



RadioShack®

C O R P O R A T I O N

Investor Conference

Len Roberts

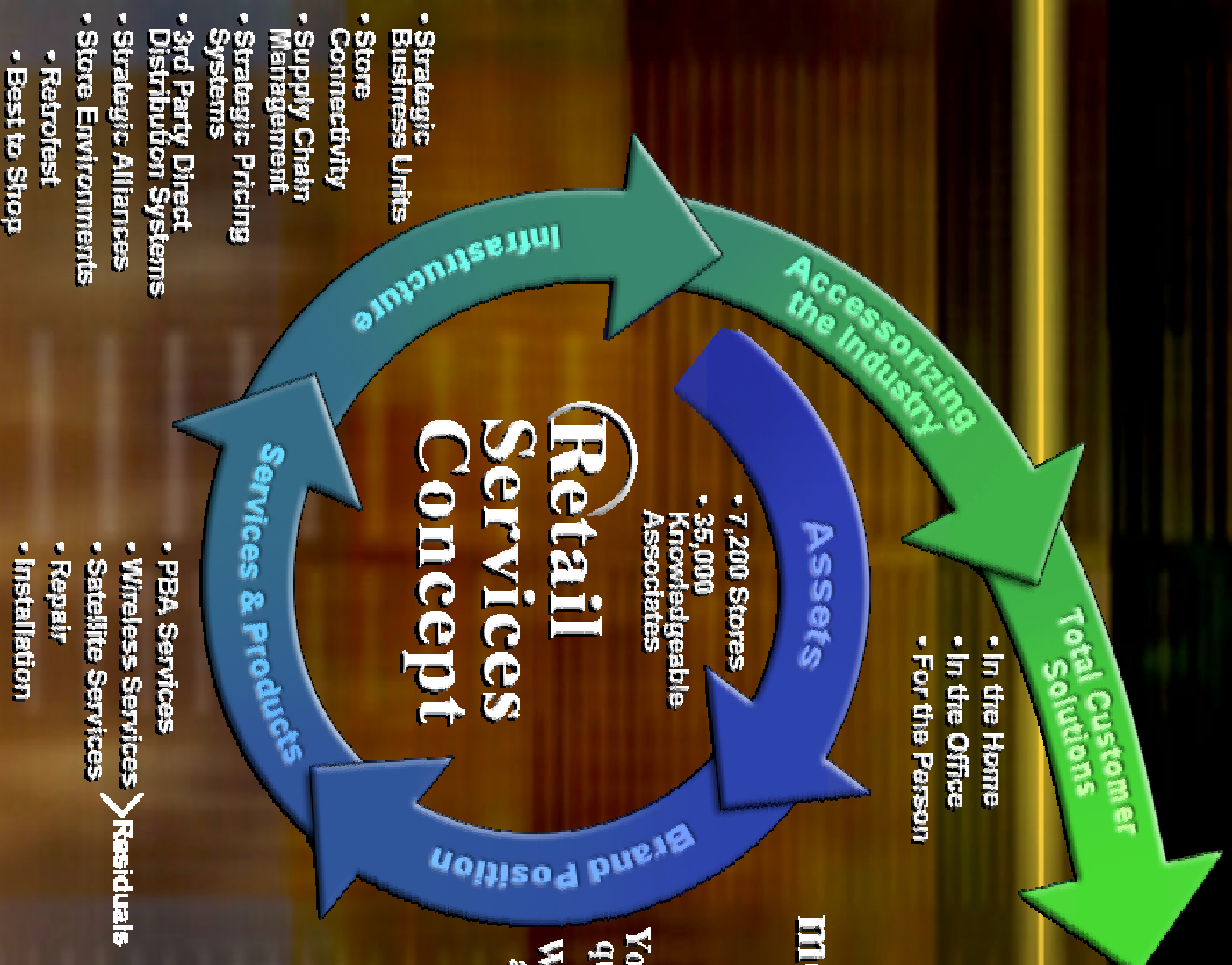
Chairman & Chief Executive Officer

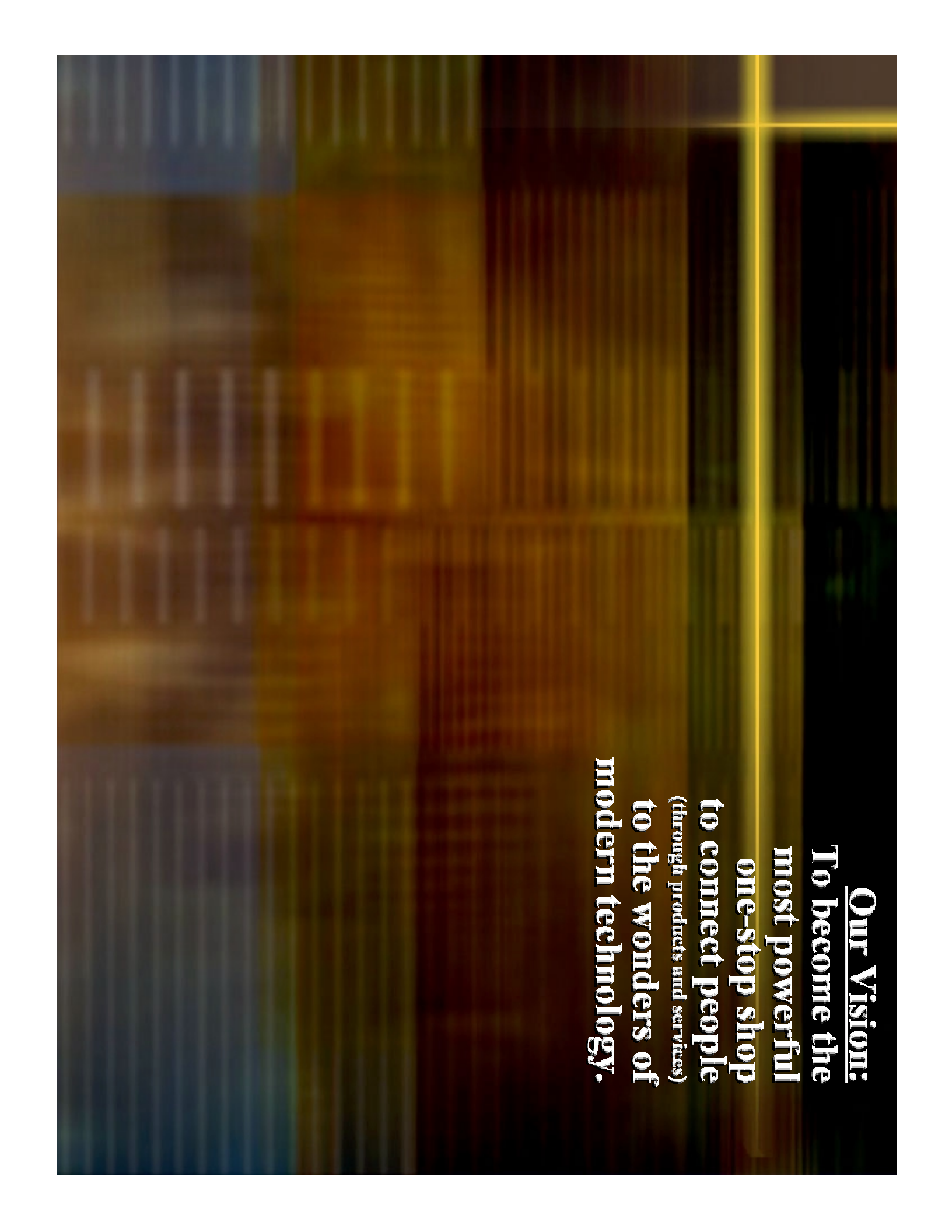
The background is a dark, abstract composition featuring horizontal bands of varying shades of brown, tan, and blue. A prominent yellow crosshair, consisting of a vertical and a horizontal line, is centered on the left side of the image. The text is centered in the middle of the frame.

**Do We Have
an
Effective Strategy?**

Our Vision:
**To become the
most powerful
one-stop shop
to connect people
(through products and services)
to the wonders of
modern technology.**

