

CHALLENGER BRANDS AT SPAR

SUPPORTING INNOVATIVE NPD

As part of the Buying Better Together strategy, SPAR actively collaborates with Challenger Brands. These on-trend brands are disruptors in their respective categories, outperforming their established competitors and growing market share thanks to innovative NPD and savvy marketing.

Challenger Brands are young brands that challenge established large FMCG brands, changing the marketplace's status quo. These brands typically grow faster than their fair share. Challenger Brands are typically local heroes with a proven track of success in one or more markets.

With consumers continuously looking for more novel brands, SPAR International identifies and champions these challengers, thereby providing SPAR countries with the opportunity to create differentiation and increase their instore offering.

With its presence in 48 countries, SPAR is an attractive partner account for Challenger Brands. By introducing these highly innovative brands to SPAR markets and our logistical network, SPAR International supports relative newcomers in gaining access to new regions, facilitating their growth outside their home markets.

This partnership benefits SPAR country organisations worldwide by offering on-top bonuses, fast growth, and on-trend products. However, it also balances the category dominance of FMCG brands, helping boost innovation in the marketplace and offer SPAR customers a wider variety of highly innovative products. Recent

By introducing Challenger Brands to SPAR markets and our logistical network, SPAR International supports these relative newcomers in gaining access to new regions, facilitating their growth outside their home markets.

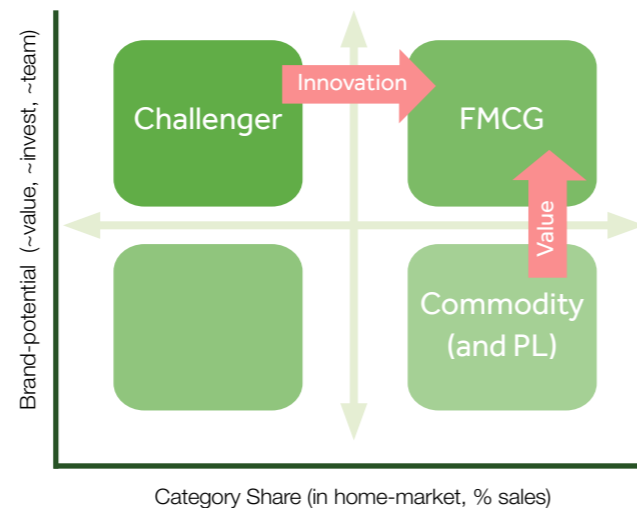
success stories include the introduction of brands such as Tony's Chocolonely and Oatly to new markets.

SPAR International uses strict criteria to select the right brands with both the ambition and capacity to become an international Challenger Brand and thus a preferred supplier.

Potential Challenger Brands must:

- show home market success;
- have a brand marketing focus and approach;
- have a professional international team that can adapt to local flavours and language;
- and have some capital investor support.

SPAR country organisations can find more information on the SPAR Challenger Brand programme by logging into the intranet platform SPAR Connect.



In most categories, private label (PL) and commodities bring value for money, while Challenger Brands bring disruptive innovation.

CASE STUDY

WARRIOR IN THE UNITED KINGDOM



The growth of Warrior

One of the fast-growing additions to the SPAR Challenger Brand programme comes from sports nutrition brand Warrior. Warrior was founded 2017 by entrepreneur Kieran Fisher, and achieved a total of £36 million in sales worldwide in 2023.

In a competitive category for healthy snacks, Warrior stands out through strong brand following, high quality products and an affordable price point. Warrior's portfolio includes over 300 products including powders, bars, drinks, and supplements. The brand is renowned for its award-winning Warrior® CRUNCH and Warrior® RAW range of guilt-free, healthy snacking bars and flapjacks. Today, Warrior is available online and in leading retailers, including SPAR, worldwide.

Launch of Warrior in SPAR Scotland

As part of growth in the United Kingdom, SPAR Scotland welcomed Warrior to its stores with a range of 9 bestselling products in September 2023, giving Scottish SPAR customers access to some of the sports nutrition brands bestselling products including Warrior® Crunch, Warrior RAW Protein bars and Warrior® Protein water.

As part of the launch, free standing display units (FSDUs) were installed in SPAR stores across Scotland. to capture shoppers' attention, drive brand

awareness for the Warrior range, and encourage product purchasing. This initiative was coupled with sampling at flagship SPAR stores in Scotland, and was effective in generating excitement for the newly launched Warrior range.

To target potential new customers digitally, Warrior launched a social media campaign to reach those within their target market who were located nearby to participating SPAR stores.

The response from SPAR customers in Scotland has been hugely positive, and Warrior now has 35% share of SPAR Scotland's healthy snacking market – demonstrating the huge demand for healthy snacks.

Warrior's presence across the United Kingdom

Currently, Warrior is available in over 300 stores across the United Kingdom, including SPAR company-owned stores for CJ Lang in Scotland and James Hall in the North of England, as well as SPAR stores across England and Wales with AF Blakemore.

Future growth

The Challenger Brand Programme is helping to charge Warrior's ambitious growth strategy and international expansion plans, with the potential to introduce Warrior's bestselling products to brand new territories including China, South Africa, and Australia.

