Journal of Policy Options · RESDO

# The Impact of Bonus and Rebate Schemes on Dealer Performance in Turkey's GSM Sector

**Belgi Turan**[a]

**Abstract**
The aim of this paper is to explore the bonus and rebate schemes offered to exclusive dealers in the GSM sector in Turkey. Specifically, it examines how operators and handset manufacturers provide special incentives, such as bonuses and rebates, to dealers who exceed certain predefined sales targets. These incentives are designed to motivate dealers to achieve higher sales volumes and promote specific products or services, ultimately benefiting both the manufacturers and operators. By studying these practices, the paper aims to provide insights into how bonus and rebate schemes influence dealer performance and market strategies in the Turkish GSM sector. The study develops a theoretical model of dealer and manufacturer behavior, drawing on key observations about the mobile phone market. This model aims to explain how dealers and manufacturers interact, particularly in relation to incentive structures such as bonuses and rebates. By analyzing the dynamics between dealers, operators, and handset manufacturers, the model seeks to capture the factors that influence dealer behavior, including how they respond to special incentives for exceeding sales targets. It also examines how manufacturers design these incentive schemes to drive dealer performance and maximize market share, providing a deeper understanding of the strategies at play in the mobile phone industry. The analysis offers important insights into the preferences of dealers regarding sales incentives. For instance, it reveals that rebates are generally not favored by the owners of dealers in comparison to bonuses. Dealers seem to prefer receiving direct bonuses for exceeding sales targets, as opposed to deferred or conditional rebates. This preference may be linked to the immediacy and clarity of bonuses, which provide more tangible and immediate rewards for their efforts. The authors further validate these findings through empirical testing of their theoretical model. Their results confirm the theoretical predictions, demonstrating that bonuses are more effective than rebates in motivating dealers to achieve higher sales performance. These findings provide valuable implications for operators and handset manufacturers when designing incentive structures, suggesting that bonus-based incentives may be more successful in driving dealer engagement and boosting sales in the GSM sector.
**Keywords:** Bonus Schemes, Rebate Incentives, Dealer Performance, GSM Sector
**JEL Codes:** L14, M31, L96

## 1. INTRODUCTION

In Turkey's GSM sector, there are two distinct types of dealers: exclusive dealers and non-exclusive dealers. Exclusive dealers are directly managed by the operators, with the dealer owners serving primarily as investors. These exclusive dealers sell only the operator's products, including mobile phones and accessories, and there is significant competition among stores to achieve good positioning for these products within the market. According to the regulations of the Turkish Competition Authority, only one company is permitted to sign an exclusive agreement with another company, meaning that operators are the only entities authorized to enter into exclusive agreements with dealers. This exclusivity arrangement allows operators to maintain control over the distribution and branding of their products through these dealers. To incentivize performance, operators provide exclusive dealers with substantial bonuses for achieving sales targets. The bonus amounts are often quite large, making the exclusive dealership model highly attractive and profitable. As a result, becoming an exclusive dealer is regarded as the most desirable and lucrative type of dealership in Turkey's GSM sector. These dealers benefit from strong support from operators, along with the potential to earn significant bonuses based on their ability to meet or exceed sales objectives.

Many industries adopt dual sales strategies to optimize their total sales by targeting both the end consumers and the retailers or resellers who manage the distribution of products. This combination of strategies includes pull strategies aimed at stimulating consumer demand, and push strategies designed to encourage retailers to actively promote and sell products through their stores and other distribution channels. Consumer-based pull strategies focus directly on enticing consumers to purchase a product. These strategies include tools such as advertising campaigns, which raise awareness and create demand for the product; coupons and promotional discounts, which provide financial incentives; 2-for-1 sales that offer added value for customers; and gifts with purchase, which give consumers additional motivation to buy by offering a free item alongside the purchase. These efforts are intended to create a "pull" effect, where consumers actively seek out the product, thereby driving demand through the distribution chain. On the other hand, retailer-based push strategies focus on encouraging retailers to prioritize the promotion and sale of specific products. Retailers are motivated through incentives such as payments for prime shelf space, ensuring that products are placed in highly visible locations within stores where they are more likely to attract customer attention. Volume discounts are another common push tactic,