**You've got
questions.
We've got
answers.**

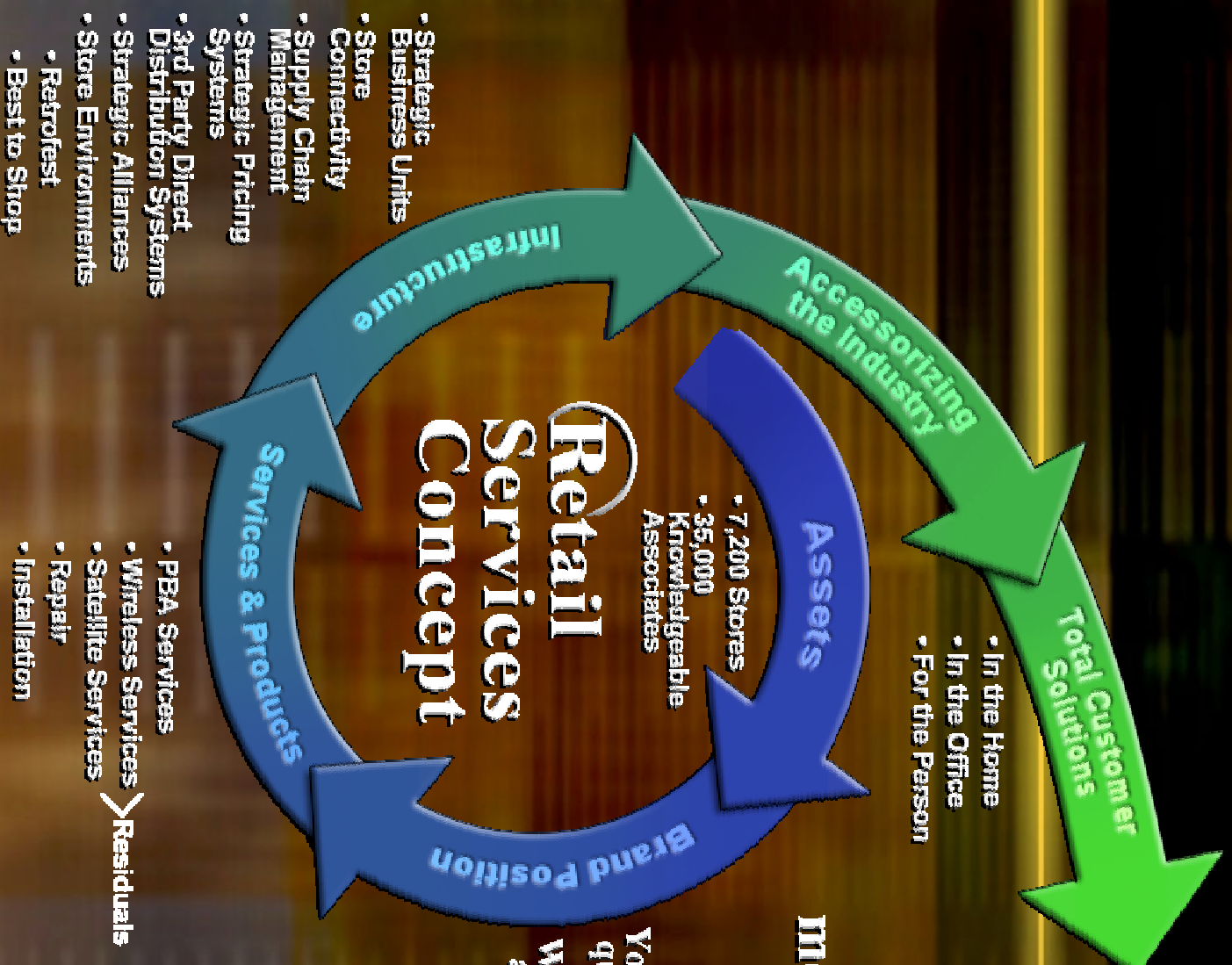




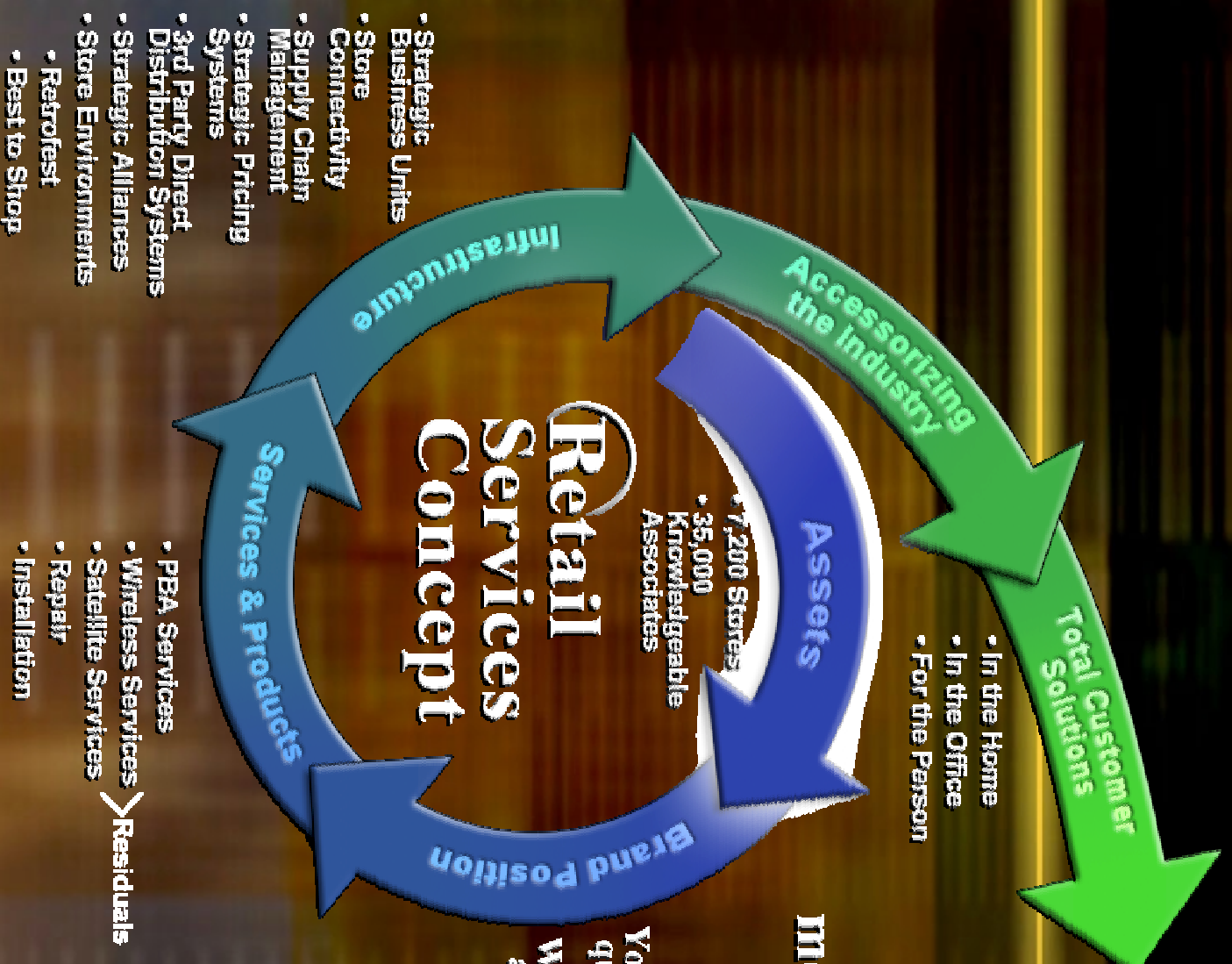
