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FOR IMMEDIATE RELEASE

PETCO Slashes Return Rates with Bazaarvoice Ratings & Reviews™

Leading pet retailer finds that return rate plummets when a product has reviews

AUSTIN, TX – June 26, 2007 – Bazaarvoice, the market and technology leader in hosted social commerce applications that drive sales, today announced that PETCO Animal Supplies has significantly decreased return rates by encouraging customers to rate and review products on PETCO.com. On average, products with reviews have a 20.4% lower return rate than products without reviews. PETCO also found that the return rate continues to decline as the product gains more reviews. In fact, products with more than 50 reviews have a 65% reduction in return rate than products with no reviews. The significantly lowered return rate on products has resulted in considerable annual savings for PETCO.com.

“According to our post-purchase survey data, Ratings & Reviews are one of the online tools that most influence purchase decisions,” said John Lazarchic, vice president of eCommerce at PETCO Animal Supplies. PETCO, which implemented Bazaarvoice in October 2005, is a leading specialty retailer of premium pet food, supplies, and services. “This new data is another sign that Ratings & Reviews are providing customers with the information they need to make the right purchasing decision. This is great news for our customers and a great business win for PETCO.”

“PETCO has one of the most active customer communities on the Web,” said Brett Hurt, founder and CEO of Bazaarvoice. “PETCO customer reviews contain a huge amount of product information that simply can’t be provided by a merchandiser writing marketing copy. And the more reviews an item has, the more likely it is that a customer will be satisfied with a purchase they make online. Allowing customers to talk to each other and share information helps online retailers like PETCO not only drive sales, but slash their losses from product returns.”

According to a September 2005 survey by *Internet Retailer*, over 9% of online retailers have a merchandise return rate between 6 and 10 percent. Nearly 30% indicate that between 3% and 5% of the products they sell online are returned. The average online retailer spends between \$6 and \$10 processing a product return. The result is that even a small increase in product returns can lead to a significant cost savings for an online business. By providing customer-created product information at the point of purchase, Bazaarvoice Ratings & Reviews not only cuts return rates, it also allows online companies to find out why a product has a high return rate and adjust the marketing and manufacturing accordingly.

“Retailers typically lack visibility into return rates, especially for low-priced products,” Hurt continued. “The returns process doesn’t include a feedback loop and dissatisfied consumers will often share more in a review, motivated to help their fellow consumer, than they will with a cashier or on a form. Reviews give online businesses a digital archive of the customer voice that they can take back to product marketing and manufacturing to develop better products down the line.”

The reduced return rates are the latest in a string of Bazaarvoice Ratings & Reviews successes for PETCO.com. Named *PETCO.com Vendor of the Year* in September 2006, Bazaarvoice has

helped PETCO.com creatively use ratings and reviews content to increase the reach and relevance of the customer voice through:

- Email: PETCO realized a 5X increase in email click-through rates by including relevant ratings and reviews content in the campaign promotion.
- Site Navigation: Top-rated products path featuring four and five-star products in each category delivered 49% higher conversion and 63% higher spend as compared to the traditional shopping paths on PETCO.com.
- Site Search: Searchers that sort by ratings spend 41% more than searchers using conventional sort methods.

“PETCO truly understands the value of placing the customer voice at the center of the shopping experience,” Hurt said. “We’re thrilled to continue to work together with John and his team to facilitate and harness customer-to-customer interactions, which are driving the shift towards social commerce as the new way of doing business online.”

About PETCO Animal Supplies, Inc.

PETCO is a privately held specialty retailer that provides products, services and advice that make it easier for our customers to be great pet parents. We operate more than 850 stores in 49 states and the District of Columbia, as well as a leading pet products and information destination at www.petco.com. Our nonprofit organization, The PETCO Foundation, has raised more than \$34 million since its inception in 1999 to help promote and improve the welfare of companion animals. In conjunction with the foundation, we work with and support more than 4,200 local animal welfare groups across the country to help find homes for more than 200,000 adoptable animals every year.

About Bazaarvoice

Bazaarvoice offers outsourced technology, services, analytics, and expertise to help companies enhance the online shopping experience with social commerce applications that drive sales. Bazaarvoice Ratings & Reviews and Ask & Answer deliver immediate success by minimizing implementation risk and maximizing the strategic impact of user-generated review content through complete customization, deep integration, community management, advanced analytics, search engine optimization, and syndication across the Web and to offline channels.

Bazaarvoice was named a Red Herring Top 100 company in 2006 and received the 2006 ClickZ Marketing Innovation of the Year award. Bazaarvoice currently serves over 100 eCommerce leaders including Bass Pro Shops, Dell, Macy’s, Overstock.com, PETCO, QVC, Sears, and ZipRealty. The company has headquarters in Austin, TX and offices in London, UK. For more information, please visit the company’s Web site at www.bazaarvoice.com or email info@bazaarvoice.com.

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