## JOAN / LITE15 Keynote, FINAL TELEPROMPTER, 7.17.15

Good afternoon, PartyLite! (pause) Are you having an "AWESOME" time so far at LITE15? (pause) Are you ready to build some NEW business habits? (pause) And are you ready to earn more income and have more choices? (pause)

(Slide of lyrics)

I love the lyrics to "Everything Is Awesome." It feels as if they were written just for PartyLite:

"Everything is awesome Everything is cool when you're part of a team Everything is awesome When we're living our dream"

<Slide: Highlight line 3>

I especially like the line, "Everything is cool when you're part of a team," because what I love most is how RVPs, Leaders and Consultants – along with everyone at the Home Office are all "part of a team" – a wonderful, supportive, collaborative team.

Many of you here at LITE15 have been with PartyLite a long time .... and we owe you our respect and gratitude for helping build PartyLite into the great brand and opportunity it is across North America.

Whether you've been with PartyLite for 30 years or 3 months, you all have three essential things in common.

Your love for your business.

The relationships you've developed.

And, of course, the world's best candles. You represent the past, present and future of PartyLite.

But as you know, we provide MORE than high quality products - We empower people! We give more than connections - We enhance relationships!

We give more than words and tools - We tell great stories through unique, personal experiences.

You do YOUR part every day by meeting NEW people, booking new Parties, sponsoring new Consultants, and selling our "awesome" candles and décor. All of us at the Home Office thank you for that.

I'd like to take a few minutes to share how your Home Office team is working every day on NEW ways to help you reach all those NEW people.

<SLIDE: LOGO >

To talk about what's ahead, let me first go back a year to LITE14 when I presented our vision for 2017. Remember this?

"To be recognized as the brand with the premier social shopping experience, featuring the most innovative and finest home fragrance and decorative candle accessories."

In addition to that "We Will 2017 vision," our goal is to offer Leaders, Consultants, Hosts, Party Guests and online shoppers alike the complete PartyLite experience in a modern way.

Speaking of "experience," here are a couple of factoids I came across recently: <2020 Slide>

By the year 2020, the customer experience will overtake price and product as the key brand differentiator. And 86% of buyers will actually pay MORE for a better customer experience.

Customer experience ... interesting ... most people believe that selling is all about price! That's SO 20th century of them!

But here's good news! In the last year, your North American Home Office team has been working toward transforming PartyLite into a dynamic and profitable "hybrid" direct selling, social shopping business that will be the "experience" that your customers want in the 21st century!

The world we live in is changing at the speed of light, and no matter how much would sometimes like to, we are NOT going to stop the world from turning.

<Slide: NEW spinning Digital world>

The digital world has changed everything, so the only thing to do -- the "RIGHT" thing to do -- is to embrace it, make it ours and make it WORK for us.

After dabbling in the digital world, we now need to move from our position as "dubious spectator" to "committed player." The ONLINE world and the REAL world experiences need to COMPLEMENT and ENRICH each other.

<Slide: NEW photo of a Party>

What does being a committed digital player mean to the Party?

Simply put: It is NEVER going to go away. Parties will ALWAYS be the core of your PartyLite business, and the Party will continue to be the most valuable channel for you to grow your businesses.

As a PartyLite business, we will always recognize and respect our past, but, ALL of our energy - 100 percent of it, must go into building the future.

Why? ... Because it is YOUR future. (say slowly, pause)

What does 100 percent committed mean? It means that PartyLite is investing millions in Field programs and incentives ... business partners ... employees ... and technology This is the ONLY way we will advance. And "advance" we must ... because it is time to take PartyLite to the next level ... it is time to take PartyLite to AWESOMENESS! (pause) <SLIDE: Awesomeness

We had to stop and ask ourselves, "What is the fastest way to get to AWESOMENESS?" And the answer is NEW PEOPLE!

Our base of Leaders, Consultants and Customers is simply not big enough to personally network and reach the numbers of NEW people you want and need to build the business and, especially, the INCOME you desire. We want all of you to meet MORE people in order to book MORE Parties and sponsor MORE Consultants. And looking in traditional places for new people is just not working fast enough.

