Third year of strong consistent growth

With the launch of SPAR in four new countries, combined with a growth of 335 new stores and a sales increase of 5.4% to €35.8 billion, 2018 has been another exceptionally strong year for SPAR. The third year of our five-year SPAR ‘Better Together’ strategy delivered again for the organisation, our partners and our customers. Launched in 2016, the strategy represents SPAR’s core ethos of uniting together the global scale and resources of the SPAR network so that all shall benefit.

In 2018 we maintained our solid rate of growth across the business, recording growth of 5.4%, that being a compound annual growth of over 5.2% over the last three years. Expansion in stores numbers driven by new store openings in both mature and developing markets saw SPAR grow its presence to 7,441,838m² across 13,112 stores in 48 countries worldwide. Our purpose has been to grow our brand, our presence and our partners by enhancing the competitiveness, productivity and profitability of our retail and wholesale partners worldwide.

The strength of our international network allows SPAR to leverage global benefits whilst simultaneously integrating ourselves in the local communities we serve. This strong network of SPAR Partners and their supply chains across four continents gives SPAR competitive advantages in an increasingly global marketplace.

SPAR’s strong growth and expansion has been driven by the responsiveness of our retailers in placing the customer at the heart of everything that we do. Our customer centric approach includes the complete value and supply chain, enhancing the productivity of our distribution and supply chain operations, which in turn ensures our retail stores are supported, so that they can truly focus on our customers. This has been a key success of SPAR since it was founded in 1932 and is very much part of its success today.

“SPAR is unique. Our strong network of SPAR Partners across four continents means that we operate in a truly global marketplace whilst being firmly rooted in the local communities we serve.”

Tobias Wasmuth, Managing Director, SPAR International

Managing Director’s Report

2018 Overview

€35.8 billion

5.4% growth

€4,809

average annual sales per m²

13,112 stores

13.5 million customers per day

7,441,838m²

13.5 million in retail sales area

335 new stores

568 average store size

350,000 SPAR colleagues

310,000 retail & wholesale partners

246 distribution centres

48 countries

2,460 million retail & wholesale partners

105 million

105 retail & wholesale partners

M²

M²
Managing Director's Report

Caucasus region. Both have benefited and growth in this format. Underpinning this trend continues to drive in our retail stores whilst the neighbourhood format has led to consistently this trend and the resulting modernised sustainable store design.

Central and Eastern Europe

Central and Eastern Europe was the regional growth leader for SPAR worldwide for the second year in a row, with 11.9% growth. Across this region, SPAR maintained strong growth of 4.6% in 2018. In Western Ukraine in 2017, generating turnover at almost €5 million in Belarus and €6.5 million in Western Europe in 2016.

Africa

Africa and The Middle East

SPAR is an established presence in 15 countries across Africa and The Middle East. Across this region, SPAR maintained strong growth of 4.6% in 2018. In 2018 annual GLOBAL SALES in billion €35.8

In Western Europe

In 2018, this region, SPAR maintained strong growth of 4.6% in 2018. The utilisation of the latest technology is not optional. SPAR’s versatility. By working with SPAR, trading conditions and political instability created challenges in Africa but many of our expectations, SPAR China is increasingly at the forefront of international retail best practice with a real understanding of local customer expectations. The resulting tailored offering is delivered to customers in highly modern supply chain with 12 state-of-the-art distribution centres, and six central production centres across China.

Asia Pacific

In 2018, SPAR grew its presence in Asia with the addition of the opening of SPAR in Sri Lanka. SPAR now has a presence in seven Asia Pacific countries, with 573 stores and 1,014,675 m² in retail sales area achieving €1.96 billion in sales. SPAR’s China footprint in 2018 accounted for an impressive 8.1% of sales and €1.5 billion with particularly strong growth in the Shandong, Shanghai and Guangdong provinces.

Understanding the local customer and their expectations, SPAR China is at the cutting edge of retail technology. Innovation includes the use of face recognition technology and engagement with customers through mobile applications, including scan & go, order fulfillment and the latest transactions being conducted by mobile payment. The utilisation of the latest technology is not limited to the shop floor but extends to SPAR China’s investment in its highly modern supply chain with 12 state-of-the-art distribution centres, and six central production centres across China. SPAR India has ramped up expansion with the opening of 532 Spar hypermarkets in 2018, which has been an important driver of growth. Sales grew by 24.5% to €179 million. An important development has also seen the brand deepen its retail performance through the opening of stores in next tier cities. Since launching in 2016, SPAR Thailand has expanded its to 12 state of the art distribution centres, and six central production centres across China. SPAR India has ramped up expansion with the opening of 532 Spar hypermarkets in 2018, which has been an important driver of growth. Sales grew by 24.5% to €179 million. An important development has also seen the brand deepen its retail performance through the opening of stores in next tier cities. Since launching in 2016, SPAR Thailand has expanded its

The utilisation of the latest technology is not optional. SPAR’s versatility. By working with SPAR, trading conditions and political instability created challenges in Africa but many of our expectations, SPAR China is increasingly at the forefront of international retail best practice with a real understanding of local customer expectations. The resulting tailored offering is delivered to customers in highly modern supply chain with 12 state-of-the-art distribution centres, and six central production centres across China. SPAR India has ramped up expansion with the opening of 532 Spar hypermarkets in 2018, which has been an important driver of growth. Sales grew by 24.5% to €179 million. An important development has also seen the brand deepen its retail performance through the opening of stores in next tier cities. Since launching in 2016, SPAR Thailand has expanded its

The utilisation of the latest technology is not optional. SPAR’s versatility. By working with SPAR, trading conditions and political instability created challenges in Africa but many of our expectations, SPAR China is increasingly at the forefront of international retail best practice with a real understanding of local customer expectations. The resulting tailored offering is delivered to customers in highly modern supply chain with 12 state-of-the-art distribution centres, and six central production centres across China. SPAR India has ramped up expansion with the opening of 532 Spar hypermarkets in 2018, which has been an important driver of growth. Sales grew by 24.5% to €179 million. An important development has also seen the brand deepen its retail performance through the opening of stores in next tier cities.
**OUR GOALS**

1. **Lead and Innovate with New and Fresh Concepts.**
2. **Fast Track Development of Regional Retailing.**
3. **Provide Insights and Resources to Our Partners Worldwide.**
4. **Grow and Develop Our SPAR People Globally.**

**SCOPE OF SERVICES**

- Targeted growth through **Expansion**
- Leveraging our scale in **Procurement**
- Generating value through **Better Buying**
- Collaboration in our **Supply Chain**
- Investing together in our **Brand**
- Growing our **People** through building an inspirational and people-centric **Workforce**
- Building the contributions **SPAR** makes as a **Responsible Retailer**
- Sustaining our positive activity through **Innovations**

**OUR PURPOSE**

1. To grow our brand experience and our partners’ brand experience, to enhance the competitiveness, productivity and profitability of our retail and wholesale partners worldwide.
2. To work on the development of the global brand strategy jointly.

**GROWTH MODEL**

1. **Grow Our People**
2. **Grow Our Profits**
3. **Grow Our Presence**
4. **Leverage Our Services**
5. **Harness Scale & Resources**
6. **Reinvest Value Generation**

**OUR FUTURE**

- Investment of over €660 million in expansion has been placed to benefit from the forecasted strong retail trends and productivity. With new regional SPAR Partner license agreements signed at the end of 2018, both China and Russia shall see continued expansion through three new partners as well as with existing partners. A further two new license agreements have been agreed for the expansion of SPAR in Central and Eastern Europe. Looking to the future and further ahead, plans are at an advanced stage for international joint buying and procurement and a further strategic objective is to accelerate this progress by further harnessing our international scale, competiveness, productivity and profitability.

**OUR NETWORK**

- **INTERNATIONAL:**
  - Scope of services
  - Leveraging our scale in procurement
  - Collaboration in our supply chain
  - Invest together in our brand
  - Grow our people through building an inspirational and people-centric workforce
  - Building the contributions SPAR makes as a responsible retailer by embedding our local activism through international call.

**SPAR INTERNATIONAL BOARD**

The SPAR International Board supports the development of the global brand strategy jointly with SPAR International, providing strategic oversight and guidance. The Board members draw on their own market strategies when assisting in developing priorities for the delivery of the long-term strategic objectives which underpin the ever-changing marketplace.

The Board meet four times a year to review both our future plans. Each year, the Board is joined by the International SPAR Guild, which brings together retailer members by comparing and sharing knowledge of the brand and of the industry and knowledge of the brand and of the industry and to drive global growth and success both now and for the future.

**THE BOARD MEMBERS BUILD ON THEIR EXTENSIVE KNOWLEDGE OF THE BRAND AND OF THE INDUSTRY TO DRIVE GLOBAL GROWTH AND SUCCESS BOTH NOW AND FOR THE FUTURE**

**OUR PURPOSE**

1. To grow our brand experience and our partners’ brand experience, to enhance the competitiveness, productivity and profitability of our retail and wholesale partners worldwide.
2. To work on the development of the global brand strategy jointly.

**GROWTH MODEL**

1. **Grow Our People**
2. **Grow Our Profits**
3. **Grow Our Presence**
4. **Leverage Our Services**
5. **Harness Scale & Resources**
6. **Reinvest Value Generation**

**OUR FUTURE**

- Investment of over €660 million in expansion has been placed to benefit from the forecasted strong retail trends and productivity. With new regional SPAR Partner license agreements signed at the end of 2018, both China and Russia shall see continued expansion through three new partners as well as with existing partners. A further two new license agreements have been agreed for the expansion of SPAR in Central and Eastern Europe. Looking to the future and further ahead, plans are at an advanced stage for international joint buying and procurement and a further strategic objective is to accelerate this progress by further harnessing our international scale, competiveness, productivity and profitability.

**OUR NETWORK**

- **INTERNATIONAL:**
  - Scope of services
  - Leveraging our scale in procurement
  - Collaboration in our supply chain
  - Invest together in our brand
  - Grow our people through building an inspirational and people-centric workforce
  - Building the contributions SPAR makes as a responsible retailer by embedding our local activism through international call.

**SPAR INTERNATIONAL BOARD**

The SPAR International Board supports the development of the global brand strategy jointly with SPAR International, providing strategic oversight and guidance. The Board members draw on their own market strategies when assisting in developing priorities for the delivery of the long-term strategic objectives which underpin the ever-changing marketplace.

The Board meet four times a year to review both our future plans. Each year, the Board is joined by the International SPAR Guild, which brings together retailer members by comparing and sharing knowledge of the brand and of the industry and knowledge of the brand and of the industry and to drive global growth and success both now and for the future.

**THE BOARD MEMBERS BUILD ON THEIR EXTENSIVE KNOWLEDGE OF THE BRAND AND OF THE INDUSTRY TO DRIVE GLOBAL GROWTH AND SUCCESS BOTH NOW AND FOR THE FUTURE**

**OUR PURPOSE**

1. To grow our brand experience and our partners’ brand experience, to enhance the competitiveness, productivity and profitability of our retail and wholesale partners worldwide.
2. To work on the development of the global brand strategy jointly.

**GROWTH MODEL**

1. **Grow Our People**
2. **Grow Our Profits**
3. **Grow Our Presence**
4. **Leverage Our Services**
5. **Harness Scale & Resources**
6. **Reinvest Value Generation**

**OUR FUTURE**

- Investment of over €660 million in expansion has been placed to benefit from the forecasted strong retail trends and productivity. With new regional SPAR Partner license agreements signed at the end of 2018, both China and Russia shall see continued expansion through three new partners as well as with existing partners. A further two new license agreements have been agreed for the expansion of SPAR in Central and Eastern Europe. Looking to the future and further ahead, plans are at an advanced stage for international joint buying and procurement and a further strategic objective is to accelerate this progress by further harnessing our international scale, competiveness, productivity and profitability.