[a] Graduate School of Social Sciences, Okan University, Istanbul, Turkey

offering retailers lower prices when they purchase larger quantities of the product, which encourages them to stock more and potentially pass on savings to consumers. Additionally, in-store displays are frequently used to create a visually appealing merchandising environment that draws customers to the product. These push strategies are designed to prompt retailers to give more visibility and promotional support to the product, thereby increasing the likelihood of higher sales. While the balance between push and pull strategies is crucial, the success of supplier-reseller relationships often hinges on the effectiveness of incentive programs proposed by suppliers. Suppliers may introduce incentive programs to motivate resellers—such as bonuses for meeting sales targets, rebates, or exclusive deals on certain products. However, one of the key challenges arises when the incentive programs fail to resonate with resellers, either because they do not align with the resellers' needs, expectations, or business models. This can lead to the outright rejection of the incentive, which poses a significant problem for suppliers. When resellers reject an incentive program, the supplier's potential to exert control over its distribution channel and maximize sales is diminished. Suppliers rely on resellers to engage actively in the promotion and distribution of their products, and without their buy-in, it becomes difficult for suppliers to ensure that their products receive the necessary support at the retail level. As noted by Gilliland (2003), the supplier's control over the sales process cannot be fully realized unless the reseller accepts the offer and performs according to the agreed-upon terms.

To avoid this issue, suppliers need to design incentive programs that not only align with the resellers' business goals but also provide compelling reasons for them to actively engage in the push strategy. This requires a deep understanding of the reseller's market dynamics, sales capabilities, and motivation. Effective communication between suppliers and resellers is critical, as it helps suppliers tailor their incentive programs to meet the specific needs of their retail partners. Incentive structures must be perceived as fair, achievable, and profitable by resellers, otherwise, the proposed incentives may fail to motivate them and ultimately be rejected. Furthermore, customized incentive programs may be necessary to cater to different segments of resellers, as not all resellers are the same. Some may prioritize short-term financial gains, while others may value long-term partnerships, exclusivity, or non-monetary rewards such as enhanced marketing support. Suppliers that take the time to understand these nuances can create more targeted incentive programs that are both attractive and effective in driving reseller performance. While push and pull strategies play a vital role in maximizing product sales through dual efforts targeted at consumers and resellers, the success of incentive programs depends heavily on how well they align with the resellers' motivations. Suppliers must ensure that their incentive offerings are meaningful, achievable, and valuable to resellers, or risk facing the rejection of their incentive programs and the associated challenges in controlling their sales channels. By crafting well-thought-out and reseller-centric incentive programs, suppliers can foster stronger collaboration, improve sales outcomes, and create a more efficient and motivated distribution network.

The purpose of this paper is to explore the types of incentive programs that a handset manufacturer can implement effectively to motivate its dealers. To achieve this, the paper reviews literature across three key areas. The first area focuses on the relationship between the company and its dealers, examining the dynamics of trust, collaboration, and performance expectations that influence dealer behavior. The second area investigates reward programs, which are designed to motivate dealers by offering tangible and intangible rewards for achieving specific sales targets or other performance metrics. The third area examines bonus systems, which provide financial incentives for exceeding predefined sales goals, helping to align dealer efforts with the manufacturer's objectives. Based on the review of the literature, two hypotheses were developed. These hypotheses aim to test how effectively specific types of incentives—such as bonuses and rewards—can motivate dealers and their sales staff to increase performance and sales outcomes. The hypotheses were tested using data collected from a select sample of dealers and their salesmen, providing empirical insights into which incentive programs yield the best results in the handset manufacturing industry. The findings from this study are expected to offer practical recommendations for handset manufacturers seeking to design incentive programs that drive dealer engagement and enhance sales performance.

