



**Geographic Expansion:  
One / Two Person Branches & Metropolitan Kiosk**

# Current Issues

## **Existing model:**

- Effective at servicing existing metro catchments, but lacks strong 'high street' presence; and
- A number of underserviced regional catchments
- Consequently, majority of business is generated over the telephone & internet

## **Media Footprint:**

- A number of regional areas are covered by existing media footprints but underserviced
- Minimal incremental marketing spend to fully support expanded regional presence

# Current Issues

## **Opportunity Cost:**

- Potential missed opportunities in the overall market
- Lack of adequate presence in selected regional markets
- Insufficient market presence in metropolitan markets with greater household densities

# Proposed Solution

## **Regional - One / Two Person Branches**

- Enter previously unserved catchments - true 'greenfield' opportunities
- Improve coverage of partially serviced areas with significant potential
- Opportunity to develop to "Full Service Branch" status - 6 current FSB's started as OPB's

## **Metropolitan – Kiosks**

- Improve brand presence and access to the brand in metropolitan markets
- Positioning at more popular shopping centre destinations
- Sole aim of attracting walk-by traffic and customers
- Purely incremental business

# Potential Benefits

- Generation of incremental enquiries and hence incremental installations
- Reinforces position as market leader
- Increases household penetration and subsequently customer base
- Greater ability to test products / propositions in isolated markets
- Improve brand visibility in metro catchments where media is fragmented



Effective cost efficient enabler of future growth

# Regional One / Two Person Branch – Benefits & Structure

## **Benefits**

- Low cost start-up so minimal risk
- Supported by existing locations
- Allows access to unserviced / underserviced markets
- Increased geographic coverage & household penetration

## **Structure**

- Storage in low rent site - non-high street
- 1 x FTE (OPB manager/rep, plus 0.5 FTE allowance for P/Time / casual resource as required)
- 1 x Vehicle
- Household penetration rates have been used to model installation activity

# Regional One / Two Person Branch

## **Risks**

- Potential cannibalization of existing locations – minimal expected
- Isolation of store / operator

## **Key Considerations**

- Recruiting the right operator
- Regular support offered by parent branch and audit reviews
- Focus on sales in start-up months
- Development of appropriate authority levels – empower the operator
- Central credit acceptance
- Enhancing the brand in local market – part of the community

# Regional One/Two Person Branch – Identified areas

Sizeable potential customer base and/or complementing existing operations

1. Mount Gambier (SA)

2. Port Augusta (SA)

3. Warrnambool (VIC)

4. Inverell (NSW)

5. Albany (WA)

6. Bega (NSW)



# Mount Gambier – Two Person Branch Proposal

- Located approx. 400km south east of Adelaide. The catchment would service a radius of approx. 100kms encompassing 18 postcode areas, 7 of which are in Victoria's south-western corner, 11 in SA.
- Encompasses 24,924 households with few existing customers.

- Not covered under present media spend therefore an incremental cost will be incurred in relation to TV advertising.
- Approximately 61% of the catchment is represented by 2 specific segmentation cluster groups, “Less Affluent Mixed Family Neighbourhoods” and “Rural Communities on Very Low Incomes”.

