

Simon Mainwaring:

I often say that the challenges we face are really marketplace opportunities in disguise, that with the right mindset and execution we can not only solve for the many issues we face, but become powerfully positive in our outlook on life as we see this time of great challenge as a springboard for innovation, inspiration, and collaboration. But that takes work, dedication, and the ability to look at industries, product categories, and marketing with fresh eyes, eyes that recognize that in order for a product to be successful, it must deliver value, benefits, and satisfaction, as well as being purposeful, because purpose isn't a silver bullet and you must deliver for your customer. But, when you do and you bring your purpose to life through your product to drive profit, there's no limit to the upside in today's undeniably challenging marketplace.

How do you take on a crowded and sleepy category and reimagine it to launch a new business? Or, how do you deliver customer benefits in ways that will propel your company ahead of others in your category? How do you accelerate success so you can then leverage partnerships to take your business to a whole other level? These are not only questions for today, but for business at large moving forward, because as social and environmental challenges increasingly reshape expectations of business and the companies that will succeed, more businesses will be forced to reimagine their role in the world and how they leverage purpose to scale their growth and impact. Let's dive in and explore how a product category or industry can be re-imagined to turn challenges into dynamic business opportunities. From We First and Goal 17 Media, welcome to Lead With We. I'm Simon Mainwaring, and each week I speak with purposeful business and thought leaders about the revolutionary mindsets and methods you can use to build your bottom line and a better future for all of us.

Today I'm chatting with Brenda Demers, she's the CEO of SmartyPants Vitamins, an LA-based preventative health company focused on providing premium all-in-one vitamins for kids and adults. They also believe in giving back and making matching nutrient grant donation to a child in need for every bottle they sell. We'll be chatting about how you build and scale a company that not only wins over employees and consumers, but also drives extraordinary growth while creating exceptional impact. Brenda, thank you so much for joining us. I've got to ask you about the name, SmartyPants. The first time I saw it I was like, "Okay, I know that term, but what is that company?"

Brenda Demers:

Absolutely. Well, first of all, thank you for having me. It's a great question to start off with. I actually wasn't here at obviously the founding of the company and the founding of the name, but the name SmartyPants actually goes back to our core values, which hopefully we'll get a chance to talk through more of smart, simple, and true. But as we all know, it's a little bit of tongue-in-cheek, kind of not taking yourself too seriously, but also having a little bit of that knowledge of, okay, I'm a little bit of a smarty pants, so it's a little bit of a wink in terms of just knowing kind of the education that goes into the formulations of our product.

Simon Mainwaring:

That's a really good point. When you think of the vitamin category, there's a lot of products out there, there's a lot of awareness, but there's probably not so much understanding. What was different about SmartyPants vitamins that brought you to the company?

Brenda Demers:

You couldn't have said it better. If anybody's walked down the vitamin aisle, it is complicated and it's confusing, and actually that was one of the main reasons that it actually caught my attention to come to SmartyPants. The founders had the same observations, so they were parents walking down the vitamin aisle and trying to find the most comprehensive product for their kids, and obviously something that the kids would want to take on a regular basis. When you go down there, it's just very confusing as you said, and so that actually really resonated with me. I'm a mom of two, I have a 14 year old son and a 12 year old daughter. First and foremost, as I learned about SmartyPants as well, I really resonated with that founder story of how do I know that I'm finding the best nutrients, the best product, effective product for my kids, but then obviously something that they'll enjoy taking as well?

Simon Mainwaring:

Actually, how you provide that vitamin, that supplement is really absolutely critical. You say they enjoy taking it, tell us about how they get to take their vitamins in a different way.

Brenda Demers:

SmartyPants is primarily in a gummy format, and I have to say our products are so incredibly delicious to take. I would say that's one of the things that is actually really standout for SmartyPants versus the rest of the vitamin aisles. Every day, not only are my kids asking for their vitamins, they're actually asking for them, but I, myself, am also looking forward to that day where I take my own SmartyPants vitamins. Of course, it's about nutrient density and the most bioavailable ingredients, but if it's not delicious to take, then it's kind of all for nothing.

Simon Mainwaring:

It's interesting you share that because it is crazy to me that you can have the category that's so sophisticated, so mature, and there's so many players yet there was no consideration of the user experience in a way. They didn't really think about whether someone had wanted... it was almost like the medicine you had to take. Why do you think that is? Why was it sort of slow to change for so long?

Brenda Demers:

No, you're absolutely right. I mean, when we think about vitamins, it's all about the regimen. That was one of the biggest tensions and problems that the founders actually set out to solve is, I'm sure all of us have experienced this, where we buy these vitamins, then we put it into our cupboard, and it kind of becomes this graveyard.