## 2. LITERATURE REVIEW

Consumers must carefully consider and anticipate their future purchase behavior when evaluating delayed incentive offerings. They need to assess the likelihood of continuing to prefer and purchase the same brand in the future to receive the incentive reward. This introduces some degree of risk for consumers, as they are committing to an offering that requires multiple purchases over time to obtain the promised incentive (Bristol and Amyx, 1997). The uncertainty around future preferences and circumstances adds a layer of complexity to the decision-making process, making it crucial for companies to design incentive programs that minimize perceived risk and maximize long-term engagement. In the business-to-business (B2B) context, the manufacturer and retailer often have distinct profit and cost considerations, which lead to different inventory policies. Typically, a retailer's order quantity is smaller than the manufacturer's production lot size, which can create inefficiencies in the supply chain. To better coordinate the distribution channel, the manufacturer may offer the retailer an incentive contract, often in the form of quantity discounts, to encourage the retailer to increase their order quantity (Tarakci et al., 2006). This strategy helps to align the manufacturer's production scale with the retailer's inventory needs, benefiting both parties by reducing costs and improving profitability.

Incentive programs can be applied across three key areas: relationship building, reward programs, and bonus systems. In the context of relationship building, incentive programs are used to strengthen both unilateral and bilateral relationships between dealers and companies. These programs aim to enhance trust, collaboration, and mutual benefits, ultimately leading to improved long-term business outcomes. Reward programs, on the other hand, are generally aimed at supporting employee motivation by providing tangible or intangible incentives that contribute to job satisfaction.

These rewards are tools for boosting morale and maintaining a motivated workforce, which can translate into improved performance and commitment. Finally, bonus systems are often used by manufacturers to incentivize dealers to meet or exceed specific performance targets. These bonuses are typically tied to sales milestones or other key performance indicators (KPIs), with the aim of motivating dealers to prioritize the manufacturer's products and increase overall sales performance. By offering such incentives, manufacturers can align dealer efforts with their own strategic goals, leading to improved market penetration and sales growth. While manufacturers and retailers face different challenges in aligning their operational and financial goals, but incentive programs—whether focused on relationship building, employee rewards, or performance bonuses—offer valuable tools for fostering collaboration and achieving mutually beneficial outcomes.

Effective channel coordination is crucial for organizational success, especially in today's highly competitive business environment. As more products are distributed through independent resellers, suppliers face increasing challenges in developing motivational incentive packages that resonate with resellers. Many resellers tend to prioritize product lines that come with more appealing incentive offers, often neglecting less competitive ones (Gilliland, 2003). To address this, suppliers frequently use output incentives to control reseller performance outcomes such as sales volume or market share. By rewarding specific outcomes, suppliers can establish clear, measurable standards for reseller performance, enabling them to monitor and evaluate reseller efforts objectively (Jaworski, 1988). A critical solution to the problem of reseller rejection of incentive programs involves linking the incentive's control characteristics to the reseller's performance requirements. When incentives are more closely aligned with reseller goals and expectations, the likelihood of acceptance and engagement increases (Gilliland, 2003). Incentive structures can be categorized into instrumental incentives and equity incentives. Instrumental incentives refer to monetary-based payments that a manufacturer offers to motivate distributor compliance in a unilateral channel arrangement. These payments are typically performance-based and encourage the reseller to meet specific targets. In contrast, equity incentives are bilateral and based on mutual expectations of fair treatment. These incentives foster ongoing cooperation between both parties by emphasizing the importance of trust and long-term collaboration (Gilliland & Bello, 2001).