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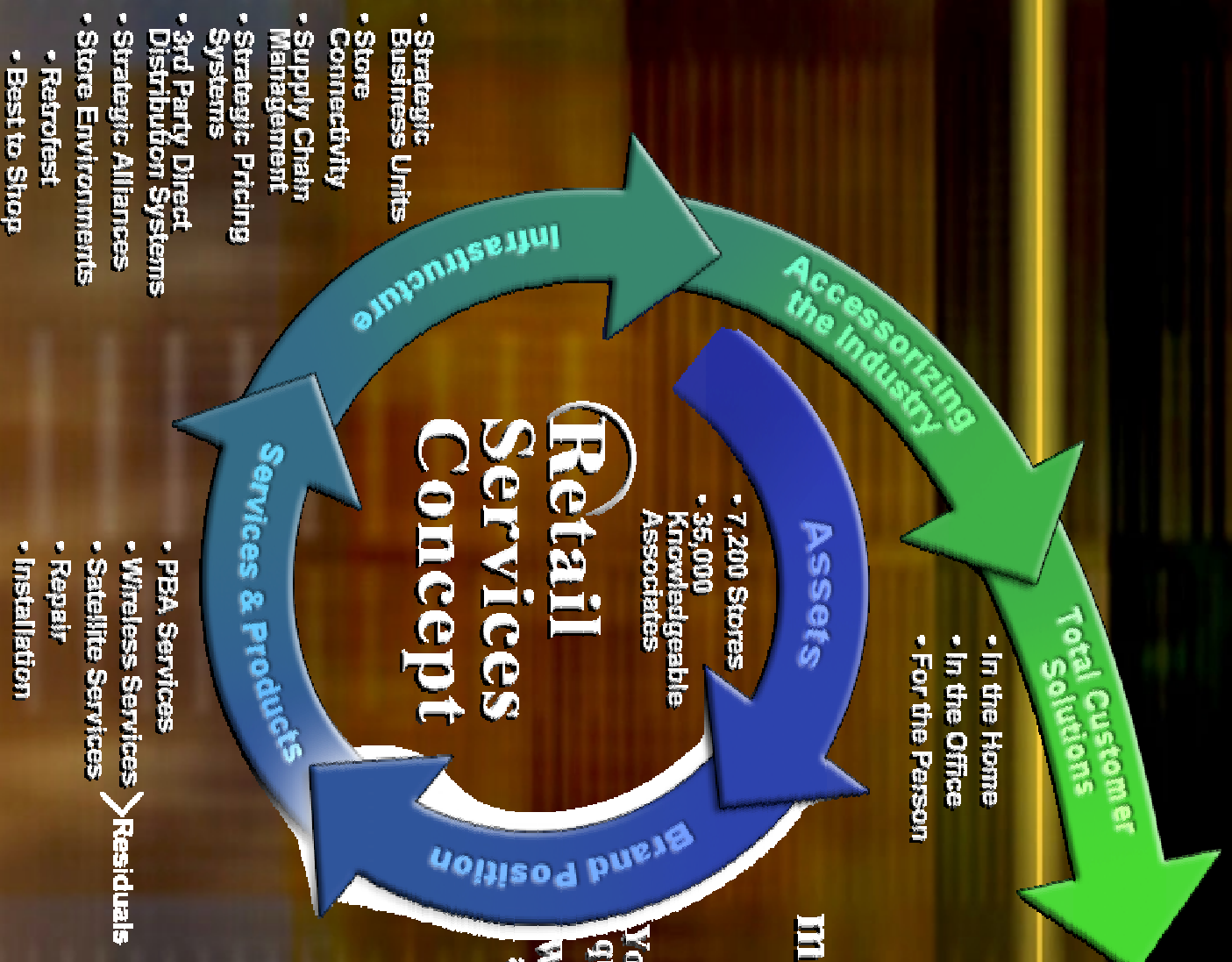
