

Our Strategy

To Inspire and Support a Lifetime of motoring and cycling

Halfords is a household-name retailer with 125 years of heritage and a strong brand. During that time, we have seen the dramatic evolution of the car and the bicycle; new and innovative products come and go; and customer requirements evolve. Our core focus is on providing our customers with the products and services they need, whenever and wherever they require them.

Our new strategy builds on our core strengths but seeks to make transformational changes to the business in order to solidify our position as market leader in the categories that matter most to us and our customers. In developing this strategy, we have conducted extensive research with customers across the UK, analysed market trends and investigated the wider macro trends affecting the UK.

This has helped us create a strategy which will ensure we stay relevant to our existing customers; are able to attract new customers; and stay ahead of the evolving retail landscape by scaling a convenient and differentiated services business.

| Strategic component | Description |
|--|---|
| 1 <i>Inspire</i> our customers through a differentiated, super-specialist shopping experience | <ul style="list-style-type: none"> • General-specialist to super-specialist • Lead and differentiate our markets with customer-led innovation • Redefine and further differentiate our own label ranges • New customer experience in stores and garages, linking online and offline journeys • Enhance our cycling specialism with investment in our Performance Cycling business |
| 2 <i>Support</i> our customers through an integrated, unique and more convenient services offer | <ul style="list-style-type: none"> • Offer convenience through an integrated and expanded 'on-demand' service proposition across stores, garages and mobile • Enhance the digital customer journey from booking through to service delivery • Enhance our unique position in E-Bike servicing and hybrid and electric vehicle servicing with the most fully trained technicians outside the dealer network • Increase awareness of Halfords services by leveraging the Halfords brand |
| 3 Enable a <i>lifetime</i> of motoring and cycling | <ul style="list-style-type: none"> • A more focused and targeted approach to loyalty at a Group level in order to optimise lifetime value of our customers • Accelerating the development of our Customer Relationship Management ("CRM") programme, offering compelling reasons for our customers to return • Fully leveraging our Single Customer View and increasing the investment in customer data management |

