

Insights at Tesco's Fresh and Easy

Scottsdale, AZ – February 2008

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Coming Soon to a Neighborhood Near You...



You've heard the saying "be a good neighbor". That is exactly what Tesco's new US Fresh & Easy store is shooting to be. They care about the environment, and are showing this by including energy efficient equipment in their stores and operations. And since they are a neighborhood market, they reduce travel time, recruit from the local area, source fresh produce & meats locally whenever possible, and encourage neighborhood shopping.

Fresh & Easy is a company of Tesco, the UK's largest retailer and one of the world's leading international retailers.

Consumer Insights

RW3's Account Manager Team visited a Scottsdale, AZ Fresh & Easy Neighborhood Market in February 2008. Following is a summary of their collective observations and insights.

What did you find the most interesting/different from a typical chain?

- Interesting contrast between a low end shopping environment (fixtures, signage, etc.) and high end products.
- Very Private Label Oriented. There is not much opportunity for Brand Manufacturers except in Cereal, Beverage and like Categories
- Store layout and signage/displays/shelving didn't give of a "WOW" effect, very bland
- Liked the simplicity of the packaging and the store layout
- Very relaxed shopping experience

How was the variety/selection/freshness?

- Excellent on freshness and variety for the size of the store
- Concern with taste on the private label items
- Good variety of things consumers don't tend to substitute; i.e., Yo Baby Yo gurt and Colgate toothpaste.
- The selection of partially prepared items, i.e., chopped, cleaned, trimmed vegetables, appeals to working moms. They can still prepare fresh home cooked meals for their families without the mess and time to do this preparation.
- Ready-to-cook meals appealed as well as ready-to-cook meats

Did you feel the experience on a day to day basis would be convenient? Was the store laid out well? Could you get in and out quickly?

- ❖ The daily dinner meal needs were highly accessible, with routine items further back - which makes sense.
- ❖ Store was convenient
- ❖ Would shop there as long as they were close to home and the Private Label products tasted good
- ❖ Great prices

Other Comments:

- ❖ Parking spots were interesting; provided up front parking for Handicap, Adults with Children, and Hybrid Cars.
- ❖ Employees were friendly and helpful.

Coming soon to a neighborhood near us?

When you look at our “Insights,” we believe Tesco has done a good job at accomplishing their mission and goal to “ be a good neighbor.” They do care about the environment, as evidenced by their use of efficient lighting and displays, and simple signage - cutting down on paper and ink. The employees were all friendly and helpful. Some agreed that the “blandness” of their branding and signage promoted a lower end store, while others felt it made for a relaxing, easy shopping experience. From a mom with kids, “it was great not to have to read every label to determine if there were trans-fats or hormones in the products.”

Is it a great place to stop and grab a few things for dinner? We say– definitely. Time is a precious commodity and Tesco has recognized that people need products to make their lives easier without having to sacrifice quality or good health. With the rapid change in our society to go green and eat healthy foods with no artificial colors, flavors or added trans-fats, they have definitely arrived at the right time. Fresh and Easy products contain no artificial colors, flavors and no added trans-fats. Fresh should always be this easy.