Non-Cash Value Perception:

Identifying the Tipping Point

February 2025

▶ Research Overview

500 survey respondents sourced from online panel sources across a variety of industries, targeting:

- Retails Sales Associates
- Insurance Agents and Financial Advisors
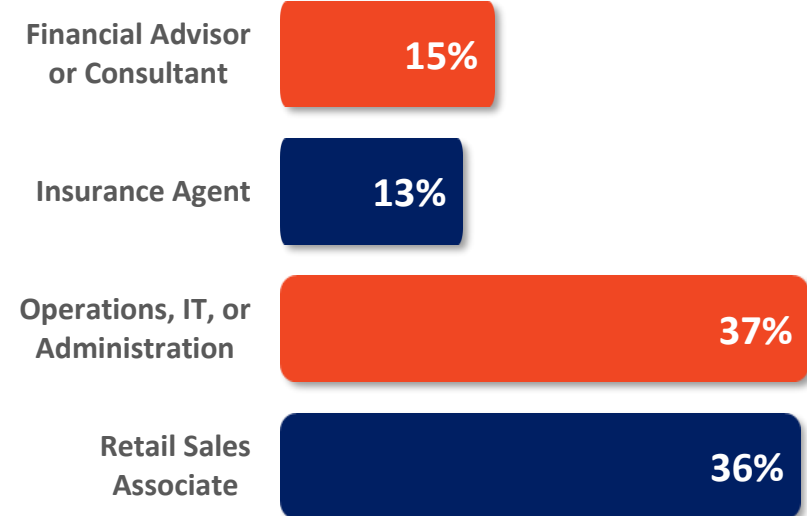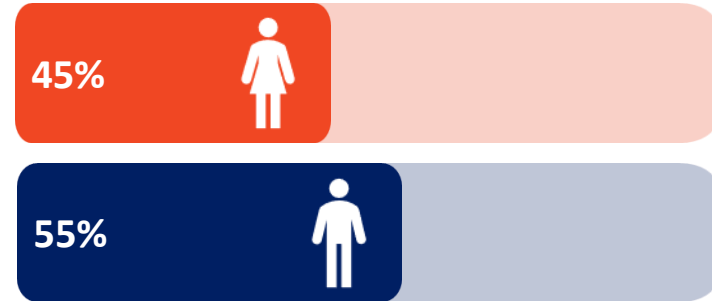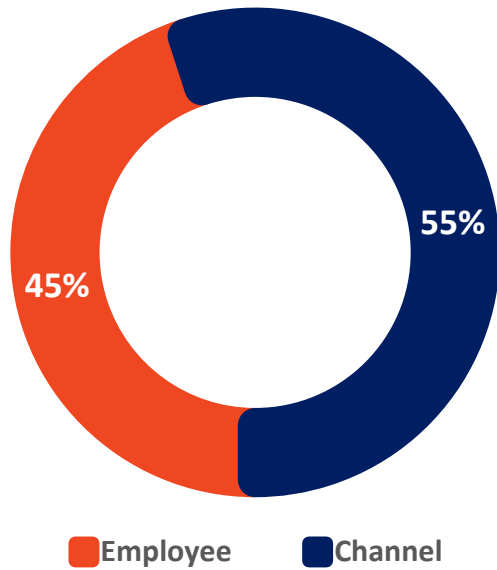- Operations, IT, and Administration

Respondents met the following criteria:

- Full-time employees
- Management or individual contribution role
- Eligible for non-cash rewards programs within their organization.

Fieldwork conducted from September 27 to October 17, 2024

Position	Compensation Requirement
Retail Sales Associate	$15 to $25 per hour
Insurance Agent	$60k to $120k annual compensation
Financial Advisor	$75k to $150k annual compensation
Operations, IT, and Administration	$50k to $150k annual compensation

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Respondent Demographics

Respondent Demographics

Industry	Percentage
Retail/Wholesale	36%
Banking/Financial Services/Insurance	26%
IT/Technology	10%
Manufacturing/Industrial	8%
Professional Services	7%
Health and Medicine	3%
Automotive	2%
Education	1%
Entertainment/Media	1%
Hospitality/Travel/Leisure	1%
Telecommunications	1%
Pharmaceutical	1%
Other (specify):	2%

Responses

47

0
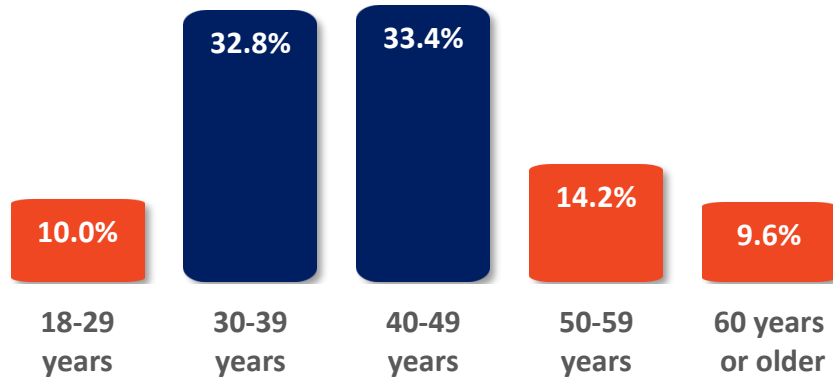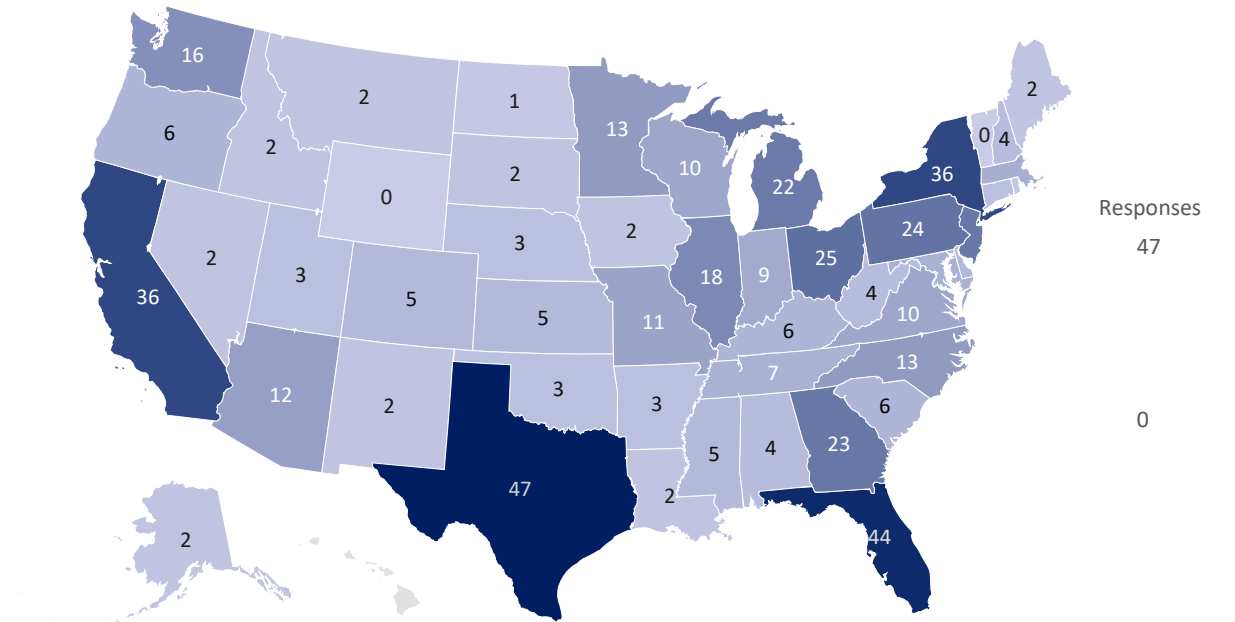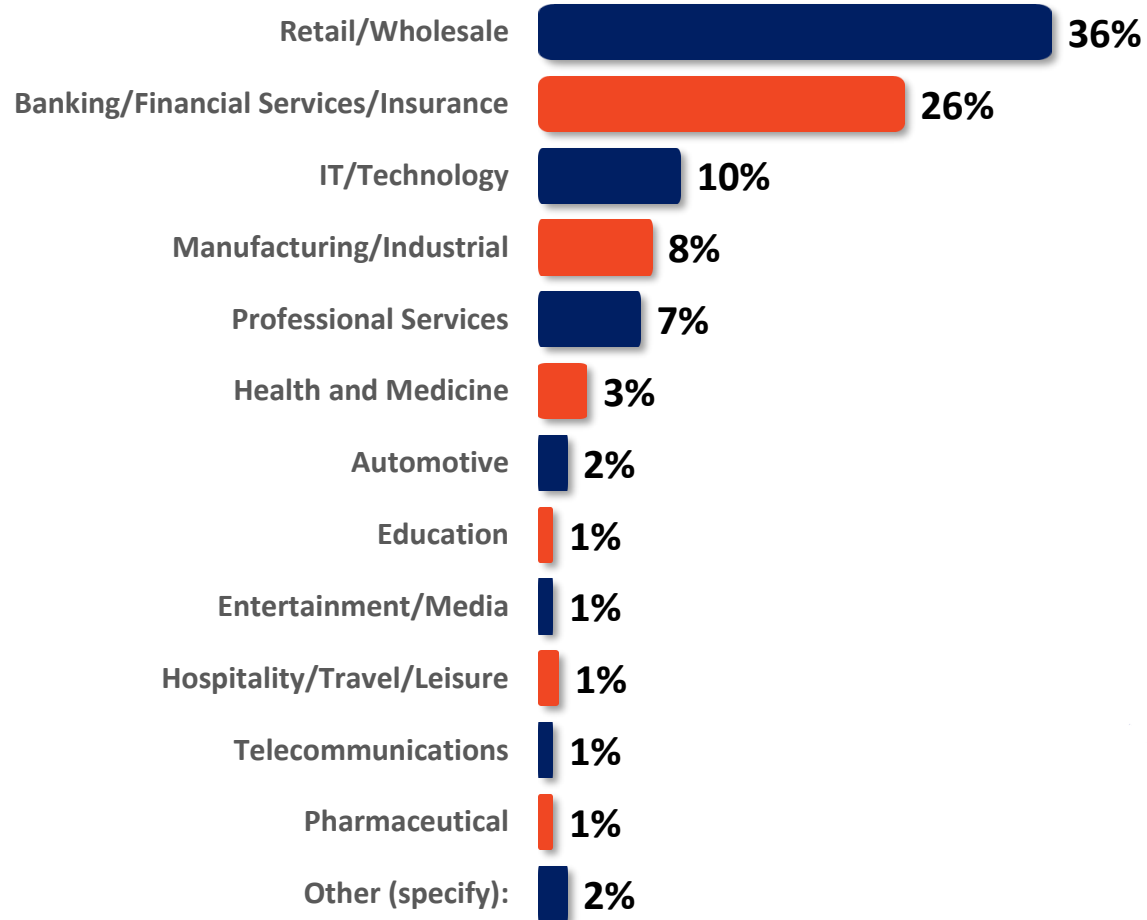
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Respondent Demographics

Tenure With Current Company

- Less than 1 year: 3%
- 1 to 3 years: 21%
- 4 to 6 years: 26%
- 7 to 10 years: 23%
- 11 to 15 years: 14%
- 16 to 20 years: 6%
- More than 20 years: 8%

Company Size

- 1 to 19 employees: 2%
- 20 to 49 employees: 7%
- 50 to 99 employees: 6%
- 100 to 499 employees: 19%
- 500 to 999 employees: 16%
- 1,000 to 1,999 employees: 12%
- 2,000 or more employees: 36%
- Unsure: 2%

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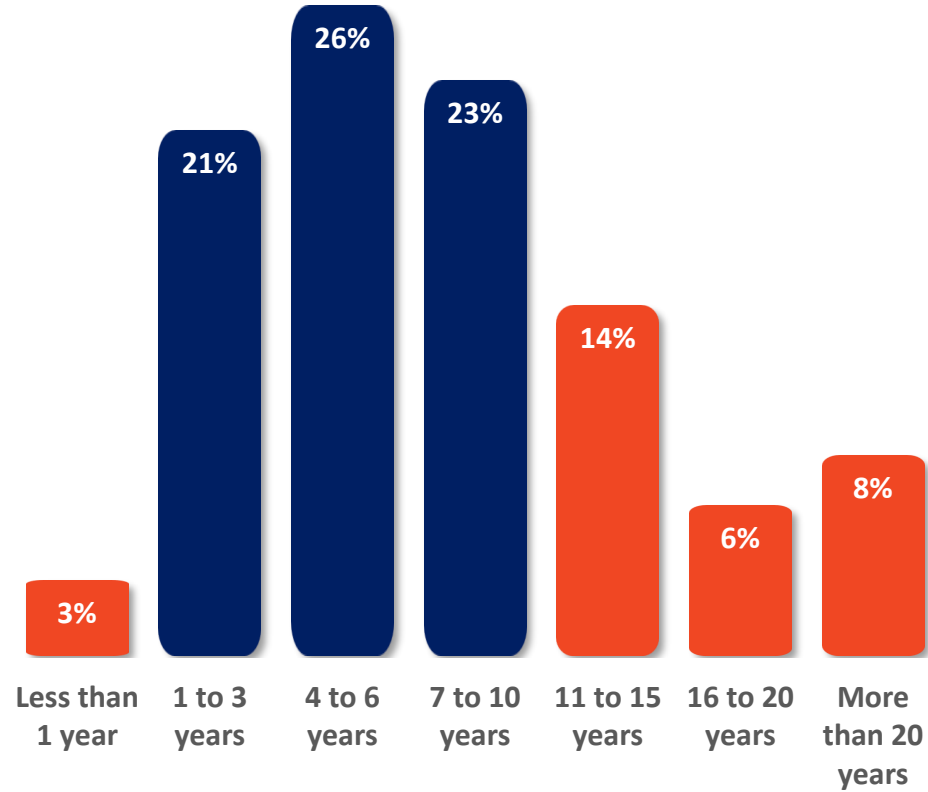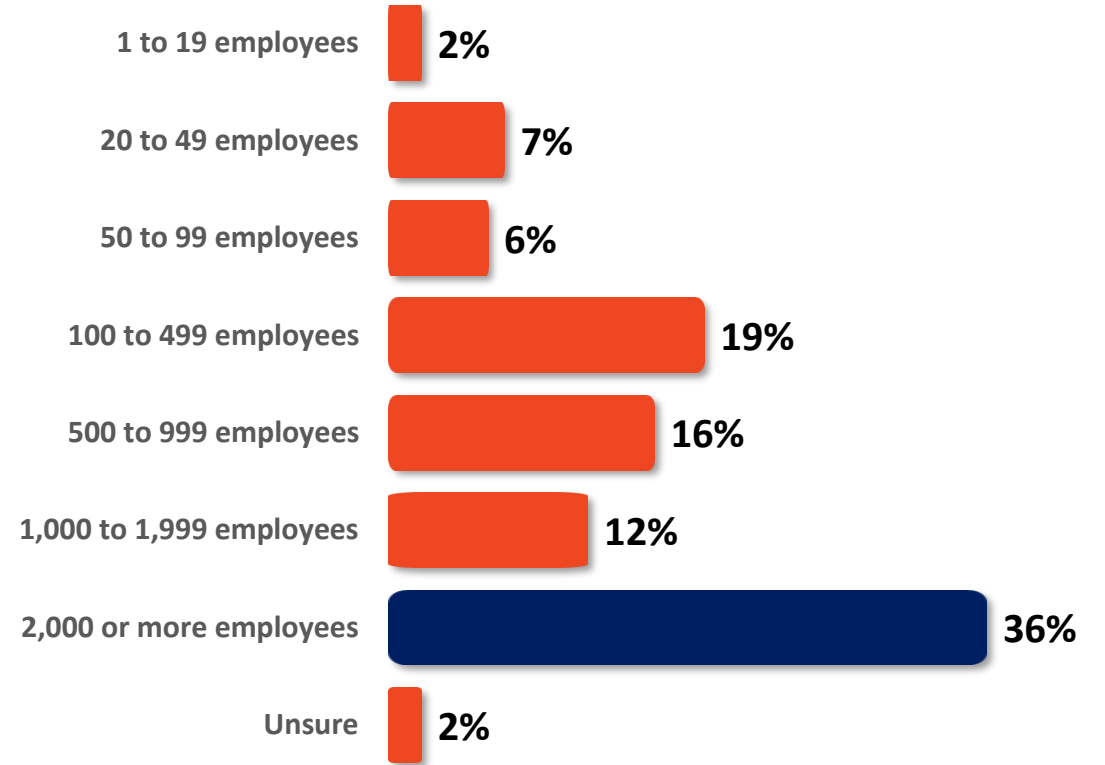
Previous Experience With Reward Programs

Recent Reward Program Participation

Employee recognition for outstanding performance and holiday or season reward programs are most common amongst all respondents.

Referral based reward programs are used sparingly.

Program	Percentage
Employee recognition for outstanding performance	58%
Holiday or seasonal rewards	42%
Work anniversary	36%
Sales goal	32%
Customer satisfaction	31%
Customer service	27%
Loyalty-based	27%
Training/education	24%
Referral-based	16%
Other reward programs	9%

B1: Which of the following types of programs that provided a reward have you participated in within the past 24 months?

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Recent Reward Program Participation

Financial advisors/consultants are more likely to engage in training and education reward programs than other roles.

Insurance agents are more likely to take part in sales goal and customer satisfaction reward programs than other roles.

Operations/IT/Administration roles have a higher likelihood of participating in employee recognition and work anniversary reward programs compared to other roles.

Retail sales associates are more inclined to participate in customer service reward programs than other roles.

- Financial Advisor or Consultant
- Insurance Agent
- Operations, IT, or Administration
- Retail Sales Associate

B1: Which of the following types of programs that provided a reward have you participated in within the past 24 months?
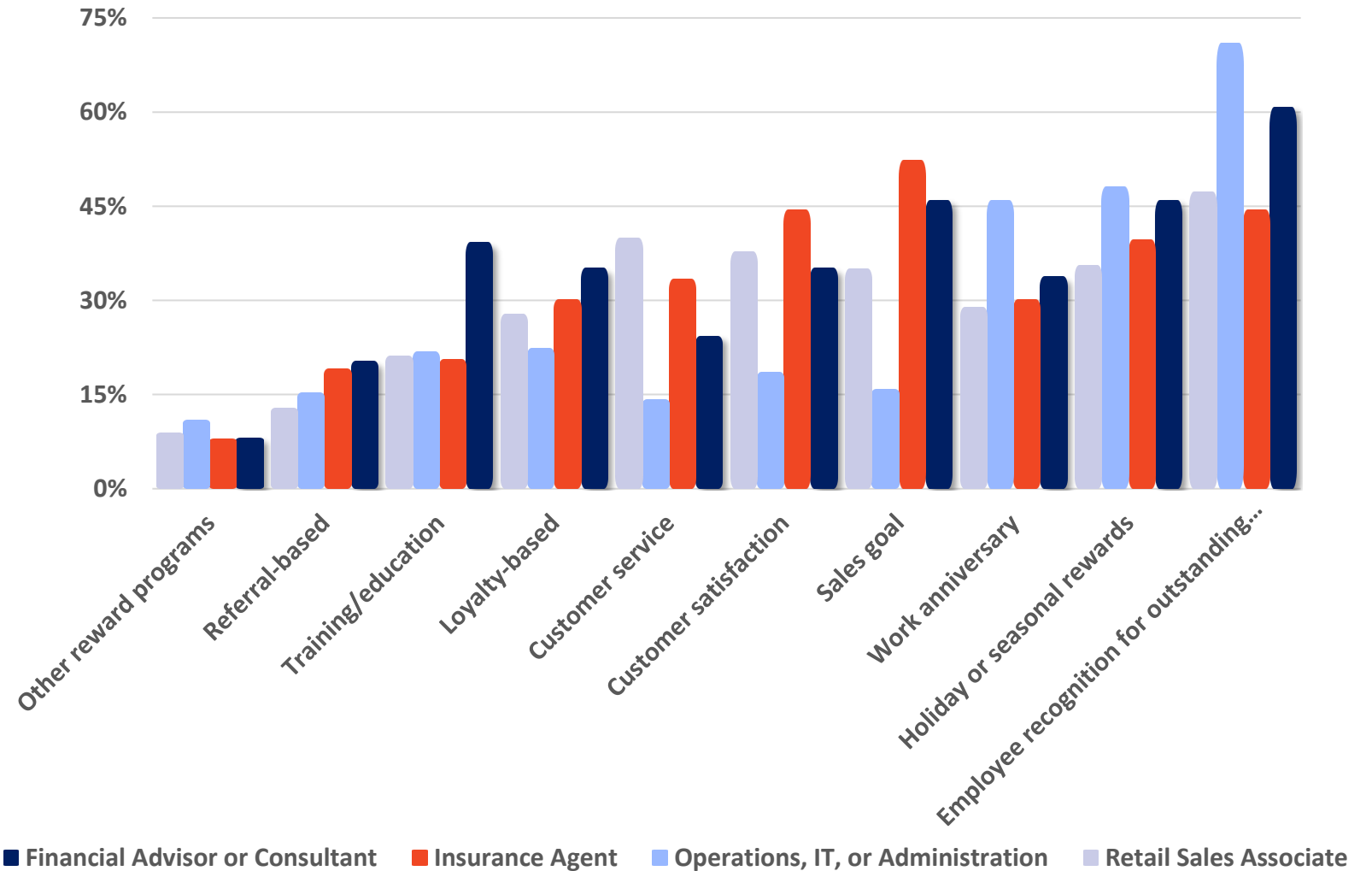
Recent Reward Program Participation

Participants of employee programs are more likely to engage in sales goal, customer satisfaction, customer service, and loyalty-based rewards programs.

Participants of channel programs are more likely to engage in employee recognition and work anniversary rewards programs.

While there are differences in participation rates for other reward programs, these differences are insignificant.

Legend: ■ Employee ■ Channel

Category	Channel	Employee
Other reward programs	9%	9%
Referral-based	15%	16%
Training/education	23%	26%
Loyalty-based	23%	32%
Customer service	22%	34%
Customer satisfaction	25%	39%
Sales goal	25%	40%
Work anniversary	43%	28%
Holiday or seasonal rewards	45%	39%
Employee recognition for outstanding...	66%	47%

B1: Which of the following types of programs that provided a reward have you participated in within the past 24 months?

