

How DXL Elevated Customer Service with Varicent

Headquartered in Canton, MA, Destination XL (DXL) Men's Apparel is a speciality retailer of men's big and tall apparel, from value-priced labels to high-end designer brands. DXL operates through ecommerce and retail stores, with over 250 locations across the United States.

The Challenge

There are not a lot of apparel options for men who are not a standard size body type. In most stores you may only find a few items that fit, let alone match your lifestyle or appeal to your fashion sense.

As a big and tall men's apparel specialist, DXL wanted to transform its business by opening a range of new stores that would not only provide guests with the choice of products they deserve, but also offer a friendly, supportive environment that would encourage them to feel more positive about clothes shopping.

DXL realized that compensation management was critical for motivating its 1,800 sales associates to spend time tailoring the shopping experience to each guest. DXL needed to offer highly sophisticated incentives, calculated by analyzing transactions down to the level of individual items on each sales ticket.

DXL
MENS APPAREL

Industry

Retail

Size

Mid Market

Geography

North America

Product

Incentive
Compensation
Management (ICM)

Results

More units sold per transaction

With Varicent ICM, they were able to drive further sales yield and increase units sold.

Confidence in compensation

Varicent's solution simplifies compliance and cuts the workload of HR and payroll, saving time every month. Varicent also enables DXL to adjust for differences in state laws regarding wages and overtime, ensuring employees are paid fairly.

Total transaction transparency

Sales associates have transparent access to incentive pay, thereby boosting their understanding of the numbers. Sales associates have insight into their numbers when cross-selling and helping guests choose a whole outfit, helping them earn extra commissions, which also drives DXL's growth.

Choosing the cloud option really helped us get up and running quickly, without having to engage our IT team to help with implementation or ongoing maintenance.

Stacey Jones, Vice President HR Operations,
Destination XL Group



The Transformation

DXL rolled out Varicent to transform the way in which it handled associates' compensation — moving to a much more incentive-based pay model that would reward very specific types of selling behaviour.

Alan Teixeira, Vice President Human Resources, Compensation & Benefits, comments: "We used to use spreadsheets to calculate sales associates' compensation, but our transition to the Destination XL brand meant we needed a far more sophisticated approach. We wanted to look more closely at our 1,800 sales associates' compensation, going beyond the transaction level and looking at the combinations of items sold on a single sales ticket."

DXL created a strong business case for adopting a new compensation management solution. Following a full RFP process, DXL selected Varicent Sales Performance Management, and implemented the software within just four months.

Here's why DXL chose Varicent ICM:

Access simple, cloud-based delivery

Implementation was fast and painless. "Implementing our solution on the cloud really helped us get up and running quickly, without having to engage our IT team to help with implementation or ongoing maintenance", explains Stacy Jones, VP HR Operations, Destination XL Group.

Build a culture of trust


In the past, the sales associates had no clear visibility as to how their compensation was calculated, or whether the figures were accurate. Now, they can see all the sales they made in the previous week, and exactly what levels of incentive compensation they have earned on each one.

The Varicent solution even considers complex situations, such as when a sale is made at one store, but the item is subsequently returned at another; this shows the sales associates exactly what happened and how their compensation has been affected.

"Having a clear view of how the calculations work gives our sales associates a lot of confidence in the process, and motivates them to focus on their core skills," says Stacey. "The feedback we're getting from them has been very positive, and the workload for our helpdesk has been reduced significantly."

Gain time back for focusing on strategy

Varicent provides a frictionless compensation experience. Where DXL are spending less time in spreadsheets, and more time driving the right behavior. Varicent's flexible plan building solution and modelling capabilities enable DXL to shift strategies with confidence and ensure their guests are benefitting from unmatched customer service.



We now have a platform that allows us to focus on plan design and optimization, rather than number-crunching and corrections. We're continually re-calibrating our plans to help our associates focus on serving our guests and driving top-line sales.

Alan Teixeira, Vice President Human Resources, Compensation & Benefits, Destination XL Group



The Results

Varicent ICM now enables DXL to design and implement sophisticated modeling. This then easily drives the right behavior that the company wants their 1800 associates to adopt.

“The model allows us to acknowledge the fact that some sales take more time and more skill than others, and to make sure that our sales associates are rewarded accordingly,” says Alan. “Ultimately, it’s about giving our guests a shopping experience that makes them feel good about themselves.”

[Learn more by contacting one of our trusted advisers.](#)

Key Takeaways

Transform the customer experience

Varicent Incentive Compensation Management enables DXL to reward sales associates who go the extra mile in delivering excellent customer service, earning an extra 2.5% commission on sales. Associates now better understand selling behaviours with transparent access to their own sales data.

Remove friction

Varicent provides a full audit trail of any disputes and resolutions and allows DXL to adjust for differences in state laws on minimum wages and overtime — ensuring that all employees are paid fairly and in compliance with the law.

Varicent Incentive Compensation Management removes friction from sales compensation, enables you to adapt strategy to stay in step with the market and provides you with actionable insights to outdo past performance.

Learn more about how Varicent can help you and your teams.

[Book a demo today](#)