Sandra Sanderson flips the script at Sobeys Strategy - 22 02 03

How the Marketer of the Year led sweeping changes across grocery banners and marketing teams coast to coast.



This feature was first published in strategy's Winter 2022 issue. Every day this week, we are publishing one of the five Marketers of the Year for 2021. Check back here again tomorrow to see who else made the illustrious group of MOYs, including <u>BMO's Catherine Roche</u>, <u>Canadian Tire's Eva Salem</u> and <u>Arterra's Andrea Hunt</u>.

Just one week into her role at Empire, having joined the grocery conglomerate in late 2018, Sandra Sanderson was able to find her purpose. It took the next three years to see it come to fruition.

Michael Medline – who at the time had been Empire's sitting president and CEO for about a year – asked if Sanderson would leave sunny Florida and her employer White House Black Market to join his leadership team in wintry Ontario.

She accepted his offer without hesitation. For the first time in the company's history, under Medline's rule, marketing was being given precedence. He wanted to completely change the way its banners connect and communicate with consumers. Sanderson couldn't pass up the once-in-a-career opportunity to be a part of its historical transformation.

The CEO's Project Sunrise, a three-year plan to restructure and revive the company after several lackluster financial earnings, was already underway when Sanderson arrived. Her first seven days on the job were spent touring the company's banners coast to coast during the holiday season.

"Every single one looked the same," she remembers of that first week visiting its national chain Sobeys, Safeway and Thrifty Foods in B.C., Foodland in Atlantic Canada, among many other banners. The same holiday campaign had been applied to all of the stores, which surprised Sanderson as she knew that each banner represented something different for the consumer.

"We had to do some foundational work," says the SVP of marketing. "Empire is a family of brands. There's common DNA, but each member of the family has a unique identity and different personality. We worked together with the merchandising team to ID the points of differentiation – the brand pillars. It's been three years in the making, but we have now finally completed the grocery banners."











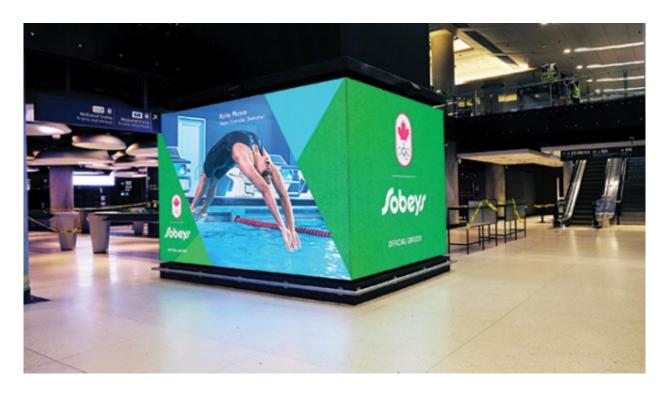
Working with FCB on Sobeys and Safeway, BBDO on Thrifty Foods, and Juliet on Foodland and FreshCo, Sanderson's team refreshed the banners with distinctive visual identities that paint towns green and red – the brands' bold signature hues. Sanderson believes that stores are the "fullest expression of a retail brand," which is why she had her marketing team work closely with design and construction to articulate and have the brand strategy be reflected from the store floor up.

But before she could institute changes to the brands, Sanderson had plans for another overhaul.

The marketing department was bogged down with siloes and fixated on "reactive, tactical executions" that weren't really connected to brand strategy. So she shifted 100% of the marketing team into new roles under a new structure. Gone were its generalized field marketing teams. In their place stood new brand and planning groups, each with a dedicated marketing director who became the champion for their respective banner. Sanderson simply applied the same brand management structures she had learned during her career at marketing behemoths like P&G, Kraft and Coke.

"Having a lead for each brand helps to drive the strategy and drive differentiation," she says. "In the past, there would have been ad hoc fulfillment of communications requests. Now there's someone sitting at the leadership table, discussing business needs with all of the other functional needs. It's fundamentally a different approach."

A big part of Medline's vision was to transform Empire from a regional and fragmented company to a national enterprise. To help achieve that goal, Sanderson recognized that sponsorship could play a role. Over the years the company saw sports as a way to create a deeper connection to consumers, while also bringing its banners together under a common theme. Though it had assembled an impressive sports portfolio that included the NHL, CFL, Raptors, Maple Leafs, Blue Jays and Tennis Canada, the company elevated its sports strategy to a whole new level when it became the first-ever official grocer for the Olympic Team Canada, says Sanderson.



"Sobeys is truly our national banner," she says, "which is why, when we sponsored the Olympics, it was our lead banner. [But] it integrated almost every grocery banner we have. We orchestrated a simultaneous launch of the campaign in every office across Nova Scotia, Montreal, Mississauga, Calgary, Victoria. The level of engagement that we got from our office and frontline teammates was outstanding. It brought us, and Canadians, together."

During its first year at the Games, Sanderson says Sobeys' Olympic "Feed the Dream" campaign and sponsorship – led in large part by Erika DeHaas, VP of marketing communications – helped it achieve similar awareness levels as some of the more long-standing sponsors. In total, the creative generated more than 925 million impressions. And for this year's Beijing Winter Olympics, Sanderson says Empire entered into a partnership with the Canadian Paralympic Committee to reinforce a more inclusive commitment to the country's athletes.

The Olympic campaign was the company's largest ever and it was followed soon after by the company's biggest CSR push. Just as her team was rolling out its most comprehensive sports sponsorship, Sanderson was leading a landmark partnership with 13 hospital foundations across 10 provinces. Working with the Sobey Foundation and the Canadian Children's Hospital Foundation, Sobeys created the "Family of Support" initiative, which raised \$5 million for mental health programs at healthcare facilities – double the amount it initially set out to achieve.

"Sobeys' purpose is to be a 'family nurturing families.' It's been part of our DNA for 115 years... So that was absolutely the inspiration for the child and youth mental health focus," she adds. "It was also the first time that the Sobey family and the business partnered on a national philanthropic initiative."

Beyond brand explorations, sports and social impact campaigns, Sanderson says there were two other areas of focus for the company that materialized in 2021: sustainability and marketing tech.

First announced in early 2020, Sobeys was the first national grocer to ban plastic bags from its stores. It eventually removed 800 million single-use grocery bags from circulation annually, says Sanderson, and 85% of customers now bring their own reusable bags or no bags at all. Later, in the spring of 2021, Empire joined forces with Second Harvest to create a Food Rescue app, which its grocery banners' distribution centers and e-

commerce businesses use to track and divert food waste, essentially saving 31 million pounds of food for families in need.

"Consumers expect more from brands than just products and services," says Sanderson. "[Companies] doing [their] part for the environment was something that was growing in importance, so we needed to elevate our leadership in that area."

The final pillar – marketing technology, analytics and data – is still a relatively new area for Empire, but it began making significant investments three years ago, she says. "We're now well on our journey to personalization." Empire is taking "an enterprise view" when it comes to data, she says, and tying all of its banners together through customized messaging.

It's safe to say that the core foundations of the company were shaken, from top to bottom, when Medline arrived at Empire. Sanderson followed his lead and wasn't afraid to rip the band-aid at once, as she puts it, when the marketing department was flipped on its head and decisions to shift resources and rethink every one of its brands was made.

Coming in, she wasn't sure of the team's readiness, "but what I found was, they were overwhelmingly waiting for the change. Change management wasn't needed at the executive table because they wanted marketing to be a strategic partner by their side."

