

Consumer Discretionary

Canada

Sector Overview

Executive Summary > Overview

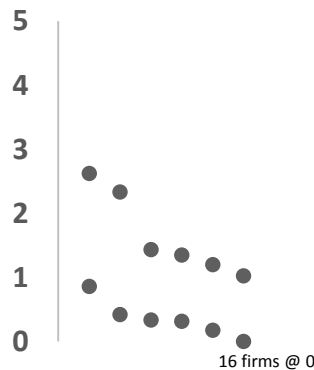
Top 3 Strengths

- Senior-level accountability
- Proven models lead to wide adoption
- Media coverage reflects demand

Top 3 Weaknesses

- Lack of detailed consumer research
- Retailers not focused on experience
- Talent/recruiting efforts are poor

**TABLE A – Discretionary Sector Peer
RoD Results**



Executive Summary

There are 27 Consumer Discretionary firms that qualify for our Canadian universe of 301 firms. 8 of these companies rank in the top 50 in Canada.

Four of these firms have material efforts aimed at attracting both People with Disabilities (PWD) and their Friends and Family to their brands. These efforts range from customized activities on vacations and explicit loyalty programs. These firms also employ specific messages aimed at disability – with sophistication ranging from seamless with the brand voice to being so blunt and dull that they risk repelling the market that they are attempting to attract. Service providers have a better position than retailers in this sector. Retailers have yet to act on improving the customer experience, focusing instead on compliance that has little to do with delighting customers.

The best firms are using their core brand voice to attract, acknowledge and bond those in the disability market. They view this segment as customers, rather than mandates to be handled by a team of lawyers. They are differentiating in a space where clear choice is not always apparent.

Two of these firms have serious recruiting efforts aimed at PWD. Of the handful of firms that do act, the jobs tend to be focused in specific operations, representing a small percentage of the overall talent base. Only 2 firms are leveraging insights from PWD to materially increase productivity.

Overall, opportunity exists to build significant value in PWD markets by reaching out to customers and engaging in activities to grow market share.

Overall Result



Customer Result



Talent Result



Productivity Result



■ Sector Minimum
■ Sector Average
■ Sector Maximum

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The RoD Model > Capturing Shareholder Value

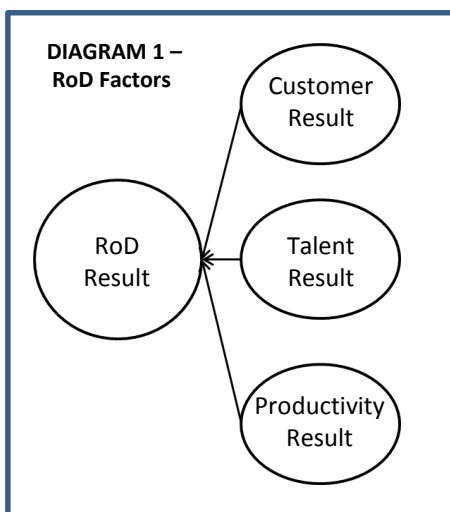
Cambridge Dictionaries defines shareholder value as “the total worth of a company to its shareholders”. Many things can increase shareholder value, such as new products and services, entering a new market, and streamlined operations. The basis of the Return on Disability model is to measure those activities relative to disability that add to shareholder value. Specifically, we identify actions that:

- 1) add to net revenue and/or
- 2) reduce ongoing operational costs

The 20 disability-related KPIs that RoD measures within organizations ultimately impact one of these two fundamental building blocks of value creation. We focus on value for one simple reason: to shift the disability paradigm from ‘added cost and effort’ to ‘added value’ by demonstrating the shareholder value of disability.

Customer – *Delighted Customers Lead to New and Enhanced Revenue Opportunities*

For most established brands, finding a new way to talk to a mature market is the Holy Grail. From a purely demographic point of view, 53% of the entire consumer marketplace is touched by disability. The value-add comes from the ‘halo effect’ of talking about inclusion, empowerment and innovation that comes from a focus on disability. Consumer-facing firms drive top-line growth by leveraging insights from PWD, refining messaging, and incorporating insights from disability to enhance the customer experience.



Talent – *Finding Great People and Keeping Them at Their Best*

The war for talent is real, and PWD represent a new pool to tap as part of the talent acquisition strategy. While the pool is real, it requires some effort to address. Understanding the space and connecting talent to core business goals are good first steps. Diversity recruiting has taught practitioners a few things: a) robust pipelines precede hiring; b) PWD must be attracted to the firm through brand appropriate messaging, and, c) done properly, the firm must be aligned internally on the rationale in hiring PWD. It is critical for companies to open their employee base to PWD in a robust way, which initially will be a high touch effort. Data and experience shows that this approach results in high productivity, higher quality and higher returns.

Productivity – *Leveraging Insights from Disability to Drive Efficiency*

Innovation is born from extreme environments, solving for a set of demands outside the norm. PWD do things in ways that “Joe Average” just does not think about. They are extreme users of technology and infrastructure. If one can solve for ‘extreme users’, one innovates applications for the average user. By empowering a line worker with one hand; who happens to have low vision, to reduce a 100 step process to 23 (simply because it is easier for her), it just became easier for all while removing complexity and cost from the operation. Firms acting in this area today are seeing efficiency gains in the area of 20%. This can also be applied to product development.