

THE Y GUYS KNOW



MYBUYS IN ACTION



MyBuys Drives Sales for Austad's Golf

Website sales
UP **10%**

Email conversion rate
UP FROM 2%
TO **4.6%**

Average order value
UP **20%**

In 1963, when JFK was President and Arnold Palmer was at the top of his game, Oscar Austad started the first golf catalog in America from the family home. At that time, golfers only bought equipment through pro shops, where they went to be custom-fitted. But Austad's Golf proved there was a demand for good quality golf equipment at fair prices sold through a different channel. The company succeeded, and today has grown to 11 retail stores, all in the upper Midwest. Austad's continues to mail its catalog and sells via its website, www.austads.com.

Recognizing the Potential of Personalization

Before becoming a MyBuys client, Austad's did web recommendations manually—a tedious process that consumed at least 12 hours a week of extra programming time. They weren't personalized, and weren't producing the results the company wanted. "We knew the potential that personalized website recommendations have for increasing repeat visits, AOV, site sales, and so on," says Joel Harrington, Internet operations and marketing director for Austad's Golf, "so we knew that by not having them on our site we were missing out on potential sales." In addition, says Harrington, several key competitors had implemented personalized product recommendations,

and Austad's felt not having them on its site put the company at a disadvantage.

Austad's pre-MyBuys email program consisted of two vehicles: a monthly newsletter with information on PGA Tour events, golf tips, and some product news; and a weekly email blast promoting products and offering discounts, free shipping and other incentives. The newsletter and emails were well received—they had an open rate of 15%—but, in Harrington's opinion, were not taking advantage of the power of personalization.

Easy Implementation, Immediate Results

Following up on a referral from Austad's e-commerce platform provider, Harrington contacted MyBuys in the fourth quarter of 2007, signed on as a client, and went live soon afterwards. "There was very little to do at our end," says Harrington. "The whole implementation process was virtually painless, and when the program went live, it worked nearly 100 percent the way we wanted it to from day one."

Soon after the service started, Austad's heard from its manufacturers that they would prefer if products from

MYBUYS

MYBUYS IN ACTION

competitors not be shown as cross-sell recommendations on the same product detail page as their products. “We passed this request on to MyBuys, they programmed it as an exception rule, and it was fixed immediately,” says Harrington. “They’re very flexible about adapting the service to fit specific requests like that.”

In addition to the website recommendations, Austad’s is also using MyBuys email alert service. Site visitors opt-in to the program, select the categories of product they’re interested in, and begin receiving alerts about new or sale items in their selected categories. *The open rate on the MyBuys-generated alerts is 30%—twice the open rate on Austad’s non-personalized emails and twice the industry average.* “Customers are craving information on the products they want to buy, and if we can give it to them and make it easier for them to find and buy the product, we’re creating loyal customers,” says Harrington. *And when customers come to the site from a MyBuys alert, they buy: Their conversion rate is 4.6%—much better than Austad’s non-personalized newsletter and emails, which get a 2% conversion rate.* As a result, MyBuys now accounts for 10% of overall site sales.

Other positive results of adding MyBuys to the Austad’s site include an increase of 10% in the opt-in customer list and a jump in the average order value of nearly 20%. The number of site visitors before and after MyBuys is essentially unchanged, but, given that the golf industry is currently in a slump, Harrington views that as a positive result as well.

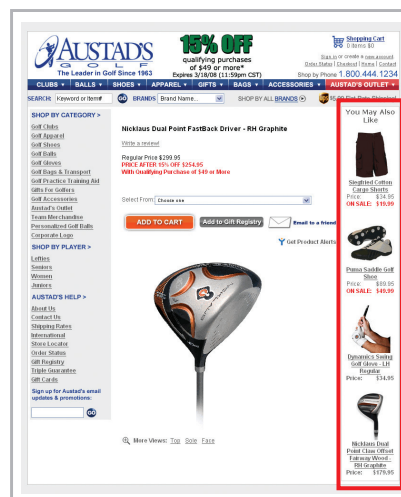
The Business Advantages of Knowing Customers Better

Observing customer behavior—which categories customers sign up to hear about, which alerts customers respond to, what products are successful up-sells and

AUSTAD’S GOLF

cross-sells—helps Austad’s get to know its customers better—knowledge the company uses to be more agile and compete more effectively. “If we see a handful of customers signing up for an alert about a specific golf club, we know there are hundreds or thousands of others who are also interested,” says Harrington. “We can then feature that club immediately on the home page or in a rotating Flash banner to raise its profile and make it easier to find. Or we can promote it in our email blast. Doing that obviously boosts sales of that club, but it also helps ensure we don’t lose customers to other sites selling the same club.”

Research shows that the number of golfers is not growing, so retailers can grow their business only by attracting customers from competitors. “That means you have to do everything you can to foster customer loyalty and keep people coming back,” says Harrington. “Personalizing our site with MyBuys recommendations and email alerts helps us win and keep customers. We’re big believers in the power of personalization.”



*MyBuys
personalized
recommendations
have increased
AOV at Austad's
Golf by 20%*

ABOUT MYBUYS MyBuys is the leading provider of personalized product recommendations for online retailers. The company builds deep profiles based on each individual shopper’s behavior, then uses a patented portfolio of algorithms and real-time optimization to deliver the most relevant recommendations. MyBuys’ clients are increasing average order value by 30%, improving conversion rates by 82%, and multiplying the lifetime value of every customer. Premier retailers - including Lancôme, SKECHERS, Austad’s Golf and Karmaloop - partner with MyBuys to offer intelligent, personalized recommendations to their shoppers. Based in Redwood City, Calif., MyBuys is a privately held company.

MyBuys, Inc.

One Lagoon Drive, Suite 120 / Redwood City, CA 94065

Phone: 650-591-0210 / Fax: 650-591-0173

Sales: 888-291-2422 / www.mybuys.com

MYBUYS