



**GREGGS**

*Always Fresh. Always Tasty.™*



**Successfully servicing the UK convenience consumer**  
Raymond Reynolds, Retail Director

# Content of Presentation....

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- Brief history of Greggs
- Strategic review
- What we've done since then
- Results so far

# GREGGS



# bakery

**CUSTARD SLICE**  
2.30<sup>p</sup>

**PINEAPPLE MELBA**  
2.30<sup>p</sup>

**FRENCH STICKS**  
30<sup>p</sup>  
22<sup>p</sup>

**PIES-PASTIES**  
**SAUSAGE ROLLS**



**STOTTIES**  
17

**TEA CAKES**  
3.20<sup>p</sup>

**APPLE DRAGON**  
3.30<sup>p</sup>

**COFFIN ROLLS**  
3.20<sup>p</sup>

**FRENCH STICKS**  
22<sup>p</sup>

**BLISSIES**  
30<sup>p</sup>

**MARQUEES**  
30<sup>p</sup>

**LARGE**  
SICED  
31





# GREGGS

TASTY  
sausage  
rolls

from  
**50p**

FRESH  
baguettes

from  
**£1.25**

TASTY  
sausage  
rolls

from  
**50p**

FRESH  
baguettes

from  
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TASTY  
sausage  
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from  
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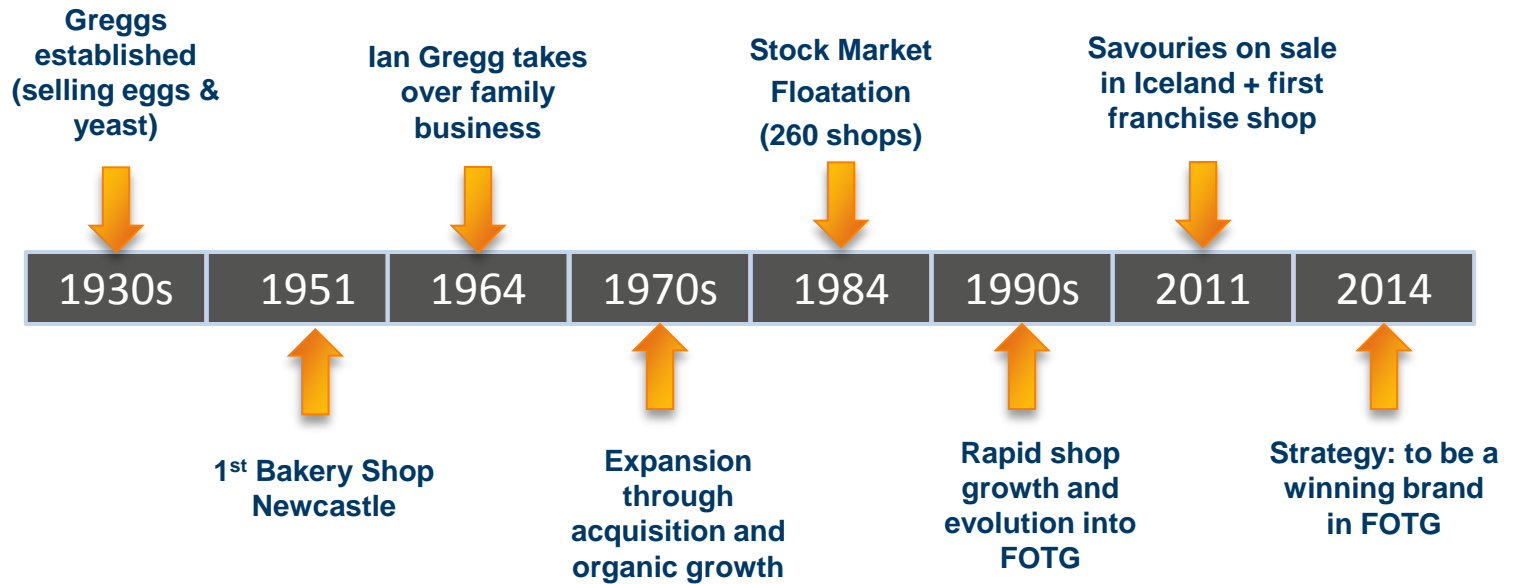
FRESH  
baguettes

from  
**£1.25**



# A little bit about Greggs...

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# Greggs at a glance

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- 1650 Shops across the UK  
(88 franchise units)
- Vertically integrated
  - 9 Regional Bakeries
  - 2 Distribution Centres
  - 2 Centres of Excellence
- 20k Employees
- 720k Facebook likes
- 100k Twitter followers



