

The Ultimate Guide to Digital Transformation in Direct Selling



Rallyware
Direct Selling

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The Ultimate Goal



To revisit current processes and procedures to meet the needs of the modern distributor and their customers, in today's digital-first world. To ensure that your direct selling organization is better poised to adapt and react to the realities of today, and prepared for the challenges of tomorrow.

Who this handbook is for:



Performance vanguards - those whose primary responsibility is driving productivity, performance and other workforce KPIs



Innovation and Information leaders - those responsible for cultivating and maintaining a strong company culture, and for driving forward innovative initiatives in an organization



Training and Development leaders - those in charge of coaching and development, and developing new distributors through ongoing training and mentoring

Why Investing in Digital Transformation is Key for Direct Selling Companies

Benefits to the overall culture of a direct selling organization include:

- **Improved collaboration:** as distributors are provided with the necessary tools to seamlessly interact with one another, as well as their customers. Due to a lack of in-person communications because of the nature of the world today, digital tools are becoming key - automated and templated communications that have been tested by data and are personalized for each distributor with AI
- **Strong competitive advantage:** digital transformation is essential in order to remain competitive and relevant in the digital age - to attract, engage, upskill and enable the success of new distributors at scale. This is critical to keep up with other gig economy players, who are competing for the same talent today
- **Personalization:** just-in-time communications and training programs delivered at scale to each distributor, resulting in a well-trained and knowledgeable sales force, and ensuring that distributors are digitally savvy and empowered

Additional business benefits of digital transformation include:

- **Improved financial results:** more digitally mature companies are more resilient and better able to navigate rapid change, and as a result, perform significantly better financially. A Deloitte study found that 43% of highly digital mature companies reported higher net profit margins than industry averages ¹
- **A 40% increase in operational efficiency, 36% faster marketing, and a 35% increase in customer satisfaction rate** ²



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- **New opportunities:** as their companies made digital transformations, 84% of business executives said that new business opportunities have appeared ⁴
- **Improved resource management:** legacy systems are replaced with modern systems, designed to consolidate processes and allow for data to flow seamlessly across departments



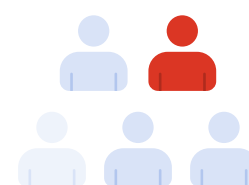
+40%

Operational efficiency



+36%

Faster marketing



+35%

Customer satisfaction rate

Best Practices for Successful Digital Transformation



Best Practices for Successful Digital Transformation

1. Get into the right mindset - embrace the power of data

While the technology to support digital transformation is here, now is the time to, first and foremost, embrace the mindset of digital transformation. To embrace a mindset that is both curious and flexible - one that is open to new possibilities. Additionally, when getting into the digital transformation mindset, you need to understand what data you already collect, and what you need to start collecting. What do you currently have at your disposal, and what's missing? Prior to deciding what digital tools to use, ensure that all mindsets are aligned and ready to take on the challenge. Is your company prepared to take risks? To adopt new ways of working? ⁶

Example:

Christopher realized that his direct selling organization was sitting on a wealth of data regarding customer buying behaviors and purchase patterns. How could the organization adopt a data-driven culture, harnessing this valuable data to guide decision-making? The organization devised a powerful dashboard that provided an overview of previous trends, offering actionable insights for both distributors and corporate leaders to stay informed and plan ahead.

“ [Digital transformation] is a continuous and ongoing process, so we always need to be looking at the changing landscape and seeing what we can apply from technology, people and process to get towards that transformation.



Rich Schubkegel

VP of Business Development, Rallyware

2. Before investing in anything, define your overall business goals and strategy

As with any large undertaking, digital transformation involves planning and goal-setting, and all subsequent efforts should be guided by the broader strategy of the business.⁵ For instance, you might be thinking: “our organization needs ML and AI.” Yet what will this ultimately accomplish? For instance, is your primary goal to discover a more efficient method for completing routine and mundane tasks? To maintain a competitive advantage? Improve speed and quality of service? Then, ensure that leaders recognize what digital transformation can offer to the business, in terms of the value created for all stakeholders involved.⁴

3. Identify the technology investments that will make the greatest impact

Which technology investments will best support business transformation? For instance, does it make sense to focus more on digital automation systems and AI technology? Analytics tools? Tools for communication and collaboration? The ideal combination of tools for any given organization will vary, depending on their overall needs and strategy.⁵ Cater to evolving preferences of today by looking at where distributors and their customers are spending their time, and design experiences with them in mind.

