Our

Tesco has a well-established and consistent strategy for growth, which has allowed us to strengthen our core UK business and drive expansion into new markets.

The rationale for the strategy is to broaden the scope of the business to enable it to deliver strong sustainable long-term growth by following the customer into large expanding markets at home – such as financial services, non-food and telecoms – and new markets abroad, initially in Central Europe and Asia, and more recently in the United States.

The strategy to diversify the business was laid down in 1997 and has been the foundation of Tesco's success in recent years. The new businesses which have been created and developed over the last 12 years as part of this strategy now have scale, they are competitive and profitable - in fact we are now market leader in many of our markets outside the UK.

The Group has continued to make good progress with this strategy, which has five elements, reflecting our four established areas of focus, and also Tesco's long-term commitments on community and environment. Importantly, the momentum which it has given the business has allowed the Group to continue to grow well through the economic downturn.

The objectives of the strategy are:

* To be a successful international retailer
* To grow the core UK business
* To be as strong in non-food as in food.
* To develop retailing services - such as Tesco Personal Finance, Telecoms and Tesco.com
* To put community at the heart of what we do.

**Group Activity *(Produce a detailed mind-map on A3 paper)***

**Read the Tesco’s strategy:**

**It is clear that Tesco’s corporate strategy is to achieve growth.**

1. **Explain how it intends to do this.**
2. **What objectives has the company set**

**itself?**

1. **Explain 2 reasons why short term objectives are likely to differ from longer term objectives.**

