
To: **Market Information Services Section**
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The Warehouse Group launches e-commerce venture TheMarket

- New Zealand's largest general merchandise retailer expands its family of brands with investment in new e-commerce marketplace
- TheMarket offers an inspirational online shopping experience giving New Zealanders more choice of local, international and niche brands
- "TheMarket is one part of delivering on our strategy of investing in the digital future," says Group Chief Executive Nick Grayston.

The Warehouse Group has today launched new e-commerce venture TheMarket, an online shopping platform that brings some of the world's best local, international and niche brands together in one place, offering Kiwis greater access and more choice when shopping online.

TheMarket has launched with 1,500+ brands and 1m+ products, including local brands Karen Walker, WORLD, Father Rabbit, Citta and Barkers, and Australian and international brands PE Nation, Cue, Billabong, Cotton On and The Nile, and many more.

The Warehouse Group Chief Executive Nick Grayston says TheMarket has been kept operationally separate from The Warehouse Group, but will utilise some of the Group's assets in delivering a world class customer experience.

Mr Grayston says the launch of TheMarket is a part of delivering on its strategy of investing in the digital future. TheMarket launches as a sixth consumer brand for the Group, joining The Warehouse, Warehouse Stationery, Noel Leeming, 1-Day.co.nz and Torpedo7.

"We have completed a number of Group projects to improve our digital reach for the future, including building a better supply chain, increasing our shared services competency, and improving our systems and data capability. Together with TheMarket these elements have built the foundation for our customer-facing eco-system that will help Kiwis live their lives better.

"While online shopping is growing exponentially every year, New Zealanders are often compromised in terms of range, access, and ease of delivery. The unique brand-first proposition from TheMarket will enable capture of a greater share of this ecommerce growth," he said.

Kiwis spent \$4.2 billion online last year, and that figure is only going to get bigger, he says. "It's a significant opportunity, especially when you look at New Zealand compared to other countries. Our online spend is currently about nine per cent of total retail spending, compared to the UK who are at 18 per cent."

TheMarket would complement the Group's existing brands, unlocking new audiences and categories for the Group.

“We’ve recruited an industry-leading team to execute against this strategic initiative,” said Nick Grayston. Led by global e-commerce expert [Justus Wilde](#), the team began working on TheMarket in early 2018, out of their own premises in Newmarket.

Justus Wilde said while marketplaces aren’t new, TheMarket is different to other sites. “It’s much more content-focused with great design and discoverability, integrated with social, and brands selected on their desirability. It’s a contemporary, brand-driven e-commerce experience that incorporates the latest trends and insights.

“We’ve launched TheMarket as a tactical trading platform initially, but we will be continuing to develop the site by innovating the customer experience. For example, looking at how we can improve delivery, using data to drive personalisation, and encouraging loyalty through unique member offers.”

TheMarket is a subsidiary of The Warehouse Group, operating under a structurally separate operating model, with its own Board (The Warehouse Group Investments Limited) made up of non-executive directors and management appointed by the Group board.

The Warehouse Group will use its extensive store footprint to support TheMarket’s business model. Currently 19 Noel Leeming, Warehouse Stationery, The Warehouse and Torpedo7 stores act as ‘MarketPoints’ for pick up, return and click and collect, with remaining stores to be rolled out over the next 12 months.

“Most Kiwis live within 30 minutes’ drive of a local Group store, so the existing omnichannel and distribution structure is a significant advantage, and will also help drive cross-brand foot traffic and sales for the Group,” said Justus Wilde. “We’re also able to access support from the Group’s Centre’s of Excellence, as well as their extensive customer database to help promote TheMarket.”

TheMarket has also partnered with Fonterra Farm Source to create MarketPoints at ten Farm Source stores around the country, so shoppers in rural areas can also take advantage of the site’s convenience, with more MarketPoints to be added over time.

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