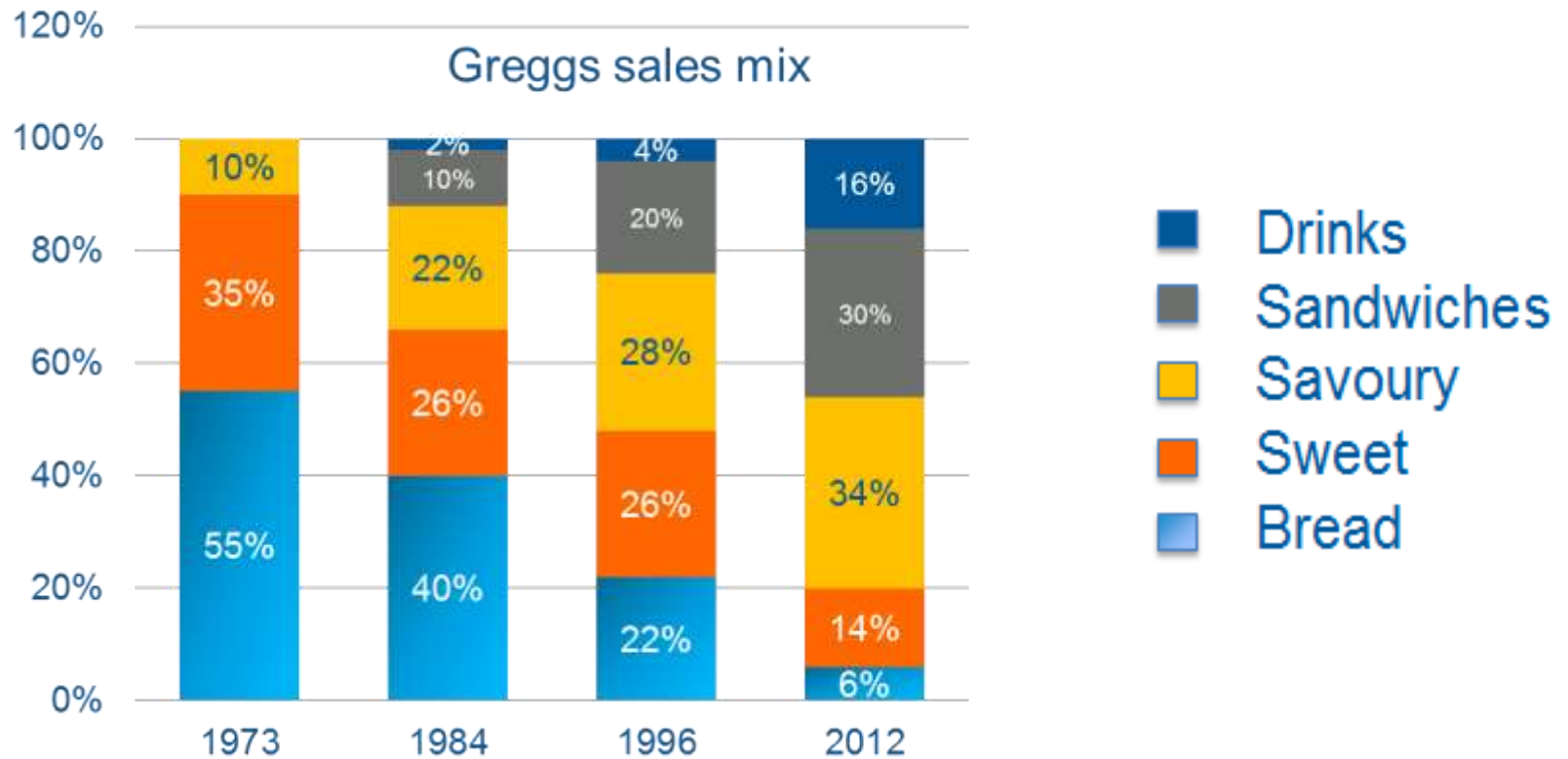


Exclusive to  
Iceland



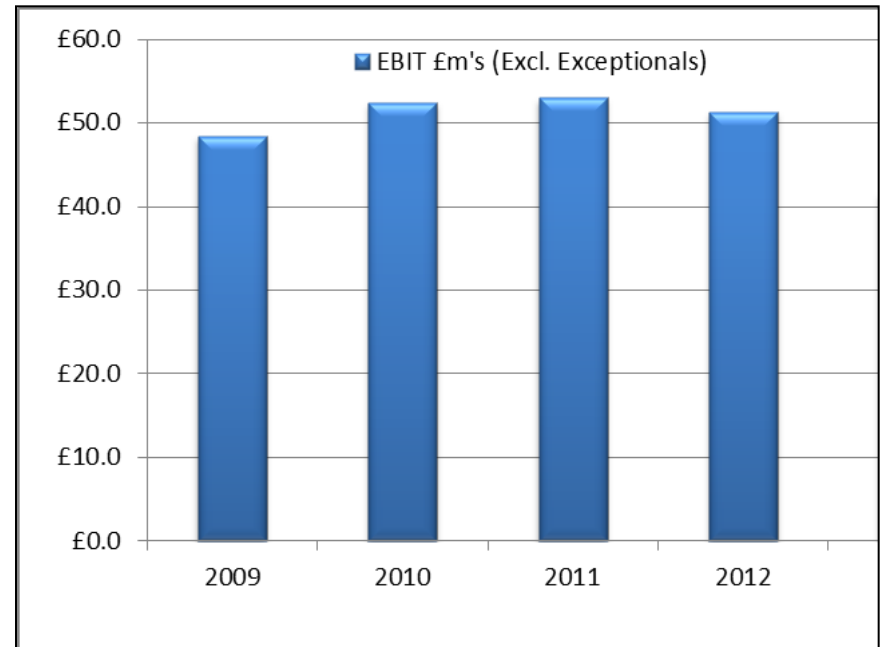
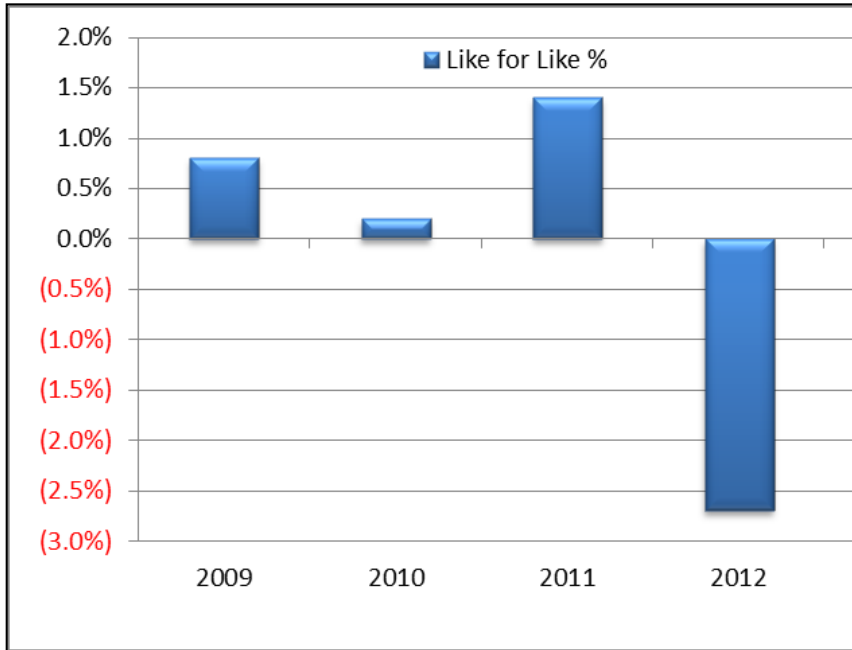
# Sales mix....progressively towards FOTG

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# Sales performance under pressure and profits falling

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# Strategic Review – Market Context

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## Conclusions:

- Biggest bakery operator but market steadily migrating to supermarkets
- Most customer visits were ‘Food on the Go’
- ‘Food on the Go’ market in growth but Greggs losing share

