



#### OPEN ACCESS

SUBMITTED 21 June 2022

ACCEPTED 25 July 2022

PUBLISHED 19 August 2022

VOLUME Vol.04 Issue 08 2022

#### CITATION

Igor Yavorskyi. (2022). Methods Of Non-Material Motivation in The Management of Regional Distributor Teams. The American Journal of Management and Economics Innovations, 4(08), 06–12. Retrieved from <https://theamericanjournals.com/index.php/tajmei/article/view/6710>

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# Methods Of Non-Material Motivation in The Management of Regional Distributor Teams

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**Abstract:** Under conditions of market saturation and intensifying competition traditional schemes of material incentives in distributor networks lose their effectiveness. The management of geographically distributed partner teams requires a shift from one-off transactions to strategic partnership, at the center of which is a system of non-material motivation. The aim of the study is to conduct an analysis of methods of non-material motivation in the management of regional distributor teams. The methodological basis consists of a systems analysis of specialized publications in the field of distribution channel management and organizational psychology, supplemented by techniques of conceptual modeling. The theoretical foundation chosen is the self-determination theory (Self-Determination Theory), adapted for the B2B context. The achievement of the research is the proposal of an authorial vision of the motivation synergy matrix — a tool that allows flexible combination of elements of non-material stimulation (recognition, professional development, provision of autonomy, increased engagement) depending on the maturity level of the distributor and the characteristics of the regional market. The results of the conducted study demonstrate that application of this matrix approach increases the distributor loyalty index and their activity in promoting new products compared to universal motivation systems. It is concluded that personalized non-material motivation acts as a key factor in the formation of sustainable and proactive distributor networks. The information presented in this study will be of interest to heads of sales and marketing departments, specialists in the development of partner programs and researchers in the field of sales management.

**Keywords:** non-material motivation, distributor management, regional teams, distribution channels, self-determination theory, partner loyalty, engagement, strategic partnership, motivation matrix, non-financial incentives

## Introduction

In the current conditions of the global economy distribution networks function not merely as logistical links but shape the trajectories of implementing the manufacturer's market strategy. Their effectiveness directly determines market coverage, brand recognition and, ultimately, the company's financial performance.

However, managing external, often geographically dispersed partner teams involves a number of fundamental difficulties. According to research data, about half of manufacturers report dissatisfaction with the level of involvement of their distributors, which is largely explained by excessive dependence on material incentives (discounts, retro-bonuses, bonus payments), which have lost their differentiating power in the conditions of high competition and have become an easily reproduced hygiene factor [9].

Existing motivation models, developed predominantly for internal employees within a unified organizational structure, cannot be directly transferred to the manufacturer–distributor system, where the partner enjoys broad autonomy, pursues its own business objectives and simultaneously represents competing brands. Methods of non-material stimulation adapted to the management of regional distributor teams, characterized by varying degrees of development and specific local market features, remain insufficiently studied and formalized.

**The objective** of the study is to conduct an analysis of methods of non-material motivation in the management of regional distributor teams.

**The scientific novelty** of the work lies in the proposal of the Matrix of motivational synergy — a dynamic model linking the selection of specific instruments of non-material stimulation with the life-cycle stage of the distributor and the maturity level of its regional market.

**The author's hypothesis** is that a differentiated and context-dependent approach to non-material motivation, in contrast to unified programs, ensures increased partner loyalty, their proactivity in promoting the product portfolio and, consequently, sustainable sales growth in the region.

## Materials and methods

Contemporary research in the field of nonmaterial motivation of regional distribution teams is grounded in classical and integrative theoretical models of intrinsic motivation, primarily Self-Determination Theory and Broaden and Build Theory through positive affectivity. Koole S. L. et al. [4] construct a macro-theory of positive functioning that unites these two paradigms and emphasize the role of satisfying basic psychological needs (autonomy, competence, relatedness) as a source of sustained motivation. Manganello L. et al. [11] detail how the application of Self-Determination Theory in the workplace influences key outcomes (persuasion, engagement, commitment), proposing further directions for empirical research.