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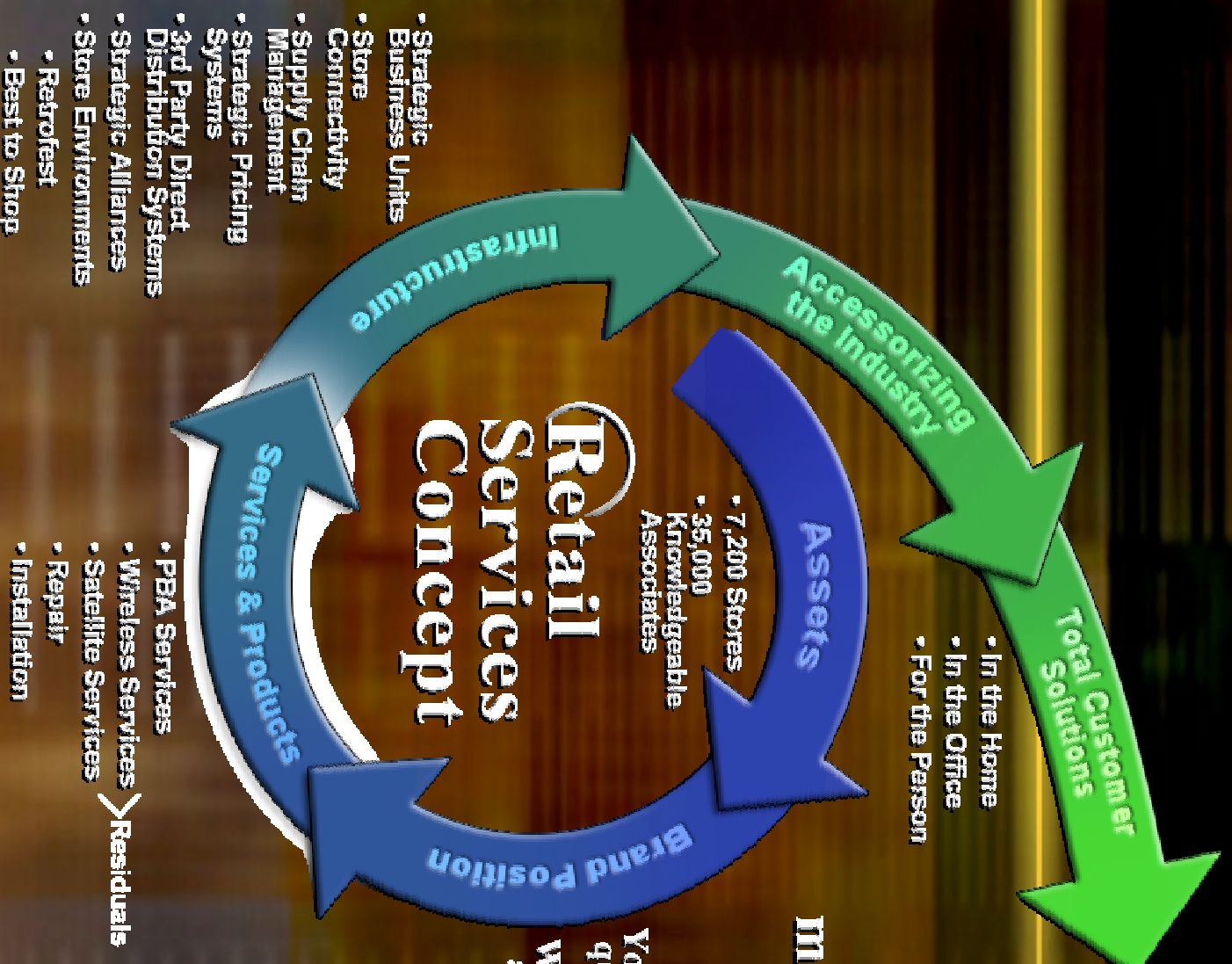
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