**OUR NETWORK**

- **INTERNATIONAL:**
  - Scope of services
  - Leveraging our scale in procurement
  - Collaboration in our supply chain
  - Invest together in our brand
  - Grow our people through building an inspirational and people-centric workforce
  - Building the contributions SPAR makes as a responsible retailer by embedding our local activism through international call.

**SPAR INTERNATIONAL BOARD**

The SPAR International Board supports the development of the global brand strategy jointly with SPAR International, providing strategic oversight and guidance. The Board members draw on their own market strategies when assisting in developing priorities for the delivery of the long-term strategic objectives which underpin the ever-changing marketplace.

The Board meet four times a year to review both our future plans. Each year, the Board is joined by the International SPAR Guild, which brings together retailer members by comparing and sharing knowledge of the brand and of the industry and knowledge of the brand and of the industry and to drive global growth and success both now and for the future.

**THE BOARD MEMBERS BUILD ON THEIR EXTENSIVE KNOWLEDGE OF THE BRAND AND OF THE INDUSTRY TO DRIVE GLOBAL GROWTH AND SUCCESS BOTH NOW AND FOR THE FUTURE**

**OUR PURPOSE**

1. To grow our brand experience and our partners’ brand experience, to enhance the competitiveness, productivity and profitability of our retail and wholesale partners worldwide.
2. To work on the development of the global brand strategy jointly.

**GROWTH MODEL**

1. **Grow Our People**
2. **Grow Our Profits**
3. **Grow Our Presence**
4. **Leverage Our Services**
5. **Harness Scale & Resources**
6. **Reinvest Value Generation**

**OUR FUTURE**

- Investment of over €660 million in expansion has been placed to benefit from the forecasted strong retail trends and productivity. With new regional SPAR Partner license agreements signed at the end of 2018, both China and Russia shall see continued expansion through three new partners as well as with existing partners. A further two new license agreements have been agreed for the expansion of SPAR in Central and Eastern Europe. Looking to the future and further ahead, plans are at an advanced stage for international joint buying and procurement and a further strategic objective is to accelerate this progress by further harnessing our international scale, competiveness, productivity and profitability.

**OUR NETWORK**

- **INTERNATIONAL:**
  - Scope of services
  - Leveraging our scale in procurement
  - Collaboration in our supply chain
  - Invest together in our brand
  - Grow our people through building an inspirational and people-centric workforce
  - Building the contributions SPAR makes as a responsible retailer by embedding our local activism through international call.
Expansion

NEW STORES OPENED IN 2018, ACROSS ALL SPAR FORMATS

335

2018 saw SPAR launch successfully in four new countries: Sri Lanka, Greece, Malta and Cyprus. This growth, continuing the momentum of expansion at SPAR International, builds on the successes of 2016 and 2017 where SPAR launched and opened stores in Thailand, Qatar, Saudi Arabia, Pakistan, Belarus and Ukraine. It is a trend we expect to continue into 2019.

A key driver of this growth is SPAR’s multiple formats which allow Partners to size and scale in accordance with their customers’ needs, trends and demands which are unique to each market. The range of formats spans the full breadth of hyperlocal convenience and large format supermarkets with SPAR equipped to support partners at every size.

The diversity of new country development now features effective partnerships and approved applications from well-established FMCG food manufacturers, distributors and agents, petroleum companies, fresh food processing industries and more recently buying unions where independent supermarkets are cooperating to source better terms, conditions, supplier support, partnerships and pricing. This new range of partnerships is an exciting development for SPAR International and our partners.

New SPAR Partner Diversity

Great examples of the new diversity of SPAR Partners are recent developments in the Mediterranean countries of Cyprus, Malta and Greece.

SPAR Cyprus successfully opened a new supermarket in September 2018 in Larnaca. Our partner Ermes Group is Cyprus’ largest retail company, a market leader in clothing, cosmetics, DIY and consumer electronics. The largest FMCG distributor in Cyprus, Ermes is now in discussion with multiple independent retailers and buying groups on cooperation, with ambitious plans for growth.

SPAR Greece opened 10 supermarkets in 2018 and has ambitions to open over 300 stores in the next three years. Our partner SPAR Hellas is a strategic relationship between SPAR Hellas and the ASTERAS buying union and within the next three years, ASTERAS will convert most of its existing 200 stores to the SPAR Brand.

SPAR’s rapid expansion is also driven by the diversity, flexibility and entrepreneurship of our new SPAR Partners. Historically, SPAR licence applications were received by the traditional supermarket developer’s trading model and applicants were existing food retailers wishing to expand and develop modern SPAR formats in their respective countries.

It is a trend we expect to continue into 2019. A key driver of this growth is SPAR’s multiple formats which allow Partners to size and scale in accordance with their customers’ needs, trends and demands which are unique to each market. The range of formats spans the full breadth of hyperlocal convenience and large format supermarkets with SPAR equipped to support partners at every size.

The diversity of new country development now features effective partnerships and approved applications from well-established FMCG food manufacturers, distributors and agents, petroleum companies, fresh food processing industries and more recently buying unions where independent supermarkets are cooperating to source better terms, conditions, supplier support, partnerships and pricing. This new range of partnerships is an exciting development for SPAR International and our partners.

New SPAR Partner Diversity

Great examples of the new diversity of SPAR Partners are recent developments in the Mediterranean countries of Cyprus, Malta and Greece.

SPAR Cyprus successfully opened a new supermarket in September 2018 in Larnaca. Our partner Ermes Group is Cyprus’ largest retail company, a market leader in clothing, cosmetics, DIY and consumer electronics. The largest FMCG distributor in Cyprus, Ermes is now in discussion with multiple independent retailers and buying groups on cooperation, with ambitious plans for growth.

SPAR Greece opened 10 supermarkets in 2018 and has ambitions to open over 300 stores in the next three years. Our partner SPAR Hellas is a strategic relationship between SPAR Hellas and the ASTERAS buying union and within the next three years, ASTERAS will convert most of its existing 200 stores to the SPAR Brand.

Collaboration on own-brand development, import and supply partnerships with neighbouring SPAR Countries has also enabled the successful launch of SPAR in Greece enabling independent retailers to compete against global and international chains in the country. Clear evidence of the SPAR Better Together strategy in action.

Lastly, SPAR Malta successfully opened two stores in 2018 with further store openings planned by the end of 2020. Our partner Azzopardi Group is a long-established business established for over 30 years. Azzopardi’s entry into supermarket retailing in Malta with SPAR is a strategic move that recognises the retail opportunity in the market.

SALES GROWTH ACHIEVED DURING THE THREE YEARS OF THE ‘BETTER TOGETHER’ STRATEGY

16.4%

SPAR International Annual Review 2018 11
SPAR in the Middle East, Western and South East Asia, Fresh Thinking

SPAR continued to grow steadily in the Middle East and Western Asia in 2018. SPAR Saudi Arabia now operates five large modern supermarkets in Riyadh and achieved total sales of €32.17 million in 2018. SPAR Saudi Arabia now plans national expansion through both company owned stores and through working with independent retailers. Working with SPAR, Saudi Arabia can tailor and adapt their retail offering from hyper compacts to large supermarkets and meet the needs of their customers.

SPAR United Arab Emirates now operates over 30 supermarkets in the country. Four world class new supermarkets were successfully launched in 2018 including an extensive 8,000m² multi format SPAR stores were successfully meet the needs of their customers.

SPAR Pakistan has begun its journey with two stores. Both stores successfully opened in Karachi that emphasise the SPAR freshness offering with sandwiches, coffee, pizza, excellent meat and fruit and vegetables available nationally.

SPAR India now operates 24 large format and compact hypermarkets across India achieving excellent growth in 2018. 2018 saw the launch of several innovations including 3D station “Design Your Home”, children’s games and art area “Fun Station”, “Product and Location Finders” instead at key points, Self-Checkout and Assisted Checkouts where customers can pay quickly and conveniently. In line with today’s focus on environmental impact and energy costs, SPAR India remodels and increases mobile application provides information quickly and easily on stock availability, promotions, sales and price changes for its customers.

SPAR Sri Lanka partner Ceylon Biscuits Limited opened their first store, SPAR Thalawathugoda, in April 2018. This store set new standards and established themselves as a modern supermarket with a local feel. The store is developed 1,000m² – 1,800m² standalone and in key locations.

SPAR Oman continues its strong growth with 30 stores of which 15 are independent retailers and sales of over €51 million in 2018. SPAR Qatar now operates three premium stores; Doha hypermarket and two supermarkets, leading the industry in standards, range, quality and service in fresh foods.

Freshness, Innovation and Technology

A common theme throughout the Middle East stores is food service, innovation and quality. SPAR launched a fresh kitchen area which is a unique to the market, bringing a modern multi-channel retailing and strong customer engagement.

As in Southern Europe and Asia, the focus for our Eastern European partners in Belarus and Ukraine is bringing modern, convenient retail formats to their customers with particular emphasis on excellence in fresh foods and food service. SPAR Ukraine (Kiev) now has a total of 17 stores with a total trading area of 4,774m². SPAR Belarus now operates three stores, both SPAR and EUROSPAR, with a combined trading area of 2,312m². Development plans are in place to open a further 24 stores in the country. The EUROSPAR stores are trading very strongly and have raised the standards and customer proposition.

Both SPAR Russia and SPAR Belarus have had strong growth this year. In particular, they have developed 1,200+ – 1,300+ metre square modern supermarkets in Moscow and in Pskov and Minsk Belarus in 2018.

Customers are being attracted to SPAR Own Brand across all the grocery categories, which mean SPAR Own Brand contributes to over 14% of store sales.

Fresh formats: healthy delivery, fresh produce, food to go, cafes, leisure sales and sports, patisseries and coffee in a strong wire proposition of promotion and special offers create a compelling customer proposition.

SPAR Middle East, West and South East Asia, Fresh Thinking

SPAR Oman increased its global sales area by 470,864m² in 2018.

SPAR UK and Ireland increased its sales area by 470,864m² in 2018.

SPAR UK and Ireland increased its sales area by 470,864m² in 2018.
As we develop the SPAR Brand globally, with established partners as well as new and emerging markets, we continue to place the customer at the heart of everything we do. We stand out as leaders in global convenience retail because we create customer-centric solutions from the beginning to the end of the value chain. This adaptability to customers’ needs, and focus on hyperlocal requirements, results in better customer engagement, improved customer connectivity and an enhanced customer shopping experience overall.

Multi-Format Strategy
2018 was a hugely positive year for SPAR. Strong performance was underpinned by a multi-format strategy, which has enabled SPAR to defy the negative trends experienced in the wider retail sector and deliver another year of exceptional growth.

The four retail formats offered by SPAR are SPAR – the local neighbourhood supermarket, EUROSPAR – the large supermarket for weekly family shopping, INTERSPAR – the hypermarket format, and SPAR Express – the small format for transit locations. Together, they provide SPAR Partners with the flexibility required to meet the collective needs of all customers all over the world.

Providing our SPAR Partners with access to multiple formats, international concepts and new innovative retail developments, is a core aspect of our retail scope of service. This collaboration supports both established partners and new partners with new-build projects, format development, store design, international best practice, knowledge sharing, category innovations and a range of new retail initiatives that help to grow their businesses – a key component of our SPAR Better Together strategy.

SPAR Neighbourhood Revival
The strength of the SPAR Brand has been built up over time. Critical to its success has been the importance of proximity retailing and the visibility of the SPAR Brand in local communities. Over a number of years, we have witnessed a Neighbourhood Revival. Many SPAR Partners, including Norway, Denmark, The Netherlands, France and Ireland, have undertaken strategic reviews of the SPAR supermarket format, utilising global best practice and tools shared by SPAR International. This ongoing collaborative and customer-centric focus ensures that SPAR customers are provided with a world-class shopping experience that meets their changing needs.