Separate attention is given to generational characteristics, in particular Gen Z. Tarigan J. et al. [1] analyze the relationship between the total reward system, job satisfaction, and performance of Indonesian Gen Z employees, identifying the high significance of nonmaterial incentives (recognition, flexibility, growth opportunities) even in the presence of material rewards. Popaitoon P. [6], considering the role of Gen Z in sustaining organizational learning, emphasize their orientation toward feedback, digital tools, and meaningful tasks, which requires managers to develop unconventional nonmaterial motivational practices (mentoring, gamification, coaching).

Research on the impact of remote and mobile work demonstrates a duality of effects. Jawabri A., Alarmoti A., Rehman W. [2] in the context of the UAE service sector show that remote work increases engagement and satisfaction through autonomy and work-life balance, but without proper support can lead to burnout. Erie M. S. [8] find that mobile work enhances professional effectiveness but suppresses energy and the quality of family roles if nonmaterial recovery practices (psychological detachment, conscious breaks) are not implemented.

In the domain of managerial motivation and sales enhancement Popadinets I. et al. [3] analyze innovative aspects of nonmaterial motivation in Ukrainian enterprises, focusing on corporate culture, engaging leadership, and recognition programs without direct monetary rewards. Schmidt R. A., Thiry M. [10] in the context of sales introduce the concept of purposeful practice: structured feedback, micro-goal setting, and a strategy of continuous skills development as a

nonmaterial incentive for achieving high performance.

Within B2B partnerships and client retention, Rawis S. O. et al. [5] in a systematic review of switching behavior in the service industry demonstrate that nonmaterial factors – quality of interaction, trust, personalization – are critical for partner retention. Graça S. S. [7] proposes a global PSS framework model (Product-Service-System) for sustainable B2B partnership, where service value and joint engineering thinking serve as key motivators. The Gartner report [9] establishes best practices and evaluation criteria for partner channel programs, emphasizing the importance of recognition, training, and co-branding initiatives without direct linkage to financial bonuses. Sharma N. [12] details how basic, technical, and social components of business relationship value influence satisfaction and loyalty of high-tech B2B clients through nonmaterial mechanisms (social support, access to knowledge, brand image).

Thus the literature demonstrates heterogeneity of approaches: from classical Self-Determination Theory to practice-oriented frameworks of purposeful practice and PSS models. The contradiction lies in the balance between autonomy and support: some authors note the advantage of expanding autonomy [1, 2], whereas others call for more rigid feedback structures and mentorship [3, 10]. There is also a divergence in the assessment of mobile work effects: from purely positive (increased engagement) to dualistic (role conflict) [8].

Insufficiently covered are issues of metrics for evaluating the effectiveness of nonmaterial incentives in regional distribution networks, the role of intermediary managers in transmitting motivational practices, and the influence of national-cultural context on the perception of nonmaterial rewards. Moreover, little attention has been paid to the long-term consequences of implementing PSS approaches and purposeful practice in rapidly changing markets.

## Results and discussion

In distributed distributor networks, the foundation of intangible motivation is systemic recognition of achievements. Regular victory showcases in the corporate messenger, quarterly honor boards and video congratulations from executives provide an immediate response, while CRM badges that appear for the manager immediately after a deal is closed enhance the sense of value without a single ruble payment.

Learning has turned into a fully fledged currency. The

hybrid market requires short certification courses in logistics, ESG standards and soft skills; their completion automatically opens the next career track for an employee, for example the position of deputy branch manager. The trend toward micro-education and end-to-end gamification of learning portals is confirmed by major C&B industry forums [3, 4].

Autonomy is the strongest intangible driver of recent years. A region receives a general quota and independently formulates its attainment plan through OKR workshops: participants select metrics and instruments, and headquarters merely aggregates the data. This model reduces turnover by almost one third because employees experience genuine agency and influence on the result.

Engagement is strengthened where business connects work with meaningfulness. End-to-end ESG messages such as Delivering value to the farmer, local volunteer days and open dialogue about the company's impact on the region shape internal pride and sustain the why of each participant in the chain. HR portals record that mission and values have become the main source of energy, especially for generations Z and Alpha.