Reward Value

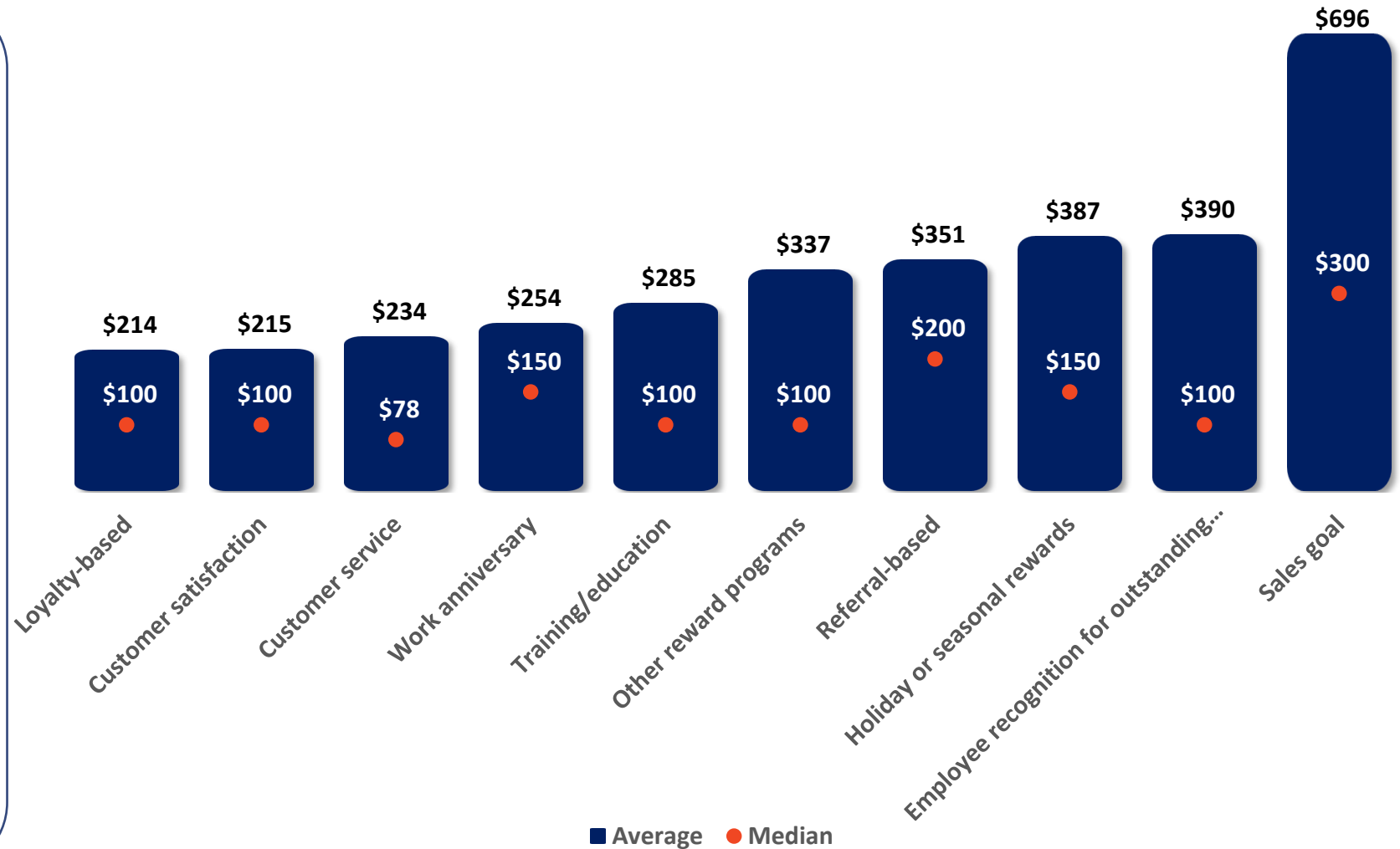Sales goal rewards are commonly valued much higher than other reward types.

Greater disparity in average and median values indicates a greater range of reward value for a specific program-type.

Employee recognition reward programs have the greatest variance in reward value, with an average 3.9 times the median.

Program type	Average	Median
Loyalty-based	$214	$100
Customer satisfaction	$215	$100
Customer service	$234	$78
Work anniversary	$254	$150
Training/education	$285	$100
Other reward programs	$337	$100
Referral-based	$351	$200
Holiday or seasonal rewards	$387	$150
Employee recognition for outstanding…	$390	$100
Sales goal	$696	$300

■ Average ● Median

B2: What was the dollar value of the reward you received from each of the programs you participated in within the past 24 months?
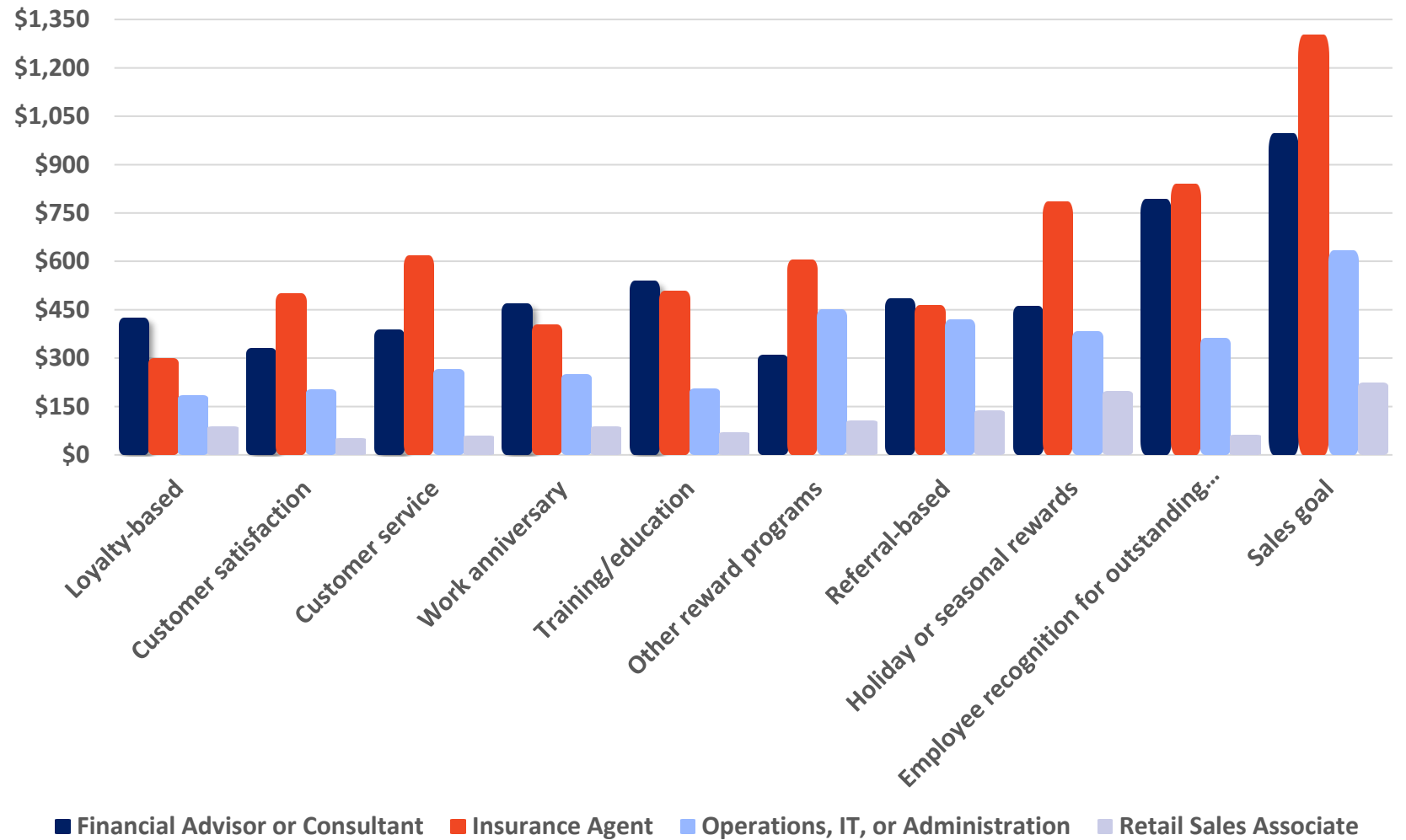
Average Reward Value

Insurance agents generally receive rewards with greater values compared to other roles.

Financial advisors and consultants receive the highest average reward values for training/education, work anniversaries, referral-based, and loyalty-based programs.

Retail sales associates receive lower reward values than all other roles.

■ **Financial Advisor or Consultant**   ■ **Insurance Agent**   ■ **Operations, IT, or Administration**   ■ **Retail Sales Associate**

B2: What was the dollar value of the reward you received from each of the programs you participated in within the past 24 months?

Average Reward Value

Lower-value rewards programs, such as loyalty-based, customer satisfaction, and customer service, are often incentivized at higher values for employee programs.

Higher-value rewards programs, such as holiday/seasonal, employee recognition, and referral-based programs, are typically incentivized at higher values for channel programs.

	Employee	Channel
Loyalty-based	$228	$198
Customer satisfaction	$243	$177
Customer service	$233	$236
Work anniversary	$310	$224
Training/education	$324	$247
Other reward programs	$280	$375
Referral-based	$321	$378
Holiday or seasonal rewards	$311	$441
Employee recognition for outstanding…	$359	$408
Sales goal	$699	$692

■ Employee ■ Channel

B2: What was the dollar value of the reward you received from each of the programs you participated in within the past 24 months?
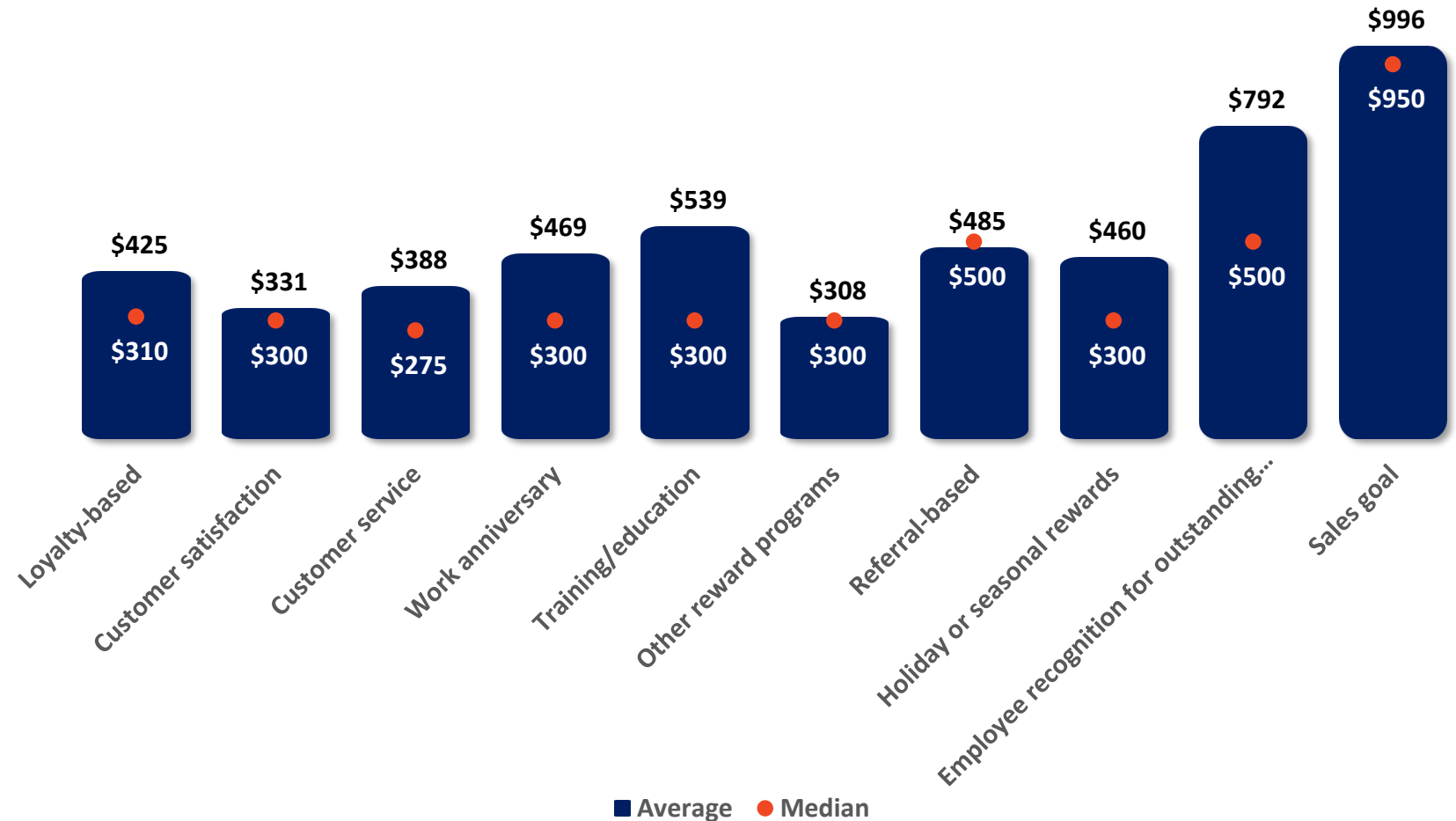
▶ Reward Value

Sales goal and employee recognition reward programs have the highest incentive value.

In contrast to the full sample, holiday/seasonal rewards value is ranked near the middle for financial advisors/consultants.

Training/education reward programs exhibit the greatest disparity in reward value.

The larger median than average in referral-based programs indicates a greater distribution of high-value rewards, along with some very low-value rewards.
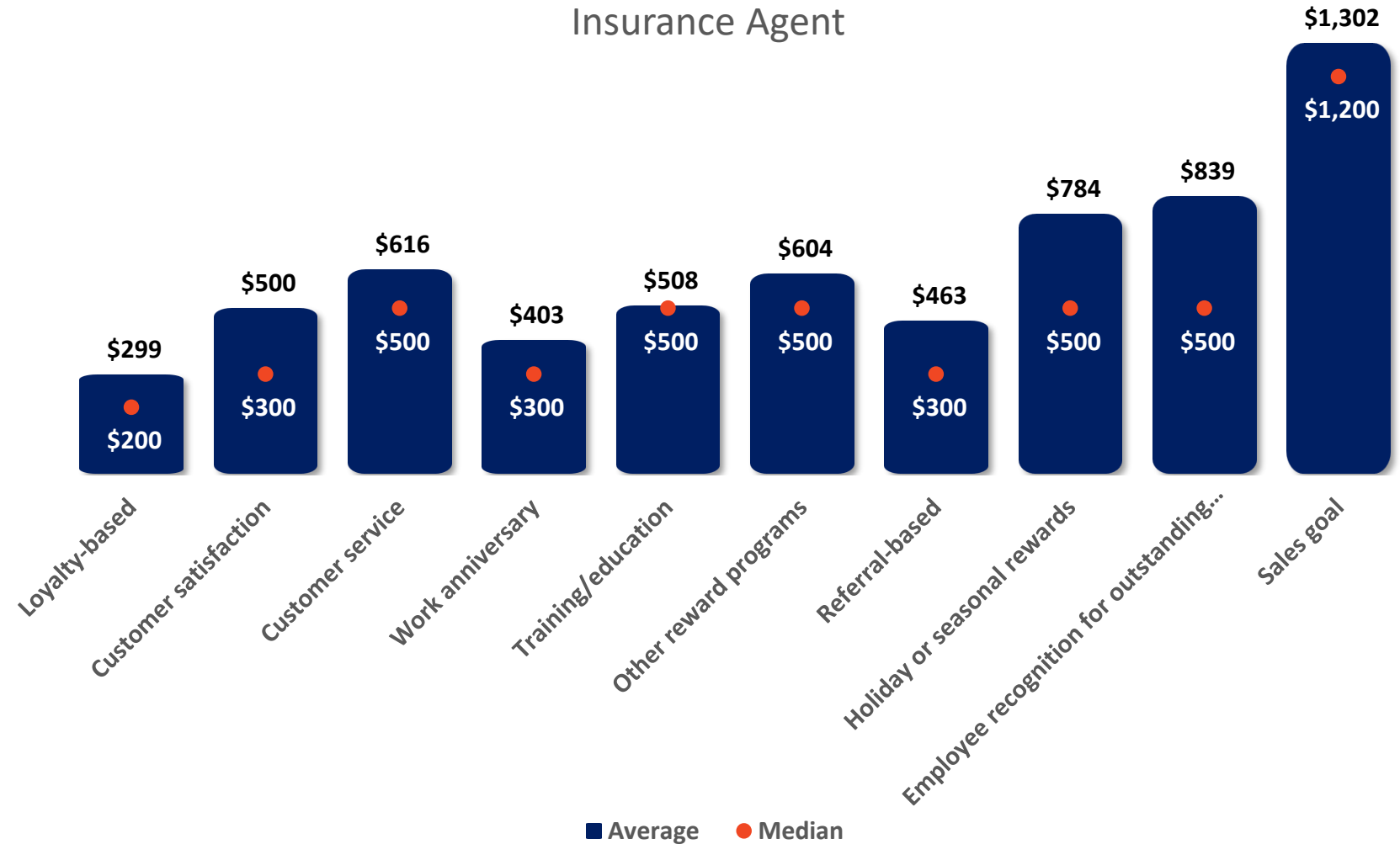
Financial Advisor or Consultant

Category	Average	Median
Loyalty-based	$425	$310
Customer satisfaction	$331	$300
Customer service	$388	$275
Work anniversary	$469	$300
Training/education	$539	$300
Other reward programs	$308	$300
Referral-based	$485	$500
Holiday or seasonal rewards	$460	$300
Employee recognition for outstanding…	$792	$500
Sales goal	$996	$950

■ Average ● Median

B2: What was the dollar value of the reward you received from each of the programs you participated in within the past 24 months?

► Reward Value

Sales goal, employee recognition, and holiday/seasonal rewards offer the highest value for insurance agents.

Reward values for training/education and employee recognition incentive programs show limited variance, averaging only 1.02 and 1.09 times their respective medians.

Insurance Agent

	Average	Median
Loyalty-based	$299	$200
Customer satisfaction	$500	$300
Customer service	$616	$500
Work anniversary	$403	$300
Training/education	$508	$500
Other reward programs	$604	$500
Referral-based	$463	$300
Holiday or seasonal rewards	$784	$500
Employee recognition for outstanding…	$839	$500
Sales goal	$1,302	$1,200

■ Average ● Median

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B2: What was the dollar value of the reward you received from each of the programs you participated in within the past 24 months?
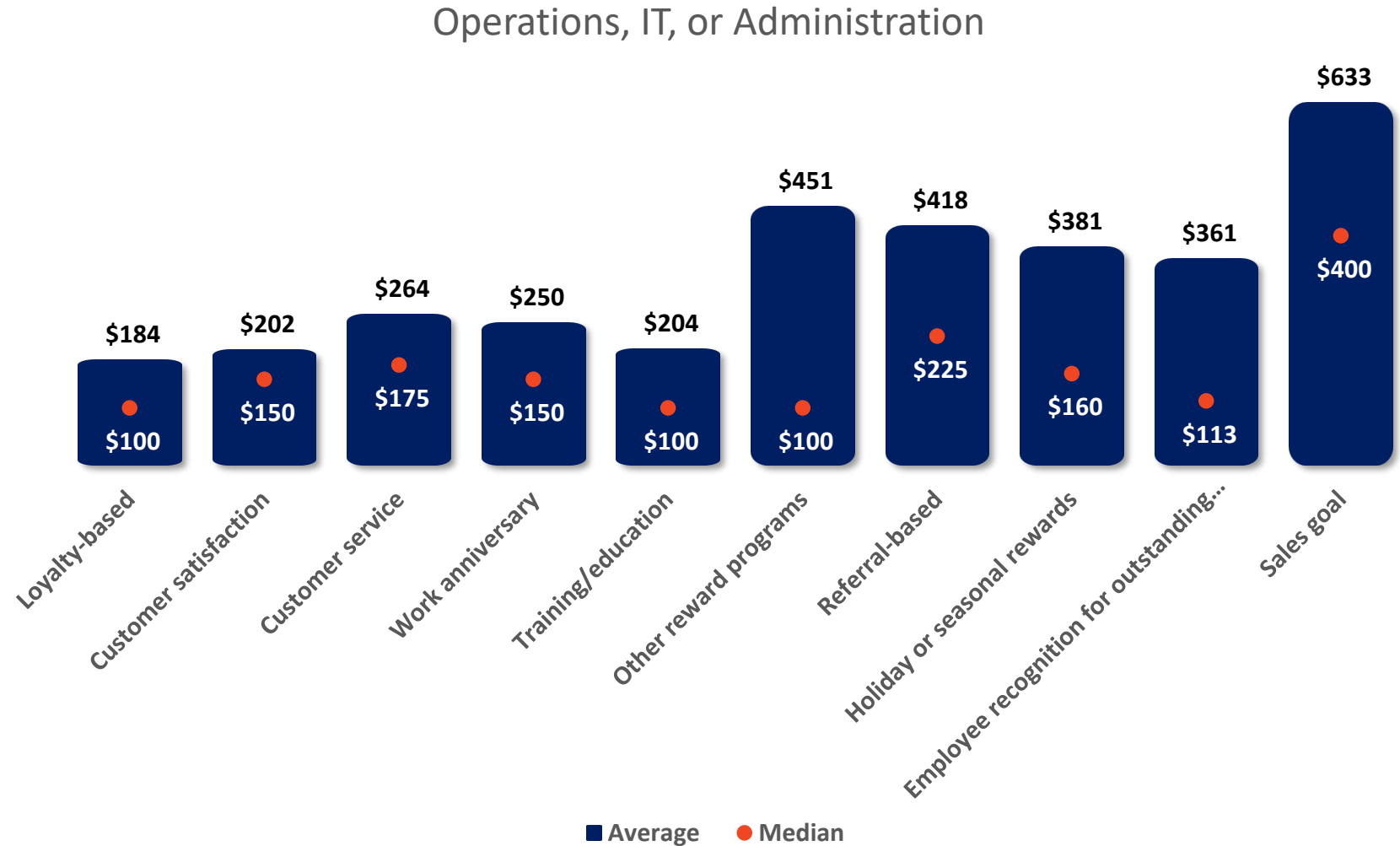
► Reward Value

Sales goal reward programs have the highest incentives for operations/IT/administration roles.

While other reward programs show the second highest average, they also have the lowest median value, indicating significant disparity in reward value.

