

from cosmetics

Star range

Our make-up collection is winning customers and awards with good looks and great value

Strong non-food growth is a strategic goal for Tesco. Our customers tell us they want one-stop shopping in stores where they can buy a wide range of everyday products along with their food and household goods. We believe they are paying too much for many consumer items and therefore we want to offer them even more choice and value.

We are now offering our full non-food range in 50 Tesco stores across the UK. For our largest stores, we have introduced 'Worlds' – products grouped into lifestyle areas, giving customers the chance to browse and shop in a more leisurely way than in traditional supermarkets. We now offer 'Worlds' of health & beauty, children & baby, home entertainment, clothing, stationery, home-shop, sports & leisure and cooking.

In adult clothing we sell an excellent range. This includes a succession of special branded purchases where we can offer our customers excellent value by negotiating directly with manufacturers like Lee Cooper, Pretty Polly and Speedo.

Health, beauty and personal care is another important area. Our cosmetic range, developed over the past two years in conjunction with top make-up artist Barbara Daly, is now in 179 stores. Our make-up beat new ranges from many established international brands to win the prestigious New Woman Beauty awards in *New Woman* magazine, yet no item costs more than £5.

Sales of our children and baby products, including clothes, toys and books (which shadow the National Curriculum), have continued to grow over the past year. We launched 43

new cookery and children's books, all using original commissions giving a break to new authors and selling for no more than £6.

In home entertainment we have become one of the largest retailers of music and videos, with a market share of 20%. Sales increased 40% on the previous year, helped by the best-selling videos, *Titanic* and *The Full Monty*.



Fun to browse

From children's books to PCs, Tesco offers a wide range of top-value entertainment and electronic products



to computers



Best buys

We offer an extensive range of adult clothing at excellent value

There is a growing acceptance that Tesco is the place to find top consumer brands. The focus in 1998 has been on offering a range of electrical goods at great value prices, including Amstrad televisions and Vodafone mobile phones. Personal computers are on sale in around 250 of our stores, based on partnership deals with manufacturers for their mid-range PCs and, recently, Tesco was first to sell the new Fujitsu Pentium III computer.

To support the development into non-food products, we have built a new 500,000 sq ft depot in Milton Keynes. It has the latest handling and price-labelling systems for a wide range of products, including clothing.