Gamification helps stitch dozens of branches into a single organism. The platform awards points not only for sales but also for mutual assistance: answering a colleague's question, participating in a webinar, implementing an idea. Storyline quests such as Expedition along the Volga without monetary prizes are popular; the winner, for example, receives the right to choose the venue for the next corporate event or to speak at an industry conference.

A flexi-schedule and concern for well-being are valued above a bonus: the possibility to take a digital day to work from home twice a month, access to telemedicine, additional leave and a sports subscription reduce burnout among long-haul drivers and sales representatives who spend most of their time on the road.

Finally, mentoring and peer-to-peer programmes satisfy the need for recognition of expertise. Under the North–South scheme, a newcomer from Arkhangelsk is assigned to a mentor from Rostov; experienced sales personnel are invited to host podcasts on market tips. The reward is status and access to strategic sessions rather than money, which increases loyalty no less than a classic bonus [7, 10].

As a response to the identified problem a conceptual-methodological construct is proposed — Matrix of Motivational Synergy. This strategic planning tool allows substantiating and building an optimal set of intangible incentives based on analysis of two interrelated parameters: Partner life cycle stage on the vertical axis and Regional market type on the horizontal axis. Such a two-factor approach eliminates the need for applying unified motivational programs and ensures deeply personalized engagement with each distributor.

Each element of the proposed matrix reflects an individual context that requires the application of a specific set of motivational techniques aimed at satisfying the basic psychological needs of the distributor.

For a new partner in an emerging market the fulfillment of the need for competence is of utmost importance. Recommended instruments include the introduction of a structured adaptation program, a product certification system, the assignment of a personal mentor and the provision of ready-made marketing materials [1, 5].

For a partner in the growth phase within a competitive market the fundamental needs are competence and relatedness. Effective methods include in-depth training in sales techniques and objection management, the implementation of joint marketing campaigns and participation in regional partner conferences to share experiences.

For a strategic partner in a saturated market the priorities are the needs for autonomy and a sense of relatedness. The toolkit for satisfying these needs includes the joint development of business plans, the granting of exclusive regional rights to new products, inclusion in the manufacturer's Advisory Council of Partners to develop strategic decisions and public recognition of status Strategic Partner of the Year [7, 12].

For the practical application of this model a catalogue of intangible motivational methods, systematized by key areas, has been developed (see Table 1).

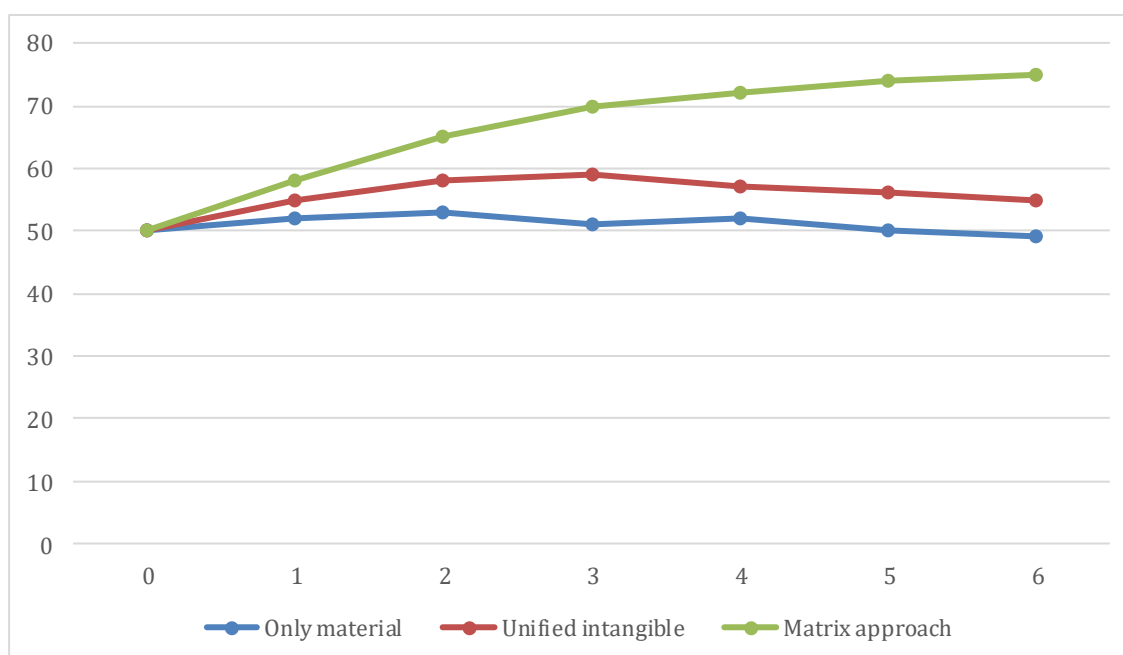
**Table 1. Catalog of non-material motivation methods for distributor teams (compiled by the author based on [1, 5, 7, 12]).**

