

# Tesco Till Point Marketing

**‘Thank you for  
shopping at  
Tesco today’**

Marketing Society Star Awards 2014  
Submission for Retail (Sector Category 4.6) by Tesco Bank

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**TESCO** Bank

**23m customers pass through Tesco checkouts weekly making it a huge opportunity to communicate. Tesco Bank has led the development of this area from a busy trading led space to a neat and impactful marketing communication zone featuring LCD screens. Focused on longer term brand building messages for Tesco services, successful trials have attracted investment for roll out.**

**You will see this in a Tesco near you soon. Enjoy**

## **It's tough marketing a Bank within a Grocery retail environment.**

Tesco Bank is a Bank aimed at loyal Tesco shoppers. Over 15 million shoppers make 23 million shopping trips to Tesco every week. For Tesco Bank, they all have one thing in common; during that trip not one of them has a Financial Services product on their shopping list.

Then there's the retail environment. A large Tesco store has over thirty thousand different products for sale and around ten thousand different elements of point of sale material. It's not exactly easy to get the features and benefits of a complex financial product across.

Lastly, it's not just suppliers that find it hard to secure space in grocery stores. Even as part of Tesco, it's a real battle for Tesco Bank to get space. Many other deserving categories could generate till sales from additional space (most store managers would rather sell chewing gum than display Bank communication).

### **But the effort is worth it**

Data shows that store presence is hugely important to Tesco Bank. It provides the biggest primary source of awareness for Bank customers. In fact, most Tesco Bank sales journeys start in store. Wow!

### **It's all about communication at the checkout**

Previous Tesco Bank initiatives sought to increase store space with the roll out of Tesco Bank product communication to relevant adjacencies, such as Pet Insurance in the Pet Aisle and Car Insurance at the Petrol Filling Station. This was pretty obvious stuff and was very effective within those areas of store. However, still only one out of five Tesco store shoppers noticed any Bank communication during their shopping trip. And out of those that did, most only noticed it at the checkout. That felt right as it's the point where shoppers have some down time and start thinking about money. It therefore became clear that the priority was to optimise communication at this part of the shopper journey.



## But it needs to be done better

Although Tesco had good customer insight regarding purchasing behaviour around the store, there was very little knowledge about how shoppers behave at the till point. What are they thinking about? And, what type of messaging might be relevant at that point of the shopping journey. We had no idea.

**In the early part of 2013, a large piece of shopper behavioural research was undertaken.**

**5 focus groups, 30 interviews and over 400 customer observations were undertaken.**

**Some great insight came out.**



Examples of typical customer experiences at checkout.

### Finding 1

**Customers are in a different mind-set at the checkout vs the rest of their shopping mission**

At the checkout, customers are exhausted, busy, thinking ahead and mentally left the store already

...method of communication at checkout needs to be different to other parts of store

### Finding 2

**Existing checkout communication isn't getting cut through**

Customers told us that, at the checkout, there is too much communication, its confusing, can sometimes look out of date and often feel irrelevant to them

...to achieve cut through, communication needs to be more logical, more relevant, updated more frequently, and above all, more impactful

### Finding 3

**Customers are open to receiving relevant communication**

Customers told us that, at the checkout, there are periods of calm, they want pro-active/engaging communication and that they trust and even expect Tesco to do this.

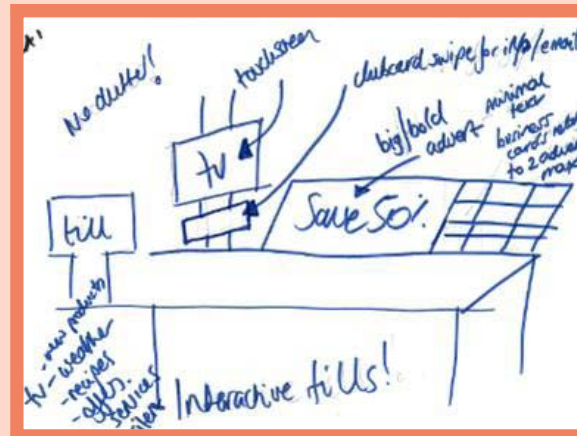
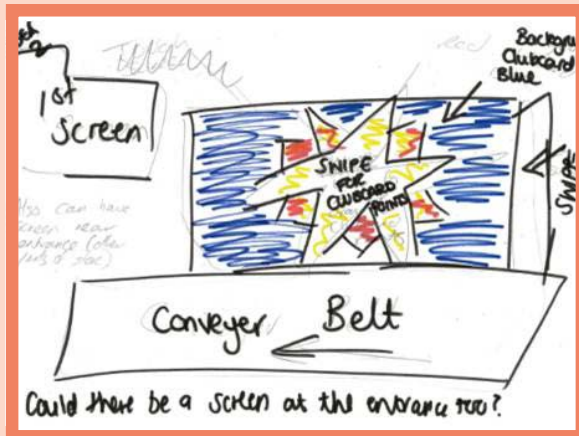
...customers want engaging communication at the till point

