Engagement-to-Value (E2V). An empirical case study

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Abstract

Many firms rely on distribution networks to market their products to end-customers, cognizant of the strategic role that channel partners or re-sellers play. Considerable investments are made in building and maintaining engaging relationships through Channel Partner Programs (CPPs). However, partner engagement levels vary widely within CPPs and a one-size-fits all approach to incentive structures for partner engagement may not yield the optimal value. There is a need for in-depth understanding of charting and managing different levels of engagement and examining how these translate into value. We develop a multi-step framework to assist vendors in proactively managing their Engagement-to-Value (E2V) conversion by triangulating different types of readily available empirical data. Within this empirical case study, we conceptualize the notion of E2V and introduce four areas of enquiry pertinent to our framework. First, we assess the value of the CPP in terms of sales and revenue. Second, a more granular analysis takes into account different segments of channel partners in the program. Third, we review these segments in terms of three manifestations of behavioral engagement; recency, frequency and breadth of sales of the product portfolio. Finally, we develop E2V strategies on the basis of the propensity for behavioral engagement.
at the individual firm level. We conclude with recommendations for customer engagement research and the management of CPPs.

<a>Keywords</a>

Engagement-to-Value (E2V), Channel Partner Programs (CPP), Channel Relationship Management (CRM)
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The Promises and Problems of Engagement in CPPs

Many firms rely on distribution networks to market their goods and services to end-customers and are cognizant of the strategic role that their channel partners fulfil. Not only do channel partners account for a large proportion of sales and revenues (Aguirre et al. 2018), they also are an important conduit for market and customer information. Managing the engagement of networks of channel partners has very much become a strategic imperative, as it is pertinent to leveraging competitive advantage for vendors or supplier firms (Bairstow and Young 2012). Consequently, considerable investments are made to build and maintain engaging relationships through Channel Partner Programs (CPPs). In these programs knowledge development is promoted through online learning modules; channel partner collaboration and social networking is facilitated in virtual forums, and; certification and selling are incentivized (Aguirre et al. 2018). For example, IBM’s “Know Your IBM” program and PartnerWorld University hosts thousands of online learning modules for their channel partners, related to critical sales and technical skills. Celebrity Cruises uses their CPP to engage their network of travel agents in “learning and earning.” Despite the popularity of CPP’s, several recent industry reports reveal that an increasing number of C-Suite executives are disappointed with their CPP’s ROI resulting from low levels of partner engagement (Haber 2016, IRF 2018). It has been raised that partner engagement levels vary widely, that they typically decline over time and that a one-size-fits all approach to incentive structures for partner engagement does not always yields the optimal value. There is a clear need to develop a more in-depth understanding of charting and managing different levels of engagement and examine how these translate into value.

While the emerging body of knowledge on customer engagement has paid ample attention to perceptual measures and their underlying psycho-social foundations, behavioral
manifestations of engagement have been left somewhat ‘under-researched’. In this chapter we contribute to further our understanding of behavioral engagement in relation to objective performance measures that invariably appeal to C-suite executives’ focus on the bottom-line. With the advent of Big Data and methodologies comes the ability to uncover the insights in large and often readily available behavioral datasets. Consequently, it is now possible to further conceptually and empirically explore behavioral engagement. This chapter offers an illustration of such an exploration, as it demonstrates how behavioral engagement translates into value for the firm.

<a>Our Engagement-To-Value (E2V) Approach</a>

During the past decade, numerous conceptualizations of engagement have appeared in the marketing and management literatures (e.g. Brodie et al. 2013; van Doorn et al. 2010). Most of the scholarly work to date has focused on the cognitive and emotional dimensions of this complex concept and its underlying psychological mechanisms (Pelser et al. 2015). Consequently, the dominant premise in much of the research is that customers are exogenously motivated, rather than attributing engagement to strategies taken up by firms.

Less clarity exists with respect to the behavioral manifestations of engagement. For instance, Verhoef, Reinartz and Krafft (2010) refer to engagement as a holistic construct that reflects non-transactional customer behavior. Bijmolt et al. (2010) identify referrals, co-creation and complaining behavior as manifestations of behavioral engagement. Van Doorn et al. (2010) complement this behavioral engagement inventory by adding offering support to other customers, blogging and review writing, and generally argue that behavioral engagement emerges as discretionary actions and through going beyond role expectations. However, as Griffin, Parker and Neal (2008) argue, role expectations as a behavioral expectation standard
are problematic in that they are unclear and subject to variation and change. Also, Macey and Schneider (2008) posit that there are situations in which required task behavior is identified as behavioral engagement.

