

# The Tesco turnaround story 2015-2019

AWARD WINNING UK WINNING IN 2020

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## “From running shops to serving customers”: The Tesco turnaround story 2015-2019

In crisis there is always opportunity.

This old adage summarises the position Tesco, BBH and MediaCom found themselves in five years ago and ultimately what united us together to turn this great British brand around.

Let’s rewind a moment and remember that in late 2014 Dave Lewis had just been appointed as the first outside CEO to the company and immediately faced a number of strong headwinds including a lack of consumer trust, a share price in decline and brand health under attack – which he concluded later was *“like performing open heart surgery in public.”*

The precarious predicament the business found itself in posed an opportunity for a total reset across all aspects of the company including a total revitalisation of the brand and its approach to communications – both creative and media.

This is where we came in to play and a small army here at MediaCom have been working tirelessly over the last half a decade hand in hand with the client and creative agency to re-establish and re-focus the direction of travel of Britain's biggest retailer – a £50 billion+ business no less. It seems obvious writing it now, but we needed to go back to basics, and this started simply with isolating the problem(s) that marketing could address.

From a media perspective this included rebalancing investment to campaigns with long-term objectives, such as Food Love Stories; to regaining market-leading share of voice that had dwindled; to developing an inside out planning mentality that meant putting the 330,000+ colleagues first, maximising the £147 million of owned media estate and then and only then turning to paid-for channels for the 90% of households who shop with Tesco every year.

Owned, earned and then paid (certainly less catchy).

These strategic comms changes were then underpinned by a return to the craft of media, which was deployed at every step of the way. This included many firsts: bespoke TV ad breaks with all the main broadcasters, a contextual sponsorship with broadcaster VOD, an ad-funded TV show, creating 'virtual shop windows' on the frontpages of the red top newsbrands, on the day editorial news takeovers, audience targeting strategies based on 1<sup>st</sup> party Clubcard data ... all the time testing, learning and repeating.

The scale of Tesco's turnaround over this period cannot be understated with the rebounding of the share price and brand health by 36% and 630% respectively between 2015 and 2019.

More importantly, through the MediaCom Business Science team we were able to isolate marketing's impact, which helped drive £4.3 billion incremental revenue in both short and

long term.

Fast forward to October 2020 and it is with huge honour that Tesco, BBH and MediaCom were awarded one of only five IPA Effectiveness Gold awards, but also the prestigious Grand Prix title too.

Effectiveness is in the DNA of our agency and the award is recognition for how we looked for the long-term opportunity during the short-term crisis.

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