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Tesco's landmark year

By overcoming adversity and re-establishing itself as the dominant player in a competitive field, Tesco has maintained its position at the top of the grocery game

Tesco's challenges in recent years were daunting, but the grocery market leader, under the leadership of chief executive Dave Lewis, has not only faced up to them but made great advances.

The scale of the changes, the success achieved and the renewed vigour evident at the food giant over the last year won over the judges. Tesco has successfully turned challenge into opportunity.

Tesco's troubles over the past few years – a perception it had lost touch with its core customers and revelations over its accountancy practices – spelled a low point in its history at the top of the grocery

game. The supermarket giant never lost its throne, but it did lose some of its sheen.

And, as with the rest of the big four supermarket groups, it has also had the fierce competition of its emerging value rivals to contend with.

Far from ducking these points, in the three and a half years since he's been in charge, Lewis has faced them head on.

Facing challenges

"Tesco had a bad reputation with suppliers and customers," one judge remarked. "I think grasping that nettle and turning it back around is very impressive. Given

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where it was starting from, I think it deserves this. Dave Lewis has had a lot to deal with and he's managed it."

The last year has shown that Tesco remains a powerful force in grocery – and is once again on the front foot

Tesco's half-year results in October 2017 showed that its "turnaround is firmly on track".

Profits were up 27% on the same period the previous year, after seven consecutive quarters of sales growth.

As one judge put it: "What it has done over a three-year period with everything that's been going on is impressive. It has won back the hearts and minds of its core customer."

Back on track

Never far from the news, in January last year Tesco set the retail and supply chain world alight by announcing one of the biggest mergers in recent history, with Booker.

To the industry it was more than just a deal – it was a sign that Tesco was taking bold steps to reset its status as a dominant player.

With the turnaround well under way and sales, profits and loyalty all returning, Tesco was judged to be definitely back on track.

While its resonance with shoppers and affinity with the values that once made it great had looked in jeopardy, the last year has shown that Tesco remains a powerful force in grocery – and is once again on the front foot.

Perceived challenges to its relevance have been addressed, and the scale of what has been achieved so far make it the winner in the grocery category. **RW**

Mark of excellence Morrisons

For also proving itself capable of turning negatives into positives, the judges felt it would be unfair to overlook the impressive advances of Morrisons under chief executive David Potts.

As well as re-establishing its reputation in some of the basics, such as value, Morrisons has shown foresight through a tie-up with Amazon that advanced its online appeal and made the most of its vertically integrated model.

As one judge put it: "Morrisons was seen to be behind the curve online and then, from out of nowhere, it went and did a deal with the biggest retailer. It did seem a bit behind in terms of getting online, but the speed with which it has done this now is commendable."

And it was not just Potts' success in making Morrisons a serious digital player that caught the judges' eyes. The wider turnaround in the core business, one judge said, also deserved to be recognised. "The way it has turned things round with its growth plan is so impressive. It has really bounced back. It's the most impressive revival and that's down to the acumen of the management team."



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