

G2

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Time allocated: 1 hour. Please return your paper to the lecturer upon completion. It will be returned to you at the next session. You will need to include a scanned copy of this exercise in the form of an appendix together with your Task 1 (part of the Assignment for this module).

Ex.1

Read the following text and make notes on the main ideas. You can do this on a separate piece of paper which you do not have to hand in.

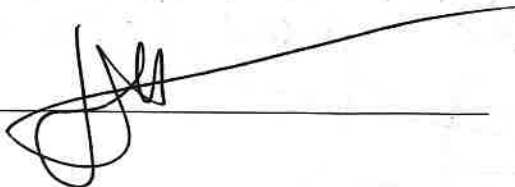
The success of ALDI

The food retail industry is a highly competitive market. Aldi understands that its customers want value for money but do not want to compromise on quality. This case study will demonstrate how Aldi uses a lean approach to its business operations to offer its customers quality products at competitive prices. What distinguishes Aldi from its competitors is its competitive pricing strategy without reducing the quality of its products. In fact, in some cases Aldi's products are 30%¹³ cheaper than those offered by its competitors. Aldi can do this because the business operates so efficiently. The three core values of Aldi are simplicity, consistency and responsibility. Lean production ties in closely with these values. For example, Aldi stores are simple in design and all stores are very similar which creates consistency.

For Aldi operating efficiently involves reducing costs in all areas of the business. Some of the key areas where Aldi is able to minimise costs are by saving time, space, effort and energy. Aldi's approach to doing this is to run its business around the principles of lean thinking. Whereas other food retailers have elaborate displays, additional services and promotions that draw customers into the business, Aldi's core purpose is to 'provide value and quality to our customers by being fair and efficient in all we do'. The principles of lean production are planned and built into everything that Aldi does. This starts within its supply chain. For example, up to 60% of Aldi's fruit and vegetables are sourced locally where possible, reducing the need for long and costly delivery journeys.

The principles of time based management are also built into the training provided for Aldi's employees. Through training staff to do a variety of tasks around store Aldi can minimise its staff requirements. Staff costs can also be reduced as fewer staff are required if they can perform a variety of duties throughout the store. Aldi's 'no-nonsense' approach to retailing therefore leads to cost saving in numerous areas. These cost savings are passed on to customers in the form of lower prices, allowing the business to differentiate itself from its competitors in terms of price, as well as the quality of the products it has on offer.

Lecturer's signature: _____



Date: _____

20.08.19

Ex.2

This task is designed to see if you can **summarise** ideas from course materials in **your own words**. Re-read the text 'The success of ALDI' on previous page. Now answer the following question in **your own words**: What factors contribute to ALDI's success? Write about 175 words.

THE FOOD STORE ORGANIZATION IS EXTREMELY COMPETITIVE PLAZA. ALDI UNDERSTANDS THAT ITS THEIR BUYERS WOULD LIKE TO GIVE PRACTICAL EXHIBITION TO VALUE FOR STERLING BUT DO NOT WANT TO SETTLE ON THE QUALITY ON THIS SITUATION IT WILL EXHIBIT NOW WILL LEAN TO APPROACH TO THE COMPANY ORGANISATION TO PROVIDE THE BUYER THE BETTER PRODUCT AT COMPETATIVE RATES. DIFFERENCE BETWEEN ALDI CHALLENGERS ONE COMPETATIVE RATE PROGRAM PLAN WITH OUT DECREASING GOODS QUALITY. RECOMMENDED BY THE CHALLENGERS. ALDI STORE WILL BE ABLE TO COMPLETE THIS PROGRESS FOR CERTAINLY BY KNOWING THE PRODUCTS ARE $\frac{1}{2}$ LOWER PRICES 3RD PARTY PRODUCTION IS ATTACHED IN CLOSELY WITH THOSE RATES ARE REASONABLE, AFFORDABLE. THOSE RATE EXHIBIT THE ALDI'S ARE SIMPLE DESING ALL THE STORES HAVE VERY MUCH SAME APPEARANCE, IN ORDER FOR ALDI OPERATE OFF EFFICIENCY MEETING WILL TAKE PLACE TO DECREASE THE PRODUCT RATE. MAJORITIES OF THE KEY POINTS WHERE ALDI ARE OBLE TO DECREASE COSTS SAVING TIME AFTER DELIVATION, BY ALDI DOING THIS IS A PRINCIPAL OF THE ORGANISATION LEANS FORWARD WHERE OTHER ORGANISATION HAVE TO PUT A LOT OF EFFORT TO ADVANTISE THEIR BRAND. THE STORE ALSO PROVIDE GREAT VALUE AND QUALITY. THE MAIN LINE OF PRODUCTION ARE PLANNED IN ADVANCE AND BUILD INTO EVERYTHING THAT ALDI DOES. THIS STARTS WITH DEMONSTRATE FOR EX: $\frac{1}{6}$ OF VEG AND FRUITS ARE PRODUCED CLOSE BY DECREASING NEED OF DISTANCE AND RATES FOR DELIVERIES JOURNYS. THE MAIN POINT OF DEALING WITH THIS BASE ON MANAGEMENT ARE ALSO PRO TRAINING PROVIDED FOR STORE EMPLOYEES. STAFFS ARE TRAINED BASED ON THEIR VAIRITY OF DUTIES ALL OVER THE STORES

Remember ① a summary should be a short version of the main points of the original.

Lecturer's comments:

What you have written is more like a paraphrase.

② Keep the paragraph structure of the original - it will be easier to follow for the reader.

Lecturer's signature:



Date: 20.08.19

Good start - keep practicing.

Q2 Alizzy. CONTINUED.

Employee cost can also decrease as minor employees are required if they can perform variety of self task all over the store. The organisation are approx to industry therefore £ less to cost savings in large areas & those costs saving are put through on their customers in the form of price reduced allowing the organisation to make huge difference for ~~the~~ their challengers in terms of price cost also better ~~price~~ good in performance one ~~what~~ what can be ~~exh~~ exhibited.

TH

20.01.19