## halfords

## **Stores Fit to Shop**



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We need to bring passion and excitement back to our stores! Do our customers shop at Halfords because they need to or because they enjoy the visit? A large number of our stores are not of an acceptable standard, they lag behind our customers' expectations, fuelling the impression that our offer is tired and boring.

During last year we announced a trial of laboratory stores and whilst these were successful in certain areas, e.g. cycle segmentation, collection points, changing rooms, we concluded that these models are not the answer to revitalising our estate; that we could do better. We need to make the stores less sterile and we want to build an emotional connection with our customers, a desire to shop at Halfords, an anticipation of shopping in pleasant surroundings, and an eagerness to use our stores as a means to shop Halfords in different ways, be that in-store or online. A place to enjoy the shopping experience rather than endure it.

We plan to step change the improvement in store environment to surpass customer expectations, to make them warm agreeable places to shop. It is important that our stores feel fresh and modern and support the digital customer, the smartphone user, and the online buyer. Approximately 90% of our online sales are collected in-store.

We must also leverage our store space better to maximize our sales opportunities. We will continue to invest in cycle segmentation, provide changing rooms to support our cycle clothing ambitions, a major revenue growth opportunity, build our authority in 3Bs through dedicated product zones and also extend these product specific zones to other products such as child seats. Helping our customers shop our stores for the products they want and need supported by dedicated and knowledgeable colleagues.

To help us in this ambition we have initiated programme 50:39. A programme, named after Sir Bradley Wiggins' winning time in the Olympic Time Trial event and designed to deliver engagement with our customers' shopping experience by implementing the learnings from specific laboratory-store successes. These stores will up the level of emotional engagement, provide a more coherent customer journey, focus on one centralised desk to support sales and service, introduce more live displays, bring our cycle repair and **we**fit offer to the fore and support us to trade the overall store environment harder.

All this must create a compelling environment that excites customers, improves the experience and emotional engagement of our customers and our colleagues in-store, and bring passion back to Halfords!

## **FY14 Operational Milestones**

- 10–15 full store refits.
- 75 Cycling departments brought up to date.
- 20–30 Autocentres opened.

These stores will up the level of emotional engagement and provide a more coherent customer journey.