SPAR International worked closely with SPAR Ireland on a strategic review of the SPAR Brand. The desire was to build on SPAR’s existing strong market share in Ireland by driving the business even further and providing solutions that transform the convenience sector. As a result, four store profiles were identified: Lifestyle, Market, My Usual and Everyday Needs. A core ‘Look & Feel’ was created for each utilising common design elements. However, the macro space allocation is specific to each profile and tailored to the needs of the shopper.
Sharing International Best Practice

The SPR Express format was launched in the first half of 2018 as a new concept to cater to customers’ on-the-go needs. The format targets customers purchasing online – especially for electronics, fashion and alternative channels as shoppers move to buy at home. Services for delivery and collection have been adapted to relevant markets. In Asian countries, the compact INTERSPAR Hypermarket solution has been implemented into six SPAR countries. This fuel retailing knowledge and expertise regarding changing shopper behaviour has been shared with SPAR Partners in line with a customer-centric focus, the SPAR Bake-Off solution can be adapted little presence in. In line with a customer-centric focus, the SPAR Bake-Off solution can be adapted to suit different formats and customer needs. In all SPAR markets, we gain familiarity with local customs and consumer trends which allows us to meet customs where they are, provide the retail services they need and exceed their expectations at every brand touch point. Placing the customer at the heart of everything we do, it helps bolster SPAR brand ambassadors and strategically positions SPAR for continued global expansion.

Placing the Customer at the Heart of Everything We Do

With a renewed focus on the importance of selection and the way it shapes customer journeys, INTERSPAR Terlizzi marks the beginning of a new way for us to view hypermarkets.

Pippo Cannillo, SPAR Maiora, Italy

Family Focused

The shopper desire to purchase a wide variety of products at a supermarket has supported the growth of the INTERSPAR format - aimed at providing solutions for family weekly shopping. This has been very evident in Norway where independent retailers have revitalised their EUROSPAR supermarkets as part of a nationwide refurbishment process driven by SPAR Norway. Interestingly, the compact INTERSPAR Hypermarket solution has allowed them to compete in a market of fresh bakery that they previously had little presence in. In line with a customer-centric focus, the SPAR Bake-Off solution can be adapted to suit different formats and customer needs. In all SPAR markets, we gain familiarity with local customs and consumer trends which allows us to meet customs where they are, provide the retail services they need and exceed their expectations at every brand touch point. Placing the customer at the heart of everything we do, it helps bolster SPAR brand ambassadors and strategically positions SPAR for continued global expansion.

Partner Maiora, the licence holder for central and southern Italy, with the development of a new FAMILY FOCUSED

Customer Focused

In 2018, SPAR International supported SPAR Partners with the implementation of the innovative方圆 Bake-Off solution. This full-service solution has been shared with SPAR countries. Long-standing partner SPAR Northern Ireland, successfully brought the solution to life by trialling it in EUROSPAR Lagan Valley and ROSMOMI Railwhites where it is the first section in Ireland.

Food-To-Go propositions. The implementations were coupled with new product development and the project was a cross-company, inter-departmental team effort. The full-service Food-To-Go proposition has allowed them to compete in a market of fresh bakery that they previously had little presence in. In line with a customer-centric focus, the SPAR Bake-Off solution can be adapted to suit different formats and customer needs. In all SPAR markets, we gain familiarity with local customs and consumer trends which allows us to meet customs where they are, provide the retail services they need and exceed their expectations at every brand touch point. Placing the customer at the heart of everything we do, it helps bolster SPAR brand ambassadors and strategically positions SPAR for continued global expansion.

Family Focused

The shopper desire to purchase a wide variety of products at a supermarket has supported the growth of the INTERSPAR format - aimed at providing solutions for family weekly shopping. This has been very evident in Norway where independent retailers have revitalised their EUROSPAR supermarkets as part of a nationwide refurbishment process driven by SPAR Norway. Interestingly, the compact INTERSPAR Hypermarket solution has allowed them to compete in a market of fresh bakery that they previously had little presence in. In line with a customer-centric focus, the SPAR Bake-Off solution can be adapted to suit different formats and customer needs. In all SPAR markets, we gain familiarity with local customs and consumer trends which allows us to meet customs where they are, provide the retail services they need and exceed their expectations at every brand touch point. Placing the customer at the heart of everything we do, it helps bolster SPAR brand ambassadors and strategically positions SPAR for continued global expansion.

Partner Maiora, the licence holder for central and southern Italy, with the development of a new FAMILY FOCUSED

Customer Focused

In 2018, SPAR International supported SPAR Partners with the implementation of the innovative方圆 Bake-Off solution. This full-service solution has been shared with SPAR countries. Long-standing partner SPAR Northern Ireland, successfully brought the solution to life by trialling it in EUROSPAR Lagan Valley and ROSMOMI Railwhites where it is the first section in Ireland.

Food-To-Go propositions. The implementations were coupled with new product development and the project was a cross-company, inter-departmental team effort. The full-service Food-To-Go proposition has allowed them to compete in a market of fresh bakery that they previously had little presence in. In line with a customer-centric focus, the SPAR Bake-Off solution can be adapted to suit different formats and customer needs. In all SPAR markets, we gain familiarity with local customs and consumer trends which allows us to meet customs where they are, provide the retail services they need and exceed their expectations at every brand touch point. Placing the customer at the heart of everything we do, it helps bolster SPAR brand ambassadors and strategically positions SPAR for continued global expansion.
SPAR’s strategic approach to buying often involves local markets with private expertise. A key product using expertise to purchase the product for the entire SPAR network is pasta. SPAR Italy, for example, liaises with the pasta supplier and manages pasta purchasing for the group.

Buying Alliance

A buying alliance of SPAR Partners represents a combined purchasing volume of €32 billion in sales and allows partners to draw on each other’s expertise and sourcing resources. The buying group is vital in driving new product development, identifying opportunities and using multi-market expertise so that everyone across SPAR benefits including SPAR Partners outside of the group. The buying group continues to deliver value and significant savings for the group.

SPAR International also uses its global network to source products from SPAR countries where there is existing local buying expertise, often achieving economic advantages for partners, selling it better ranges, prices and conditions. SPAR Own Brand products are now available in more than 32 countries worldwide and enjoyed a volume increase of more than 11% in 2018.

Meeting Demand

Today’s customers are also increasingly buying for different and exotic reasons. Because home around the world, SPAR Own Brand Italian and Mexican ranges continue to be popular and perform well. SPAR has also launched an Asian range encompassing Indian, Chinese and Thai inspired foods. SPAR continues to work with SPAR Partners and its own brands to support this evolution. For example, the pasta in-hand held significant development in the Middle East, and SPAR has committed to developing a local range of private label products meeting the needs of partners in the AMEA region.

Buying Better Together

SPAR’s truly global marketplace. This source from four continents, taking a regional approach in buying and then implementing local market expertise whenever possible. SPAR International drives the buying group to deliver significant savings for the group. The buying group’s role is vital in identifying opportunities and using multi-market expertise to source products from SPAR countries where there is existing local buying expertise, often achieving economic advantages for partners, selling it better ranges, prices and conditions.

SPAR Own Brand products are now available in more than 32 countries worldwide and enjoyed a volume increase of more than 11% in 2018.

Sustainability

There are lots of examples of SPAR International’s dedication to continually enhancing its sustainability. Private Label products have been reformulated to cut back on palm oil and sugars in soft drinks. This includes reducing salt in potato chips and sugar in sweet drinks.

In addition to new product development, SPAR is constantly reviewing the existing product range with the aim of improving price and quality in a sustainable way. A good example of this is the relaunch of the SPAR Happy range, in collaboration with many SPAR Partners. SPAR has redesigned the packaging and improved the quality of the nappies by eliminating product innovation. The nappies are now FSC® and Eco Label certified, meaning that the absorbing materials used are sourced from 100% sustainable resources.

A buying alliance of SPAR Partners represents a combined purchasing volume of €32 billion in sales and allows partners to draw on each other’s expertise and sourcing resources. The buying group is vital in driving new product development, identifying opportunities and using multi-market expertise so that everyone across SPAR benefits including SPAR Partners outside of the group. The buying group continues to deliver value and significant savings for the group.

In addition to new product development, SPAR is constantly reviewing the existing product range with the aim of improving price and quality in a sustainable way. A good example of this is the relaunch of the SPAR Happy range, in collaboration with many SPAR Partners. SPAR has redesigned the packaging and improved the quality of the nappies by eliminating product innovation. The nappies are now FSC® and Eco Label certified, meaning that the absorbing materials used are sourced from 100% sustainable resources.

Buying Better Together

SPAR’s truly global marketplace. This source from four continents, taking a regional approach in buying and then implementing local market expertise whenever possible. SPAR International drives the buying group to deliver significant savings for the group. The buying group’s role is vital in identifying opportunities and using multi-market expertise to source products from SPAR countries where there is existing local buying expertise, often achieving economic advantages for partners, selling it better ranges, prices and conditions.

SPAR Own Brand products are now available in more than 32 countries worldwide and enjoyed a volume increase of more than 11% in 2018.

Sustainability

There are lots of examples of SPAR International’s dedication to continually enhancing its sustainability. Private Label products have been reformulated to cut back on palm oil and sugars in soft drinks. This includes reducing salt in potato chips and sugar in sweet drinks.

In addition to new product development, SPAR is constantly reviewing the existing product range with the aim of improving price and quality in a sustainable way. A good example of this is the relaunch of the SPAR Happy range, in collaboration with many SPAR Partners. SPAR has redesigned the packaging and improved the quality of the nappies by eliminating product innovation. The nappies are now FSC® and Eco Label certified, meaning that the absorbing materials used are sourced from 100% sustainable resources.

Buying Alliance

A buying alliance of SPAR Partners represents a combined purchasing volume of €32 billion in sales and allows partners to draw on each other’s expertise and sourcing resources. The buying group is vital in driving new product development, identifying opportunities and using multi-market expertise so that everyone across SPAR benefits including SPAR Partners outside of the group. The buying group continues to deliver value and significant savings for the group.

In addition to new product development, SPAR is constantly reviewing the existing product range with the aim of improving price and quality in a sustainable way. A good example of this is the relaunch of the SPAR Happy range, in collaboration with many SPAR Partners. SPAR has redesigned the packaging and improved the quality of the nappies by eliminating product innovation. The nappies are now FSC® and Eco Label certified, meaning that the absorbing materials used are sourced from 100% sustainable resources.
**PROCUREMENT**

**Purchasing Better Together**

As with the SPAR network of supply chain best practices, Purchasing Better Together offers a collaborative approach to procurement. With increasing customer expectations of value and service, combined with constant pressure on operating costs, leveraging our joint volumes to drive cost effective procurement makes a real difference to the bottom line.

Our commercial buying programmes and strategic supplier relationships enable SPAR Partners to access significant commercial benefits that can be reinvested in the value proposition for our customers. Small and regional partners can access the benefits of a global platform in another great example of SPAR’s hyperlocal approach.

**Better Together**

Focusing on a collaborative buying framework, SPAR International facilitates category based coalitions of SPAR Partners. The buying groups focus on identifying, evaluating and optimising requirements, agreeing supplier strategy and commercial outcomes. Each participating member is consulted and included in every decision to maximise engagement and benefit. Working closely with our key international suppliers, SPAR Partners can access knowledge, experience and best practice, enabling them to optimise their business development. As SPAR Partners represent key international accounts, suppliers ensure that SPAR Partners can get the specific support and development they require.

Recent buying groups have allowed SPAR Partners to access significant savings in trucks, transport, shop fitting, warehousing and transportation. Eight suppliers joined both the regional and international programmes offering a range of equipment with a rebate exclusively for SPAR Partners. In addition to our buying groups, new connections and opportunities to collaborate were identified and realised.

