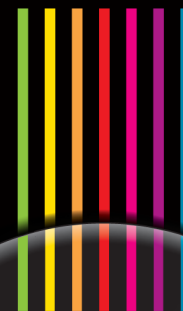




# MARKETING EXCELLENCE 2

Sainsbury's

Feed your family for a fiver



MARKETING  
SOCIETY

**AWARDS FOR  
EXCELLENCE**

in association with  
**Marketing**

# About The Marketing Society



## **INSPIRING BOLDER MARKETING LEADERSHIP**

The Marketing Society is a not-for-profit organisation owned by its members, with over 2500 senior marketers. Over the past 50 years it has emerged as one of the most influential drivers of marketing in the UK business community.

The Society challenges its members to think differently and to be bolder marketing leaders by supporting the development of leading-edge thinking, and promoting the evidence of effective marketing. The Society does this through the Marketing Society Awards for Excellence; its publications Market Leader, Our Week and rich online Knowledge Zone; a national programme of world-class events; innovative professional development, such as the annual Marketing Leaders Programme; and extensive on-and-offline networking opportunities.

[www.marketing-society.org.uk](http://www.marketing-society.org.uk)

# Foreword

By Roisin Donnelly,  
President of The Marketing Society

## What is marketing excellence?



Roisin Donnelly  
President of  
The Marketing Society  
Corporate Marketing  
Director and Head of  
Marketing at Procter &  
Gamble UK and Ireland

Marketing excellence can drive breakthrough business results for the short and long term. Marketing excellence requires great strategic thinking, great creative thinking and perfect execution.

But how do we assess *marketing* excellence? First we choose brilliant industry judges who are all experienced and successful practitioners of excellence and we ask them to pick out the cases which they see as remarkable. We ask them to look for two key qualities from our winners: creativity and effectiveness.

But marketing continuously changes and evolves, as consumers become more sophisticated and demanding and the media for communicating with them ever more diverse. So the standards for marketing excellence change and in turn become more demanding.

We believe that The Marketing Society Awards for Excellence in association with *Marketing* set the standard of marketing excellence in the UK. They have established this reputation over a period of

more than 25 years, and they have always been based on the principle of searching out the best examples of different marketing techniques in action, that showcase great strategic thinking, great creativity and perfect execution.

In order to be a winner of one of the Society's Awards, marketers have to demonstrate that what they have done is outstanding in comparison with marketing in all industries not just their own particular sector.

If a marketing story has been good enough to impress our judges, then all marketers can learn from it – however senior they have become. The collection of case histories brought together in this book is the best of the best from the past four years of our Awards, and I am confident that it truly demonstrates *marketing excellence*. I have been truly inspired by these case studies and I hope you will be too.

# Sainsbury's

## Feed your family for a fiver

### Snapshot

Sainsbury's convincingly persuaded customers it was responding to the credit crunch by adapting an existing successful campaign for more straitened times.

### Key insights

- Sainsbury's took its highly successful brand idea of 'Try something new today' and fine-tuned it for the tough economic climate by creating a memorable and effective new campaign: 'Feed your family for a fiver'.
- This played a significant part in showing customers that it was responsive to their changing needs in tough times.
- The campaign led to strong sales uplifts and a transformation in the perception of the brand as value for money.

### Summary

Sainsbury's is the UK's longest-standing major food retailing chain, having opened its first store in 1869. It now serves over 18.5 million customers a week and enjoys a market share of around 16 per cent. Its large stores offer around 30,000 products, including non-food products and services in many of its stores. Its TU clothing range has one million transactions

per week. An internet-based home delivery shopping service is also available to nearly 90 per cent of UK households.

Since 2005 the 'Try something new today' strapline had been a vital component of Sainsbury's success. It worked by giving people simple food ideas and so earning a little extra spend from them every time they shopped. 2008 was supposed to be a year to build on 'Try's' success.

But in early 2008 the credit crunch began to bite and shopping habits began to change dramatically. Encouraging people to spend more was no longer such a good idea. The resulting shift to focusing on just how shopping at Sainsbury's could offer both quality and value through 'Feed your family for a fiver' was a resounding success, delivering £540 million in incremental sales revenues by the end of 2009.

## No resting on past laurels

The strapline of 'Try something new today' had been at the heart of Sainsbury's success since 2005. It had been created to help earn a little extra spend from customers whenever they shopped. If each of Sainsbury's 14 million weekly shoppers spent an extra £1.14 every time they shopped, then Sainsbury's would achieve its business goal of £2.5 billion additional sales over three years. And it worked: by January 2008 the £2.5 billion goal had been achieved ahead of schedule.