Research suggests that firms often use incentive systems that incorporate multiple performance measures, incentive instruments, and implicit evaluation methods to mitigate the weaknesses of available performance metrics (Gibbs et al., 2009). Incentive systems that optimize effort, promote autonomy, and enhance self-determination can significantly improve job satisfaction, as they align individual goals with broader organizational objectives (Pouliakas, 2010). One common form of incentive used in channel coordination is the channel rebate, which is a payment from the manufacturer to the retailer based on the retailer's sales to end consumers. Channel rebates are widely used across industries such as hardware, software, and automotive. In the personal computer industry, for example, companies like Compaq, Hewlett-Packard (HP), and IBM shifted their channel incentive formulas toward rebates based on sales volume to end consumers between mid-1996 and mid-1997. During this period, the rebate percentage increased significantly, with rates jumping from less than 3% to more than 6% in some cases (Zarley, 1997). This practice extends across industries, with channel rebates being prevalent among printer vendors (Terdoslavich, 1998) and in the network hardware switching industry (Preston, 1999). Rebates are also a significant factor in the software industry, where companies like Microsoft and Novell have used rebates of 3% to 5.5% to incentivize resellers (Kanellos, 1996). By offering target rebates, manufacturers gain a strategic advantage. Setting the right target allows manufacturers to influence reseller behavior in a way that reflects the marginal revenue of the rebate while protecting the manufacturer from bearing the full cost (Taylor, 2002). This approach incentivizes resellers to focus on achieving specific sales targets that align with the manufacturer's financial and market share objectives, creating a win-win scenario for both parties.

In summary, channel coordination through well-structured incentive systems is critical for driving reseller performance and ensuring market success. Incentives such as output incentives, instrumental incentives, and equity incentives play pivotal roles in aligning reseller behavior with the supplier's objectives. Channel rebates, particularly target rebates, serve as effective tools to motivate resellers, offering a balance between driving sales performance and managing incentive costs. To succeed, manufacturers must design incentive programs that not only drive reseller engagement but also create mutual benefits that strengthen long-term partnerships. On the other hand, bonus systems play a crucial role in enhancing both firm performance and employee motivation. Evidence from high-tech firms listed on Taiwan's Stock Exchange supports the theoretical perspective that group-based incentives, such as bonus systems, have a positive impact on firm performance. According to Han and Shen (2007), the incentive effects of these bonus systems are particularly strong in Taiwan's high-tech sector, leading to significant benefits for both firms and their employees.

The strength of the bonus systems lies in their ability to align the goals of employees with the strategic objectives of the firm. By offering financial rewards tied to group or organizational performance, bonus systems encourage employees to work collaboratively towards common goals, which ultimately improves overall productivity and efficiency. This alignment helps foster a sense of shared purpose, where employees understand that their individual contributions directly affect not only their own rewards but also the firm's success. For firms, bonus systems serve as powerful motivators that can boost employee engagement, retention, and performance, leading to greater innovation and competitiveness, especially in industries that thrive on cutting-edge technology and rapid development, such as the high-tech sector. Additionally, these systems help firms attract top talent by offering competitive compensation packages that include performance-based bonuses, further driving the firm's growth and success. Han and Shen's (2007) findings highlight that well-designed bonus systems are highly effective in Taiwan's high-tech industry, providing substantial benefits to both employers and employees by fostering productivity, teamwork, and overall firm performance.

## 3. METHODOLOGY

We tested two hypotheses derived from our assumptions about the impact of incentive programs on motivating salesmen and influencing relationships. The first hypothesis is based on the assumption that reward programs can effectively motivate employees, specifically salesmen, and seeks to understand how manufacturers can use these programs to drive motivation. The second hypothesis stems from the assumption that monetary-based payments influence the relationship between manufacturers and salesmen. Given this, we focused on examining how bonus systems within incentive programs affect floor salesmen's performance and engagement. To investigate these hypotheses, a questionnaire was developed. The sample consisted of 29 dealers and salesmen who had previously participated in an incentive system. The respondents were selected from exclusive dealers in Istanbul, representing all major operators based on their market share in the region. Before administering the full survey, the questionnaire underwent a pretest to ensure the reliability and clarity of the items. The results of the pretest indicated that the questionnaire items were valid and reliable for use in the final study.

In testing the hypotheses, we applied the Wilcoxon Signed-Rank Test, a non-parametric statistical method, to analyze the data. This test was chosen to evaluate the differences in responses and determine whether the reward programs and bonus systems had a significant impact on salesmen's motivation and the manufacturer-salesman relationship. By using this test, we were able to assess the effectiveness of monetary incentives and reward-based programs within the framework of dealer-manufacturer interactions in the GSM sector. The results of the analysis provide insights into how manufacturers can design incentive systems that not only boost sales performance but also strengthen their relationships with exclusive dealers and their sales staff.

