

# Accent Group

## Analyst and Investor Field Day

25 March 2021



# ACCENT GROUP INTRODUCTORY VIDEO





**Introduction and Overview – Group CEO, Daniel Agostinelli**

**Retail - Group GM Retail, Matt Hapgood**

**Digital & Loyalty – Group GM Digital, Kasie Heathcote**

**The Athlete's Foot & Stylerunner – Group GM Accent Performance, Steve Cohen**

**Questions**

**Support office and store tour**

# Agenda

# **GROUP CEO**

# **DANIEL AGOSTINELLI**



# THE TEAM

**MATTHEW DURBIN**  
CFO

**MATT HAPGOOD**  
RETAIL

**BEN HAPGOOD**  
WHOLESALE

**STEVE COHEN**  
ACCENT PERFORMANCE

**TIM GREENSTEIN**  
IT & SUPPLY CHAIN

**MARIO PAOLUCCI**  
STORE DEVELOPMENT

**ARMANDO PEDRUCCO**  
RETAIL OPERATIONS

**MARTIN HOURIGAN**  
PIVOT, THE TRYBE & COMMERCIAL

**JENNIFER MYERS**  
RETAIL PLANNING

**KASIE HEATHCOTE**  
DIGITAL

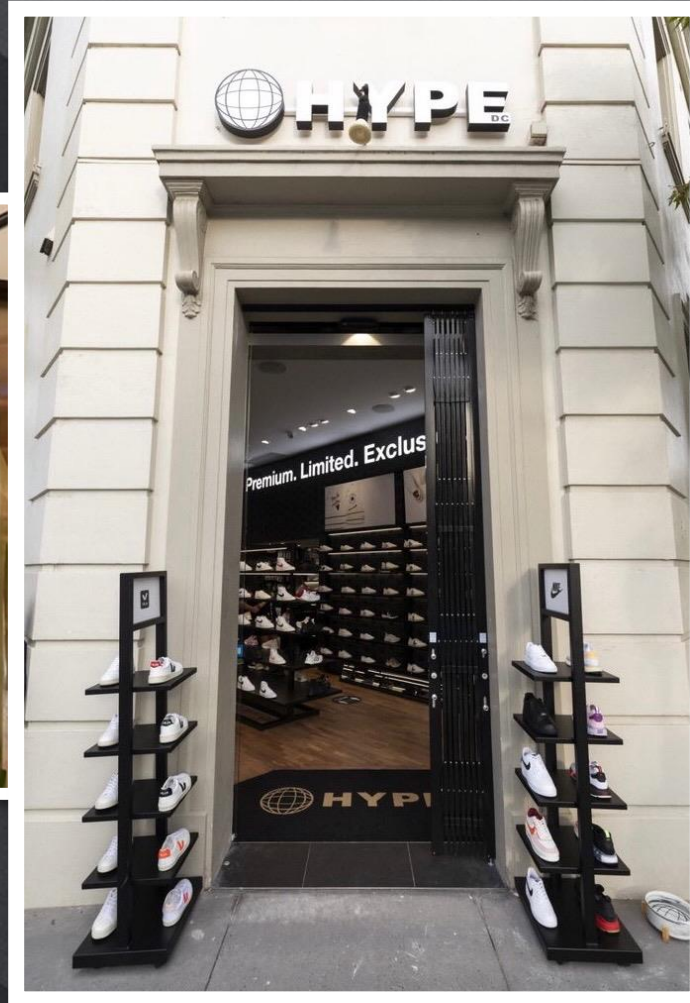
**RYAN EDELMUTH**  
STYLERUNNER

**DEENA COLMAN**  
MARKETING BRANDS & THE ATHLETE'S FOOT



# 90 NEW STORES

## TO OPEN FY21





# VIP

**7.8 MILLION CUSTOMERS → 10 MILLION CUSTOMERS**

**SIGNIFICANT ONGOING FOCUS ON CUSTOMER EMAIL SIGN UPS**

**LOYALTY PROGRAMS TO ROLL OUT ACROSS ALL BANNERS OVER THE NEXT 18 MONTHS**

**SIGNIFICANT INVESTMENT UNDERWAY IN CUSTOMER DATA**

# VIRTUAL





# V E R T I C A L

I—T—N—O



## RILEY



This comes in Kids & Adults options with **THREE Width** options (C, D, E)

## LENNOX



Three widths offered in a Adults only style (C, D, E)



## STYLERUNNER





- EXIE BRAND ACQUIRED FROM CHRISTINA EXIE IN LATE JANUARY 2021, IS A TOP SELLING BRAND IN STYLERUNNER. CHRISTINA HAS JOINED ACCENT TO DRIVE EXIE FORWARD.
- FORWARD STRATEGY; TO GROW EXIE AS A STAND ALONE BRAND, AS WELL AS FURTHER DEVELOPMENT IN STYLERUNNER.
- COMBINES STREET AND ACTIVE WITH A FOCUS ON SEAMLESS.



