

INNOVATION EXHIBITION



Click & Collect Groceries

- Over 100 stores offering Click & Collect
- Collection slots available seven days a week, from just £2



- Products picked on day of collection and stored in temperature-controlled collection points
- Customers love the convenience and speed of the service



Van



Integrated



Pod



Instore



Endless Aisles

CLICKS & BRICKS – STRATEGY IN ACTION

Brings the advantages of digital into a store environment, whilst preserving the advantage of the tactile physical shopping experience

GREATER THEATRE

Augments existing kiosk strategy by providing an experience that is inspiring and fun, and geared towards exploration

LATEST TECHNOLOGY

Takes advantage of latest technology, including a 80" touch screen and sensor

FIRST FOR CUSTOMERS

Customers love the 360 product views, user reviews, extended product information and powerful search tools

FUTURE DEVELOPMENT

Roadmap includes interactive content, games, 3d product visualisations, engaging product animations and a more interactive experience that make full use of the sensor



Electronic Shelf Edge Labels

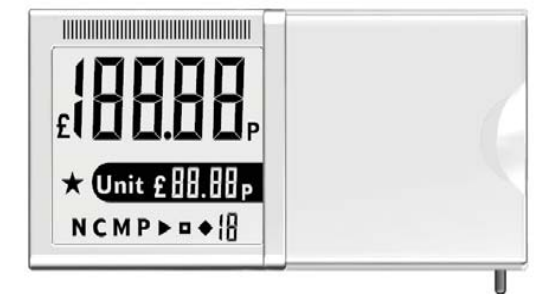
This project will deliver the ability to change prices at the shelf edge electronically

What are the benefits?

- Reduction in hours needed for displaying shelf edge labels
- Improved customer perception based on positive feedback from Hungary trials
- Supports our effort to improve and maintain price integrity
- Reduction in stationery and printing costs
- Ensures merchandising plan is efficiently and effectively maintained

What do our Customers think?

- Limited store trials have been run in UK, and our first full pilot store went live in July 2012 in Tesco Hungary
- Customer feedback is very positive:
 - Over three quarters of customers like or strongly like the new ESELs
 - 71% of customers recognised Tesco as an innovative company
 - 68% of customers said it added to their trust and confidence in on-shelf pricing
 - 9% had negative views; the majority related to visibility, something which we are already improving



Tesco Virtual Store at Gatwick

- Experiential zone included four interactive fridges and a 3m high milk bottle
- Customers view range of everyday products by scrolling through the screens and scanning barcodes with their smartphones
- 80 products with access to thousands more via the app, trained staff on hand
- Opportunity to target the 30,000 people departing from Gatwick North Terminal each day, who have an average of 70 minutes of downtime
- Built on an innovation by our South Korean business, which allowed customers to shop in subways and at bus stops by pointing their mobile phones at billboards



Korea Virtual Store



Scan As You Shop

Increasing customer loyalty by providing great customer service

Better for customers



Customers love being able to use the handset to budget as they see a running total of what they are spending and saving

Gives our large shop customers a self service choice
Customers can pack their bags as they go along

Not needing to unload and repack their shopping at the checkouts saves customers time and reduces queues

Better for colleagues



Creates new opportunities for our store colleagues to provide great service and make moments matter

By reducing queues across the checkouts, it frees up colleagues to spend more time with customers

Better for the environment

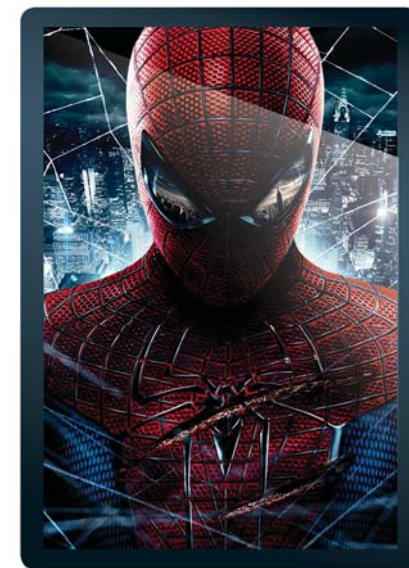


Encourages customers to bring and re-use their own bags



blinkbox gives you the latest blockbuster movies to watch instantly without subscription.