**Customers had just given a very clear brief of what was required...  
and they even drew how they wanted to receive it for us!**

## The method of communication required was clear

Screens were universally suggested by customers and fitted the bill in terms of modernity and impact. However, a standard dimension wide screen LCD would have left the checkout area too high and still feeling cluttered. A new 'ultra wide' screen was therefore sourced. This fitted the available space perfectly and left space for some POS materials which shoppers told us they still wanted.

Remote delivery of media to the screens was also specified to enable communication to be updated frequently, store specific messages to be communicated and also to ensure store colleagues had no additional responsibilities.



Examples of customer drawings.

## The communication idea was a step change for Tesco (and would be for any other supermarket)

A central advertising idea was created to ensure any comms included was aligned to shopper and business requirements:

**“Thank you for shopping at Tesco Today, are you aware that Tesco does these other services”**

This meant that communication would be in a polite, softer than normal manner. It meant that merchandise available in the store wouldn't be referenced at all. It wasn't for trading! Only 'out of store' or till point 'services', or those which were relevant at the checkout, would be included. The services which were therefore relevant were:

**Price Promise:** Tesco's central price proposition – which is relevant at the till

**Clubcard:** Tesco's central loyalty device - which is relevant at the till

**Tesco Clubcard Credit Card:** Which can help you get more Clubcard points

**Other Tesco financial products:** Which offer Clubcard holders even better value – apply at home

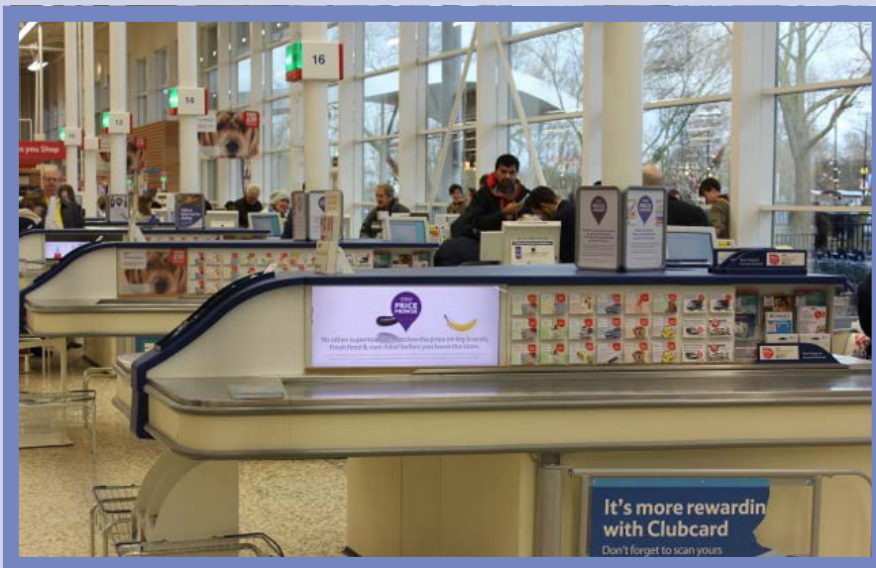
**Grocery Delivery:** Why stand in this queue? Get it delivered next time!

**Tesco Direct / Click and Collect:** There are thousands products, which aren't available in this store but you can order at home

**Tesco Mobile:** You can top your mobile up here at the till

It was also proposed that some local content be included. The most popular idea for this, unsurprisingly in the UK, was a local weather forecast!

It was also key that messages felt like one natural piece of communication, not a collage of unrelated ads. Latest (evolving) thinking behind Tesco creative was therefore used to ensure consistency through the communication.



