

# Learning, Selling and Earning Translate into Success for IBM and CiEvents

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**Client:** IBM Corp.

**Program:** Know your IBM



For IBM, a global leader in information technology and software solutions, the indirect distribution channel is critically important. IBM's relationships with its business partners account for over 60% of total product business and 40% of all new business opportunities. For years, IBM has used an incentive program, called Know Your IBM (KYI), to strengthen this channel and differentiate the company from its competitors. However, the program had been managed locally in each market, leading to inconsistencies. In 2007, IBM decided to take KYI global, tapping CiEvents, along with Merscient and Fatfish Design, to manage the program across 88 countries and in 10 different languages. IBM asked CiEvents to increase involvement, number of participants and revenue generated by the program, as well as to double the number of products and services sold by the channel.

CiEvents developed a highly effective, truly global program. It organized KYI into two components: Learn and Earn and Sell and Earn. The Learn and Earn component motivated business partners to develop their knowledge of IBM products and services. The partners earned points for successfully completing educational modules. Program participants also earned points through the Sell and Earn component, where business partners accrued points by selling specific products. Participants could redeem points for incentive rewards from the program catalog, or they could donate their points to a charity of their choice.

Business partners participated in the program through two interactive website portals: one where participants earned points through learning and selling and another for rewards redemption. For the educational and sales portal, great care was taken to ensure consistency, creating a level playing field regardless of country or language. The educational modules were created in English and then translated as necessary, with validators



in each country assessing each module for accuracy and comprehension. The rewards portal was kept separate from the points portal so that rewards could be customized for each country, maximizing motivational potential and avoiding potential difficulties caused by cultural differences.

CiEvents offered high-profile rewards to further drive IBM business partners to participate. In previous years, KYI awarded incentive trips in some of the countries. CiEvents expanded the trip component, offering trips to high performers in India, Singapore, Malaysia and China for the first time. Each region was offered a trip deemed most motivating to participants from that area. High performers from New Zealand and Australia traveled to Uluru, Australia; those from Europe went to Morocco; and the inaugural destination for India, Singapore, Malaysia and China was Phuket, Thailand.

The trips each had an optional activity that encouraged attendees to give something back to the community. In Phuket, the group helped rebuild a community center that had been destroyed in the 2005 tsunami. In Morocco,

attendees visited a local village and helped build a new wing at the school. And in Uluru, the group visited a local Aboriginal community and tutored children on how to use the school computers.

The 2007 KYI program achieved its objectives in an overwhelming fashion. KYI 2007 increased the number of participants who sold products by 33.9%, increased the number of active participants by 18.15% and increased the number of educational modules completed by 48.01%. Revenue dollars also rose, increasing by 62%, as did the total number of products and services sold through the program, which increased by 184.7%. All these increases handily beat the goals set by IBM. Overall, the 2007 KYI program produced a fantastic ROI of 43:1.

Through KYI 2007, CiEvents was also able to demonstrate that there is a direct tie between product learning and sales efficacy. CiEvents assembled a team of prominent academic researchers to analyze the results of the program. The researchers created an online survey, administered globally, to compare performance data against a control group. The results showed that learning does indeed have an impact on sales efficacy. These findings will be published in a leading marketing journal, contributing to marketing theory and benefiting organizations across the world. ●