Simon Mainwaring:

It is, seriously. You open the drawer and you go, "There's a thousand things I've never touched."

Brenda Demers:

Exactly. There's so many tensions of that, so why is it so difficult to take? A lot of times, the primary format of the past when we all grew up and our grandparents or our parents vitamins were these tablets or capsules, and so they can be very difficult to swallow, they can be really big in size, and again, it's just almost kind of forgettable in terms of the regimen. Again, if you're not taking it on a daily basis, then you're not getting the full effect. The gummy vitamin and the gummy format is actually very difficult to deliver a significant amount of nutrients in that gummy format, but that was a huge unlock for the whole category in terms of really disrupting, like you said, this very kind of older sophisticated

category, but all of a sudden unlocked the potential to actually give these really needed nutrients to families all over the world.

Simon Mainwaring:

I mean, obviously the category exists for a reason. I mean, people's diet... the nutrients they're getting and the nutrition they get from their food clearly isn't enough. There's so much dialogue in and around diet, more broadly, the US diet. What would you say is the most compelling reason for people to really make vitamins, in this case in a gummy format, part of their daily lives?

Brenda Demers:

You know what? The really unfortunate statistic is over three billion people worldwide suffer from some sort of malnutrition, just think about that. That is just a staggering statistic. But I think there's probably a perception that, "Oh, that's not in my country." Like you said, I mean, there's a lot of awareness, but not a lot of understanding and education. Even here in our backyard, in the US, malnutrition is actually an issue and deficiencies, vitamin deficiencies, are an issue. I think some people are maybe aware of vitamin D, that's probably maybe the most known. I actually hail from Canada, so a lot of Northern countries do have more awareness in terms of vitamin D deficiency, et cetera.

But like you said, it's also part of a broader system where the food system is broken in my opinion. I've worked on the food category as well for a number of years, and like you call out, many American families are not able to get the needed nutrients that they need from their actual diet, and so even though SmartyPants believes absolutely whole foods and diet is absolutely the first go-to, but we know a significant portion of the United States population cannot get the needed nutrients from diet alone. That's where the supplement category comes in.

Simon Mainwaring:

I mean, it's so crazy. There's food deserts, there's food scarcity, I think the climate emergency and its impact on supply chains and sustainable agriculture. This is an issue that's not going to get less, it's going to get more important. What was the founding purpose or mission of the company? I mean, it's one thing to want to make a difference in the world, it's another to take on a really crowded competitive category and stand up a new business and then take it to the level that you have. What was the original intent, its mission?

Brenda Demers:

The original intent I should say is still the intent that we have today, and it's really around our core values. We have three words; smart, simple, and true. Let me just explain a little bit about what those core values mean and how it actually applies to the vitamin category. The smart piece is really... we actually like to think of ourselves as kind of science nerds, every employee in SmartyPants is just product obsessed. How do we actually have the most nutrients to deliver to our consumers, the most bioavailable forms of those nutrients? We actually work really closely... we have a scientific advisory board that actually helps us in terms of formulation, the leading science behind everything that goes into our product. We do all of that hard work behind the scenes, in terms of that kind of science smart piece. That leads to the name, obviously, SmartyPants.

The simple part is actually the hardest thing that we do. The simple part is how do you fit into a person's daily life? How do you just make it incredibly meaningful, but also simple for them to take? That really tackles the regimen piece that we spoke about. How do we deliver it in a format that's acceptable to

consumers? How do we deliver it with an amazing taste? Some of our products were really industry leading, in terms of the nutrient density, specifically with omegas. I think some of us growing up many years ago, fish oil, omega, it is not the tastiest of...

Simon Mainwaring:

Sure, I remember taking those fish oil vitamins years ago and swallowing it was like you're being punished for something, you had to swallow a small dingy or something.

Brenda Demers:

Exactly. That's what sets us apart is... and the work that went behind, how do you deliver something like omega with the multi and have it taste incredibly craveable? That's the simple part that we really work very hard to get right. But then, there's the true part where we as a company believe, and it's also my personal business philosophy, is around stakeholder capitalism. It's about the needs of the many versus the needs of the few. This goes to our consumers, our customers, our shareholders, our employees, as well as just the whole system, organizations such as Vitamin Angels. How does it all work together so that we can actually do well and do good at the same time? That was really the core philosophy.

