

The Performance Metrics Dilemma



Unit Volume: A unit volume-centric incentive plan might urge salespeople to prioritize massive discounts over profit margins, undermining your pricing strategy



Revenue: Relying only on revenue metrics in an incentive plan may lead sales reps to prioritize top customers, neglecting industry influencers & risking their reputation



Market Share: Focusing solely on market share in an incentive plan can narrow territory coverage, overlooking long-term growth opportunities for sales reps



Customer Satisfaction: Excessive focus on happy customers can lead to revenue loss. Hence, balancing satisfaction & revenue is crucial in an incentive plan



Team-based Incentive: In a team-based incentive plan, overreliance on teammates can erode individual accountability, affecting overall rep's performance



Call Activity: Prioritizing call volume in incentive plan over effectiveness poses a problem, damaging customer engagement and sales strategy