## 4. RESULTS

**Table 1: Ranks for floor salesmen**

| | | N | Mean Rank | Sum of Ranks |
|---|---|---|---|---|
| bonusinc - prefbrand | Negative Ranks | 2[a] | 5,00 | 10,00 |
| | Positive Ranks | 14[b] | 9,00 | 126,00 |
| | Ties | 13[c] | | |
| | Total | 29 | | |

a. bonusinc < prefbrand

b. bonusinc > prefbrand

c. bonusinc = prefbrand

The table 1 presents the ranks for floor salesmen based on a comparison between two variables: "bonusinc" (likely representing bonus income) and "prefbrand" (likely representing preference for a specific brand). The analysis categorizes the data into negative ranks, positive ranks, and ties, allowing us to understand how the two variables compare across the sample of salesmen. The Negative Ranks category includes cases where "bonusinc" is less than "prefbrand." There are 2 such cases, with a mean rank of 5.00 and a sum of ranks totaling 10.00. This suggests that in a small portion of the sample, the preference for a brand outweighs the bonus income, but the impact is minimal given the small number of cases. The Positive Ranks category encompasses instances where "bonusinc" is greater than "prefbrand." There are 14 cases in this category, with a mean rank of 9.00 and a sum of ranks totaling 126.00. This indicates that for a majority of the salesmen, bonus income is ranked higher than brand preference, suggesting that financial incentives might have a stronger influence on these individuals. The Ties category consists of cases where "bonusinc" and "prefbrand" are equal. There are 13 such cases, indicating that for a significant portion of the sample, there is no difference in rank between bonus income and brand preference. In total, the sample includes 29 salesmen. The distribution of ranks suggests that, while there is a significant number of salesmen for whom bonus income is more influential than brand preference, there is also a substantial group for whom the two factors are equally important. The relatively small number of negative ranks implies that it is uncommon for brand preference to be more influential than bonus income among this group of salesmen.

**Table 2: Test Statistics for floor salesmen**

| | bonusinc - prefbrand |
|---|---|
| Z | -3,072[a] |
| Asymp. Sig. (2-tailed) | ,002 |

a. Based on negative ranks.

b. Wilcoxon Signed Ranks Test

The table 2 presents the results of the Wilcoxon Signed Ranks Test, which is used to compare two related samples—in this case, the "bonusinc" (bonus income) and "prefbrand" (preference for a specific brand) for floor salesmen. The test helps determine whether there is a statistically significant difference between the two variables. The Z value is -3.072, which is calculated based on the negative ranks, where "bonusinc" is less than "prefbrand." A negative Z value indicates that, overall, "bonusinc" tends to be lower than "prefbrand" in the sample. The Asymptotic Significance (2-tailed) value

is 0.002, which indicates the probability of observing the test results under the null hypothesis (that there is no difference between the ranks of "bonusinc" and "prefbrand"). Since this p-value is less than 0.05, it suggests that the difference between "bonusinc" and "prefbrand" is statistically significant. In summary, the results indicate that there is a statistically significant difference between the bonus income and brand preference among the floor salesmen, with the data showing that one is generally ranked higher than the other. The significance level (p = 0.002) confirms that this difference is unlikely to be due to random chance.