- It's available on games consoles, tablets, connected TVs and Blu-Ray players, set top boxes and PCs/Macs
- Buy selected DVD titles using your clubcard and immediately gain access to the film at blinkbox.com
- There's no subscription, you only pay for what you want to watch
- The number of blinkbox purchasers has increased by 200% compared to last year
- The fastest selling movie this year is Ridley Scott's Prometheus
- The fastest selling TV series this year is Game of Thrones
- There are almost one million minutes of quality movies and TV on blinkbox
- There are over 11,000 film and TV titles on the service
- The most popular device for watching content on blinkbox is the PC
- The Xbox is the fastest growing device for watching on blinkbox
- The busiest month of the year for blinkbox is December



Social Marketing that Matters

Get your best customers talking

- BzzAgent programs turns influential customers into brand advocates
- We target ideal participants, deeply engage them with a product, and get them to share opinions with peers through social media and face-to-face conversations
- As the social marketing arm of dunnhumby, we use customer insights from millions of households to aid targeting and measurement
- BzzAgent has over one million members in the US, UK and Canada, including 50,000 UK Tesco customers



THE ONLY COMPANY
COMBINING SOCIAL MEDIA
WITH SHOPPER INSIGHTS
TO DRIVE SALES





- Full range of best-sellers (over 100,000 titles)
- Works on tablets, PCs and smartphones
- Try before you buy on all titles
- Makes it easy to find great books you will want to read
- Simple and easy to use



YOUR ONLINE PERSONAL RADIO

WE7 is your very own personal DJ who creates radio stations just for you.

Using music to engage customers

LOVE MUSIC?

Access 11M Songs For Free



Facts

- 11m Songs
- Touched 3.8m UU last 12 months
- Average 400 song/Month/Mobile User
That's around 30hrs/month
of engagement
- Around 250K UU each month
- Average visit time 42 minutes

Model

Free to Consumer : Ad-Supported

Available On:



Online



Mobile



Tablet



Smart TV

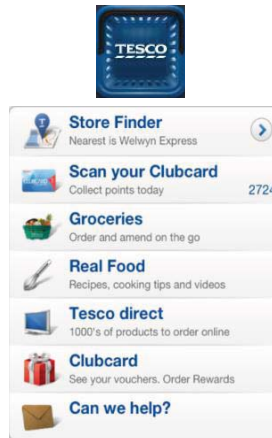


Includes Audio
We can do Audio and
display creative

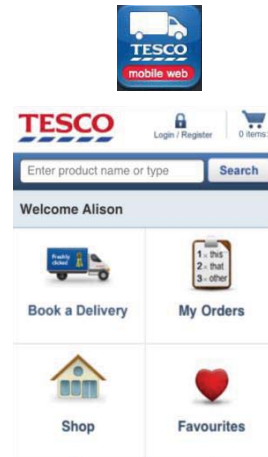


Many more ways for customers to shop on the go

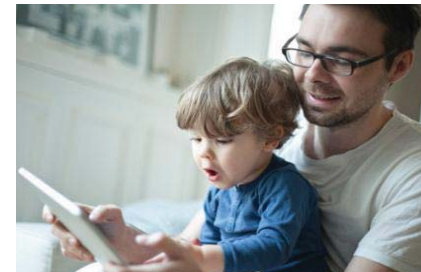
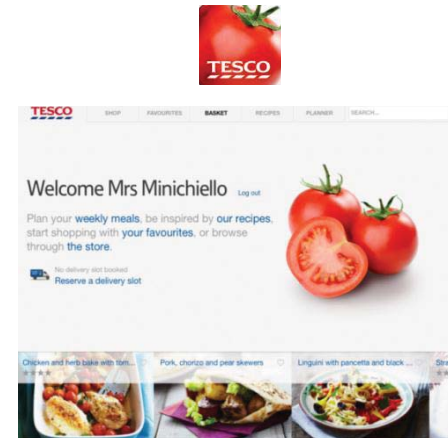
Tesco App