Simon Mainwaring:

I love the point about stakeholder capitalism there, because one of the things that drives me crazy, Brenda, is that we talk a lot in terms of this re-engineering and re-imagining of capitalism, that more stakeholders and the planet should share more evenly in the benefits of capitalism, but we don't talk enough about sharing in the responsibilities. I think it's really important that every company goes out there, like you do with Vitamin Angels, and makes a difference out there. We can't expect these problems to take care of themselves. We should all share more in the benefits, but we've got to assume those responsibilities at the same time. I want to come back to one point you made, which is really important, which is you said not only are they nutrient dense, but they're more bioavailable, because I think one of the issues around vitamins is are they efficacious? Does it really work? Is our body absorbing, or is it passing through? When you put the scientific rigor to it, what does it mean to be more bioavailable?

Brenda Demers:

No, it's a great question. It's one of those things that people, again, they understand the concept of multivitamins that at the end of the day, it's good for you, it's an investment in your future health, but people don't understand the granularity behind it. Not every ingredient is treated equal. A really good example of this is folic acid. Prenatal vitamins are critical for expecting moms, I think we all know that. Folic acid actually really became kind of mainstream in the media as well, and obviously through doctors recommendation to expecting moms. I know when I was pregnant myself, that became a really big focal point. Am I getting enough folic acid? However, there are different forms of that, so we actually don't use folic acid, we use folate from [inaudible 00:12:35], which is actually a more bioavailable version of that ingredient.

Simon Mainwaring:

Does that mean your body absorbs it more or...?

Brenda Demers:

Exactly, yes. But, that is where our responsibility comes in of how do we bring that awareness and education to the consumer, because again, not everything is treated equally? We do have... a lot of our core SmartyPants consumers are conscious label readers and they do a lot of research. I do think that time in a women's life, as an example, being an expected mom, those are one of those critical times where you really spend more time... we see people spending more time actually researching a lot of this. That's when that awareness comes to the forefront.

Simon Mainwaring:

The majority of listeners for the podcast are either sort of founders or employees or leaders within purposeful companies. They're fascinated about how you actually get it done, how you get market penetration and capture people's attention because, in a sense, the vitamin category has been so sort of overwhelmed, it's been played out. How did you capture people's attention? Is it a function of the name? Is it about how you market yourself? Is it the story you tell? How do you almost re-sensitize people that have been desensitized to your category?

Brenda Demers:

Fantastic question. I will say, I think at SmartyPants we're really at the beginning of this. A big focus for us going forward, in terms of really taking this company to a next level in terms of scaling the company is around further awareness, further penetration in terms of our brand and what we bring to the table. I will say, out of the gate, in terms of the explosive growth of this company has enjoyed since 2011, it really has been word of mouth. We tend to attract consumers that are those conscious label readers, and so they understand the category, they do the research, and they pass that information onto their friends. Word of mouth is huge. It does come back to the taste as well, because they're so delightful to take, we actually have incredible loyalty and repeat numbers with our category. Again, it goes back to solving the problem of regimen and getting it into that day-to-day habit.

I would say word of mouth was really the beginning. Of course, then we get national distribution. We're the number one kids multivitamin on Amazon. We're available in all national retailers across the country. We start gaining the awareness there, but I think there's so many stories that we can tell whether it's through our social platforms, through really credible influencers and, of course, key opinion formers, our doctors, et cetera.

Simon Mainwaring:

I want to push in on those amplification partners, but I have one question, like in anything that is purposeful, you've got to have a product that people are going to want in the first place. As you say, that it has to taste good time. Time and again on the podcast, when I've spoken to so many different companies that are bringing new products to market, if it can't compete on the user experience, then you're dead in the water anyway. With that in mind, when you tell your story, and this is instructive to all of us building purposeful companies, do you lead with the ease of the gummy and the taste of it and then point back to the science or do you lead with the science, the bioavailability, the nutrient density and so on and then point to the product? What do you lead with, or do you throttle on both fronts?

Brenda Demers:

We do throttle on both fronts, and it's a conversation we continually have internally. Do we go with the category drivers or do you lead with your differentiation? I do think the category driver of taste is absolutely critical and we do deliver on that. It always comes down to the marketing fundamentals, what's the main message, what's your reason to believe? We do throttle between the taste, your kids

will want to take this, and a lot of those barriers to the category we do phase into, but then very quickly we also speak to our differentiation. I do think COVID obviously accelerated the awareness around proactive health, and really we do see multivitamins as an insurance policy, it's an investment in your health. That obviously, going through the pandemic, really accelerated the thoughtfulness and new entries into the category. But, what I personally believe is that consumers... there's no longer enough to be this kind of disruptive, cool, modern brand in a, like you said, very traditional older category, but I believe consumers are now looking for more evidence based science fact of what is this going to do for me?

