

2022

ROADMAP TO PROFITABLE GROWTH

Goals		Strategies	Owner	Objectives	Measure (s)	Annual Impact	Benchmark	Goal	YTD Target	YTD Actual	Comments		
Primary Outcome		How to Achieve		Measurable Steps			Last Year	2022 Target	3/31/2022	3/31/2022			
Revenue	Sales increase 5% to prior year	Drive increase in sales to last year in all channels through improvements in customer experience	Susan	Increase first-time buyers through new return policy	First-time buyers vs prior year	\$2M	\$40M	\$42M	\$10.5M	\$10.1M	↓	Through March, team has struggled to gain traction.	
			Joe	Increase Member Web sales with free shipping/free returns	Web Sales	\$3M	\$60M	\$63M	\$15.75M	\$15.75M	▬		
Margin	Improve 1 margin point over last year	Reduce cost of goods sold through more efficient buying; take advantage of vendor discounts; improve pricing strategy on clearance items	Melanie	Lower purchase price 5%	COGS						▬		
			Melanie	Vendor Discounts	Margin %							↑	
			Retail	Clearance Sales	Retail Margin								↑
Expenses	Reduce \$XM	Reduce Marketing and Web Acquisition expense & manage all other to budgeted expense	Kate	Reduce Print	Print Expense	\$1M	\$5M	\$4M	\$1M	\$1.5M	↑	Promo Event in March	
			Kate	Reduce Catalog	Catalog Expense	\$2M	\$7M	\$5M	\$1.25M	\$2M	↑	Catalog - decision to print catalogs will impact original goal	
			Jim/Mike	Reduce Web Acq	Web Acquisition	\$.5M	\$3M	\$2.5M	\$.625M	\$.75M	↑	Decision to spend more	

PROFITABLE GROWTH increases revenues, improves profitability, is sustainable over time, is primarily organic and does not use unacceptable levels of capital.

PROFIT = \$\$\$\$

PROFITABLE GROWTH may be measured through sales growth, EBITDA, Net profit, Days of working capital and return on assets/investment.