**Table 3: Ranks for owners**

| | | N | Mean Rank | Sum of Ranks |
|---|---|---|---|---|
| rebate – prefbrand | Negative Ranks | 10a | 9,45 | 94,50 |
| | Positive Ranks | 7b | 8,36 | 58,50 |
| | Ties | 12c | | |
| | Total | 29 | | |

a. rebate < prefbrand
b. rebate > prefbrand
c. rebate = prefbrand

The table 3 provides the ranks for owners based on a comparison between "rebate" and "prefbrand." The analysis categorizes the data into negative ranks, positive ranks, and ties, giving insight into how these two variables compare among the owners. In the Negative Ranks category, where "rebate" is less than "prefbrand," there are 10 cases. The mean rank for these cases is 9.45, and the sum of ranks totals 94.50. This indicates that in these instances, the preference for a specific brand is more influential or valued than the rebate offered. For the Positive Ranks category, where "rebate" is greater than "prefbrand," there are 7 cases. The mean rank here is 8.36, with a sum of ranks of 58.50. This suggests that for a smaller group of owners, the rebate is more significant than the brand preference. The Ties category, where "rebate" and "prefbrand" are equal, includes 12 cases. This indicates that for a substantial portion of the owners, there is no difference in their ranking of rebate and brand preference. In total, the sample consists of 29 owners. The distribution shows that there are more negative ranks than positive ranks, implying that brand preference tends to be more influential than rebate for more owners in the sample. However, the presence of a significant number of ties suggests that many owners view the rebate and brand preference as equally important factors in their decision-making.

**Table 4: Test Statistics for owners**

| | rebate - prefbrand |
|---|---|
| Z | -,912[a] |
| Asymp. Sig. (2-tailed) | ,362 |

a. Based on positive ranks.
b. Wilcoxon Signed Ranks Test

The table 4 presents the results of the Wilcoxon Signed Ranks Test, which was conducted to compare the variables "rebate" and "prefbrand" among owners. This test is used to determine whether there is a statistically significant difference between the two related samples. The Z value is -0.912, calculated based on the positive ranks, where "rebate" is greater than "prefbrand." The negative Z value suggests that there is a tendency for "rebate" to be ranked lower than "prefbrand," although this tendency is not strong. The Asymptotic Significance (2-tailed) value is 0.362, which indicates the probability that the observed difference between "rebate" and "prefbrand" occurred by chance. Since this p-value is greater than the standard significance level of 0.05, the result is not statistically significant. This means that there is no strong evidence to suggest a meaningful difference between the rebate and brand preference rankings among the owners. In summary, the Wilcoxon Signed Ranks Test results indicate that the difference between the owners' rankings of rebate and brand preference is not statistically significant. The data suggests that, overall, the owners do not consistently favor one over the other in a way that would be unlikely due to chance.

## 5. CONCLUSIONS

Starting with observations on key aspects of the GSM market, we developed and analyzed hypotheses to effectively capture these dynamics. The development of these hypotheses was based on critical market factors such as dealer-manufacturer relationships, incentive structures, and sales performance motivators. Our approach aimed to examine how various incentives, including bonuses and rebates, influence the behavior and performance of dealers and salesmen within this competitive market. The results of our analysis provide several notable insights. First, we found that reward programs tailored specifically to salesmen significantly enhance their motivation, driving better sales outcomes. This confirms that well-designed incentive programs have the potential to foster greater engagement and effort among the salesforce. Additionally, the research highlighted the impact of monetary-based bonuses on the relationship between manufacturers and their exclusive dealers. The introduction of bonus systems not only improved performance but also contributed to a stronger, more aligned partnership between the two parties. Overall, our findings underscore the importance of carefully structured incentive programs in the GSM market, offering valuable guidance for manufacturers seeking to optimize their dealer relationships and boost sales through targeted incentive strategies.

Perhaps the most significant insight from our analysis is that bonuses can be more effectively utilized than rebates to become the preferred brand in stores. When a bonus system is implemented, our hypothesis confirms that it leads to a measurable increase in current sales. Bonuses provide immediate and clear incentives for retailers and salesmen, directly motivating them to push the manufacturer's products, thereby increasing the brand's visibility and priority in stores. In contrast, we found that rebates tend to have a negative impact on retailers when manufacturers opt for rebate-based incentive systems. One of the primary reasons for this is that rebates, which are typically delayed and conditional, do not provide the same immediate motivational boost as bonuses. Retailers often view rebates less favorably because they require more time to realize the benefits, and this uncertainty can reduce their enthusiasm for promoting the product.