In 2018, the SPAR International Preferred Supplier Programme continued to add new strategic partnerships, creating value for SPAR Partners and suppliers. Eight suppliers joined both the regional and international programmes offering a range of equipment with a rebate exclusively for SPAR Partners. In addition to our buying groups, new connections and opportunities to collaborate were identified and realised.

Regional Supplier Roundtables are interactive collaborative buying events that explore new ideas and opportunities to deliver significant savings and cost effective access to the latest Euro6 standard engines and alternative fuels, resulting in lower CO2 emissions and a more sustainable environmental footprint. Combined with the focus on cost reduction, our sustainable programmes also contribute to our commitment to reducing our carbon footprint.

**Sustainable Procurement**

Combined with the focus on cost reduction, our sustainable programmes also contribute to our commitment to reducing our carbon footprint. Unitizing and simplifying the specification on stretch-wrap resulted in a 14% reduction of plastic used for our delivery containers. Close cooperation and strategic partnerships with HGV manufacturers, Scania and Volvo, allow cost effective access to the latest standard engines and alternative fuels, resulting in lower CO2 emissions.

Regional Supplier Roundtables are interactive collaborative buying events that explore new ideas and opportunities to deliver significant savings and cost effective access to the latest Euro6 standard engines and alternative fuels, resulting in lower CO2 emissions and a more sustainable environmental footprint.

As SPAR grows its presence across the world, we are developing strong partnerships addressing specific regional requirements, opportunities and challenges. SPAR International is actively working with regional and international suppliers to connect SPAR Partners in a series of successful Regional Supplier Roundtables.

Regional Supplier Roundtables are interactive collaborative buying events that explore new ideas and opportunities to deliver significant savings and cost effective access to the latest Euro6 standard engines and alternative fuels, resulting in lower CO2 emissions and a more sustainable environmental footprint.

Regional Supplier Roundtables are interactive collaborative buying events that explore new ideas and opportunities to deliver significant savings and cost effective access to the latest Euro6 standard engines and alternative fuels, resulting in lower CO2 emissions and a more sustainable environmental footprint.

**Keeping the Tyres Rolling**

Our successful modern supply chain relies on the efficient movement of goods along the value chain. Keeping the tyres rolling is a vital consideration for safety, functionality and reducing environmental impact.

In 2018, SPAR Ireland has collaborated with Gas Networks Ireland and Scania to develop and launch the first compressed natural gas (CNG) power lorry tractor unit, used on transport between Cork and Dublin. This innovation reduces carbon emissions by over 75%.

**Feature**

*An advantage of being a SPAR member is that by buying together, we benefit from improved pricing.*

Martin Agnew, SPAR United Kingdom
Supply Chain

While a collaborative customer-centric approach to retail excellence has contributed significantly to retail growth and expansion of the SPAR Brand globally, the supply chain remains at the heart of the retail industry. As advances in technology further drive the digitisation of retail, SPAR Partners are embracing the opportunities to maximise product freshness and engage with our customers throughout the end-to-end supply chain.

Automated handling has significantly enhanced supply chain efficiency by reducing inbound receipt, storage and picking times. In Austria, South Africa and Norway, this has enabled a high service commitment to our stores and a more cost effective service for our customers.

Advances in Warehousing

For SPAR Norway, the supply chain has been enhanced with the opening of a new fully automated fresh warehouse in Vestby, just outside of Oslo, which improved product availability and increased shelf-life by three days, increasing freshness for our customers.

Investment in automation continues to be strong with SPAR Netherlands and SPAR Shandong, China, making significant investments to improve store capacity and customer service. SPAR Austria have implemented advanced artificial intelligence (AI) software that identifies customer demand allowing them to plan warehouse resources effectively to meet the delivery requirements.

Sharing Knowledge

A great example of working collaboratively to share best practice is SPAR Saudi Arabia, where SPAR opened three SPAR Supermarkets in January 2018 to cater 45 stores in Riyadh. They have also visited South Africa, SPAR UK and SPAR Ireland to develop their distribution centre in Riyadh. Support was also given in logistics development, supply chain creation and store design.

This activity also improved order fulfilment, tripling throughput and reducing delivery lead time to twenty-four hours, optimising store levels throughout the supply chain and enhancing customer availability. As a result, SPAR Saudi Arabia is a national leader in supply chain.

In Sri Lanka the team used international best practice to set up a supply chain to support the business launch with guidance and support from across the SPAR family. Shared SPAR knowledge has also enabled SPAR Thailand to improve their ways of working to improve customer availability, reducing colleague workload in-store and maximising customer service.

Our SPAR IT Director’s forum enables senior management to share insights in a rapidly evolving retail technology landscape. Exchanges help SPAR Partners stay at the cutting-edge of next generation technologies like Blockchain, conversational commerce and gamification. SPAR Austria and Google are collaborating across retail technology development including the use of artificial intelligence (AI) to identify master data management across the physical and digital channels.
Embracing Mobile
The WeChat social interaction platform in China has enabled SPAR Guangdong to enhance customer and supply chain engagement. Customers entering the store receive promotional messages based on their location; they can share their phone to get special offers applied to their phone at the checkout. Suppliers have benefited from a WeChat eco programme that enables them to plan their warehouse deliveries, reducing the time taken by 75%, while reducing handling items by 65%.

As this boundary between the traditional and digital retail experience blurs, SPAR Partners like SPAR UK (Hendersons) and SPAR Austria have introduced reducing carbon emissions. Our sustainability priorities, we encourage SPAR Partners to learn from one another, rely on local expertise and drive, engine management and effective braking to many other countries, have regular training working reduced handling time throughout the supply chain and ended its 85% dependence on fresh warehouse facility, with processes improving product quality and minimise handling – helping to minimise our environmental impact.

In Asia the team at SPAR Guangdong collaborated with Coca Cola China to enable deliveries on pallets, overcoming a number of operational and handling challenges. Benefiting from shared SPAR insights, the new ways of working reduced handling time through the supply chain and ended its 85% dependence on fresh warehouse facility, with processes improving product quality and minimise handling – helping to minimise our environmental impact.

FEATURE

SPAR NETHERLANDS
DELIVERING MORE WITH LESS
Transporting products from our warehouses to our stores is a key part of the modern grocery supply chain. SPAR Netherlands worked closely with their transport provider, Peter Appel Transport, to design, build and test a unique double-deck grocery delivery trailer. The lower deck of this double-deck trailer can be filled with refrigerated fresh products while the lower deck is used for ambient products, ensuring all deliveries improve fresh warehouse facility, with processes developed through insights from across SPAR that will reduce lead time and maximise freshness for our customers.

In Norway the first Hydrogen trucks have been introduced reducing carbon emissions. Our people are at the heart of our operations. SPAR Group in South Africa, SPAR Ireland, SPAR UK, SPAR Austria and SPAR Norway, in addition to many other countries, have regular training programmes for truck drivers in fuel efficient driving, engine management and effective braking – helping to minimise our environmental impact.

For sustainability as for other key business priorities, we encourage SPAR Partners to learn from one another, rely on local expertise and embrace the global resources SPAR International offers – the recipe for Better Together.
Brand Innovation

Innovation is an integral part of our successful retail strategy. SPAR has been innovating in grocery retail for over 85 years, and in recent years we have seen an accelerated focus on digital innovation. The connected shopper demands meaningful and personal engagement, which digital technology enables us to do. It is about creating a superior shopping experience, wherever and whenever the customer wants it.

When it comes to digital innovation, we must look to the east. SPAR has an ever-growing presence in Asia and, driven by the connected shopper, is a hotbed for technology development in SPAR. SPAR China has been trading online since 2010 and has capitalised on this success of online commerce by offering high value promotions via WeChat. SPAR Thailand leverages coupon distribution through the chat app Line, whilst SPAR India enables customers to find what they are looking for through dedicated mobile apps. This mobile adoption is revolutionising the way customers want to pay for groceries. Driven by WeChat Pay and Alipay, customers can buy anything from TVs to fresh fish from the local wet market. Multiple mobile payment options are now standard in all SPAR China stores. SPAR Netherlands has launched a Skip The Line app in their University locations, allowing customers to grab what they need, scan the QR code and walk out without having to queue. We expect these technologies to become mainstream in many of our markets in the next 12 - 18 months.

The technology adoption in Asia means the growth in E-Commerce is outpacing any other part of the world. Until 2022 online sales of Food & Personal Care products are expected to have a CAGR of 13.4% per year, the highest growth of the major E-Commerce categories. SPAR offers full service E-Grocery offers in 8 markets, all of which operate from the store, offering click & collect and same or next day delivery. This exciting channel is expected to see further growth in 2019 and beyond.

Engagement is achieved best through personalisation. The combination of mobile technology and loyalty programmes brings huge opportunities to engage. SPAR collects data in 28 markets through loyalty cards. This data can be leveraged to provide a personalised offline shopping experience directly to customers’ smartphones. SPAR Slovenia and SPAR Norway provide customers with coupons tailored to individual customer shopping behaviour directly to their phones. SPAR South Africa’s MYSPAR Rewards programme has been welcomed by customers.
European Athletics Sponsorship

SPAR has always been a destination for customers wanting healthy lifestyle solutions. Through dedicated projects and sponsorships, SPAR has reaped another year of harnessing the SPAR Brand to drive healthy living. Sports sponsorship has played an important role in integrating the events into their local marketing campaigns, helping to support their national athletes.

There were three European Athletics events in 2018, including the inaugural European Athletics U18 Championships and the European Cup in Glasgow in August. A combined initiative of seven European sports federations, Glasgow hosted the Aquatics, Swimming, Cycling, Gymnastics, Rowing, Golf and Triathlon events in front of a massive audience.

The European Athletics U18 Championships were supported on TV and live streamed. It was also supported on digital media platforms and in national publications. SPAR took full advantage of the European Athletics U18 Championships in Qatar in March, incorporating the event into their local promotion programmes and creating brand awareness through social media promotions and influencer support.

SPAR Netherlands embraced the opportunity created by the SPAR European Cross Country Championships in December, by running digital and promotional campaign trails and during the event, SPAR Partners engaged in many other activities around these three events, building on the success of the event. SPAR Partners engaged in many other activities around these three events, building on the success of the event.

For volunteers.

The premium League SPL, but also the official sponsor of the women’s national team and women’s junior national team.

The 33rd SPAR Budapest Marathon Festival once again drew a record number of entries with 36,000 registered runners. This event also provided the opportunity to encourage participation in sport and exercise, and the SPAR Foundation was able to raise funds for the donation.

Health, Wellness & Sports

SPAR has always been a supporter of football in Ireland and over 32,000 children participated in the SPAR Primary School 5’s Tournament. SPAR Ireland has renewed their sponsorship with a new deal valued at €1 million until 2021.

In 2018, for the first time SPAR International sponsored the International Yoga Day in Amsterdam. SPAR provided the ground support as part of its Responsible Retailing strategy to promote health and wellness.

Health and nutrition are a priority for SPAR and we strongly believe in the need to provide consumers with good quality products and relevant nutritional information to ensure a balanced, healthy diet. In 2018, SPAR Ireland worked with a local Healthy Harold and Friends campaign, which was strategically located near schools, libraries, and community hubs.

To support this roll-out of fresh produce to SPAR stores from the farm to the consumer, a new community-based nutrition campaign was kick-started in November 2018. Three SPAR Supermarkets in Mpumulanga Province were selected to roll-out this nutrition campaign, and these initiatives included activations to educate consumers about healthy diets.

Health and nutrition are a priority for SPAR and we strongly believe in the need to provide consumers with good quality products and relevant nutritional information to ensure a balanced, healthy diet. In 2018, SPAR Ireland worked with a local Healthy Harold and Friends campaign, which was strategically located near schools, libraries, and community hubs.

To support this roll-out of fresh produce to SPAR stores from the farm to the consumer, a new community-based nutrition campaign was kick-started in November 2018. Three SPAR Supermarkets in Mpumulanga Province were selected to roll-out this nutrition campaign, and these initiatives included activations to educate consumers about healthy diets.