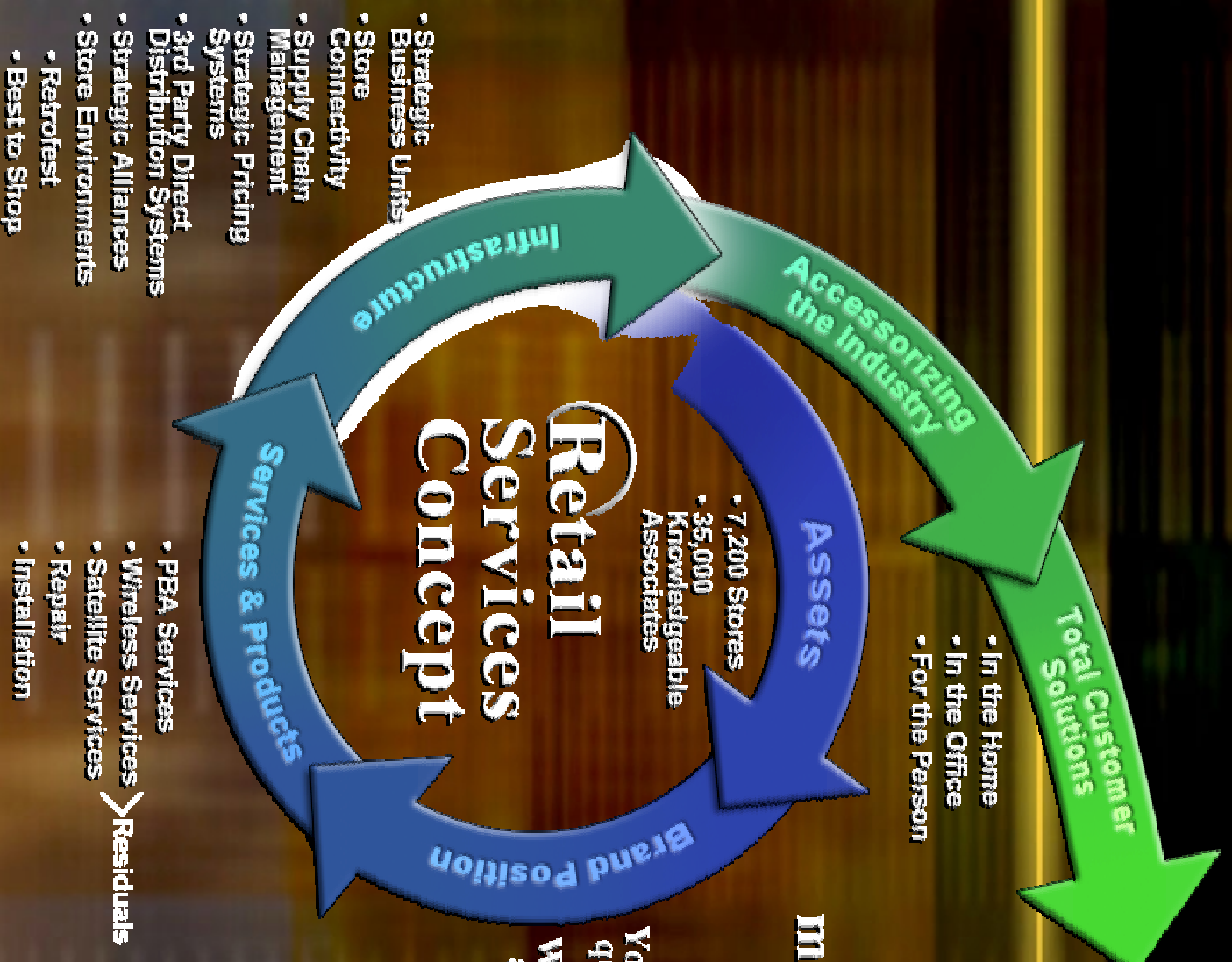
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