

Two years. 330 stores.
63,500 sales associates.

HERE'S HOW MUCH HELPFUL EXPERTISE AFFECTS SALES.



experticity

Introduction

Customers have always known what a difference helpful expertise can make on the sales floor. In fact, over 50% of customers are looking for expert advice on what to buy when they enter a store – and 73% say product knowledge is what they need most from a sales associate.¹

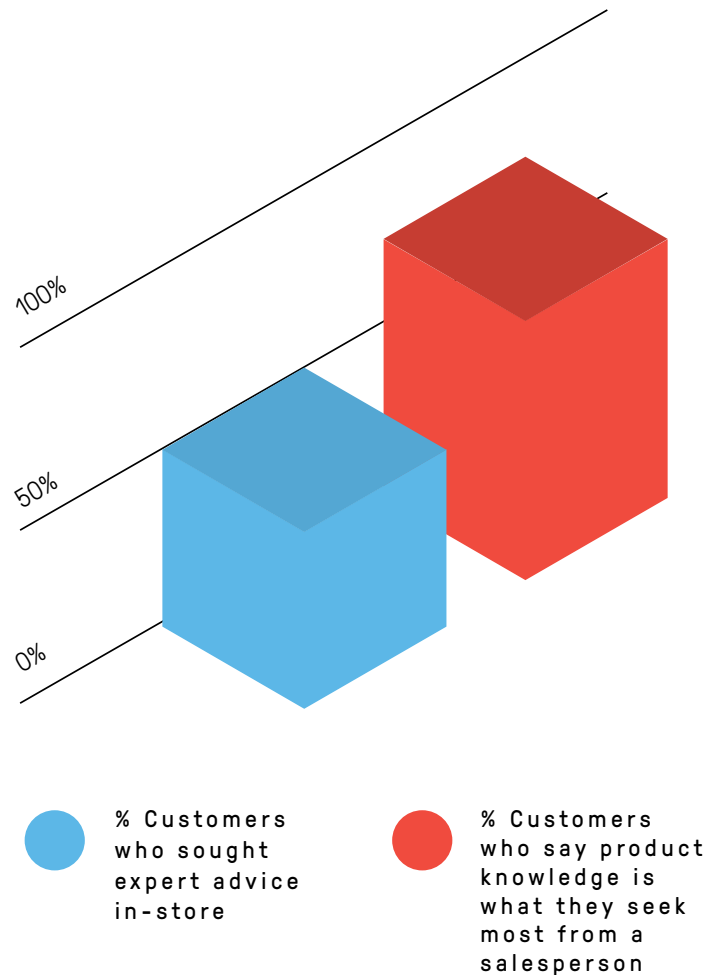
Of course, brands and retailers want to ensure customers get the information they need to make smart purchasing decisions and leave the store happy. But it can be difficult to know how much to invest in sales associates' expertise without knowing how much of a difference it can make on the bottom line.

In a world of inventory tracking, merchandising strategies and the assumption that customers only want to research products for themselves, we wondered:

JUST HOW MUCH OF AN IMPACT CAN BRAND KNOWLEDGE AND HELPFUL EXPERTISE ON THE SALES FLOOR REALLY MAKE?

We commissioned Marshall Fisher, a professor at the Wharton School of the University of Pennsylvania, to lead a study involving more than 63,500 retail sales associates in 330 stores over 2 years, comparing point-of-sale data to sales associates' engagement with Experticity in the categories and brands they sell.

“50% of customers are looking for expert advice on what to buy when they enter a store – and 73% say product knowledge is what they need most from a sales associate.”



