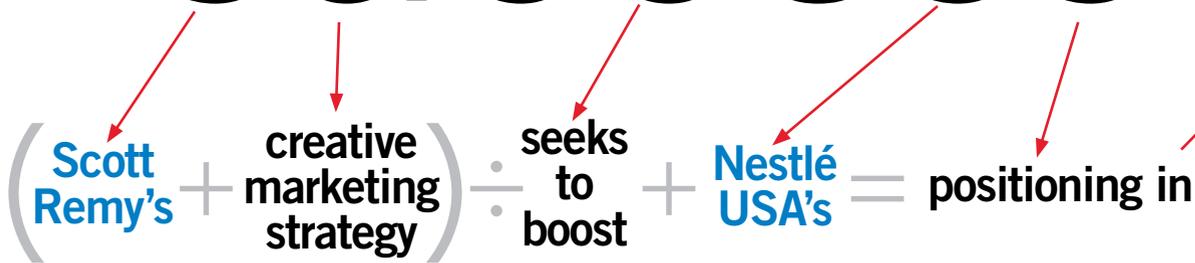


By Michael J. McDermott + PHOTOGRAPH BY LISA WYATT

formula

(for) **success**



60/40+ PLUS NF + BCiA = MS

WHO SAYS THERE'S NO SECRET FORMULA FOR MARKETING SUCCESS? Although the above equation may look more like something a physicist would work with, Scott Remy, senior vice president of communications at Nestlé USA, relies on it to help the company win recognition as a leader in nutrition, health, and wellness. But more on what it means — and adds up to — later.

Remy, who spent more than 20 years working for agencies and handled the Nestlé USA account for JWT Chicago before moving to the client side about four years ago, wears many hats in his current position. He's responsible for marketing communications, corporate and brand affairs, government relations, corporate marketing intelligence, and consumer services. Perhaps the biggest marketing challenge he faces is getting





Nestlé

nutrition, health, and wellness



Scott Remy has been at the vanguard of positioning Nestlé as the leader in health-conscious products.

consumers to begin associating nutrition and wellness with a company best known in the U.S. for products like the Nestlé Crunch bar and Nesquik mix.

It's no small task. Remy's plan is to accent the things people love about Nestlé brands and make adjustments to product formulation, packaging, and positioning where appropriate — without undermining the substantial equity each brand already enjoys. "We'll never abandon our roots in providing really good-tasting products," Remy insists. "We're not going to be a company that makes really healthy things nobody wants to eat." But as part of its NHW (Nutrition, Health, and Wellness) initiative, Nestlé USA constantly looks for opportunities to inject what it calls a nutritional "plus" into its products. That might mean reducing sugar in Nesquik powder, decreasing sodium in Hot Pockets, or adding more veggies to Lean Cuisine meals.

Providing health-conscious products is Nestlé's goal on a global basis, and outside North America that's not a big stretch. The Vevey, Switzerland-based parent company proudly claims on its Web site to be "the world's leading nutrition, health, and wellness company." It traces its roots to the creation of the first infant formula, by founder Henri Nestlé, a pharmacist who developed the product to help save the life of a neighbor's child. Worldwide, Nestlé has competed for decades with brands that

are highly aligned with a nutrition mindset.

But the company's American subsidiary has been built by acquisition. Today, its brand portfolio prominently features such products as Toll House chocolate chips, Butterfinger candy bars, and Häagen-Dazs premium ice cream. True, the company also produces brands like Buitoni, Lean Cuisine, Juicy Juice, Stouffer's, and Carnation, but as Remy himself concedes, Nestlé USA "has been viewed as a chocolate company for 50-plus years."

Road to Nestlé

The marketing world is filled with creative people whose career paths have taken many interesting twists and turns. Remy, a Las Vegas native, might well have ended up a lounge lizard in one of Sin City's many casinos. Music was his first love, and during his high school years he earned pocket money playing guitar at Vegas clubs and lounges. He entered college as a classical guitar major but took a two-year sabbatical after his freshman year to do missionary work in South America for his church. The hiatus provided him with a new perspective.