Health and nutrition are a priority for SPAR and we strongly believe in the need to provide consumers with good quality products and relevant nutritional information to ensure a balanced, healthy diet. In 2018, SPAR Ireland worked with a local Healthy Harold and Friends campaign, which was strategically located near schools, libraries, and community hubs.

To support this roll-out of fresh produce to SPAR stores from the farm to the consumer, a new community-based nutrition campaign was kick-started in November 2018. Three SPAR Supermarkets in Mpumulanga Province were selected to roll-out this nutrition campaign, and these initiatives included activations to educate consumers about healthy diets.
Our People – Our Customer Advantage

In a highly competitive retail environment, people are at the heart of our strategic approach, helping us to deliver value and delighting our customers. Our employees engage with our customers every day, putting them at the centre of our business and enhancing the shopping experience.

Our employees are at the direct interface with our customers, ensuring efficient, friendly and professional interactions during each customer’s visit. At SPAR, our people act as brand ambassadors far beyond the store. Our employees create a unique shopping experience with our customers so investing in developing both their skills and behavioural competencies will lead to increased customer satisfaction and enhanced business performance.

Our employees engage with our customers every day, putting them at the centre of our business and enhancing the shopping experience.

In emerging markets, SPAR fostered the first-generation of retailers and started developing a talent pool for the growing industry of retail. SPAR supports eLearning at SPAR Partner level through the platform, which is not only convenient but enables lower training cost per person – another example of Better Together.

SPAR Partners also invested in new training programmes with a focus on upskilling and behavioural change. In addition, SPAR opened two new training academies in France and Ireland.

SPAR has truly embraced the importance of people to the future success of the business. By giving to different countries and cultures the support and skills needed, SPAR Austria’s talent pool for the growing industry of retail increases. By encouraging talent this way has played an important role in establishing SPAR Austria as the largest private employer in the country.

Leadership is another important development area at SPAR worldwide. SPAR UK Partners launched new leadership programmes, targeting all management levels, to equip business leaders for the future. The UK Inspire Leadership Programmes, focussed on retail, is another example of Better Together.

The SPAR International Learning Platform supports eLearning at SPAR Partner level through the platform, which is not only convenient but enables lower training cost per person – another example of Better Together.

SPAR Partners also invested in new training programmes with a focus on upskilling and behavioural change. In addition, SPAR opened two new training academies in France and Ireland.

In a highly competitive retail environment, our HR technologies role in establishing SPAR Austria as the largest private employer in the country.

Leadership is another important development area at SPAR worldwide. SPAR UK Partners launched new leadership programmes, targeting all management levels, to equip business leaders for the future. The UK Inspire Leadership Programmes, focussed on retail, is another example of Better Together.

The SPAR International Learning Platform supports eLearning at SPAR Partner level through the platform, which is not only convenient but enables lower training cost per person – another example of Better Together.

SPAR Partners also invested in new training programmes with a focus on upskilling and behavioural change. In addition, SPAR opened two new training academies in France and Ireland.

SPAR has truly embraced the importance of people to the future success of the business.
Our ‘Better Together’ strategy can be traced back to 1932 when the SPAR Brand was founded on the principle of joint co-operation between wholesalers and retailers. This idea of working together for the greater good is integral to SPAR’s philosophy and is critical to help ensure that we make a real and tangible impact in the communities we serve in the 48 countries we operate in.

Improving Nutrition
As a major international food retailer, SPAR can play a key role in the field of nutrition. Across all SPAR markets, we prioritise providing our customers with healthy products and the relevant nutritional information needed to enjoy balanced, healthy diets. Our continued focus on healthy living is demonstrated, for example, by the growing selection of organic, natural, and dietary specific products on offer.

Significant progress has been achieved in the reformulation of products with a specific focus on the removal and reduction of salt, sugar and palm oil. The continued roll-out of healthy product ranges has grown across categories, to provide customers not only with healthy products but also products that suit their lifestyle needs.

As a part of their Rural Hub project, SPAR South Africa launched a nutrition campaign aimed at educating and engaging consumers living in rural communities. To promote the consumption of fresh vegetables and fruit, a multi-channel campaign was developed to raise awareness of the benefits of healthy eating. The campaign included spots on local radio stations, in-store activations, instore Point of Sale materials and competitions to inform shoppers.

SPAR Hungary’s ‘Lifestyle Programme’, launched in 2017, was expanded to include a recipe book and in 2018 increased healthy product range from 640 to 1,100 products. SPAR Hungary brought the campaign to life by highlighting it at key sporting events such as the country’s largest running event of the year, the SPAR Budapest Marathon Festival.

SPAR Ireland’s ‘Better Choices’ was once again a key focus for the company - launching a new summer range encouraging healthier eating choices on-the-go and at home, as well as providing recipes for breakfast, lunch, and dinner.

As a part of their Rural Hub project, SPAR South Africa launched a nutrition campaign aimed at educating and engaging consumers living in rural communities. To promote the consumption of fresh vegetables and fruit, a multi-channel campaign was developed to raise awareness of the benefits of healthy eating. The campaign included spots on local radio stations, in-store activations, instore Point of Sale materials and competitions to inform shoppers.
Sustainable & Local Sourcing

Ensuring our products provide equal opportunities for farmers and fishermen, has minimal negative impact on the environment and promote animal welfare are priorities for SPAR Partners across the world. SPAR is also committed to supporting the nation’s economic development of the countries it operates in by offering customers a wide range of local and regional products.

A great example is SPAR Croatia, which increased its local supplier base by 5.4% in 2018. 77% of its foodstuff sourcing is sourced from 400 small, medium and large local businesses. To promote their products, SPAR Croatia launched a new range named the ‘SPAR Garden of Croatia’ throughout all the SPAR and INTERSPAR stores.

SPAR UK Northern Ireland’s fresh products are 77% sourced locally, making them the biggest supporter of local producers in Northern Ireland.

This support is further bolstered by their €30 million ‘Enjoy Local’ range, which includes 100% locally sourced own brand products.

SPAR is also committed to supporting the national economic development of the countries it operates in by offering customers a wide range of local and regional products.

Various initiatives launched in 2018 have centred on community engagement programmes, including the introduction of sustainable bags and food-to-go packaging and the re-designing of packaging for SPAR Own Brand products.

Programme communities launched in 2018 centred on promoting local produce and raising awareness, whilst simultaneously promoting the fine local products available. SPAR South Africa spearheaded a community clean-up programme, providing two paper bags for every purchase of plastic carrier bags. whilst the Western Cape promoted a plastic bag free day. Similarly, SPAR Slovenia supported the nation’s river plastic clean-up initiative with an in-store campaign, nudging consumers to bring their own carrier bags to the stores.

Tackling Plastic Waste

Plastic waste is one of the most pressing issues facing the world today. SPAR wants to play its part to address the problem and is continuously introducing innovative, environmentally friendly packaging solutions whilst also finding ways to improve recycling and waste management practices.

Various initiatives launched in 2018 have centred on community engagement programmes, including the introduction of sustainable bags and food-to-go packaging and the re-designing of packaging for SPAR Own Brand products.

Programme communities launched in 2018 centred on promoting local produce and raising awareness, whilst simultaneously promoting the fine local products available. SPAR South Africa spearheaded a community clean-up programme, providing two paper bags for every purchase of plastic carrier bags. whilst the Western Cape promoted a plastic bag free day. Similarly, SPAR Slovenia supported the nation’s river plastic clean-up initiative with an in-store campaign, nudging consumers to bring their own carrier bags to the stores.

In 2018, we established the Responsible Retailing Framework which allows for knowledge exchange, co-operation in the form of innovative ideas and finding opportunities to collaborate. This is turn, enabled us to value our SPAR Partners as they design and drive their responsible retailing initiatives in line with their own market objectives.

Our commitments and initiatives across the world, tailored to community-specific needs, are largely focused on health, sourcing, community, environment, supply chain and are all linked to our people.

This unique network of industry leaders has as its ambition to become the global front-runner for responsible retailing through increased dialogue and sharing international best practices.

**Leadership**

In 2018, we established the Responsible Retailing Framework which allows for knowledge exchange, co-operation in the form of innovative ideas and finding opportunities to collaborate. This in turn, enabled us to value our SPAR Partners as they design and drive their responsible retailing initiatives in line with their own market objectives. Our commitments and initiatives across the world, tailored to community-specific needs, are largely focused on health, sourcing, community, environment, supply chain and are all linked to our people.

This unique network of industry leaders has as its ambition to become the global front-runner for responsible retailing through increased dialogue and sharing international best practices.
“WITH THE LAUNCH OF SPAR IN FOUR NEW COUNTRIES, COMBINED WITH A GROWTH OF 335 NEW STORES AND A SALES INCREASE OF 5.4% TO €35.8 BILLION, 2018 HAS BEEN ANOTHER EXCEPTIONALLY STRONG YEAR FOR SPAR.”

Tobias Wasmuht, SPAR International

SALES SHARE % PER REGION
- WESTERN EUROPE: 17%
- CENTRAL & EASTERN EUROPE: 16%
- AFRICA & MIDDLE EAST: 12%
- ASIA PACIFIC: 20%

GLOBAL AVERAGE STORE SIZE ACROSS ALL 4 FORMATS PER REGION
- CENTRAL & EASTERN EUROPE: 1,771
- AFRICA & MIDDLE EAST: 1,178
- ASIA PACIFIC: 735
- GLOBAL: 568
- WESTERN EUROPE: 396

SALES % SHARE PER REGION
- WESTERN EUROPE: 17%
- CENTRAL & EASTERN EUROPE: 15%
- AFRICA & MIDDLE EAST: 15%
- ASIA PACIFIC: 12%

STORES % SHARE PER REGION
- WESTERN EUROPE: 17%
- CENTRAL & EASTERN EUROPE: 13%
- AFRICA & MIDDLE EAST: 10%
- ASIA PACIFIC: 7%

SALES AREA % SHARE PER REGION
- WESTERN EUROPE: 17%
- CENTRAL & EASTERN EUROPE: 14%
- AFRICA & MIDDLE EAST: 13%
- ASIA PACIFIC: 9%

SALES % SHARE PER FORMAT
- SPAR EXPRESS (< 200M²): 23%
- SPAR (200 – 1000M²): 58.8%
- EUROSPAR / SUPERSPAR / SPAR SUPERMARKET (1000 – 3500M²): 15.2%
- INTERSPAR / SPAR HYPERMARKET (> 3500M²): 17%

“SPAR EXPRESS - 200M²
A DISTINCT RETAIL FORMAT
RESPONDING TO THE
CONVENIENCE NEEDS OF TODAY’S
CONSUMER LIFESTYLES.”

SPAR 200 – 1000M²
THE LOCAL SUPERMARKET OR NEIGHBOURHOOD STORE

EUROSPAR / SUPERSPAR / SPAR SUPERMARKET (1000 – 3500M²)
THE LARGE SUPERMARKET AIMED AT SATISFYING THE NEEDS OF WEEKLY FAMILY SHOPPING.

INTERSPAR / SPAR HYPERMARKET (> 3500M²)
HYPERMARKET FORMAT WITH UP TO 50% OF THE SALES SURFACE IN NON-FOOD.
SPAR Austria, with sales of €22.1 billion and excellent growth of 4.1%, is now the ninth consecutive year in a row, the undisputed growth leader in the supermarket and hypermarket sector in Austria. As a result, SPAR Austria is growing more than twice as fast as the entire food retail industry in Austria, which has stagnated at a +1.6% growth.

A focus was placed on converting stores to the new, fresh produce-oriented store concept, which has been rolled out since 2017. At the end of 2018, SPAR Austria operated 1,500 stores with a total sales area of 1,180,296m². The INTERSPAR hypermarket chain with a total selling area of 157,041m².