Simon Mainwaring:

I couldn't agree more. It's almost like now that business is being held to be more accountable, more companies are being more responsible with regards to the products they take to market, but that invites greater scrutiny. How do you get ahead of that? Do you literally yourselves do more testing and provide greater transparency and so on? Or, do you wait for that call and response from the audience? How do you make sure that you walk your talk and that people can trust what you're taking to market?

Brenda Demers:

This is one of the other reasons that I was attracted to SmartyPants. The founders have built a beautiful business and they invested, in my opinion, in all the right areas. One was the product and the product delivery that we've talked about. The other one was a real focus and investment on regulatory and quality. Again, this is a category where there's been a bit of bad actors in terms of promising kind of the world in terms of what supplements can do for you, and that's just not good for our category, it's not good for anyone. Right from day one, regulatory and quality, all of our batches are third party tested. We actually have given the rating of A plus for the Clean Purity Award across our products. We take this incredibly seriously.

Actually, we just launched a campaign, it's very early days... this has been in our DNA from the beginning, but just this year we launched a campaign of Clean-Up on the Vitamin Aisle and just really calling out for transparency in terms of ingredients. There's actually a bill right now, bill 4090, that really calls out for further transparency in ingredients because consumers need to know what's in the bottle and what it's going to do for them.

Simon Mainwaring:

I'm pointing back to the comment you made about stakeholder capitalism. We've all got to be involved and we've all got to look after everyone else, but also industry-wide, we all have to list our game so that all boats rise. It sounds like the vitamin category, I mean, obviously there's so much to be done. If I'm just out there as a consumer, I go, "I don't know, synthetic colors, artificial flavors," all of these different things, so much sort of additives in there and preservatives. How do you differentiate yourself from the stigma of all of those elements?

Brenda Demers:

It does come back to our certifications. There's obviously a standard to be able to be in the category, the vitamin category, you have to meet certain quality standards. We actually invest over and above that in terms of third party certifications, whether that's through NSF or, again, this Clean Purity Award, in terms of an external organization looks at our products, test our products for things like heavy metals, et cetera, and everything you called out. No artificial flavors. That is incredibly important to us, in terms of being allergen free from the top nine allergens. All of those things are really what stand us apart.

Simon Mainwaring:

Give me a sense, I know that you've been to the company for a couple of years, but that trajectory, because it sounds like there was really strong, original intent in terms of the integrity of the products, and then there's been transparency and accountability on the way through, which is a great guide for all of us. But, this growth that you've mentioned over the last 10 years, what kept it alive? Because as you mentioned, it's very easy to pop out of the gate, be the cool new brand with the flashy message and get the right couple of influences and so on, but what did you do to sustain that growth over a 10 plus year period to get you to this point?

Brenda Demers:

I think a big part of it is, again, it's in our foundation that we want to deliver the best nutrients for that development time period for that individual over their lifespan. I really look at our portfolio as a transitional portfolio, from birth, in terms of drugs for babies right through to seniors. We really look to expand the portfolio and really build upon our early success, which was obviously kids and prenatal. Those are our core products that we really started out with. Part of the trajectory was how do you repeat that model across all the different life stages and all the different needs and benefits that go along with that? The pandemic really accelerated that growth, being able to serve the demand there. But again, I think going forward, it's going to be around being meaningful and relevant to what the consumer's evolving needs are, around science based, evidence based.

I almost see it as three different ways. Back when I was growing up, it was very much kind of the lab coat, the doctor, traditional letter kind of vitamins. Then, it's kind of, okay, the cool new disruptor that's more appealing to a younger generation, and now it's going to be that plus science.

Simon Mainwaring:

Right. It's interesting the evolution of these in sophistication of these conversations. I don't feel like we're ever really equipped with the information to make good choices for ourselves, whether it's the amount of plastic in products that we'd buy, the type of diet we'd eat, the car we drove, and the same with the vitamin category, now we're starting to get better and better informed. I know this trajectory is now taken to the point where you become part of the Unilever family, which is arguably the most purposeful enterprise on the global stage and has been for some time. Going from a startup to now where you're part of a wider portfolio, tell me about what that experience was like and what difference it makes of the company, shall we say?

