

Tesco Launches new In-store Media Format 01 April 2004

The announcement from Tesco that it would roll-out Tesco TV was made on March 10th. As leaders in this field, Innov8 Solutions has been chosen to manage all aspects of Content Management. Innov8 Solutions will ingest the content, create the media programming and manage the complete distribution of content.

Content can vary from commercials provided by TESCO suppliers to TESCO's own content or News/Weather feeds. Once the content is created, it is Ingested by Innov8 and distributed via satellite to the stores, each with an average of 20 large plasma screens and 20 TFT screens. Seven different channels of programming are available in the stores. Each channel can play content targeted to specific store areas on one or more screens. Audio/visual distribution equipment ensures that each screen receives and plays the desired content.

The satellite delivery mechanism is a two-way, IP-based broadband link. The return satellite channel makes it possible for Innov8 to manage the content, distribute it to the stores, ensure that each screen is playing its intended content with the correct sound level according to the pre-planned schedule, and take corrective action as necessary, all from a central location.



Picture:

The deli counter at Tesco in Bar Hill, Cambridge, one of the original Tesco TV pilot stores.

The following is an excerpt from the joint press release:

Tesco today launches a groundbreaking new form of in-store communications to its 100 largest stores. The aim is to install the service in 300 Tesco stores across the UK by the end of 2004.

Extensive trials of Tesco TV have demonstrated that customers value its content as an aid to their shopping experience and that advertisers see it as the first media format to work in the 'last 10 feet,' encouraging customers to choose their brand at the point of purchase.

The results of the trials, which involved tens of thousands of Tesco shoppers, helped develop this new form of Digital Retail Media. Trials took place in eight Tesco stores nationwide over a ten-month period and the results led to the innovative 'zoning' of screens and defined the content to be shown on Tesco TV. The unique in-store network will be zoned into seven areas:

- Power Aisle (Central Aisle)
- Grocery
- Health and Beauty
- Beers, Wines and Spirits
- Entertainment
- Counters (such as delicatessen)
- Cafe

Screens will be positioned in each zone showing information that is directly related to the products in that zone so consumers view only relevant content. Large screens will be located in the power aisle, counters and café and smaller personal shelf-based screens will be sited in the other areas. Examples of content on Tesco TV include health and beauty tips, recipe ideas, public information films and news headlines.

In each zone customers' 'dwell time' was found to vary. Content length will be adjusted to fit with the dwell times in the different zones. IMG continues as the content provider with Innov8 Solutions as the lead supplier for the operational elements of the task with Hughes Network Systems providing the satellite technology.

Tim Mason, Marketing Director, Tesco said: "We have undertaken wide-ranging research among our customers to ensure Tesco TV is both helpful and relevant to their in-store experience before building the network."

Press reports of the development have noted Tesco's base of 10m customers per week - bigger than the weekly reach of most of the TV channels currently available in the UK, and bigger than the programme reach of all but the biggest shows on terrestrial television. The appointment of a heavy hitting sales house in the form of JC Decaux is also taken as an indication of Tesco's commitment to the venture and expectation of substantial commercial revenues.