- A NEW ACCENT BRAND IN START-UP MODE, WILL LAUNCH IN (MAY/JUNE) 2021 IN STYLERUNNER & WITH A STAND ALONE BRAND WEBSITE
- STREET AND SPORTS LUXE INSPIRED

## Mindful Dept.





# OUR STRATEGY

- ANNOUNCING TODAY THE LAUNCH OF A NEW ACCENT OWNED FORMAT: 4 WORKERS
- SIGNIFICANT OPPORTUNITY TO CAPTURE SHARE IN A FAST GROWING MARKET SEGMENT
- DESIGNED TO APPEAL TO A BROAD CUSTOMER BASE INCLUDING NURSES, CHEFS, TRADIES AND OTHERS WHO WORK
- SHOPPING CENTRE BASED, STORE DESIGN ORIENTED TO APPEAL TO WOMEN
- FIRST STORE TO OPEN IN MAY



# PRODUCT STRATEGY





# STORE DESIGN





# **GROUP GM RETAIL**

## **MATT HAPGOOD**

# AGENDA

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## ACCENT RETAIL:

- STORE NUMBERS
- DRIVING STORE INNOVATION
- LATEST STORE FITOUTS
- DRIVING TEAM CULTURE









# STORE PROJECTION COUNT

STORE

AT END OF FY20

AT END OF FY21

 The Athlete's Foot	145	144
<b>PLATYPUS</b> 	125	145
<b>SKECHERS</b>	112	133
 <b>HYPE</b>	71	79
<b>VANS</b>	24	28
<b>MERRELL</b>	16	16
<b>THE TRYBE</b>	8	10
<b>Timberland</b> 	7	9
 <b>Dr. Martens</b>	6	13
STYLERUNNER	0	4
<b>SUBTYPE</b>	3	4
<b>PIVOT</b>	1	15
 <b>CAT</b>	1	3
<b>4WORKERS</b>	0	3

PLANNED STORES AT  
END OF FY21

609

# STORE INNOVATION

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REFITTING STORES

DIGITAL SCREENS AND ACTIVATION IN STORES

EXCITE CUSTOMERS

LOYALTY PROGRAMS

CLICK & COLLECT

CLICK & DISPATCH

ENDLESS AISLE

VIRTUAL SALES (HERO)



# PLATYPUS JOONDALUP

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# HYPE BRIGHTON

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# SKECHERS WORLD SQUARE





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# CULTURE

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"Make It Happen"

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**OUR PEOPLE ARE OUR  
BIGGEST ASSET**

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**OUR CUSTOMERS ARE THE  
MOST IMPORTANT PEOPLE  
IN THE BUSINESS**

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MAKING

A

GREAT

!

IMPRESSION on our

C

USTOMERS



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**HIRE ON ATTITUDE TRAIN  
ON EVERYTHING ELSE**