1. Source: 2013 Experticity Retail Buying Experience Survey

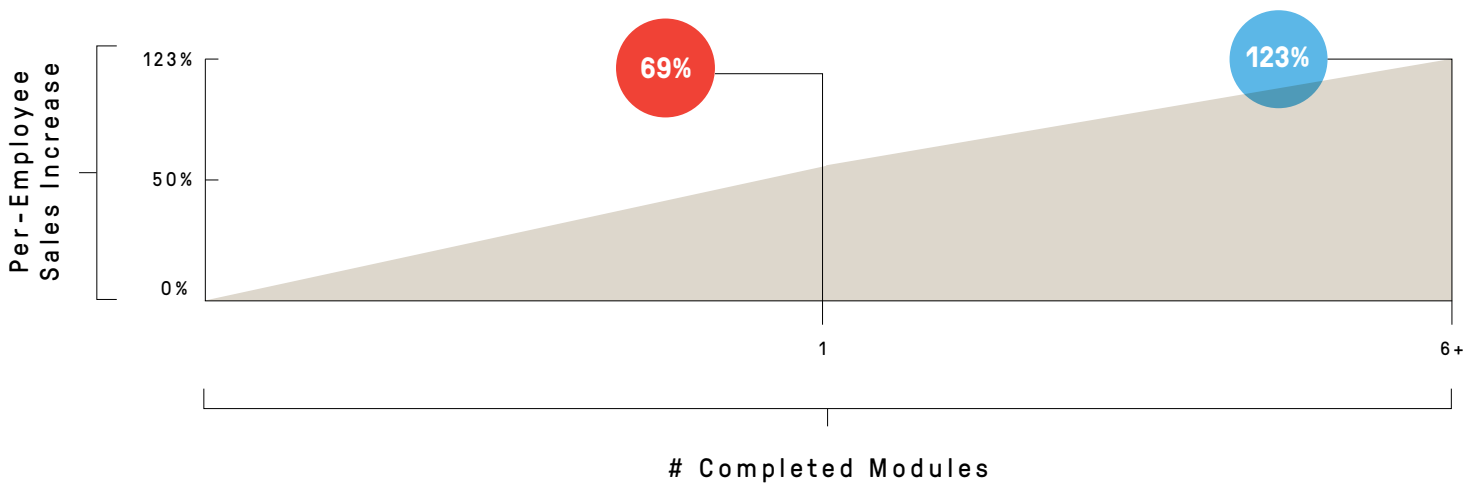
Results

OUR MAIN CONCLUSION? SALES ASSOCIATES WHO ENGAGE WITH PRODUCT EDUCATION SELL MORE. A LOT MORE.

In fact, our study showed that sales associates who completed even one short online module with Experticity sold 69% more than those who didn't. And associates who completed six or more modules sold 123% more than those who took none. For brands and retailers, it's clear that engagement with product education is a leading indicator of sales.

“For brands and retailers, it's clear that engagement with product education is a leading indicator of sales.”

ENGAGED EMPLOYEE VS. NON-ENGAGED



- 1 MODULE COMPLETED
- 6 OR MORE MODULES COMPLETED

Results

GETTING SALES ASSOCIATES TO ENGAGE WITH YOUR BRAND THROUGH EXPERTICITY IS ONE OF THE MOST EFFECTIVE TOOLS FOR INCREASING SELL-THROUGH.

Our study found that the lift in performance was even stronger when isolated to specific brand training interaction. Brand sales were 87% higher for sales associates who engaged with just one education module specifically designed for that brand vs. those who didn't engage at all.

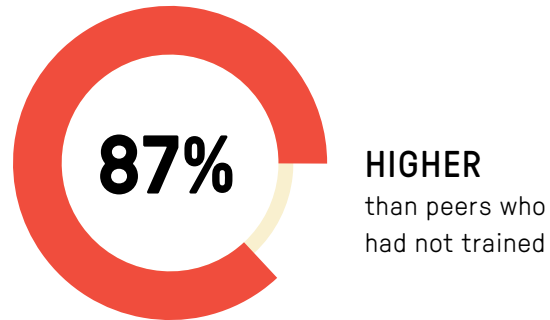
THE MORE SALES ASSOCIATES ENGAGED WITH EXPERTICITY'S EDUCATION PLATFORM, THE BETTER THEIR PERFORMANCE ON THE SALES FLOOR.

Sales associates that took one Experticity course containing an average of three modules sold a full 9.5% afterward.

The study further drilled down to see the impact on a specific brand training. The research found that for each additional module on a specific brand a sales associate completed, his or her sales of that brand increase by 2-4% afterward.