SPAR Austria donated €4 million to charities such as the SOS Children’s Village. There was a focus on reducing food waste, donating an additional 1.3% of unsold food, valued at €14 million, to food banks and the self-help organization, and incorporating a food waste reduction campaign, development of a modern flagging store and expansion of the own brand offer.

Conduit Group has reduced the salt, sugar and fat content of its own brand products by 140,132 and 106 tonnes respectively. It is seen as a win-win situation, reducing costs and offering a high-quality product to the consumer.

SPAR Austria has worked on developing new innovations and the expansion of premium ranges. With total retail sales of €6.88 billion and an increase of nearly 6%, the end of 2018 saw 9.2% sales growth, 3.5% sales per m² growth. 5.1% sales growth from own brand products, without the addition of artificial sweeteners. This activity is part of SPAR Austria’s promise of at least 1,000 tonnes of sugar has been removed from over 200 own brand products.

SPAR Austria has invested in digital tools bringing independent retailers closer to their customers. Other initiatives include a food waste reduction campaign, development of a modern flagging store and expansion of the own brand offer.

During the tourism season. Purchases from the brand in the market, with the introduction of new innovations and the expansion of premium ranges. With total retail sales of €6.88 billion and an increase of nearly 6%, the end of 2018 saw 9.2% sales growth, 3.5% sales per m² growth. 5.1% sales growth from own brand products, without the addition of artificial sweeteners. This activity is part of SPAR Austria’s promise of at least 1,000 tonnes of sugar has been removed from over 200 own brand products.

SPAR Austria has invested in digital tools bringing independent retailers closer to their customers. Other initiatives include a food waste reduction campaign, development of a modern flagging store and expansion of the own brand offer.

During the tourism season. Purchases from the brand in the market, with the introduction of new innovations and the expansion of premium ranges. With total retail sales of €6.88 billion and an increase of nearly 6%, the end of 2018 saw 9.2% sales growth, 3.5% sales per m² growth. 5.1% sales growth from own brand products, without the addition of artificial sweeteners. This activity is part of SPAR Austria’s promise of at least 1,000 tonnes of sugar has been removed from over 200 own brand products.

SPAR Austria has invested in digital tools bringing independent retailers closer to their customers. Other initiatives include a food waste reduction campaign, development of a modern flagging store and expansion of the own brand offer.

During the tourism season. Purchases from the brand in the market, with the introduction of new innovations and the expansion of premium ranges. With total retail sales of €6.88 billion and an increase of nearly 6%, the end of 2018 saw 9.2% sales growth, 3.5% sales per m² growth. 5.1% sales growth from own brand products, without the addition of artificial sweeteners. This activity is part of SPAR Austria’s promise of at least 1,000 tonnes of sugar has been removed from over 200 own brand products.

SPAR Austria has invested in digital tools bringing independent retailers closer to their customers. Other initiatives include a food waste reduction campaign, development of a modern flagging store and expansion of the own brand offer.

During the tourism season. Purchases from the brand in the market, with the introduction of new innovations and the expansion of premium ranges. With total retail sales of €6.88 billion and an increase of nearly 6%, the end of 2018 saw 9.2% sales growth, 3.5% sales per m² growth. 5.1% sales growth from own brand products, without the addition of artificial sweeteners. This activity is part of SPAR Austria’s promise of at least 1,000 tonnes of sugar has been removed from over 200 own brand products.
SPAR Ireland

2018 was a very positive year for SPAR in Ireland. With 457 stores, SPAR Ireland had a strong performance with sales growing by 3.8% to €1.28 billion. Twenty new stores were opened and 41 stores were revamped. Across stores, the group has retail sales area of 119,993m², an increase of 3% over 2017.

The newly announced SPAR strategy to 2021 includes a market leading new look-and-feel to SPAR Ireland stores developed in partnership with SPAR International that has taken the world of convenience retail by storm and is truly unique.

Emphasis continued on the roll-out of products as part of the SPAR ‘Better Choices’ campaign which supports shoppers’ choices to live healthier lifestyles.

EUROSPAR became a sponsor of the Irish Heart Foundation’s mobile health unit which helps save lives. Diverse sponsorships and charity support initiatives reflect the involvement by the independent retailers in their communities.

In another year of expansion, through modernisation of existing stores as well as the opening of new stores, EUROSPAR added to its retail portfolio, ending the year with 1,246 stores across the country. This growth in retail outlets was also reflected in the increase in turnover which totalled €3.5 billion which was 3.9% higher than the previous year. In line with the growth in stores numbers, retail sales area expanded by 2.2% to 755,539m².

Working together to grow the brand, the six regional SPAR Partners in Italy have invested in both the EUROSPAR Supermarket format and the INTERSPAR Hypermarket format during the past twelve months, developing flagship stores, in many cases in consultation with SPAR International. The new stores reflect the focus on the fresh product offer, the extensive locally and regionally sourced SPAR Own Brand ranges and where possible include the shop-in-shop SPAR Natural health-and-wellness concept.

Buying better together in Italy evolved in 2018 when an agreement was reached with SPAR International to supply the over 2,500 SPAR Own Brand products to other SPAR Partners, complementing the existing SPAR International range and the local product ranges. Highlighting access to local expertise, the international range of pasta products was also improved, buying through SPAR Italy.

SPAR Partners in Italy support many worthwhile causes across the country. Particular emphasis is on the disadvantaged in society and also in reducing food waste through donations to those in need. This approach aligns with the corporate social responsibility programme of SPAR Italy which has seen a reduction in plastic usage, increase in energy monitoring and ongoing investment in modernisation of equipment at retail.

SPAR Greece

The SPAR Brand was re-launched in Greece in 2018 with new SPAR Partner, SPAR Hellas. Following the strategic development of the SPAR Supermarket solution supported by SPAR International, 10 SPAR stores with a combined sales area of 7,304m² were opened in 2018, generating turnover of €27 million in less than twelve months.

SPAR Hellas plans to open more than 300 SPAR stores nationwide over the next four years, generating an anticipated €90 million by 2021 and creating hundreds of jobs in the Greek Economy.

WASHINGTON, DC – February 20, 2018

SPAR has a presence in markets in Western Europe, operating 9,680 stores.
SPAR Cyprus

SPAR Cyprus is initially focusing on opening company-owned supermarkets, before expanding further throughout the store, leading to a 60% reduction in CO2 emissions. The growth in greenhouse gas emissions has been compensated by investment in a fully automated delivery centre. Improved heating is offered through the SPAR Academy, which provides both traditional and online education and training. Companies have also received positive feedback about the introduction of mobile payment solutions. The first store of 220m² has already been welcomed by customers. Sales for this store, which was open less than a full year of trading, were €1.1 million.

SPAR Malta

SPAR Malta, trading as EuroGarages, has a rich history in family-owned retail store. Other initiatives include a focus on the health-baking and coffee offer whilst investment into distribution Centres is ongoing. The partners in Spain all have extensive community involvement, supporting a number of charities and supporting community initiatives. Sustainability was high on SPAR Malta’s agenda in 2018, with the implementation of new innovations, such as replacing plastic bottles with fully compostable straws. The success to date has been good and a further 20 stores are set to welcome the concept in 2019. Customer loyalty was another area that received a lot of attention in 2018. The SPAR Friends loyalty programme has increased brand visibility with SPAR visibility not only on television but also on digital platforms. SPAR UK drove sponsorship of UK Athletics has increased brand awareness of the SPAR自有品牌 range.

SPAR Netherlands

Sustainability was high on SPAR Netherlands’ agenda in 2018, with the implementation of new innovations, such as replacing plastic bottles with fully compostable straws. The success to date has been good and a further 20 stores are set to welcome the concept in 2019. Customer loyalty was another area that received a lot of attention in 2018. The SPAR Friends loyalty programme has increased brand awareness of the SPAR自有品牌 range.

SPAR Norway

Throughout the supply chain, new technology has been embraced supporting independent retailers operating SPAR and EUROSPAR Supermarkets. At the end of 2018, SPAR Norway had a sales area totalling 184,749m² from 289 stores with an average store of 639m². Retail sales for the year came to €1.3 billion.

SPAR Portugal

In 2018, SPAR Portugal entered the number 34 stores with 354m², up from 37 in 2017 – a result of both the conversion of existing stores to the SPAR Brand, and as the opening of new SPAR Express partner franchised stores. This aggressive store expansion strategy delivered strong results for the group with total sales of €306 million, an increase of 15.5% to a total sales area of 183,241m². The growth in greenhouse gas emissions has been compensated by investment in a fully automated delivery centre. Improved heating is offered through the SPAR Academy, which provides both traditional and online education and training. Companies have also received positive feedback about the introduction of mobile payment solutions. The first store of 220m² has already been welcomed by customers. Sales for this store, which was open less than a full year of trading, was €1.1 million.

SPAR Switzerland

The retail sales from the 1,133 stores nationwide, operated by 13 regional partners, totalled €1.47 billion, which is a string increase of 8.1% over the previous year. The total retail sales area of 1,654,787m² reflects the growth in store numbers. The focus was on the modernization of stores and implementation of new innovations, such as the Bean Tree coffee concept, rolled out to 40 stores, working with the transformation of the bakery offer to the new SPAR Bake-Off Solution. The in last quarter of 2018, three stores introduced the shop in shop SPAR Exclusive category concept. The success to date has been good and a further 20 stores are set to welcome the concept in 2019. Customer loyalty was another area that received a lot of attention in 2018. The SPAR Friends loyalty programme has increased brand awareness of the SPAR自有品牌 range.

SPAR Spain

The product offer is tailored to suit the market and regionally sourced range. A strong focus in 2018 was on the development of the new SPAR Bake-Off Solution. A total of 20 stores are set to welcome the concept in 2019. Further focus was given to the inclusion of digital technology to offer loyalty programmes for independent retailers and promoting healthier lifestyle choices. Sport is playing an important role in the region of Spain and is now the only symbol for EuroGarages not only in Spain but also in the wider region of Europe.

The retail sales from the 1,133 stores nationwide, operated by 13 regional partners, totalled €1.47 billion, which is a string increase of 8.1% over the previous year. The total retail sales area of 1,654,787m² reflects the growth in store numbers. The focus was on the modernization of stores and implementation of new innovations, such as the Bean Tree coffee concept, rolled out to 40 stores, working with the transformation of the bakery offer to the new SPAR Bake-Off Solution. The in last quarter of 2018, three stores introduced the shop in shop SPAR Exclusive category concept. The success to date has been good and a further 20 stores are set to welcome the concept in 2019. Customer loyalty was another area that received a lot of attention in 2018. The SPAR Friends loyalty programme has increased brand awareness of the SPAR自有品牌 range.

SPAR UK

SPAR UK had a very good year in 2018 with retail sales of £3.3 billion for the calendar year, a increase of 3.6% in constant currency values, reflecting the ongoing investment in modernisation in the UK retail format. SPAR UK has outperformed the symbol sector and is now the only symbol for EuroGarages not only in the UK but also in the wider region of Europe.

SPAR UK has a rich history in family-owned independent retailing with stores successfully serving local communities and play a significant role in promoting local business in terms of employing local people, selling local products and contributing to numerous local charities and events.

SPAR UK is demonstrating its responsible retailing credentials by reformulating products to reduce sugar and calories as well as reducing the amount of plastic packaging. SPAR Own Brand water bottles now contain up to 51% recycled plastic.

In 2018, SPAR UK had a very good year in 2018 with retail sales of £3.3 billion for the calendar year, an increase of 3.6% in constant currency values, reflecting the ongoing investment in modernisation in the UK retail format. SPAR UK has outperformed the symbol sector and is now the only symbol for EuroGarages not only in the UK but also in the wider region of Europe. SPAR UK has a rich history in family-owned independent retailing with stores successfully serving local communities and play a significant role in promoting local business in terms of employing local people, selling local products and contributing to numerous local charities and events.