Brenda Demers:

We are so excited to be part of the Unilever family. Unilever acquired SmartyPants in December 2020. As part of my almost 25 year career, I was fortunate enough 17 of those was actually with Unilever, so I was able to really get a front row seat and actually lead brands with purpose in my career with Unilever. I honestly think this is a perfect match in terms of SmartyPants and Unilever. SmartyPants has been a purpose-led vitamin company from day one. This is actually a really cool part of the founding story, the founders actually created a partnership with Vitamin Angels before they had even sold one product in the market. Again, knowing that they can do well, do good, and for the many versus the few, that was right in the founding story of SmartyPants. That's very much in line with how Unilever looks to do business.

Simon Mainwaring:

I think you and I are familiar with Vitamin Angels, but help for those who don't know them so well, what do they do? What's the role they're playing in different markets around the world?

Brenda Demers:

Vitamin Angels does absolutely incredibly important work. I mentioned earlier three billion people worldwide suffer from some form of malnutrition. Vitamin Angels is actually a non-profit and they work with their network partners, over 1200 organizations worldwide, to deliver these lifesaving nutrients for at-risk populations, but in particular women, pregnant women and also kids in their first 2000 days of life.

Simon Mainwaring:

Why do you think it was so important to the founders originally and to the company now, because there's a lot of sort companies out there that have some sort of contribution, they've seen the expectation and so on? But, why is it so foundational to the business? Because when you've got inflation, when you've got the recession, when you've had gone through the last two and a half years, typically that's one of the things that get cut. Do we really have to give back? We're just trying to meet payroll. We're just trying to kind of stay in business. How do you prioritize it internally?

Brenda Demers:

This is actually, in my career, where I can see purpose do well and purpose not work either. It's hard to do it great and it's really easy to do it wrong, and I think we've all seen examples of that. But to your point, companies and brands that I've seen be really successful with it is because it's deeply rooted in the DNA, it is longstanding, it's not just a trend, it's not just jumping on a movement of the moment, it's really deeply rooted in the culture and the DNA of the company. If you talk to any employee within SmartyPants, they can talk to you about our purpose, they can talk to you about smart, simple, true, and they can talk to you about our partner, in terms of Vitamin Angels and the work we do there. In fact, we actually have employees go into the field with Vitamin Angels to actually observe the work firsthand. That is so incredibly motivating for an employee to actually see the impact of what they do on a day to day basis and how that actually translates beyond the four walls of SmartyPants.

Simon Mainwaring:

The effect of that on culture is so important, I want to talk about that a little bit more in a moment. You mentioned something which is, you've seen so much purpose work over the course of your career where it's not done well or there are common mistakes. Give us, for our listeners, some of the pullouts you give where purpose, despite the best of intentions, is taken to market in a way that doesn't work or doesn't come across as authentic.

Brenda Demers:

I think there's a couple things. Like I mentioned, I think it's easy for brands who kind of jump on, like I said, a movement of the moment is what I call it, and so it's not really deeply rooted. It's not really intrinsically ranked to their brand or their category, and that doesn't have sustainability going forward in terms of... or an authentic relationship with the brand. That's definitely one where I've seen people go wrong. The other thing, and I think this was probably very much in the early days of purpose-driven brands and work is I've seen it go wrong when it just lives in marketing.



I had a marketer background before I went into general management, but when it's only owned by marketers, again, you don't have the depth that you need it to really be part of who you are and what you're trying to accomplish as a business. Again, that goes back to the point, everybody in SmartyPants can talk to you about our purpose and our work with Vitamin Angels. Actually, part of our onboarding... we have our HR team actually be able to articulate our why, our mission, and how we work with Vitamin Angels from day one of employees starting here. It can't just live in one department or another. Like I said, I think it has to be intrinsically linked to your category and to your brand, it has to be within the system in which you're working.

Simon Mainwaring:

It's like sustainability more broadly, there can't be this false separation between the two, it's got to be fully integrated into the business. Given the great recession, given the new expectation on companies to help people strike the new work life balance and look after the whole human being, talk about some of the systems that you put in place internally, like getting people to go infield or go out to markets and see the difference you're making. What are some of the things that you're doing to bring purpose to life inside the organization, amongst the employees, so that they feel good about working there, you retain the talent you want, you attract the talent you want? What are the systems you put in place?

Brenda Demers:

A big part of our people and environment strategy and culture here, whether it's recruitment, retention, just overall culture is deeply rooted in our core values, which is that smart, simple, true. We use smart, simple, true in terms of our design philosophy with products. We also use it in our communication to consumers. We also use it as part of our actual culture and our performance evaluations in terms of how we show up every day. It really is a common thread, as any core values of the company should be, that it's really living in all aspects of the company, so that is one system that we put in place. The other one, as you've called out, is actually getting real life experience, seen it firsthand with our employees. Since the founding of the company, we've had 25 employees go to 10 different countries with Vitamin Angels countries like Haiti, Kenya, Indonesia, most recently actually here in our backyard in Los Angeles to actually see the work.

