



# Lidl's Baked Bread Category Plan

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# Presentation Outline

1. Bread Category Analysis
2. Overview of Lidl
3. Local Catchment Area
4. Key Insights of Product Category & Customer Needs
5. Assessment of Competitor's Category
6. Assessment of Lidl's Current Category
7. New Category Plan
8. Bibliography



# Bread Category Analysis

Consistent Growth

**+2.8% Growth**  
From €392 million  
to €403 million

Predicted Growth:  
**7.5%** by 2023

Private-label NPD:  
**60%**

Trend in health,  
nutrition and  
wellbeing

White bread still  
dominates sales



# Overview of Lidl

- Global discount supermarket
- Low price, high quality products
- Partnerships = penetration pricing strategy
- Mission: deliver quality products at the most competitive price
- Vision: enhance customer satisfaction through value
- The bakery: highly influential for customer satisfaction

QUALITY





# Marketing Strategy - Target Market

- Price-sensitive shoppers
- Predominantly female
- Quality-conscious
- Weekly shopper
- Loyalty to Lidl is driven by the bakery and fresh categories





# Marketing Strategy - Positioning

- 
- Weak brand image
  - Cheap, low-quality, bad service

NEW Brand Image



## Quality-Focused

- ★ Good quality, low price
- ★ Customer-centric
- ★ Improving in-store experience



# In the Market

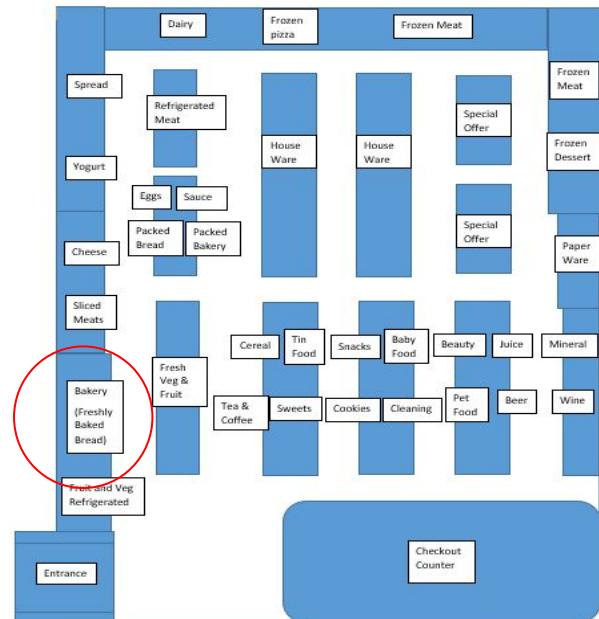
- CX Score 2018: 7.28/10
  - CX Excellence Customer Champions - Supermarket sector
- Market Share: 12%
- National Share for Baked Goods: 1.4%





# Lidl Carlow Macro Plan

- A. Space Allocation
- B. Store Layout
- C. Fixture Selection & Merchandising
- D. Visual Appeal
- E. Customer Behaviour & Traffic Patterns











