

NETTO SALLING GROUP



NEW CONCEPT HAS IMPROVED THE LABELING IN NETTO'S STORES

Denmark's largest grocery chain Netto has completed a major optimization project with the intent to improve the labeling in its stores. The goal is a clear improvement in the customers' ability to navigate in the store and find the right items. At the same time, the new labeling concept has improved the associate workflows.

We all know this – it can seem overwhelming to navigate between store shelves and find the right items, or exactly the offer you are looking for. Netto has found a solution for that after having worked intensively on an optimization project with the launch of a new labeling concept.

The project consists of a collaboration with the IT company Delfi Technologies, which has helped and advised Netto throughout the process of improving the labeling in the stores. This has happened through an implementation of new signage that will help and inspire customers.

- From the very beginning, our ambition has been to launch a new concept that first and foremost makes it easier for our customers to

read and decode the signage, so they can find exactly what they are looking for. In parallel, we have looked at how we can optimize the associate workflows in connection with promotional changes, which always entails several updates in the stores, says Michael Tilsted, Senior Director – Head of Sales Operations at Netto.

A FAR BETTER EXPERIENCE

The new concept in Netto's stores includes shelf labels and A4 signs. The improved labeling includes a clearer font type, a greater focus on promotional items using yellow signs so customers quickly can find the weekly offers. Netto SPOT has also got a special marking on all shelf labels for spot items.



Delfi

Special product logos must also guide customers. It is logos such as ecology, keyhole, whole grain label, allergy label, Swan label and flag for displaying country of origin to quickly find e.g., the Danish-produced goods or a special Italian wine.

A4 signs are used to put extra focus on offers around the store and to make Netto+ offers visible. This type of sign is also used in fruit & vegetables, where larger signage is needed.

- Most importantly, it is about improving the experience for our customers when they come to shop in our stores. But at the same time, it is also of great importance that a project like this can help to facilitate the workflows for our associates, who make a great effort every day in the stores, says Michael Tilsted.

For the associates, the new solution means that they no longer must bother with several stacks of paper and separate shelf labels, as the new labels now are printed individually and are collected in a smart printer drawer developed specifically for Netto.

MORE OPPORTUNITIES AND NEW INITIATIVES ON THE WAY

The new branding has given Netto a whole new marketing platform with far more opportunities to inspire and help customers. Therefore, there are already plans to expand the concept to new areas. According to Michael Tilsted, Netto's Scan & Go and QR codes will be integrated as part of the shelf labels.

He also mentions that Netto wants to use the new concept as an important tool in marketing and to highlight special messages – e.g., clear marking on new items and new brands, but also display of Vivino scores on the shelf fronts in the wine department and special information on various taste parameters.



- We have been given a unique opportunity to think outside the box in relation to how we want to communicate with our customers. That is why we will launch several new initiatives in the stores, he says.

NEW CLIMATE LABELING IN NETTO

As the first store chain in Denmark, Netto will also help customers make more climate-conscious choices. That is why Netto is currently testing climate labeling of food, where the signage must guide customers to the less climate-damaging alternatives.

- Fortunately, many want to make a difference to the climate and our common future. It is therefore our responsibility, as a grocery store, to make it easier for our customers to choose



items with lower climate footprints. Now we want Netto to be the first in Denmark to launch an actual climate label that provides concrete advice and guidance to customers while they are in the store, says Michael Løve, Director of Netto.

The printing solution from Delfi Technologies consists of Epson TM-C3500 label printers and shelf labels as well as Epson WorkForce Pro for printing the larger A4 signs. In addition, a special drawer system has been developed for the label printers, which collects the printed shelf labels, so that the shops can easily keep track of the many print jobs. The drawer system has been specially designed for Netto through 3D printing based on the exact needs.

ABOUT NETTO

Netto is part of Salling Group and is Denmark's largest grocery chain with more than 500 discount stores throughout the country. Netto also has over 350 stores in Germany and approx. 400 stores in Poland. In 2020, Netto also acquired Tesco Poland, which means that Netto is expected to end up with 700 stores in Poland when the Tesco stores are converted.

ABOUT DELFI TECHNOLOGIES

Delfi Technologies is a European IT company that develops and sells barcode solutions in connection with product registration and electronic shelf labels for the retail, warehousing & logistics industry, as well as the healthcare system. Delfi Technologies has grown significantly in recent years and today has offices in Denmark, Sweden, Norway, Germany, Italy, and Vietnam with more than 110 employees.