

# How to Drive Loyalty & Revenue with Rebates

The logo for 'enable' is located in the top right corner. It consists of the word 'enable' in a white, lowercase, sans-serif font, positioned inside a white circular outline. The background of the entire top section is a solid green color.

## Ensuring trading partner loyalty is a critical component to maintaining revenue for your business. But how do you do this?

One key method is transparency. By offering increased transparency to your trading partners, you gain increased trust and loyalty. This also makes it even easier to drive the right behaviors and to convince them to become interested in even more of your products or services through rebate incentives.

Done well, you will preserve short-term profits, and lock in long-term sustained profit growth. Here are some starting points in driving loyalty and revenue:



### 1. Incentivize with a Loyalty Rebate Program

A mutually beneficial program that builds trust, loyalty and a solid professional relationship between you and your trading partner is the way to go.

Imagine you sell a lot of drywall to a home improvement retail chain with locations across the country. You can set up an incentive structure in such a way that the parent company gets a larger rebate as more of their locations sell your drywall. These incentives encourage the company to promote your drywall, install product displays and keep information about the product up-to-date to encourage sales which in turn equals more revenue. It also helps keep them as loyal customers for you.



### 2. Listen and Engage with Your Trading Partners

As the supply chain faces evolving markets and tougher challenges, focusing on your trading partner relationships becomes even more important. By actively listening to them you can capture what's most important and eliminate any guesswork on your deals.

Why not invite your trading partners to collaborate on your deals together? This is a great way to create an emotional bond, rather than treating it as a solely transactional relationship. Building these connections will instill trust, transparency and loyalty, ensuring that you've established a partnership for life.



### 3. Pay Your Rebates on Time and Correctly

Trading partners not paying invoices on time is generally due to clunky payment processes, meaning that businesses of all sizes are losing out on time and money. When you are consistently late in paying out rebates, this can damage relationships and possibly lead to suppliers making your payment terms even tighter.

Payment practices can indicate how strong or weak your relationship is with your suppliers. Suppliers who receive payments on time, which in and of itself is essential to maintaining cash flow will remain more loyal to you than those who don't pay on time or correctly.



#### 4. Measure your Rebate Performance & Spot Opportunities

25% of distributors report not knowing how they measure their rebate goals. Meanwhile, 46% of manufacturers believe that better awareness of their trading program from their trading partner would improve the effectiveness of their rebate program. This tells us that customers and suppliers have an opportunity to discuss mutually beneficial transactions that let them hit their goals while ensuring you are keeping your costs low.

With an effective rebate management tool in place, both can have an understanding of their progress towards earnings targets without dedicating substantial resources to administration and reporting. Whether they want to see where programs are underperforming, course-correct to reach higher rebate tiers or identify spending which can be used more strategically elsewhere, rebate programs can easily be adjusted to maximize revenue.



#### 5. Build a Rebate Strategy with Your Trading Partners

There is a technology shift that's driving a change in the way we do business; it's also driving a massive change in the outcomes of rebates. But most of us haven't fully harnessed this shift due to complexity taking over. Our rebates are difficult to manage manually and at the same time, we need real-time data and collaboration among our supply chain to get the right information to make the right decisions at the right time. All of this can be achieved with an effective rebate strategy that incentivizes the right behaviors to drive the revenue and margin outcomes you need to grow your business.



Want to effectively drive loyalty and revenue using your rebates?  
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