# A change in strategy

*To be a winning brand  
in the food-on-the-go market*



*Great tasting fresh food*



*Great shopping experience*



*Simple & efficient operations*



*Improvement through change*

*Keeping our people, communities and values at the heart of our business*

# Customer Segmentation clarified .....

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MALE & FEMALE

## Young, Free & Social

PRIMARY INVESTMENT: PROTECT AND GROW

16 - 24 MALES & FEMALE ABC1C2 / 25 - 34 MALE BC1C2

MALE & FEMALE

## Work/Life Balancers

PRIMARY INVESTMENT: PROTECT AND RETAIN

MALE, 25-54, A, MALE, 35-54, BC1, MALE, 35-44, C2 FEMALE, 35-54, BC1

FEMALE

## Weight & Wellness

BUSINESS FOCUS: PROTECT AND GROW

FEMALE, 25 - 44, A & 25 - 34 BC1

MALE & FEMALE

## Family Valuers

BUSINESS FOCUS: DRIVE RELEVANCE AND VALUE

FEMALE 16 - 54 C2, 45 - 54A, MALE 45 - 54 C2

MALE & FEMALE

## Mature Quality Seekers

BUSINESS FOCUS: PROTECT AND RETAIN

MALE & FEMALE 55+ ABC1C2

MALE & FEMALE

## Make Do & Spend

BUSINESS FOCUS: PROTECT AND RETAIN

MALE & FEMALE 16+ DE

# 1. Great tasting fresh food

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- **Quality of range**
  - Best selling products upgraded
  - New improved coffee blend
  - Sandwich range overhauled
- **Outstanding value:**
  - meal deals .....
    - £2 Breakfast Deal
    - £3 Sandwich Deal
- **Good for you:**
  - `Balanced Choice` ranges launched
- **New reasons to visit:**
  - Pizzas
  - Hot sandwiches
  - Soup



**COME ON IN...**

**NEW HOT FRESH & TASTY RANGE**

**ABERDEEN ANGUS MEATBALL MELT**

**YOUR HOT LUNCH IS READY**

**COME ON IN...**

**THIN & CRISPY PIZZA BASE**

**PIZZA DEAL FROM £2.50**

**OUR PIZZA IS FRESHLY BAKED**

ANY pizza 1.00 + ANY drink

**COME ON IN...**

**ALL THE TASTE. BALANCED CHOICE. All under 400 calories.**

**1005 | 240 kcal**

**747 | 177 kcal**

**FOR HOT, TASTY SOUP**

**COME ON IN...**

**BREAKFAST DEALS FROM £2**

**FREE RANGE EGG OMELETTE**

**HOT BREAKFAST IS SERVED UNTIL 11AM**

ANY breakfast roll or baguette + ANY regular hot drink

# SEASON'S Eatings

NEW HOT FESTIVE FLATBREAD

BALANCED CHOICE

1507 379

# A CUP OF Christmas CHEER

CHRISTMAS LUNCH SOUP

BALANCED CHOICE

702 168

# A festive TREAT

NEW CHRISTMAS MUFFIN

COFFEE & CAKE DEAL

£2

ANY cake + ANY regular hot drink

# SEASON'S Eatings

MINIRED WEDGE CHRISTMAS LUNCH SANDWICH

For every Christmas lunch sandwich you buy, we'll donate 5p to charities in your area.



# Balanced Choice Ranges



Our **NEW**  
range of  
**Balanced  
Choice™**  
sandwiches

**BALANCED  
CHOICE** All the taste.  
All under 400 calories.

## 2. A Great Shopping Experience

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- Accelerated refit programme
  - 10 year to 7 year cycle
  - 200 refits per year
  - Seating
- Reshaping estate profile:
  - New openings away from the High St
  - Closures and consolidation on the High St
- Greggs Rewards launched

### Plus

- Extended trading hours
- Improved product availability



# JOHN STEWART JEWELLERS

**CASH NOW FOR GOLD & SILVER**

ANY CONDITION - TOP PRICES PAID

**10%  
EXTRA**

 **GREGGS**

sandwiches  
&  
savories

 GREGGS



 **GREGGS**

The taste of Christmas



1.25

Walmart

Delicious Christmas

BLACK DAY

exclusive toys 79.



g hand with quality ingredients.

