

Digital technology smartens up the sales force

Thursday, May 12, 2005
By DENISE DEVEAU

If you ask the sales staff at the Broli La Source du Sport (Brolisport) store for help finding the right piece of extreme sports equipment, you'd be surprised at how knowledgeable the staff is.

The truth is they're using high-tech crib notes.

The workers in the St-Hyacinthe, Que., store use a sales automation tool that you won't find just anywhere — at least not yet. It's a pilot site for an interactive digital sales force technology developed by Montreal's **Dakis Decision Systems Inc.** Called the Dakis Humanized Expert, the software uses artificial intelligence to provide product and cross-selling recommendations for sales staff and/or customers. The program, which runs on a Microsoft.net platform, uses a detailed questionnaire customized to determine the best sales processes for various products. The questionnaire is based on detailed input from the stores' suppliers and employees.



Broli La Source du Sport owner Andre Brochu shows off the Dakis Humanized Expert, which uses artificial intelligence to help retailers sell any type of product.
Photo: Christinne Munsch/The Globe and Mail

In Brolisport's case, the information is accessed through a handheld personal digital assistant (PDA), as well as an in-store kiosk that sales staff can use to help customers make purchase decisions for highly complex ski and cycling equipment and accessories. Staff, for example, can ask potential snowboard customers a series of questions about their height and weight, skill level, budget, snowboarding style, aggressiveness and so on, feeding the responses into the Dakis system. The software assesses the pros and cons of different products available in the store, based on all the customer's variables, and instantly provides a "third party" recommendation of what products best fit their needs. Then it also lists complementary products that might be a good cross-sell, such as various types of snowboard gear.

As the original and most seasoned user of the Humanized Expert, Brolisport manager François Fortier has seen some strong results. He estimates sales have increased more than 12 per cent for those items programmed into the Humanized Expert.

The software can be purchased outright for in-house use, or delivered by an application service provider (ASP) that hosts and maintains the technology for the store under a service contract. The ASP option puts the price point well within the budget range of small to mid-sized businesses with limited training resources and/or sales staff, Dakis says. A single store application, for example, can start as low as \$200 a month for basic hosted application services (not including equipment lease or purchases).

Dakis founder, president and chief executive officer Philippe Hugron says the Dakis Humanized Expert concept emerged in the late nineties when he saw "a big gap between system needs-oriented solutions and attribute-oriented ones." [next page >](#)

In simple terms, that means the ordinary person looking to buy a computer doesn't know what a processor or RAM is, for example. But they know what they want a new computer to do, and can describe that to a salesperson.

"They need a language they can understand," Mr. Hugron says. "So I decided to go out and build a system that brings a new kind of [human] advisory function."

He founded Dakis in 2001, and the official commercial launch was 2004. Mr. Hugron says this was achieved with \$2-million of private funding from investors, friends and family members, as well as federal and provincial research and development tax credits.

"We accomplished this within three years and a fraction of the cost of commercial systems that can take five to seven years and \$10-million to build," Mr. Hugron says. "And we're virtually debt free."

He is now aggressively going after the small and medium-sized business market. "The way things are looking, we should reach break even by [the fourth quarter] of 2005."

By the 2006-2007 time frame, he anticipates upward of \$20-million in annual revenue.

Charles Piazza of the Centre du Pavé et Jardin RDP in Montreal, a family-owned garden and interlocking brick distribution operation, is one of Dakis's latest customers. His company recently deployed the technology on its own computer system to assist sales staff in calculating estimates for landscaping work. While relatively new to the Humanized Expert system, he says: "I see a potential increase of \$30,000 to \$50,000 a year in sales through the cross selling, as well as reducing training by one week per person."

To run the application in-house on PCs at all four Centre du Pavé locations cost a total of \$3,200 to buy and set up on the company's existing sales computers and database, with estimated maintenance costs ranging from \$200 to \$500 a year. The store manages its own data entry for things such as price changes, but Dakis staff will come in to do database updates when new suppliers come on board (about once a year), which is included in the maintenance fees.

Mr. Hugron says the short-term market focus is retail because of the high staff turnover and need for fast and cost-effective staff training tools, as well as the growing trend for customer self service. "However, we also see it being used in e-government, travel, pharmaceutical and health care in time. Anywhere a decision needs to be made where a product or service is complex is where we could be."

View the Dakis Humanized Expert in action at www.brolisports.com