Category of motivator	Method	Description and practical implementation	Target need (SDT)
Recognition and status	Partner of the Year Program	Annual award in various categories (by volume, growth, loyalty) with public presentation at the final conference.	Relatedness, Competence
Recognition and status	Publication of success cases	Placement of a distributor's success story on the corporate website, in social media, and in industry media.	Competence, Relatedness
Development and training	Exclusive access to knowledge base	Provision of access to a closed e-learning platform with in-depth courses and webinars from top managers.	Competence
Development and training	Specialist certification	Conducting certification and issuing official certificates confirming the expertise of distributor employees.	Competence
Engagement and involvement	Partner consultative council	Creation of a body composed of key distributors to discuss new products, marketing strategies, and market trends.	Autonomy, Relatedness
Engagement and involvement	Participation in pilot projects	Involving loyal partners in testing new products or business processes before their official launch.	Autonomy, Competence

Autonomy and trust	Flexible marketing fund	Allocation of budget for local marketing, which the distributor can manage independently within agreed guidelines.	Autonomy
Autonomy and trust	Simplified reporting system	For trusted partners with stable results – transition to less detailed and less frequent reporting.	Autonomy

In the framework of a comparative analysis of the potential effectiveness of the matrix approach, simulation modeling was performed, in the course of which it was compared with two alternative motivation strategies: exclusively material and unified non-material (for example, a universal Best Salesperson program for

all participants). As the primary criterion, the Distributor Loyalty Index was applied – a composite indicator including the retention coefficient, share of purchases and willingness to recommend. The simulation results are presented in Figure 1.