## Key Category Competitors

**TESCO**  
—

21.1%



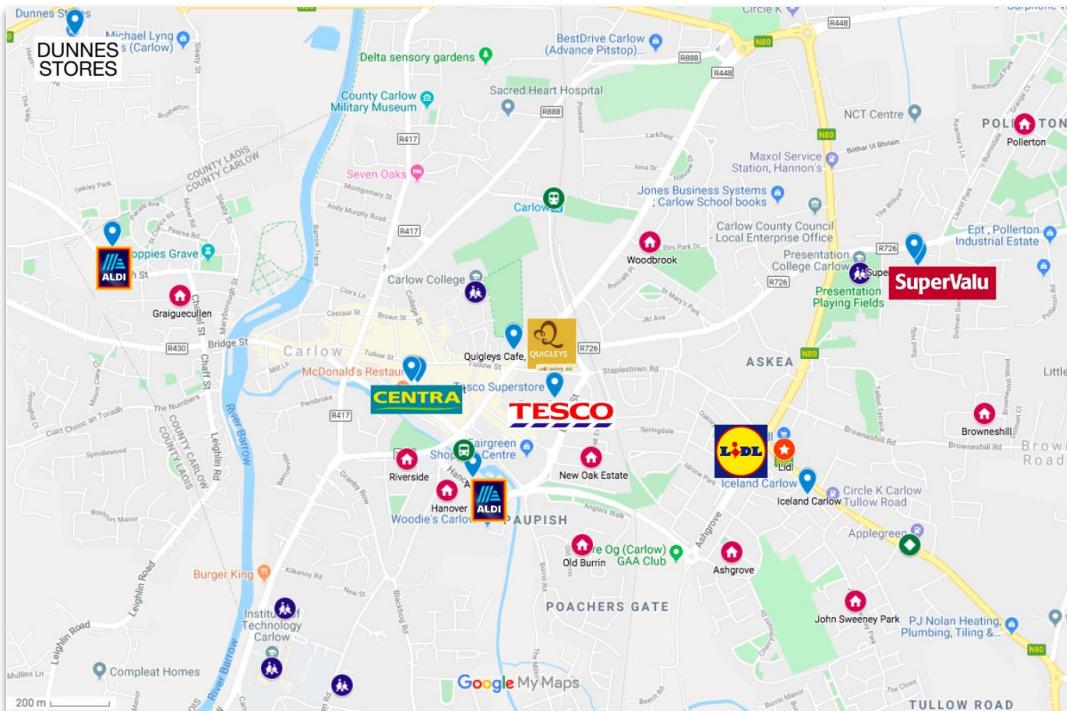
**SuperValu**  
Real Food, Real People

21.2%

‘Other’  
10.4%



# Key Category Competitors Map



## Legend

	Lidl
	Grocery Stores
	Transportation
	Neighbourhoods
	Schools Colleges



# Category in Competing Stores



Tesco



Centra



SuperValu



# Local Catchment Area

Co. Carlow

- Population: approx. 56,932 (CSO, 2016)
- Small households, avg. 2-3 persons
  - Young families (children under 15)
  - Elderly couples
- 50% live within 15-30 min. commute
- Major employment industries:
  - Skilled trade
  - Professional commerce
- Future development in small businesses





# Insights of Category/Customer Needs

1. Organization
2. New Products
3. Informational Display
4. Staffing
5. Cleanliness





# Assessment of Competitor's Category

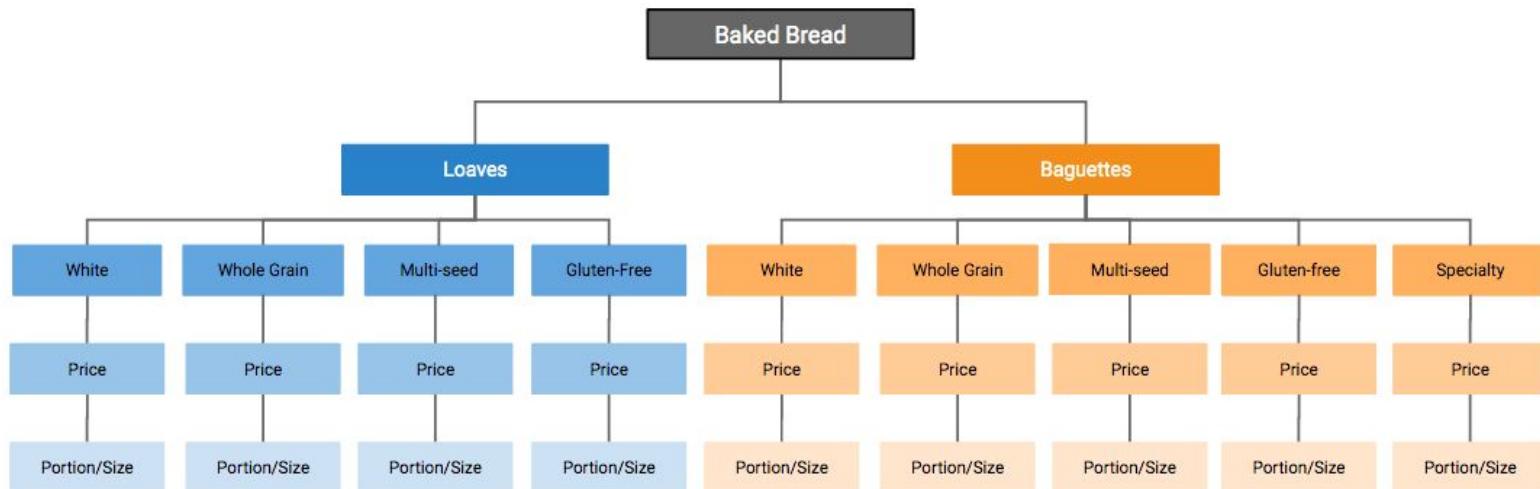
- ‘Preferred Routine’ Role
- Back of store, wall racks and aisle table
- POS: “This Week’s Offers”, seasonal sales
- Overperformance:
  - Specialty product selections
  - Seasonal sales
- Underperformance:
  - No bread slicer
  - Location in store