<Slide: Digital space>

So ... we're going to start looking in a much bigger space ... the <u>digital space</u> ... because that's where everyone is!

For years, we've fielded questions from the Field as to why PartyLite isn't investing in print or television advertising. Well, there's a very good reason. : Not only are those channels way too expensive, the bottom line is that there is NO way to measure the return on that investment! Frankly, those are 20th century solutions! In this digital age, fewer people are subscribing to magazines, and I don't know ANYONE who doesn't fast forward through or completely ignore commercials.

Going into the digital space is the 21st century solution, and it's both affordable and totally

## measurable!

Here's a perfect example of what PartyLite will be investing in and what it means to go into the digital space to connect with new Customers:

<SLIDE: Database>

Instead of sending out a messages through the old "traditional" means of advertising, hoping they'll land on the right people and hoping they take notice, we can advertise in NEW ways!

Beginning in the back half of this year, we'll partner with digital marketing agencies to find potential NEW Customers who look like your EXISTING Customers. We'll target advertising to THEM, and drive these potential customers back to YOU!

It's done using a method called "look-alike" modeling. It's a very complex process that uses rigorous methodology and huge amounts of computational power, but the end result is hugely advantageous! We'll find people who behave in the same way as your customers, but haven't connected with you yet.

PartyLite will be making the most of every Marketing dollar by TARGETING its advertising to THESE potential Customers Hosts and Consultants. And we'll do it through strategic business partnerships.

We've already started testing other methods of digital advertising with affiliate marketing that launched in the second half of last year. That and other similar test programs have driven \$600,000 in sales to Consultant websites so far in 2015. ... And it's "so" 21st century!

Ever heard the line, "Go big or go home?" Well, now is the time for PartyLite to go BIG ... because, believe me, we have NO intention of going home! (pause)

In fact, I want to share some of the BIG plans we're investing in now to drive brand <u>awareness</u> and customer acquisition in the second half of this year – investments that we are 100 percent convinced will bring new Customers to YOU.

<Slide: Balancing Act>

First, PartyLite is underwriting a featured segment for the U.S. Lifetime TV program called "The Balancing Act." It isn't a commercial. It will be a 4 to 6 minute segment airing twice on Lifetime and then going into syndication to air another 200 or so times on more than 100 cable and local network broadcast stations. Average audience per airing on Lifetime is 250,000 ... and then it has the potential to reach another 98 million homes in syndication!

That's a reach of nearly 100 MILLION!

While this program looks at first like traditional television, the show producers have an aggressive social sharing and publicity program. Plus, both PartyLite and YOU will have full rights to share the video segment on every social channel out there! AND I KNOW WE WILL!

The focus of the Balancing Act segment will be on the PartyLite opportunity. And since it will air in the fourth quarter, it will be a perfect sponsoring tool to use during your quest to earn the 2016 PartyLite trip to ... <stop> ... OOooops! ... that's tomorrow's surprise! Sorry! (pause)

So that's <u>The Balancing Act</u> – and we're excited about how it will get the PartyLite brand in front of MILLIONS of NEW people.

Now, I think you are REALLY going to love this next Customer acquisition initiative. How many

of you are familiar with Birchbox? (pause)

<Slide: Birchbox logo>

Birchbox is an online subscription service sending close to one million subscribers a box of 4 to 5 carefully selected product samples every month.

<Slide: Gift box>

In the fourth quarter of this year, PartyLite will have exposure in a "Lifestyle" Birchbox with a mini jar candle sample, a postcard about PartyLite and a coupon that can ONLY be redeemed on a PartyLite shopping site! They also have an online Lifestyle section for featuring brands they partner with, and PartyLite will have exposure there, as well!

<Slide: 1.5M email>

Along with a database of <u>1.5 million email addresses</u>, Birchbox is currently expanding its offerings in Canada and will have a Lifestyle section there very soon where we'll offer the same program! (pause)

Now, please remember that our objective here is to increase PartyLite brand awareness across North America and drive NEW Customers to PartyLite websites and on to YOU! ... AND there's MORE!