All in all, the more sales associates know about a brand, the more helpful expertise they can share with customers and the more those customers are likely to buy that brand.

BRAND SALES IMPACT



“Sales associates who took one Experticity course containing an average of three modules sold a full 9.5% more afterward.”

Results

HOW CAN YOU USE THIS DATA TO IMPROVE YOUR BUSINESS?

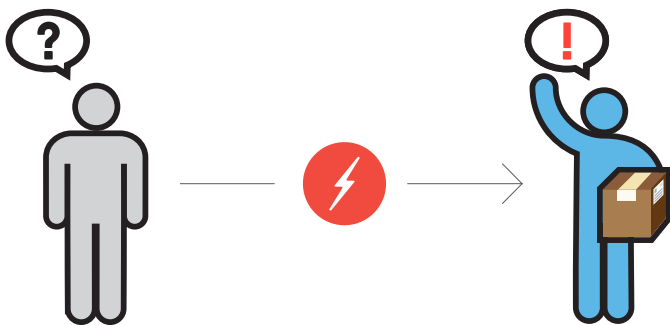
One of the most effective uses of your marketing budget is to find the people who have the power to influence what customers buy and engage them with your brand.

Ask yourself these questions:

- How do I know which associates are most engaged throughout my retail distribution network?
- What engagement information should I be reviewing on a regular basis?
- Who is highly engaged in my category but not with my brand?
- Which retailers are most engaged with my brand's education efforts?

NOW, WHAT DOES THIS ALL MEAN FOR YOU?

Today's smartest retail and product brands understand that data and analytics are essential to showing how their investment in better sales associates impacts their ROI – and that those who invest in great buying experiences can both build brand advocates and give customers the helpful expertise they need.



Why don't more brands and retailers have this data?

Retail data has its share of variability, but we used a leading academic team to help normalize a long list of variables. A few examples:

- Employees' total hours worked
- Percentage of hours worked during key timeframes
- Dollars and units sold by brand and month
- In-stock rates by brand, month and store each week
- Modules completed by employee per brand and month
- We also considered things like employee tenure, the number of sales associates on the sales floor simultaneously, seasonality and much more

Here is the formula we used:

$$\text{LogSales} = \beta_0 + \beta_1 * \text{InStock}(\%) + \beta_2 * \text{HsWorked} + \beta_3 * \text{HsBlock}(\%) + \beta_4 * \text{OtherSalesEmployee} + \beta_5 * \text{EmployeeTenure} + \beta_6 * \text{Leaving} + \beta_n * \text{Additional Controls} + \epsilon$$

ABOUT EXPERTICITY

Experticity is transforming retail commerce by building and rewarding expertise in the influencers customers turn to for advice on what to buy. Hundreds of the world's most respected brands work with Experticity to identify and engage with these influential experts and build, track and reward their helpful expertise. The results include improved conversion rates, bigger basket sizes, increased customer loyalty, more customer referrals – and better shopping experiences for everyone involved.



ABOUT MARSHALL FISHER

Marshall Fisher is the UPS Professor of Operations and Information Management at the Wharton School of the University of Pennsylvania, and co-director of the Fishman-Davidson Center for Service and Operations Management.

Dr. Fisher has been a consultant to many Fortune 500 companies, including Ahold, Air Products and Chemicals, BMG, Campbell's Soup, DuPont, Exxon, Frito Lay, General Motors, IBM, Motorola, Nokia, Scott Paper Company and Spiegel, Inc., to name a few.

His research has been recognized by numerous awards and his paper "The Lagrangian Relaxation Method for Solving Integer Programming Problems" was voted as one of the ten most influential papers published in *Management Science* during its 50 year history. He is also the author of the book "The New Science of Retailing."

Learn more about Dr. Fisher at:
<https://opimweb.wharton.upenn.edu/profile/29/>



**LET'S PUT THE POWER OF HELPFUL
EXPERTISE TO WORK FOR YOUR BRAND.**

CONTACT EXPERTICITY TODAY.

customercare@Experticity.com

www.Experticity.com

888.814.4764