



Papa John's Repositioning





COMPANY



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COMPANY HISTORY

From Humble Beginnings

Based out of Jeffersontown, Kentucky

Founded by “Papa” John Schnatter in father’s garage

Original claim to fame was his introduction of dipping sauces

The slogan “Better Ingredients. Better Pizza.” is officially born.



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P.A.P.A

The PAPA Mindset

People

Are

Priority

Always

“Our success depends upon our ability, as a team, to work together to achieve our goals and expectations.”



“If you think you can or
you think you can't -
You're right!”



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PAPA GOES PUBLIC

To International Pizza Phenomenon

June, 1993: Papa John's International officially becomes a public company

January, 2002: Papa John's becomes first pizza chain to introduce online ordering

September, 2010: Papa John's becomes the face of NFL Sunday with their sponsorship

Throughout all of this history, Papa John's face has been indelibly attached



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HISTORY OF THE PROBLEM

November - Schnatter blamed falling pizza sales on the NFL poor leadership

May - Arranged conference call between Papa John's executives and marketing agency Laundry Service

Call designed as a role-playing exercise for Schnatter in an effort to prevent future public-relations issues

Schnatter used the racial slur during the conference call

He clarifies that the word was used as part of a media training exercise

In an emailed statement Schnatter confirmed the allegations and resigned as chairman of Papa John's

Laundry Service breaks away from Papa John's



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FKA TWINK
@FKATWINK

me eating little caesars after finding out papa john's is racist

9:35 AM - Nov 7, 2017

♡ 1,196 💬 282 people are talking about this



Clint Smith ✓
@ClintSmithIII

Don't need 280 characters to say Papa John's is still trash.

5:51 PM - Nov 7, 2017

♡ 8,031 💬 1,805 people are talking about this



roobeart
@DaddieSmashBro

a list of better pizza places to eat other than Papa Johns

1. All of them

8:20 AM - Nov 8, 2017

♡ 1 👤 See roobeart's other Tweets



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WHAT THEY ARE DOING

New CEO that stands for equity, fairness, respect and opportunity

“Our most important ingredient is our people”

CEO top priorities: diversity, equity and inclusion

Adding more diversity to leadership team & unconscious bias training

New Marketing Agency → “Voices of Papa John’s” ad

Papa John’s ad puts real employees to work repairing its brand

“You’ve heard one voice of Papa John’s for a long time, it’s time you hear from all of us”



Redesigning logo



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CATEGORY



GROWTH TRENDS

Fastest growing segment of fast-casual restaurants in 2017

Pizza makes up **8%** of the **sales** of the top 100 restaurant chains

Sales of the 5 largest pizza chains reached **\$18.5 billion** in 2016

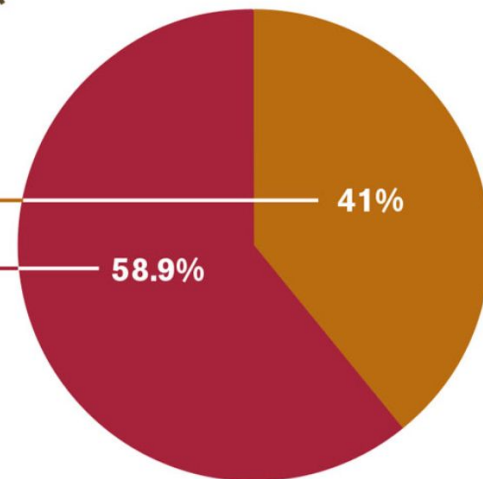
UNITED STATES PIZZA SALES*

\$45.1 Billion *PMQ Estimate

Independent | \$18.5 Billion

Top 50 chains | \$26.6 Billion

PMQ estimate was calculated using CHD Expert numbers that track independent pizzerias and Technomic numbers that track Top 50 chains.