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# THE **FIRST** 3 FEET

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# PLATYPUS



# HYPE<sup>®</sup> DC





# **GM DIGITAL KASIE HEATHCOTE**



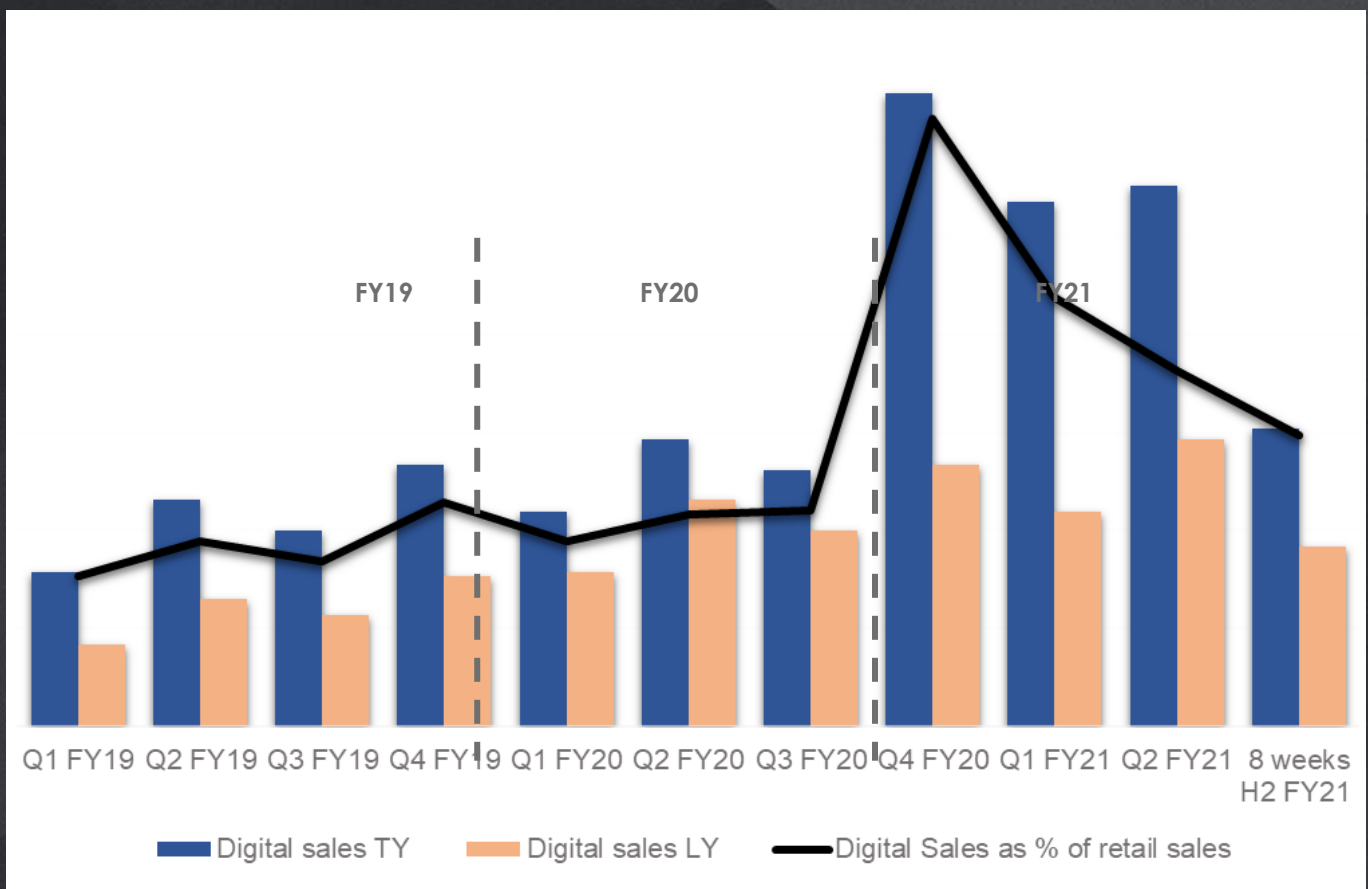
# AGENDA

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## DIGITAL:

- DIGITAL PERFORMANCE UPDATE
- DIGITAL TEAM OVERVIEW
- ECOMMERCE INVESTMENT PRIORITIES
- CUSTOMER DATA PLATFORM
- LOYALTY PROGRAMS

# DIGITAL SALES & KEY PERFORMANCE METRICS



	FY20 (July '19 – June '20)	Jul '20 - Dec '20	8 Weeks H1 FY21
Digital Sales	+65.6%	+109.6%	+65.4%
Website Sessions	+32.9%	+53.4%	+40.9%
Orders	+52.0%	+99.9%	+63.4%
Conversion Rate	+14.2%	+31.6%	+17.6%
Avg. Order Value	+0.1%	+8.0%	+4.9%
Digital as a % of Total Sales	17.1%	22.3%	17.0%

1: Percentages shown in the table represent growth on the same period last year



# Digital Team Overview

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## eCommerce

Trade and performance  
Site Management &  
Merchandising  
eCommerce Technology



## Customer & Insights

Customer Data & Insights  
Customer Relationship  
Management  
Loyalty

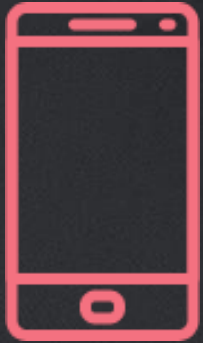


## Strategy & Growth

Digital & Performance  
Marketing  
Emerging Brands & Markets  
Omni-Channel & Virtual  
Sales