Today, mobile is king, and recent research from Rallyware points to the popularity of mobile-first, discovering that users prefer mobile apps over the web (both computer devices and mobile browsers), having 2.6X more sessions within native apps. So, invest in creating a mobile-first experience, complete with a user-friendly design and smart notifications that allow individuals to easily remain connected and up-to-date, whenever and wherever they may be - connected to their online stores, social selling tools and their learning experiences overall.

Besides serving as a centralized hub for all key resources in spaces such as digital libraries, technology allows for digital consolidation, offering distributors streamlined communications, enablement experiences, as well as opportunities for upskilling and reskilling.



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4. Work in tandem, as digital transformation is a collaborative effort

We at Rallyware refer to digital transformation as an “ongoing process using technology, people and process in pursuit of new business models and revenue streams.” That is, it is not solely the IT department’s duty to update current internal systems and processes.⁴ Digital transformation should be a collaborative effort overall, yet one individual may spearhead the movement. Identify someone who truly understands the business, all the way from the beginning of a distributor’s lifecycle, through to the end consumer. That individual can then work with other departments (such as IT, marketing and sales), to ensure that everyone is on the same page.

Example:

Sylvia’s direct selling organization was struggling with broken communication channels and hundreds of distributors spread across multiple time zones. She worked alongside her colleagues and external technology vendors to develop an efficient system for streamlined communications and collaboration, enabling just- in- time notifications with critical information and grouping distributors according to their interests, regions and ranks, for improved networking opportunities.



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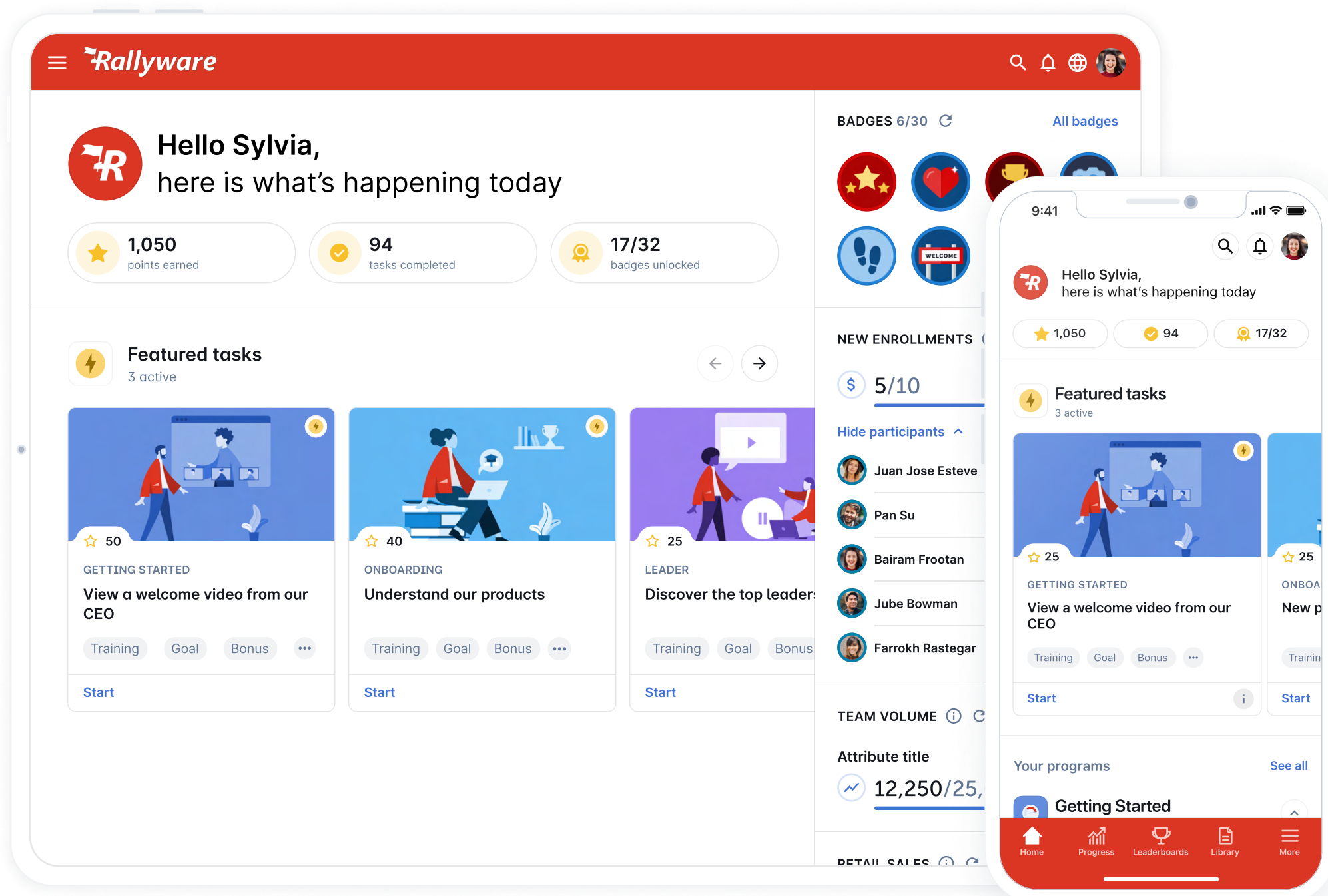
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“ If someone has a good sense of the business, they will be able to work with each of those individual departments where touchpoints occur...it will not be someone who is solely trying to introduce technology for technology's sake, but someone who can figure out what technologies are out there to drive the business forward.