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MENU MATTERS

Gluten-free crusts

Expanded topping choices

42% of 1,500 respondents say they expect restaurants to offer signature flavors they can't get elsewhere

Local and organic ingredients

31% showed an interest in organic ingredients

Nutrition labeling

41% said they would like to see healthier side items offered



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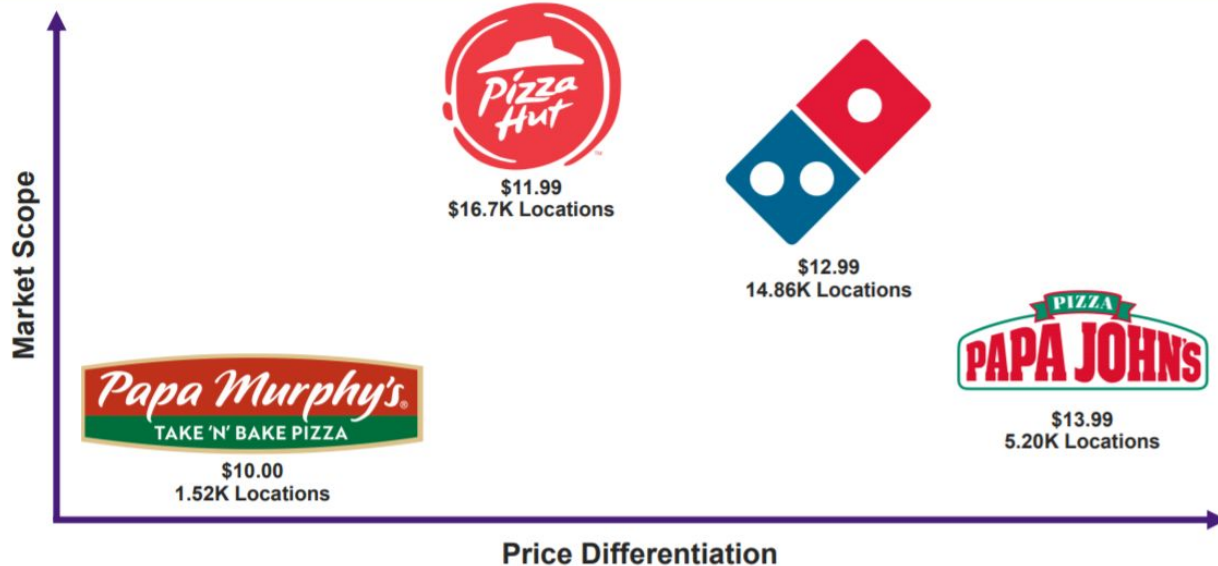


COMPETITORS



WHO ARE THEY?

Focused Strategic Group Map



WHAT GIVES THEM A SLICE OF THE MARKET?



Recognized world leader in delivery

Zero-click order app

Number one in market share according to PMQ



Originators of the stuffed crust

"We don't just make pizza. We make people happy."

Customer first mantra



"We make it, you bake it."

Pre-made pizzas you cook at home



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WHAT GOOD ARE THEY DOING?



The Domino's Partner Foundation is built on the basis of "taking care of their own". It was created in 1986 to help employees in times of challenge or adversity. Domino's is also a corporate partner of St. Jude Children's Research Hospital.



Pizza Hut runs the largest and longest running corporate supported reading foundation- Book It! Encourages K-6 students to read more for a reward of a free pizza. Pizza Hut also has participated in many Red Cross efforts after natural disasters.



Papa Murphy's partners with the Children's Miracle Network to support hospitals through fundraisers and donations from sales.



