

Counters.

Extra, Superstore and Metro

Contact:

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Project description

Due to changing customer demand we've taken the decision to close or reduce the trading days (hours) of some counters. Research tells us that this will only impact a small number of our customers, however our wide range of pre-packaged meat and seafood will continue to be available in impacted stores.

Why we're making this change

Not only are customers shopping in different ways but we know they have less time available to shop too, which means they are using our counters less frequently.

How it's changing

- We will close or reduce the trading days of some counters
- Where required, the counter space will be repurposed
- The majority of our stores will maintain either a full or flexible counter offer

Key dates

Week	Activity
Week 8	Operational communications and activity brief sent to stores via Communications Centre
Week 9	Customer messaging delivered to shops, to provide notice of changes
Week 11	Temporary closure solution displayed in stores
Week 12	For the counters affected, the change in operation will be reflected in schedules and implemented
	Counter changes operationally live and start of phased property programme (individual store impact dates to be communicated separately)

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communicated via Communications Centre prior to launch.

Stock Control changes – routines.

Extra, Superstore and Metro

Contact:

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Project description

We're changing our stock control routines to make them simpler.

Why we're making this change

- As our business changes, we are also changing the way we manage our stock
- Feedback tells us that our current routines are too complex
- After a number of trials, we have found a simpler way to conduct our store routines and will be rolling this out to all stores

How it's changing

Routines are still being finalised, however below provides an outline on the changes:

- Gap scan will change to seven days a week across Grocery, Fresh and Health & Beauty. GM will fall in line with your GM delivery days with a minimum of two scans per week. The window to complete your scans will also change with all areas being completed before 3pm
- Targeted counts will change to cover the store with a total of 50 lines per day
- Daily Overstock investigation will be completed five days a week
- Close of trade Bakery counts and High Value counts will remain the same
- The following routines will stop altogether:
 - Consumable counts
 - Scheduled Low and Overs
 - Stock Record Movement Review (Day +1 Mismatch Check)
 - Planned counts
- Reporting will focus on the quality of the completed counts and less on compliance, enabling our store managers to decide when it's most effective to complete routines

Key dates

Week	Activity
Week 6	Changes will be communicated to stores via Communications Centre
Week 12	Changes go live

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communicated via Communications Centre prior to launch.

Reducing frequency of range changes.

Selected stores

Contact:

SRD.communications@tesco.com

Project description

We are reducing the amount of layout changes we make in store, so it's easier for customers and reduces the workload for our colleagues, which will mean fewer merchandising hours needed.

Why we're making this change

- We want to make shopping with us even easier and we know moving products around can prove frustrating for customers
- Our colleagues have told us that they want to spend more time with our customers rather than moving products around the store
- This change will also allow us to align the seasonal events and promotional calendar to the Merchandising Schedule to smooth the workload across the year
- There will also be greater flexibility to launch ranges when they are most relevant by keeping to a principle of one in, one out

How it's changing

- We will be reducing the number of range changes across the year by approximately 45%
- This significant reduction means that stores will require less in payroll across the year

Key dates

Week	Activity
Week 50	SRD communicates changes to schedule and routines, including one in, one out: <ul style="list-style-type: none">• Manager in charge of SRD – Communications Centre and Stores Help Centre• Store manager – Retail daily news
Week 51	SRD to communicate new scheduled activities through usual channels (wallchart and department news)
Week 1	New scheduled activities and routines start
Weeks 13/14	Hours reduced takes effect based on scheduled reduction

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communicated via Communications Centre prior to launch.

DATE EMBEDDED BARCODES

Extras and Superstores

Contacts:

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Project description

With the introduction of Date Embedded Barcodes (DEB), when a DEB product is sold the expiry date will be passed to CR allowing better understanding of the stock availability for future orders. This data also helps food waste programme.