# Investment in eCommerce Technology

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Mobile First



Speed to  
Market



Site Performance



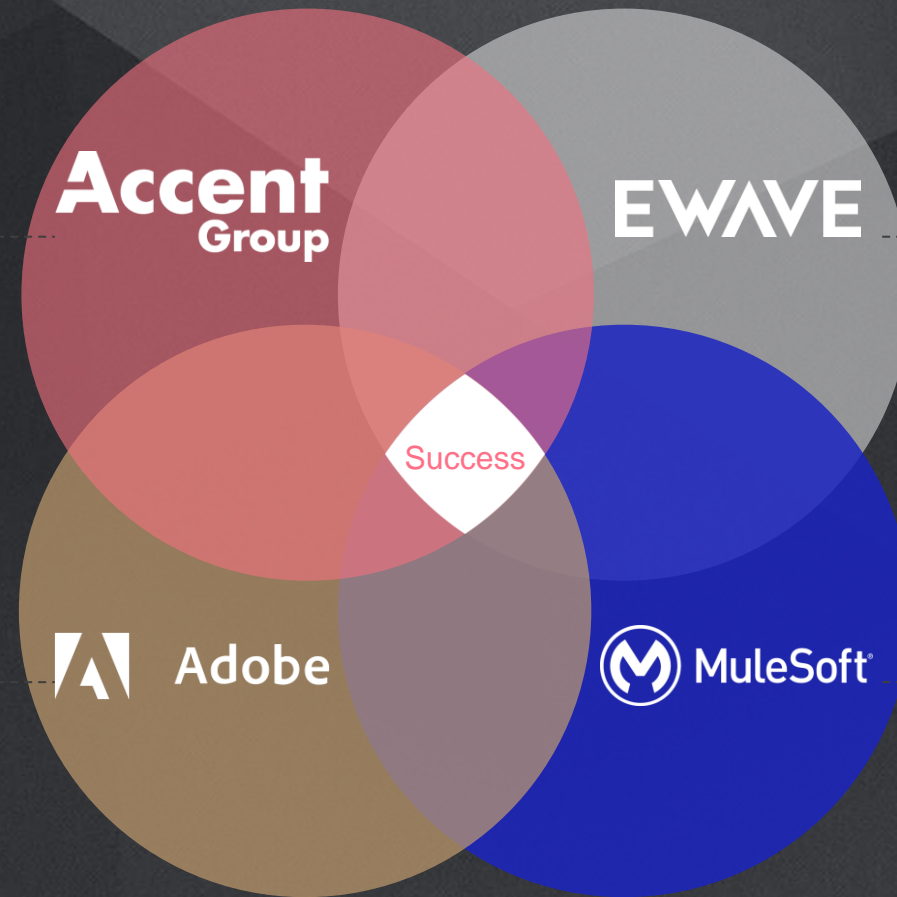
Improved  
Conversion Rates



# Partnership for Success

- Online Product
- Strategic Vision
- Merchandising
- Marketing

- Magento Commerce Product
- Adobe CX products
- Magento Cloud Product & Support



- Implementation & Solution Support
- Digital Commerce & Marketing Services
- Strategy, Design, Technology, Content Services
- Commerce Support

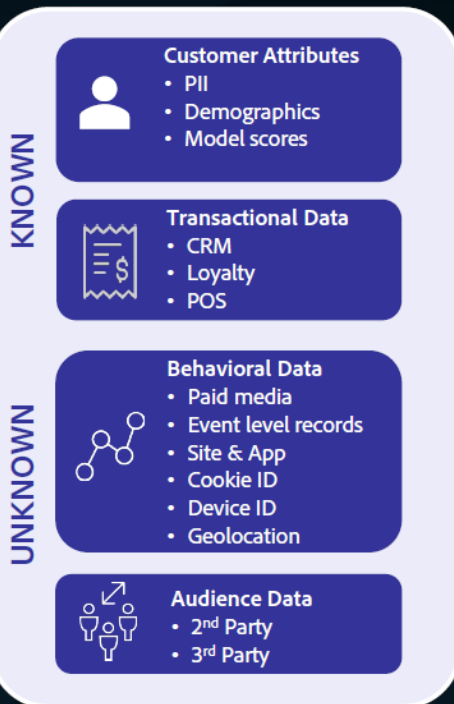
- Middleware product
- Implementation
- Support

