



Rebate Reset: Start, Stop, Continue Cheat Sheet

A Rebate Reset is all about assessing if you're using rebates as a strategic engine for success in a way that personalizes incentives to drive behaviors, increases margins and sales and mutually drives growth while rebuilding loyalty and trust between trading partners.

To initiate this reset, it's advantageous to determine actions to start, stop and continue. This cheat sheet offers a systematic method for distributors, manufacturers, or retailers to reassess and refine their rebate strategies. Let's dive in!

Start

- Begin customizing rebate programs to individual customers rather than offering one-size-fits-all solutions.
- Ensure that your rebate programs align with your commercial strategy, to avoid profit leakage and disputes.
- Identify and understand the specific behaviors you want to incentivize with your rebate programs.
- Implement mechanisms to measure the effectiveness of existing rebate programs.
- Ensure that pricing strategies and rebate programs are aligned with each other to avoid conflicts.
- Find a balance between the complexity demanded by the market and what your organization can realistically manage.
- Invest in technology to support more complex rebate programs, moving away from manual processes.
- Begin fostering closer collaboration with trading partners to understand their specific goals better and co-design rebate programs that mutually benefit both parties.
- Initiate the sharing of data and insights with trading partners to facilitate more informed decision-making in designing rebate programs.
- Educate internal stakeholders on the strategic importance of rebate programs to improve understanding.



Stop

- Cease offering generic annual rebates that do not cater to individual partner needs or behaviors.
- Stop managing rebate programs reactively; instead, take a proactive approach to measure outcomes and adjust strategies accordingly.
- Put an end to disputes arising from inaccurate or conflicting rebate calculations.
- Move away from relying solely on manual spreadsheets or outdated ERPs for managing rebate programs.
- Stop viewing rebates solely as a cost of doing business; recognize their potential as strategic drivers of behavior and growth.
- Cease operating in silos and instead break down barriers between your organization and trading partners to facilitate more effective collaboration.
- Stop limiting engagement with trading partners to transactional interactions; instead, strive for deeper, more strategic partnerships.
- Avoid creating overly complex rebate programs that are difficult for partners to understand or administer, leading to confusion and dissatisfaction.
- Stop prioritizing short-term gains over long-term partnership development and value creation in rebate program design and negotiation.
- Don't ignore emerging market trends or shifts in customer preferences that may necessitate adjustments to rebate program structures or incentives.

Continue

- Continue assessing areas of risk in current rebate management processes and seek ways to mitigate them.
- Maintain a balance between your organization's needs and the needs of your customers when designing rebate programs.
- Continue to take a step back to be more thoughtful and strategic in your deployment.
- Keep utilizing technology to streamline and enhance your rebate management.
- Continue measuring outcomes of rebate programs to ensure they are achieving desired results.
- Continue building trust with trading partners through consistent and transparent communication and collaborative problem-solving.
- Maintain a culture of continuous improvement in rebate program design and management through ongoing feedback loops.
- Continue adapting rebate programs in response to changes in market dynamics and the evolving needs of your trading partners.
- Continue benchmarking rebate program performance against industry standards, peer benchmarks, and internal targets to identify areas for improvement and optimization.
- Maintain vigilance in monitoring the competitive landscape for industry best practices, ensuring continued relevance and competitiveness.

Have you now identified actions to start, stop and continue? If so, you're now one step closer to a rebate reset and strategically realigning your rebate strategies to drive growth, enhance profitability, and strengthen relationships with your trading partners.

To further your expertise in rebates and propel your career forward, consider enrolling in a course at [Rebate Strategist University](#).

