



tasmanian
independent
retailers



PROMOTION SUBMISSION REQUEST FOR WEEKS 27-52 (H2 2020)

You are invited to submit a promotional program for the second half of 2020, dated week commencing 1/7/2020 to week ending 29/12/2020. The following information will assist you in submitting an effective program to align with our strategy for the next six months.

Information included in this pack includes:

- Trading Update
- IGA Programs
 - Weekly Promotions
 - LPE
- C-Store Programs
- Submission Processing
 - How to complete the submission form
 - The scheduling process

The submissions are due back to TIR no later than Friday 27th March, although earlier is appreciated.

TRADING UPDATE

FY20 year to date results for the IGA group are showing excellent sales and volume growth. Excluding cigarettes, overall sales are +8.14%, and volume +7.15%. Promotion sales growth is running +11.35% and volume +8.91%. The outstanding promotion results are testament to the strong promotional programs being submitted by our focused suppliers, and backed up with solid support of our retailers.

Our LOW PRICE EVERY DAY (LPE) program is trading particularly strongly with growth over +20%. Customers are embracing our LPE program; it provides the core of our value messaging, so we certainly encourage our suppliers to think about using this promotional tool to boost sales on their slower moving items.

For some high volume lines, LPE can be an appropriate solution for continued growth however our strategy remains that we will continue seeking market pricing for high/low promotions with ½ price ‘specials’ that consumers seek.

IGA PROGRAMS

The IGA promotional program currently consists of weekly promotions and the ongoing LPE program

WEEKLY PROMOTIONS



Our promotional strategy will continue to include offering ½-price market pricing for key drawcard specials and provide value offers for the remainder of our advertised and in-store offers. We request that the weekly promotion frequency submitted is consistent with or greater than the previous half.

We support the promotional program by delivering quality marketing in our multimedia and catalogue advertising. IGA weekly advertising currently consists of the following media channels, however this is constantly evolving to best suit the advertising to our customers.

TELEVISION

We advertise product and price every week on television. Television spots are reserved for aggressively priced and wanted specials. Placement occurs in prime time advertising slots, across the three networks - Channels 7, 9 & 10. Additionally, these adverts are also available on YouTube.

PRESS

A selection of ambient and perishable lines are advertised across multiple days in the three regional newspapers.

DIGITAL

A range of products are advertised digitally each week through Google ads and Fairfax marketing. Additionally, social media advertising is engaged for special promotions, new line launches and seasonal products.

CATALOGUES

All IGA stores have access to an eight page or four page catalogue. The online catalogue solution is linked to a fast growing customer base via a weekly subscription service (available at <https://www.igatas.com.au/catalogues/> we encourage suppliers to sign up to receive the catalogue weekly). Most of the stores also receive a colour printed hard copy catalogue for use in-store or distributed locally via letterbox.

Larger catalogues are scheduled to run monthly and for seasonal promotions. The larger catalogue dates are listed in the 'Start Dates' tab of the Excel submission form. An additional four pages expand the catalogues on these weeks, becoming twelve and eight pages respectively. These additional pages are available for suppliers over and above for promotional panel advertising using your current marketing artwork to promote your brand, or advertise new lines or promote special customer offers.

Contact amber.milbourne@igatas.com.au for details on how you can obtain advertising space in these catalogues.

LPE



Low Price Every Day (LPE) is evolving to cover a range of low price promotional strategies for our Tasmanian IGA retailers.

Low Price Every Day promotions run in-store for three-month periods (13 weeks), i.e. *July - September* and *October - December*.

As advised earlier this year, due to the growing number of LPE submissions running for the entire 26 weeks of the period, we made a change to the LPE program. All promotions submitted for LPE are now semi-permanent or permanent price drops and in many cases, suppliers have provided these in previous submissions so it becomes the 'normal retail price'. These promotions still attract LPE shelf talkers but do not have an end date on the shelf talker. We also change the yellow shelf ticket price to reflect this ongoing sell price. Pricing for these promotions are in a number of cases used to maintain competitive prices with our competitors.

Claims for these promotions are made at the end of each month. The monthly claim process also allows the flexibility to increase prices should a price rise occur within the promotional selling period, either from a supplier cost increase or if a competitor moves their pricing and we follow. If required, price changes can occur upon the next monthly period start date.

Suppliers will still submit 1 period of 3 months (13 week) only promotions but this will still be processed the same way as the 13 week submissions.

C-STORE PROGRAMS



The C-Store program is in place for a number of convenience sized stores that provide a supermarket offer to their local community (outside of our IGA group). TIR has always provided a promotional program to these retailers but have made some changes to better suit their offer. The group is growing and we expect the number to reach 75 stores.

The best program to submit for this group is those lines that are high selling convenience types or small size grocery products that these stores are likely to stock. However, this does not mean you can hold off on submitting some key lines or even new lines as these stores are trying to ensure they have the product range their customers are looking for.

This provides a great opportunity for suppliers to submit a program to these stores to further increase sales. The C-Store program runs on a fortnightly cycle is set up to avoid clashes with any IGA promotions that may also clash within the same selling period. We encourage all suppliers provide a few promotions throughout the half.

HOW TO COMPLETE THE SUBMISSION FORM

The submission forms have been redesigned this half with clear colour coding. Separate tabs are provided for IGA, C-Stores and LPE promotions. Please ensure that the correct tab is used for each type of promotion. Filling in the forms correctly will save both parties time and improves accuracy.

From: 01-Jan-20 To: 24-Jun-20				 Weekly Promotions	
Supplier Name: _____					
Supplier Number: _____					
Representative: _____					
Contact Number: _____		Mobile: _____			
E-Mail: _____					
Suggested Prom Date W/C	SIW Product or Group No.	Promotion Case Deal	Product Description	Suggested Retail	Comments

Your supplier name, supplier number, representative, contact number and email address fields must be completed at the top of each tab.

Suggested Prom Date W/C - This is the date that you are proposing for the promotion, however TIR may schedule a different date to avoid some clashing within categories. A confirmation report will be sent at the end of the scheduling process to advise you of changes.

SIW Product or Group Number - Please ensure that the numbers used are SIW group and product numbers. Metcash or Woolworth's product numbers will not be accepted. If you require a master file of your products please contact Amber Milbourne at amber.milbourne@igatas.com.au or Troy Price at troy.price@igatas.com.au

Promotion Case Deal - The promotion deal should be for a warehouse issue of stock to the retailer, i.e. if the product is supplied as inners, then the deal should be provided for one inner; if the product is supplied in cartons, this is the deal for a carton.

Product Description - Please provide an accurate product description and size.

Suggested Retail - TIR will review and consider the retail suggested by the supplier.

Comments - We have provided a column for sundry comments, however please note this will only be viewed in the initial process including product number and group checking.

THE SCHEDULING PROCESS

Submissions are due back no later than Friday 27th March. It is important that suppliers are considerate of this due date, as the scheduling process is extensive and the accuracy and balancing of the programs are better without unnecessary time constraints.

Upon receipt of your submission, we will undergo an initial checking process, which includes checking the validity of product and group numbers and any inconsistencies with the frequency of your promotions. If there are any issues, we will contact you to resolve them as soon as possible.

All of the programs will then be further reviewed and scheduled with other programs to balance the promotions. This may mean that your promotional dates have been moved to avoid category clashes on similar dates.

A promotion confirmation report will be sent as soon as this process has been finalised. It is important that you review this report as soon as possible to reflect any date or submission changes in your records. Please discuss any issues you have with the confirmation with Amber Milbourne amber.milbourne@igatas.com.au .