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CONSUMER



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CONSUMER TRENDS

9 out of **10** American consumers have ordered pizza in the last 3 months

21% brought children on their most recent visit

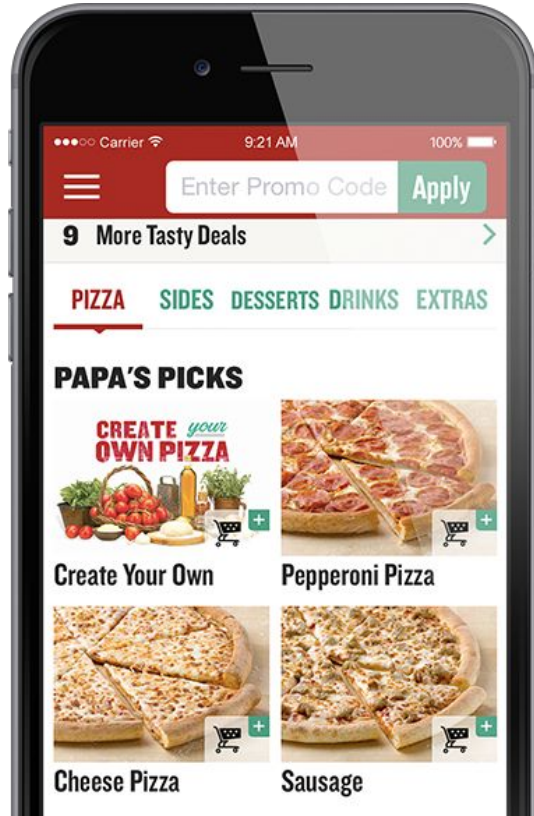


Take out and online ordering is the most popular way to dine for pizza chain customers

Consumers rank **crust** as the most important factor



THE TAKEOVER OF TECH



39% reported that they ordered their meals via **smartphone** app in the past 90 days

69% of internet users have ordered food delivery online

Top three ways consumers reviewed or recommended a local business: **WOM** (68%), **Facebook** (47%) and **Google** (25%)

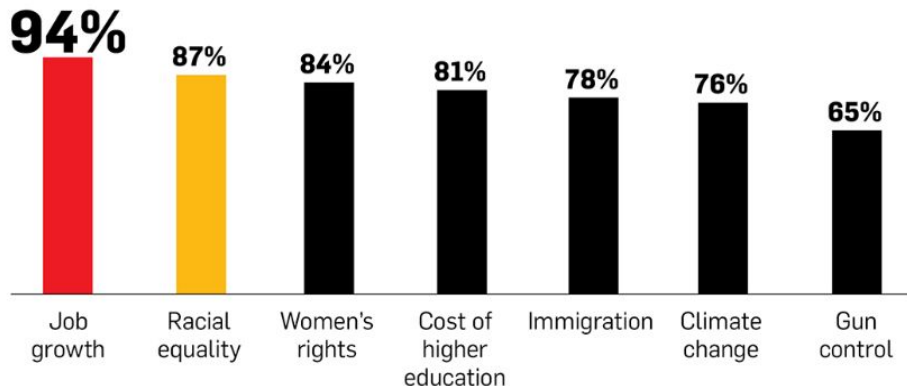
Top three social media outlets: **Facebook** (81%), **Twitter** (35%) and **Instagram** (41%).



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CONSUMERS THAT CARE

Causes U.S. consumers want companies to care about



Source: 2017 Cone Communications CSR Study

Global consumers ...

75%
expect brands to contribute to our well-being and quality of life.

Source: Havas Meaningful Brands 2017

75%
agree companies can increase profits while improving economic and social conditions in their community.

Source: 2017 Edelman TrustBarometer

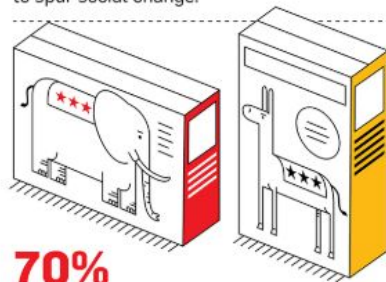


U.S. consumers ...

70%
believe companies should take actions to improve issues outside their everyday business operations.

Source: 2017 Cone Communications CSR Study

84%
believe businesses have a responsibility to spur social change.



70%
think corporations should stand up for what they believe politically.

Source: 2016 Global Strategy Group



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PURPOSE LEADS TO PROFITS

89%

are likely to switch to brands they associate with causes.

88%

would be more loyal to companies that support social or environmental causes.

66%

of consumers would pay more for products from more socially responsible companies.

76%

would refuse to buy from a company that supports issues contrary to their beliefs.

80%

would support issues by buying from socially conscious online retailers.