# Existing Decision Tree





# Key Insights

## Barriers to Purchase:

- Quality/freshness perception
- Nutritional display
- Product certifications

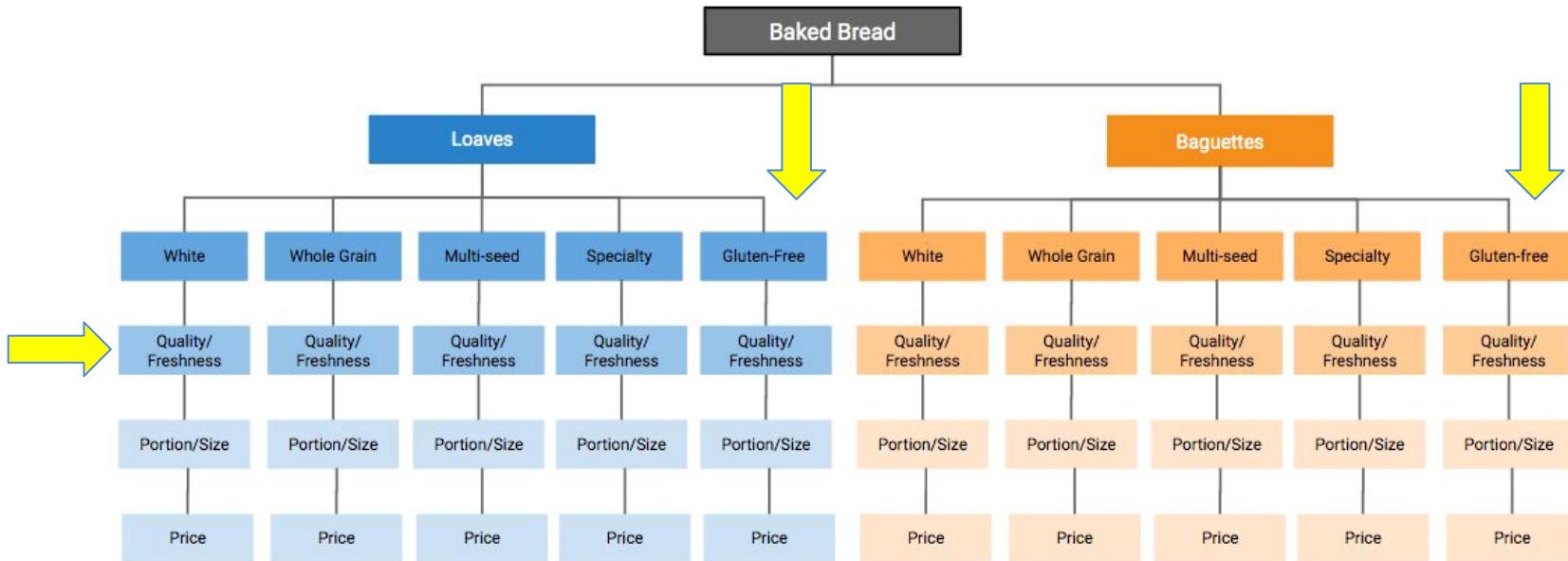
## Customer Problems:

- Difficulties finding health information
- OOS Products
- Difficulties using bread slicer





# New Decision Tree



# Recommendations For the Bread Category in Lidl Carlow



# Current Role & Range

- Routine role
- Large selection of products
- Limited variety for consumers with dietary restrictions
- No seasonal products
- No products to be omitted



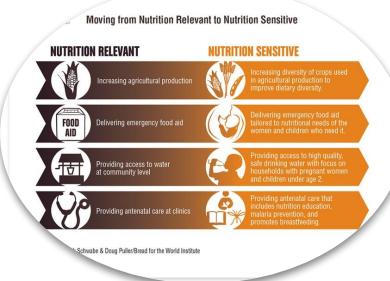


# Proposed Role

## “Preferred Routine”



Wider Product  
Variety



POS Nutritional  
Graphics



Expert Staff  
Available



Lunch Prep  
Station



# Proposed Range

- Sourdough
- Ancient grain
- Caraway seed rye/soda
- Ciabatta
- Brioche
- Beetroot
- Gluten-free





