



www.tesco.com

'Every Little Helps', a simple phrase, but one that underpins everything that Tesco, the UK's leading supermarket, stands for. Those three little words are embedded in the company culture, from shop floor to boardroom, and this ethos is what sets the company apart from its peers in a highly competitive industry.

Offering and Values

Customers have different needs at different times and the variety of Tesco pillar brands gives them a real choice. Finest*, Value, Healthy Living, Free From, Fairtrade and Organics offer variety and choice for customers on every trip to their local store.

But it's not just food that provides great choice and value at Tesco. The company's commitment to be as strong in non-food as food, is growing year-on-year.

Tesco knows its success depends on people, both customers and employees. Its

core purpose is 'to create value for customers to earn their lifetime loyalty' and this is backed by two values – 'No one tries harder for customers' and 'Treat people how we like to be treated'. These Tesco values run through every part of the business and staff are recognised and rewarded for 'living' them in their everyday jobs.

Tesco's core values drive everything the company does, including its Community Programme, where the company takes a leading role in making a positive contribution to society by acting fairly,

honestly and responsibly and by being a good neighbour.

Like its customers, Tesco cares about the environment and last year the company opened its first 'energy efficient store' in Diss, Norfolk, and a second opened in Swansea in April 2006.

It recently announced a £100 million fund to develop innovative and sustainable environmental technology, such as wind and solar power and to boost recycling.

A further positive contribution is Tesco's popular Computer for Schools campaign and



the more recently introduced Sports for Schools and Clubs, which encourage children to try new sports and get fit.

Innovations and Promotions

Customers are more focused than ever before on health and Tesco is striving to make its existing range of products healthier by reducing fat, salt and sugar and introducing a new labelling system showing the levels of each, per serving, in its own-brand products, a first in the UK.

Last year Tesco also became the first supermarket to deliver a 'Kitchen Cupboard guarantee' on ready meals, meaning that only ingredients found in your kitchen cupboard are used in them. Further commitments to healthy eating include a new range of products for children and a Wholefoods brand focusing on pulses, nuts, brown rice and dried fruit.

Tesco's popular advertising campaign featuring Dotty – the mother of all shoppers – took Tesco directly into millions of homes, highlighting the company's commitment to customers and service through a series of comic situations.

As the business grew from selling just groceries to everything from mobile phones to loans, a campaign was needed that represented the changing face of the brand. The new 'Every Little Helps' campaign currently features 32 celebrity voiceovers highlighting every aspect of the Tesco offering. The voice has become more conversational and the business more transparent, hence: 'Bags. We'll pack yours, so you don't tell us to pack ours – Tesco, Every Little Helps.'

Market Context

One of Tesco's key strengths is its ability to adapt and innovate and keep ahead of the game in one of the most competitive markets in the world. In recent years



Tesco has expanded into non-food and retailing services.

The Tesco Express convenience store links local convenience with world class distribution and supply chain management. By providing cheaper prices and great product ranges, customers are being drawn back to their local neighbourhoods and car journeys are being reduced.

Achievements and Future Prospects

In 1997 Tesco announced its 10 year growth plan to develop a strong core business; to be as big in non-food as in food; to develop a profitable retailing services business and to be as strong internationally as domestically. The strategy delivered clear results and Tesco now has a well-established non-food offering, which is popular with customers.

Tesco.com, Telecoms and Tesco Personal Finance are established brands that offer customers simplicity and value in markets that can often be complicated.

Tesco Telecoms has grown rapidly to encompass 1.5 million customers, while Tesco.com handles 200,000 orders a week

Things you didn't know

Tesco is the UK's largest private sector employer with 260,000 employees.

Tesco sell more lottery tickets than anything else.

Tesco's Value brand is the biggest grocery brand in the UK, bigger than Coca-Cola and Walkers.

Tesco now has 58% of its selling space overseas.

and has just opened its first store exclusively for online deliveries. There are no customers, just staff assembling orders and relieving the strain on busy stores.

Overseas, Tesco focuses on being number one in a country rather than building sales across several countries and letting local markets dictate what they offer. This has proved successful for Tesco internationally and it is now planning a move into the US with a new convenience format, launching on the West Coast in 2007.

Tesco's recent accolades include being voted 'Britain's Most Admired Company' by Management Today magazine, as well as the 'Most Parent Friendly' store for the third year running by Tommy's The Baby Charity, and being ranked first for Social Responsibility by Fortune Magazine.



Granny Smiths.
What's the difference between ours and our competitors?
Not much really.
They're the same quality as Waitrose.
And the same price as Asda.

TESCO | Every little helps

Chicken.
Comes with Clubcard points.
It's just our way of saying thanks.
Because without you, we're stuffed.

TESCO | Every little helps

1919

Tesco is born as Jack Cohen invests his serviceman's gratuity of just £30 in a grocery stall.

1929

Cohen opens the first Tesco store in London.

1947

Cohen opens the first self-serve Tesco and the company goes public.

1993

The Tesco Value brand is launched.

1995

The Tesco Clubcard is launched.

1997

Terry Leahy takes over as Chief Executive from Lord MacLaurin.

1999

Tesco.com is born out of an idea to make it easier to shop for people who find it hard to get to a supermarket. It is now the world's largest online grocer.

2003

Tesco launches Tesco Telecoms, a joint venture with O2.

2006

Tesco operates in 12 markets in Europe and Asia.