Indeed, there are many settings in which transactional behavior is identified as the key indicator of behavioral engagement. This is particularly the case in B2B distribution and sales channels where the explicit task behavior is selling vendor offerings. Also, the relationship between what are in fact behavioral intentions and value to the firm is at best indirect or tangential. Intentions are often subject to biases as they are self-reported and cannot directly unequivocally be related to a specific motivational strategy (Griffin, Parker and Neal 2008). There is also a lack of clarity of how behavioral engagement develops over time and across different segments of customers. Additionally, in the B2B context firms are investing heavily in building platforms that contribute to information exchange and the development of their channel partners. Therefore, there is a clear need for a more comprehensive perspective that recognizes the interplay between firm and (B2C or B2B) customer engagement.

To address these issues, fill the gap in the engagement knowledge base and develop a better understanding of how behavioral engagement is related to the firm’s bottom-line, we propose and illustrate the engagement to value (E2V) framework. The wider umbrella of behavioral engagement consists of a range of behaviors and it is pertinent that we understand the scope of these so that we can identify how they drive value creation. First, we extend previous approaches to behavioral engagement by identifying forms of behavior that can be directly related to a firm’s performance. Adopting a focus on the B2B channel, we identify sales performance as the key indicator for a vendor’s network of resellers. We posit a way to categorize types of re-sellers’ behavioral engagement by distinguishing three forms of
contextually relevant behavior in relation to the general requirements of the task of selling a vendor’s products and tying this directly and unequivocally to monetary value.

Specifically, we recognize recency (how recently did the re-seller sell the vendor products?), frequency (how often did the re-seller sell vendor products?) and breadth of sales (what range of the vendor’s product portfolio does the re-seller sell?) as manifest indicators of behavioral engagement that directly pertain to the generation of value from the perspective of a vendor. In order to emphasize the dual perspective of vendor and re-sellers, we analyze behavioral engagement against the backdrop of a channel partner program (CPP), which is aimed at promoting re-sellers’ engagement with the vendor. Taking a longitudinal perspective that tracks how re-sellers progress in their sales effort over time, we show how firms can efficiently and effectively develop differential engagement strategies to drive the behavior of their re-sellers and translate re-seller engagement into value.

<a><b>Our Four-Step Framework for Managing Engagement-to-Value</b></a>

We develop a multi-step framework that may assist firms in proactively managing their Engagement-to-Value (E2V) conversion by triangulating different types of readily available empirical data to bring the ROI of customer engagement in CPPs more in focus. Our framework is composed of four steps. First, we diagnose the value of an existing CPP in terms of sales and revenue. Second, we develop a more granular insight into engagement-to-value (E2V) among different segments of channel partners. Third, we extend E2V and identify within-CPP segments based on the three manifestations of behavioral engagement. Fourth, we formulate E2V strategies on the basis of the propensity for behavioral engagement. Following a description of our empirical case, we go on to explain each of the four steps in turn.
<b>The Empirical Case</b>

Our framework is illustrated throughout with an empirical case. The US-based company was founded in the mid-1990s and is a leading manufacturer of office furniture, producing circa 6,000 products on a daily basis. The company trades across the North and South Americas. The primary route to market for this company is via a structured distribution channel comprising re-sellers who sell onto dealer groups who resell onto the end user. The company has managed impressive growth over the past 10 years, including outgrowing the competition by 143 percent, with the most significant increase being in the last 5 years. At the time of this study, the company had been running its own CPP for three years aimed at promoting engagement among their re-sellers, which involves: tier levels with hard (i.e., economic) and soft (e.g., waivers and favors) benefits; top achievers travel incentive rewards; stretch goal incentives; double point promotions; automatic sales tracking.

For this company we were able to track the interactions between the re-sellers and the dealer groups as a whole. The advent of improved computer capacity, a move to digital interactions such as invoicing, web ordering, online education, rebate calculation and e-communications has allowed most vendors to capture and analyze B2B channel data. In fact this repository of “Big Data” has been available to vendors for the past 5-10 years allowing for longitudinal analysis with little additional effort to coordinate.

We tracked 5072 re-sellers for 3 consecutive years (2014-2016), comprising some 259,626 transactions and recording the value and products sold for each sales claim. The tier status of sales representatives in the CPP was also recorded over this period. Although status changed
yearly, at the mid-point of the period (Year 2) the profile of the population was: Tier 1, 64.2 percent; Tier 2, 17.7 percent; Tier 3, 9.7 percent; Tier 4, 8.4 percent.