I'm telling you, there's nothing more impactful than actually seeing it firsthand. I've actually taken that lesson from my time at Unilever, where I've had the fortune of meeting many consumers and many different countries around the world, going into their homes, hearing them and their stories, or when I was on Dove, going into the classroom and talking to the kids around self-esteem and body image. Honestly, you're just never the same after you go into the real world and hear real world problems and understand how you can make an impact through your job on a day-to-day basis.

Simon Mainwaring:

I mean, you've had this amazing opportunity through your career to look inside the Unilever kind of leadership enterprise star ship that really kind of led a lot of purposeful business. You've worked on signature brands like Dove, which with their Real Beauty campaign over the last 15 years has been one of those standout campaigns, now you're working with SmartyPants. Give us some of the learnings that you've observed on the way through that are true across the board that either resonate with consumers more effectively, internally with your employees or maybe suppliers upstream. What are some of the themes that you've extrapolated from those different lenses you've had on purposeful business?

Brenda Demers:

Not to oversimplify it, but I think what comes to mind first is getting into the real world, as I mentioned with the example of going into the field and talking to consumers. I think for business people... I guess the risk is that we sit in our offices or we sit at home in our Zoom calls and we're so busy with the day-to-day that we kind of lose sight of the plot in terms of real world, real people, real problems. I think that's been a common theme no matter what the brand is, what massive issue that they're trying to tackle. I think really getting front and center and understanding at a very deep level what it is that we're trying to solve. I think we're all consumers, we're all people, we're all humans too, and so all of a sudden when you see that and you hear people's stories, a lot of times you can relate. That's actually common, no matter how many countries I've traveled and have talked to consumers around the world, whether it's emerging non-developed countries or in the Western world.

I think a lot of times we think it's like, "Oh, it's somewhere else. It's in Canada. It's in the United States." A lot of these are very common issues that people face on a day-to-day basis. I would say whether it's Dove, whether it's [inaudible 00:31:08], Hellmann, SmartyPants, Ben&Jerry's, there is a lot of commonality and it comes down to the people and what they're facing on a day-to-day basis.

Simon Mainwaring:

I deeply believe from my perspective over the last 20 plus years in the marketing world that the brands that will lead the future will be distinguished by the quality of their listening, where they really do listen to what real people and consumers out there... it sounds so obvious and so trite to say you've really got to get clear about the world that we live in, but if you look at the headlines every day, it's a very different world than even from two years ago, and it's changing, and it's continuing to be challenged.

What I've observed about marketing increasingly is this becoming consumer behavior change because, pointing back to stakeholder capitalism, unless you take your suppliers with you, your employees with you, but also consumers with you and you all do things differently, we're not going to get a different result. That's especially true when you're talking about vitamins and regimen, because it's not just a one-off taking something that tastes good, that's good for them, nutrient dense and so on, but you've got to change their behavior over the long term. We've seen brands out there that create calendars for change and they ask people to do small little adjustments to their lifestyle. How do you get people to not only change once, but change over the long term?

Brenda Demers:

This is an incredibly complex issue that you bring up. Like you said, it is about system and it's about system change and everybody working together to try to solve the problem. But like you said, I think what I've seen along the way is there's a difference between me and we, in terms of consumers. People want to do the right thing and they want to not just obviously... they want the best for themselves and their families, they also would say that they want the best for the world, but when it comes down to it, and like you said, in an economic uncertain time, at the end of the day, there's people that are just trying to make ends meet, put food on the table, and just... of course, people care about the world in a broader sense, but they're also very concerned about their children who are in front of them.

That's where it becomes incredibly difficult is how do you tackle these multi-year huge challenges? But at the end of the day, people are trying... they're going paycheck to paycheck and they're just trying to get through their everyday life. I don't want to sound overly simplistic, but that is where things like taste come in, and those type of drivers because it's those simple actions of how do you make it, again, simple in terms of getting into people's lives. Or if it comes to food, how do you take a dish that everybody makes, spaghetti and meatballs, how do you start there of something that people are already doing and then add the purpose part to that? If it's too complex, even if people have the best intentions, it just

won't become part of their day-to-day life. That's where those small actions can make a really big difference.

