What Kroger Learned a Year After Launching a Big Brand Refresh



Kroger, the nation's second-largest retailer, hired DDB New York as its first-ever agency of record in July 2019. The Cincinnati-based brand was coy about where it was heading with its refresh, but noted that the agency came up with a direction that "knocked our socks off," according to Kroger vp of marketing Mandy Rassi.

The end result from the brand and agency was an unexpected twist in grocery marketing. Shots of live actors and food were replaced by animation, with an ever-expanding character roster affectionately known as Krogies. Additionally, Kroger established an anchor positioning, "Fresh for Everyone," that spanned beyond its namesake brand to its associated chains around the country including Fred Meyer, King Soopers and Ralph's.

While the Omnicom-owned shop became known for its statement creative work, Kroger chose the then-Dentsu Aegis Network (now rolled into Dentsu International) as its first integrated

media AOR this past July.

Looking back at the new branding's first year, Rassi noted that Kroger saw an almost immediate effectiveness uptick and return on ad spend, with 80% and 20% improvements respectively.

Additionally, locking into strong positioning provided a "clear point of view on what we stand for and how we need to show up, [especially] when the world was in such a tumultuous place."

Like all brands when the pandemic hit, Kroger changed its messaging. Katie Jensen and Ani Munoz, DDB NY group creative directors, noted that as people started hunkering down at home, the brand focused on safety and convenience with features like ecommerce, delivery and pickup.

"Kroger reassured customers that they were the safe place to find what they needed," Jensen said.

Rassi noted that animation allowed the retailer to have some flexibility and, as a creative device, was fortunate timing. After the initial months of the pandemic, Kroger progressively moved back to a more lighthearted touch. One ad that featured the Flo Rida/T-Pain hit Low—focused on lower pricing—was a hit and resulted in positive feedback for the brand.

"We saw customers get into it," said Rassi, also pointing out that the ad has remained popular without going through a spike and drop. "There were TikTok videos and lovely emails telling us that it made them laugh. It's a small thing, but it also shows what we've done with DDB, who have demonstrated so much agility a year into the campaign."

Though Kroger has several agencies and internal teams spread across its marketing ecosystem, it values its AOR relationship with DDB New York as an agency that deeply understands the brand.

Yet, like all brands, there are always more spaces to mine. Rassi noted that conversations include addressing the sheer volume of content to optimize personalization and more addressable channels. Additionally, emerging technology is a hot topic. In October, Kroger launched Chefbot, an AI-enabled Twitter bot that can recognize ingredients on a refrigerator shelf or counter and suggest recipes.

Looking ahead to 2021, Rassi believes that it won't be as easy as "Cool, 2020 is done and now back to our regularly scheduled programming." There will still be challenges, but having some time under its belt has provided some crucial lessons.

"It's going to be another year where 'agility' is one of the buzzwords, and we'll keep our pulse on that," she said. "One thing I think we learned this year is sometimes moving faster, instead of waiting for the perfect execution, has served us well. And we want to continue that we're showing up for customers in the right way."

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