**DELICIOUS LUNCH DEAL**  
ANY 2nd beverage  
+ ANY 3rd item



# Shop growth through franchising.....

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# WIGHTLINK



# SandpiperCI *The Channel Islands' Retailer*



# blakemore retail





# Greggs Rewards



### 3. Simple and Efficient Operations

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- Withdrawal from 'In-store' bakeries completed
- Regional and central support teams restructured
- Combined annual financial benefits of £6m from 2015



## 4. Improvement Through Change

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- 5 year change programme
- Workforce management application rolled out in 2014
- SAP selected as our core ERP software supplier
- Expect net benefits from 2016



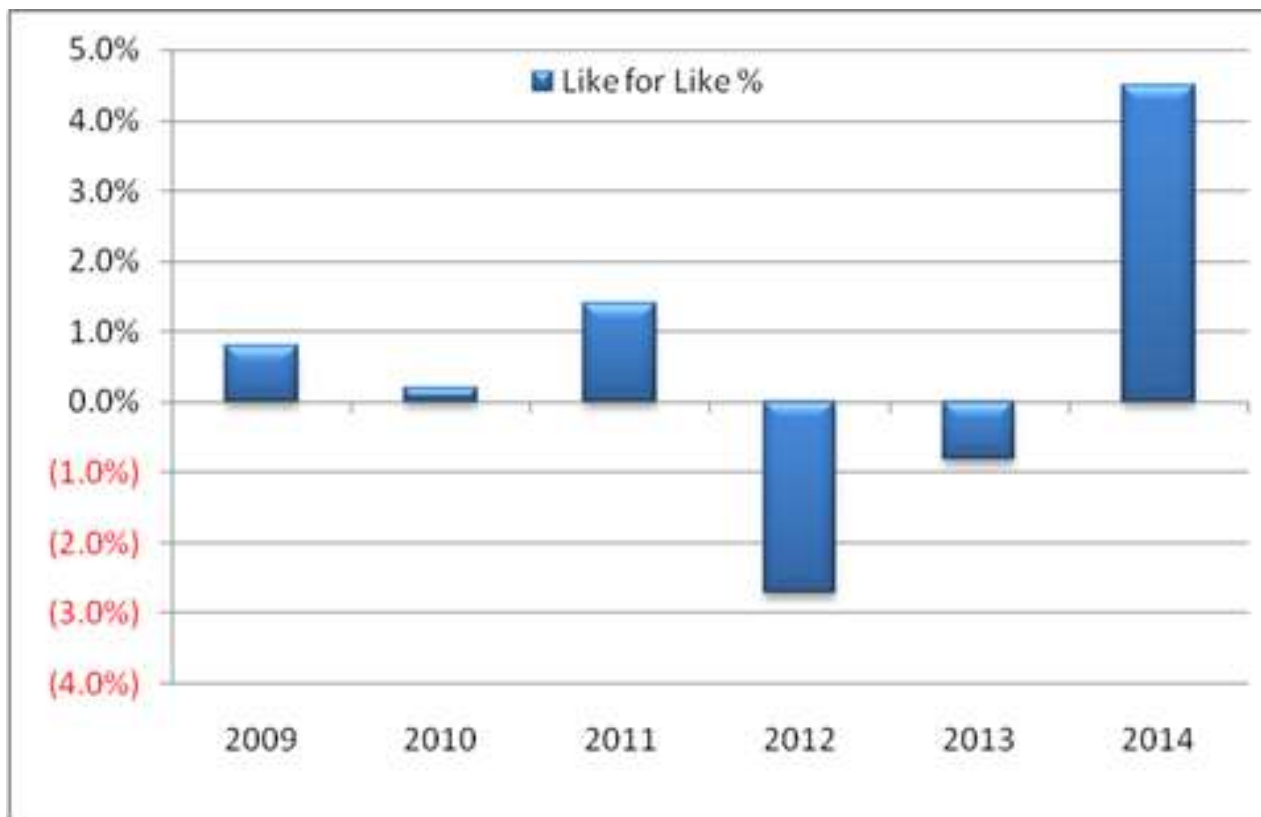
# Keeping people, communities and values at the heart of our business