# Customer Data Platform

Simplified collection, management, and activation of all customer data

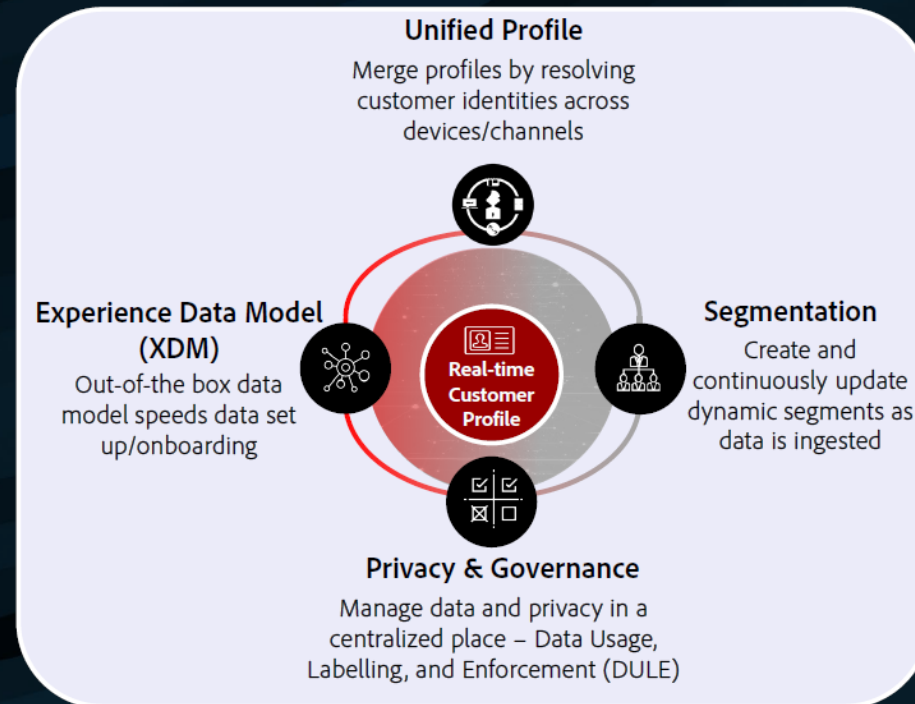
## INGEST CUSTOMER DATA

Collected at event-level, across devices & channels in real-time via API, SDK

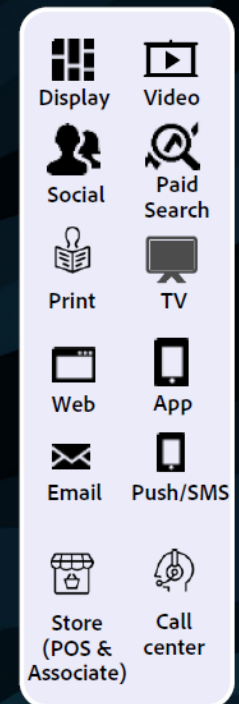


## STITCH, MANAGE & GOVERN

Profiles are created & updated in real time as data is ingested



## ACTIVATE





# Customer Loyalty

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## LIVE PROGRAMS

- The Athlete's Foot
- Merrell
- Skechers

## PROGRAMS IN DEVELOPMENT

- Hype DC
- Platypus Shoes
- 4 Workers

## MyFit Member Database Overview:



Total MyFit members

**3.3M+**



EDM Opt-In

**1M+**



SMS Opt-In

**1.7M+**

MyFit Members have contributed to

**78%**

of Total Business Sales  
FY21 to date

MyFit Members have a Repeat Purchase Rate of

**52%**

Over The Past 12 months

## DATA MEANS POWER

Analysis Period: Nov 2020 – March 2021

Value per MyFit Member  
who is Opt-in to 1+  
marketing Channels

**\$260**

Value per MyFit Member  
not Opt-In to any  
marketing

**\$212**

Each **MyFit Member** who is Opt-In to Marketing is  
**\$48 MORE valuable** to the business

## MyFit Member Vouchers Overview:

Analysis Period: Oct 2020 – March 2021



**386K**

Vouchers Issued in last 6  
Months



**185K**

Vouchers Redeemed in last 6  
Months



**48%**

Voucher redemption Rate



**\$100**

Average Order Value



**\$14.5m**

Net Sales



## Skechers Insider Database Overview:

*Launching on the 3rd of March 2021, the Skechers Insider loyalty program has delivered the following results 2 weeks into go-live:*



