolving rapidly, and new applications surface every day – but let's take a measured look at what the future of AI in rebate management could have in store.

So, should AI get better at understanding humans, or should humans learn to use AI better?

According to one informal poll, the results indicated a nearly even split:

48%
should learn to ask better questions.

52%
said enhance the AI

While AI tech isn't exactly new — it's been growing and evolving over the past two decades — the recent surge in accessibility, with tools like ChatGPT and open-source advancements, has sparked a new wave of AI-driven innovation.

Along with these advancements come high expectations for this tech to begin transforming the world almost overnight. But the truth is, it might not be AI that has to change to do more. Instead, we might have to change how we work with this rising technological star.

Which is right? It's likely a mix of both. As AI becomes essential to the way we manage rebates (and do business in general), humans must be trained on a whole new set of skills required to leverage this tool effectively. Understanding how to ask the right questions, engineer prompts to produce desired outputs, and critically evaluate AI results are quickly becoming essential business skills.

Getting Started with AI-Powered Rebate Management

Leveraging AI for rebate management requires you to get your data in order. If your data isn't cleaned up and ready to go, you could face many more challenges later down the line.

Here's a crawl-walk-run scenario for getting your rebate data ready for AI:

Crawl

The first stage is all about understanding your data. Starting out with complete, accurate, and relevant data provides a strong foundation for effective analysis.

Walk

Start leveraging AI for targeted analysis, using solutions like AI-Powered Analytics to extract immediate and actionable insights beyond what traditional business intelligence tools provide.

Run

At this stage, you can move from basic data management to optimizing your rebate strategy, guided by specific recommendations that drive strategic improvements.

It's important to remember that achieving results at each stage requires both experts who understand your data and professionals skilled in rebate management and optimization. AI can take you far, but having a well-trained human team with a robust skill set is critical to your continued success.

When implemented responsibly, AI-powered tools can be an invaluable addition to your rebate management tech stack. It's all about understanding the true potential of AI to empower us, not replace us. With better training on AI-focused skill sets, human teams can learn how to leverage AI to enhance their capabilities and optimize rebate management like never before.

DISCOVER HOW AI-POWERED ANALYTICS CAN UNLOCK VISIBILITY INTO YOUR STRONGEST REBATE PLAYS AND PARTNERS.

About Enable

Enable helps manufacturers, distributors, and retailers take control of their rebate programs and turn them into an engine for growth. Starting with finance and commercial teams, Enable helps you better manage rebate complexity with automated real-time data and insights, accurate forecasting and stronger cross-functional alignment. This lets you — and everyone in your business — know exactly where you are with rebates. Then you can extend Enable externally to suppliers and customers, setting them up with one collaborative place to author, agree upon, execute on, and track the progress of deals. Find out more and try it for free at **enable.com**.

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