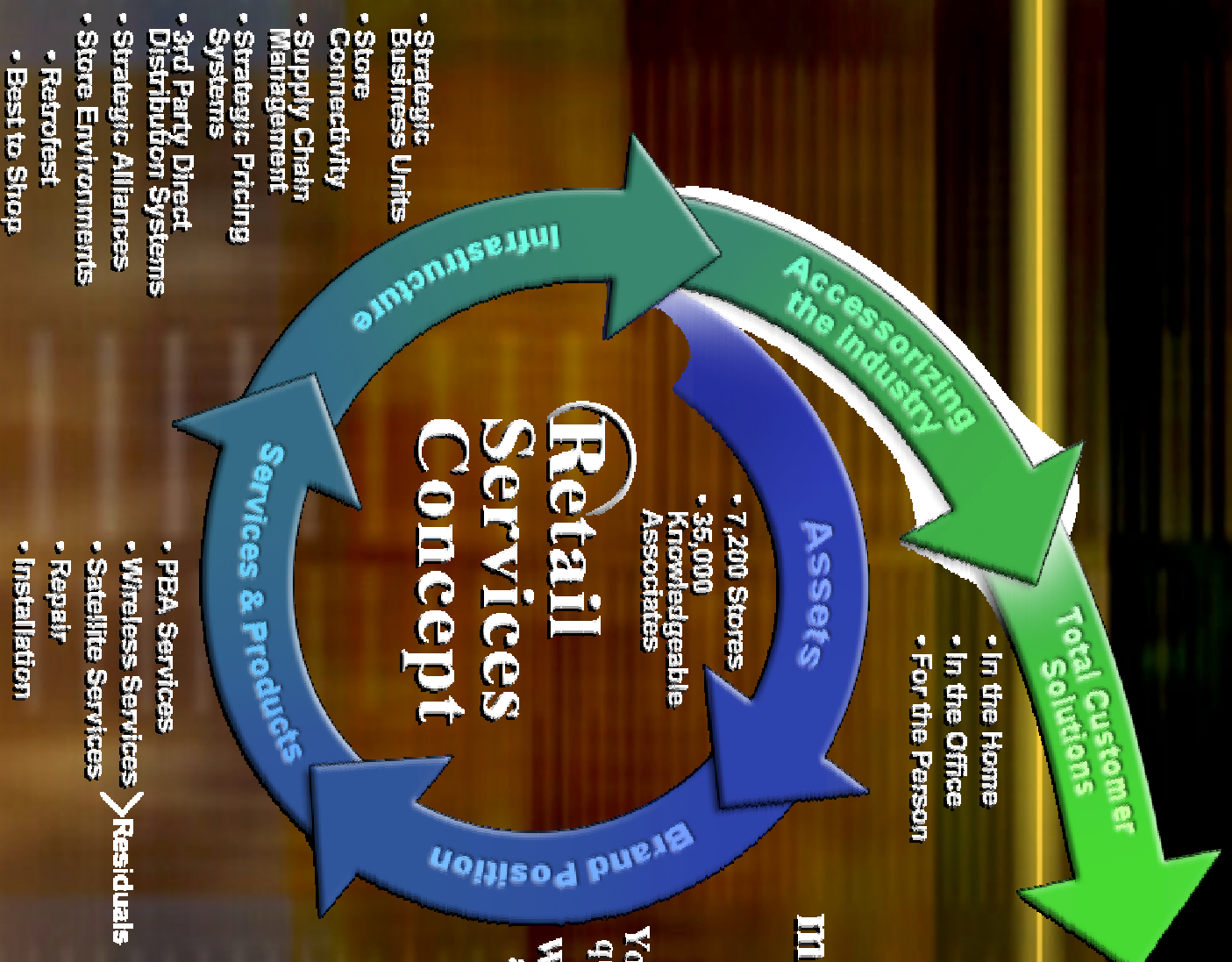
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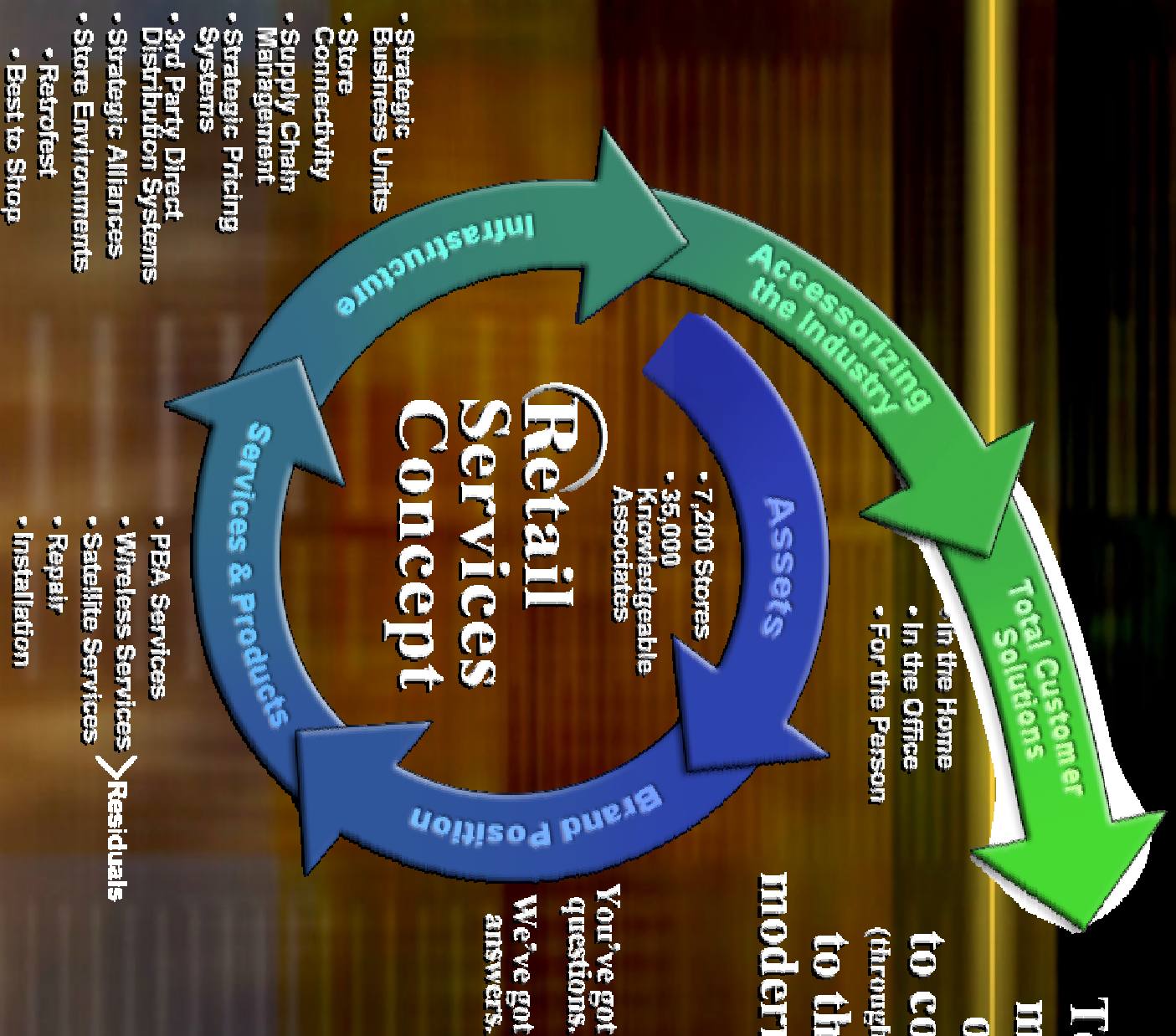