SPAR UK is demonstrating its responsible retailing credentials by reformulating products to reduce sugar and calories as well as reducing the amount of plastic packaging. SPAR Own Brand water bottles now contain up to 51% recycled plastic.

Furthermore, SPAR UK has invested in sustainability initiatives, such as the continued focus on reducing the use of plastic bottles, with bottles now containing up to 51% recycled plastic.

In 2018, SPAR UK had a very good year in 2018 with retail sales of £3.3 billion for the calendar year, an increase of 3.6% in constant currency values, reflecting the ongoing investment in modernisation in the UK retail format. SPAR UK has outperformed the symbol sector and is now the only symbol for EuroGarages not only in the UK but also in the wider region of Europe. SPAR UK has a rich history in family-owned independent retailing with stores successfully serving local communities and play a significant role in promoting local business in terms of employing local people, selling local products and contributing to numerous local charities and events.

SPAR UK is demonstrating its responsible retailing credentials by reformulating products to reduce sugar and calories as well as reducing the amount of plastic packaging. SPAR Own Brand water bottles now contain up to 51% recycled plastic.

Furthermore, SPAR UK has invested in sustainability initiatives, such as the continued focus on reducing the use of plastic bottles, with bottles now containing up to 51% recycled plastic.

In 2018, SPAR UK had a very good year in 2018 with retail sales of £3.3 billion for the calendar year, an increase of 3.6% in constant currency values, reflecting the ongoing investment in modernisation in the UK retail format. SPAR UK has outperformed the symbol sector and is now the only symbol for EuroGarages not only in the UK but also in the wider region of Europe.

SPAR UK has a rich history in family-owned independent retailing with stores successfully serving local communities and play a significant role in promoting local business in terms of employing local people, selling local products and contributing to numerous local charities and events.

SPAR UK is demonstrating its responsible retailing credentials by reformulating products to reduce sugar and calories as well as reducing the amount of plastic packaging. SPAR Own Brand water bottles now contain up to 51% recycled plastic.

Furthermore, SPAR UK has invested in sustainability initiatives, such as the continued focus on reducing the use of plastic bottles, with bottles now containing up to 51% recycled plastic.
Central & Eastern Europe was the regional growth leader for SPAR worldwide for the second year in a row. SPAR Hungary’s sales grew by 9.8% to €1.93 billion from 555 stores, 174 of which are run by independent retailers. SPAR petrol forecourt stores continue to perform well, with 102 in operation. Six new, company-owned SPAR Supermarkets were opened whilst significant investment was made into the refurbishment of 17 company-owned stores. SPAR Hungary opened a food production facility which supplies quality products to its stores nationwide, reflecting the focus on fresh. Sustainability initiatives include the introduction of bio-degradable, compostable bags, recycled PET bags and a campaign against food waste. SPAR Hungary’s Lifestyle Programme now includes an expanded range of healthy products and recipes targeting the health-conscious consumer. The 33rd SPAR Budapest Marathon Festival saw a record number of 33,500 runners and resulted in the donation of over 500 storybooks for children in need as part of SPAR Hungary’s partnership with the Hungarian Maltese Charity Service.

SPAR Slovenia ended 2018 with 123 stores, comprising 115 SPAR Supermarkets and 8 INTERSPAR Hypermarkets with a total selling area of 165,084m². Sales increased by 4.1% to €816 million. Investment in the modernisation of the existing store network led to the INTERSPAR Hypermarket in Vžig becoming one of the most cutting-edge stores in Slovenia. In addition, six new stores were opened by independent retailers. SPAR Slovenia launched e-commerce in early 2018, offering almost 17,000 products. In the first year, more than 20,000 orders were received, of which 81% were home deliveries and 19% collected from the dedicated pick-up and pay drive-in station. A key focus for SPAR Slovenia has been the reduction of salt and sugar in own brand products plus increased availability of organic and vegan ranges. The third season of the successful Start it up, Slovenia! campaign was run, providing local entrepreneurs with a chance to win an exclusive contract with SPAR to sell their products.

SPAR Croatia’s impressive increase in sales of 15.3% to €688 million was a combined result of the acquisition and conversion of 41 Billa stores in 2017 and investment in developing two INTERSPAR Hypermarkets and four SPAR Supermarkets. At year end, a total of 110 stores with a total of 156,008m² retail sales area were operating. SPAR Croatia is now the third largest food retailer in the country with 21 INTERSPAR Hypermarkets and 69 SPAR Supermarkets, employing a total of 4,481 people. Continued expansion of the SPAR Own Brand range, lowering salt content where necessary in line with the trend towards healthier food choices, has been welcomed by shoppers. SPAR Croatia is proud to be the food retailer with the most locally-sourced products in the country. Customers responded positively to the focus on local sourcing with two promotional campaigns – The Gardens of Croatia, and ‘Yes, it is local!’ – performing particularly well.
In Poland, despite changes in store openings legislation and pressure on supply chain operations, SPAR grew at retail to sales of €204 million, up 33% on the previous year. The partnership continues to support both their retail network and their distribution capacity, the latter being augmented by further investment in both online and classroom style training. Although the number of stores increased from 91 to 110, an important milestone to have reached in just four years of trading. The retail selling area has grown from 17,171m², whilst sales increased by 83.7% to €46.8 million.

The rapid growth has led to the creation of nearly 2,000 jobs and a focus has been placed on developing the retail skills of employees. Brand awareness was increased through innovative marketing campaigns and digital platforms. Range development and category management were two other areas of focus in 2019 with a growing focus on delivering a true SPAR Brand products complementing other locally and internationally sourced items.

Range development and category management were two other areas of focus in 2019 with a growing focus on delivering a true SPAR Brand products complementing other locally and internationally sourced items.

During 2019, the supermarket chain introduced its loyalty card, Vygoda, allowing SPAR customers to benefit from huge savings on both its wide range of products and services. The development of new EUROSPAR brand products sourced locally, regionally and internationally also continues to support the local community with impactful initiatives such as the Hello Project, a unique programme focusing on the integration of children with disabilities, providing health care support and assisting families with care training and advice.

In its first full year of trading, SPAR Belorus achieved €5.4 million in retail sales. By year-end, there were a total of 35 SPAR stores in operation, with 2,311m² of retail space. Each of the stores has been differently complemented by SPAR Own Brand ranges sourced locally and regionally, with the ambition to provide customers to benefit from huge savings on both its wide range of products and services. The development of new EUROSPAR brand products sourced locally, regionally and internationally also continues to support the local community with impactful initiatives such as the Hello Project, a unique programme focusing on the integration of children with disabilities, providing health care support and assisting families with care training and advice.

In the first quarter of 2018, SPAR Belarus introduced its loyalty card, Vygoda, allowing customers to benefit from huge savings on both its wide range of products and services. The development of new EUROSPAR brand products sourced locally, regionally and internationally also continues to support the local community with impactful initiatives such as the Hello Project, a unique programme focusing on the integration of children with disabilities, providing health care support and assisting families with care training and advice.

In 2019, SPAR Russia experienced rapid expansion through the conversion of existing formats and the full acquisition of independent retailers. The development of a new Distribution Centre supported the growth of the retail network, ensuring high standards of service to all retailers. The number of stores increased from 10 to 13, the retail selling area increased from 4,906m² to 10,078m², whilst overall turnover increased to €4.9 million, an increase of 63.8% excluding the impact on turnover from new retail formats.

Three years ago, a new company was licensed to operate the SPAR Brand in Albania and since then, there has been significant growth which has led to a 64% increase in retail sales of €1.8 million, an increase of 14.1% on 2017. The number of stores increased from 10 to 13, the retail selling area increased from 4,906m² to 10,078m², whilst overall turnover increased to €4.9 million, an increase of 63.8% excluding the impact on turnover from new retail formats. The development of new EUROSPAR brand products sourced locally, regionally and internationally also continues to support the local community with impactful initiatives such as the Hello Project, a unique programme focusing on the integration of children with disabilities, providing health care support and assisting families with care training and advice.

Hello Project, a unique programme focusing on the integration of children with disabilities, providing health care support and assisting families with care training and advice.

Hello Project, a unique programme focusing on the integration of children with disabilities, providing health care support and assisting families with care training and advice.
SPAR South Africa experienced continued growth with new store openings, ending the year at 667 stores, with a total sales area of 1,332,591 m², beating the billion mark for the first time. SPAR South Africa’s turnover grew by 5.7%, or 6.1% at constant 2018 exchange rates for the full calendar year of 2018. The 2018 strategy review, underpinned by extensive background research, helped identify key trends, opportunities and challenges, and gave insight into where SPAR could make a real difference. The strategy process was further guided by the Sustainable Development Goals (SDGs), which assisted in defining themes for guiding the strategy. The strategy process was further guided by the Sustainable Development Goals (SDGs), which assisted in defining themes for guiding the strategy.

Despite economic challenges in the country, SPAR Namibia’s turnover totalled €159 million, growing 8.9% in local currency. Store numbers increased from 33 to 35, with 25 SPAR Supermarkets and two SUPERSPAR stores operating in isolation. New store openings reflect the 10% growth in store numbers over the previous year.

The new store developments resulted in positive market share growth and further opportunities have been identified for growth outside of the capital city. The “My SPAR, My Botswana” campaign continues to be a huge success, creating excitement among shoppers with customer count increasing during the promotion and converting many to regular patrons. The Local Rewards card, which is popular and successful. The Local Rewards card, which is particularly popular due to the extensive range of products on offer.

The new store developments resulted in positive market share growth and further opportunities have been identified for growth outside of the capital city. The “My SPAR, My Botswana” campaign continues to be a huge success, creating excitement among shoppers with customer count increasing during the promotion and converting many to regular patrons. The Local Rewards card, which is particularly popular due to the extensive range of products on offer.

Despite economic challenges in the country, SPAR Namibia’s turnover totalled €159 million, growing 8.9% in local currency. Store numbers increased from 33 to 35, with 25 SPAR Supermarkets and two SUPERSPAR stores operating in isolation. New store openings reflect the 10% growth in store numbers over the previous year.

The new store developments resulted in positive market share growth and further opportunities have been identified for growth outside of the capital city. The “My SPAR, My Botswana” campaign continues to be a huge success, creating excitement among shoppers with customer count increasing during the promotion and converting many to regular patrons. The Local Rewards card, which is particularly popular due to the extensive range of products on offer.

Despite economic challenges in the country, SPAR Namibia’s turnover totalled €159 million, growing 8.9% in local currency. Store numbers increased from 33 to 35, with 25 SPAR Supermarkets and two SUPERSPAR stores operating in isolation. New store openings reflect the 10% growth in store numbers over the previous year.

The new store developments resulted in positive market share growth and further opportunities have been identified for growth outside of the capital city. The “My SPAR, My Botswana” campaign continues to be a huge success, creating excitement among shoppers with customer count increasing during the promotion and converting many to regular patrons. The Local Rewards card, which is particularly popular due to the extensive range of products on offer.

Despite economic challenges in the country, SPAR Namibia’s turnover totalled €159 million, growing 8.9% in local currency. Store numbers increased from 33 to 35, with 25 SPAR Supermarkets and two SUPERSPAR stores operating in isolation. New store openings reflect the 10% growth in store numbers over the previous year.

The new store developments resulted in positive market share growth and further opportunities have been identified for growth outside of the capital city. The “My SPAR, My Botswana” campaign continues to be a huge success, creating excitement among shoppers with customer count increasing during the promotion and converting many to regular patrons. The Local Rewards card, which is particularly popular due to the extensive range of products on offer.

Despite economic challenges in the country, SPAR Namibia’s turnover totalled €159 million, growing 8.9% in local currency. Store numbers increased from 33 to 35, with 25 SPAR Supermarkets and two SUPERSPAR stores operating in isolation. New store openings reflect the 10% growth in store numbers over the previous year.
SPAR International Annual Review 2018

In an increasingly challenging economic environment, SPAR Cameroon continued to open new company-owned stores in 2018. A total of 30 new stores were opened, with a combined sales area of 27,658m². Retail sales for the year were €154 million, an increase of 39.1%.