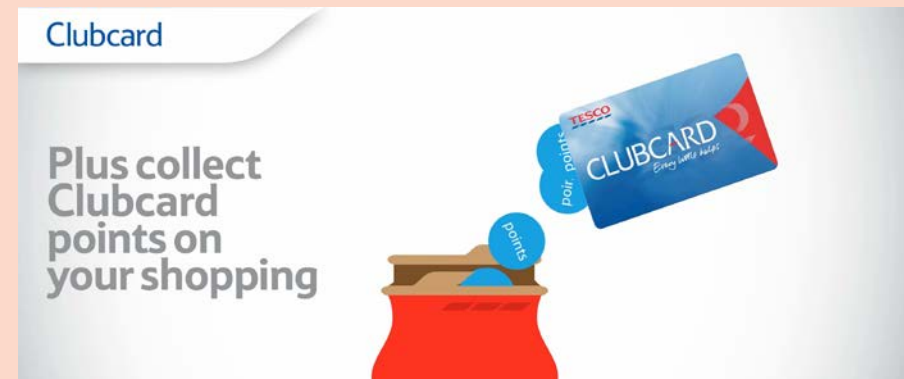
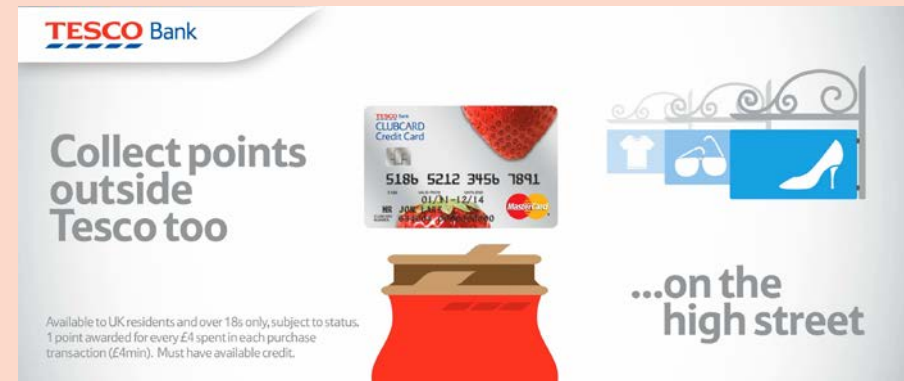
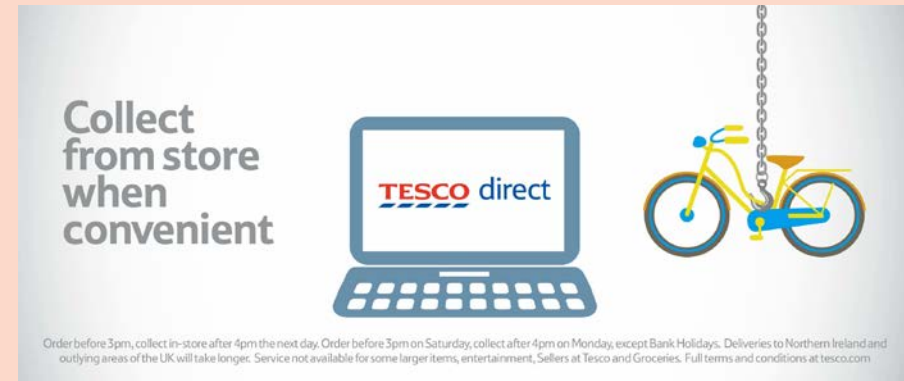


## Initial trials saw key customer measures double!

Initial trials of the screen were installed onto half the checkouts at the Tesco store in Corpstorphine, Edinburgh in April 13. The screens were installed into new, ergonomic till units which opened up the till area, leaving them brighter. Customer response was measured over a period of 12 weeks and the results were excellent.

Customer awareness of Point of Sale doubled. Customer awareness and consideration of the featured services double also. For example, at a standard checkout, 22% of customers notice Tesco Bank POS, that rose to 42%. Those that would consider Tesco Bank as a provider of Financial Services rose from 9% to 18%. Qualitative measures were also positive with customers describing the units as 'a great improvement' and 'far more modern'.

As well as good customer feedback, there was a great response from the Tesco UK board, and also from Philip Clarke (Group CEO), who were shown the units during a visit to Edinburgh in May. The recommendation was to proceed with the trials and integrate into a wider piece of Tesco store redesign work.



Example screen shots.

## Wider trials equally successful and National roll out agreed

When Tesco opened its latest showcase store in Watford in August 13, one of the key features was the inclusion of the LCD screens at checkouts. Following more positive results from customer insight and a costing exercise, it was agreed that these new till units and screens were to become part of Tesco's standard store refit, rolling out to a further 200 stores by the end of 2015.

A multi million pound budget to fund the roll out and manage the marketing content on-going was agreed. And, Tesco Bank Marketing department was chosen to lead the other Tesco marketing departments on the on-going management of screen content.

### Summary

This activity has produced a retail marketing execution which has changed how Tesco views the roll of in store marketing. The new checkouts and LCD screens have switched the focus at till point from short term impulse sales to one of long term brand building for Tesco and some of its services. In a pressurised retail business, this activity championed the views of the shopper – the only people that really matter.

**“This shows  
brilliantly what the  
checkouts should  
be used for”**

Chris Bush  
Tesco UK Managing Director

**“This is something  
we as a business must  
find funding for to  
roll out nationally”**

David Woods  
Tesco UK Marketing Director