

STORES

The Tesco hypermarket in Letňany, near Prague, shows that this is a retailer in which the spirit of experiment and innovation is far from moribund. **John Ryan** reports.

Czeching out new

Tesco has lately suffered, with justification, pretty negative press. Indeed there have been times when it was hard not to wonder if anything that the UK's biggest retailer had done was right.

But the recovery plan is now a work in progress and there is an impression of action and forward movement.

To see some of the newest Tesco in-store initiatives, it is worth making a trip to the Letňany store, on Prague's northern fringe in the Czech Republic.

This is the location of one of central Europe's largest shopping malls and it is anchored by a Tesco that has been in place since it opened, 15 years ago. That may not sound too exciting, but the store, a hypermarket, emerged from an extensive refurbishment in November and now stands as an example of many things that could and perhaps should be done back in the home country.

Walk into the mall and the first thing shoppers will see is an F&F standalone store. There are two other F&F standalones in the Czech Republic, one in central Prague's Palladium Centre and the other in the country's second city, Brno.

In this instance, however, the 17,200 sq ft F&F flatters to deceive. It is in fact part of the Tesco hypermarket except that it has its own mall-facing fascia and entrance, creating the illusion that it is a separate shop.

The impression is enhanced by the adjacent Tesco that has an open frontage, allowing shoppers to stare deep into the store.

Ondřej Horák, F&F marketing manager, points to a third entrance, which turns out to be the fresh produce area. In common with the F&F fascia, it has been fashioned to look almost like a separate entity and the layout is very different from what a shopper would encounter in the UK inasmuch as the gondolas are generally smaller, the counters more specialised and there is a less linear approach to the layout.

And there is the fish counter. Carp is a big number in the Czech Republic (they eat the fish in place of turkey at



TESCO LETŇANY, PRAGUE

Opened 15 years ago
Refurbished November last year
Highlights A semi-standalone F&F and the fresh department
Reason for visiting It is a Tesco store development lab

Christmas) and, alongside the usual display of fresh fish there is a tank with live carp in it.

As well as the fish in the piscine equivalent of God's waiting room, a second tank is filled with live rainbow trout – another item widely consumed in these parts. This fresh department is about responding to the location.

Lifestyle that works

Back to F&F and there is much to admire about what has been done in

Letňany. Horák says that the layout and merchandising are part of the new approach that Tesco has developed for the UK stores. Yet there are differences. He says that the product is aimed at the mildly conservative Czech consumer and points to the in-store panorama.

It is expansive, owing to lowered display units and, as he remarks, in-store navigation is therefore more straightforward – in contrast to what was done at the Palladium

To see more pictures of the Tesco in the Czech Republic go to Retail-week.com/czechtesco



ideas at Tesco



store where floor-to-ceiling displays were more the norm.

The order of play is women's formalwear followed by sportswear, then menswear and finally, there is an F&F Home store beyond that has been incorporated as part of the shop-in-shop. The F&F home area is a trial for Tesco and while it is contained within the suspended in-store "floating fascia" that has been used extensively in the UK, it is given definition by putting white kitchen-style tiles

"The Czech shopper is changing fast and there is a real emphasis on quality"

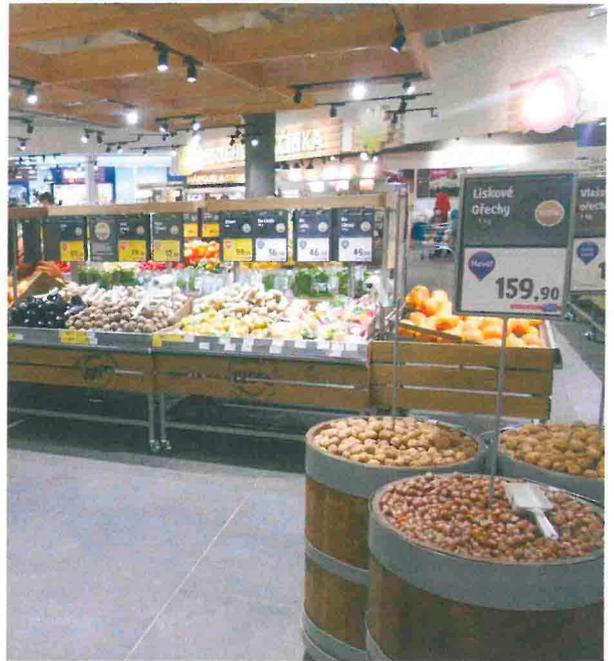
Ondřej Horák, Tesco

around the perimeter. The F&F store in Letňany is lifestyle retail and it really would work perfectly well as a store in its own right.

That said, most shoppers who visit will make the leap and enter the hypermarket proper. And the differences between what UK shoppers are familiar with and what has been done in Letňany are, if anything, even greater than what is on view in F&F.

A couple of aisles from F&F there is a toy store, which does have the feel of ▶

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▶ a place where children might enjoy themselves, rather than a joyless repository of brightly-coloured plastic. The space is quite large and sits cheek by jowl with the technology department towards the front of the shop.

Venture deeper into the store and along the rear wall there are a series of semi-discrete spaces, each aimed at different shoppers.

The L'Oréal beauty product shop-in-shop sits some distance from the main beauty and cosmetic area, which is contained in an aisle closer to the front.

Next to the L'Oréal space there is a Manufaktura Czech natural products shop that is followed by a wine, beer and spirits shop. The latter has been heavily wood clad, as has much of the rest of this interior and a heavy emphasis has been placed on beer, which plays well in the Czech Republic. But for those who want to try something a little different there are interactive screens along the perimeter.

Type the name of a cocktail, a Negroni perhaps, into the screen and a recipe is printed out telling the user which drinks and in which proportions will be required to make the tippie in question. It's a relatively simple idea, but one that has not been tried elsewhere.

Finest island

Venture a couple of aisles beyond this and the shopper is back in the fresh produce area and so the journey comes to an end. Well,



actually, not quite. In the mall's public area that fronts the Tesco store there are the usual small mid-walkway units for snacks, drinks and suchlike.

Two of these are for Tesco financial services and looks, to all intents and purposes, like a modern bank interior.

It is the other that is really eye-catching, however. It is a Tesco Finest counter at which products taken from the store are displayed as a Finest mini-store that has been separated from the main shop.

Horák says: "The Czech shopper is changing fast and there is a real emphasis on quality and this is why this has been done."

It's the sort of thing that would work well in the UK and as a way of highlighting a premium product area it is an interesting development.

In total, Letňany adds up to a very large-scale series of experiments in a store that has been completely refurbished and it is a real shot in the arm for those accustomed to Tesco UK interiors.

Knocking Tesco has been pretty straightforward stuff over the last year, but what this store does do, among other things, is show that this is a retailer that is not retrenching in the face of adversity.

Any retailer who happens to wind up in the Czech capital should take some time out, board the metro and travel out to have a look at this one. 📍