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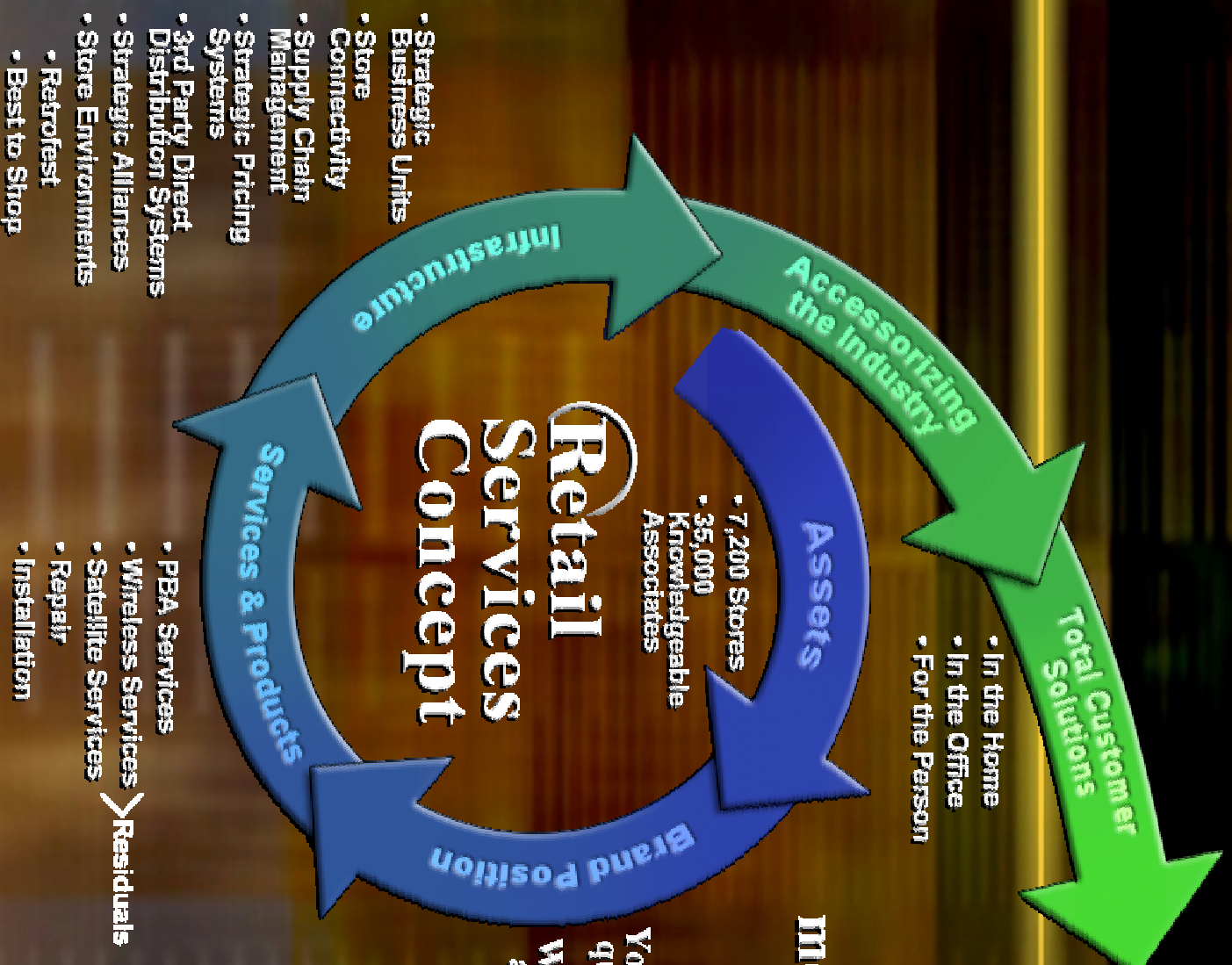