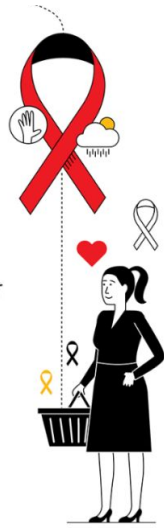
Consumers are hopeful that business will drive **social and environmental change**:

63% of U.S. consumers

71% of Millennial consumers

83%

of consumers factor in brands' values when considering a purchase.

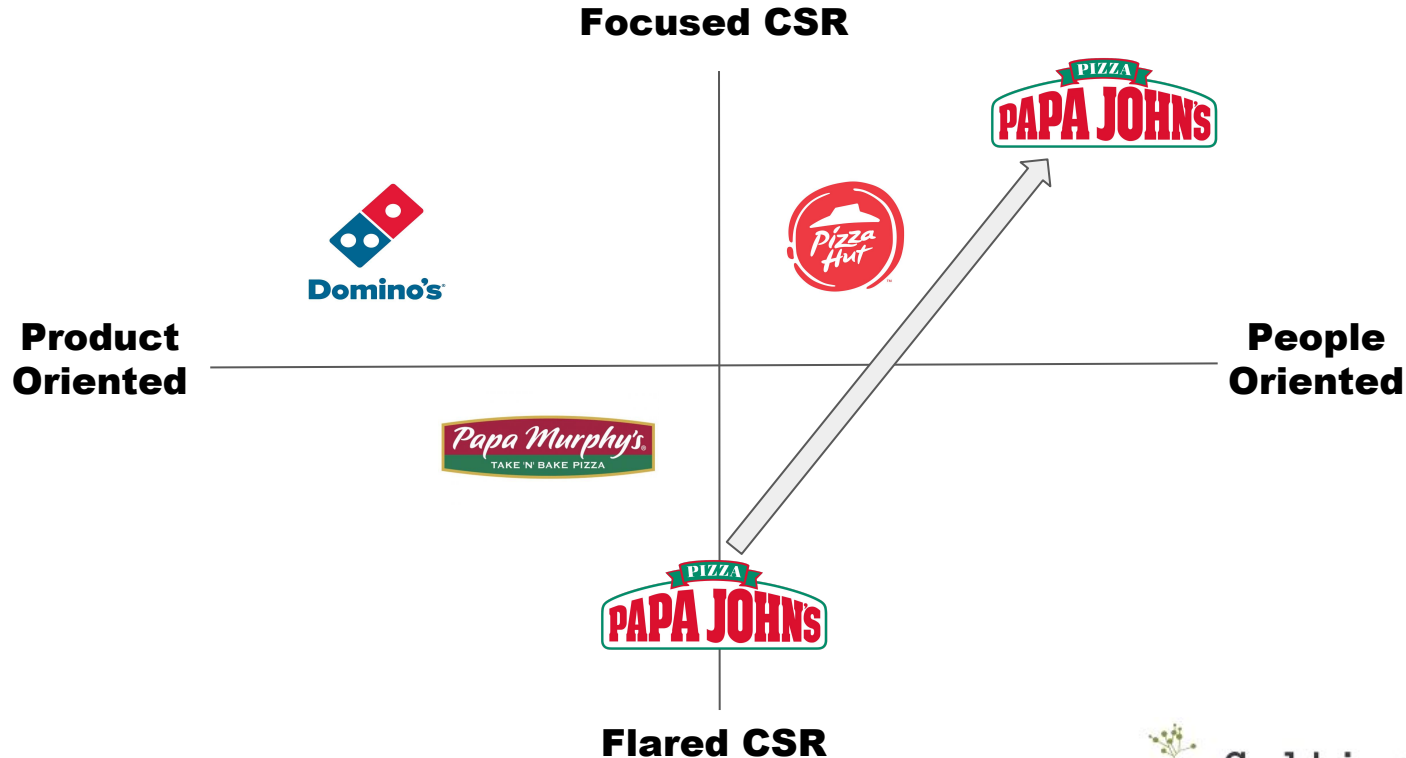




REPOSITIONING STRATEGY



PERCEPTUAL MAP



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**“BETTER PEOPLE.
BETTER PIZZA.
PAPA JOHN’S.”**