Employee recognition programs also exhibit a large disparity in reward value, with an average 3.21 times the median.
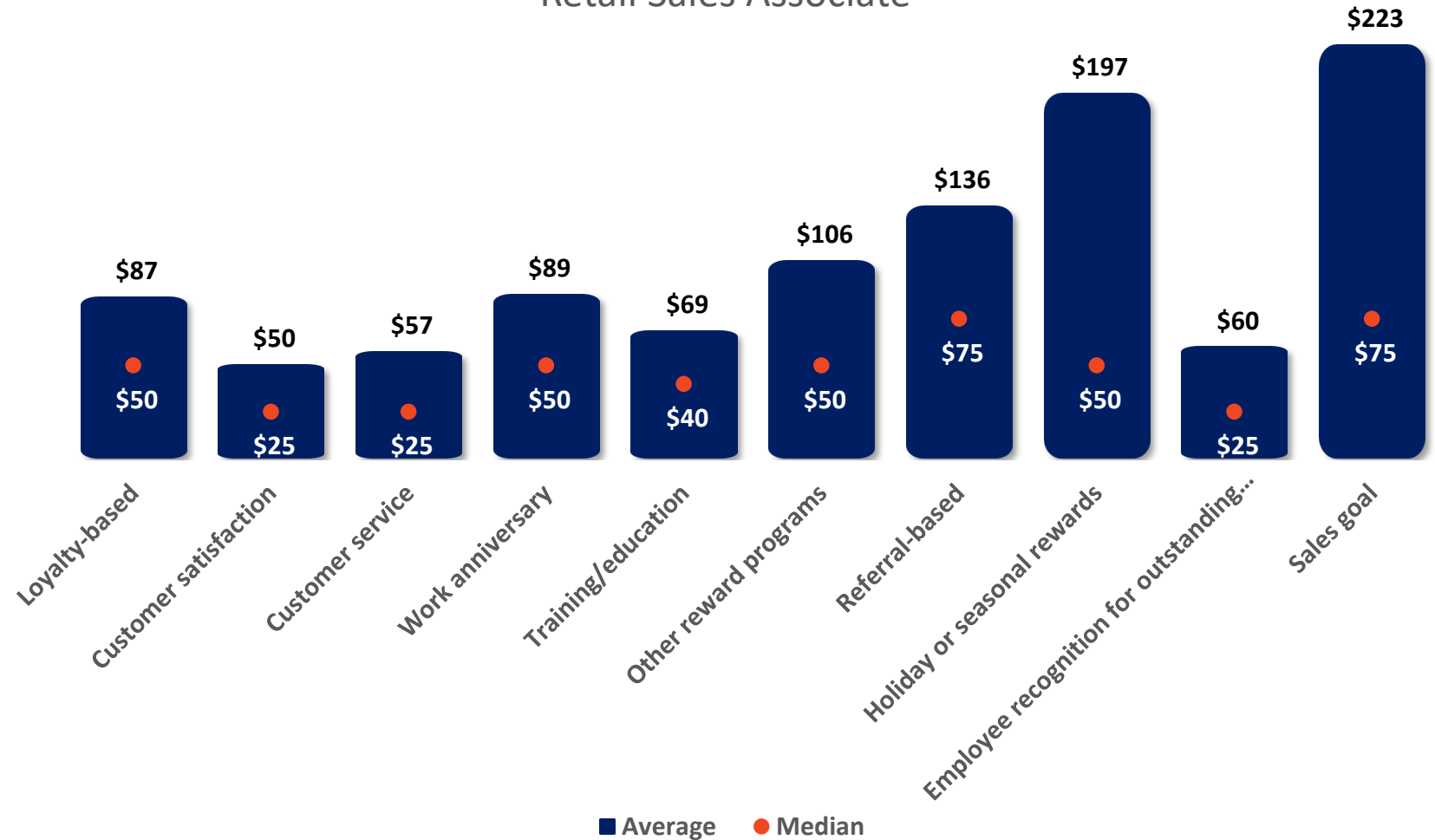
Operations, IT, or Administration

	Average	Median
Loyalty-based	$184	$100
Customer satisfaction	$202	$150
Customer service	$264	$175
Work anniversary	$250	$150
Training/education	$204	$100
Other reward programs	$451	$100
Referral-based	$418	$225
Holiday or seasonal rewards	$381	$160
Employee recognition for outstanding...	$361	$113
Sales goal	$633	$400

■ Average ● Median

B2: What was the dollar value of the reward you received from each of the programs you participated in within the past 24 months?

► Reward Value

Sales goal and holiday/seasonal programs have the greatest average reward value.

Referral-based programs are third in average reward value but have an equivalent median reward value to sales goal programs.

With averages 3.93 and 2.97 times respective medians, holiday/seasonal and sales goal programs have the greatest variance in reward values.
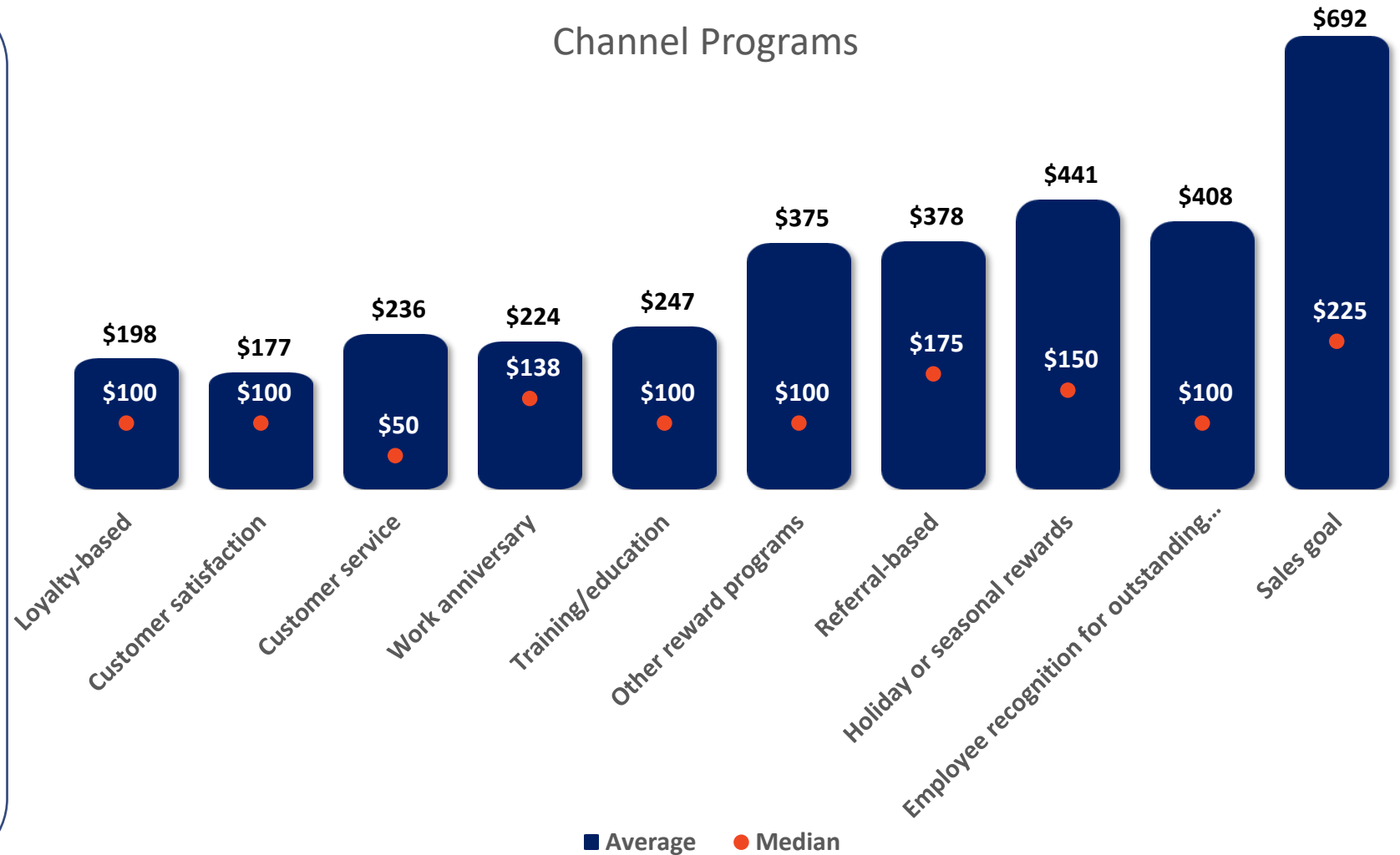
Retail Sales Associate

Program	Average	Median
Loyalty-based	$87	$50
Customer satisfaction	$50	$25
Customer service	$57	$25
Work anniversary	$89	$50
Training/education	$69	$40
Other reward programs	$106	$50
Referral-based	$136	$75
Holiday or seasonal rewards	$197	$50
Employee recognition for outstanding…	$60	$25
Sales goal	$223	$75

■ Average ● Median

B2: What was the dollar value of the reward you received from each of the programs you participated in within the past 24 months?

▶ Reward Value

Sales goal and holiday/seasonal programs have the greatest average reward value.

Referral-based programs are only fourth in average reward value, but have the second highest median reward value, indicating a more consistently high reward offering.

With averages 4.72 and 4.08 times respective medians, customer service and employee recognition programs have the greatest reward value variance.
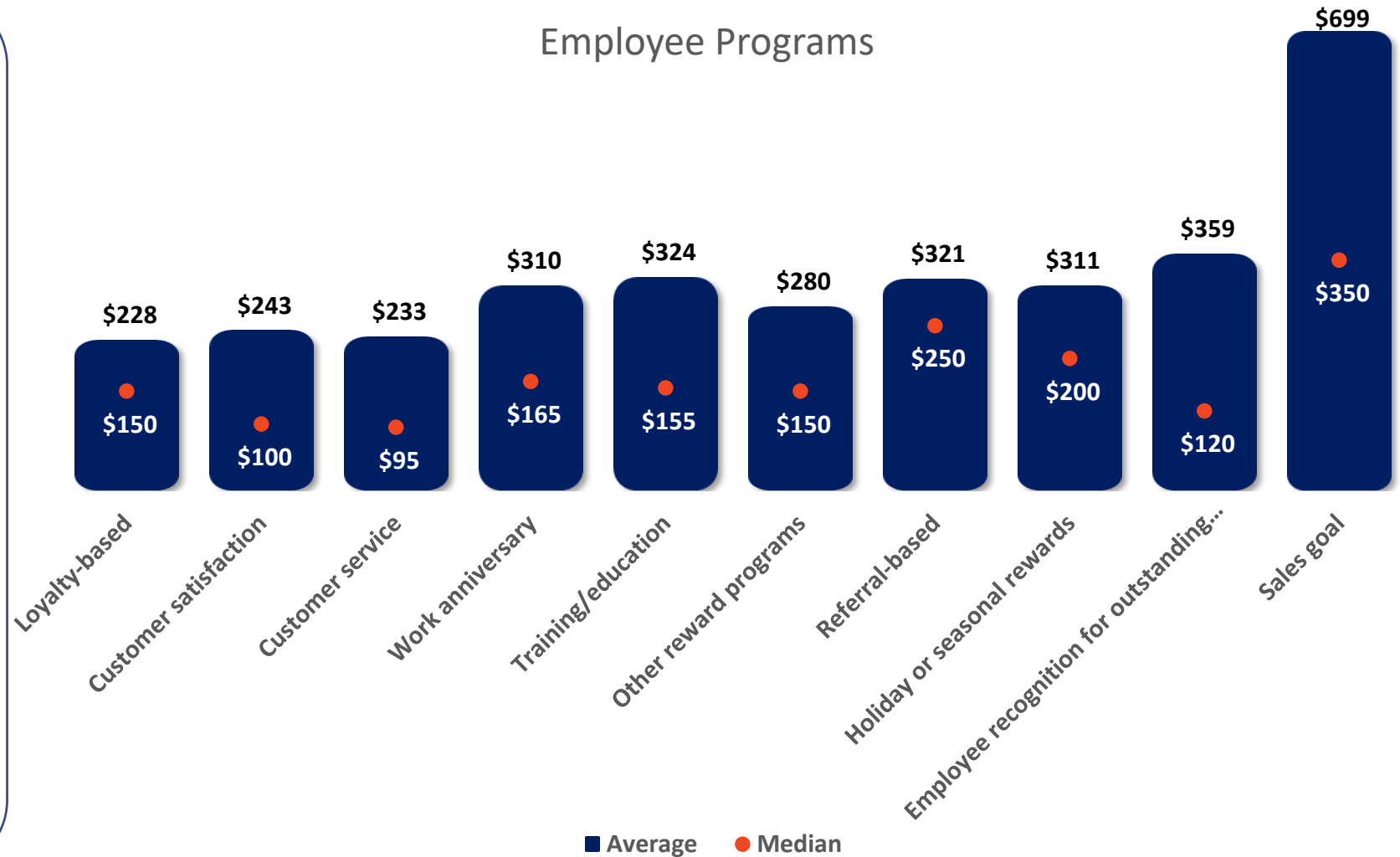
Channel Programs

Program	Average	Median
Loyalty-based	$198	$100
Customer satisfaction	$177	$100
Customer service	$236	$50
Work anniversary	$224	$138
Training/education	$247	$100
Other reward programs	$375	$100
Referral-based	$378	$175
Holiday or seasonal rewards	$441	$150
Employee recognition for outstanding...	$408	$100
Sales goal	$692	$225

■ Average ● Median

B2: What was the dollar value of the reward you received from each of the programs you participated in within the past 24 months?

▶ Reward Value

With an average reward nearly double the next highest category, sales goal rewards are incentivized significantly higher than any other program.

Employee recognition programs have the second-highest average reward but one of the lowest median values, indicating that most rewards are lower in value.

Referral-based programs have a moderate average value, but the second-highest median value, suggesting these programs provide more consistent and substantial rewards to employees.
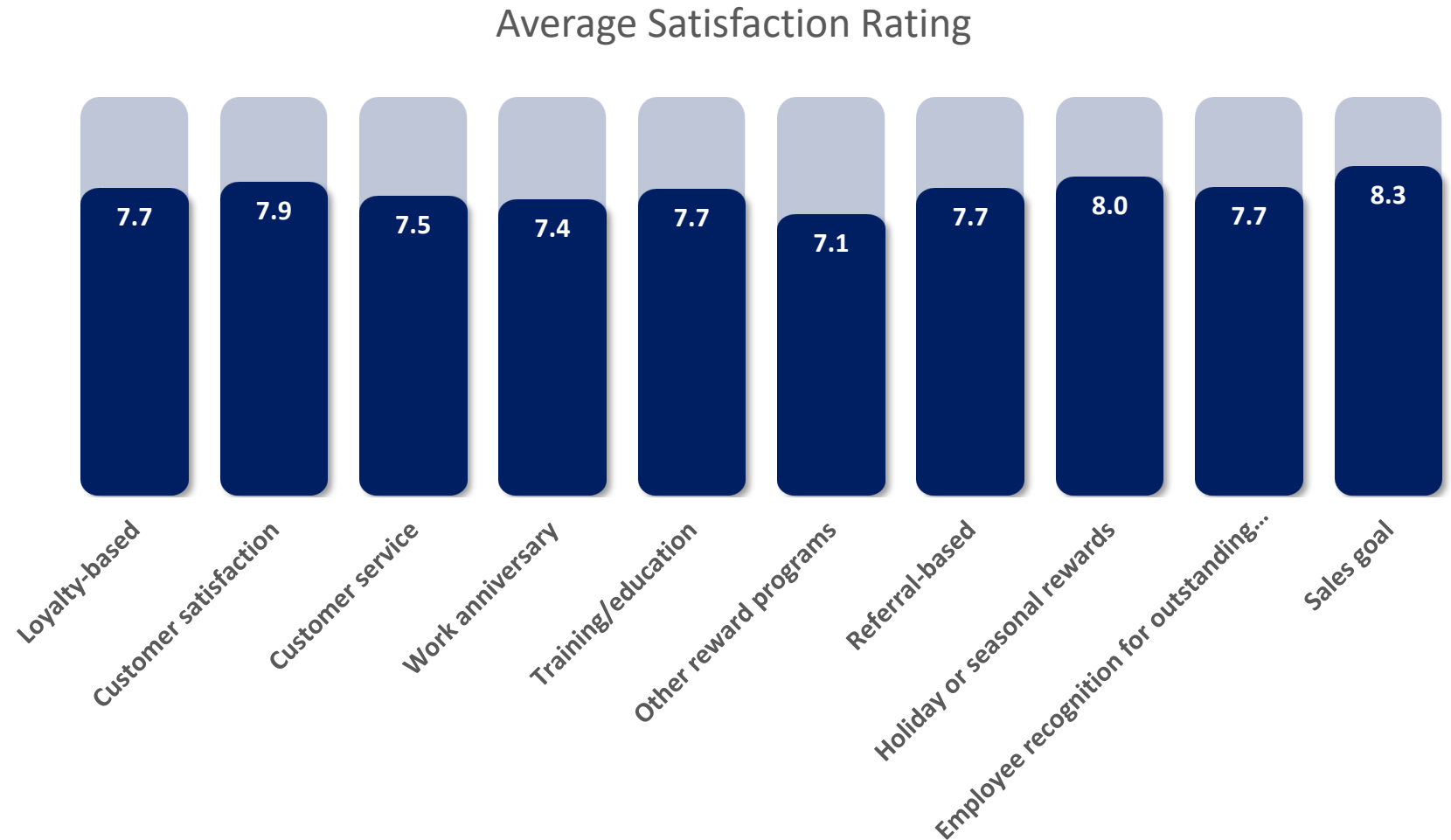
Employee Programs

Program	Average	Median
Loyalty-based	$228	$150
Customer satisfaction	$243	$100
Customer service	$233	$95
Work anniversary	$310	$165
Training/education	$324	$155
Other reward programs	$280	$150
Referral-based	$321	$250
Holiday or seasonal rewards	$311	$200
Employee recognition for outstanding...	$359	$120
Sales goal	$699	$350

■ Average ● Median

B2: What was the dollar value of the reward you received from each of the programs you participated in within the past 24 months?

Average Reward Satisfaction

Sales goal, holiday/seasonal, and customer satisfaction reward programs earn the greatest satisfaction of participants.

Other reward programs elicit the lowest satisfaction levels.

In general, variances in satisfaction ratings are minimal.

Average Satisfaction Rating

Loyalty-based	Customer satisfaction	Customer service	Work anniversary	Training/education	Other reward programs	Referral-based	Holiday or seasonal rewards	Employee recognition for outstanding...	Sales goal
7.7	7.9	7.5	7.4	7.7	7.1	7.7	8.0	7.7	8.3

B3: How satisfied are you with the reward you received from each of the programs you participated in within the past 24 months? Please answer using a 1 to 10 scale, where 1 means you are 'Not at all satisfied' and 10 means you are 'Extremely satisfied.' (Select one rating)

Average Reward Satisfaction

Financial advisors/consultants are more satisfied with employee recognition, loyalty-based, and training/education reward programs, and less satisfied with other reward programs.

Insurance agents are more satisfied with other reward programs and less satisfied with employee recognition reward programs.

Retail sales associates are more satisfied with holiday/season rewards, and less satisfied with loyalty-based and training/education reward programs.

Operations/IT/administration roles are commonly less satisfied than others, regardless of the reward program.

Average Satisfaction Rating

Legend: ■ Financial Advisor or Consultant ■ Insurance Agent ■ Operations, IT, or Administration ■ Retail Sales Associate

Categories: Loyalty-based, Customer satisfaction, Customer service, Work anniversary, Training/education, Other reward programs, Referral-based, Holiday or seasonal rewards, Employee recognition for outstanding…, Sales goal

B3: How satisfied are you with the reward you received from each of the programs you participated in within the past 24 months? Please answer using a 1 to 10 scale, where 1 means you are 'Not at all satisfied' and 10 means you are 'Extremely satisfied.' (Select one rating)

Average Reward Satisfaction

Participants in employee incentive programs tend to be more satisfied than those in channel incentive programs, particularly regarding referral-based, customer service, and other reward programs.

Average Satisfaction Rating

Program	Employee	Channel
Loyalty-based	7.7	7.7
Customer satisfaction	8.2	7.4
Customer service	8.0	7.0
Work anniversary	7.9	7.1
Training/education	7.9	7.5
Other reward programs	7.6	6.7
Referral-based	8.3	7.2
Holiday or seasonal rewards	8.3	7.8
Employee recognition for outstanding...	8.1	7.5
Sales goal	8.5	7.9

■ Employee ■ Channel

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B3: How satisfied are you with the reward you received from each of the programs you participated in within the past 24 months? Please answer using a 1 to 10 scale, where 1 means you are 'Not at all satisfied' and 10 means you are 'Extremely satisfied.' (Select one rating)

Average Reward Value vs. Average Reward Satisfaction

Reward value does not always correlate with perceived value.

Sales goal and holiday/seasonal reward programs and employee recognition programs have the highest reward values and are in the top average reward satisfaction rankings.

Loyalty-based and customer satisfaction rewards programs have high satisfaction ratings despite maintaining the lowest reward values.

Other reward programs is ranked last in satisfaction though having a reward value in the middle of all programs.

Category	Average Reward Value	Average Satisfaction
Loyalty-based	$214	7.7
Customer satisfaction	$215	7.9
Customer service	$234	7.5
Work anniversary	$254	7.4
Training/education	$285	7.7
Other reward programs	$337	7.1
Referral-based	$351	7.7
Holiday or seasonal rewards	$387	8.0
Employee recognition for outstanding...	$390	7.7
Sales goal	$696	8.3

Legend: ■ Average Reward Value ●— Average Satisfaction

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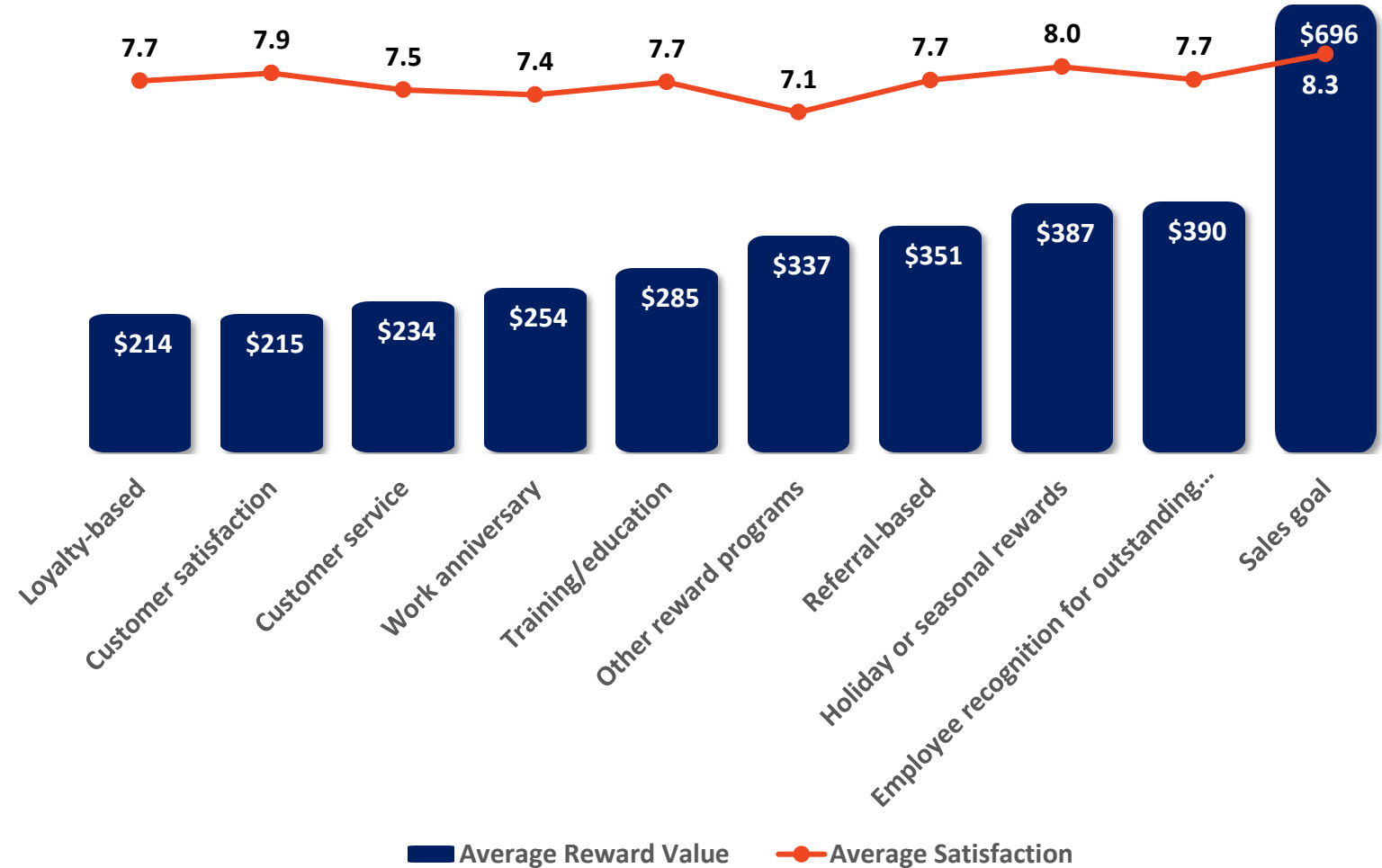
Average Reward Value vs. Average Reward Satisfaction

Financial advisors/consultants demonstrate a stronger correlation between reward value and satisfaction, though some inconsistencies remain.

