

HEARING

Sale-to-order selection

The aim is to make the sale-to-order listing process more customer friendly as well as faster and easier for the suppliers. Because of this we have planned the following changes to the process:

Speeding up the sale-to-order selection listing process (T1 and T3)

The time to list a new product to sale-to-order selection is targeted to be 2 weeks.

- Product's basic information is supplied by the supplier with the offer (such as product's taste description, taste styles, food symbols, picture, analysis, product measurements etc.)
- There is no need to send samples anymore
- Alko reserves a right to modify the given information
- The faster process will be taken into use as soon as possible. This depends on the changes in ICT environment. The timetable will be announced separately once confirmed (estimation 3rd quarter of the year)

Adjustment to supplying sale-to-order product's certificates

- All certificates (organic, ethical trade, small brewery certification etc.) are delivered with the offer

The listing fee (T1 and T3 -products)

- The listing fee for products is removed
- It is still possible to have a 'listing service'; in this case the listing procedure is the same as currently
 - the cost is 100 € + VAT (plus possible photographing by Alko (40 € + VAT))
 - this includes product's taste description by Alko etc.
 - listing time is the same as now, approx. 2 months

Accelerated process for a sale-to-order product to transfer to general selection

The aim is to cut the minimum time for a product to transfer to an allocated general selection product by half from the current approx. 16 months

- T2 category will be removed
- Instead of the current T2 category the product may transfer directly from sale-to-order selection to general selection if the required conditions are fulfilled. These conditions are:
 - **Either** the sales of a product exceed 1000 sales units during a rolling 12-month period which come through a minimum of 20 shops and 400 individual purchases



- **Or** the turnover of the product during a rolling 12-month period exceeds 10 000 € (without tax) and comes through minimum 20 shops
- Sales are reviewed monthly
- After the transfer to the general selection, the product is included in the ranking calculation from the beginning of the next pricelist period
- The price for the transfer is 350€ + VAT. This will be charged when the transfer takes place
- The transferring product must be delivered by sales package (like T2 products currently)
- Products that are labelled e.g. for associations, persons, bands or events cannot be transferred to the general selection

The transfer to general selection is voluntary. The product may stay in sale-to-order selection if so preferred.

Adding Sale-to-order Selection Listing Dates

Alko has piloted one additional listing date per month at the beginning of 2016 for the sale-to-order selection.

- Sale-to-order selection products will be listed twice a month. Sale-to-order listing dates are generally on month's first and third Monday.

Alko product images

Change to the delivery of sale-to-order selection product image.

In the future product image must be delivered at Partner Network together with the offer as an attachment. There will be a separate 'field' for this attachment. If the product image will not be attached or it does not fulfil the terms of Alko product image (please find information below), Alko will photograph product automatically and charge the supplier for the costs of photographing (€40 + VAT).

If one does not have the partner network in use, the product image must be sent as an email attachment to tilausvalikoima@alko.fi.

Format for Alko product images:

- File format: JPG (Good quality PDF or PNG file may also be acceptable)
- Colour model: RGB
- Image resolution: recommendation 300 pixels/inch
- Picture background: pure white (R255 G255 B255), no other shades of colour, no other elements added
- There should be only 'clipped' product against white background in the final image
- The product must be in the picture in its entirety
- Photo taken directly from the front, not from an upward or downward angle
- The label of the product needs to be sharp and visible in its entirety for the text in the label to be readable in the image

Image file size:

- min. 300 Kb (0.3 MB) max. 3000 Kb (3 MB), (the size can vary according to the size of the product, for example a small bottle vs. a bag-in-box)
- Bottle + gift package image file size can be over 3000 Kb (3 MB)
- The product in the image must equate to the actual appearance and natural surface of the unit for sale (no extra enhancing elements or reflections added, such as drops etc.)

Please find example image and example gift package image as an attachment

- Example product image file size is 523 Kb.
- Example gift package image file size is 3,29 MB

Others**Changes to the sales requirements and delisting of products**

There haven't been any delisting of general selection product because the present sales requirements in over a year.

- The sales requirements for non-allocated general selection products, ie. 1000 sales units or a turnover of 10,000 euros without tax within a rolling 12-month period, will be removed.
- At the same time, sale-to-order selection sales requirements, 12 individual purchases or a turnover of 500 euros without tax within a rolling 12-month period, will be removed.

Change to the service products' terms

The terms for transferring a product to a main product of the general selection are standardized. The service product will be turned into a main product of the general selection, if:

- **Either** the sales of a service product exceeds 1000 sales units during a rolling 12-month period and come through minimum 20 shops and 400 individual purchases,
- **Or** exceed a turnover of 10,000 euros without tax during a rolling 12-month period and come through minimum 20 shops, it will be turned into a main product of the general selection.