<Slide: 4.5M Email Addresses>

Let's talk about another digital space that has ... not just 1.5 million email addresses ... not just 3 million ... but 4.5 million email addresses across all of North America!

## Slide: Zulily logo>

Ever heard of a little website called ... <u>Zulily</u>? (pause) They describe themselves as a retailer obsessed with bringing moms special curated finds for the whole family every day – at incredible prices!PartyLite products will soon be featured on the Zulily flash sale site.

Those products will be an assortment of excess inventory items that neither you nor we have been able to move through Parties or websites. I can't think of a better way to use that inventory than to acquire NEW Customers for you.

We'll also select other candles for sale in order to introduce "The World's Best Candles" to this massive audience of potential NEW Customers, again, with the goal of driving them back to YOU.

<Slide: BB + Zulily build 6M>

Now, let's do the math! Between Birchbox and Zulily alone, we're talking <u>6 million</u> email inboxes where the PartyLite brand will gain exposure.

You know, sometimes you just have to go out and introduce yourself. So while PartyLite does that digitally, we need to ask YOU to partner with us and work as hard as you can to meet NEW customers through your Parties.

<NEW SLIDE: 4 Parties/Month = 24,000 NEW Customers/Month
If every one in this room committed to holding 4 or more Parties a month...really holding them...on average we would meet 24,000 Customers a month.

<NEW SLIDE build 125,000 New Customers/Year>
By the end of the year we would meet 125,000 NEW Customers. (Pause)...

<NEW SLIDE build 250,000 New Customers/Year>

That is powerful...but even more powerful...if you go home and influence just one person to do

the same thing, we would double the number to 250,000 customers!

<NEW SLIDE build 500,000 New Customers/Year>

And if you influenced 4 people to do what you are doing, we would meet half a million Customers in the next 5 months!

Together...with PartyLite finding ways to get into millions of email boxes and all of you staying focused on Parties, every month, we can grow this business far beyond what we have imagined.

So, before I go any further, can you to make a commitment, right here and now? If you can commit to holding at least 4 parties every month until the end of the year, please stand.

Now to seal the deal, give yourselves a huge round of applause! We are going to do something truly AWESOME together. (Pause)

Now that we've talked about what we can do together, we have TWO MORE digital initiatives already in place to help YOU go out and attract the NEW.

<Slide: Red Stamp>

First, you asked for it, and we heard you! PartyLite is now on RED STAMP! (pause)

You probably saw the PartyLite Red Stamp collection in Expo yesterday. It gives you and your Party Hosts FREE access to customizable e-greetings and invitations.

We started with these <u>10 designs</u> ... and I know you gave us LOTS of ideas for more. They will be updated every season, or sooner!

And if you want to mail out printed invitations, for a fee you can customize the design you want and pay Red Stamp to print, address, stamp and mail them for you! It's ALL about convenience and giving you another digital, business-building outreach!

<Slide: Social Chorus>

And here's one more 21st century digital tool for you. We started signing up a limited number of Consultants just yesterday to start beta testing it.

If you stopped by the SocialChorus booth in the lobby, you may already be part of this exclusive beta group for a dynamic social selling tool we named "PartyLite Glow."

Gfx PartyLite GLow

As far as we know, PartyLite will be the very FIRST direct selling company to provide this for its Consultants. The best way to describe it is to say ...

PartyLite Glow will be your new PartyLite social sharing dashboard and your 24/7 sharable content feed.

With PartyLite Glow, you will always be connected to the "hottest" PartyLite Facebook, Instagram, PartyLite Magazine blog posts and Tweets ... and sharing them will be as easy as "swiping" across your phone.

Or, you can set it up so that branded social media content goes directly to your own social sites – automatically!

The program will also let us send notifications directly to your mobile device – which is better than texting because they come through the app not your phone service!

Every one of you will soon be able to download the free PartyLite Glow app on iTunes or Google Play – or go directly to the website to use it.

Our goal with PartyLite Glow is to make it easier than ever to drive NEW people to your site with social media, and help you transform yourself into a social selling superstar!