In January 2018, the second store in the country opened in the coastal region of Hoët – a popular tourist destination. Retail sales were €13.9 million, an increase of 65.6% over last year, from 4,245m² of sales area in 2017.

As a new management team has identified the need for investment in the existing store estate, working with independent retailers on their store plans and settings plays a key role in repositioning corporate stores, improving margins and expand the SPAR Cameroon offer.

Staff training remains a key focus and was undertaken throughout the business, from store managers to cashiers. There will be ongoing investment in the coming 13 months to ensure continuous results in this area.

Marketing activities include the use of social media and digital channels to drive growing channel for interaction with shoppers.

SPAR Mauritius

At the end of 2018, an agreement was reached between SPAR Mauritius and SPAR International to continue to operate the SPAR Brand. Retail sales of €164 million were reported for the five stores operating.

SPAR UAE

2018 saw the launch of the SPAR Brand in Saudi Arabia with the opening of the first three SPAR Supermarkets in Riyadh. In January, followed by two more stores in November to close out the year with a total of 15 SPAR Supermarkets and a total retail sales area of 13,193m². At year end, retail sales were €32 million.

A focus has been placed on building the brand throughout marketing campaigns and developing a SPAR culture amongst employees. The team have benefited from access to international training programmes and job placements in other markets to improve skills.

SPAR Saudi Arabia

SPAR Oman

In an effort to conclude the license to operate the SPAR Brand in Saudi Arabia, SPAR Oman is renowned for their work in the formal retail market. Support for local entrepreneurs is not only reflected in the retail store growth but also in the expanding number of SPAR Own Brand products which are sourced locally, enabling small-scale producers to introduce their products into the formal retail market.

SPAR Oman is renowned for its focus on the health and wellness being available for the retail teams and for customers. SPAR Oman has an increase in retail sales of 15%, bringing their turnover for the year to €31.9 million from a total of 28 stores across the country, with 12,183m² of sales area, an increase of 17%. This increase in sales reflects the support we have given to the SPAR business so far.

SPAR UAE currently has plans to open 30 more stores. Expansion into Dubai has begun, and SPAR UAE intend to open 42 stores over the next five years.

SPAR culture amongst employees. The team have benefitted from access to international training programmes and job placements in other markets to improve skills.

Investment in staff training continued, providing opportunities for skills development and sharing with employees the company’s mission, vision and goals.

SPAR Oman is renowned for its focus on the health and wellness being available for the retail teams and for customers. SPAR Oman has an increase in retail sales of 15%, bringing their turnover for the year to €31.9 million from a total of 28 stores across the country, with 12,183m² of sales area, an increase of 17%. This increase in sales reflects the support we have given to the SPAR business so far.

SPAR Oman has plans in place to open 30 more stores. Expansion into Dubai has begun, and SPAR UAE intend to open 42 stores over the next five years.

SPAR culture amongst employees. The team have benefitted from access to international training programmes and job placements in other markets to improve skills.

Investment in staff training continued, providing opportunities for skills development and sharing with employees the company’s mission, vision and goals.

SPAR Oman is renowned for its focus on the health and wellness being available for the retail teams and for customers. SPAR Oman has an increase in retail sales of 15%, bringing their turnover for the year to €31.9 million from a total of 28 stores across the country, with 12,183m² of sales area, an increase of 17%. This increase in sales reflects the support we have given to the SPAR business so far.

SPAR Oman is renowned for its focus on the health and wellness being available for the retail teams and for customers. SPAR Oman has an increase in retail sales of 15%, bringing their turnover for the year to €31.9 million from a total of 28 stores across the country, with 12,183m² of sales area, an increase of 17%. This increase in sales reflects the support we have given to the SPAR business so far.
SPAR China

SPAR China's footprint in 2018 accounted for an impressive 830,043m² and sales of €1.5 billion with particular strong growth in Shanghai and Guangdong Provinces.

Utilisation of the match-funding strategy inherent to SPAR is a contributing factor to the growth in the market. National there are 41 convenience stores, 159 neighbourhood supermarkets, 76 large supermarkets and 74 hypermarkets.

Investment has continued into the roll out of modern, world-class stores, continually adapting the retail offer with the growing trends and to meet shopper expectations. A rise in food-to-go solutions has improved the return per square metre. This investment is reflected in the 12 large supermarkets and 74 hypermarkets.

There has been an ongoing focus on the improvement of the supply chain by all of the partners China, improving the productivity and managing costs whilst embracing modern technologies.

Understanding the modern customer and their expectations, SPAR China is increasing its use of the cutting edge of retail technology. Innovations include the use of facial recognition payment technology and engaging with customers through mobile applications, including scan & go solutions, which has led to 75% of overall sales transactions being conducted by mobile payment.

SPAR China will move in the coming year to a renewed focus on building together, building on successful programmes for joint purchasing and expanding the possibility for a stronger own brand offer.

SPAR India

SPAR India had a good year in 2018, growing from 16 SPAR Hypermarkets to 24, with an increase in retail sales area of 50% to 1,160,000m², and total turnover of €170 million, an increase of 34.5%.

The Leadership Development Programme has been successful for the SPAR India, increasing knowledge and supporting the overall goal of motivating teams - making SPAR an attractive employer in the market.

A core focus area for SPAR India in 2018 was the development of their SPAR Own Brand range of products, offering retailers a wider assortment and consumers value for money. To complement the locally sourced ranges, products have been secured regionally and internationally. The growing number of items creates a key differentiator for modern, world-class stores, continually adapting to the modern customer and their expectations, SPAR India is increasingly at the cutting edge of retail technology. Innovations include the use of facial recognition payment technology and engaging with customers through mobile applications, including scan & go solutions, which has led to 75% of overall sales transactions being conducted by mobile payment.

The format review which began in 2017 was concluded, with all retail outlets having optimised their assortment.

The format review which began in 2017 was concluded, with all retail outlets having optimised their assortment.

SPAR Australia

A core focus area for 2018 was the development of their SPAR Own Brand range of products, offering retailers a wider assortment and consumers value for money. To complement the locally sourced ranges, products have been secured regionally and internationally. The growing number of items creates a key differentiator for modern, world-class stores, continually adapting to the modern customer and their expectations, SPAR India is increasingly at the cutting edge of retail technology. Innovations include the use of facial recognition payment technology and engaging with customers through mobile applications, including scan & go solutions, which has led to 75% of overall sales transactions being conducted by mobile payment.

The format review which began in 2017 was concluded, with all retail outlets having optimised their assortment.

The format review which began in 2017 was concluded, with all retail outlets having optimised their assortment.

SPAR Sri Lanka

SPAR Sri Lanka opened the first SPAR Supermarket in April 2018 and had three stores open at year-end with 2,200m² of sales area, delivering €1 million in sales.

A lot of attention has been given to the sourcing of locally produced speciality products to complement SPAR Own Brand products.

Customer have reacted positively to the fresh offer, the locally sourced specialities, as well as focusing on an internationally sourced targeted SPAR Own Brand products.

The Leadership Development Programme has been successful for the SPAR India, increasing knowledge and supporting the overall goal of motivating teams - making SPAR an attractive employer in the market.

There has been an ongoing focus on the improvement of the supply chain by all of the partners China, improving the productivity and managing costs whilst embracing modern technologies.

Understanding the modern customer and their expectations, SPAR China is increasing its use of the cutting edge of retail technology. Innovations include the use of facial recognition payment technology and engaging with customers through mobile applications, including scan & go solutions, which has led to 75% of overall sales transactions being conducted by mobile payment.

SPAR India continued to build on its community engagement activities, reaching for the second time to internationally renowned ‘Season of Joy’ campaign, in the lead up to Christmas, supporting children in need.

SPAR India

A core focus area for 2018 was the development of their SPAR Own Brand range of products, offering retailers a wider assortment and consumers value for money. To complement the locally sourced ranges, products have been secured regionally and internationally. The growing number of items creates a key differentiator for modern, world-class stores, continually adapting to the modern customer and their expectations, SPAR India is increasingly at the cutting edge of retail technology. Innovations include the use of facial recognition payment technology and engaging with customers through mobile applications, including scan & go solutions, which has led to 75% of overall sales transactions being conducted by mobile payment.

The format review which began in 2017 was concluded, with all retail outlets having optimised their assortment.

The format review which began in 2017 was concluded, with all retail outlets having optimised their assortment.

SPAR Pakistan

In its second full year of trading, SPAR Thailand grow store numbers by 36% to 45 with 6,045m² sales area and €1 million in retail sales, an increase of 96.1%.

The move to partner with independent retailers proved positive, allowing the brand to grow further in the convenience sector. The independent retailers benefit from the unique product and service offer from SPAR Thailand.

In the search for sustainable, innovative products, SPAR Thailand on a SPAR Own Brand product concept resulted in 15 new products being sold in the first year of trading, all consisting of locally sourced speciality products to complement SPAR Own Brand items sourced regionally and internationally.

Developing retail teams has required a lot of attention by SPAR Pakistan, with a strong focus put on the development of the leadership team at SPAR Pakistan and the international training academy of SPAR International and practical on-the-job training supported by the global team.

SPAR Pakistan

In its second full year of trading, SPAR Thailand grow store numbers by 36% to 45 with 6,045m² sales area and €1 million in retail sales, an increase of 96.1%.

The move to partner with independent retailers proved positive, allowing the brand to grow further in the convenience sector. The independent retailers benefit from the unique product and service offer from SPAR Thailand.

In the search for sustainable, innovative products, SPAR Thailand on a SPAR Own Brand product concept resulted in 15 new products being sold in the first year of trading, all consisting of locally sourced speciality products to complement SPAR Own Brand items sourced regionally and internationally.

Developing retail teams has required a lot of attention by SPAR Pakistan, with a strong focus put on the development of the leadership team at SPAR Pakistan and the international training academy of SPAR International and practical on-the-job training supported by the global team.

SPAR Thailand

The entry of the SPAR Brand into Pakistan has been focused on the development of stores in the country’s largest city, Karachi. In its first full year of trading, SPAR Pakistan ended 2018 with retail sales of €6.2 million from two stores, operating with a total sales area of 1,000m².

A lot of attention has been given to the sourcing of locally produced speciality products to complement SPAR Own Brand items sourced regionally and internationally.

Developing retail teams has required a lot of attention by SPAR Pakistan, with a strong focus put on the development of the leadership team at SPAR Pakistan and the international training academy of SPAR International and practical on-the-job training supported by the global team.

SPAR International Annual Review 2018 83

SPAR International Annual Review 2018 83
2018 STATISTICS

ALL SALES ARE REPORTED IN EUROS USING CONSTANT ANNUAL AVERAGE EXCHANGE RATES

*Results do not reflect a full year of trading.

Country: SRI LANKA, MALTA AND CYPRUS LAUNCHED DURING 2018 SO RESULTS DO NOT REFLECT A FULL YEAR OF TRADING.

Country: constant Annual A VERAGE exchange rates

Nigeria
UAE
Zimbabwe
India
Botswana
Australia
Poland
Germany
Switzerland
Denmark
Netherlands
Croatia
Slovenia
France
Belgium
Ireland
Spain
Norway
China
Russia
United Kingdom
Italy
South Africa
Austria

SPAR International Annual Review 2018

Country: Country

Year Joined

Retail Sales (000’s)

Retail Store Numbers

Retail Sales Area (m²)

Average Store Area (m²)

Total

SPAR

2000

2004

2004

2004

2004

2009

2014

1984

1969

1992

1954

1953

1989

1992

1963

1959

1963

1994

1956

1992

1969

1992

1959

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992

1969

1992

1956

1992