Total Insider Members

**188K**



NEW Customers

**22K**



EXISTING Customers

**166K**

## Skechers New Customer Sign Up Rate:

**AU**



Pre-Launch Average

Weekly sign up rate of new customers in-store

**27%**

Post-Launch Average

Weekly sign up rate of new customers in-store

**41%**

**NZ**



Pre-Launch Average

Weekly sign up rate of new customers in-store

**45%**

Post-Launch Average

Weekly sign up rate of new customers in-store

**58%**

# **GROUP GM ACCENT PERFORMANCE**

## **STEVE COHEN**



# AGENDA

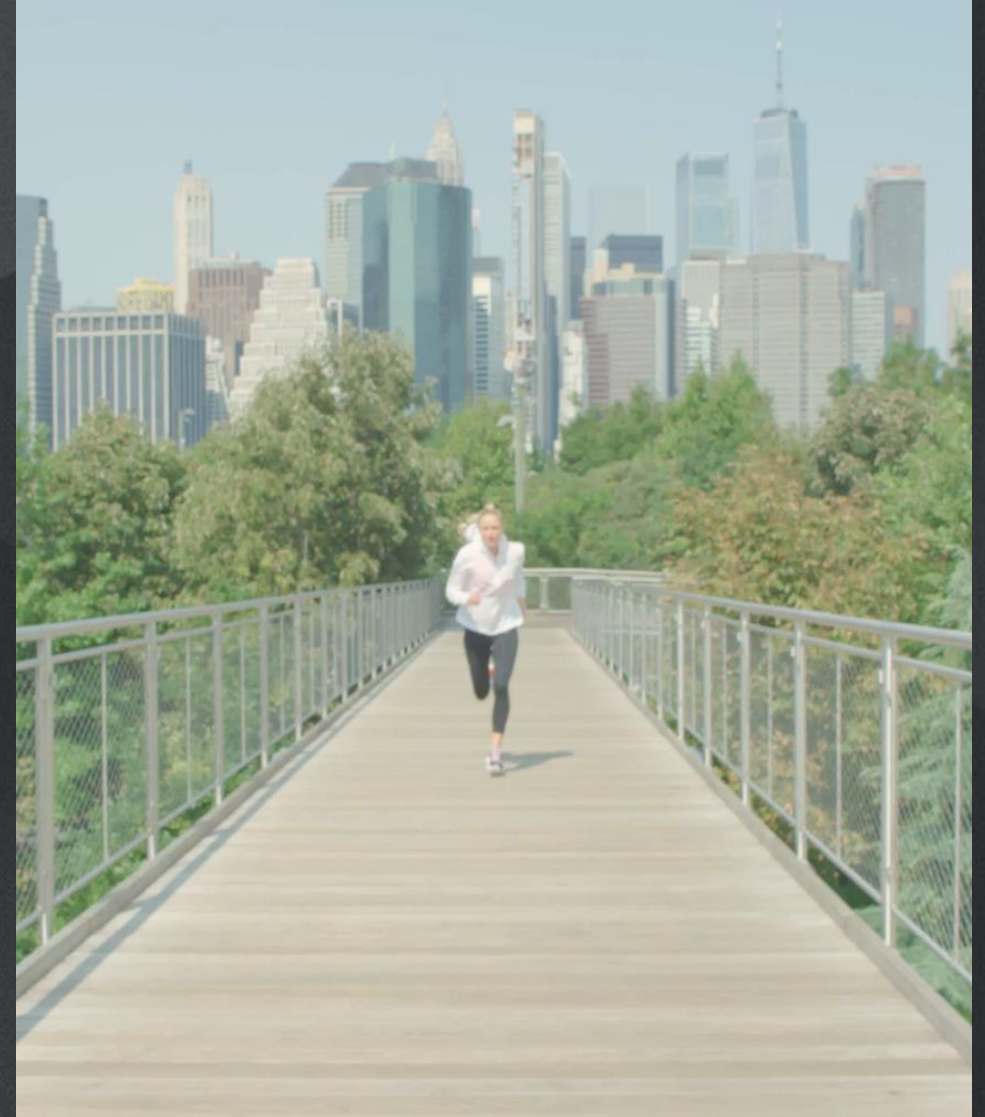
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## THE ATHLETE'S FOOT:

- CORPORATE STORES
- VERTICAL PRODUCT & DISTRIBUTED BRANDS
- MYFIT3D ECO-SYSTEM

## STYLERUNNER:

- STORE ROLLOUT PLAN
- VERTICAL PRODUCT - STYLERUNNER THE LABEL







WORK  
WALK  
COURT  
HEALTH

YOUTH

THE  
FUTURE  
OF FIT  
IS HERE

THE  
FUTURE  
OF FIT  
IS HERE

WORK

TRAIN

BUSINESS

TRAIL

CONT



MyFit  
3D

THE ATHLETES FOOT  
DONCASTER, MELBOURNE



# THE ATHLETE'S FOOT: CORPORATE STORES

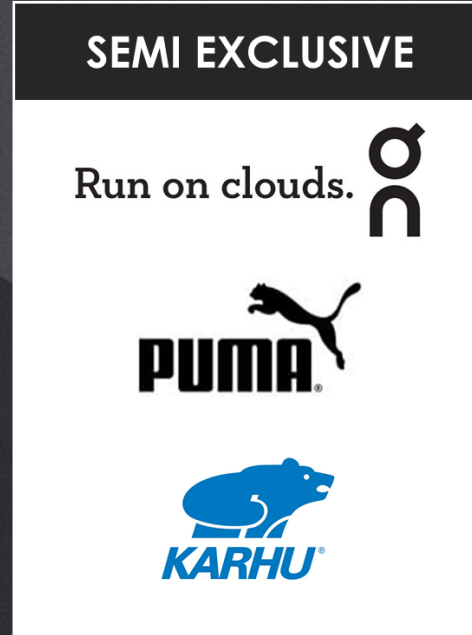
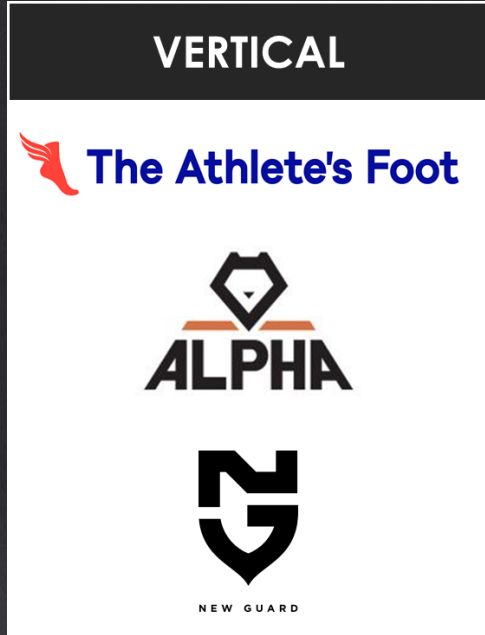
## CURRENT NETWORK STRUCTURE:

- TOTAL NETWORK 144 STORES ACROSS AUSTRALIA & NZ
- 44 ACQUIRED STORES HAVE BEEN STRONG SINCE TRANSITION WITH ROI >20% & IN LINE WITH EXPECTATIONS
- ACQUISITION OF FRANCHISE STORES HAS RECOMMENCED IN 2021 (WERRIBEE TRANSITION OCCURRED 16/03)
- ACQUISITION STRATEGY HAS BEEN COMPLEMENTED BY 9 NEW STORES ACROSS AUSTRALIA & NZ WITH AGREED TERMS ON AN ADDITIONAL 4 STORES TO BE TRADING BY DECEMBER

Period	Sales vs LY	GP %	GP% vs Pre-Acquisition
<b>FY21 YTD</b>	<b>23.3%</b>	<b>52.9%</b>	<b>+400bps</b>

