

TOBACCO PROMOTIONAL GROUPS - Classifications



Tobacco Group 1:

Essential for SUPAs - Fits with Consumer Expectations of SUPAs having a competitive offer across all categories

Essential for IGA's that have more than one of the following competitors in their region:

- Grocery Chains (Standard Sell 7% - 8% Gross Profit on PKTs / Standard Sell 5% Gross Profit on CTNS)
- Tobacconists (Standard Sell 4% - 7% Gross Profit on PKTs & CTNs)

Group 1 Stores receive High Frequency of Promotions of Key Lines such as B&H/ Winfield / Peter Jackson / Longbeach with the Highest Case Deals of all 3 Tobacco Groups

Stores should utilise the Full Buying period of Each Promotion including the Last Week of the Promotion to investment buy on Stock to further improve Gross Profit

Retailer Obligations

- Hosted promotional price points are to be reflected in store for duration of promotion (Case deals are based on an 8% margin) excluding initial Buy-Week
- Promotional price points are to be ticketed at commencement & for duration of promotional activity (in accordance with state tobacco legislation) excluding initial Buy-Week

Tobacco Group 2:

Essential for IGA's that have one of the following competitors in their region:

- Grocery Chains (Standard Sell 7% - 8% Gross Profit on PKTs / Standard Sell 5% Gross Profit on CTNS)
- Tobacconists (Standard Sell 4% - 7% Gross Profit on PKTs & CTNs)

Group 2 Stores receive Regular Promotions of Key Lines such as B&H/ Winfield / Peter Jackson / Longbeach with Competitive Case Deals for their market

Stores should utilise the Full Buying period of Each Promotion including the Last Week of the Promotion to investment buy on Stock to further improve Gross Profit

Retailer Obligations

- Hosted promotional price points are to be reflected in store for duration of promotion (Case deals are based on an 10% margin) excluding initial Buy-Week
- Promotional price points are to be ticketed at commencement & for duration of promotional activity (in accordance with state tobacco legislation) excluding initial Buy-Week

Tobacco Group 3:

Suitbale for stores with a Convenience Customer Profile & no competition within their region. Note: Consumers will often utilise cigarette pricing as gauge of a store's Grocery Price Offer

Group 3 Stores receive Minimal Promotions and Minor Case Deals to meet the requirements of a Convenience Customer Offer

- To be compliant when a Brand is on promotion - IGA Outlet will be working off Recommended Retail Price and reflect the Case Deal accordingly

Stores should utilise the Full Buying period of Each Promotion including the Last Week of the Promotion to investment buy on Stock to further improve Gross Profit

Retailer Obligations

- Promotional case deal is to be reflected off standard store price points
- Promotional price points are to be ticketed at commencement & for duration of promotional activity (in accordance with state tobacco legislation) excluding initial Buy Week