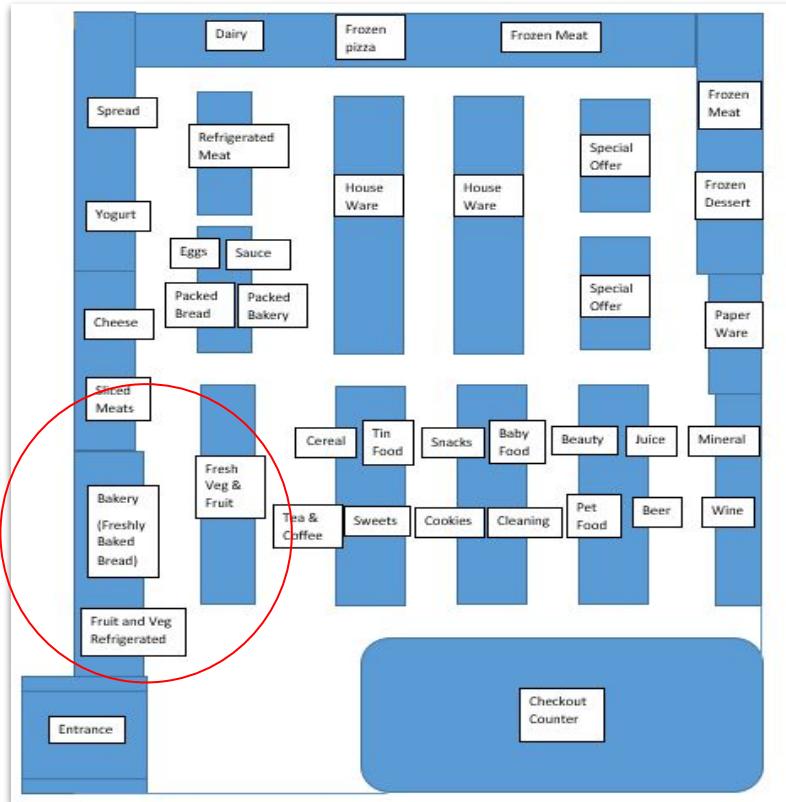
# Other New Product Ideas

- Lunch-to-Go stand
- Gluten-free stand
- Toaster bags
- High quality bags that keep bread fresh
- Sampling
- New bread cutting machine





# Store Location





# Space Allocation

- Reorganize and add two new sub-categories
- Category is broken down by bread type e.g. Loaves & Baguettes
- Expand to gluten-free sub-category
- Expand to ready-to-go lunch sub-category
- OOS: double facings of most popular SKUs





# Point of Sale Material

- Easy-to-read signage above the sub-categories
- Ingredient & nutritional information
- Easy to understand labels
- Consistency

## Recommendation:

Better visibility, focus on 'fresh' and LOGOS





# Labels & Logos

OLD



NEW





# Informational Posters - Old

Poster 1



TOP



BOTTOM

Poster 2



TOP



BOTTOM



# Informational Posters - NEW

## Posters

### NUTRITIONAL INFORMATION BAKED FRESH EVERY MORNING

The Bakery

LOOK OUT FOR:

- DAIRY FREE
- GLUTEN FREE
- HEALTH CONSCIOUS

INTERNATIONAL

| IMAGE | TITLE              | DESCRIPTION        |
|-------|--------------------|--------------------|-------|--------------------|--------------------|-------|--------------------|--------------------|-------|--------------------|--------------------|-------|--------------------|--------------------|-------|--------------------|--------------------|-------|--------------------|--------------------|-------|--------------------|--------------------|
|       | Insert Ingredients | Insert Ingredients |
|       | Insert Ingredients | Insert Ingredients |
|       | Insert Ingredients | Insert Ingredients |
|       | Insert Ingredients | Insert Ingredients |

Allergen Abbreviations

A = Almonds | B = Barley | E = Eggs | M = Milk | N = Nuts | R = Rye | W = Wheat

IMPORTANT ALLERGY ADVICE

If you are allergic to any of these allergens in a bread product, it is not safe for you to consume.

LIDL

## Pamphlets

See a selection of our Bakery Range inside.

Prepared daily and baked in our specialist ovens throughout the day.