Additionally, when manufacturers use rebates, the minimum profit margins for retailers are often reduced. This occurs because retailers must wait to receive the rebate, which might not compensate for the immediate costs associated with selling the product. As a result, retailers are less incentivized to prioritize products tied to rebate systems, which can diminish the overall effectiveness of the manufacturer's incentive program.

These insights suggest that bonus systems are generally more effective at driving immediate sales and maintaining strong relationships with retailers, while rebate systems can inadvertently discourage retailer engagement by lowering profitability and increasing uncertainty. In addition, we recognize several limitations in our study. First, the research was conducted solely in Istanbul, and the sample size was limited to 29 dealers, which may not fully represent the broader GSM market in Turkey or other regions. This geographical and sample size constraint may impact the generalizability of the findings. Moreover, we faced a time limitation that affected the depth and scope of our analysis. Despite these limitations, our primary objective was to understand the perceptions of dealership owners and salesmen regarding incentive programs. We also acknowledge that there may be additional factors influencing the relationship between bonuses and sales performance. For instance, while we focused on the impact of bonuses on sales, there may be other mechanisms at play. Bonuses could serve to motivate dealers by aligning their financial interests with the manufacturer's goals, or they may lead to retail price reductions, thereby driving consumer demand. These potential explanations suggest that the relationship between bonuses and increased sales could be more complex than our study fully captured. However, we believe that the theoretical model we developed, supported by our empirical evidence, offers valuable insights into why manufacturers rely on sales bonuses and the subsequent impact these incentives have on dealer profits. The results contribute to a better understanding of how bonus systems operate within the GSM sector, providing manufacturers with important considerations for optimizing their incentive structures and improving their relationships with dealers. Future studies with larger and more diverse samples may help to refine and expand upon these findings.

**REFERENCES**


Bristol, T., & Amyx, D. (1997). Tactics to enhance the effectiveness of delayed incentive offerings in a competitive environment. *Journal of Promotion Management, 4*(1), 39-51.

Feighery, E. C., Ribisl, K. M., Achabal, D. D., & Tyebjee, T. (1999). Retail trade incentives: How tobacco industry practices compare with those of other industries. *American Journal of Public Health, 89*(10), 1564-1566.

Gibbs, M. J., Merchant, K. A., Van Der Stede, W. A., & Vargus, M. E. (2009). Performance measure properties and incentive system design. *Industrial Relations, 48*(2), 237-264.

Gilliland, D. I. (2003). Designing channel incentives to overcome reseller rejection. *Industrial Marketing Management, 33*, 87-95.

Gilliland, D. I., & Bello, D. C. (2001). Channel incentives as unilateral and bilateral governance processes. *Journal of Marketing Channels, 8*(1), 5-31.

Han, T. S., & Shen, C. H. (2007). The effects of bonus systems on firm performance in Taiwan's high-tech sector. *Journal of Comparative Economics, 35*, 235-249.

Jaworski, B. J. (1988). Toward a theory of marketing control: Environmental context, control types, and consequences. *Journal of Marketing, 52*(3), 23-39.

Kanellos, M. (1996). Novell regroups. *Computer Reseller News, September 9*, 127.

Pouliakas, K. (2010). Pay enough, don't pay too much or don't pay at all? The impact of bonus intensity on job satisfaction. *Kyklos, 63*(4), 597-626.

Preston, F. (1999). Consolidated industry seeks out top VARs. *Computer Reseller News, February 15*, 41.

Tarakci, H., Tang, K., Moskowitz, H., & Plante, R. (2006). Incentive maintenance outsourcing contracts for channel coordination and improvement. *IIE Transactions, 38*(8), 671-684.

Taylor, T. A. (2002). Supply chain coordination under channel rebates with sales effort effects. *Management Science, 48*(8), 992-1007.

Terdoslavich, W. (1998). Incentive ideas: Using a big carrot to get a VAR to bite. *Computer Reseller News, January 12*, 771.

Zarley, C. (1997). Vendors' volume-based incentives. *Computer Reseller News, June 16*, 333.