

Promotion Submission Request for Weeks 27-52 (H2 2019)

Dear Supplier,

We now invite you to submit your promotional submission for the 26 week period: W/c 3rd July 2019 until w/e 31st December 2019 (weeks 27-52). Your submission must be **returned no later than Friday 29**th **March 2019.** Please email your submission forms to marketing@igatas.com.au

Trading Update and Strategy



FY19 year to date results for our IGA group are showing excellent sales and volume growth. Overall SIW purchases are tracking +6.8% and volume + 3.0%. Promotion volume is achieving growth of near +7.00%. Compliance rates are high and pre sold stock via our online turn-in order system is growing significantly.

We are not looking to alter our weekly promotional pricing strategy from our current offer which means we will continue to offer ½ price market pricing for key drawcard specials and value offers for the remainder of our advertised and instore offers. We support this by delivering high class marketing in our multimedia, online and catalogue advertising.



Our Low Price Every Day program "LPE" (13 week period submission) is also working extremely well. Sales growth of +20% is very pleasing so we encourage more suppliers to move some of the weekly submissions to the LPE offer due to this ongoing success.

New For This Submission – This Needs Your Action:



TIR has recently trialled a promotional program for our second tier stores with a select group of suppliers and stores. These fast growing group of stores are known as C-Stores (*C being Convenience*). We are aiming to have up to 75 C-Stores with promotional programs when we fully roll out the offer. The current group has shown a +22% lift in volume purchases from SIW, much due to the fact of the promotional offer currently trialled.

We are now extending the offer to all suppliers to provide a submission for this group, targeting your range of products that suit the convenience market. This group of stores will run promotions for a 14 day cycle hence only 13 promotion dates are available in the submission template. Please note, we are not requesting all suppliers provide offers for each cycle but provide a couple of submissions for your convenience type products during the 26 week period as promotional slots will be limited each cycle.

Marketing

Our advertising options continue to evolve to what is most effective in the current market.

Our current IGA advertising strategy includes the following:

- TV Promotions 'Drawcard' type aggressively priced specials are slotted each week.
 Placement occurs in prime time advertising slots, across the 3 networks Channels 7, 9 & 10. Additionally these adverts are also made slotted on YouTube.
- Press Advertising We advertise a selection of Ambient and Perishables SKU groups on multiple days in each of the three regional newspapers.
- All IGA stores have access to either an 8 page or 4 page catalogue. Our online catalogue solution is linked to a fast growing customer base via a weekly subscription service. Most of our stores also receive a colour printed hard copy catalogue for use in-store or locally letterbox distributed.
- We do provide expanded catalogues during seasonal events and have now scheduled to run
 4 additional pages in the last catalogue of every month. These additional pages have been
 made available for suppliers for panel and strip artwork to promote their range, new lines or
 special customer offers. There are additional costs for these panels which are of good value.
 Please contact Ron Barker or Gary Sutherland for pricing.
- Over and above digital and boosted social media advertising for new line launches, seasonal themed promotions and specials. Please ask for a quote, this is very economical.
- Local store marketing for new store openings, combat activity, special anniversary or local community events.
- July Major Consumer Giveaway This promotion each year shows huge growth and is
 highly anticipated by our customers. We have always had very positive reaction in-store and
 social media provides great feedback. Participating suppliers come back year after year due
 to their category uplifts due to the fact that customers have to purchase a participating brand
 and we provide lots of additional advertising. Please contact ron.barker@igatas.com.au or
 gary.sutherland@igatas.com.au to express your interest for this activity this coming July.



Submission Processing

Please download the new submission forms for weeks 27- 52 (H2 2019) (you can find links for these in the original email communication). These forms will differ from what you have on file and you must replace any older versions with this new version. Also included with the submission forms is a list of promotion commencement dates for Weekly, Low Prices Every Day (LPE) and C-Stores periods.

Upon receipt of your submission, we will review to find any inconsistencies and if any are found we will contact you to resolve. Once we are happy with the initial submission content, we will do a further review and schedule into the weekly planning. We may move your suggested date to avoid a clash and/or add or change a submission if required. However, we will always send you back a confirmed submission report in our format for you to review, and if required discuss any further changes prior to the promotional period commencing.

Submissions Forms

Note – there are three separate tabs on the submission form, each requiring a different program. We ask all suppliers to submit a program for both of the IGA, LPE and C-Stores promotions.

- 1. **IGA** your normal submission for all IGA bannered stores weekly program. These promotions run in all three IGA banners in the same week.
- 2. LPE Low Prices Every Day submissions, 13 Week promotion submission for all IGA banners. 2 dates are available, you can choose 1 or 2 periods of 13 weeks. Please ensure you do not clash any weekly promotions if you are planning to run one 13 week period and other single week promotions for the same SKU or SKU group, they must not run within the same time periods.
- 3. C-Stores These promotions run for 2 week cycles, and 13 different dates will be available. Convenience type SKU groups should only be submitted and NOTE that some submissions may be rejected if they are not in suitable categories. It is not expected that suppliers will submit for every period available but we encourage you to submit 2 or 3 dates please.

Note: Submission Preparation Requirements

It is vitally important that all suppliers when submitting programs must submit;

- Your SIW Supplier Number(s)
- Your SIW Group Numbers (for product groups) or
- Your SIW Product Numbers for single standalone SKUs (these must not be Woolworths
- CASS/SAP numbers or Metcash IGA numbers.)
- Your TIR direct supplier number, file group or product numbers.

This does save both parties much time when preparing and keying in promotional programs if these are correctly filled out. If you need your current list of supplier numbers, product numbers or group numbers please email amber.milbourne@igatas.com.au or troy.price@igatas.com.au and request a copy.

We look forward to receiving your promotional program by <u>no later than</u> Friday 29th March 2019 although earlier would be appreciated.

Yours faithfully,

Gary Sutherland

Promotions Manager - Tasmanian Independent Retailers