Customer satisfaction and loyalty-based reward programs have lower reward values but receive higher satisfaction ratings.

Financial Advisor or Consultant

Category	Average Reward Value	Average Satisfaction
Other reward programs	$308	6.3
Customer satisfaction	$331	8.0
Customer service	$388	7.4
Loyalty-based	$425	8.2
Holiday or seasonal rewards	$460	7.8
Work anniversary	$469	7.9
Referral-based	$485	7.9
Training/education	$539	8.0
Employee recognition for outstanding...	$792	8.2
Sales goal	$996	8.5

■ Average Reward Value ●— Average Satisfaction

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Average Reward Value vs. Average Reward Satisfaction

Correlation between reward value and program satisfaction is inconsistent for insurance agents.

Other reward programs (fifth highest value) and sales goal reward programs (highest value) rank first and second in satisfaction.

Employee recognition programs have the second highest value but rank second to last in satisfaction.

Despite being among the lowest in reward value, loyalty-based, referral-based, and customer satisfaction programs rank among the highest in satisfaction ratings.

Insurance Agent

Program	Average Reward Value	Average Satisfaction
Loyalty-based	$299	7.9
Work anniversary	$403	7.1
Referral-based	$463	8.0
Customer satisfaction	$500	8.0
Training/education	$508	7.8
Other reward programs	$604	8.6
Customer service	$616	7.9
Holiday or seasonal rewards	$784	7.9
Employee recognition for outstanding...	$839	7.3
Sales goal	$1,302	8.4

■ Average Reward Value —●— Average Satisfaction

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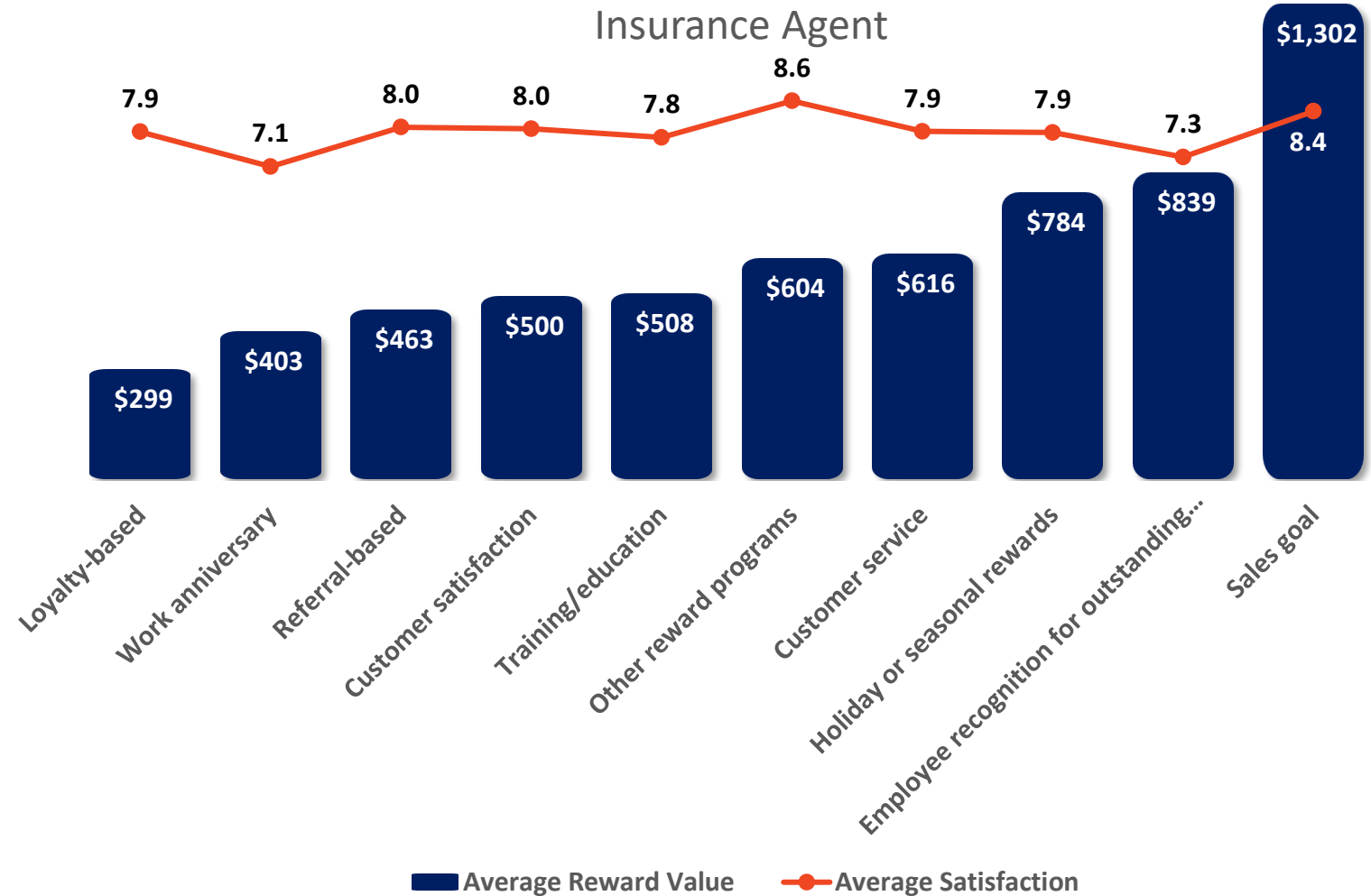
Average Reward Value vs. Average Reward Satisfaction

Operations/IT/Administration also display limited correlation between reward value and program satisfaction.

Sales goal reward programs have the highest value and rank highest in program satisfaction.

Despite having higher reward values, referral-based and other reward programs have some of the lowest satisfaction ratings.

Loyalty-based, customer satisfaction, and training/education programs have the lowest reward values but receive stronger satisfaction ratings.

Operations, IT, or Administration

Category	Average Reward Value	Average Satisfaction
Loyalty-based	$184	7.7
Customer satisfaction	$202	7.5
Training/education	$204	7.6
Work anniversary	$250	7.1
Customer service	$264	7.1
Employee recognition for outstanding...	$361	7.4
Holiday or seasonal rewards	$381	7.8
Referral-based	$418	7.2
Other reward programs	$451	6.6
Sales goal	$633	8.0

Average Reward Value ■   Average Satisfaction ●—

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Average Reward Value vs. Average Reward Satisfaction

Retail sales associates also show minimal connection between reward value and program satisfaction.

The top reward value programs (sales goal, holiday/season, and referral-based) also demonstrate high satisfaction ratings.

In contrast, some of the lowest reward value programs (customer satisfaction and employee recognition) exhibit some of the highest satisfaction ratings.

Retail Sales Associates

Program	Average Reward Value	Average Satisfaction
Customer satisfaction	$50	8.0
Customer service	$57	7.6
Employee recognition for outstanding...	$60	8.2
Training/education	$69	7.5
Loyalty-based	$87	7.4
Work anniversary	$89	7.9
Other reward programs	$106	7.5
Referral-based	$136	8.1
Holiday or seasonal rewards	$197	8.5
Sales goal	$223	8.2

■ Average Reward Value   ●— Average Satisfaction

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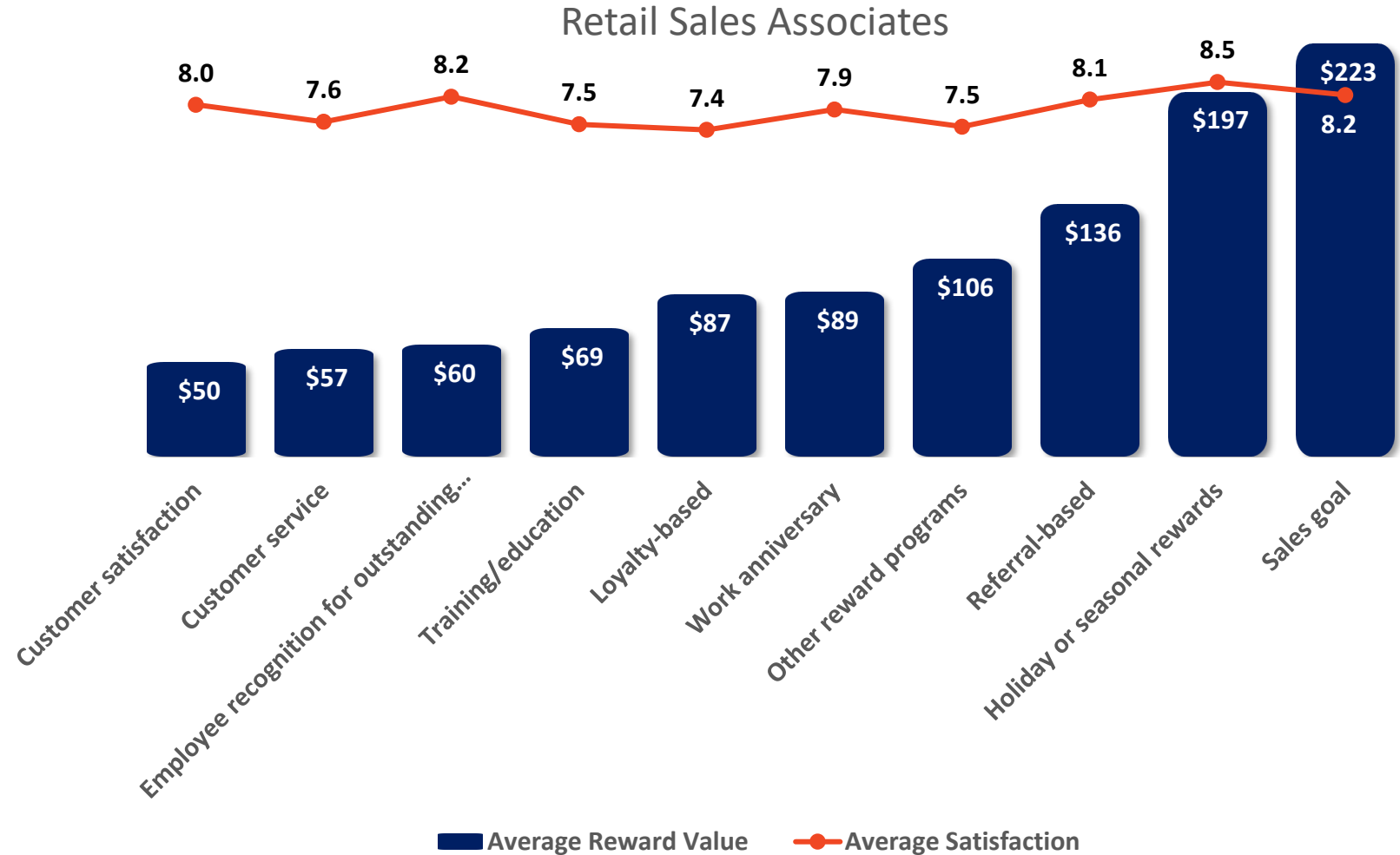
Average Reward Value vs. Average Reward Satisfaction

Channel programs also show minimal connection between reward value and program satisfaction.

Programs with the highest reward value (sales goal and holiday/season rewards) have the highest reward values and satisfaction scores, suggesting that larger rewards can lead to higher satisfaction.

In contrast, loyalty-based and training/education programs have lower reward values but higher satisfaction scores, indicating that non-monetary factors are also important to participants.

Channel Programs

Program	Average Reward Value	Average Satisfaction
Loyalty-based	$198	7.7
Customer satisfaction	$177	7.4
Customer service	$236	7.0
Work anniversary	$224	7.1
Training/education	$247	7.5
Other reward programs	$375	6.7
Referral-based	$378	7.2
Holiday or seasonal rewards	$441	7.8
Employee recognition for outstanding...	$408	7.5
Sales goal	$692	7.9

Average Reward Value ● Average Satisfaction

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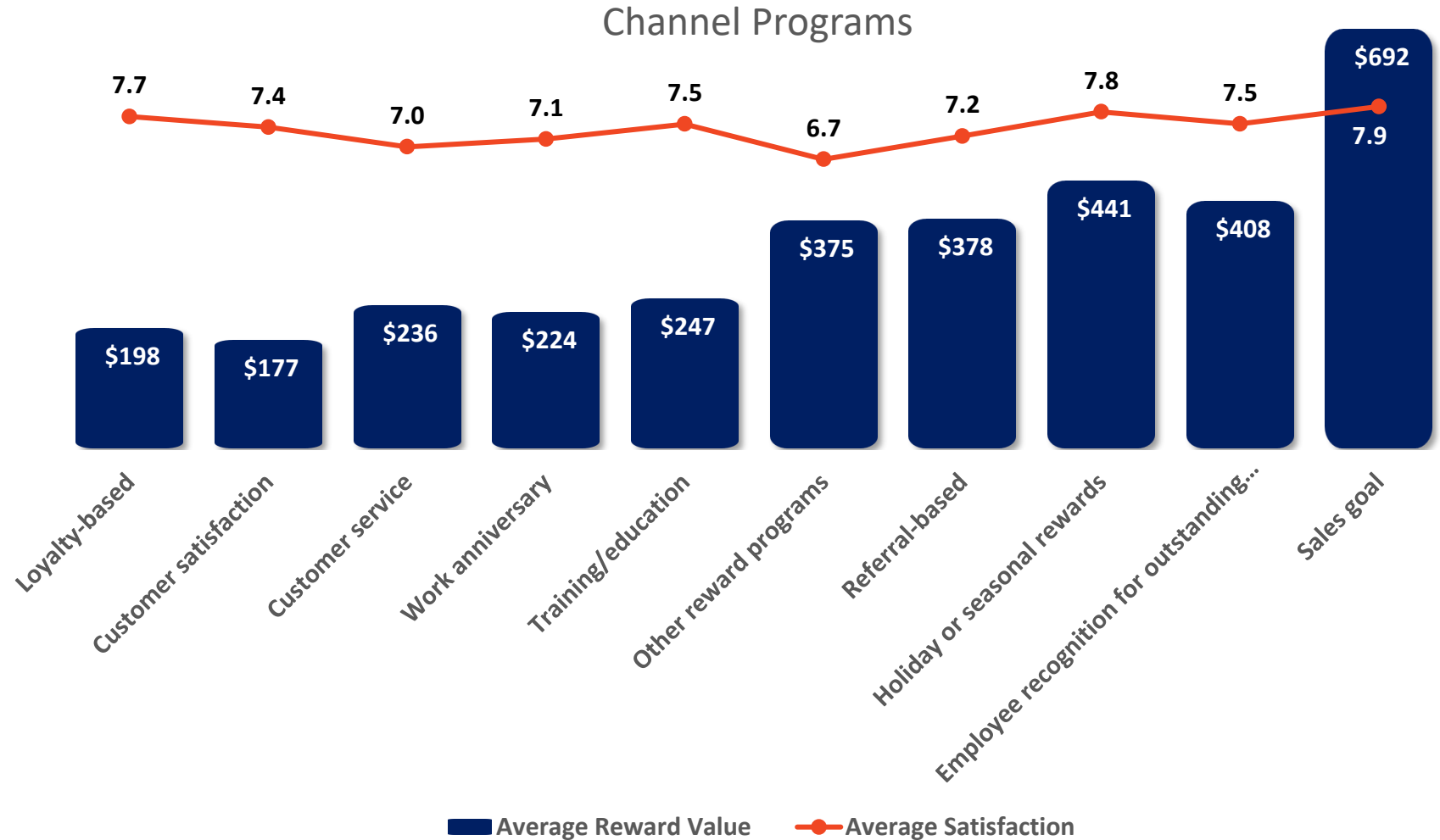
Average Reward Value vs. Average Reward Satisfaction

Employee programs often have high satisfaction ratings, regardless of award value.

Sales goal reward programs have the highest reward value and the highest satisfaction ratings.

Though having varying reward values, referral-based, holiday/seasonal rewards and customer satisfaction programs all have very high satisfaction ratings.

Employee Programs

Program	Average Reward Value	Average Satisfaction
Loyalty-based	$228	7.7
Customer satisfaction	$243	8.2
Customer service	$233	8.0
Work anniversary	$310	7.9
Training/education	$324	7.9
Other reward programs	$280	7.6
Referral-based	$321	8.3
Holiday or seasonal rewards	$311	8.3
Employee recognition for outstanding...	$359	8.1
Sales goal	$699	8.5

■ Average Reward Value —●— Average Satisfaction

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Reward Value Optimization

▶ Reward Value Optimization Methodology

Respondents were categorized into three groups:

- Business Operations (including Operations, IT, and Administration)
- Finance (including Insurance Agents and Financial Advisors or Consultants)
- Retail Sales

Each respondent was presented with two scenarios to simulate reward opportunities available to their specific role.

Fashioned after the Van Westendorp Pricing Model, respondents answered the following questions for each scenario to determine a "tipping point" at which the dollar value of the reward would elicit a desired outcome:

- What dollar value reward would you expect to receive if you accomplished this?
- At what dollar value would you consider it not worth the effort to earn the reward?
- At what dollar value would you start to consider making the effort to earn the reward?
- At what dollar value would you definitely make the effort to earn the reward?
- At what dollar value would you make extra effort to earn the reward as quickly as possible?

▶ Reward Value Optimization Methodology

Responses to each of the questions are plotted on a graph to predict the outcome of any given reward value for the scenario.

For optimization, the intersection of the 'not worth the effort' curve and the 'make extra effort' curve is identified as the baseline reward value.

To explore additional options, each respondent was then presented with a series of pre-determined values to identify the lowest dollar value at which the reward would elicit participation.

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▶ Business Operations Scenarios

Scenario 1:

Your organization has a points-based reward program. You have taken on a new important project with an ambitious scope and timeline. As a result of your outstanding results on that project, you are rewarded points to use in the rewards catalog for merchandise or gift cards.

Scenario 2:

You have worked for your organization for 5 years. For your anniversary, you receive points equivalent to a gift card to choose your own gift from the rewards catalog.

Scenario 3:

Your organization is holding an innovation contest to identify a solution to an efficiency problem. Your idea is among the finalists for evaluation. In recognition of being one of the finalists, you receive a gift card.

Business Operations Scenario 1 – Expected Reward Value

The average and median expected reward values are well below the hypothesized amount indicated by the program designer

The relative large gap between average and median values suggests a wide range of responses
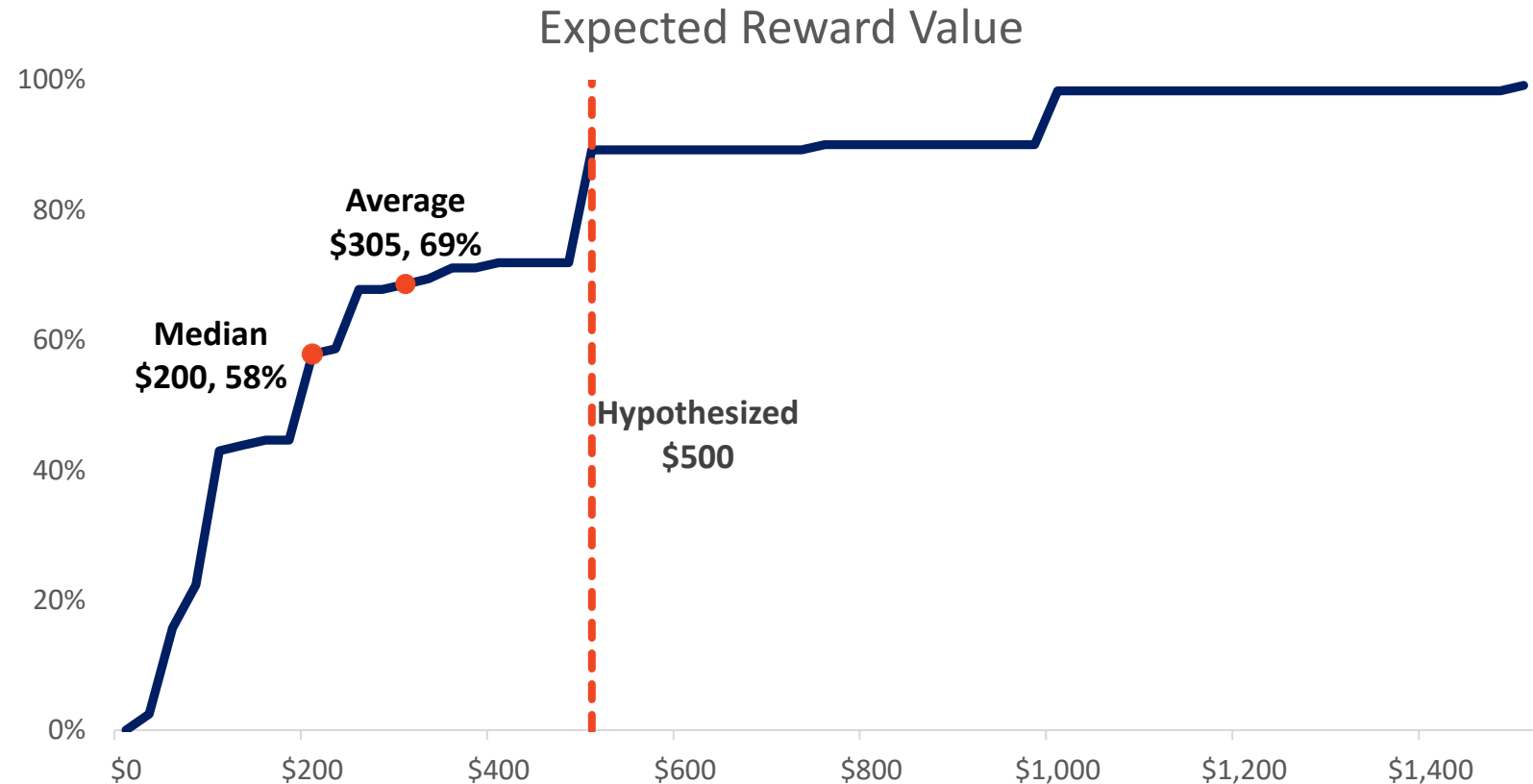
Expected Reward Value

Median $200, 58%

Average $305, 69%

Hypothesized $500

Your organization has a points-based reward program. You have taken on a new important project with an ambitious scope and timeline. As a result of your outstanding results on that project, you are rewarded points to use in the rewards catalog for merchandise or gift cards.