But the year ahead looked like it was going to play out quite differently to the previous three. Northern Rock had collapsed. The phrase 'credit crunch' had entered the language. Food inflation was rampant. Shopping budgets were being cut and shoppers were looking for ways to save money.

It was clear that 2008 was going to be a tough year for retail in general and for Sainsbury's in particular. 'Try' was a brand idea that had been created under different circumstances, when people had money in

their pockets and were happy to spend the odd extra pound on something they may not have tried before. 'Try' had driven sales by inspiring existing customers to spend a little more. Could it still work when what was needed was to help existing customers spend less? It was clear that 'Try' would need to adapt to changing circumstances.

By 2007 every metric showed the brand to be in excellent health. Figure 1 shows that Sainsbury's was by then the most desirable mainstream supermarket in which to shop (when you exclude the two major rational drivers of store choice — location and price). But the brand did have one remaining problem, which didn't hold it back in the good times, but which was likely to prove a greater problem in a downturn: poor price perception.

While prices were now in line with the competition according to the industry price index, the perception that Sainsbury's was more expensive than its rivals was proving hard to shift. Supermarket price perceptions tend to remain remarkably static due to a strict pecking order in customers' minds, from Marks & Spencer down to the discounters.

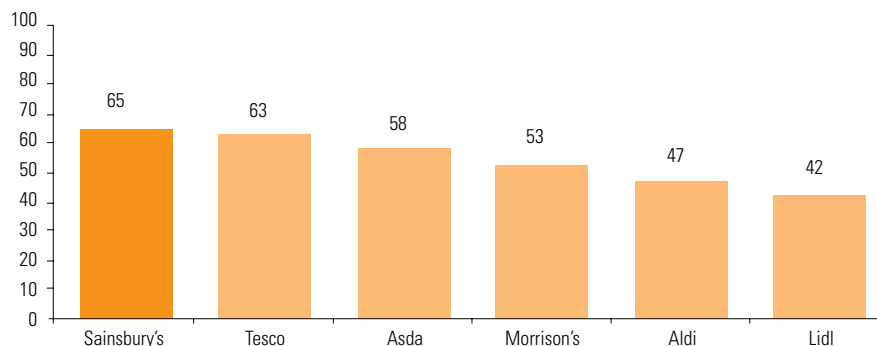


Figure 1. "Would shop there if location/price wasn't an issue..."

From past experience the company knew that tactical communications (i.e. communicating prices and deals) was a relatively weak force in shifting price perceptions and that communications would be needed at the brand level.

### Getting to grips with harder times

It was imperative to begin to understand how the economic downturn would begin to change shopping behaviours.

#### Tightening belts

In research, shoppers said that they were reviewing shopping decisions in a number of ways:

- Cutting budgets.
- Trying 'cheaper' stores.
- Buying more on promotion.
- Trading down from premium to standard to value ranges.
- Cutting out discretionary spend.
- Switching from branded products to own-label products.
- Cutting back on convenience foods.

Quantitative studies confirmed the company's biggest fear: in one survey 13% claimed they were likely to change their store and 25% claimed they were beginning to cherry-pick offers from other stores. These changes to shopping behaviour would require the retailer to employ a number of marketing tactics (e.g. lowering more prices, increasing amounts bought from deals, pushing own-brand).

But the headline conclusion was clear: the company would need to demonstrate to any existing shoppers thinking about shopping elsewhere that Sainsbury's could cut the cost of their family shop. But discounting created two problems: it would cost a huge amount to implement and might go unnoticed without communications to reinforce the shift. This had traditionally been a problem as pure price messages tended not to stick to a brand better known for quality messages.

So the company set itself two communications objectives:

1. Show that Sainsbury's food is not only great quality but also great value.
2. Inspire people to 'Try something new' to help reduce their shopping bill.

Simple food ideas were likely to be the key to success as they had always been the most powerful component of 'Try'. And it was important to continue inspiring people to try simple food ideas but now to make low price a fundamental component of those food ideas.

### Providing inspiration at the right price

More research was needed to understand how cooking habits were changing and what kind of food ideas might work in the new economic climate. What is a constant theme still applied: people were in a rut with their cooking and welcome food ideas to help them out of it. The credit crunch was a powerful force but wasn't strong enough to reduce the power of this never-ending need.

One change that was noticed was that people were getting a little less experimental with their cooking. They seemed to respond better to ideas which were twists on old favourites (things they knew their kids would definitely like) rather than some of the more unusual ideas that Sainsbury's had been offering so far.