Mobile Web



iPad App

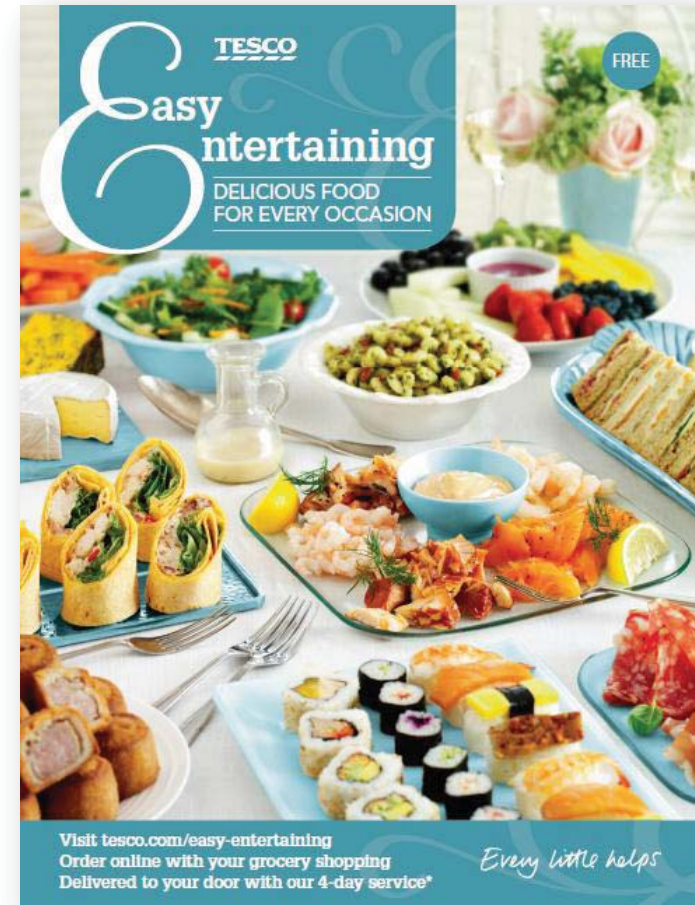


- Smartphone and tablet ownership increased to 49% from 37% last year (all GB adults)
- Tesco.com customers are more likely to own devices than the GB average
- More than half of our customers have a smartphone and 1 in 4 have a tablet
- A quarter of all visits and 15% of all orders on Tesco.com grocery are placed on a smartphone or tablet



Innovation of our offer to cater for our customers' needs

- The aim is to offer a complete stress free entertaining solution to cater for any event.....birthdays, family occasions, working lunches
- A range of foods from sandwich platters and salads, to desserts and cream cakes
- Best value for money
- Largest geographical reach (will be 98% UK coverage)
- And it's not just food, we provide cutlery and crockery and wine suggestions too!



TESCO

Easy Entertaining

DELICIOUS FOOD FOR EVERY OCCASION

FREE

Visit tesco.com/easy-entertaining
 Order online with your grocery shopping
 Delivered to your door with our 4-day service*

Every little helps

STYLE IT SUGGESTIONS



GENERAL MERCHANDISE LINES

www.tesco.com/easy-entertaining



Soil & Seed Produce Boxes have now launched

- Range of five Organic Fruit and Veg boxes, now exclusively available from Tesco.com
- Competitively priced from £10
- Can be delivered as part of the online weekly grocery shop
- Initially available to London online shoppers only
- Contents vary each week based on seasonality