A1: What dollar value reward would you expect to receive if you accomplished this?

► Business Operations Scenario 1 – Reward Value Optimization

Effort Per Reward Value

- Not worth the effort
- Consider making the effort
- Definitely make the effort
- Make extra effort

Participation Rate Per Reward Value
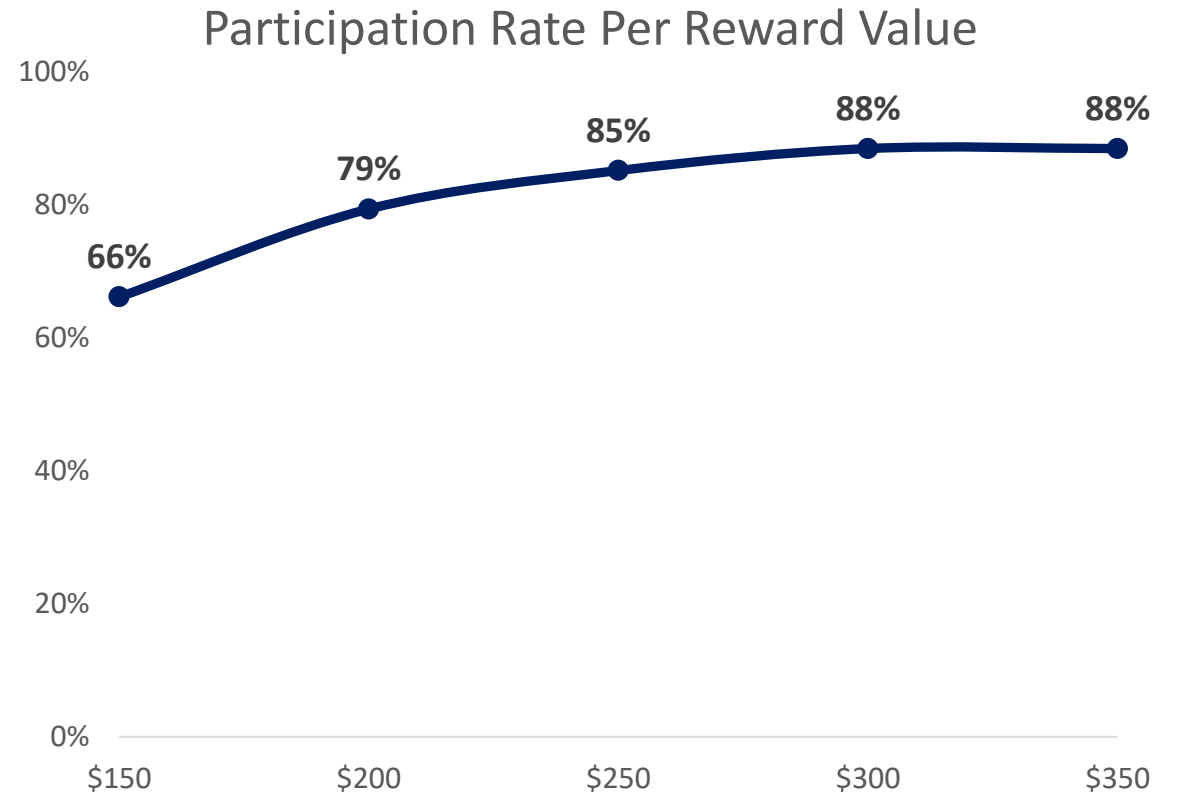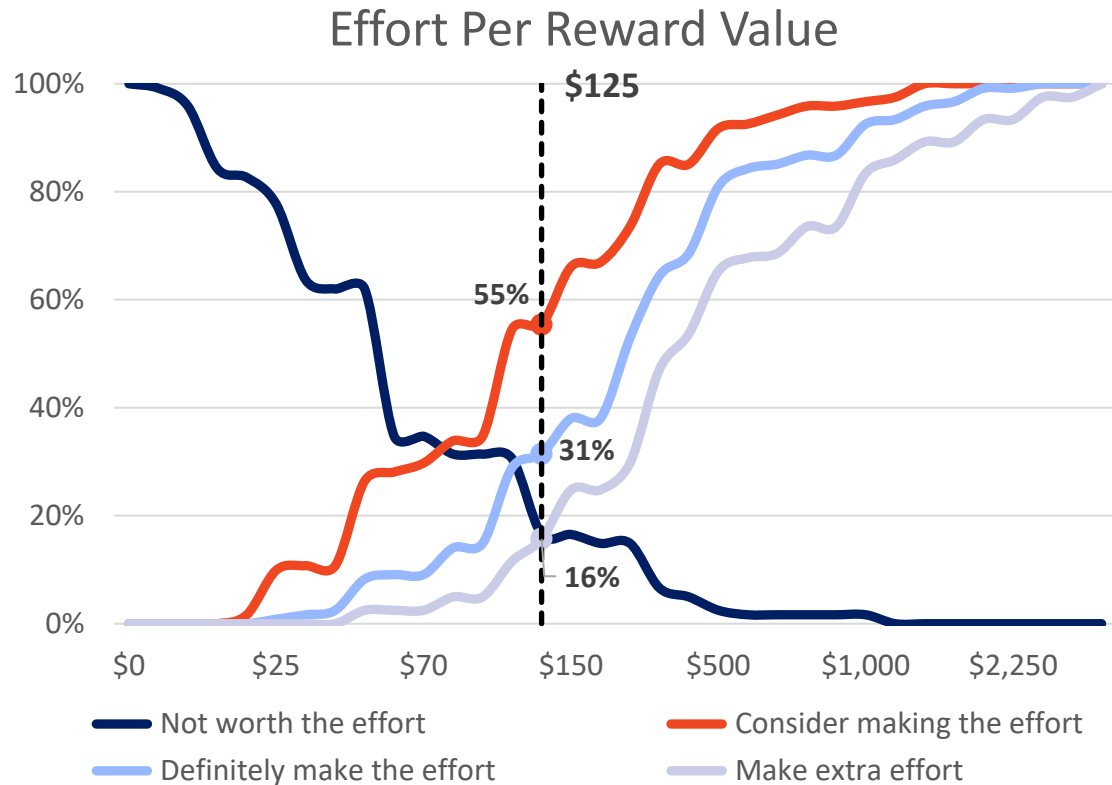
A reward value of $125 would prompt 55% to make an effort, but only 16% to exert extra effort.

Participation indicators suggest that increasing reward values up to $300 would result in significant increases in program engagement, after which the rate of increase begins to plateau.

A2-A5: At what dollar value would you… to earn the reward?

A6-A10: Would you make the effort to earn this reward if it was worth $[X]?

Business Operations Scenario 2 – Expected Reward Value

The hypothesized reward value from the program designer is slightly above the median but well below the average expected reward value.

The average value is elevated by a small portion of responses (11%) over $1,000.
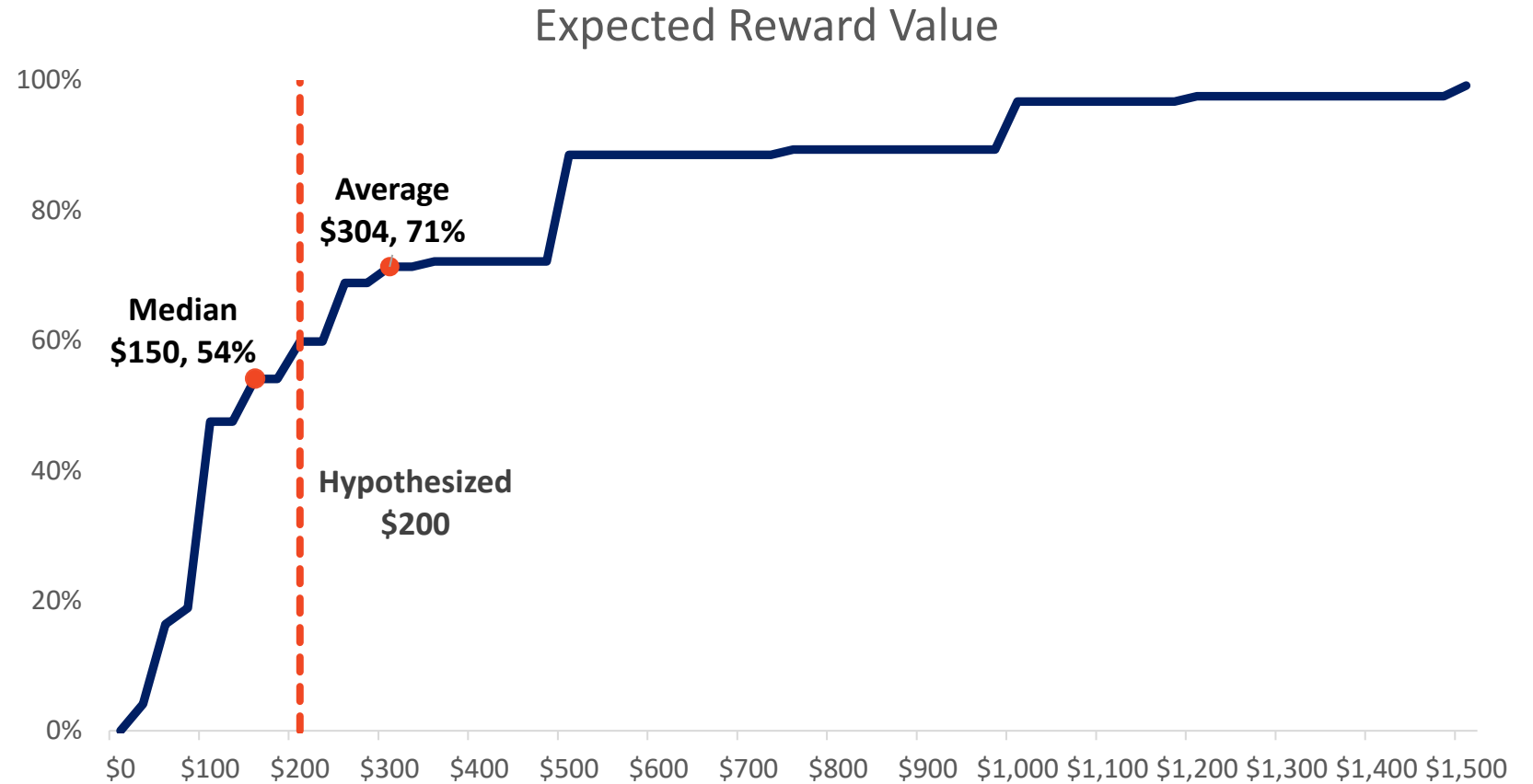
Expected Reward Value

Median $150, 54%

Average $304, 71%

Hypothesized $200

You have worked for your organization for 5 years. For your anniversary, you receive points equivalent to a gift card to choose your own gift from the rewards catalog.

A1: What dollar value reward would you expect to receive if you accomplished this?

► Business Operations Scenario 2 – Reward Value Optimization

Effort Per Reward Value

Legend:
- **Not worth the effort** (dark navy line)
- **Consider making the effort** (orange line)
- **Definitely make the effort** (light blue line)
- **Make extra effort** (lavender line)

Callouts at $125 dashed line: $125, 57%, 34%, 15%

Participation Rate Per Reward Value

Data points: 61% ($100), 70% ($150), 82% ($200), 84% ($250), 89% ($300)
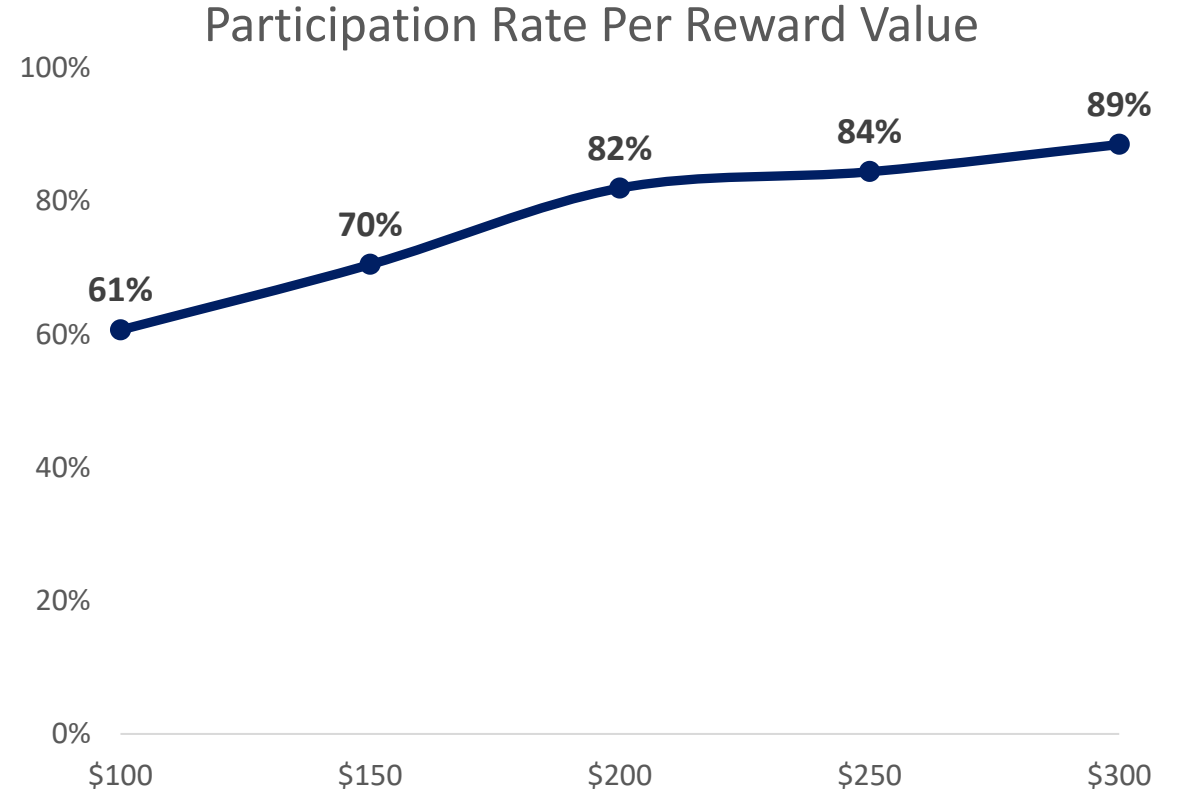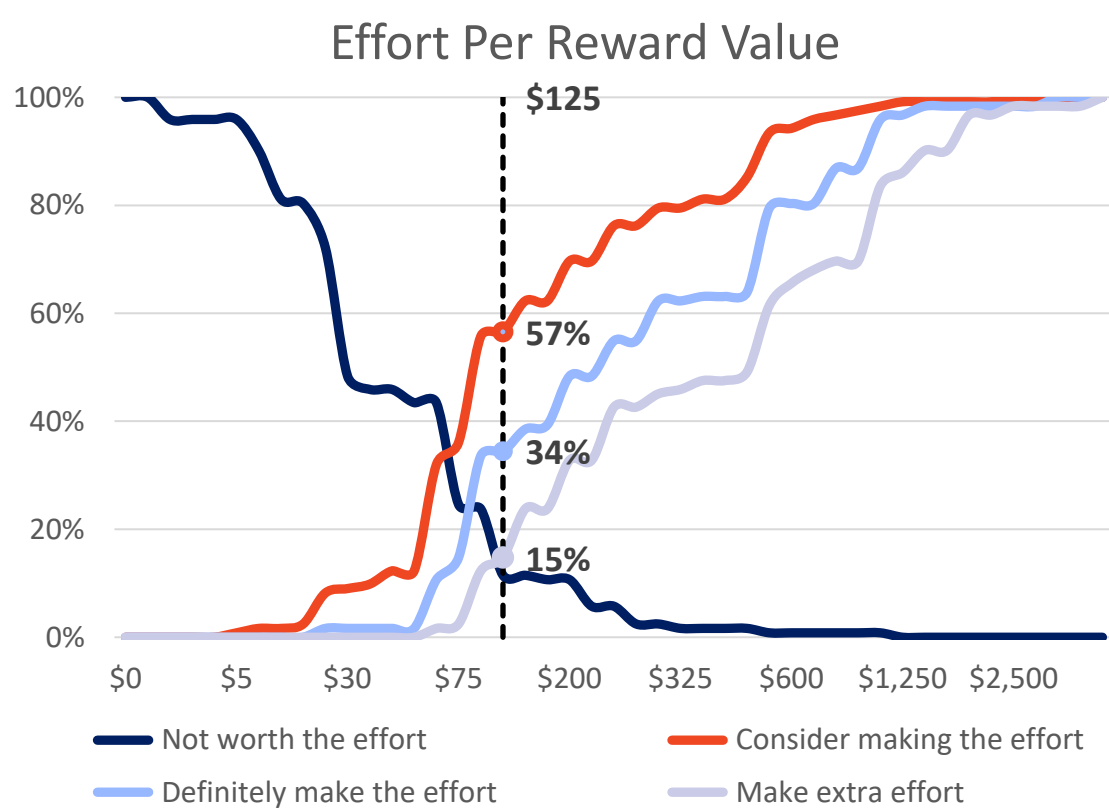
A reward value of $125 would prompt 57% to make an effort, but only 15% to exert extra effort.

Participation indicators suggest that increasing reward values to a minimum of $300 would promote steady growth in program engagement.
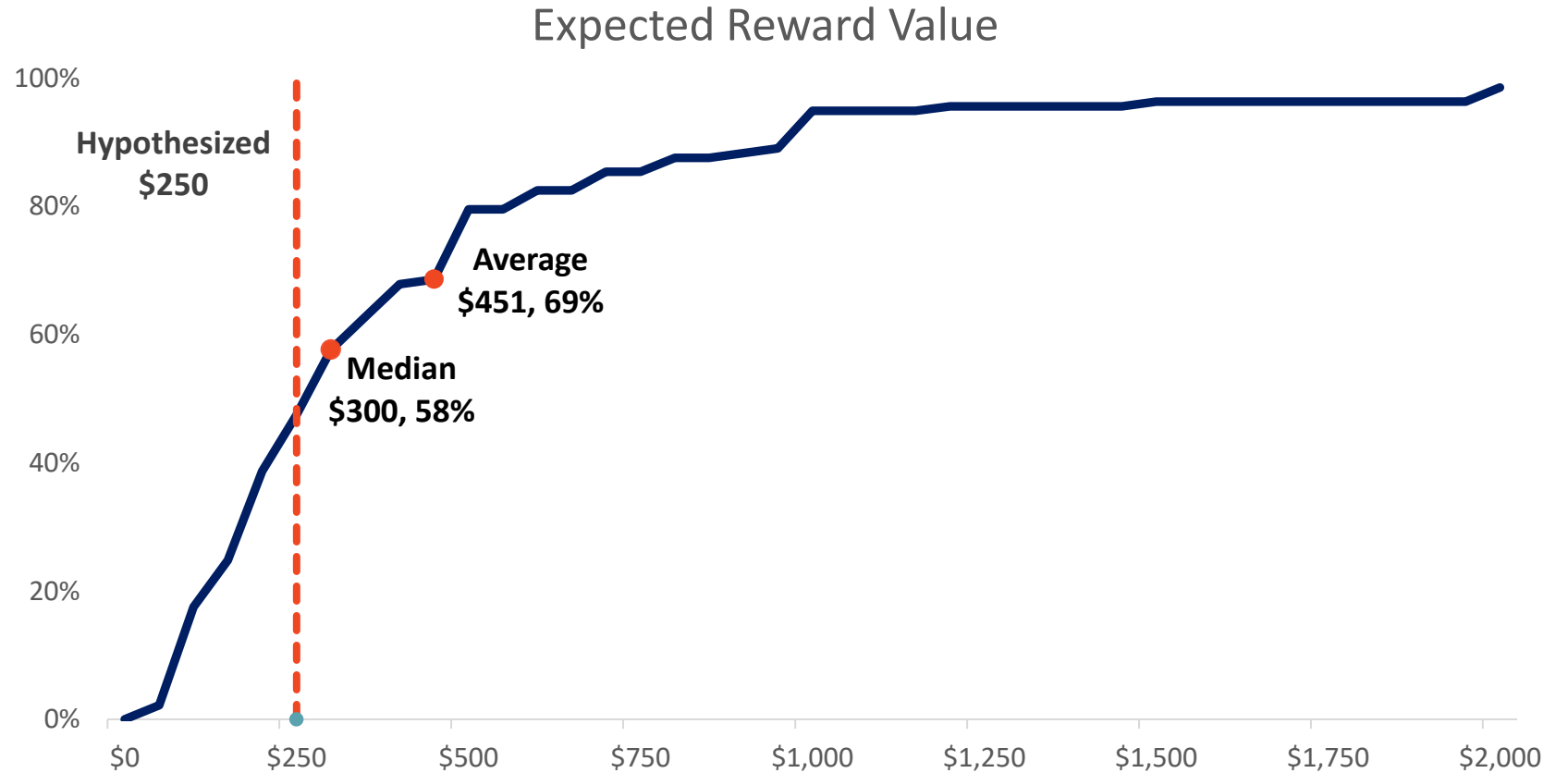

A2-A5: At what dollar value would you… to earn the reward?

A6-A10: Would you make the effort to earn this reward if it was worth $[X]?

▶ Business Operations Scenario 3 – Expected Reward Value

The hypothesized reward value matches the median record reward value.