- Making a difference to local communities
- A great place for our people to work
- Food our customers can trust
- Reducing our impact on the environment





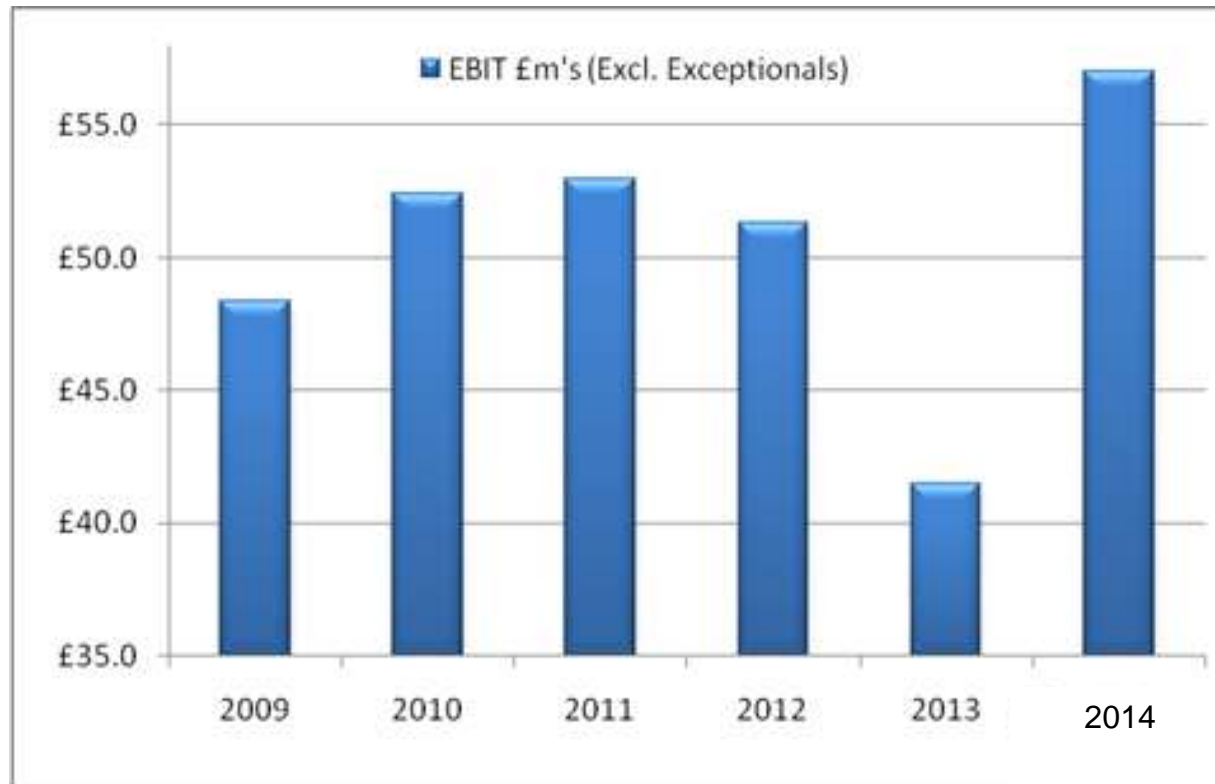
# The results so far.... strongest LFL growth since 2007



2015 LFL  
growth so far:  
**5.6%**

# Record profits....

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2015  
consensus  
analyst profit  
forecast:  
**£70.5m**

# Significant share price growth....

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# In Summary

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- Much loved and trusted brand with strong bakery heritage
- 'Food on the Go' customer transactions predominated
- Strategic re-focus to ensure we delivered for FoTG customer
- Investment in shops, products, value and systems
- Customers have positively reacted to the changes

# Applying to be a Greggs Supplier: Ariba Registration

- If Ariba is new to you, there is a two stage process:
  - ✓ The first stage is the completion of a general registration through:  

**[seller.ariba.com](https://seller.ariba.com)**
  - ✓ This means that you will be able to participate in any public requests for information that are published on the Ariba Discovery portal.
  - ✓ The second stage is the completion of a short supplementary questionnaire answering some specific questions that Greggs require.



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