Why we're making this change

- Introducing the product expiry date in the barcode across our fresh own label products would mean:
 - Never selling an out-of-date product to customers again
 - Providing our supply base with more accurate demand forecasts
 - Significantly reducing waste through better stock ordering, rotation and reductions
 - Simplify and reduce the routine of potential reduction scan

How it's changing

- Removing Potential Reduction Scan (PRS) on lines that have migrated to DEB
 - To support colleagues in-store there will instead be a 'targeted' PRS on the remaining non-DEB lines in these merchandise groups
 - This is being done with suppliers in a phased approach starting with MFP then Fresh Prepared Foods (Ready Meals) with the aim to go to all own brand fresh products early Tesco Year 2020/

Key dates

Week	Activity
Week 51	Three product pilot (c.140 Scotland stores only)
Weeks 10-36	Rollout for fresh meat non-counter products (all UK stores excluding ROI)
Week 37	Rollout for prepared food products

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communicated from the Communications Centre prior to launch.

Guarding hours and Store Detectives.

Selected Extras and Superstores

Contact:

Guarding.queries@tesco.com

Project description

- A targeted reduction on additional guarding hours for multiple entrance/exit stores
- The removal of store detectives from stores
- Changes to guarding hours in low risk stores where there have been no serious incidents in the previous two years
- Removal of additional guarding hours to support completion of security routines.

Why we're making this change

- We are realigning our security spend to prioritise safety and additional hours will be allocated to optimise return on investment. The annual cost of guarding in a large number of stores exceeds the annual cost to shrinkage
- In low security/safety risk stores that hours allocation will be determined by the shrinkage return on investment
- The model will allow us to flex our requirements as the roll out of transformation projects progress such as Hub and biometrics
- Higher risk stores currently receive additional guarding hours to support with the completion of security routines - hours to complete these are already within the operating model

How it's changing

- All large format stores with multiple customer entrances/exits, will have their additional exit hours removed where they are not critical risk
- Critical risk stores and stores with more than two additional exits will receive additional hours
- Store Detectives will no longer be routinely deployed
- Guarding hours in low security/safety risk stores will be realigned through the Guarding model

Key dates

Week	Activity
Week 4	Changes are communicated to our Guarding suppliers
Week 10	Changes are made within the Guarding Model
Week 12	Affected stores will no longer receive additional hours for multiple entrances

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communicated via Communications Centre prior to launch.

Tesco security guards.

Selected Superstores

Contact:

Guarding.queries@tesco.com

Project description

Following a thorough review, we will reduce security in some of our lower risk stores to enable us to support higher risk stores.

Why we're making this change

We are realigning our security spend to prioritise safety. In our lower risk superstores, where no serious incidents have occurred, we are removing Tesco security hours.

How it's changing

We are removing all Tesco security guard roles from shops that the model doesn't generate hours for. We will continue to support stores following a serious incident, and we will continue to provide our 'darker nights' plan following a robbery.

Key dates

Week	Activity
Week 2	Changes made within the guarding model
Week 8	Changes are communicated to our guarding supplier
Week 12	Stores no longer receive additional guarding hours to support with security routines and Tesco security guards are removed

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communicated Communications Centre prior to launch.

Colleague Room changes.

Extra and Superstore

Contact:

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Project description

A new offer in Colleague Rooms which will see the installation of self-serve kitchen areas including appliances and vending solutions for use during colleague breaks.

Why we're making this change

There has been a significant reduction in the demand for our hot food service in colleague rooms, with an average of only 17% of colleagues using this service. Colleagues needs in this area are changing and we want to introduce a new offer to reflect this.

How it's changing

- New colleague benefits will include year long free fruit from Week 9
- 25% discount at Tesco Cafés from Week 6
- An investment in new appliances for colleagues such as microwaves, toasters, dishwashers and fridges
- Further discounts on some store products will be advertised throughout the year
- A range of free items including free tea and coffee

Key dates

Week	Activity
Week 51	3 rd party colleagues informed by their employer
Week 10	Kitchens closed and made safe through a decommissioning programme
Week 15 onwards	Property refresh programme begins with investments in additional items

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communicated via Communications Centre prior to launch.