The average is over twice the median and hypothesized reward value, indicating limited responses at a very high value compared to the majority.
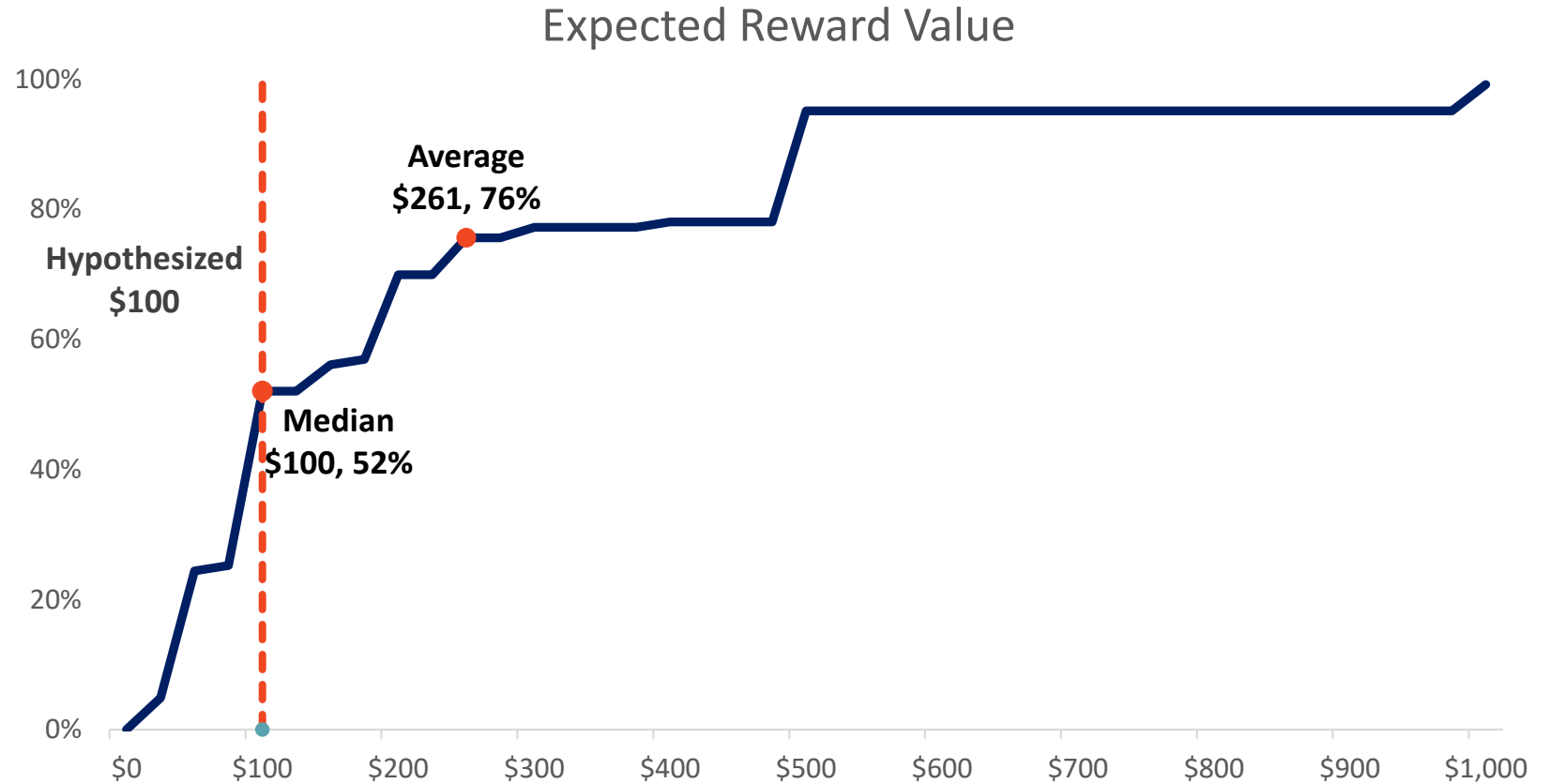
Expected Reward Value

Hypothesized $100

Average $261, 76%

Median $100, 52%

Your organization is holding an innovation contest to identify a solution to an efficiency problem. Your idea is among the finalists for evaluation. In recognition of being one of the finalists, you receive a gift card.

A1: What dollar value reward would you expect to receive if you accomplished this?

Business Operations Scenario 3 – Reward Value Optimization

Effort Per Reward Value

Legend:
- **Not worth the effort** (dark navy)
- **Consider making the effort** (orange)
- **Definitely make the effort** (blue)
- **Make extra effort** (light purple)

Values at $125: 62%, 32%, 18%

Participation Rate Per Reward Value

37%, 71%, 78%, 85%, 89%
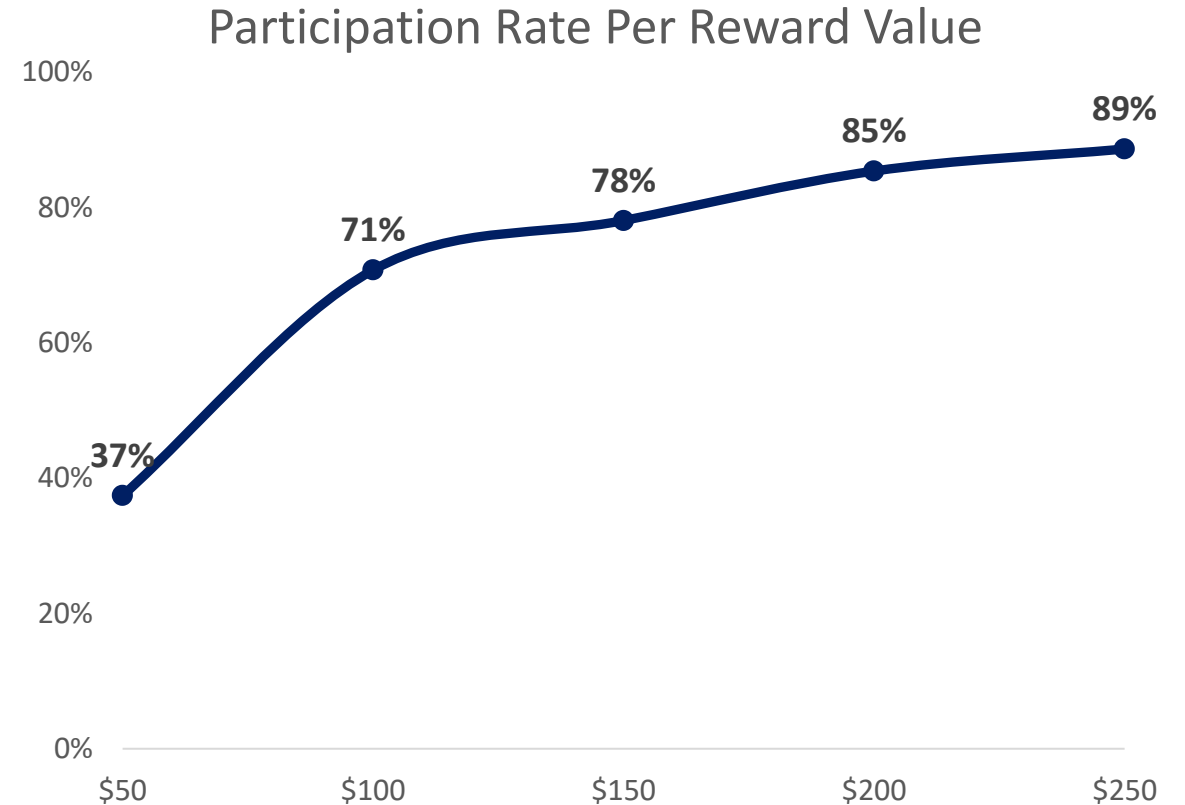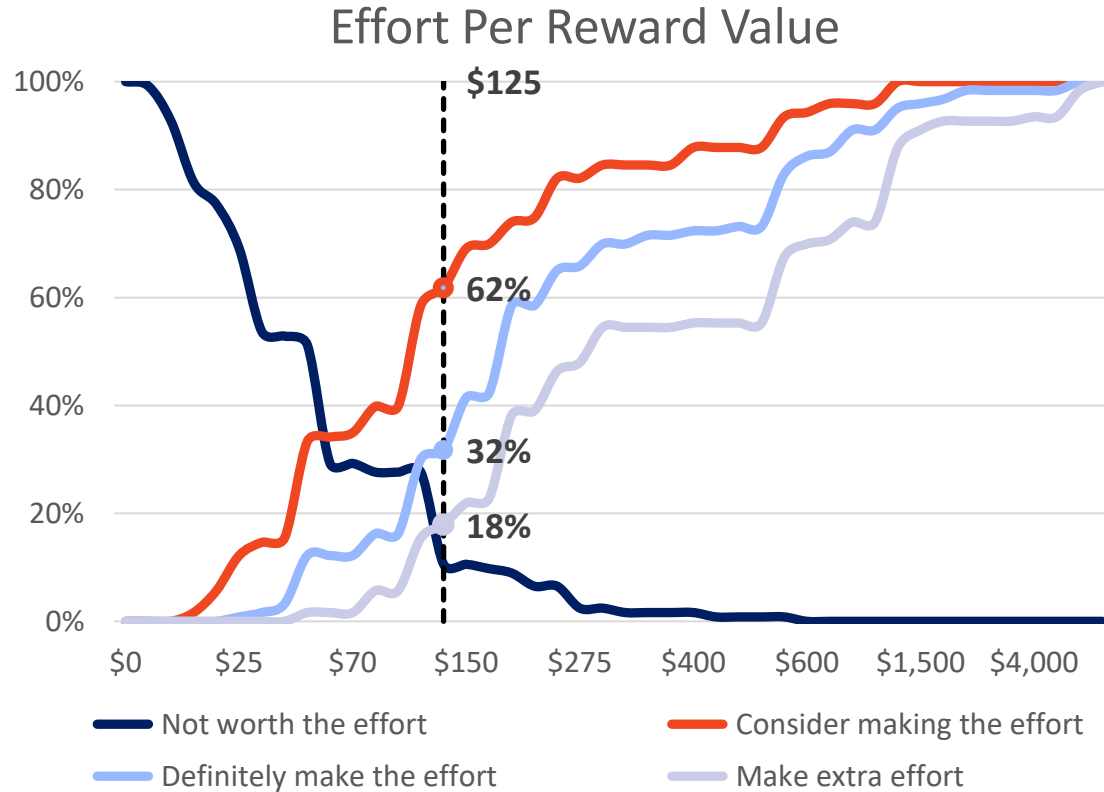
A reward value of $125 would prompt 62% to make an effort, but only 18% to exert extra effort.

Participation indicators show that reward values below $250 could miss opportunities for significant increases in program engagement.

A2-A5: At what dollar value would you… to earn the reward?

A6-A10: Would you make the effort to earn this reward if it was worth $[X]?

▶ Finance Scenarios

Scenario 1:

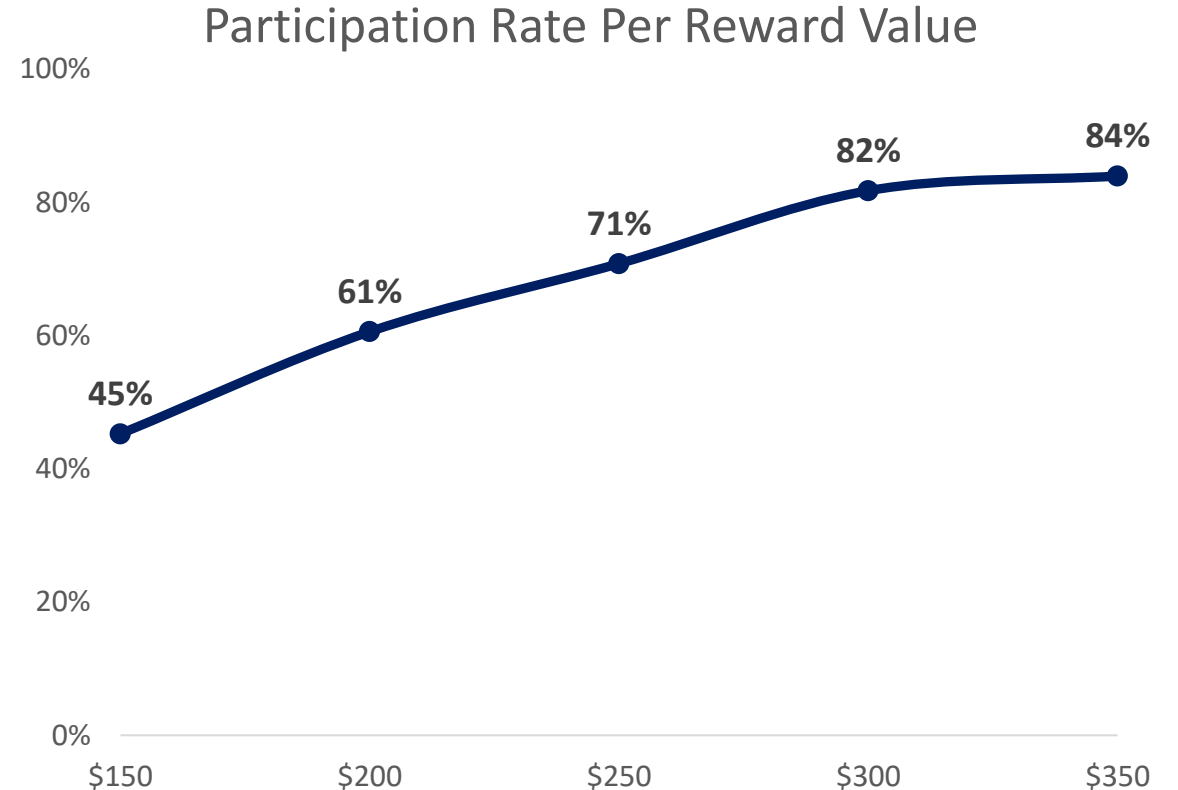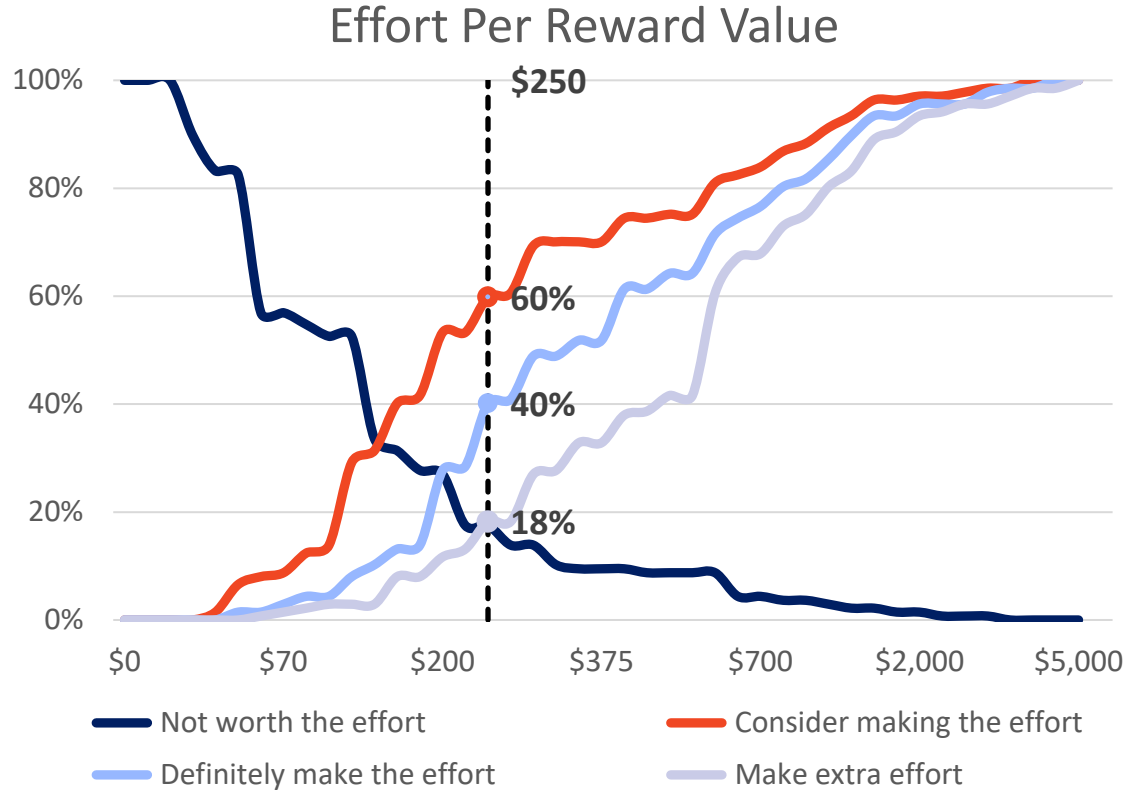You are among the top 5% of performers at your company. As a result of your outstanding efforts, you will receive a travel voucher for a trip of your choice, including airfare and accommodations for you and a guest.

Scenario 2:

You have met a key benchmark within your organization. As recognition for your performance, you will receive a gift certificate that can be used to pay for a local experience, such as dinner at a nice restaurant, tickets to a concert, sports game, or festival, etc.

► Finance Scenario 1 – Expected Reward Value

Expected reward values are well below the hypothesized amount provided by the program designer.

The similarity between the median and average expected reward values indicates that the response values are tightly grouped.
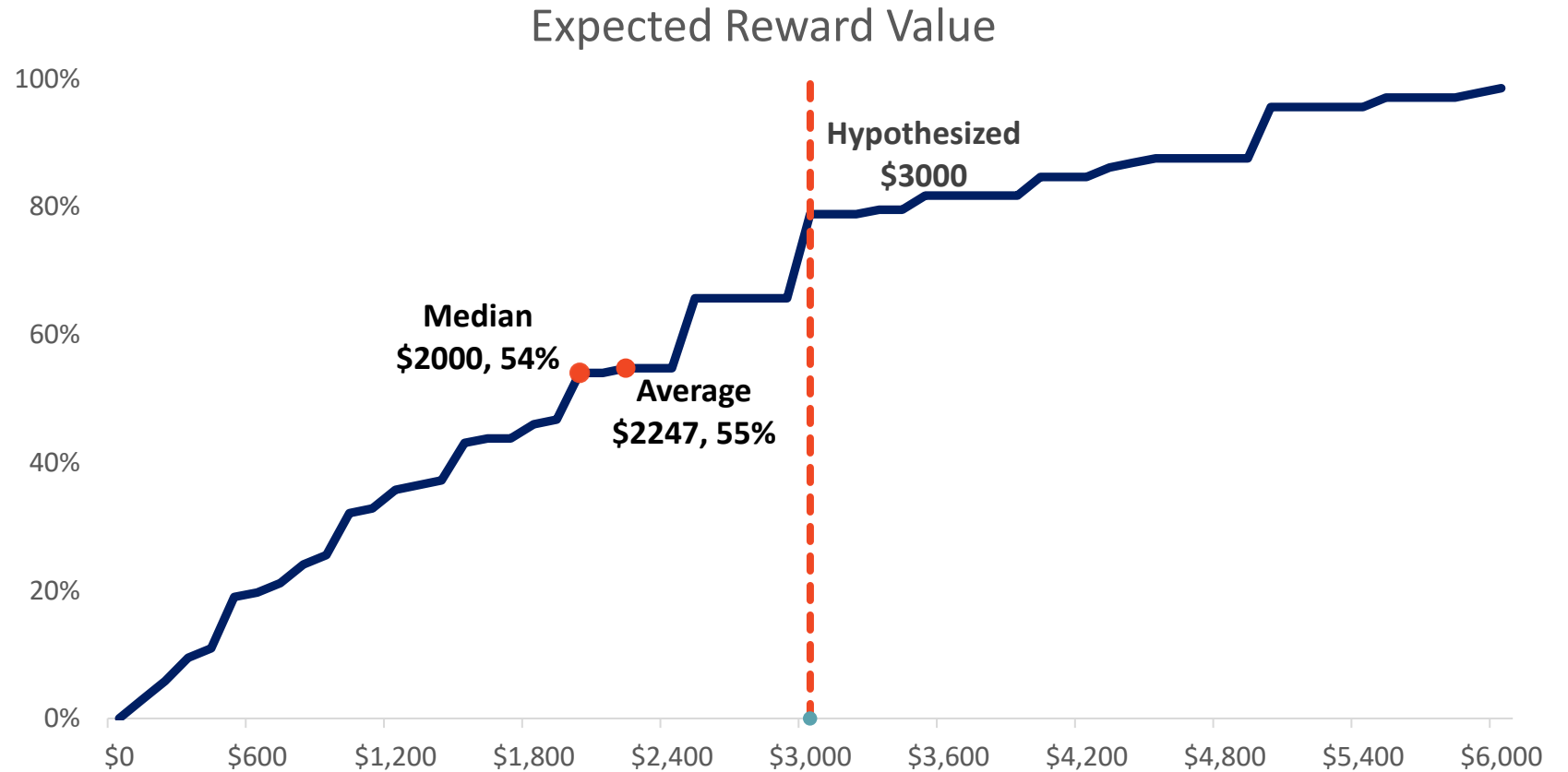
Expected Reward Value

Median $2000, 54%

Average $2247, 55%

Hypothesized $3000

You are among the top 5% of performers at your company. As a result of your outstanding efforts, you will receive a travel voucher for a trip of your choice, including airfare and accommodations for you and a guest.

A1: What dollar value reward would you expect to receive if you accomplished this?