"When I got home, I was a little older and wiser," he recalls. "I realized there were about five classical guitar players in the world making a good living, and all of them were infinitely more talented than I was. I needed a new direction." »



Located on the banks of Lake Geneva, Nestlé S.A. is the world's leading nutrition, health and wellness company. Above: founder Henri Nestlé and the company's original logo.

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Returning to college, he took on a more eclectic course load and soon fell in love with advertising. “It was a blend of art and commerce, had interesting knots to untie, and was full of colorful and smart people,” he explains. Remy switched his major and, while still in school, landed his first advertising job as a copywriter at a Las Vegas agency, working mostly on retail accounts and boxing promotions.

After graduating from college in 1984, he headed to Chicago for a position with Needham, Harper & Steers, which later merged with DDB. Starting out as an assistant account executive on Betty Crocker, he spent 16 years working his way up the ladder. In 2000, he left the company to join JWT Chicago where, among other responsibilities, he managed the Nestlé business. After a year at Energy BBDO, Remy joined Glendale, Calif.-based Nestlé USA in 2006.

As senior vice president of communications, Remy must stay on top of multiple ongoing projects and have constant interaction with a lot of different people. Fortunately, the work suits him well. “Scott is very open as a marketer to examining all positions, all points of view,” says Tom Lehr, executive vice president and managing director at Dailey, the Los Angeles agency that handles Nestlé USA’s confectionery brands. “He has a strong point of view but is extremely collaborative. And he has the ability to help people arrive at the same place.”

Cathy Saidiner, president of McCann Erickson Los Angeles, another of Nestlé USA’s agencies, thinks Remy’s long tenure on the agency side of the business is an asset in his current position. “It gives him a unique perspective on how to get the best work out of creative people,” she says. “In driving the communications development, he has a rather obsessive focus on ensuring that the relevance of Nestlé’s products is delivered — and I mean that in the best way.”

About That Secret Formula

Remy approaches marketing from a portfolio perspective. “Trying to turn Butterfinger into a nutritional brand is a nonproductive endeavor,” he acknowledges. “But expanding our Raisinets line is a way to provide more nutritionally oriented confection options for consumers who love chocolate but want choices.” Nestlé now produces Cranberry Raisinets and Cherry Raisinets and has other fruit-and-chocolate varieties in the pipeline.

For products like Häagen-Dazs, whose brand image is tied to the concept of indulgence, Nestlé is taking a different approach. “That’s not a brand that would benefit from monkeying with product formulation, but it can be enjoyed in portion-controlled packages,” Remy explains. Nestlé has already introduced Lil’ Drums, a downsized version of its Drumsticks sundae cones, to enthusiastic consumer response, and it is aggressively expanding its Skinny Cow line, “so ice cream lovers can indulge on a regular basis,” Remy notes.

In the end, Nestlé believes there are no good or bad foods, just good and bad eating habits. Remy says the company will do everything it can to help consumers enjoy Nestlé products in responsible and healthy ways, and advertising will play a big role in that effort. “We can’t just hope consumers



REMY’S RUMINATIONS ON MARKETING

LEARN TO LIVE IN AN “AND” WORLD. Consumer demands are greater than ever. They really want it all — convenience, more choices, etc. Delivering on their demands can set your business apart.

SEE SOMETHING NO ONE ELSE HAS SEEN. That is challenging when marketers all have access to the same data and don’t have much time to dream, but you should constantly be looking for “aha” moments.

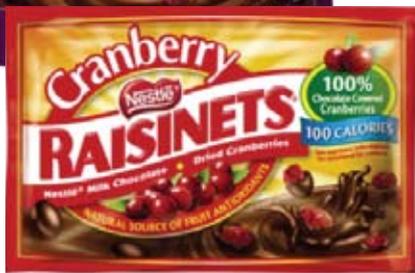
DO SOMETHING NO ONE ELSE HAS DONE. No one gets promoted or makes a mark simply by doing what they are asked to do. One way Nestlé defines innovation is providing consumers with what they want before they know they want it. That doesn’t come from being obedient.

MAKE THE COMPLEX SIMPLE. Identify ways to streamline the marketing process, and focus on areas where marketing has the greatest impact.