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PARTNERING WITH A CHARITABLE ORGANIZATION



"Inspiring life through sports"

Provides financial help to youth from low-income families to gain access to after school sports programs and physical education programs in schools



BOYS & GIRLS CLUB

"Help make great futures a reality for America's youth"

An after-school program for millions of kids and teens so they can develop essential skills, make lasting connections, and have fun



QUESTBRIDGE

"Shape the lives of promising, low-income students"

Links low-income students with educational and scholarship opportunities at U.S. colleges and universities



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GIVING BACK TO THE COMMUNITY

1. Donating a share of profits during a certain time period to the organization
2. Catering organization events and meetings
3. Making customers aware of the organization and encouraging them to participate in their own communities



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GIVING BACK TO OUR PEOPLE

Franchisee Scholarship Program:

Papa John's franchise owners of 10+ years can become eligible for a scholarship opportunity that enables themselves or a spouse/child to attend a public university to pursue higher education.



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THUMBNAILS



KIDS IN THE GAME



Sports and recreation for
kids

Ad idea: opposing kids'
sports teams eating pizza
together after the game



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BOYS AND GIRLS CLUB



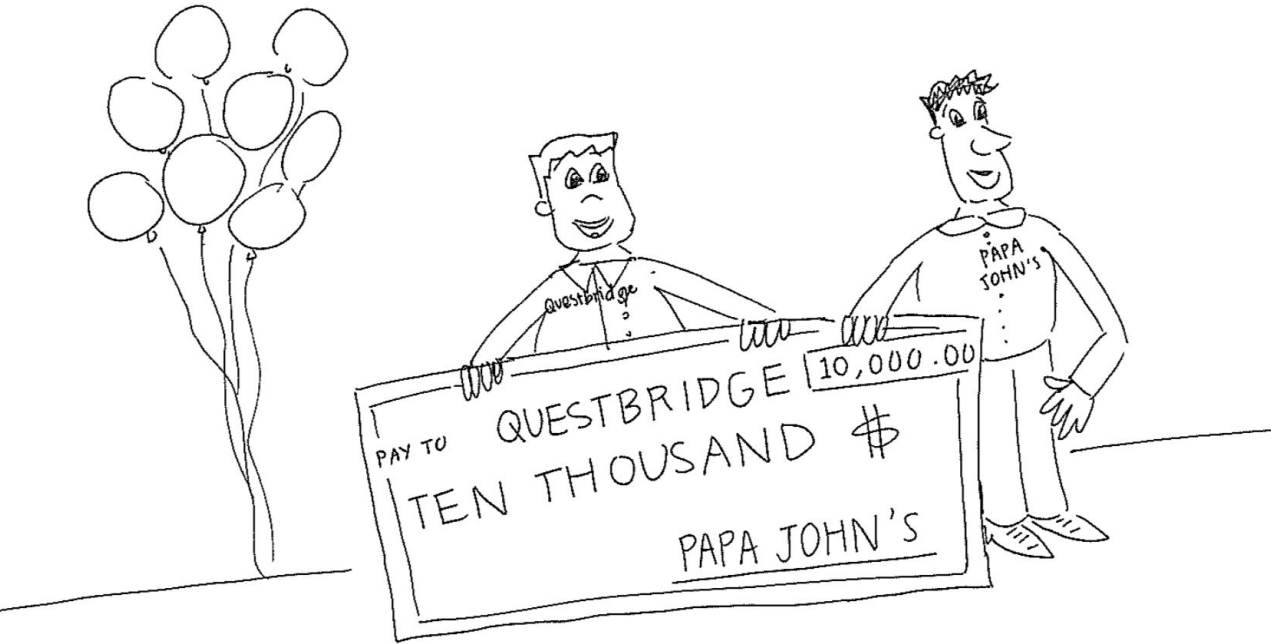
After school program for
urban youth

Ad idea: Papa John's
hosting a workshop
"cooking up a better
future"



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QUESTBRIDGE



Educational and
scholarship opportunities

Ad idea: “Giving a slice
of the pie” - donating x
amount of sales to this
organization



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**“Better people. Better pizza.
Papa John’s.”**



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