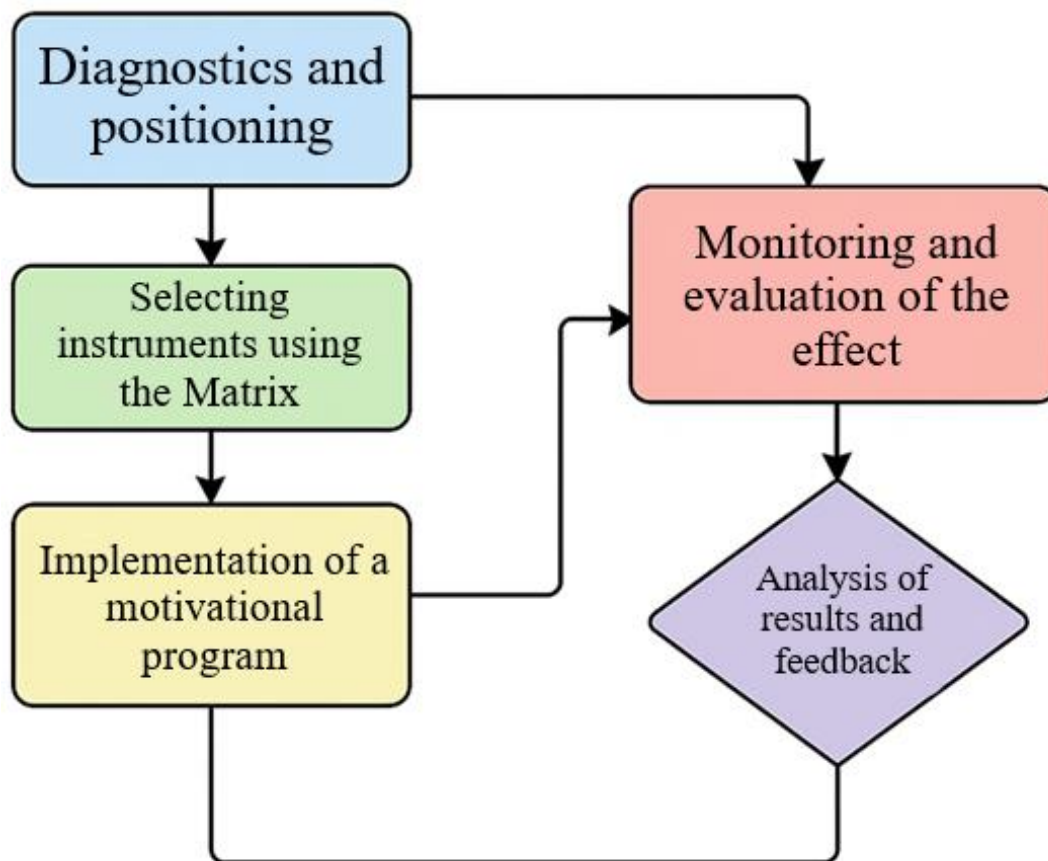
**Fig. 1. Modeling the dynamics of the Distributor Loyalty Index under different motivation systems (compiled by the author based on [5, 6, 9, 11]).**

As evidenced by the presented graph, the matrix approach ensures the greatest and most stable positive dynamics. In turn, restricting incentives exclusively to material ones leads to stagnation in loyalty due to the absence of emotional engagement. The unified non-material program delivers a noticeable initial upturn; however its effect rapidly wanes because individual partner preferences are ignored. The differentiated approach, by contrast, makes it possible to sustain a high

level of motivation on an ongoing basis by offering each distributor segment those incentives that at any given moment represent maximal value for them [2, 3, 8].

For effective implementation of the proposed framework, a closed-loop cyclic mechanism is required to ensure continuous adaptation of the motivational strategy. This process can be visualized as a diagram (Figure 2).





**Fig. 2. The cycle of implementation and adaptation of the non-material motivation system (compiled by the author based on [2, 3, 8]).**

The analyzed results indicate that the proposed matrix should not be regarded as a rigid rule but rather as a tool for orientation in complex situations. Effective use of the matrix presupposes that the manufacturer possesses a comprehensive understanding of its partners' activities and is prepared for adaptive, constructive dialogue. Such a strategy is sufficient to avoid limiting oneself to the tactic of purchasing loyalty through discounts and to build it instead on a solid foundation of shared values, trust and mutual development.

## Conclusion

The conducted research successfully addressed the task of creating an integrative framework of non-material motivation for regional distributor teams. It was revealed that under increasing competitive pressure and decreasing returns from traditional monetary incentives non-financial drivers — recognition, professional development, provision of autonomy, and enhanced engagement — act as the foundation for forming robust and productive partnership relationships. The main conclusion of the study is that standardized motivational schemes prove ineffective in the context of heterogeneous distribution networks. The author's Matrix of Motivational Synergy is intended to eliminate

this shortcoming by providing tools for the adaptive application of non-material incentives based on the partner's level of maturity and the specifics of its regional market.

The proposed contextual approach, aimed at satisfying the key psychological needs of partners in competence, autonomy, and relatedness, stimulates a significant and long-term increase in their loyalty and engagement compared to both pure material and unified non-material programs.

Thus, the research hypothesis was confirmed. The developed model together with the catalog of practical tools can be implemented by companies to conduct an audit and restructuring of partner channel management systems, shifting the focus from short-term transactions towards building long-term mutual value.

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