



Low Price Every Day (LPE)
Changes for 2020



LPE will have some important changes implemented in the next cycle commencing Monday 6 January 2020.

Previously our IGA LPE program in Tasmania ran both LPE13 and LPE SPA programs.

- LPE13 SKUs ran for 13 weeks and whilst we did not show a save value on the shelf talker, the on-shelf yellow label had a higher price than the LPE shelf talker.
- LPE SPA SKUs are ongoing price reductions, similar to our competitor's price drop programs. This program supported by supplier deals, runs as a monthly batch with any changes advised each week similar to how we run Price Match. The yellow shelf-label was the same price as the shelf talker as these were in effect permanent reduced prices.

In 2020, both LPE programs will merge into a single LPE pricing program. There will no longer be a 13-week promotional batch, as all LPE SKUs will run as a monthly batch. LPEs can no longer be considered 'specials' and will not indicate a save as they are ongoing price reductions and thus shelf labels must match the shelf talker. There will be no promotion end date on these shelf talkers.

Why change?

We have reached a tipping point; the majority of our suppliers are now submitting case deals to permanently reduce our sell prices to help compete with our major competitors. In 2020, over 80% of submissions for LPE were for the full six-month period. In addition, many of these are extensions of previous submissions, which we already have on LPE pricing.

The Australian Consumer and Competition Commission (ACCC) guidelines for retail pricing indicates to us that our LPE13 program in many cases could be contravening the misleading price rule. The majority of LPE13 sell prices are in fact continuations of previous reduced sell prices and thus we have established new market prices due to extended ongoing periods on 'promotion'.

The LPE program was always part of our value offer to compete with the chains; this move consolidates, improves and simplifies the LPE program for members and customers.

What are the key steps and dates for the changes?

1. Sunday, 5th January 2020 – Remove all “Low Prices” shelf talkers from shelves on or prior to this date.
2. Monday, 6th January 2020 – Stores will invoke the normal weekly host that will contain new sell prices from the LPE changes, stores to print new yellow shelf labels and apply on shelf.
3. Tuesday, 7th January 2020 – The LPE13 promotional batch from 2019 ends. Note, any LPE13 SKUs continuing into the 2020 cycle will maintain the 2019 sell price so there is no conflict between invoking the host from Monday 6th.
4. A full set of newly designed Low Prices Every Day shelf talkers will arrive in store by Friday 10th January 2020. Stores should arrange to apply these upon arrival.

FAQs

1. What if I’m having trouble completing with the LPE shelf label or shelf talker changeover on time, this time of year is pretty hectic?
 - a. If the 6 JAN 2020 shelf label changeover is not completed on the same day, then don’t be alarmed. As the expected changes are all sell price reductions, the scanned price will be lower than the old yellow shelf ticket, hence you will not be in breach of the scanning code of conduct. You are advised however to complete the shelf label changeover as soon as possible regardless.
 - b. TIR has also limited other price changes for this host to help minimise the number of activities required for the changeover.
 - c. We planned the one week delay of sending the new designed LPE shelf talkers to also help balance the changeover workloads.
2. How do you identify the LPE SKUs?
 - a. All stores will receive a full set of new style LPE shelf talkers initially.
 - b. Stores with WorldSmart or GAP POS systems will see an L range indicator flag that will indicate LPE SKUs.
 - c. Each Wednesday as part of the Price Match Change advice, we will also include the LPE full listing of SKUs and any amendments. For any changes to LPE SKUs including additions or prices TIR will supply new shelf talkers
3. How do I get replacement LPE shelf talkers?
 - a. You can request to get new pre-printed shelf talkers from the TIR by sending an email to pricematch@igatas.com.au just as you would for Price Match Tickets
 - b. Alternatively, you can print instore and request blank 12UP LPE shelf talkers from TIR advertising via contacting your TIR area manager or emailing advertising@igatas.com.au .
4. Do I have to use the LPE shelf talkers?
 - a. Low Price Every Day is a national IGA program and requires the same compliance as Price Match and weekly promotions.
 - b. Shelf talkers are powerful sales tools, results from all our LPE shelf talker programs are driving sales and volume growth at record levels. Our fully compliant members are enjoying some terrific results.
 - c. Suppliers provide their case deals on condition of promoting instore, we are at risk of withdrawal or reduction of future submissions if we incur poor compliance levels.
5. Will customers complain that LPE SKUs are not on special?
 - a. Possibly, as they are used to seeing a different price under the talker. There will be a degree of customer education from members to help customers understand that this program supports that IGA is now more competitive. Customers need to understand that it has been a long time since they paid the old price and the current price is a price they can obtain next time they shop.
 - b. The ongoing TV, catalogue advertising and instore POS further support the message Low Prices, Every Day, not just for a period.
6. As LPE are ongoing reduced prices, will there be weekly ‘specials’ that run over and above like Price Match?
 - a. Initially, there will be no weekly specials overriding the LPE price. However, there is scope in future for this to happen if we receive additional opportunities from suppliers. We will update members accordingly if we change the current situation.

For any further questions, please ask your TIR area manager or send an email to marketing@igatas.com.au.

Staff

It's important that all team members are aware of the Low Prices Every Day program, so they can answer any questions your customers may have.

Coming
soon!



Note: New 12up LPE Shelf Labels will arrive early January.



For more information regarding the Low Prices Every Day program, please contact the below people.

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