## Loxton/Mt Gambier Television Coverage Map

**Stations:**  
WIN(7,9)  
WIN TEN(10)



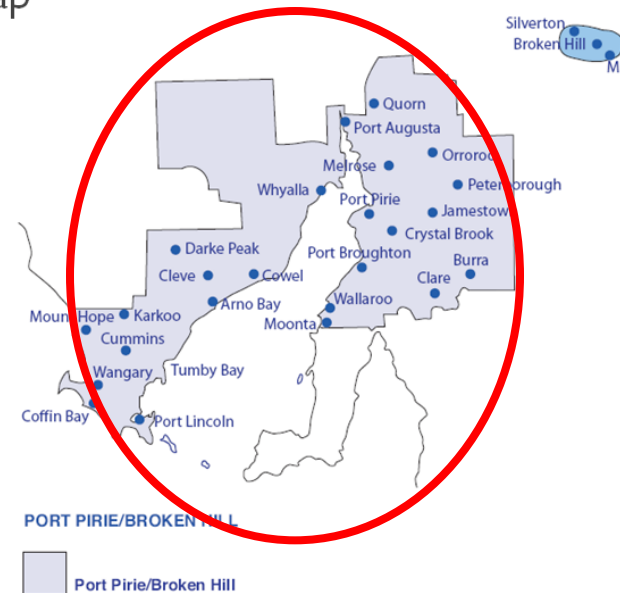
# Port Augusta - One Person Branch Proposal

- Located approx. 277km north west of Adelaide. The catchment would service a radius of approx. 100kms encompassing 18 postcode areas.
- The proposed catchment encompasses 25,036 households, with few existing customers.

- Not covered under our present media spend therefore an incremental cost will be incurred in relation to TV advertising.
- Approximately 59% of the catchment is represented by 3 specific segmentation cluster groups, “High Income Urbanites” (centred around the University in Whyalla), “Less Affluent Mixed Family Neighbourhoods” and “Rural Communities on Very Low Incomes”.

## Port Pirie/Broken Hill Television Coverage Map

**Stations:**  
GTSBKN (7,9)  
Southern Cross (10)



# Warrnambool - Two Person Branch Proposal

- Located approx. 170km west of Geelong. The catchment would service a radius of approx. 100kms encompassing 30 postcode areas, 5 of which are currently serviced by Geelong.
- The proposed catchment encompasses 33,672 households, with a number of customers currently attached to the Geelong store.
- Due to the existence of an established customer base a two person branch model has been adopted.

- Covered under our present media spend therefore no incremental cost will be incurred in relation to TV advertising.

- Approximately 48% of the catchment is represented by 2 specific segmentation cluster groups, “Less Affluent Mixed Family Neighbourhoods” and “Rural Communities on Very Low Incomes”.

## Victoria (AM-D) Television Coverage Map

**Stations:**  
Prime (7)  
WIN (9)  
Southern Cross (10)



# Inverell - One Person Branch Proposal

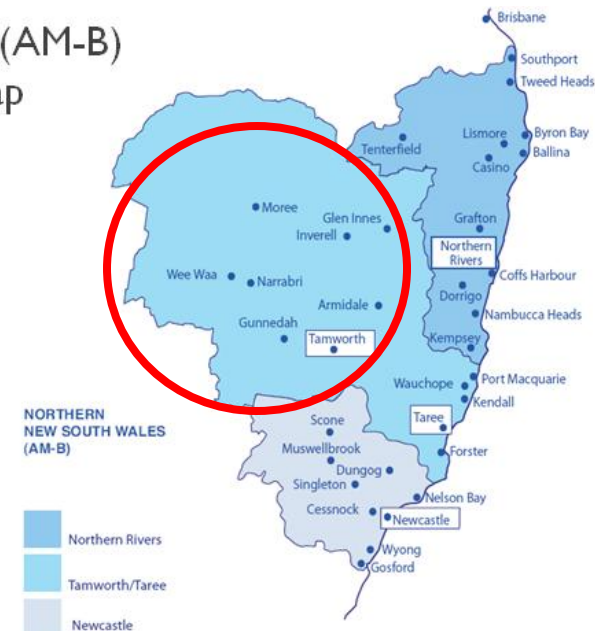
- Located approx. 150km north of Tamworth. The catchment would service a radius of approx. 150kms encompassing 23 postcode areas, of which 6 are currently serviced by Tamworth.
- The proposed catchment encompasses 25,145 households, with a number of customers currently attached to the Tamworth store.

• Covered under our present media spend therefore no incremental cost will be incurred in relation to TV advertising.