MOVE FASTER. If you can get 100 percent of the work done in 85 percent of the time, that leaves 15 percent of your time for things that set you and the company apart. — M.J.M



With Raisinets, Nestlé put a new spin on a classic treat by adding Cherry and Cranberry versions and touting the health benefits of each.



will bump into our nutrition, health, and wellness efforts on the shelf," he says. "We put a high priority on advertising our best nutritional benefits, which we refer to as 'Brand Communication in Action.'"

And that's where the formula comes into play. Nestlé's marketing strategy is clear-cut and linear. It aims to achieve 60/40 consumer preference in everything it sells, meaning 60 out of 100 consumers will prefer its brand over competitors' brands (60/40). It is adding the "plus" of a nutritional foundation (NF) in product formulation and marketing wherever it can, and boosting those efforts with a strong deployment of its Brand Communication in Action strategy (BCiA). The result is the kind of market share (MS) Nestlé seeks in every category in which it competes.

Voilà! 60/40+ plus NF + BCiA = MS

"When we follow this," Remy says, "we invariably win and will move ourselves closer to our vision of leadership in nutrition, health, and wellness." While Nestlé's work in this area is still in the early stages, the company is positioning itself for a long-haul effort and is already beginning to see some results. "Early signs are very encouraging," Remy adds.

Reaching Out to Moms

Remy utilizes a full array of marketing tools to reach consumers, everything from traditional media to the latest in digital and interactive. With a large percentage of its brand portfolio bought by, and consumed in, households with mothers, Remy has a group reporting to him whose job is to bring superior "mom insights" to bear across all divisions of the company. Called Moms with Kids Insights, the group has developed a number of targeted programs that offer mothers ideas for fun meals, ways to celebrate holidays, and more.

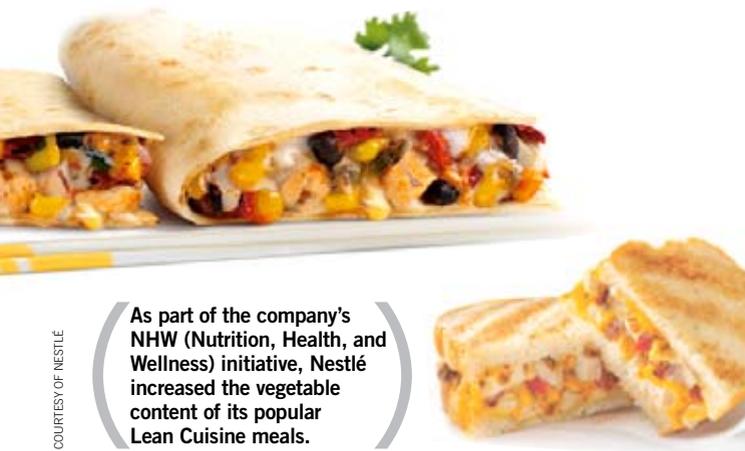
In many of its corporate efforts, as well as in its specific brand communications, Nestlé deploys what Remy calls the usual suspects, including Twitter, Facebook, search, and consumer-generated content. It also launched a Web site for parents, NestleFamily.com, and has built robust databases that it can tap into readily. "We still buy a reasonable amount of TV and don't believe it is dead," Remy notes. "It just needs to be used more strategically."

Nestlé's competitors use essentially the same array of marketing tools, Remy admits. "But we believe we can use them more strategically and can fight fragmentation when they are applied deeply in the service of insights and connecting with consumers when they are more receptive to our messages," he adds.

Remy acknowledges that Nestlé's NHW initiative is ambitious and will take time to achieve, but he's convinced it can be part of an umbrella strategy that encompasses all the company's products and brands. "We'll continue to put strong nutritional credentials on our most NHW-intuitive brands," he says. "For other brands, we can drive NHW through portion-control choices, communicating balance, increased activity, and leveraging the broader portfolio to meet what our consumers want. Reframing the consumer's view of the company will take time, but I'm confident we can do it." ■



Scaled-down "snack size" versions, like the Lil' Drums sundae cones, allow for increased snacking occasions for consumers looking for smaller portions.



As part of the company's NHW (Nutrition, Health, and Wellness) initiative, Nestlé increased the vegetable content of its popular Lean Cuisine meals.

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