Simon Mainwaring:

Now I've seen that in the plant-based movement as well. You see a lot of companies making hamburgers and hot dogs, delivery formats that are familiar to then introduce what's unfamiliar. It's not an easy challenge because it is a difficult time economically for everybody. Tell me, how do you get people to take those precious dollars and invest in a purposeful brand when it might be more expensive to make your product? Do you have to be price parody? Do you have to be able to compete on price, and then your purpose will allow you to win the day with that existing on your customer? Or, do you think we're at a point where people go, "Oh, I will pay a little bit more because of the purpose of the company?" Where do you find we're at?

Brenda Demers:

What's really interesting about this, and it might seem counterintuitive, SmartyPants is a premium brand. It's because we put so many nutrients in and the best form of these nutrients, et cetera, but actually it's a better value at the end of the day for the consumer. When every single dollar counts, I believe consumers want that dollar to work as hard as absolutely possible for them. When we see kind of recession and economic times, a lot of times we don't actually see consumers just going to the cheapest thing, you want to get the biggest bang for your buck. It is a value proposition there as well.

I've seen that on the food category as well in places like Nigeria, when things are tough and you want a bouillon cube to go into your dish, you're not going to actually take the cheapest thing if your family's not going to eat the dinner, then it's a waste versus actually being very choiceful about what you are actually putting your money towards to get the ultimate best benefit for you and your family. That's very true with SmartyPants Vitamins. We're actually seeing people say, "I'm actually getting more nutrients for my children with every dollar that I choose to spend."

Simon Mainwaring:

I want to draw a through-line here because we talked about the integrity of the company in its own right, what it's doing to make sure that what you're taking to market is most effective, and then the value proposition of what you then offer to your customer and how you communicate that. But, you mentioned earlier on that the growth of the company has really been driven by word of mouth. How do you equip your customers to talk effectively about your product to others? Is it just, for example, it starts with the mother network and everyone's worried about their kids and it's just tapping into something that just is fundamentally human and they talk about it? Or, do you equip them? Do you educate them? Do you inspire them? Do you give them something they can share? How do you get others to build your business with you?

Brenda Demers:

We're very much on a journey with this. I would say it was very organic at the beginning where the product delivery, the product performance, it really was organic word of mouth. Absolutely, in terms of having the social platforms and just today's world working on our behalf in terms of these mom influencers, and again, the word of mouth communities where a lot of that information is passed along. I would say the doctor network is incredibly important for us from a prenatal perspective. We do find that can be an entry point into the SmartyPants portfolio. Again, it's a time of your life where you're very aware, researching, then you get a recommendation from a doctor and then it goes from there. But, I

would say we're at the start of a journey. We're actually discussing now, how do you have... off of the name SmartyPants, a smart pack in terms of providing that education off of our main advertising vehicle to actually encourage people to look further beyond the supplement label and get more of that valuable information?

Simon Mainwaring:

Interesting. I think a lot of companies sometimes make the mistake of pitching themselves or having a lower expectation of the level of engagement their customers might have. But, I think people are so mindful of where they spend their dollars these days and also how well they understand what their product is actually doing for them that you can raise the bar, the expectation, and they'll rise to meet it and you'll be surprised. One other sort of... I think of it as a story supply chain in terms of the brand, in terms of what you do, how you're talking to your employees, how you're talking to your customers, how they're talking to others.

But the impact work that you do with Vitamin Angels, how do you put that to work for the business? Because I think these days, when you do good, when you are a purposeful brand, you've got to unlock the value to the business so you can keep on doing it. It can't just be this sort of write-off where you go, "Hey, we're supposed to do good, so we'll do good and just leave it at that." How do you share that story? How do you make sure that it helps the business grow so it can scale its impact?

Brenda Demers:

There's so much more we can actually do with Vitamin Angels, and together they and us are sitting together to say, "Okay, this next scaling journey of the company, how does that actually scale in terms of our purpose ambition?" I have to tell you, from day one before our product was sold, the founders and Vitamin Angels created this incredibly bold ambition that they wanted to impact 10 million lives. When you haven't even sold one bottle, that is quite something, and it did take several years to get there. But then when you have this exponential growth, all of a sudden it was 20 million. In two years, it went from 10 million to 20 million, and I'm happy to say we're actually north of 25 million now. We actually sat together when I first joined SmartyPants last year to sit down to say, "Okay, what is the next phase of the SmartyPants journey from both a business performance, as well as our purpose impact?"

We actually sat down and said, "What about 100 million?" which just seems, in terms of exponential growth, to go from 20 to 100, how are we going to get there? Again, we don't know the exact path, but that's actually what's beautiful about it. The story that we, internally with employees, say is actually over the course of our multi-year strategy, our north star is 100 million lives impacted. The only way we can get there is that we actually grow as a company through awareness and penetration as well, and that's directly linked to our sales performance. That is where it's really married in terms of if we do well as a business of financial performance, we can do good as well. But, I love that we flip the story around so it's not about the dollar amount on the top line, it's about the lives impacted that will then give you the financial performance. We're out together to partner to get 100 million lives impacted.