But the most revealing aspect of this research was discovering that while people tended to know exactly what they spent on their big food shop, they were often rather inaccurate about what they spent on any individual home-cooked meal. When people were asked how much they spent on an average weekday family meal, after some initial head-scratching they tended to guess at between £6 and £12. The gap between what people guessed they spent (£6-12) and what the retailer knew they could spend on the ingredients at Sainsbury's (£4-5) opened up a fantastic opportunity for the new communications to exploit this gap between the perception and reality of Sainsbury's value.

The result was a simple, memorable idea: 'Feed your family for a fiver'. This led to the creation of 30 family meals with Sainsbury's products based on strict rules:

- All meals would cost under £5.
- All ingredients would be at their standard everyday low prices and not on promotion.
- Meals would need to be substantial enough for a hungry family of four.
- Meals would need to centre around a good portion of protein.
- Meals would need to include a range of items from 'Sainsbury's basics' to 'Taste the difference' to show that Sainsbury's offers value across the store.
- Meals would need a 'twist' to maintain the inspiration expected of 'Try's' food ideas.

## Cross-channel communication


'Feed your family for a fiver' was a fully integrated campaign from sofa to store that, since its launch in March 2008, received two major periods of advertising support (March-October 2008 and June-July 2009), with lower level support at other times (January-February 2009). The elements included:

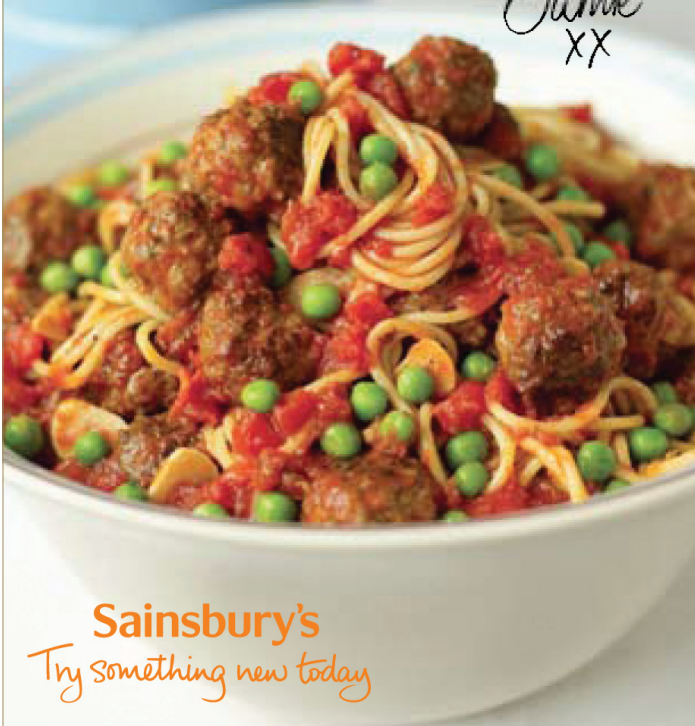
1. Internal communications. The idea was launched first to Sainsbury's 150,000 colleagues via internal communications. A competition for colleagues to submit their own 'Fiver' ideas was run and free samples were distributed.
2. Free tip cards in store. As with all 'Try' communications, 'tip cards' showing products and cooking instructions were displayed in store (Figure 2, overleaf).
3. In-store point-of-sale (POS). POS was used to theme the store and help shoppers locate ingredients.
4. Magazine advertising. Weekly press advertising featured the meal ideas, with some executions featuring five meal ideas to help shoppers plan a week's meals.
5. Television advertising. Four 30" TV executions were created, each featuring Jamie Oliver challenging a shopper with the idea that he could help them feed their family for a fiver at Sainsbury's ('Meatballs', 'Bacon pasta', 'Salmon fishcakes', 'Lamb burgers').

As seen  
on TV

FEED YOUR  
FAMILY FOR A **FIVER**

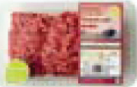
Meatballs  
'n' more


  
*Jamie*  
XX





Sainsbury's


Try something new today


  
500g Sainsbury's  
coarse cut mince  
£1.55

  
Loose onion  
13p

  
Loose garlic bulb  
35p

  
500g basics  
spaghetti 23p

  
2 x 400g tins of  
chopped tomatoes  
88p

  
907g frozen garden  
peas £1.62

Items from your  
store cupboard:

dried oregano, olive  
oil, salt and pepper

Figure 2. Tip card



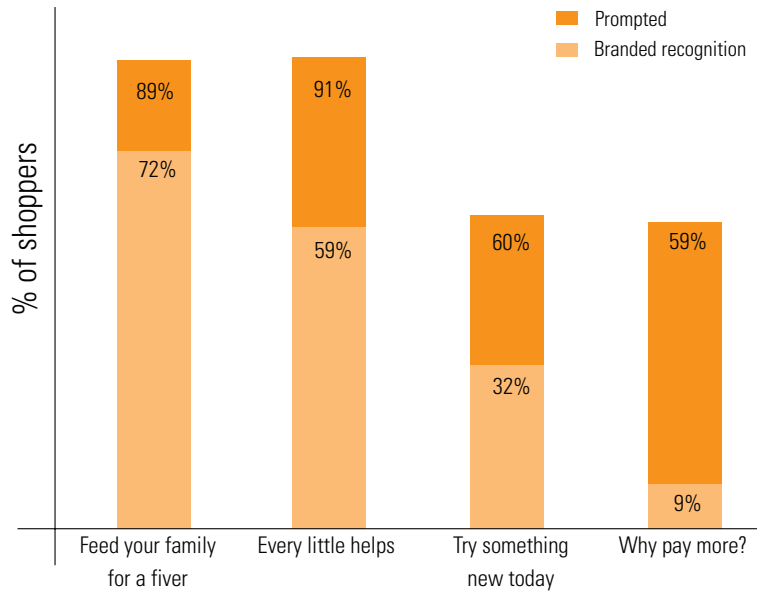


Figure 3. Recognition of supermarket slogans (Aug '09)  
Source: IPSOS MORI Brand and Communications Tracker

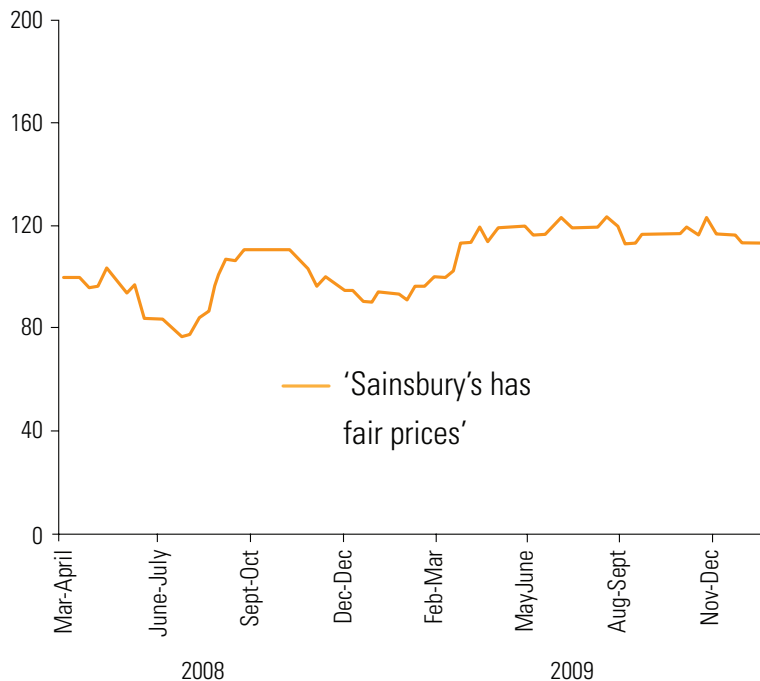


Figure 4. Price perception measure (indexed vs April 2008)

## The taste of success

The results surpassed expectations.

### 1. Instant buzz

Tracking and qualitative research showed high levels of buzz the instant the campaign launched, with the idea being spontaneously and accurately played back by respondents, many of whom were clearly beginning to reassess their views of Sainsbury's prices as a result.

### 2. TV breakthrough

Recognition of the TV executions in the campaign were among the highest ever seen for the company's advertising, with the execution for 'Lamb burgers' achieving the best recognition score for any Jamie Oliver TV ad tracked so far.

### 3. Memorable advertising

The 'Feed your family for a fiver' element proved to be exceptionally memorable in the advertising, with spontaneous recall hitting 47% at the height of the TV support behind the campaign.

In addition, prompted recognition of the slogan 'Feed your family for a fiver' built rapidly, and by August 2009 this stood at 89%, virtually identical to that of Tesco's 'Every Little Helps' at 91% — a slogan 15 years older and with an advertising spend advantage to the tune of hundreds of millions of pounds (£340 million in advertising support from 2005-2009 alone). And 'Fiver's' branded recognition of 72% was by this time well in excess of the 59% achieved by 'Every Little Helps' (Figure 3).