Non-food desk closures.

Extra – selected stores only

Contacts:

desktransformationprogramme@tesco.com

Project description

In selected stores where customer demand and traffic is low, we're closing the combined non-food desk and/or clothing desk to simplify our operation. Clothing and electrical returns and non-live high value electrical products will be processed/sold through our Customer Service Desks (CSD).

Why we're making this change

Moving the process to our Customer Service Desks allows us to better utilise time within the CSD model whilst providing a simple and consistent approach for customers.

How it's changing

- The fixed hours from the combined non-food or clothing desk will be removed. An allowance will be added to CSD payroll to reflect the additional workload where required.
- The existing desk and equipment will be removed and the area will be transformed as part of the property development programme. In stores with a combined non-food desk we'll also provide:
 - Storage for non live technology products at the CSD, this will be built if not already available
 - A secure cabinet for Xbox/PS4 games at the checkouts will allow these items to be bought by customers along with the rest of their shop

Key dates

Week	Activity
Week 4	Store Communications and Ideal Base Release via Communications Centre
Week 7	Operational and department briefs sent to stores via Communications Centre
Week 12 - 15	Property works to support the changes will take place on your live week which will be confirmed following a store scoping meeting

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communicated Communications Centre prior to launch.

Non-food desks – hours reduction.

Extra – selected stores only

Contacts:

desktransformationprogramme@tesco.com

Project description

We've reviewed the amount of hours needed to run combined non-food desks and due to a reduction in sales volume in these departments the hours will also reduce.

Why we're making this change

- In the last year there have been considerable changes to our Electrical range and in particular the number of stocked products that we sell non-live has reduced significantly
- To make it fair and consistent, all stores will receive the correct amount of hours required to run their desks

How it's changing

Based on current sales volume all combined non-food desks will be put into one of the categories below.

1. Low Sales - 85 hours
2. Medium Sales - 110 hours
3. High Sales - 140 hours

The Very high Sales category (176 hours) will be removed going forward. In most cases this will result in stores moving down one category, however some stores will not change.

Key dates

Week	Activity
Week 4	Store Communication and Ideal Base Release
Week 7	Operational and department briefs will be sent to stores via Communications Centre
Week 14	Changes go live in store with new hours in place and store to start new structure

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communicated Communications Centre prior to launch.

F&F Nights to Days.

Selected F&F Clothing stores

Contacts:

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Project description

- Selected stores with low sales density will have the night fill operation on clothing moved to days.
- This movement of replenishment into the day will support store operations completing task when needed for our customers

Why we're making this change

- It is no longer cost effective having night replenishment in the selected stores

How it's changing

Stores will be required to move the fill from nights to days.

Key dates

Week	Activity
Week 4	Store Managers communicated via Communications Centre
Week 12	Changes go live

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communicated Communications Centre prior to launch.

Combined Customer Service Desk/Kiosk.

Extras - selected stores

Contacts:

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Project description

We'll be moving from separate Tobacco Kiosks and Customer Service Desks to a combined CSD/Kiosk in s stores.

Why we're making this change

- In many Extra and Superstores we already operate as a Combined CSD and Kiosk, so this will drive consistency across the format while delivering the right level of service to our customers

How it's changing

- In the majority of stores these two areas are already physically combined so this is only a change in the the hours are structured and an update to tills.
- For some stores the desks may require property works to create a new combined area ensuring our colleagues can efficiently man the new combined area
- All tills on the combined CSD/Kiosk will have F11 functionality to allow colleagues to serve customers c every till
- All previous agreed allowances at the Customer Service Desk will remain in place and be transferred t Combined Desk

Key dates

Week	Activity
Week 4	Ideal Base Schedule is released for store
Week 6	Communications sent to service managers via Communications Centre. Your live date will be communicated as part of this.
Weeks 16-26	Property work starts. The property team will contact stores to issues a full programme of w and confirm dates.

Please note this is a summary of when key activities will take place in affected stores. A full activity brief will be communic Communications Centre prior to launch.