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By Michael Barker

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Fresh food boosts Tesco growth

CEO Dave Lewis reports on good start to the year despite 'subdued' UK market



Dave Lewis

Tesco chief executive Dave Lewis has hailed a "strong start" to the year, with fresh food at the heart of the company's growth.

The supermarket giant's UK and Ireland turnover was £11.2 billion in the first quarter of 2019-20, a 0.8 per cent like-for-like increase on the year before. In the UK, sales and volumes rose 0.2 and 1.3 per cent respectively in what Lewis called a "subdued" market.

Fresh food outperformance was particularly strong in prepared foods (up

2.4 per cent), while Easter proved a particular hit with Tesco's biggest-ever sales for small stores on Easter Sunday.

UK online grocery sales rose seven per cent as more customers chose to Click & Collect their orders, but the closure of Tesco Direct last July negatively hit sales growth by 0.8 per cent.

At Booker, Lewis said customers responded well to an improved offer in fresh food and the launch of over 100 new and exclusive fresh-cut flowers and drinks products, which helped drive total sales growth of 4.2 per cent excluding tobacco.

"We have had a strong start to the year, growing ahead of the UK market on both a volume and value basis," Lewis said. "Our customer offer is more competitive than ever, with a wider choice of our 'Exclusively at Tesco' products now available in more stores, helping to drive more than 10 per cent sales growth across the range."