4. Significant shifts in perceptions

Brand image tracking showed perceptions of Sainsbury's having 'fair prices' improving significantly during the campaign period. The image shifts were both greater than ever seen before on this measure but also greater than that for any other brand measure (Figure 4). At the same time, there were dramatic downward shifts in perceptions that prices at Sainsbury's were 'quite a bit higher' than other supermarkets over the campaign period. Finally, there were a number of notable correlations between the Fiver idea and key brand measures such as 'has fair prices' (a key objective since this is a measure that impacts overall sales), 'heard good things about' and 'would recommend to others'.

5. Working its magic on sales figures

All ingredients featured in the meal ideas saw strong sales uplifts, whether featured in advertising or only on tip cards, with especially high uplifts for the key 'protein' at the heart of each meal as shown in Table 1.

Table 1

Meatballs idea:	Beef mince +20%, 'Basics' spaghetti +70%
Bacon pasta idea:	'Basics' penne +240%, 'Taste the Difference' bacon +13%
Salmon fishcakes idea:	'Basics' salmon fillets +500%
Lamb burger idea:	Lamb mince +50%
Sausages and roasted vegetables idea:	'Butcher's Choice' sausages +100%, sweet potatoes +380%
Chicken and couscous idea:	'Freedom Food' chicken +100%, couscous +46%
Pork burgers idea:	'Freedom Food ' pork mince +71%

Remarkable return on investment

The OHAL's econometric model showed that the £6.9 million campaign delivered £203 million in sales and a profit of £31.6 million. Rather pleasingly, this equates to a return on investment of just under a Fiver: £4.60.

In October 2009 Sainsbury's was voted 'Supermarket of the year' at the Retail Industry Awards. The strength of the business and the agility shown in adapting the brand to the economic climate was cited as the primary reason for this accolade.

# Sponsors

## Aviva - 300 Years of Insight

We're the world's sixth-largest insurance group and the biggest in the UK, with 46,000 employees that everyday serve 53 million customers worldwide.

We are committed to delivering one distinctive experience for our customers. Wherever they are, we want them each to feel that "no one recognises me like Aviva". Our global consumer research reveals that most of our competitors are particularly bad at recognising people's individual significance. This research also tells us that small human touches can make a huge difference to a customer's experience. Our aim is to make recognition the familiar quality that distinguishes Aviva from our competitors - just as Apple means user-friendliness and FedEx means reliability.

BT operates in over 170 countries and is one of the world's leading communications services companies. BT is a major supplier of networked IT services to government departments and multinational companies. It's the UK's largest communications service provider to consumer and business markets and is made up primarily of four customer-facing lines of business: BT Retail, BT Global Services, Openreach, and BT Wholesale.

BT operates in a thriving, multi-trillion pound industry that spans the whole world. In recent years the global communications market has been focused on convergence, whereby the boundaries between telcos, IT companies, software businesses, hardware manufacturers and broadcasters have become intertwined to create a new communications industry.

BT has evolved from being a supplier of telephony services to become a



"We know insurance isn't just about policies' and pensions; it's about people. That's why we're making our customers the big picture, putting a spotlight on them and our people. Putting customers at the heart of everything not only makes sense for them, it makes good commercial sense too." (Amanda Mackenzie, Aviva's chief marketing and communications officer)

We are working hard every day to build the company around what our customers want from us. That's why Aviva now ranks among the UK's top ten most valuable brands, according to the 2010 Brand Finance Global 500 survey and that success is something we are looking to replicate across the world.



leading provider of innovative communications products, services, solutions and entertainment products. BT's business customers range from multinational, multi-site corporations to SMEs and start-ups.

More than 80 per cent of the FTSE 100 and 40 per cent of Fortune 500 companies rely on BT for networking, applications and system integration. The National Health Service, Procter & Gamble, PepsiCo, BMW, Emirates, Fiat, Microsoft, Philips, and Unilever are just some of the organisations working with BT.

BT has been a driving force behind the success of 'Broadband Britain'. Thanks to the company's investment, nearly every home in Britain now has access to broadband and in September 2009, BT announced plans to more than double the availability of its fastest fibre broadband service.

# MARKETING EXCELLENCE 2

"A treasure trove of examples covering the whole waterfront, from launching new brands to revitalising, sustaining and extending established ones, and from insights to advertising and sustainability. Whatever your business, it should make you proud to be a marketer, shake up your thinking and inspire you to go the extra mile."

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"This exciting book demonstrates how great marketing can solve the most difficult problems, through analysis, teamwork and creativity.

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