

# 3 Enable a *lifetime* of motoring and cycling

## Where we are now

### Strong Customer Platform

We have a customer database of 22 million which has increased our ability to personalise our interactions and maximise customer value via predictive modelling.

### Loyalty Programmes

We currently have limited and fragmented loyalty programmes. Our Cycle Republic Rewards Card customers spend more than double that of other customers whilst our Tradecard customers visit five times more often than non-Tradecard customers.

## Where we will be moving to

### Customer-led Action Culture

We have started to drive meaningful action from our insight which has been used to:

- Define future range decisions
- Change the labour operating model to better reflect customer needs
- Obtain a greater understanding of customer pain points and moments that matter
- Offer a Group-wide Financial Services offer

### Loyalty and Retention

We are now ready to more actively drive customer loyalty and retention by:

- Supercharging our CRM programme, providing compelling reasons for customers to return to our brand
- Building cross-Group loyalty programmes to optimise lifetime value and advocacy

## Case Study

The partnership between Halfords and the Bikeability Trust will help 25,000 primary school age children access cycle training in England.

To date, £150,000 of Halfords funding has been fed into a new 'Innovation Fund' being administered by The Bikeability Trust which teaches children to cycle 'competently, confidently and proficiently' on the roads.

Each of the 400 Bikeability providers across the country has received funding and are being encouraged to use it to increase training for riders with Special Education Needs and Disabilities ("SEND").

In partnership with Halfords, the Bikeability Trust has set up the Participants' Hub - a webpage where Bikeability trainees and their families can access vouchers for free bike safety checks, discounts on servicing and products, the chance to enter

competitions to win a Carrera child's bike every three months, plus useful hints and tips to encourage ongoing cycling. Registration numbers to the Participants' Hub continue to rise steadily.

4,000 Halfords branded hi-visibility tabards have been well received by the cycle training industry with demand for more. Halfords has also worked with the trust to identify several products with 'Bikeability Approved' branding. Each product will be functional, affordable and relevant to young cyclists beginning their lifelong relationship with cycling.

Halfords is also helping to celebrate success with the sponsorship of the second annual Bikeability awards, held in conjunction with the annual conference. A representative from the company will be giving a keynote address as well as presenting the awards.

## Priorities for the year

- The design of our first loyalty programme
- More customers shopping across the Group
- Improved Financial Services offer