► Finance Scenario 1 – Reward Value Optimization

Effort Per Reward Value

$1,100
47%
27%
23%

Legend:
- **Not worth the effort**
- **Consider making the effort**
- **Definitely make the effort**
- **Make extra effort**

Participation Rate Per Reward Value

58%
77%
93%
97%
99%
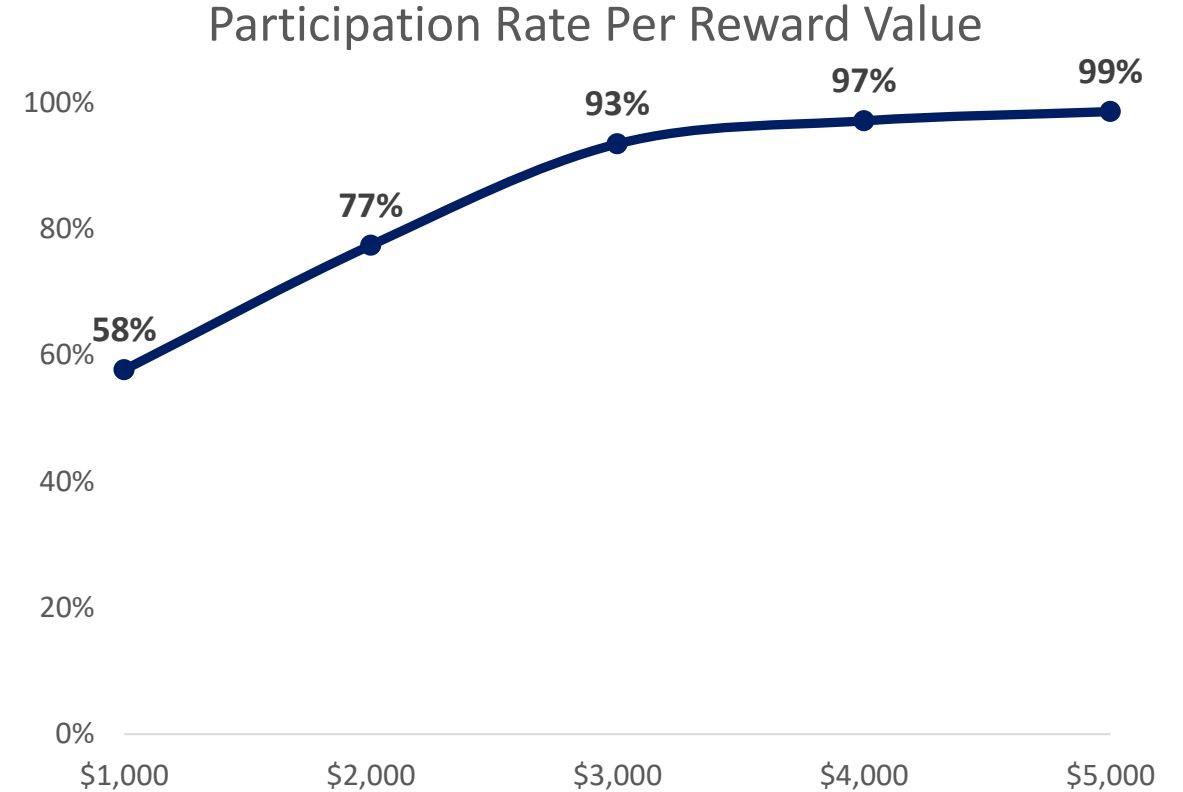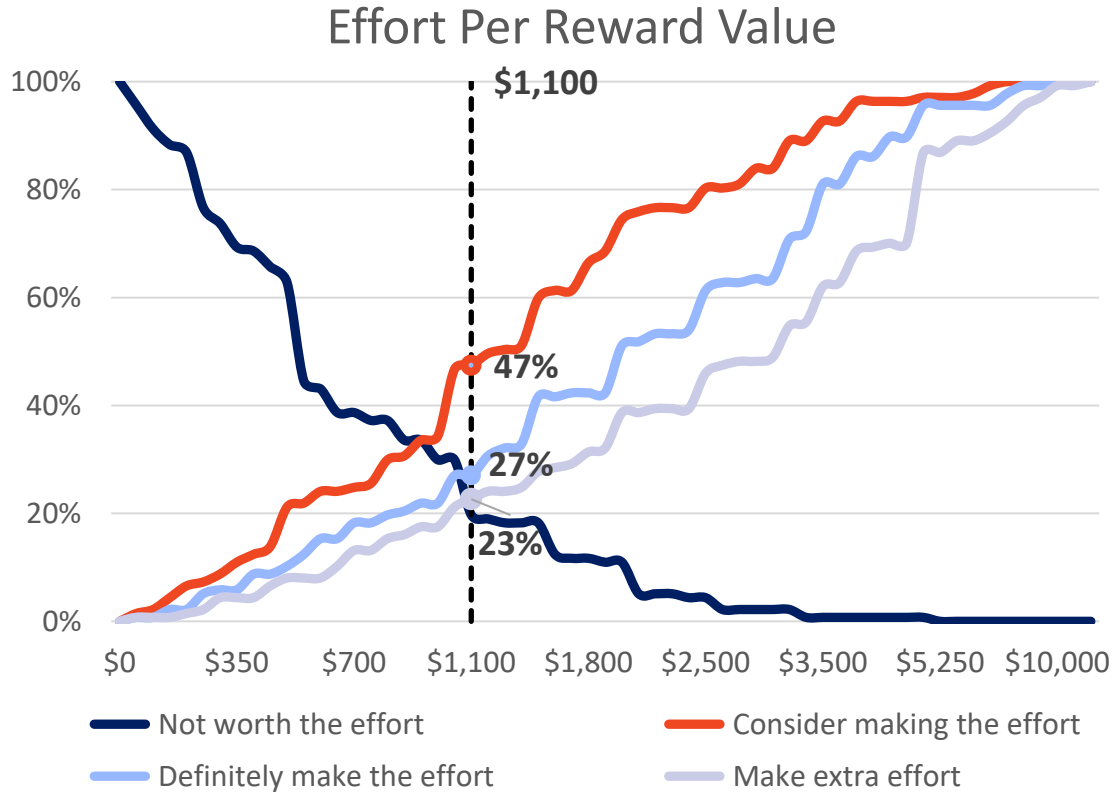
A reward value of $1,100 would prompt only 47% to make an effort, but 23% to exert extra effort.

Participation indicators suggest that increasing reward values up to $4,000 would yield a strong return in program engagement.

A2-A5: At what dollar value would you… to earn the reward?

A6-A10: Would you make the effort to earn this reward if it was worth $[X]?

Finance Scenario 2 – Expected Reward Value

The hypothesized reward value is slightly below the median expected mark, but well below the average.

The 5% of expected rewards above $1,000 draw the average well above the majority of responses of the group.

Expected Reward Value

Hypothesized
$250

Average
$451, 69%

Median
$300, 58%

100%

80%

60%

40%

20%

0%

$0 $250 $500 $750 $1,000 $1,250 $1,500 $1,750 $2,000

You have met a key benchmark within your organization. As recognition for your performance, you will receive a gift certificate that can be used to pay for a local experience, such as dinner at a nice restaurant, tickets to a concert, sports game, or festival, etc.

A1: What dollar value reward would you expect to receive if you accomplished this?

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Finance Scenario 2 – Reward Value Optimization

Effort Per Reward Value

Legend:
- Not worth the effort
- Consider making the effort
- Definitely make the effort
- Make extra effort

Participation Rate Per Reward Value

A reward value of $250 would prompt 60% to make an effort, but only 18% to exert extra effort.

Participation indicators suggest that reward values below $300 could miss opportunities for significant increases in program engagement.
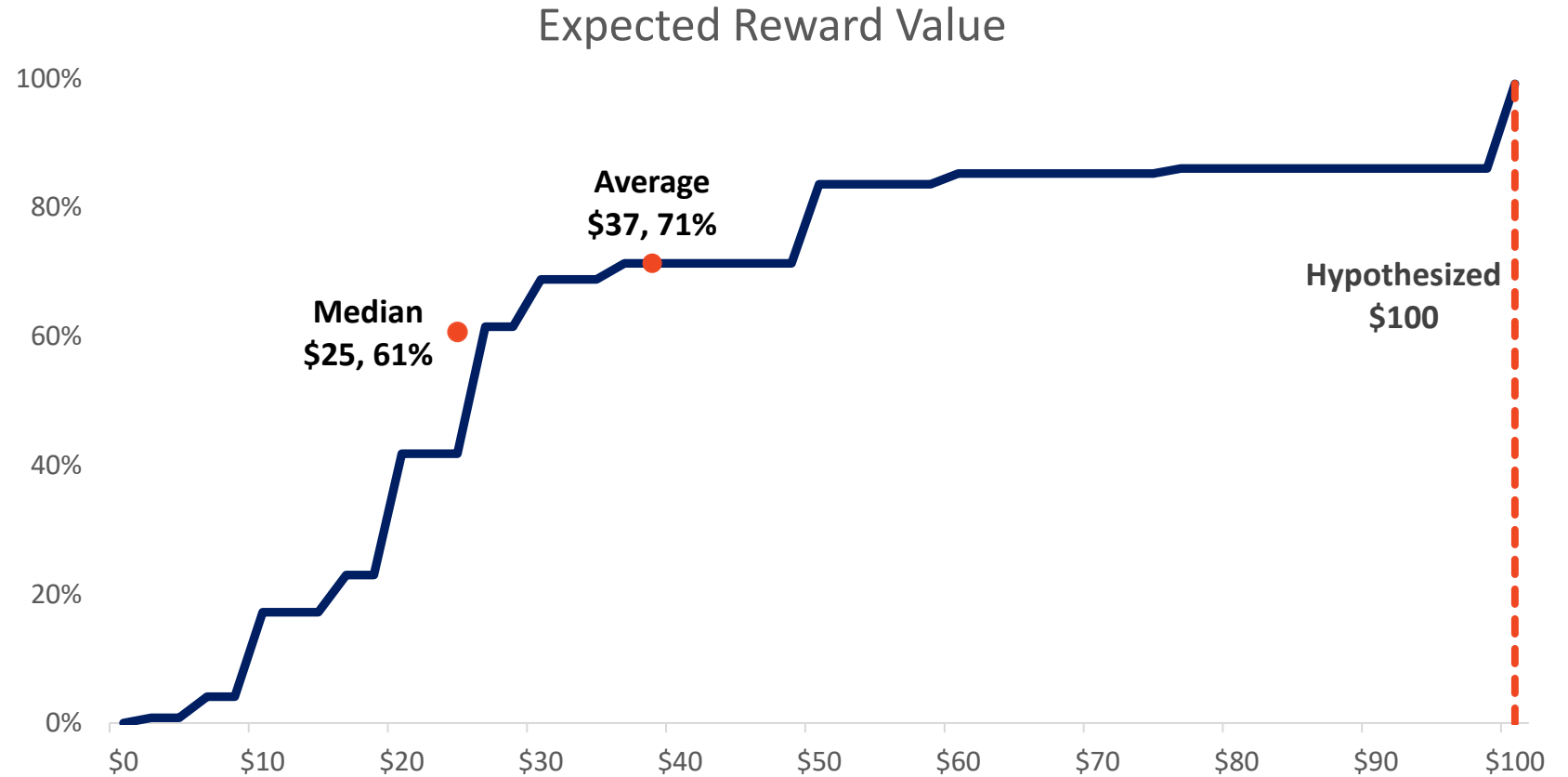
A2-A5: At what dollar value would you… to earn the reward?

A6-A10: Would you make the effort to earn this reward if it was worth $[X]?

▶ Retail Sales Scenarios

Scenario 1:

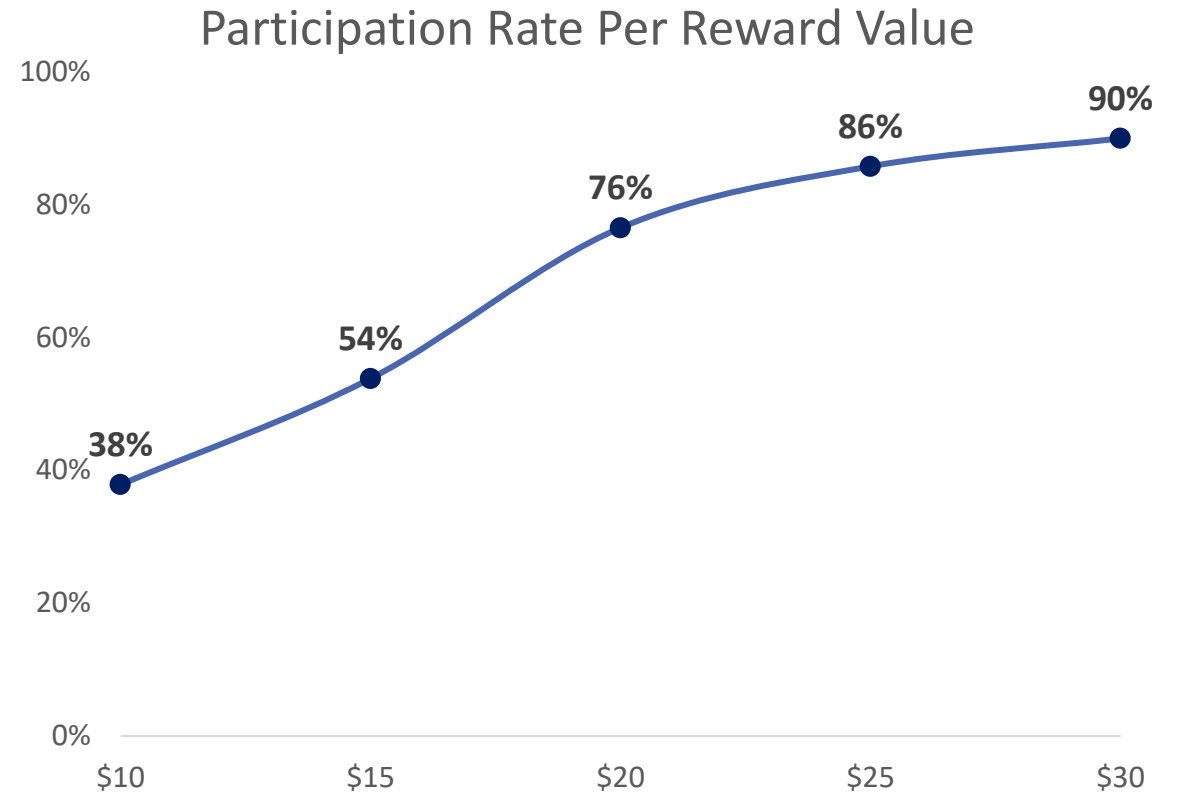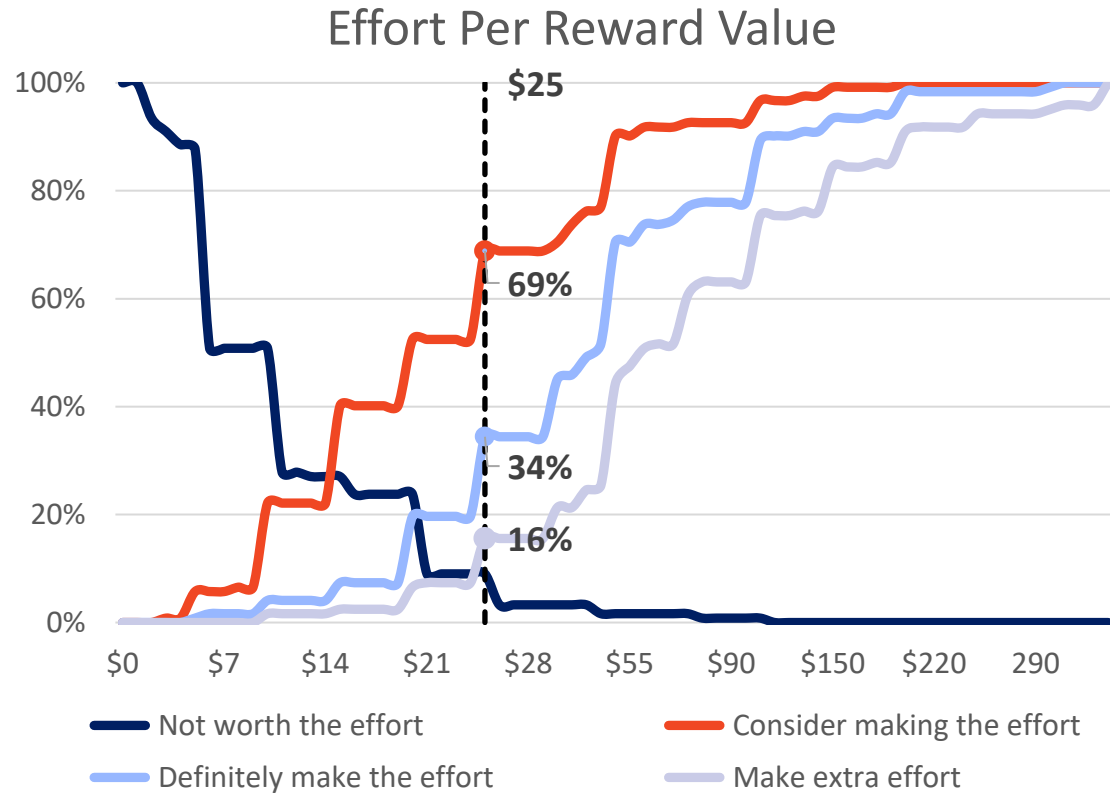Your organization has a training program that needs to be completed by all employees. You will receive a gift card for completing the training by a specific date.

Scenario 2:

When customers check out, there is a code on the receipt to take a satisfaction survey. Every employee with 20 or more completed surveys that achieve a satisfaction level of 90% or above will receive a gift card.

Scenario 3:

Your company has rolled out a new standard for greeting, welcoming, and assisting customers. Managers who observe employees delivering on the new standard can immediately give the employee a gift card to recognize their compliance with the new standard.

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► Retail Sales Scenario 1 – Expected Reward Value

The hypothesized reward value is identical to the median expected reward value, but below the average mark.

A large number of responses below the median indicates that the average is being pulled upward by a few very high expected reward values.
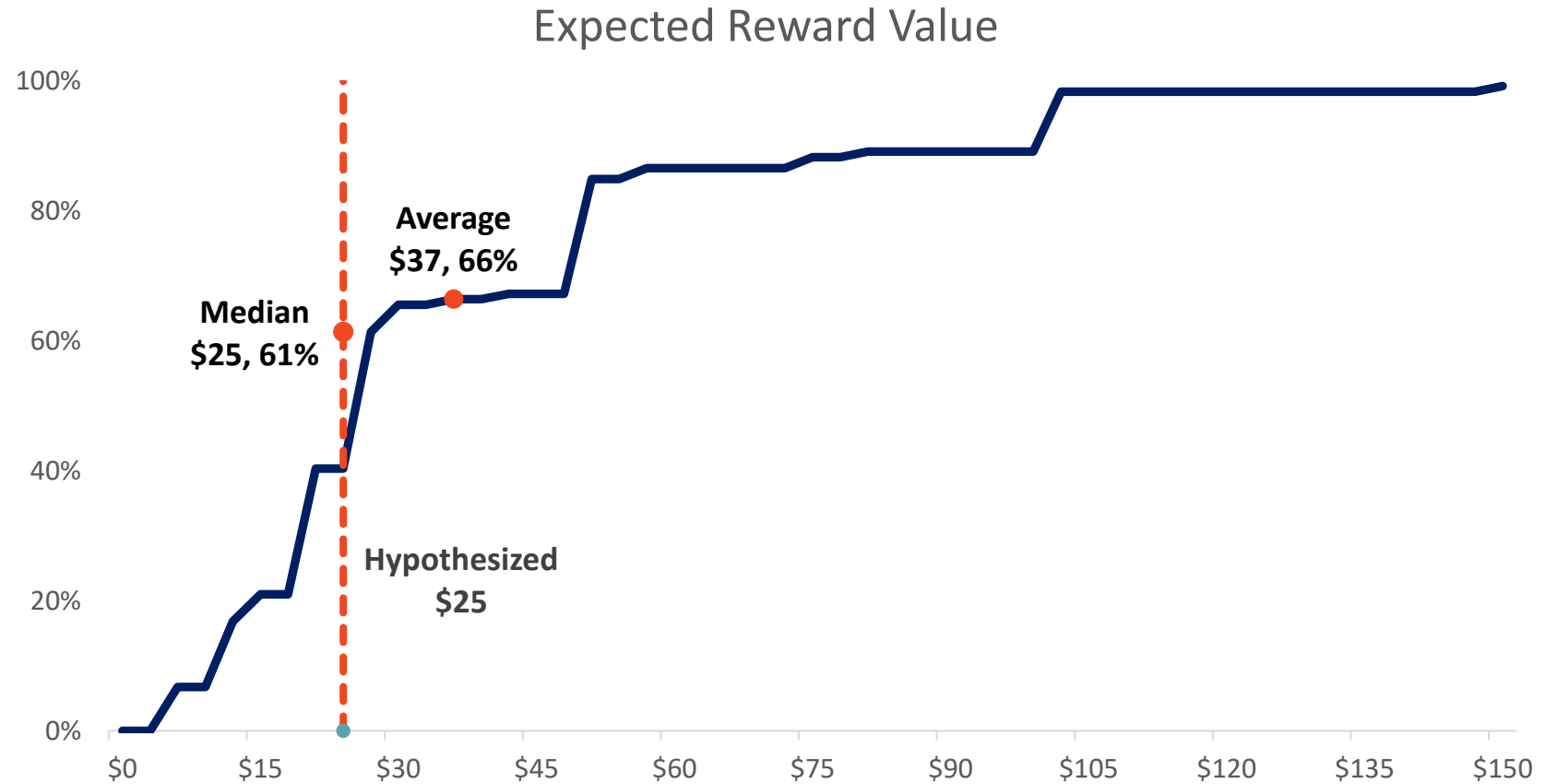
Expected Reward Value

Median
$25, 61%

Average
$37, 66%

Hypothesized
$25

Your organization has a training program that needs to be completed by all employees. You will receive a gift card for completing the training by a specific date.

A1: What dollar value reward would you expect to receive if you accomplished this?

► Retail Sales Scenario 1 – Reward Value Optimization

Effort Per Reward Value

- **—** Not worth the effort
- **—** Consider making the effort
- **—** Definitely make the effort
- **—** Make extra effort

Participation Rate Per Reward Value
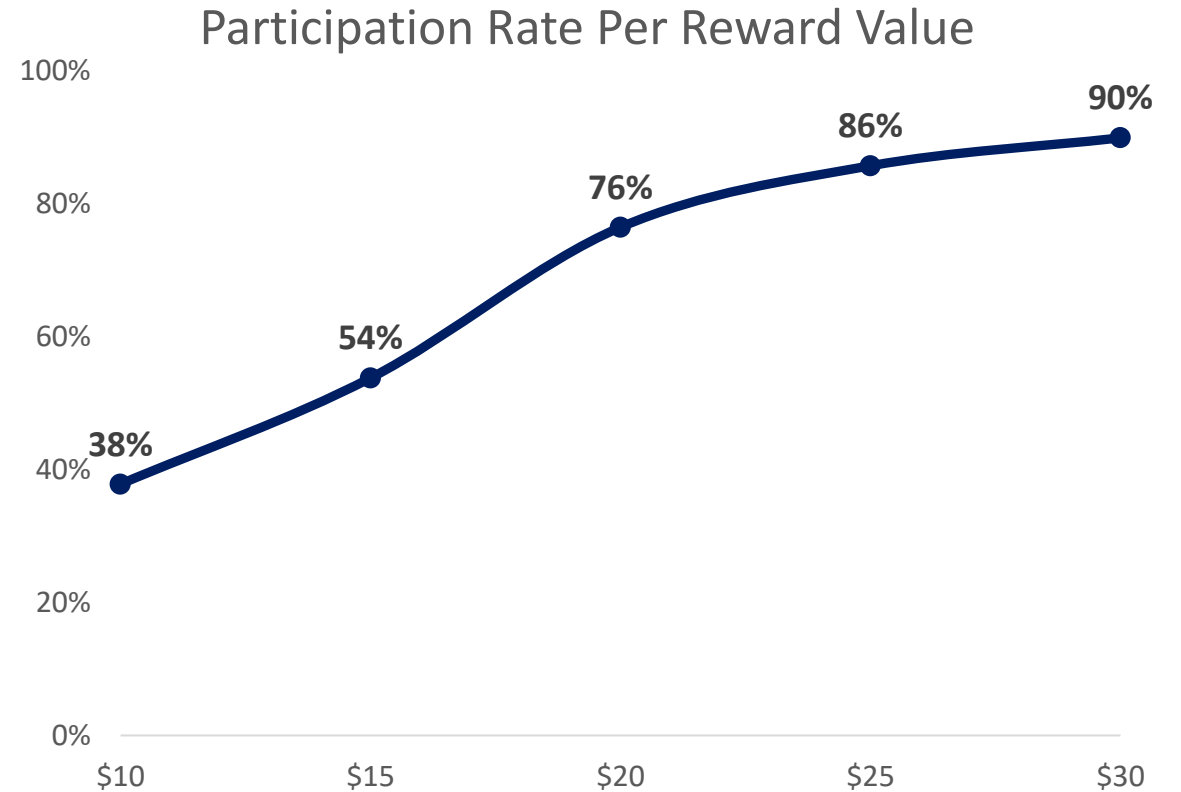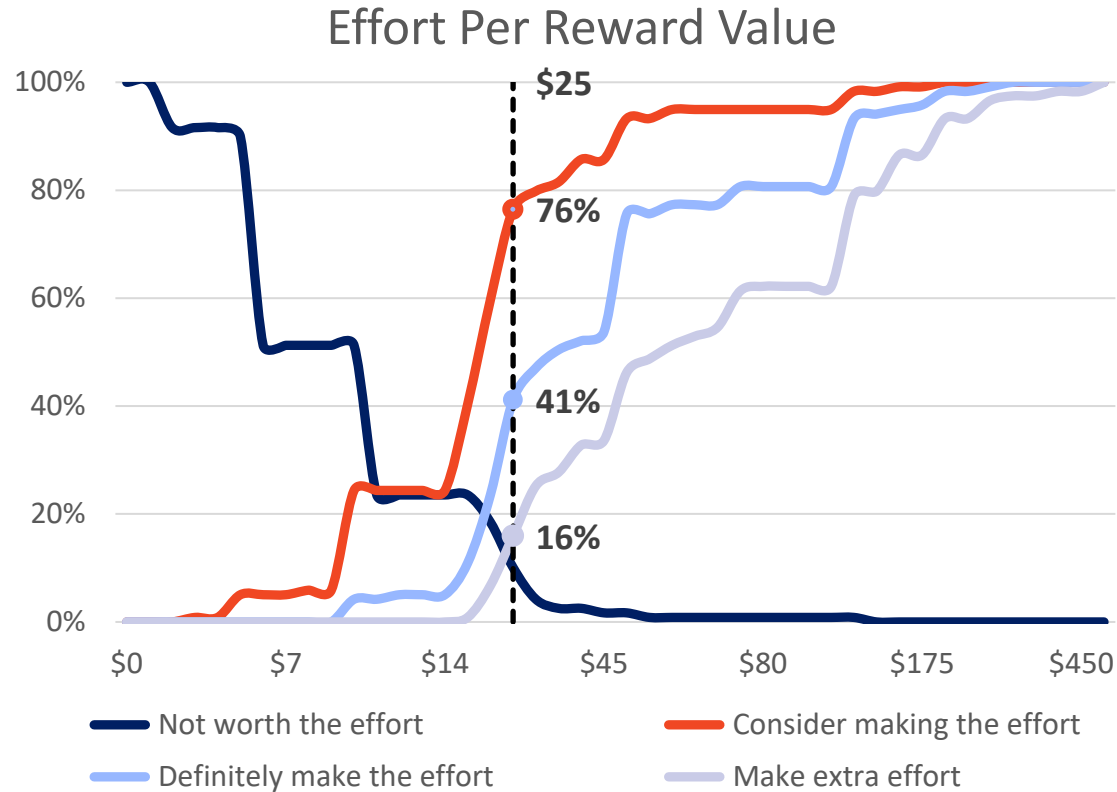
A reward value of $25 would prompt a notable 76% to make an effort, but only 16% to exert extra effort.