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What is Strategy?

Competitive strategy is all about being different. It means choosing a different set of activities to deliver a mixed set of values to your chosen customer base.

A company can outperform rivals only if it can establish a difference that it can preserve.

3 Types of Strategies

Cost Strategy – competing on the basis of low costs

Product Strategy – competing by differentiating products through quality and performance

Solutions Strategy – competing based on providing value-added solutions

Strategies of Successful Companies

Wal-Mart – Cost

**“Lower the total cost of living
for everyone everywhere.”**

Strategies of Successful Companies

Sony – Product

“To be the leading quality manufacturer of audio, video, communications and information technology products for the consumer and professional markets”

Strategies of Successful Companies

Disney – Solutions

“To leverage creativity to dominate multiple venues where people spend their leisure time”

Strategy of **Rival** Companies

**Big Box Competitors like
Best Buy and Circuit City – Cost**

**“To have a dominant selection of everything in
consumer electronics at the lowest price”**

RadioShack's Strategy ???

Limited

To have a ~~dominant~~ selection of
everything in consumer electronics

High

at ~~low~~ prices.

NOT RadioShack's Strategy !!!

Limited

To have a ~~dominant~~ selection of
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Where does Strategy Come From?

Competitive strategy should be based upon a set of unique customer insights.

Consumer Insight #1

Many customers are confused about certain electronic categories and are not sure what they need to solve their problems.

These customers will value someone who can customize solutions in a cost-effective manner and will remain loyal to that provider.

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Consumer Insight #2

Customers have many simple electronic needs (accessories, batteries, and other enabling devices) they want fulfilled in a simple, easy manner, where convenience, selection, quality, simplicity, answers, and fair price, matter.

Consumer Insight #3

Customers **want** unique electronic products that allow them to project their individual personality, experience more fun or enjoyment, or solve problems in their lives.

Consumer Insight #4

All customer segments are not created equal.

A company that aligns its activities to meet or exceed these customer requirements can obtain and sustain a long-term competitive advantage.

3 Target Segments For RSH

1. **Suburban Families** – convenience oriented, driven by emerging products.
2. **Urban Dwellers** – follow trends closely, ethnically diverse.
3. **Small-town Homebodies** – late boomers, with time and money.

3 Major RSH Segments

They represent 37% of the American population.

Collectively, they spend:
46% of total consumer electronics category,
52% of RadioShack sales.

4 Critical CE Consumer Insights

1. Consumers need help.
2. Quick and easy access to routine electronic products.
3. Consumers want unique products.
4. Family – centric target segments.

RadioShack Corporation Solutions Strategy

“To dominate cost – effective solutions to meet everyone’s routine electronics needs, and families’ distinct electronics wants.”

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RadioShack Corporation Solutions Strategy

- Dominate
- Cost Efficient
- Solutions
- Everyone's
- Routine Electronics Needs
- Families'
- Distinct Electronic Wants

1000 RETRO FEST

Re-store Your Classic!



Best to Shop

RadioShack

RadioShack

Your Place For Accessories



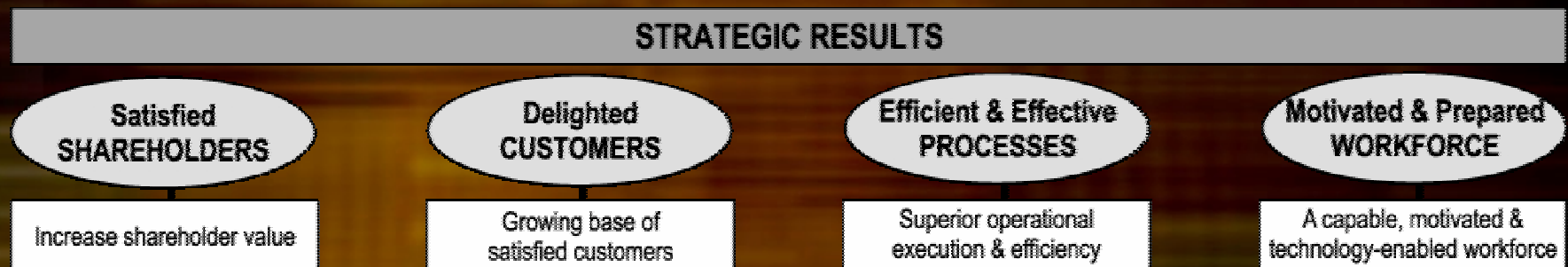


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Desired Outcome Of RSH Solutions Strategy





RadioShack