



Unilever's Social Missions Bolster Dynamic Growth in Its Culture and Brands



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This is an edited version of IRI's conversation with Fabian Garcia, president of Unilever North America. In this installment of IRI Growth Insights [C-Suite Conversations](#), Fabian talks with Andrew Appel, president and chief executive officer at IRI, and Jennifer Hetrick, IRI's Unilever team leader, about the importance of the company's values as the pandemic set in; Unilever's initiative United for America; creating and supporting a strong corporate culture; Unilever's partnership with IRI; and more.

IRI: Responsible Capitalism

Fabian Garcia: Unilever has pioneered in the area of having a clear mission to impact the world, talking about responsible capitalism and leading the categories where they compete, but demonstrating to the world that you can actually do well and do good for the world. At the onset of the pandemic, the authenticity of the company's values came into play because I didn't have to explain to people what the right thing to do was – it was very clear. We had three objectives: the safety of our people, the continuity of our business and the impact that we had in our communities.

IRI: Clarity

FG: You need to have clarity of objectives. You need to have clarity of purpose. And you need to have clarity of communication. When it came to clarity of objectives, it was crystal clear – safety of our people, continuity of our business and impact on our communities. When it came to clarity of communications, we realized very quickly that we needed to speak to people frequently, and we needed to bring them a message of transparency. The notion of giving people clarity through uncertainty gives people a sense of assurance that the management is sincere, authentic and obviously telling them the truth.

IRI: Insights

FG: This is the first time in my career that I have had at my disposal the kind of resources that IRI brings to bear. You guys were at the forefront of what was happening with consumers because, of course, you have information live, literally real-time. You had the insights, you had the data, you had the front-line understanding of what was going on.

IRI: Growth Through Decisiveness

FG: The crisis provoked a need for us to become more of an enterprise-centric unit. It's about the Unilever North America enterprise and how we could grow much faster by growing the units that were growing and reallocating resources from those that were not growing as fast. Because of the crisis, we needed to be faster – we needed to be focused on one Unilever. The other thing I would say is that having a combination of experience and data and insights allowed us to make decisions that proved to be right in the marketplace, and we were just trying to stay one step ahead.

IRI: Inclusivity

FG: Unilever is a pioneer in sustainability, not just environmental sustainability but inclusivity as well and social responsibility. Gender equality has been achieved already. We have reached our goal of 50% of managerial roles across Unilever's global business being represented by women. We also have made progress with parental leave, family support and flexibility to offer a work environment where women thrive. The next step is racial inclusivity. It's about achieving a profile of our workforce and our executives that represents the communities where we market and live. We are trying to ensure that globally we are buying \$2 billion from companies that are owned by minority owners. And as one of the largest advertisers in the world, we want to make sure that what we are communicating with the consumer represents the consumer.

IRI: United for America

FG: United for America started with the [company-wide] volunteering event on May 21st, which was all about donations and helping people get food on their tables. Then we wanted to be more surgical with our approach. There were three specific areas that we wanted to focus on. The first one was this so-called She-Cession. It has a lot to do with this notion of inclusion, but we all have seen the statistics that women and people of color and women of color – have been the hardest hit by the pandemic, more than any other group. We provided funds for 250 annual fellowships to women-owned businesses.

The other focus was to enable kids to connect to education by either helping them get gadgets like iPhones or computers, or even access to Wi-Fi, so they could continue their education.

And the third area, which is an area that remains critical for everybody, is to put food on the table and continue to give donations of products.

IRI: Innovation

FG: Find Your Happy Place is a brand we created with Walmart. It is a very timely brand, a very timely innovation, because now that we're all trapped in our homes trying to be as safe as we can be, everybody needs a little bit of time to get pampered and find their happy place for relaxation and getting away from the tribulations that have been associated with COVID-19.

I think innovation went far beyond new products. It went inside the company to find better ways to cope with unprecedented change. We now know how to respond to consumer needs that are unanticipated and unmet much quicker than ever before. Also, before the pandemic, we were running a very efficient supply chain. We had maybe 5%-10% capacity unutilized at the max, and our engineers and supply chain planners figured out through machine learning and advanced analytics what the right SKUs were for the right customers at the right time and deployed that intelligence so that we could supply the market.

IRI: E-commerce

FG: Another thing that hit the mark was our ability to explode e-commerce. Seventy percent of our business in e-commerce is winning market share. It's one area where we needed to learn as we went. The good news is we had a great infrastructure, but that infrastructure had not been put into play at the kind of standard of operating level that was required this year. The expectation is, now that the consumer has pivoted up to not just the safety but the convenience of e-commerce, that promised land of e-commerce becoming 30% of retail is not far-fetched anymore.

IRI: Maybe We Should Get Into Hand Sanitizer?

FG: In the beginning of the pandemic, I received a phone call from the guy who runs skin cleansing globally. He says, "Fabian, we should get into hand sanitizers." And I said, "You know, I've been around a couple of times in the hand-sanitizer business, and that business comes and goes. But I have too many priorities to worry about hand sanitizers." A half an hour later, he calls me back: "Hey, maybe we should get into hand sanitizer." He called me 10 times that day. And I said, "Perhaps we should get into hand sanitizers!" Within six weeks, we had stood up three factories here in the U.S. and factories outside of the U.S. that were able to meet FDA demands and FDA standards so that we could get into hand sanitizers.

IRI: Silver Linings

FG: One of the things that hit the mark is the relationship that we were able to forge with our retailers. The other thing is that COVID-19 accelerated the trends more than it changed trends, in particular plant-based foods. Also, the notion of healthier eating and more natural eating – all of those trends are now reflected in innovation. In food innovation, we have a much faster pace of bringing things to market. Another thing I would also say is that I need to give credit to the supply chain. We were growing single digits in January and February, and then everything broke loose. It became really stunning to realize how fast, how quick, how high the peaks of demand happened.

IRI: Thoughts on 2021

FG: We are going to return to some new ways of living with COVID-19. So we have to respond to that challenge from a consumer, customer and an organizational point of view. For the consumer, we'll increase the pace and ensure that we are responding to the emerging trends that are going to stay and be flexible to return to the trends that are going to revert once that normalcy is reestablished. With customers, the shifting customer is very important because all of them, obviously, have benefited from e-comm. When it comes to the organization, I think the single most important challenge we have as leaders is to keep our people motivated and driven through the continued tribulations. We're leading by example to make sure that we keep our energies high and that we give them the clarity they require and the resources that they need, and the understanding. I see this as most important – that they get the empathy that they deserve.

At the end of the day, people have rediscovered the joy of consumer goods. This is what we need to keep in mind. We need to give our organizations, our peers and our partners a common view that things are only getting better from here. 

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