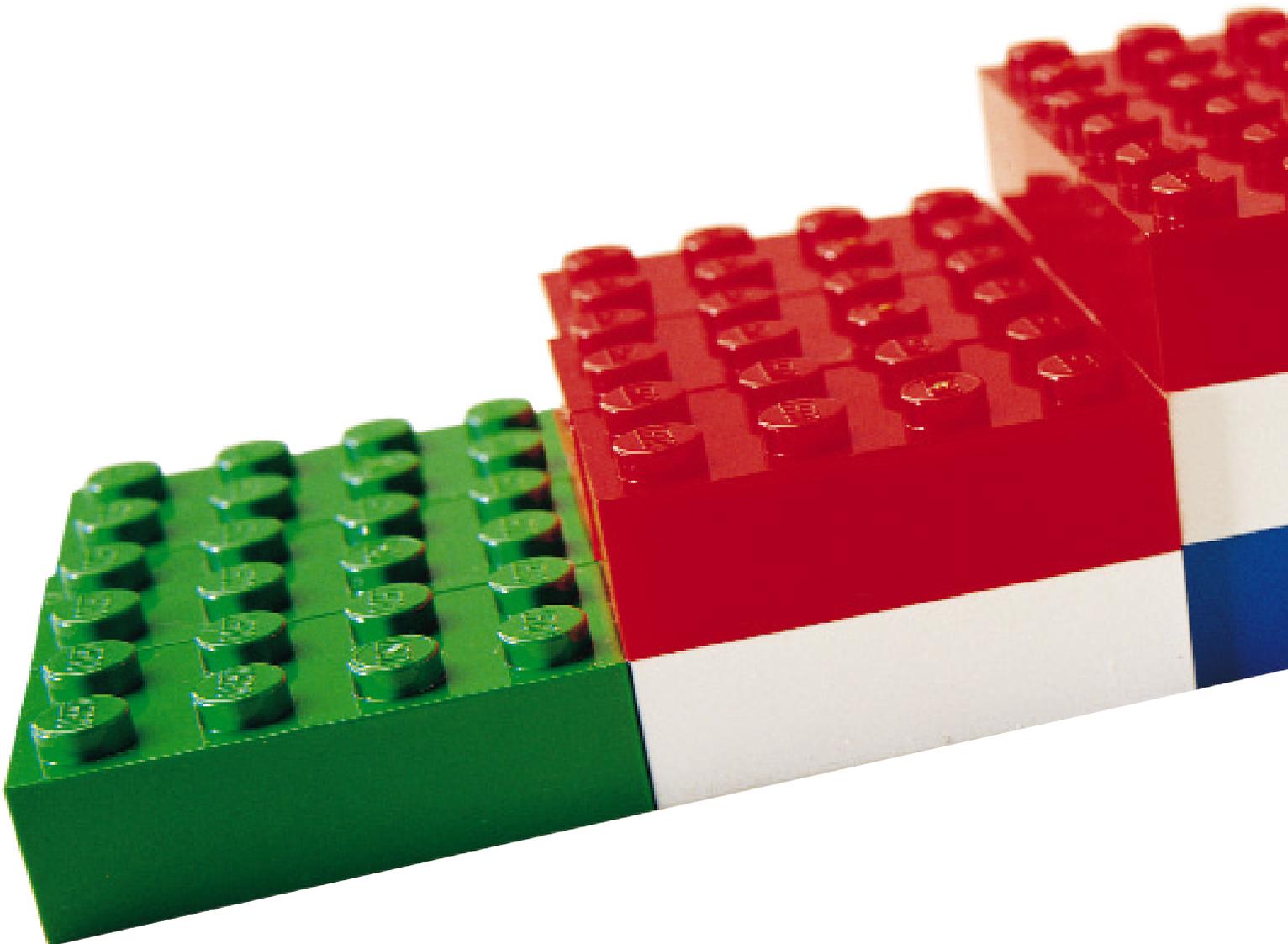


Value

# it's as easy

With Safeway's ABC card, value comes in all shapes and sizes. Whether it's special offers on LEGO toys, offering Price Protected products or Baby Discount schemes, we make sure our customers get the best deal



# as abc





**Triple points means triple value.** Through our ABC card, we offer our value offer, attracts new ABC cardholders, and encourages our

## Sharpening value by Roger Ramsden, Brand Marketing Director



Safeway's value offer is constructed around four elements – Savers' lines, Known Value Items (KVIs), promotions and loyalty initiatives, reinforced by everything we are doing

in our stores to make shopping easier for families.

Safeway has a national pricing policy but, to make sure that customers are not disadvantaged by local competition, we adjust prices locally.

Our value strategy comprises:

- 120 Savers' lines, which represent economy value;
- keen pricing on Known Value Items (KVIs) where we pledge, through our Price Protected initiative, that if a customer finds one of these products cheaper locally, we will give them another one free of charge;
- promotions focused on making fewer but deeper price cuts, linked to Category Management; and
- loyalty initiatives, which offer incentives to specific groups of customers.

During the year, we were particularly successful in our loyalty initiatives. Our Baby Discount scheme, for example, offers ABC card-holding mothers with babies under a year old a 10% discount on their shopping for up to 6 months. It has attracted over 200,000 customers since we launched it two years ago. Similarly, our ABC 'triple points' promotion, which ran from April to October, not only gave

existing customers an incentive to spend more of their grocery shop with us but attracted thousands of new customers into Safeway – many of whom stayed with us after the promotion ended. Recently, we re-introduced our ABC points promotion for 3 months. This time we are offering customers double points on all of their shopping if they spend £200 or more in a month and triple points if they spend over £300. Customers who redeem their points for cash, therefore, automatically receive a discount of up to 3% off all their shopping. If, however, they redeem their points against products, Safeway services or third party offers, they can get up to 35% off the normal price.



In addition, we have a continuing programme of special offers which give our ABC cardholders extraordinarily good value. Details are regularly featured in our Safeway Magazine which, with 3.8 million readers, is now the most popular women's monthly



reward customers who spend money with us. It strengthens existing customers to buy more

magazine in the UK. A particularly successful offer, which ran from September to January, was on three ranges of LEGO toys. One range was aimed at pre-school children and the other two at the 6-10 age group. All were offered free in exchange for ABC points, which ranged from 100 to 2,500 depending on the retail value of the product. Sales from this offer exceeded £1 million in retail value.



**All round family value**

ABC card-holding mothers with babies under a year old can obtain a 10% discount at Safeway for up to six months



**Competitive pricing**

We have 600 Price Protected products, and if a customer finds one of these cheaper locally, we'll give them another one free