SALES GROWTH & MARGIN CLIMB OF ACQUIRED STORES

# THE ATHLETE'S FOOT: VERTICAL PRODUCT & DISTRIBUTED BRANDS



PERIOD	OWNED
FY19	0.1%
FY20	1.2%
FY21 YTD	4.1%
FY21 Q3	7.9%

## ALPHA

- C. 20% OF BTS FORMAL SALES IN JAN 21 VS 6.5% IN JAN 20
- DISTRIBUTION OPEN TO FRANCHISEES IN JAN 22

## TAF BRAND

- 34% OF ACCESSORY SALES YTD
- 55% OF ACCESSORY SALES SINCE JAN 21
- DISTRIBUTION OPEN TO FRANCHISEES IN JUL 21

## SAUCONY

- YTD GROWTH C. 30%
- 54% INCREASE YOY SINCE JAN
- STRONG PIPELINE OF PRODUCT

## ON RUNNING

- ONE OF THE FASTEST GROWING RUNNING BRANDS GLOBALLY
- EXCLUSIVE PRODUCT ACROSS CATEGORIES WITHIN TAF & ACCENT



# THE ATHLETE'S FOOT: VERTICAL PRODUCT

ALPHA



CLEANING



INNERSOLES



SOCKS





MyFit

3D

THE

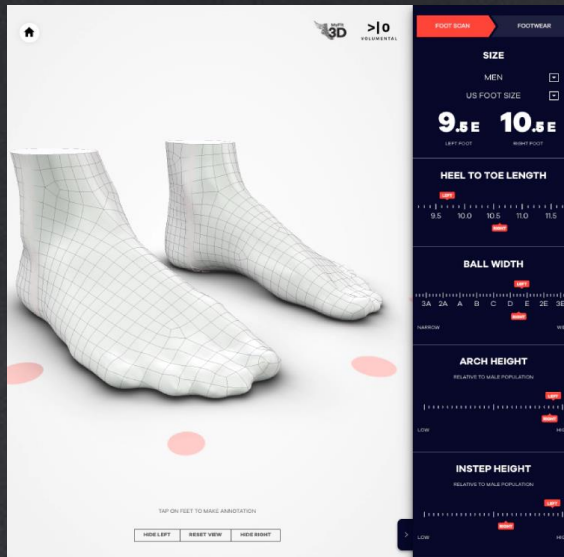
FUTURE



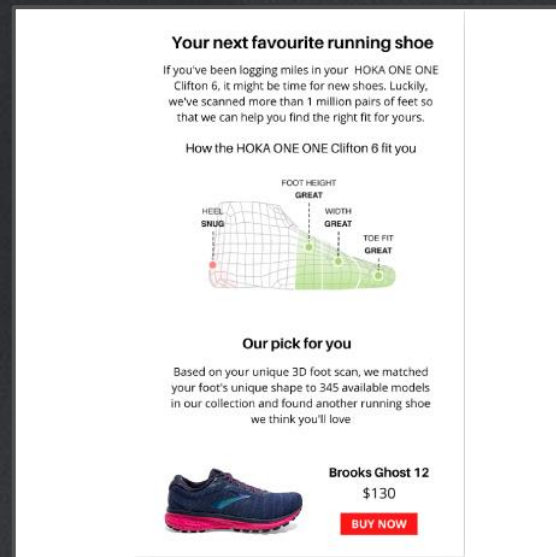
# THE ATHLETE'S FOOT: MYFIT

## BY THE NUMBERS:

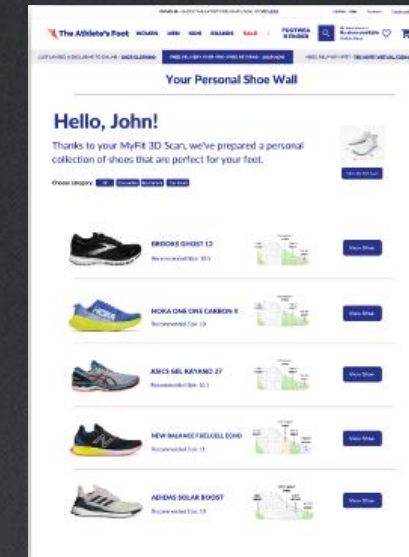
- 92% OF CUSTOMERS WHO PURCHASE EXPERIENCE MYFIT3D
- OVER 2M SCANS HAVE BEEN CONDUCTED WITH DATA NOW BEING DIGESTED TO EVOLVE THE ECO-SYSTEM
- YTD NPS OF 86 (UP FROM 84 LY)



MAY: CUSTOMER SCANS  
DELIVERED THROUGH CRM



AUG: ACCESS FIT BASED  
RECOMMENDATIONS ONLINE



OCT: PERSONALISED SHOE  
WALLS





**STYLERUNNER**  
**ARMADALE, MELBOURNE**



# STYLERUNNER: STORE ROLLOUT

## BY THE NUMBERS:

- 3 STORES NOW TRADING (& WELL AHEAD OF EXPECTATIONS)
- 6 STORES WITH AGREED TERMS, EXPECT AT LEAST 10 TO BE TRADING BY DECEMBER
- VARIED SITE SELECTIONS & EARLY SIGNS SUGGEST SIGNIFICANT RUNWAY
- LANDLORD INTEREST IS DRIVING HIGHER THAN ANTICIPATED EBIT RETURNS
- SIGNIFICANT SOCIAL & DIGITAL FOLLOWING DRIVING BRAND RECOGNITION & STRONG STORE LAUNCH OUTCOMES

INSTAGRAM

600k+

FACEBOOK

75k+

EMAIL

150k+

SESSIONS / YR

4.5m+





# STYLERUNNER: THE LABEL

## BY THE NUMBERS:

- SINCE LAUNCHING, STYLERUNNER THE LABEL REPRESENTS C. 30% OF TOTAL SALES
- GP% BEING ACHIEVED IS SIGNIFICANTLY HIGHER THAN 3<sup>RD</sup> PARTY BRANDS
- NEW CAPSULES DROP INTO STORE & ONLINE MONTHLY
- TEAM FOCUSED ON DRIVING MIX OF BUSINESS ACROSS APPAREL & ACCESSORIES



FASHION

PERFORMANCE

INTRODUCING  
**STYLERUNNER**  
THE LABEL



**THANK YOU**

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