We also tracked the revenue of 2344 dealers for 5 consecutive years (including the year prior to launch of the CPP). Average total yearly revenue for the dealer population across this period was circa $200,000,000. Of these 2344 dealers, 854 dealers transacted constantly across all time points in the tracking period. These were used for the matched growth analysis. This assisted us to identify actual revenue growth as well as triangulate dealer growth, RS sales claims and CPP tier growth.

**<c>Step 1: Diagnosing Longitudinal Value of CPP**

CPP tier growth in the 3-year period demonstrated that for the matched independent re-sellers (RSs) sample capacity is being built as RSs move through the tiers year on year (this (matched) RS movement between the tiers is significant, F=51.554, p<0.001). We established the baseline longitudinal value of this CPP growth (since its establishment in Year 1) within the corpus of RSs by aggregating their eligible sales claims based on the transactional data over 3 years. The aggregation is based on matching RSs across the years (n=1985 with values for all time points). Matching re-sellers gives a better insight into actual sales claims growth over the 3-year period. We observe clear growth in sales claims amongst RSs since the introduction of the CPP, with considerable average percent claims growth (296.5 percent in year 2; 179.7 percent in year 3) ‘within’ re-sellers (i.e., per RS, per year). The growth between the years is highly significant (F=31.186, p<0.001). Importantly, we also note that the distributions of sales claims per RSs is becoming less positively skewed (11.52 year 1; 7.03 year 3; indicating less bunching of lower value claims) and supporting the increase in sales claims over time.
We further compared those RSs who were engaged versus non-engaged in the CPP by examining the change in tier status over the 3-year period and mapping against the average sales claims. We conclude that the value to the company of those RSs who are highly engaged in the CCP, that is, move up 3 tiers in 3 years, is 694.74 percent average growth of sales claims (see figure 1).

Figure 1 about here

As the CPP targets RSs and they interact with dealer groups, we also explored the Up-Channel growth as a validation check. The revenue growth ‘within’ dealers (i.e., per dealer, per year) is significant ($F=85.161$, $p<0.001$; matched dealer $n=854$). Taking end of financial year -1 as the baseline (i.e., prior to the CPP introduction), there was a sharp rise at the end of financial year 1 in dealer revenue with continued growth in the subsequent years, corresponding with the building momentum of the CPP. These effects hold when accounting for the two major (i.e., best-selling) product launches in years 2 and 3 for this company.

However, we note that the rate of growth is slowing in the third year after the introduction of the CPP. This is confirmed by the quadratic function of RS sales claims growth, which is significant ($F=8.993$, $p=0.003$). This may be a function of having built capacity too rapidly to a threshold. This factor is often referred to as the Threshold Ceiling when the most active program participants’ engagement reaches a level that is not predicted by market forces and additional growth is beyond their own individual means (Ngobo 1999). It is such issues that CPP managers need to be cognizant of when formulating their channel engagement strategies and also flag potential threats to engagement level objectives in subsequent years.
Step 2: Identifying Engagement to Value (E2V)

At this step we zoom in on establishing the engagement to value (E2V) of RSs. From step 1, value is defined by sales claims. Behavioral engagement at this step is defined by recency and frequency of transactions with the company. Using the 3-year transactional data, we illustrate using heatmaps (figure 2) how value (RS sales claims) maps onto the 2 dimensions of behavioral engagement (sales recency and frequency).