Up to 250 Consultants will be in the beta test. We'll refine the app using what we learn, and then open it up to more future "superstars." Please stay tuned for more about getting in on PartyLite Glow! (pause)

So, now you know about ALL the fresh initiatives under way to increase brand awareness and acquire NEW Customers for you.

As you can imagine ... none of these exciting initiatives is free. And just like at your house, the Partylite "family" has a budget to manage. Also like you, we have to balance that budget by moving resources from one thing to cover others.

In the last month, we've given you a heads-up about cost increases and changes to some of our more traditional business programs – like the Preferred and fundraiser programs. Now you know that's about adjusting our household budget to cover at least SOME of the costs of the customer acquisition initiatives I've just outlined - initiatives that will be more effective in today's 21st century digital environment. I can assure you that there are more initiatives to come in our quest for "Awesomeness." (pause) < Remember our "why">

Remember our "why": "To be recognized as the brand with the premier social shopping experience." You know, 2017 is not that far off ... so we intend to keep up the pace.

As you can tell, since we met a year ago ... it's been a full-out marathon at PartyLite. We've created aggressive Party and online offers, launched the exciting Lisa Hoffman fragrance jewelry, introduced LeaderBuck\$, taken lots of Leaders to New York and hundreds of Consultants to Jamaica. Along with all of that, we've been researching, testing and planning all the initiatives I just covered. Yes, it has been a marathon ....

<Slide: Joan running>

But ... you know what? I know a little something about marathons.

On April 21st, 2014, I checked an item off of my Bucket List. I ran ... and finished ... the Boston Marathon. (pause) Believe me; -running a marathon was a one-and-done goal for me .... And there's a very personal story behind it all. (pause)

<Slide: Daughter>

Right around the time of the Boston Marathon bombing in 2013, our daughter, Jennie, was diagnosed with Type 1 diabetes at the age of 21.

My reaction? "How could this be?" How could Jennie, out of nowhere, be diagnosed with what I understood at the time was juvenile diabetes? It didn't make sense.

Fortunately, the Joslin Diabetes Center is in Boston, and it has been a godsend to Jennie and our family.

Because of all the daily tests, injections and monitoring that she learned to do at Joslin to live with this potentially life-threatening disease, she is now doing well and

thriving.

<Marathon>

And because of our experience with this amazing organization, I decided to run the marathon in 2014 for Team Joslin.

<Slide: Joan and Jackie>

Now, fast forward from 2014 to spring 2015.

My youngest daughter, Jackie, who will turn 20 on October 31st, declared out of the blue, "I'd like to run a marathon! Mom,

let's run the New York City marathon on November 1st. We can make it a big, fun birthday-weekend event in New York City!"

"Umm. - Jackie," I said, "I already did that, and 26.2 miles is a really long way to run, and training takes months."

That's what I said ... but in my head I was thinking, "What a memory that would be for the two of us to run the New York Marathon TOGETHER."

The next thing that came from my lips was, "OK! Let's do it!"

<Slide: Jackie and Joan>

And so, we're training ... separately and together. And in November, we will be running the marathon for Team Joslin, and raising money for an incredible cause that's near and dear to us

... because our common vision is for Jennie to have a long, happy, healthy life, living "with" diabetes until there "is" a cure. (pause)

<Slide: Lyrics>

I really like the verse in ""Everything Is Awesome" that says, "We're the same ... I'm like you ... You're like me ... We're all working in harmony."

As we look back over the past year, and see all the miles that we've covered together toward that "New Day" at PartyLite ... I am so grateful that we are working in harmony ... with a common vision to grow PartyLite into the company of "choice" for all of those NEW Customers and Consultants we're getting ready to meet in the months ahead.

Whether we are sprinting or running a marathon ... I can assure you of this:

<Slide: Lyrics >

"Everything is better when we stick together ... Side by side ... You and I ... We're gonna win forever ... Let's Party forever ... and let's show the world that <u>Everything in PartyLite Is</u> Awesome!

Thank you!

<Slide: Selfie in Lego Frame>

<Joan Exits>