Participation indicators suggest that reward values below $30 could miss opportunities for significant increases in program engagement.
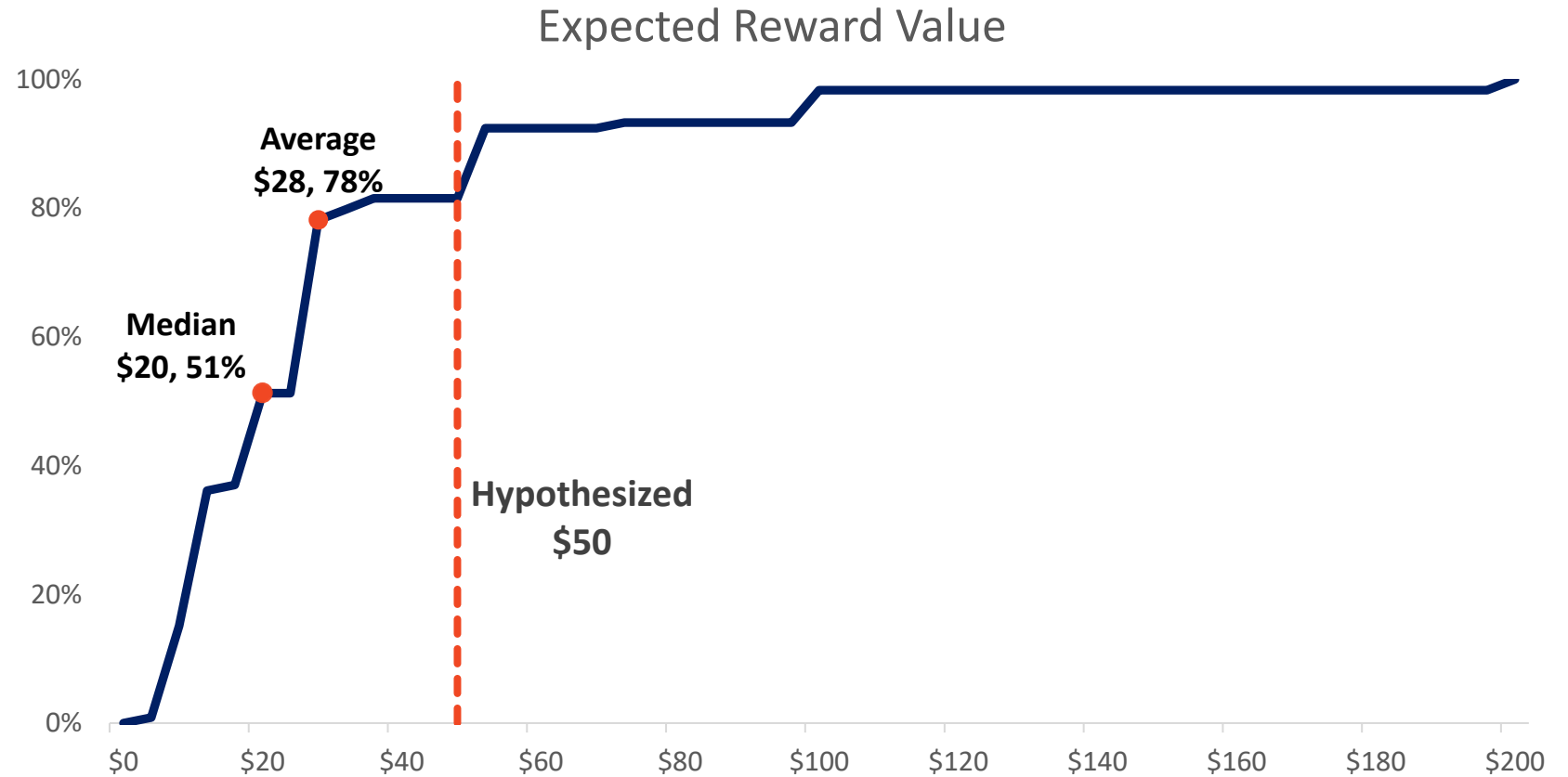
A2-A5: At what dollar value would you... to earn the reward?

A6-A10: Would you make the effort to earn this reward if it was worth $[X]?
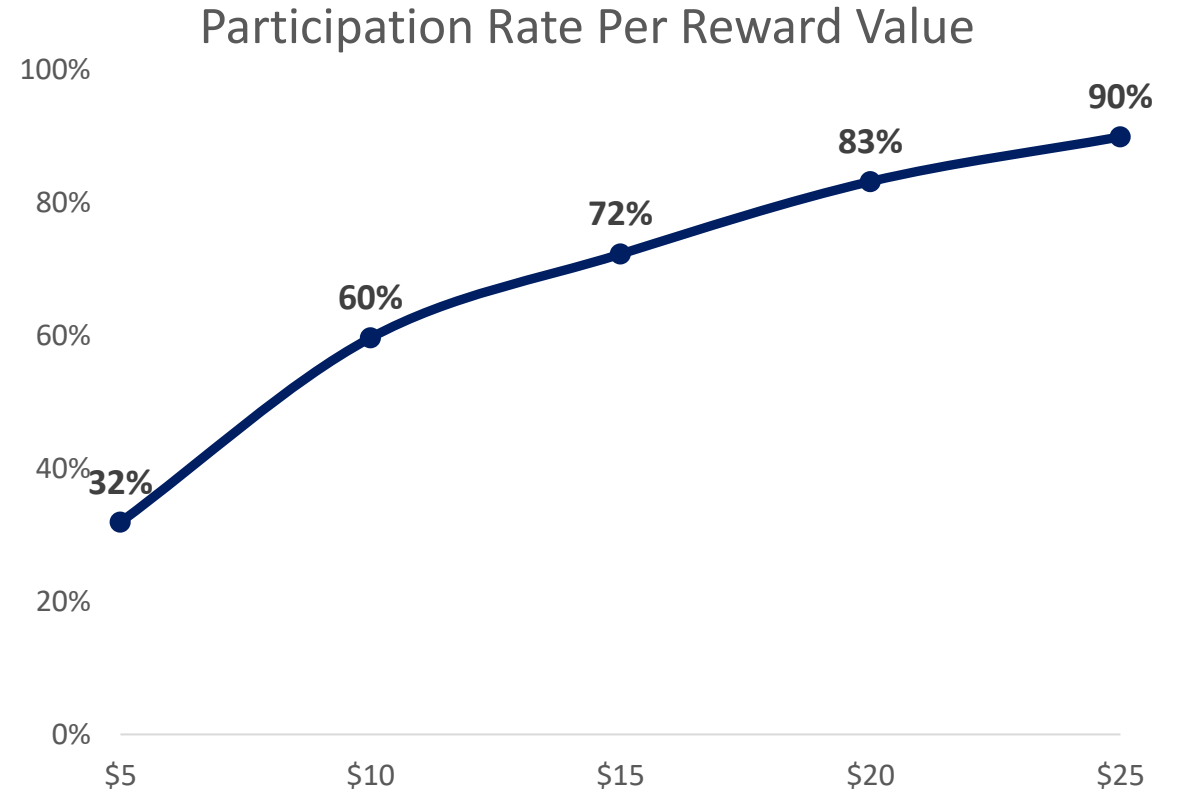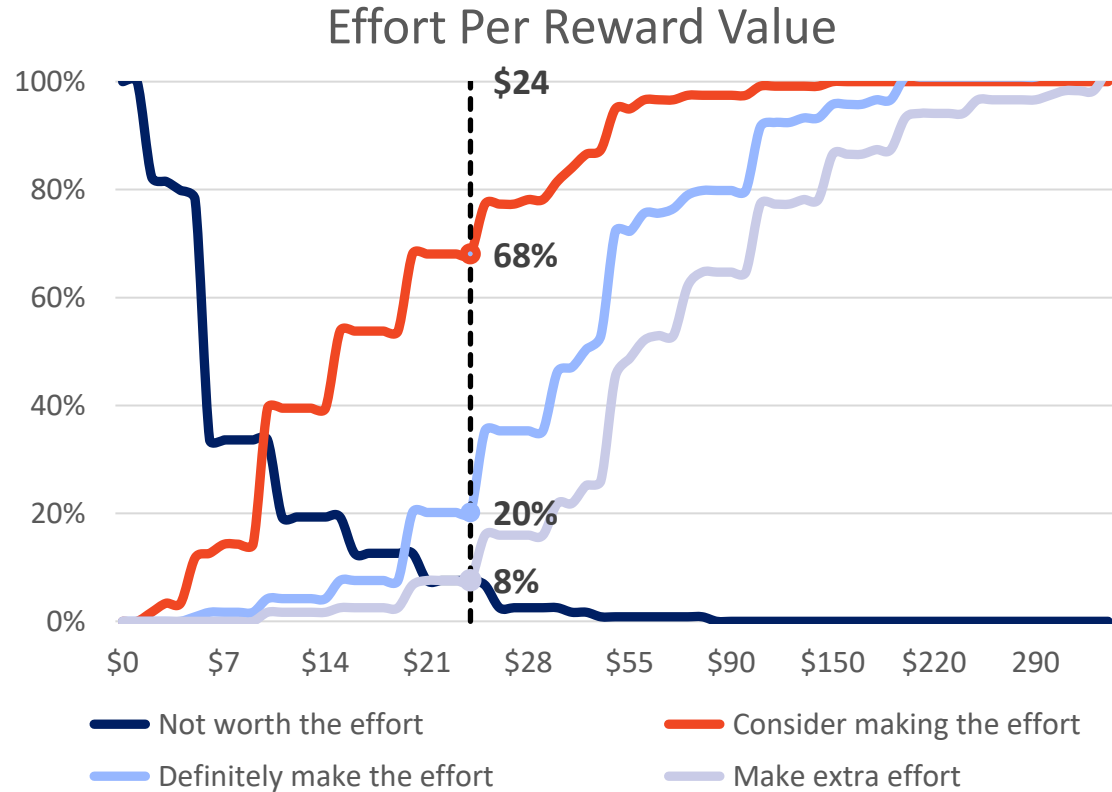
Retail Sales Scenario 2 – Expected Reward Value

Actual expected reward values are well below the hypothesized mark of $100.

With 16% of responses ranging from $50 to $100, the average expected reward value is drawn upward.

Expected Reward Value

Median
$25, 61%

Average
$37, 71%

Hypothesized
$100

When customers check out, there is a code on the receipt to take a satisfaction survey. Every employee with 20 or more completed surveys that achieve a satisfaction level of 90% or above will receive a gift card.

A1: What dollar value reward would you expect to receive if you accomplished this?

Retail Sales Scenario 2 – Reward Value Optimization

Effort Per Reward Value

Participation Rate Per Reward Value

A reward value of $25 would prompt a strong 69% to make an effort, but only 16% to exert extra effort.

Participation indicators suggest that to a minimum of $30, reward value increases produce significant growth in program engagement.

▶ Retail Sales Scenario 3 – Expected Reward Value

Actual expected reward values are well below the hypothesized mark of $50.

While the median and average expected reward values are closer than many other scenarios, 27% of responses were between the two values.

Expected Reward Value

Average $28, 78%

Median $20, 51%

Hypothesized $50

Your company has rolled out a new standard for greeting, welcoming, and assisting customers. Managers who observe employees delivering on the new standard can immediately give the employee a gift card to recognize their compliance with the new standard.

A1: What dollar value reward would you expect to receive if you accomplished this?

Retail Sales Scenario 3 – Reward Value Optimization

Effort Per Reward Value

Legend:
- Not worth the effort
- Consider making the effort
- Definitely make the effort
- Make extra effort

Participation Rate Per Reward Value

A reward value of $24 would prompt 68% to make an effort, but only 8% to exert extra effort.

Participation indicators suggest that program engagement rates would increase significantly with reward value increases up to at least $25.

A2-A5: At what dollar value would you… to earn the reward?

A6-A10: Would you make the effort to earn this reward if it was worth $[X]?

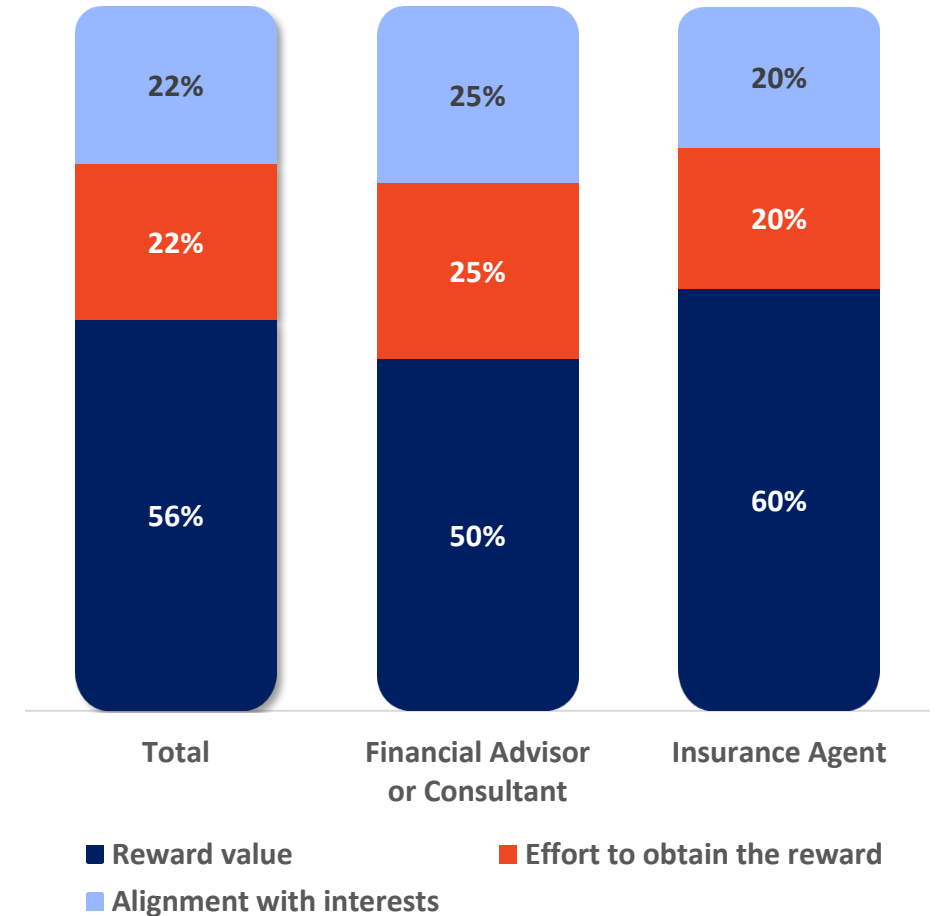# Reward Program Motivation

Reward Program Deterrents

Both financial advisors/consultants and insurance agents rarely decline participation in reward programs.

While other factors contribute, reward value is the primary reason for those who decline participation.

Declined Reward Program Participation

Total	6.6%
Financial Advisor or Consultant	5.4%
Insurance Agent	7.9%
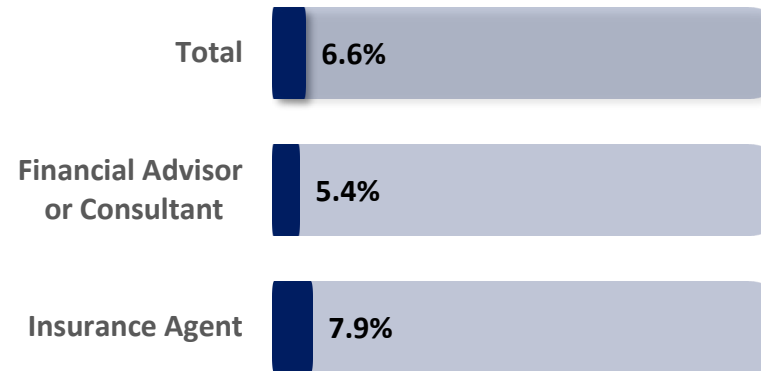
Reason for Declining Participation

Total: 22%, 22%, 56%

Financial Advisor or Consultant: 25%, 25%, 50%

Insurance Agent: 20%, 20%, 60%

■ Reward value   ■ Effort to obtain the reward
■ Alignment with interests

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Reward Program Participation Drivers

While reward value is the primary motivator, over 40% of financial advisors/consultants and insurance agents cite other appealing aspects as significant factors in their engagement.

As a secondary driver, relevance and personalization of rewards suggest programs should customize incentives to fit preferences.

Achievability and clarity of objectives, along with diverse reward offerings and flexibility, highlight the importance of clear goals and multiple reward options in enhancing participation and satisfaction.

Driver	Percentage
Reward value / cash	52%
Relevance to interests / personalization	20%
Achievability / clarity of objectives	17%
Variety in reward offerings / flexibility of use	17%
Other	11%
Peer recognition	10%
Timeliness of reward achievement	7%

B5: What aspects of a reward make participation in a program appealing? (Please be as detailed and specific as possible)

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Key Takeaways & Application

▶ Key Takeaways

1. **Affective reward values are dependent on multiple factors**

    Historical reward values vary by program type (e.g., sales goals, customer satisfaction), participant employment role, and whether the program is employee- or channel-driven. Even within common program types and roles, different reward scenarios require differing compensation levels. This variability highlights the complexity of reward structures and the necessity for careful consideration of the specific context in which rewards are given.

2. **The value of a reward does not guarantee satisfaction**

    Average satisfaction trends show a loose correlation with average reward values across various programs. However, inconsistencies arise, with some lower-valued programs receiving higher ratings and vice versa. Observations suggest that satisfaction is generally higher in employee-driven programs compared to channel programs, even though channel program participants often expect greater reward values. This indicates that a more personal connection may significantly influence perceived value

3. **Reward value is linked to performance motivation**

   In all scenarios, as reward value increases, the percentage of participants reporting their willingness to engage in a program and exert (extra) effort to achieve its goals also rises. However, there is a threshold beyond which further increases in reward value no longer lead to significant gains in participation. Additionally, even substantial reward amounts may not attract participation from all potential individuals.

4. **Optimal reward values are difficult to pinpoint**

   Though the reward optimization methodologies aimed to identify a specific range of values that would encourage participation in a rewards program, considerable variability exists, even among common respondent roles. When asked to suggest a reward value that would entice them, respondents often listed higher amounts than they later indicated as motivating when presented with actual values. This suggests that a wide range of values may drive engagement in rewards programs, especially when considering other motivational factors.

► Key Takeaways

5. **Though reward value is the primary driver for participation, other factors hold significance**

    While the majority of financial advisors/consultants and insurance agents choose to participate in incentivized reward programs, many who opt out do so for reasons other than reward value. Furthermore, nearly half of the respondents identified non-value related factors that enhance a program's appeal, including personalization and relevance to their interests, clarity and achievability of objectives, and variety and flexibility in reward offerings, among others.

▶ Study Application

Due to the variability of the reward optimization methodology, a direct, one-size-fits-all approach is not feasible. To tailor reward programs to the unique needs of your organization and participants, we recommend conducting a study of your own.

Key questions to explore:

- At what dollar value would you consider it not worth the effort to earn the reward?

- At what dollar value would you start to consider making the effort to earn the reward?

- At what dollar value would you definitely make the effort to earn the reward?

- At what dollar value would you make extra effort to earn the reward as quickly as possible?

The objective of the incentive rewards program should guide your approach. If the goal is to maximize participation, focus on data from the 'consider making the effort' and 'definitely making the effort' curves. Conversely, if the aim is to generate excitement and motivate participants to go above and beyond, prioritize the findings from the 'make extra effort' curve.

By tailoring your reward structure based on these insights, you can create a more effective and engaging program that resonates with your audience, ultimately driving higher participation and satisfaction.

▶ Study Application

The chart below provides a hypothetical analysis of each scenario in this study. The reward value target has been determined based on the diminishing returns observed in the "definitely make the effort" curve for estimating participation, and the "make extra effort" curve for estimating the rate of exceeding expectations.

Scenario	Suggested Reward Value	Expected Participation Rate	Expected Rate of Exceeding Expectations
Business Operations - Scenario 1	$600	84%	68%
Business Operations - Scenario 2	$500	80%	61%
Business Operations - Scenario 3	$800	91%	74%
Finance - Scenario 1	$5,000	96%	87%
Finance - Scenario 2	$1,500	93%	89%
Retail Sales - Scenario 1	$100	93%	79%
Retail Sales - Scenario 2	$100	89%	75%
Retail Sales - Scenario 3	$110	92%	77%