Figure 2 about here

On heatmaps, darker areas indicate a higher average value of behavioral engagement. That is, RSs in the darker areas tend to claim higher sales on average than those RSs in the lighter areas. This diagnostic identifies strong and weak patterns of behavioral engagement split into segments. Interestingly, it also identifies unusual patterns, such as if high value segments are disengaging. Referring to figure 2, the heatmaps illustrate that for the whole population of RSs there is a sustained E2V pattern over the three years, such that, those who are highly behavioral engaged with the company are also those who are selling the most products. These figures confirm the growth in the numbers of RSs moving into the top segment in terms of increasing E2V over the 3-year period, alongside a rebalancing between the numbers of RSs in the lower left and upper right quadrants - shifting in favor of more RSs in the higher value segments. When we additionally zoomed into the distribution of E2V across the CPP tiers for year 3, we noted that the E2V patterns are as expected for tiers – with increasing E2V as tier levels increase. There was a very healthy behavioral engagement pattern for the top two tiers, that is, high recency and high frequency. However, there is plenty of potential capacity within the two lower tiers: in terms of recency for the second tier; and both recency and frequency for the lowest tier.
However, figure 3 shows the numbers of (matched) RSs in each segment. For this matched sample, we note that the slowing in growth (identified in step 1) is accompanied by a fall in behavioral engagement with respect to recency and frequency of transactions. As CPPs progress over time, ebbs and flows are expected such that new members (i.e., re-sellers) are recruited into the program and others leave (often for a variety of reasons). Managers highlight the fact that channel partner churn is a major risk to their business, particularly amongst brand agnostic resellers. Competitors often target high valued resellers as a quick route to increased market share. Further channel programs often see some movement of resellers between tiers based on economic cycles and the lifecycle of their product(s). Products that have a 3-4 year lifecycle typically show a decline in subsequent years after a very successful year. Surprisingly, this is more pronounced amongst resellers who are close to their ceiling threshold. Using the matched sample demonstrates that it is in the third year of membership that behavioral engagement is starting to ebb. Table 1 demonstrates that there is a greater percentage of people moving down in tier status in 2016 than moved up. This is not due to changes within the program nor can it be attributed to any particular feature of the industry (also note above that we have taken new products into account).

Table 1 about here

There are two considerations at the end of this stage. First, how the company can release the potential in the CPP by targeting those in each tier that may have additional capacity to grow and drive more revenue and transactions. The lighter colored sections in the heatmap
 quadrants provides this roadmap. Second, given the rising behavioral disengagement levels in year 3 how can the company better understand and mitigate against this disengagement?

Step 3: Making engagement three-dimensional: E2V-Based Profiles

To address aforementioned issues, in step 3 we advance our two-dimensional (2D) (recency and frequency) understanding of behavioral engagement by introducing a third dimension of behavioral engagement – breadth of portfolio. Using cluster analysis, we develop and label RS profiles based on multiple behavioral engagement characteristics (recency, breadth and frequency) plus value (table 2). What we label the All Stars profile is an exclusive club of 33 RSs and represents those RSs who are the elite on all E2V dimensions (being the most valuable profile to the company).

Table 2 about here

We went on to identify the importance of each characteristic in determining the E2V profiles using discriminant analysis. The discriminant function confirmed a significant association between the profiles and E2V, accounting for 74.8 percent of variability between the profiles. With regard to the behavioral engagement dimensions, all three were important predictors of group membership ordered in importance as breadth (0.671), recency (0.620) and frequency (0.592). Value (0.551) was the least important predictor of profile membership. [The cross-validated classification showed that 94.1 percent of cases were correctly classified.]

Figure 4 about here
We compare and contrast our E2V profiles to the existing CPP tiering (year 3; figure 4). Whilst there is some consistent mapping of tier status onto the profiles, we demonstrate the added value of the developed profiles. First, there is a lot of scope for developing those in the lower tiers for the short and mid-term. For example, the value of RSs with Intern profiles currently sitting in the Tier 1 could be overlooked by focusing on value alone (which had the lowest predictive contribution to profile membership). Second, those in the top Tier 4 with Intern and Rising Star profiles, have already reached a high value, but their potential in terms of breadth is not being realized.

**Step 4: E2V Strategies**

Finally, we identify within the RS population the potential to move RSs towards the high-value profile, and how E2V can be used to drive movement through the profiles, especially identifying those in the program who have additional capacity potential. Propensity matching analysis is a management technique that is gaining traction with channel managers and has been evident in recent award-winning channel programs (e.g., Brandon Hall). Vendors identify those top performing resellers and look at their behaviors (typically a more limited set of behaviors, namely, sales). Similar profiled resellers who are not performing at the same level are then identified and selected with channel marketing initiatives. Thus we use propensity matching to identify this potential in the lower profiles segments (i.e., Novices, Apprentices and Interns) with a particular emphasis on those whom we call the Rising Stars Profile (those with the highest potential to move with minimal incentives) as the target profile. Taking the broader set of E2V behaviors into account, the resultant propensity mapping is shown in table 3.
Different E2V ingredients are necessary to move RSs through to become Rising Stars. Whilst group 3 currently have the lowest engagement, it is this group that also offers the most opportunity for growth and incremental revenue. The outcome is the identification of the ideal changes that need to be made for the reseller profiles for each channel segment. Thus a vendor’s resources, tactics and strategies are developed to mold the reseller towards a realistic and achievable performance profile. Interestingly, some of the focus areas are not always on sales performance but include incentives and recognition for testimonials, client demonstrations, lead sharing and progression and co-funded marketing activities. As such, we split group 3 into quintets to provide insight into the scope for building capacity within the largest proportion of RSs. We observe that there are 420 RSs (the top 4 quintet groups) who are already engaging recently and with the breadth of the portfolio (table 4). This provides an important advantage in engaging these groups and helping them to build their capacity in terms of volume of sales.

