

Proving ROI in Your B2B Incentive or Loyalty Program.

How to Defend, Justify & Forecast Your Program's Value

Incentive and loyalty programs are investments — and like any investment, they need to deliver measurable results. For many stakeholders, **Return on Investment (ROI)** is the gold standard for determining success.

But proving ROI can be complex. Unlike a campaign with clear attribution, reward and incentive programs operate across departments, objectives, and audiences. This guide breaks down how to set your program up for ROI success — and how to defend its value when the hard questions come.

"How can a B2B rewards program be accurately measured regarding real success amongst other business operations such as marketing and sales?"

Like most other business initiatives, incentive programs can't escape being assessed by ROI. Stakeholders want to see how a program performs against specific indicators, which helps forecast future success (or failure).

Scoping with those success measures in a program design is as important as any other part of the design, and without a clear view of these in the initial stages, long-term review metrics can be affected.



Understanding Program ROI

Simple Ways to Show ROI

Your program's "net benefit" needs to be calculated from revenue or margin directly linked to the program — minus total costs, including internal time and resource.

Setting program objectives linked to outcomes sets a strong path for ROI.

An incentive program can't be "all things to all people", but a firm outcome and performance review can light the way towards demonstrating ROI. **When it comes to these programs, Return on Investment can be shown in various ways:**



1. Revenue vs Reward Budget

Track top-line growth linked to program participation.



2. Margin vs Reward Budget

Measure profitability outcomes – not just sales volume.



3. New Customer Acquisition

Show uplift across a customer group or channel compared to baseline.



Pro Tip: Go beyond "engagement." Sales and margin gains are harder to dispute.

Measures should be related to sales or financial figures to determine whether a program is delivering an expected ROI.

Returns based around other outcomes or objectives can be important to a business, but they're also prone to interpretation that's not so compatible with cold, hard numbers. To find the true benefit of a program, you need to isolate the benefits from the cost of running and the reward value given away.

Challenges in Proving ROI: What to Watch For

Attribution Confusion: Marketing or sales may claim the same win.

Soft Metrics: Behavioural shifts are hard to quantify without conversion.

Noisy Data: External campaigns or seasonal trends can cloud results.

Incomplete Costing: Program admin and internal resourcing often go untracked

You can't calculate ROI after the fact. It must be built into your program's design from the start, with **ROI in mind from day one.**

The 4-Step ROI Method

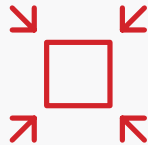
The ROI Institute Model

At 212F, we've reviewed several ROI methodologies and found the one developed by the ROI Institute to be best. This methodology isolates factors and benefits that may have had an influence in a rewards program, then takes them out of the final ROI review to avoid unfair claims. The key steps to real ROI, free of the claims by others are;



1. Collect Data

Define what you'll measure – sales, satisfaction, behaviours.



2. Isolate the Effect

Strip out what wasn't caused by the program.



3. Convert to Dollars

Put a value on changes like loyalty, speed, or product mix.



4. Total the Cost

Include rewards, tech, time, resourcing – everything.

Why This Matters

ROI is a growing requirement for most engagement programs, but when business is trading and performing well, budgets are easier to approve, and the reviews aren't generally thorough. Spending on rewards and incentives is an accepted supportive or method of delivery to a channel.

However, as soon as there is a downturn in the market and budget cost-cutting is required, opinions of a rewards and incentives program will vary, typically in lieu of any facts.

With a solid ROI process and defensible numbers built into a program, a negative review can be flipped and shown to be a critical part of your way to market. Whichever method is the most beneficial for your business, having an ROI concept and plan for your program will avoid the hard questions should they ever come up.

Build Programs That Prove Their Worth

Since 1996, 212F has been the leading Trans-Tasman B2B engagement agency, driving behavioral change through incentive, loyalty, and rewards strategies across diverse markets and channels. We provide end-to-end solutions, from program design, implementation, engagement optimisation and complete reward fulfillment, including reward merchandise, prepaid Visa gift cards, and incentive travel services. Through strategic design and tailored communications, our B2B loyalty, incentive and rewards programs deliver measurable returns and tailored results.

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