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Concerned SDG(s): 3, 12 Company name: REWE Group Industry: Food, Retail & Tourism

CHALLENGE

The REWE Group has anchored sustainability at the highest level of corporate management. Since the start of the sustainability strategy in 2008, the overall responsibility for sustainability has been lying with the company CEO. The organization has continuously strengthened sustainability roles within the various distribution lines. As a retailer with many millions of customer contacts every day, the REWE Group has a special responsibility to promote more sustainable products in a mass market and raise awareness amongst customers. One example of this is the reduction of sugar content in food products. A large number of illnesses such as diabetes or cardio-vascular diseases lead back to high sugar consumption. Therefore, REWE - in 2018 alone continuously introduced the first around 100 sugar-reduced pilot products into the range. In addition to reducing the amount of sugar in its products, REWE also focuses on education. It is not always easy to change one's eating habits and many people lack knowledge about healthy nutrition and alternatives.

Together with its customers, REWE wants to find out how much sugar they can and want to give up. By 2020, the company wants to reduce the sugar content wherever possible. They will not use alternative sweeteners as substitutes.

Purchasing & Own-brand responsible Hans-Jürgen Moog states in the REWE CSR report: "We want to make a significant contribution to reduce the sugar intake of our customers. So, reduction makes sense. But it's also clear that **recipe optimization is only one piece of the puzzle** towards balanced nutrition. **Information, knowledge and exercise are other key factors**."



Through the #youaresugar campaign REWE is addressing the need for healthier nutrition. Their strategy lines out a clear path to sugar reduction in a broad range of their products.

RESPONSIBILE CONSUMPTION AND PRODUCTION A strong emphasis on customer education and engagement. REWE actively involves the customer and raises awareness on consumption habits.

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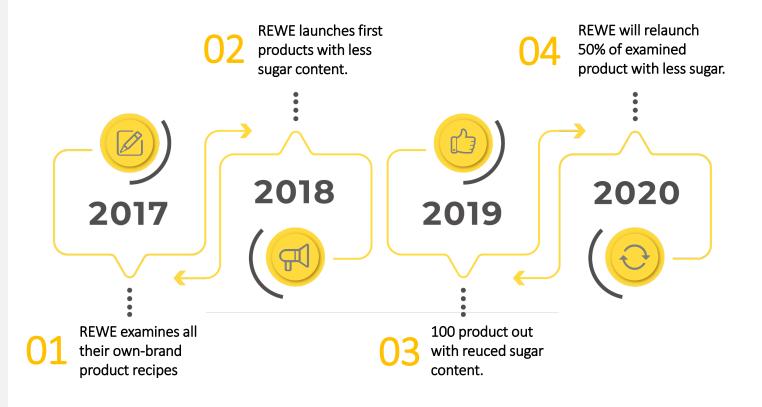


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PRACTICE

To foster dialogue with customers along this process, REWE consumers were directly involved in the process for the launch of the #DuBistZucker (#YouAreSugar) campaign: Consumers were able to try the REWE chocolate pudding of their choice in four different sugar levels and then decide which variant to put on the shelves. For four weeks, more than 100,000 people cast their votes. The result: the pudding with 30 per cent less sugar is the taste winner. Since May 2018, this new recipe has replaced the classic chocolate pudding from REWE Beste Wahl ("REWE Best Choice" brand). Most recently, REWE repeated this model with their chocolate crunchy granola (see campaign phases below). Customer were able to buy a sample box containing granola packs with different sugar contents. After trying them, customers could go online and vote for their favourite product.

REWE's implementation roadmap for less sugar:



PRACTICE

Campaign phases (Product: "Knuspermüsli" - "Crunchy Cereal"):

Phase 1

Customer information & awareness building through:

- TV spot ("Life tastes good Also with less sugar")
- A lottery which apart from main prizes contains many direct prizes of the already sugar reduced product portfolio. Cashiers gave out Lottery tickets per purchase value over 15€.

Phase 2

Customer engagement through:

- Selling of a crunchy granola tasting box, containing the standard product, a -15% sugar version, and a -30% sugar version of the granola.
- Online voting for customers to decide on their favourite granola version.



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Resources, Obstacles & Benefits

In order to implement a largescale re-evaluation of product recipes, the company needs to allocate sufficient **financial resources** to R&D. One the one hand these must go to the re-evaluation of current product recipes as well as to the development of new less-sugar alternatives. Responsible staff needs to ensure that decision makers allocate internal resources accordingly. Recipe optimization and reduction of sugar content can in the long-term result in cost savings in production since production needs less sugar.

Moreover, the organizations needs to make sure an **effective communications strategy** is developed and executed. The #youaresugar campaign sets REWE at the forefront of customer engagement when it comes to a changing product portfolio towards healthier nutrition. The campaign acts as a promotion increasing customer awareness and potentially winning the retailer new customers. Therewith, it further sets a positive example within the general food & retail industry of how to tackle the issue of healthy(-ier) nutrition together with the customers. By providing a **platform for customer engagement** and feedback, the retailer shows how that journey towards different-tasting products can be framed in a way that does not ignore customer tasting habits and

preferences and thus works towards higher customer retention and satisfaction. Moreover, it is a good example on how to integrate educational aspects within such campaigns. It is of high importance to include the customer on this journey and to involve them as change-agents. The goal of the less-sugar strategy is also education and behavioural change. Changing taste and eating habits of people is an immense challenge and cannot be reached over night. The retailer provides its customers with information and advice, e.g. on healthy recipes or what to pay attention to when buying products in the super market on their blog and therewith helps to grow awareness for healthy nutrition.

To fulfil the educational goals of the project, the company needs to reach and attract the customer through a very well executed campaign as well as a long-term strategy. Moreover, the campaign aims at a more **positive and healthy image for the organization** and helps to build their reputation as a caring, engaging and responsible company. With their targets for sugar reduction and their campaign, the **company can position itself** and serve as a benchmark within the industry.

Sources

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