



## Buy Canada's Top E-Commerce Giant Today

### Description

**Canadian Tire** ([TSX:CTC.A](#)) is expediting large structural cost improvements and changing the way the company works. Canadian Tire is [adopting hybrid, agile work models](#) across the enterprise, all of which are focused on improving experiences for the company's customers. The crisis appears to have helped it recognize that the barriers to speed are less about technology, scale, and capital, and more about the mindset regarding what is possible, including being committed to collaboration and having the courage to challenge bureaucratic chains of command and the processes that slow it down.

### Achieving efficiency and securing the company's competitive position

This learning and the management of Canadian Tire's operational efficiency program serve as the company's blueprint for [changing the way it operates](#) to enable the company's strategy, become more efficient, and secure the company's competitive position.

### Streamlining the business and reducing expenses

Financially, Canadian Tire's operational efficiency program is focused on streamlining the company's business, doing things once, and reducing the company's expenses to help it improve the company's bottom line performance and return value to shareholders, including over \$200 million in run-rate savings by 2022.

### Good stewards of capital

Further, Canadian Tire appears to be good a good steward of capital. COVID-19 pushed the organization's focus on capital into purview. Canadian Tire's teams seem to prioritize the best areas of the company's business in which to invest. Canadian Tire challenges conventional capital allocation and eliminates doing things in old-fashioned ways.

## **Frequent and transparent communication**

Also, Canadian Tire has not been adequately telling the company's story to Canadians, and therein lies an opportunity. Among the lessons of 2020 was the power of frequent and transparent communication with all the company's stakeholders. Canadian Tire now appears focused on furthering stakeholder understanding of the company's performance and where it intends to go in the future.

## **Well-positioned to continue engaging with and supporting customers**

Although there are several challenges for Canadian Tire such as new competition and disruptions, Canadian Tire appears set to overcome it because the company is extremely resilient. Between the combination of Canadian Tire's unique dealer model, the strength of the company's triangle rewards program, and the relevance, breadth, and depth of the company's assortment, the company appears well-positioned to continue engaging with and supporting customers in 2021 and beyond.

## **Delivering a truly connected customer experience**

Executive management at Canadian Tire appears to understand the importance of bringing together all the company's assets to deliver a truly connected customer experience. To do this, Canadian Tire invests accordingly and acts boldly to fulfill the company's strategic agenda. Canadian Tire focuses and allocates greater resources to the businesses that maximize the company's potential and positions it well to deliver strong returns.

## **Engaging and driving relevance with customers**

Given changing consumer needs, disruptive technologies, and competitors, Canadian Tire's businesses work together to ensure that the company is continuing to engage and drive relevance with customers. In terms of Canadian Tire's vast network of stores, it has 12.5 million square feet of warehouse space with \$4 billion worth of inventory, all within a 15-minute drive of 90% of Canadians.

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