



SPAR International Partnership Forum
SPAR UK- Wines & Spirits



SPAR Beers, Wines & Spirits Summary

- SPAR UK: 1,695 Licensed stores UK wide
- BWS Represents 23% of total SPAR turnover
- Sales of BWS +11% YTD 2020/21
 - Wine +18%
 - Spirits +11%
 - All sub categories performing ahead of the market
- Range development in last 18 months has included;
 - Roll out of Organic & Vegan projects
 - Fairtrade in pipeline
 - Prosecco Rosé launched for Xmas 2020
 - Premium Gin & Flavoured Gin re-launched
 - Modernising the look of the range in Wines & Spirits
- Prominent feature in store as part of format/customer mission strategy development





A Wine for Every Occasion

Our Strategy

- Deliver the best & most relevant wine range for customers
- Create a relevant range by targeting key consumer missions & trends
- Deliver great value for money

Achieved by delivering a wine range which is:

1. Relevant: Identifying and meeting key customer missions
2. Modern: Updated range; focus on key grape varieties and brands
3. Credible: All own label wines selected and blended by Master of Wine, Philippa Carr award winning wines within a good/better /best hierarchy



Wine strategy

**Target customer
missions**

Wine brand values

Our Key Wine Partners

We work with...



**HATCH
MANSFIELD**



ARALDICA

CONCHA Y TORO®
DESDE 1883



Accolade
Wines



AUSTRALIAN VINTAGE LTD



CANTINA DI SOAVE
CASA VITIVINICOLA DAL 1898

Félix Solis **avantis**

ADVINI
DES VIGNOBLES & DES HOMMES



CRAMELE
RECAS



BIBENDUM

Enotria&Coe



**TREASURY
WINE ESTATES**

Boutinot
WINES



E&J Gallo Winery

Fells
Fine wines since 1858



SPAR BRAND RANGE

Taste & sub £5 Range x 7 SKUs

- Entry level range focused on flavour
- Strong shelf standout
- Great value for money Sub £5.50 & £5
- Nostalgic labelling
- Strategically sourced
- Newbies and Economisers wine drinkers – Entry level



Identifiable 'good' tier

Me and partner at home customer mission

Reflects modern customer



The Letter Collection x7 SKUs

- Grape variety: no. 2 in customer decision tree after Price.
- Easy to understand labels for customer
- Clear branding and shelf stand out
- Strategically sourced for consistent pricing, style, quality and value
- Strong Prospect wine drinkers - Enjoy wine and likely to trade up



Exclusives range x13 SKUs

- Split between SPAR brand & wine exclusive to SPAR in the UK
- On trend wine styles – Vegan & Organic
- Value for Money – able to discount regularly
- Solutions for Gifting/Drinks or meals with friends
- Engaged Explorer Wine drinkers



Regional Selection Range x25 SKUs

- Premium 'BEST' tier range
- Focus on famous regions
- Rigorous selection
- Medal potential for competitions
- Credibility for SPAR OL range
- Confident Enthusiast wine drinker



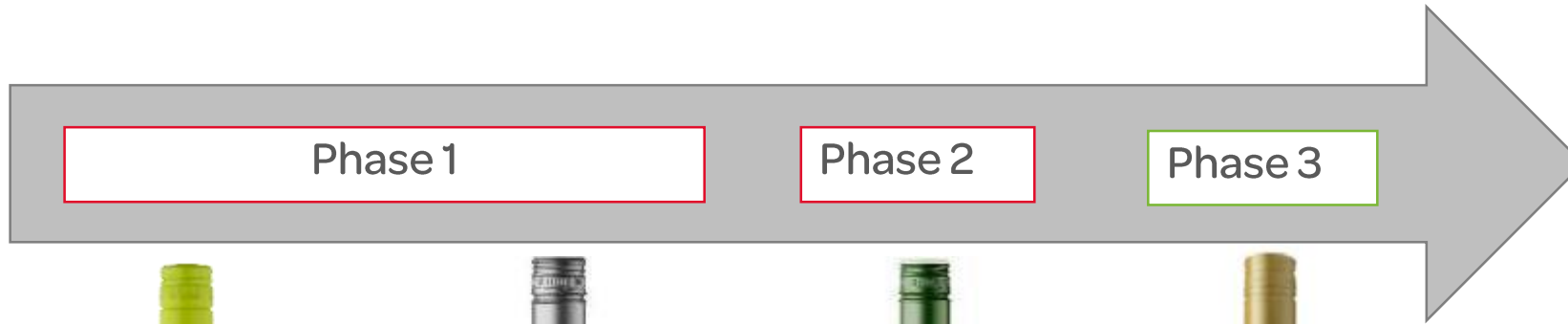
Identifiable 'best' tier

Gifting, treat, dinner parties

Range reflects modern trends



Range Hierarchy



Taste

Good



The Letter
Collection

Better



Exclusives



Regional
Selection

Best



Sparkling Wine Range

Italian Sparkling/ Prosecco



Better

Perlezza
range value
£2.5m

Cava & Champagne



Best

Sparkling
range value
£5m

Better

Best



SPAR BWS Awards



101 medals

Won in 2019/20 Total



Gold medals for SPAR brand Wine



Which? best buy award winners

2018



2019



Drinks International Design Awards

SPAR Brand Wine Range has been awarded the Drinks International 2019 Gold medal for wine design and Overall Category Trophy for best repackaged wine 2019



Spirits range



Key Spirit Partners

DIAGEO



WILLIAM GRANT & SONS
INDEPENDENT FAMILY DISTILLERS SINCE 1867



Entry level spirit label evolution

- SPAR Brand's entry level spirits have undergone a label re-design focusing on 11 sku's across 4 categories – Vodka (5), Gin (3), Brandy (2) and Liqueur (1)
- The re-design is an EVOLUTION of our current label, not a REVOLUTION. As the majority of the labels haven't been changed for a decade



Standard Range spirits

Imperial Vodka



A triple filtered seven times distilled vodka with a pure clean flavour making it versatile and exceptionally smooth. Then perfect vodka to mix with a gentle finish for those who like their spirit straight.