Simon Mainwaring:

I mean, it's amazing. I think increasingly impact like that will drive the relevance of the brand and it'll allow you to leverage the market forces where people are rewarding companies doing good. When you say 100 million lives, is that a one-off donation? Is that an ongoing donation of vitamins to them? What does that mean in terms of the individual lives out there?

Brenda Demers:

It's ongoing, so how it works is we give 1% of our net sales to Vitamin Angels, and then they use their partner network and these 1200 organizations to actually deliver these essential nutrients that are on the WHO list. We work in partnership there, so the more lives that we impact, the more that we grow and vice versa.

Simon Mainwaring:

Your whole career has been steeped in purposeful business through the lens of Unilever and the brands that you've mentioned and now SmartyPants. Are you optimistic about the ability of business to really accelerate and scale its response to meet these challenges we face with equal force? Or do you think, "You know what? There's a lot of good things happening, but it's not happening fast enough. We all need to get on board?" Or do you go, "You know what? There's 10% of the outliers that are doing good, but the vast majority are really just business as usual and we're in trouble," because you have this perspective, what would you say?

Brenda Demers:

It's complex, and I would say it's both sides. A, am I optimistic? I'm 100% optimistic. I personally believe this is the only way to do business. I've seen it firsthand that purposeful brands actually can deliver financial performance and deliver good for the world. An industry now needs to play a role, I don't even think it's a choice anymore. I think industry needs to play a role and I am optimistic about it. Having said that, the flip side, as you rightly called out, I don't think it's moving fast enough. Now, these are massive worldwide issues that brands and businesses are trying to tackle so I don't think anybody has an expectation that change happens overnight. But we've seen the impact of very small actions, whether that be plastic bags or plastic straws being perfect examples that everybody around the world knows about and you can see the effect of that.

I would say I'm very, I guess, frustrated in terms of, I want it to go faster. I think all of us, we need it to go faster. When you are faced with tough economic times, I do worry, does that slow things down? But that's, again, where the value proposition comes in and how people can actually help and contribute to say when every single dollar counts, how can it count the most for them and at the same time for these big issues we're trying to tackle?

Simon Mainwaring:

To support our purpose of entrepreneurs and business leaders out there, I mean, what do you see coming? You've got the lens into the Unilever family. You've got the lens into SmartyPants and the trajectory of the startup that's now got to the point of acquisition. I mean, how would you counsel them in the sense that, "Hey, this is here and it's coming and it's only going to get more," what do you see and the expectation on businesses of any type in the next five to 10 years?

Brenda Demers:

I have to say, I found myself fortunate to be in a conversation recently with Alan Joe around kind of the... a Zoom call obviously, the CEO of Unilever. We had a big conversation about this. My advice would be, with conviction, we know that we are doing the right thing. Always prioritizing the right thing for the long term, it will yield results. I think for myself on a day-to-day basis, for leaders, for the audience listening to the call, wherever you might find yourself, I think constantly reminding yourself when you're firefighting and you're in your day-to-day schedule, always remind yourself of the conviction you have in terms of the why, what we're trying to tackle, and that it is fundamentally the right thing for your business, for your consumers, for society at large, that's what really matters. I don't think anybody has

seen when you've gone the other way, you've prioritized a short term goal, that's never going to deliver that long term result that you're looking for, but the opposite is true.

Simon Mainwaring:

If you are a purposeful business owner leader and you want to do the right thing, what is one call-out, watch-out word of warning after all of your experience you'd say? Is there anything that rise to the top where you'd say, "Oh, just be mindful of this?"

Brenda Demers:

I think being incredibly clear of the problem you're trying to solve and making sure that that vision is well articulated and well communicated to all of your stakeholders, your employees, your consumers, your customers, partner organizations, your shareholders. A big part is setting that vision, being incredibly articulate about the why, and then being steadfast in terms of keeping to the plan.

Simon Mainwaring:

Great. I have to say, thank you so much, Brenda. I mean, it's rare that we get a chance to see a company that's gone on this 10 year high growth trajectory and then has become part of a very special family in the Unilever portfolio. Thank you for sharing the insights. We look forward to seeing not only the success of SmartyPants, but the difference it can make in so many lives around the world. Thank you so much for the time.

Brenda Demers:

No problem. Thank you so much. I really enjoyed our conversation.

Simon Mainwaring:

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