

## Our Strategy

### Focusing on seven priorities

Our strategy is structured around seven key priorities, each of them with defined short and long-term goals to enable us to achieve our vision: Becoming Britain's best value sofa and carpet retailer, making it easy for our customers to love their home.



#### 01. Building and inspiring an outstanding team

By putting our people at the heart of our business, we aim to ensure they help us deliver an excellent customer experience. We are focused on creating a great place to work, recognising the contribution individuals make and creating opportunities for progression and development.

##### How

By having the best team in our sector.

##### What we've done

- Implement a more structured retail management development programme, providing greater support and guidance to our branch and regional management teams
- Strengthened our learning and development and HR teams by the recruitment of additional field-based business partners
- Listened to the feedback given in our annual employee survey and implemented changes
- Enhanced employee communications across the network, including the use of social media, video and weekly news updates

##### What we're going to do

- Continue the increased investment in the development of managers and teams
- Improve induction plans across the business
- Re-define and re-launch employee engagement and communication activities
- Change our approach to employee surveys, with the aim of getting more frequent and tailored feedback from the different areas of the business
- Move to a more flexible working environment to provide greater support across our retail and distribution network

#### 02. Delivering an exceptional customer experience

Consumers today are better informed, more demanding and have greater freedom to choose who they buy from. Giving our customers an excellent buying experience is central to our purpose, values and critical to our success.

##### How

By relentless focus on customer experience.

##### What we've done

- Continued to focus on Trustpilot and increased our use of customer feedback to maintain and improve our TrustScore
- Centralised and strengthened customer support, extending support hours and increasing customer service
- Introduced a customer enquiry web portal, allowing customers greater flexibility in how they choose to contact us
- Implemented social distancing across our stores, helping the customer feel at ease whilst shopping

##### What we're going to do

- The centralisation of customer support has allowed the business to identify areas for improvement in the customer journey
- Targeting further product quality enhancements
- Extending customer support hours
- More pro-active customer communications

#### 03. Optimising our product strategy

We want to ensure that our customers are able to choose from a wide selection of products that offer value for money at a range of price points. Our mix of core, in-house and famous brands offers something for everyone.

##### How

By sourcing the best value products.

##### What we've done

- Rolled out our 'home of brands' vision, creating branded 'mini-showrooms' and allowing consistency across the network
- Launched new products to increase our product offering and showcased our newest brands, 'Inspire', 'Signature' and 'Living'
- Introduced web exclusive products, recognising the different requirements of online shoppers
- Continued focus on product value, including promotions and enhancements

##### What we're going to do

- Product range review (of both upholstered furniture and dining and occasional tables) to maximise market share opportunities
- Review of supplier capacity and quality to ensure we continue to exceed customer expectations
- Consideration of products with shorter lead times

## 04. Driving sales densities in our ScS network

In a challenging marketplace where competition between retailers is tougher than ever, we will strive to create a shopping experience which ensures our customers feel confident in choosing to purchase with us.

### How

By having modern stores in great locations.

### What we've done

- Reviewed in-store layouts and model ranges as part of our 'home of brands' roll out
- Implemented individual branch business plans (supported by Power BI analytics) to identify and deliver greater returns
- Launched new training aids for our sales teams, giving them the latest product information to increase their knowledge and confidence
- Introduced store appointments to enhance customer service and increase conversion levels

### What we're going to do

- Increase in store visualisation with the implementation of new point of sale material and the increased use of in store media
- Removal of redundant store office space to allow increased range size in all stores
- Enhance the performance management framework to help support staff development
- Trial the use of technology in smaller footprint stores to allow customers to see the full range

## 05. Creating a market-leading website and increasing digital awareness

Continued success will increase website new visitor count, online sales, and improve the quality of store footfall, with consumers increasingly using websites to research products prior to making a purchase. Consumers are also becoming more comfortable buying 'big ticket' items online.

### How

By providing an excellent omnichannel offering.

### What we've done

- Launched a new 'mobile first' website
- Increased product visualisation by utilising our in-house photography studio and CGI image experts
- Implemented new campaign management into our telesales team, optimising conversion and efficiencies

### What we're going to do

- Further enhance product visualisation tools, including 360° image technology
- Improve the online customer journey by streamlining the finance journey
- Increase online integration to core systems to improve productivity and time spent on value add activities

## 06. Accelerating our flooring growth

With a range that rivals our largest flooring competitors, together with our recognised brand and excellent customer service, we have a great platform to continue to take market share.

### How

By having a market-leading flooring offering.

### What we've done

- Continued increase in our online sample service
- Increased our flooring specific training for our sales teams to aid product knowledge and conversion
- Worked with our suppliers to improve service levels and product offerings

### What we're going to do

- Enhance product range, introducing a greater range of carpets and other flooring products
- Increase promotional activity in the flooring range
- Streamline and improve the customer journey, including process and technology changes

## 07. Improving our profitability

We continue to focus on increasing the Group's profits, margins and resilience, whilst maintaining the flexible cost base.

### How

By running a lean and efficient business model.

### What we've done

- Implementation of Power BI reporting to allow dynamic analysis of critical KPIs across our retail network
- Full tender programme for areas of non-product spend
- Improved management focus, including better reporting, has led to a reduction in stock held across the business

### What we're going to do

- Further technology enhancements to increase business efficiency
- Implementation of changes to the warranty product in line with FCA guidelines
- Roll out of Power BI across other parts of the business