



1 Top Canadian Retailer Set to Outperform

Description

Canadian Tire ([TSX:CTC.A](#)) has a chief executive officer who has done exceedingly well. A mere 24 hours after stepping into the role of CEO, Greg Hicks was charged with leading the company in a world dominated by COVID-19 and the restrictions that followed. Canadian Tire appears to have understood how difficult the road ahead would be but viewed the situation as [providing opportunities](#) as well as challenges.

Operating the business in unprecedented times

Further, Canadian Tire's strong results in 2020 have shown [how resilient](#) the company has proven to be under the CEO's leadership, despite the unprecedented impacts on the company's business. Given the circumstances, Canadian Tire's board of directors appears to have quickly stepped up and, in the first few months, held weekly calls with management to address the company's response to the pandemic and to support management in the company's efforts to operate the business in unprecedented times.

Resources made available to management on key strategic issues

In addition, Canadian Tire reported that the company's board also established an ad hoc subcommittee to serve as a resource to management on key strategic issues. Throughout the year, the board appears to have continued to oversee the impacts of COVID-19 on the company and management's responses, with particular emphasis on the disease's impacts on operations, customers, employees, financial performance, risk management, and liquidity.

Focusing on opportunities to grow the eCommerce business

At the same time, management appears to have been focused on opportunities to grow Canadian

Tire's business, especially in e-commerce where Canadian Tire experienced record growth. Executive management appears to have spent a significant amount of time on the strategic direction of Canadian Tire both during and after the pandemic and oversaw the huge number of internal communications with the company's employees and external communications with the company's customers and shareholders.

Moving forward with agility and purpose and implementing swift operational changes

With the support of the board, Canadian Tire's skilled management looks to have navigated through the pandemic effectively. The company was able to move with agility and purpose, implementing swift operational changes as circumstances changed. Canadian Tire's goal appears to have been to ensure that the company remains strong and even more relevant to Canadians.

Energy, stamina, and a commitment to making Canadian Tire resilient

What Canadian Tire accomplished in 2020 could not have been done without hard work and very long hours and days on the part of the company's management and employees. Canadian Tire's executives demonstrated energy, stamina, and a commitment to making Canadian Tire resilient in the face of overwhelming adverse conditions.

Focused on implementing an omnichannel strategy

Going forward, Canadian Tire appears committed to transforming the company to focus on being customer-centric and digitally savvy. Canadian Tire appears focused on implementing an omnichannel strategy that includes both bricks and mortar stores and online business. This appears to have served it very well during COVID-19 and should continue to serve it well in the months and years post the pandemic. Long-term shareholders who own this stock should do very well.

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