

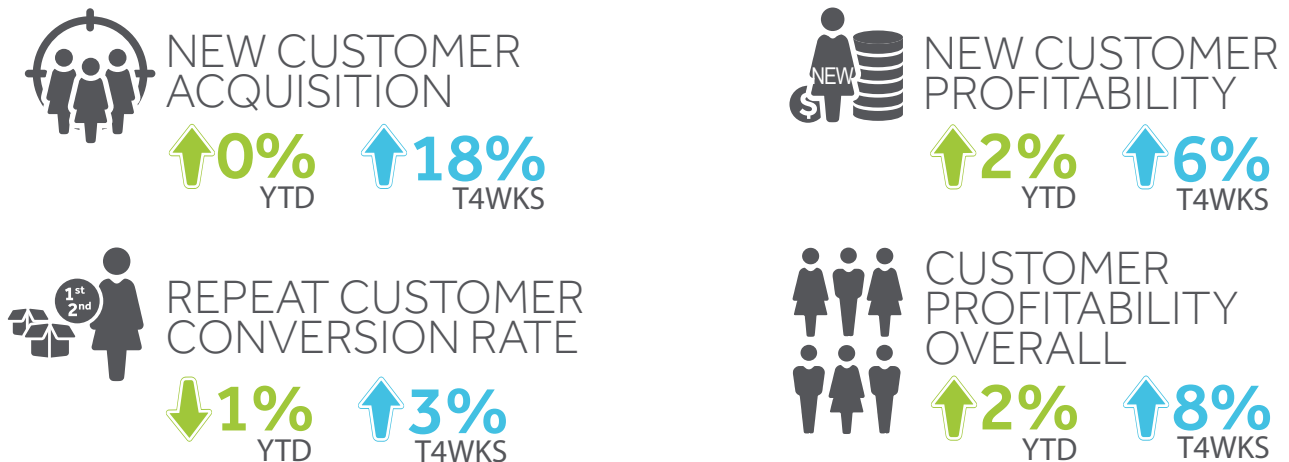


NORTH AMERICA Retail Index - Spring 2020

We calculated industry benchmarks as North America Retailers begin to see some recovery from the Covid-19 economy shutdown. Each metric includes analysis for **YTD (Jan 1 - May 16, 2020)** and the trailing four weeks, **T4WKS (April 19 - May 16, 2020)**.



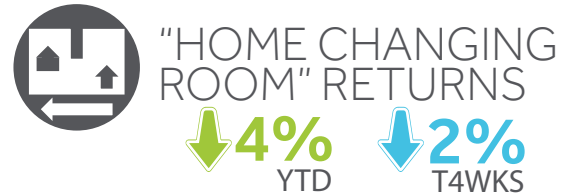
Retailers have been conservative in employing promotions, experiencing a corresponding positive impact to their profit. **Orders Using a Promotion** decreased 5% 2020 YTD; further decreasing 9% in the T4WKS. **Orders With Markdowns** steadily declined from 2019, decreasing 16% YTD, vs. a 38% decrease for the T4WKS. **Full Price Units Sold** increased 29% YTD, and are continuing this trend despite the shutdown, up 42% for the T4WKS.



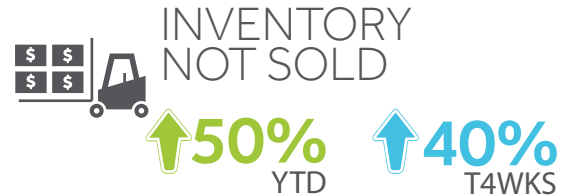
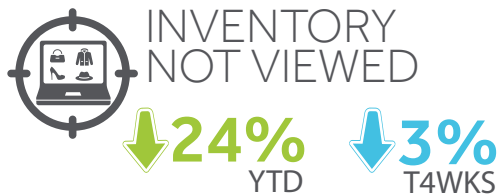
North America Retailers are seeing significant improvements in **New Customer Acquisition**, swinging from nearly flat YTD to improve 18% in the T4WKS. This is encouraging, paired with an increase of 2% for **New Customer Profitability** YTD, up 6% for the T4WKS. **Repeat Conversion Rate**, down 1% YTD, has increased 3% T4WKS. North America Retailers fared better in this period than global retailers, with **Overall Customer Profitability** up 2% YTD and up 8% T4WKS.



There has been an increase in online shopping due to the pandemic, with the closure of physical stores. Retailers have controlled **Free Shipping**, which is down 3% YTD and down 10% in the T4WKS.



Covid-19 caused retailers and brands to close their physical locations, driving a decrease of 15% YTD in **Returns**, and 4% YTD for **"Home Changing Room" Returns**. We anticipate a spike in returns once brick and mortar stores reopen.



North America retailers fared better with their **Inventory Not Viewed**, down 24% YTD. While **SKU Availability** is nearly flat, **Inventory Not Sold** increased 50% YTD. Since Mid-March, retailers are seeing the implications of the pandemic on inventory levels, with **Views Availability** dropping 1% YTD.



North America retailers have held **Average Order Value** and **Average Selling Price** steady YTD, but are starting to see a negative trend T4WKS. They have had challenges with **Marketing Costs**, increasing 21% YTD, and up 18% in the T4WKS.

About DynamicAction

DynamicAction empowers B2C and B2B Retail Brands to take decisive, customer-first, profitable action. The DynamicAction Commerce Decisioning Applications apply AI-powered proprietary algorithms to deliver definitive analytics and profit-prioritized actions. The DynamicAction Activation Program catalyzes cross-functional teams for agile, customer-centric retail success. Forward thinking brands rely on DynamicAction to holistically run more effective commerce organizations and execute targeted strategies that increase revenue and profitability.