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To: Seniorleaders@bintoso.com

Hello Bintoso leaders,

Thank you for your relentless focus on turning our company around.

This note is a quick reflection of the state of our business, the challenges and opportunities ahead of us.

Covid has completely changed the market dynamics. The changes we are making in our business priorities would help us adapt to the new reality and shifting customer buying patterns due to Covid.

We continue to have margin pressures. To improve margins, we need to pay attention to our cost structure. A big part of our spend is IT infrastructure. We spent 10% of our FY 20 budget to renew the datacenter leases and finance hardware refreshes.

Our customer loyalty index has been trending down. We all know customers want a great multi-channel experience. We have strengths against online retailers, but I have a feeling we are not leveraging it enough.

Our systems need to evolve as our business grows .. we still have store level inventory management systems. Our inventories don't get updated with every purchase. We have no global view of our inventory to link it to our suppliers for automated ordering and delivery when stock falls below a threshold. I have asked Jacquon(SVP of Stores) to see how we can improve our inventory management system to avoid "Out of Stock" scenarios.

Our newly launched retail stores in Europe are doing well but I am hearing a slow online site experience for European users. We need to address it ASAP.

Our site outage in the last holiday seasons resulted in millions of dollars in lost revenue, and damaged our brand. I was told it was due to an infrastructure outage in DC3. I have asked Muhammad to do whatever it takes to make the site more reliable before the holiday season.

Customers trust us with their data. The security breach in our Las Vegas Datacenter (DC1) last year significantly damaged our brand and reputation. Let's make sure we tighten up security without compromising the agility.

As I always say, employees are our best assets. Employee engagement score this year hasn't improved much as compared to last year. I have requested Prisha(HR) to look into it and come back with recommendations.

After we address these challenges, we can start focusing on key opportunities in front of us. Here are a few:

Perez (CDO) tells me we are collecting data from multiple customer touch points through direct as well as partner channels. We need to plan for infrastructure and data engineering people to keep up with our growing data footprint. I am not sure we have a well rounded and live view of our customer segments across the globe to understand their changing behavior and rapidly adopt our business to local demands. We could do better in customer segmentation, market-basket analysis and real-time personalization cross-channel.

I am excited about Intelli-Robe (a personalized in-store shopping experience leveraging Augmented reality/AI), that went live in New York last month. This is the result of a great partnership between Raphael (SVP Next gen retail) and Muhammad (CIO). Thank You both! Now we need to figure out how to scale it in other regional stores in the US and Europe providing a near real time experience to our customers worldwide. I am betting Intelli-Robe would be a lot more successful in Europe than the US.

Intelli-Robe is a great example, but we need to experiment more and not be afraid to fail. We need to be smart about leveraging technology cost effectively in trying out new things. We live in the digital age and sooner we embrace digital technologies to drive new shopping experiences, the better off we will be. Average age of our buyer is 40.... We need to target digital millennials/GenY to stay relevant. I am open to ideas on ways we can attract digital millennials/GenY to our brand.

Please stay safe in these tough times, and let's rock FY21.