Rich Schubkegel

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Examples of Digital Transformation in Action

Digital transformation is well underway in the direct selling industry - as many companies are taking bold steps to innovate, introducing new offerings, platforms and processes amid the shifting landscape of today. Tactics such as embracing emerging e-commerce tools and social media have proven to be critical for driving sales, as a result. ⁹

Here are a few shining examples of digital transformation in action:



Leveraging the power of big data, home goods direct selling company Betterware de Mexico observes and collects data points, which then informs their decisions when introducing new products, services and marketing campaigns ⁷

MARY KAY

In October 2021, Mary Kay launched an app that provides shoppers with an easier way to connect and shop based on the advice of independent beauty consultants, and receive customized product recommendations based on their beauty profiles ⁸



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In Peru, Yanbal launched Yanbal Delivery, whereby sellers receive orders from their customers through remote channels such as WhatsApp and place them through a mobile application, the order is then shipped directly to the customer ⁹



In April 2020, Amway (China) celebrated its 25th "cloud birthday," via the company's "cloud live broadcast" platform. In this three-day event, more than 50,000 customers placed orders, and the event saw a sales record of nearly 55.16 million yuan ¹⁰



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Your Ultimate Digital Transformation Checklist



Your Ultimate Digital Transformation Checklist

- ✓ Identify the overall goals of your organization, and ensure your digital transformation efforts are aligned with what you are looking to ultimately achieve
- ✓ Prepare your digital transformation strategy - will one individual spearhead the movement, ensuring all other teams and departments are aligned? Create a shared vision, and proceed from there
- ✓ Identify the right tools and technologies for enabling digital transformation: how you collect, store and use data
- ✓ To deliver a great user experience, don't forget about the importance of mobile: harness a mobile-first mindset to cater to evolving distributor preferences by making the distributor experience available on-the-go
- ✓ Track and assess your progress - design a data-driven metrics system to gauge your organization's improvements and your progress towards your goals ¹¹

Conclusion & Final Thoughts



Today, it is critical that direct selling leaders develop their organizations' capacity to effectively navigate change, to defend against threats and take advantage of new opportunities that arise.¹ While the concept of digital transformation may remain elusive and daunting to some, it can begin with small changes, small changes that can make a big impact. While taking advantage of new tools and technologies at your disposal is key, adopting these latest innovations alone won't guarantee a successful digital transformation, and it is not the sole part of the equation. It all begins with business leaders shifting their focus to embrace the right mindset for digital transformation.

Are you ready to embrace digital transformation at scale? We are more than happy to guide you on your journey, and help you provide your distributors with a modernized experience that is well-suited to the digital-first world of today. Let us know what stage of digital transformation you are at today, and we will show you how you can progress to the next milestone and drive 24X ROI.

Ready to supercharge your workforce for growth?

[Schedule a demo](#)



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About Rallyware

Rallyware reinvents distributed workforce onboarding, training, and engagement by connecting learning activities with operational and performance data of each individual. Such personalized learning results in an average of 24X ROI, driving desired workforce behaviors at scale. Rallyware has been adopted in more than 57 countries, supporting over 20 languages for millions of users.

The company's mission is to provide every member of any distributed group with meaningful opportunities to feel connected, engaged, and valued within the overarching community to unlock their full potential.

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