• Approximately 61% of the catchment is represented by 2 specific segmentation cluster groups, “Less Affluent Mixed Family Neighbourhoods” and “Rural Communities on Very Low Incomes”.

## Northern New South Wales (AM-B) Television Coverage Map

**Stations:**  
Prime (7)  
NBN (9)  
Southern Cross (10)



# Albany - One Person Branch Proposal

- Located approx. 400km south east of Perth. The catchment would service a radius of approx. 100kms encompassing 13 postcode areas.
- The proposed catchment encompasses 17,849 households, with few existing customers.

- Covered under our present media spend therefore no incremental cost will be incurred in relation to TV advertising.
- Approximately 65% of the catchment is represented by 3 specific segmentation cluster groups, “Comfortable Mixed Areas”, “Less Affluent Mixed Family Neighbourhoods” and “Low Income Neighbourhoods with Many Single Parents”.

## Regional WA Television Coverage Map

**Stations:**  
GWN (7)  
WIN (9,10)



# Bega - One Person Branch Proposal

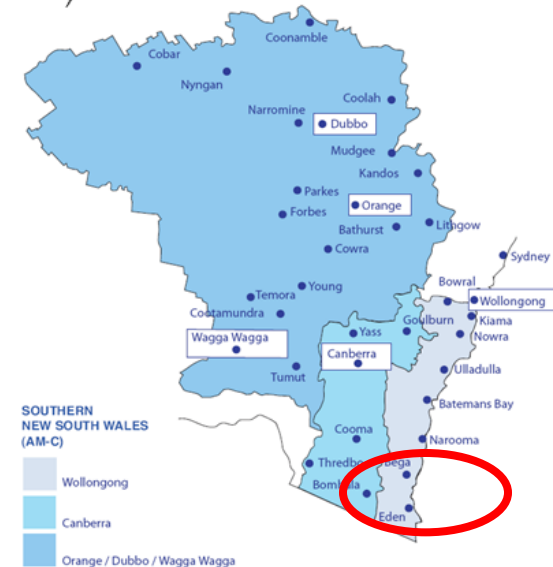
- Located approx. 330kms from Sydney. The catchment would service a radius of approx. 100kms encompassing 14 postcode areas, 5 of which are in Victoria and 9 in NSW.
- The proposed catchment encompasses 19,152 households, with few existing customers.

- Covered under our present media spend therefore no incremental cost will be incurred in relation to TV advertising.

- Approximately 58% of the catchment is represented by 3 specific segmentation cluster groups, “Less Affluent Mixed Family Neighbourhoods”, “Less Affluent Older Singles, Couples and Single Parents” and “Comfortable Mixed Areas”.

## Southern New South Wales (AM-C) Television Coverage Map

**Stations:**  
Prime (7)  
WIN (9)  
Southern Cross (10)



# Metropolitan Kiosks – Benefits & Structure

## Benefits

- Improved brand visibility in metropolitan areas where media is fragmented
- Improve access to the brand through effective positioning in draw card shopping centres
- Provide additional selling front for FSB's with low foot traffic but high catchment potential
- Overcome traditionally high leasing costs associated with operating a store in high foot traffic centres

## Structure

- Kiosk in Westfield type centres – Approx. \$60-70k shop rent
- 2 x FTE (F/T or P/T)

# Metropolitan Kiosks

## **Risks**

- Potential cannibalization of installs from existing locations
- Isolation of store / operator

## **Key Considerations**

- Recruiting the right salespeople
- Regular support offered by parent branch
- Focus on sales
- Development of appropriate systems – ‘ease of transaction’ is key
- Central credit acceptance



# Metropolitan Kiosks

## **Logistics**

- No incoming phone calls directed to the kiosk
- Applications will be entered on-line through a dedicated terminal, with Data Warehouse access
- Central credit acceptance will enable kiosk staff to focus on sales

# Metropolitan Kiosks



# Metropolitan Kiosks