Table 4 about here

As an indication of what product categories could be promoted to drive breadth engagement and growth in the program, we identified the product categories constellations that distinguished between the profiles. Overall, 9 product categories distinguished between the profiles (accounting for 92.1 percent of the variance between profiles). These demonstrated that there was a clear bundling of these 9 products within the All Stars and Rising Stars profiles, which can be used in promotions to encourage further breadth engagement with the portfolio amongst the other profiles. However, we observe huge potential for growth in the top 4 categories particularly.
Recommendations for Customer Engagement Research

We believe our empirical case study points to research avenues that scholars could take to further our understanding of the E2V framework. We discuss three potential routes for future research. Firstly, we see a need to expand the horizon of behavioral engagement research by identifying and validating measures that are both accessible and diagnostic within specific contexts. Within the context of CPPs, additional research could focus on establishing relationships between re-seller uptake of re-seller-targeted learning modules, i.e., behavioral learning engagement and sales (Aguirre et al. 2018). Scaling up to a wider variety of contexts, future research could focus on identifying which engagement behaviors in service encounters (e.g., in call centers) impact cross- or up-selling performance (cf. Jasmand, Blasevic and de Ruyter 2012). In a similar vein, a more in-depth understanding is needed of online engagement behaviors (e.g., retweets, re-posts, reviews) and their impact on sales conversion for online vendors in both B2B and B2C contexts (Villarroel Ordenes et al. 2018). We believe that such research endeavors have the potential to enrich our theoretical as well as operational understanding of the E2V framework.

Secondly, we identify a need for establishing a taxonomy of specific engagement strategies and empirically exploring their impact on behavioral engagement and value generation. Incentive structures and types of benefits (i.e., soft vs. hard) within CPPs, as well as reward or communication framing tactics may have a differential impact depending on the nature of engagement profiles. As Keeling et al. (2013) have shown matching CPP reward offerings to a re-seller’s regulatory orientation has a significant impact on behavioral engagement levels. Therefore, a further, i.e., more granular, exploration of the influence of specific strategies on
behavioral engagement levels will render a clearer picture of the link between behavioral engagement and value.

Finally, as behavioral engagement is a strategic imperative with longer term implications, future research should continue to study this phenomenon from a longitudinal perspective. By approaching the E2V as a dynamic phenomenon, research will be better equipped to account for variability that could be resulting from budget or performance evaluation cycles and examine appropriate responses to respond strategically to such fluctuations. Similarly, taking into account aspects of the wider market and business environment, such as season effects in relation to product sales, market uncertainty, or variation in consumer confidence levels, will offer a level of specificity that is pertinent to advancing the conceptual interdependencies between behavioral engagement and value.

<a>Recommendations for the Management of CCPs</a>

The data from our empirical case demonstrate the CPP delivers value to the company in terms of driving growth in sales and evidence of Up-Channel value through corresponding growth in dealer revenue. The most lucrative of the RSs are those that have high breadth engagement (i.e., sell across multiple categories) and thus the company could start to provide additional incentives for selling multiple categories.

Once identifying the most effective reseller profile using propensity matching, vendors can use their limited marketing resources to target individual resellers and high potential categories that will drive the highest ROI. The focus should be to maintain the high performance of the All Stars club (those who are close to their ceiling threshold) whilst looking to shape those who are in the lower membership tiers as the “Rising Stars”, those that
have the greatest potential to sell more, sell more volume and breadth. Thus the targeted
approach relies on using a vendor’s repository of Big Data to use resources more effectively
to select high potential resellers as opposed to treating the channel as a homogenous group.
That is, too take a more dynamic rather than static view of the CPP.

Further, the approach we have outlined above, in advocating a broader focus on E2V, allows
vendors to focus incentives and resources on soft benefits to further drive reseller
performance. Customer service, after sales service, product knowledge, bundled solutions,
testimonials and co-funded marketing initiatives are equally important to ensure resellers not
only sell the vendor’s product, but embrace new products, new innovation and implement the
brand’s value position.