London Dry Gin



A simple classic gin for the purists. Crafted using only 4 botanicals including the classic essential botanicals, juniper, coriander and angelica root with the fourth botanical giving this gin it's warming heat, on the finish.

Standard Range spirits

French Brandy



Made from the no.1 brandy producer in Europe the SPAR brandy has been aged for a minimum of 1 year in oak barrel giving it its light caramel colour and sweet oaky flavour. A very versatile spirit that is great straight and mixed in your favourite brandy based cocktails.

Glen Dhu Whisky



Glen Dhu is a subtle flavoured blended scotch whisky with a sweet rounded body, rich fruit flavours and a soft warm finish. This is best served neat, over ice or in a range of whisky based cocktails.

Country Cream



Our country cream is a majestically balanced combination of the finest Irish whisky and cream. Enjoy chilled, poured over ice or for the adventurers, drizzle it over vanilla ice cream.

Premium Spirits range

Premium vodka



Our French wheat vodka has been distilled 4 times, creating an extra smooth and clean spirit. Using the finest demineralised water ensures there is no tainting of flavour leaving the you with a vodka that is perfect for sipping over ice of mixing with a range soft drinks.

The Harmonist Rhubarb and ginger gin



A fantastic hand-crafted pink gin that is crafted from a blend of ten botanicals which are distilled in a copper still and only ever in small batches. The essence of rhubarb adds a tart crisp note to the smooth English gin with the ginger bringing a welcome heat to the palate for a full bodied flavour full finish.

The Harmonist London Dry Gin



A wonderful clean London Dry gin for the purists. Distilled in a copper still using traditional methods and a range of 10 of the finest botanicals including juniper berries from Italy, zesty orange peel from Spain and spicy cassis from China making this a fantastic gin for a traditional G&T or a gin martin.

CORPORATE SOCIAL RESPONSIBILITY



Label updates - On Pack Recycling Label (OPRL) & Portman group best practice

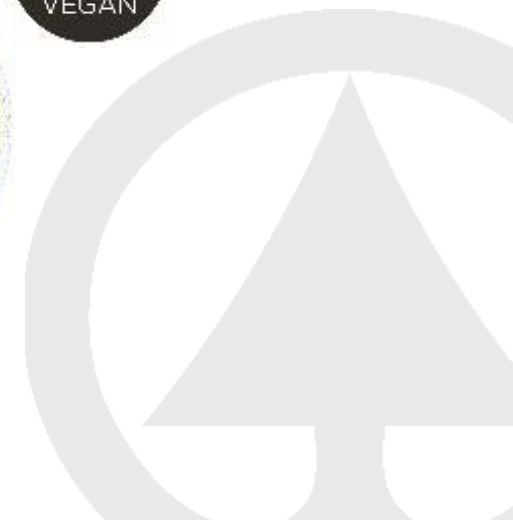
We are aiming for 100% of the SPAR OL BWS portfolio to have the new easy to understand recycling information (OPRL) by Spring 2021

All of our labels adhere to the Portman group best practice and Chief Medical Officer (CMO) guidelines which are clearly identifiable on the each products back labels



Fairtrade / Organic / Vegan Wines

- SPAR will be launching it's first Fairtrade wine from our regional selection range in Spring 2021.
- Earlier this year SPAR launched it's first Organic wine range, Orbis Organic with it's sales 40% above expected
- In 2019 SPAR launched the first overtly Vegan Wine range, Vine & Bloom and achieved it's annual target of 824k
- SPAR is also planning to make its entire own label wine range vegan by the end of the calendar year 2021



Sustainability Initiatives

- 91% of SPAR Own Label wine producers are family-owned or grower cooperatives sharing the same core values of SPAR's independent retailers and RDC's, and are committed to:
 - serving the community
 - providing local employment
 - offering great quality and value for money products.



Good quality SPAR branded products...

SPAR brand quality benchmarking – Master of Wine curated wines
Brand hierarchy and roles (Affordables, Letter Collection & Regional Selection)
Range management (EPD, tail cuts) – Range rationalisation journey
Packaging, design and tone – award winning

= Unexpected Surprises

...at a fair and trusted price...

Range to satisfy all customers pricing barriers
Both EDLP and Hi/Low pricing strategy
Price position review and index vs. competitive set
Promotional strategy to complement brands & time of year

= Value For Money

...and always sourced responsibly.

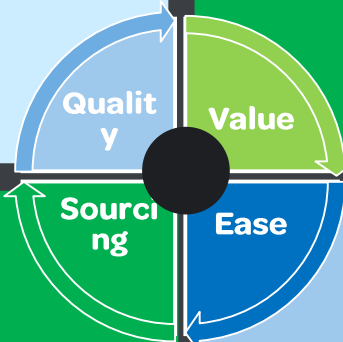
SPAR Brand supplier strategy & relationships - 91% of Wine producers are family owned or cooperatives
Health and wellbeing – Organic and vegan wines
Standards, sustainability, ethics and welfare – OPRL
Technical safety & legislation - Portman group

= Confidence & Positivity

...to make life simpler...

SPAR brand: right products in the right stores
Logical and simple range hierarchy
Solutions to our shopper missions
Impactful communication

= Satisfaction & Retention





Thank You