FIND US HERE

123 Anywhere St., Any City, ST 12345  
+123-456-7890  
hello@readytogofoods.com  
www.readytogofoods.com

The Bakery

BAKED FRESH EVERY DAY

LIDL

LIDL



# Focus on 'Fresh'



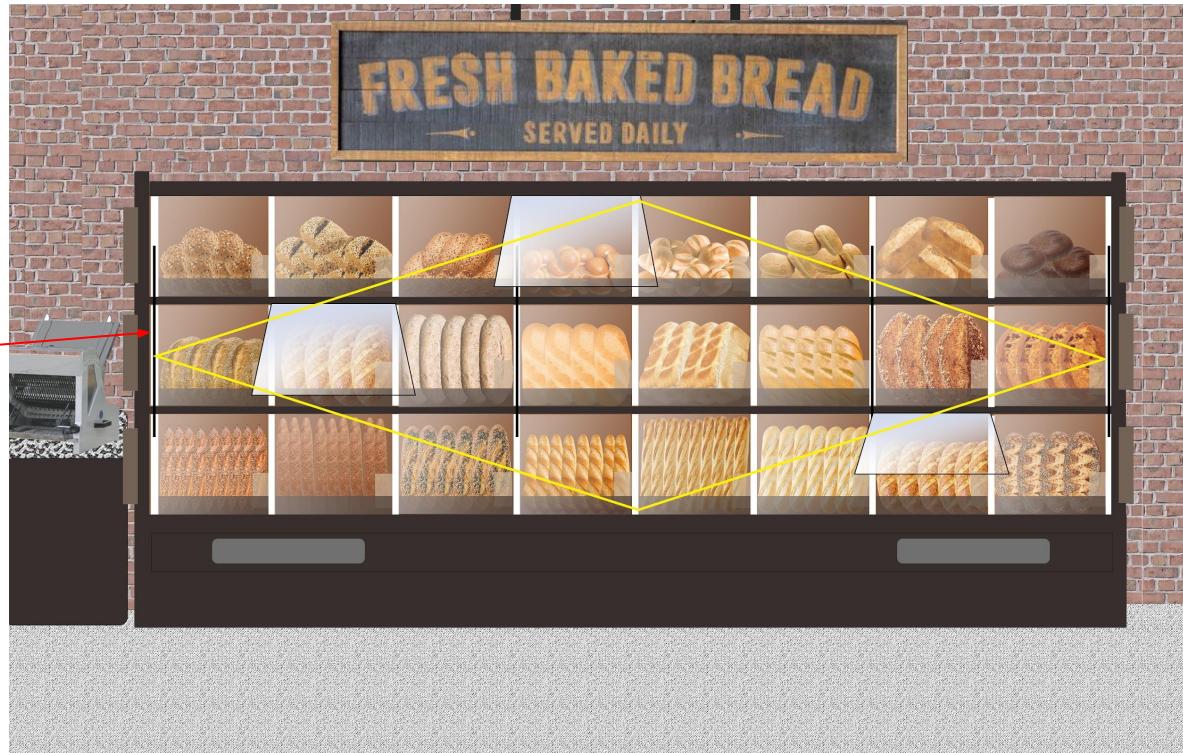


# Service Levels

- No bakers or staff present during observations
- Lidl keeps one existing baker and trains them to become a bread expert
- Bread expert provides free samples every day and nutritional recommendations

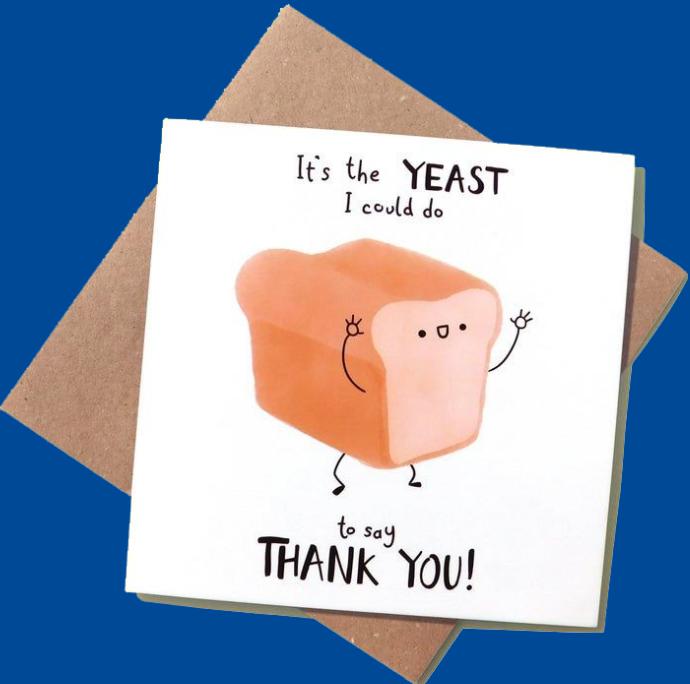


# Suggested Planogram









Any Questions?



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