<a>References</a>

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## Tables

### Year 3 Tier status

<table>
<thead>
<tr>
<th>Year 2 Tier status</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
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<tbody>
<tr>
<td>Tier 1</td>
<td>86</td>
<td>13</td>
<td>2</td>
<td>0</td>
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<tr>
<td>Tier 2</td>
<td>43</td>
<td>41</td>
<td>14</td>
<td>2</td>
</tr>
<tr>
<td>Tier 3</td>
<td>20</td>
<td>35</td>
<td>32</td>
<td>13</td>
</tr>
<tr>
<td>Tier 4</td>
<td>8</td>
<td>13</td>
<td>25</td>
<td>54</td>
</tr>
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</table>

Table 1: Tier status percent shifts year 2-3 (matched RS sample)

<table>
<thead>
<tr>
<th>Profile</th>
<th>N</th>
<th>%</th>
<th>Recency category*</th>
<th>Breadth of Portfolio (Ave. No. Categories)</th>
<th>Frequency (Ave. Number of Transactions)</th>
<th>Value (Ave. Sales Claims)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profile 1: Novices</td>
<td>2288</td>
<td>45.1</td>
<td>2</td>
<td>1.89</td>
<td>6</td>
<td>18,XXX.53**</td>
</tr>
<tr>
<td>Profile 2: Apprentices</td>
<td>1601</td>
<td>31.6</td>
<td>3</td>
<td>6.03</td>
<td>29</td>
<td>67,XXX.29</td>
</tr>
<tr>
<td>Profile 3: Interns</td>
<td>955</td>
<td>18.8</td>
<td>4</td>
<td>11.33</td>
<td>106</td>
<td>224,XXX.89</td>
</tr>
<tr>
<td>Profile 4: Rising Stars</td>
<td>195</td>
<td>3.8</td>
<td>5</td>
<td>16.23</td>
<td>334</td>
<td>630,XXX.91</td>
</tr>
<tr>
<td>Profile 5: All Stars</td>
<td>33</td>
<td>0.7</td>
<td>5</td>
<td>18.06</td>
<td>975</td>
<td>1,712,XXX.94</td>
</tr>
</tbody>
</table>

*categories range from 1 least recent to 5 most recent date of interaction

**figures are concealed to protect company confidentiality

Table 2: E2V profiles
<table>
<thead>
<tr>
<th>Propensity score range</th>
<th>Number of RSs</th>
<th>E2V ingredients…</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) High E2V propensity</td>
<td>51+% n=2</td>
<td>Similar frequency and recency to target group, less breadth</td>
</tr>
<tr>
<td>(2) Medium E2V propensity</td>
<td>26-50% n=45</td>
<td>Similar frequency to target group but lower recency and less breadth</td>
</tr>
<tr>
<td>(3) Low E2V propensity</td>
<td>0-25% n=4797</td>
<td>Low frequency, recency and breadth</td>
</tr>
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</table>

Table 3: E2V propensity (excluding the All Stars and Rising Stars)

<table>
<thead>
<tr>
<th>Propensity</th>
<th>Number of RSs</th>
<th>Breadth</th>
<th>Recency</th>
<th>Frequency</th>
<th>Value</th>
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<tr>
<td>0-5%</td>
<td>4442</td>
<td>4.30</td>
<td>3</td>
<td>26</td>
<td>59,XXX.84*</td>
</tr>
<tr>
<td>6-10%</td>
<td>224</td>
<td>12.30</td>
<td>4</td>
<td>120</td>
<td>246,XXX.09</td>
</tr>
<tr>
<td>11-15%</td>
<td>91</td>
<td>13.66</td>
<td>4</td>
<td>163</td>
<td>336,XXX.26</td>
</tr>
<tr>
<td>16-20%</td>
<td>63</td>
<td>14.86</td>
<td>5</td>
<td>169</td>
<td>329,XXX.59</td>
</tr>
<tr>
<td>21-25%</td>
<td>42</td>
<td>15.52</td>
<td>5</td>
<td>193</td>
<td>397,XXX.02</td>
</tr>
</tbody>
</table>

*figures are concealed to protect company confidentiality

Table 4: Propensity Group 3 - Quintets
Figures

Figure 1: Sales claims mapped to upward tier status

Figure 2: Longitudinal Engagement-to-Value (E2V) for the whole population of re-sellers
Figure 3: Longitudinal Engagement-to-Value (E2V) for the matched sample

Figure 4: E2V profiles mapped onto CPP Tier status (year 3)