

A STRATEGY FOR SUSTAINABLE GROWTH

Our ambition is to inspire play @ every occasion. We should inspire many different ways of playing, learning and having fun for children and their families. Achieving this ambition is key to maintaining our position as the undisputed leader in the Nordic retail toy market and achieving sustainable growth.

To meet our ambition, we have revised our strategy 2016/2017 and established three core aspirations:

In 2021 TOP-TOY...

...offers world-class shopping experiences that inspire play among children, parents and gift-givers

...is the undisputed leader in the Nordic retail toy market and the clear no. 1 online and omni-channel toy player

...has a lean and agile organisation and strong foundation for further international expansion

Each of the core aspirations is supported by a number of strategic priorities:

The undisputed leader in the Nordic retail toy market and clear no. 1 online

- We have launched BABIES"R"US in two Swedish TOYS"R"US stores. Here, customers can find a wider selection of products for babies than in any of our other stores.
- In 2016/2017, we upgraded our omni-channel approach significantly. This included changing our system platform, giving us the foundation we need to upgrade the customer experience in the years ahead. At an organisational level, we have significantly strengthened the teams responsible for ongoing improvements to our online environment. These upgrades are part of a new omni-channel strategy to continue professionalising our web shops and improving the customer experience.
- In 2016/2017 we introduced "HAPPY Guarantee" for all Club BR members. "HAPPY Guarantee" means that Club BR members can exchange products for up to 14 days after their purchase, even after unwrapping and playing with them. Going forward we will continue to revitalise Club BR by significantly increasing the value and benefits for Club members so they have more reasons to visit BR all year round.

Offering world-class shopping experiences that inspire play

- We have initiated the development of a new modern in-store design for our TOYS"R"US stores and have implemented the first changes in our test store in Denmark. The new design focuses on creating and inspiring play experiences for our customers and making it easier for them to navigate the large selection of exciting products. We will continue to develop the concept and use what we learn from the test store to improve the in-store concept in all our TOYS"R"US stores.
- Based on the success of our own brand products in BR and a wish to give customers a unique experience when they visit our stores, we will strengthen our exclusive offering and make focused investments in our own products and private label across both our banners.

A lean and agile organisation and a strong foundation for expansion

- We implemented a new global ERP system in March 2017. This is an important step in our continued efforts to increase our agility and create even better customer experiences. The system will, for example, enable us to collect better data about customer purchasing behaviour under consideration of general data privacy regulation, equipping us to create a more tailor-made experience for the individual shopper. With the system more processes can be automated in the future. This will enable us to focus our resources on sourcing the best collection of toys and serving our customers.