

# La Vida LaRosa

**B**y the early 1990s, the LaRosa family had built its chain of pizzerias into a local favorite. In 40 years, LaRosa's had become "the neighborhood pizza place" throughout Greater Cincinnati, with 20 locations and seven franchisees.

But times were quickly getting tougher for this independent, family-owned business, thanks to the ever-growing ad budgets—and willingness to cut prices—of national pizza chains. Pizza Hut, Papa John's and Domino's each stepped up their tremendous marketing power to capture more meal occasions.

**A local pizza chain dominates Domino's and pummels Pizza Hut.**

This intense competition manifested itself in years of price-point advertising that taught consumers to focus on price and convenience. LaRosa's became the "little local guy," outspent by tens of millions of dollars (Domino's ran spots on the Super Bowl telecast) and forced to compete on price, where it could always be undercut. Moreover, decades of "independence" had resulted in a noticeable lack of consistency and integration across communications and franchisees.

The challenge for LaRosa's was two-fold: develop compelling creative that would bring customers to LaRosa's and keep them there; but first, earn the trust

of franchisees to make those compelling messages a reality.

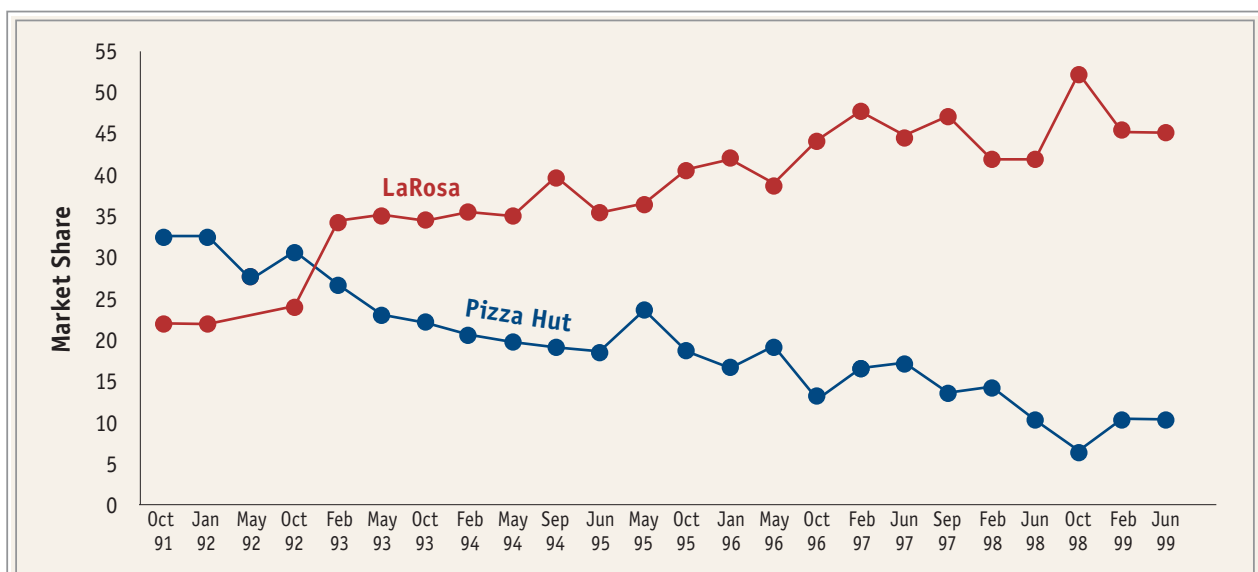
The answer? Zig where the nationals zag. They sell on price? We dig deep into the LaRosa's culture—and its consumers'—to find the unique brand experience that makes it worth spending a little more with us. They spend a fortune on the Super Bowl? We take over local, more affordable media. They're all over the country? We're your neighbors.

## CULTURAL IMMERSION

To maximize franchisee support and ultimately the growth of LaRosa's as a brand, the entire agency and marketing team—executives, creatives, media, production and even accounting staff—immersed itself in the LaRosa's culture and truly became partners at the store level. Team members worked in the pizzerias, read *Pizza Today* and attended quarterly franchise meetings and industry trade shows. They took their families to lunch and dinner at LaRosa's—a lot. They learned as much as they could and built personal relationships with corporate executives, franchise owners and pizzeria managers.

This level of involvement facilitated the development of communications that were extremely integrated, with the full support and buy-in from franchise owners.

In those communications, quality and a unique brand experience were emphasized above all else. The objective: consumers would come to recognize



LaRosa's as their "neighborhood pizzeria, where good times with family and friends are made even better."

From table-toppers and menus to the logo, the box, signage, coupons, T-shirts and server badges; from a single 800-number for carry-out and delivery to media advertising—consumers would experience LaRosa's commitment to quality at every touch-point. LaRosa's couldn't compete with the giants on price, but it could most certainly compete—and win—on quality and brand experience.

#### SPENDING SMARTER

In its media and creative strategies, LaRosa's also went where it could differentiate and dominate. Without abandoning local television, it focused on radio and out-of-home, where, it could dominate with its consistent, quality-oriented depiction of LaRosa's as "your neighborhood pizzeria," the place where family and friends could "hang out, dig in."

The local-radio strategy, in particular, took advantage of that medium's intimate relationship with its audience. Listeners trust and identify with the DJs and personalities they invite into their homes and workplaces every day. LaRosa's leveraged that trust with live "endorsement" commercials, where each DJ was encouraged to ad lib about his or her own experiences at the neighborhood LaRosa's. The result: a human, person-to-person connection that listeners recognize and want to maintain, one that meshes perfectly with LaRosa's connection with its customers.

Outdoor boards featured images and messages that emphasized the visual appetite appeal of the food itself. And they were purchased in locations where potential customers actually lived and worked; where they could immediately and repeatedly associate the boards and "neighborhood pizzeria" message with

### Think Local, Go National

*Can a national brand play the neighborhood game too?*

Absolutely! Chain restaurants like Olive Garden and Red Lobster use national media to maintain their base of business across the country. But they augment this national effort locally with strong grassroots advertising and promotion programs in the 25 to 30 markets that represent the lion's share of their volume—and the bulk of their serious competition.

Both Olive Garden and Red Lobster are particularly effective at using local, promotional radio and events to help foster their community identity.

Applebee's goes even further. Its brand positioning and advertising are built around "Eatin' good in the neighborhood." And each restaurant promotes its local roots by displaying photographs and memorabilia highlighting hometown heroes and history, area schools, and local police and fire departments.

physical experience of familiar surroundings; where they were at home with friends, family, and a sense of community; and where the LaRosa's *experience*, not just a pizza, was what they wanted.

And the neighborhood has grown.

#### LASTING SUCCESS

As the nationals continued to slug it out on price—and erode each other's market share in the process—LaRosa's quality strategy and tactics enabled it to thrive and expand.

- By 2003, LaRosa's was again the leading pizza brand in Cincinnati, despite being outspent by tens of millions of dollars by the likes of Domino's, Papa John's and Pizza Hut. Today, it continues to hold a market share of more than 40 percent.

- Communications supporting a new product introduction in 2004 resulted in a 12 percent

increase in same-store sales across the chain—well above the annual industry average of three to four percent.

- The chain has grown to more than 60 locations.

Today, LaRosa's remains an iconic local brand in Cincinnati. But more than that, it's a shining example of how integrated branding, consumer-centric marketing and more-bang-for-the-buck spending can enable a "little local guy" to prevail in a world of national high-rollers. ■



**DOUG SPAK** is vice president/media director at **Northlich**, where he oversees media strategy and planning for The Ohio State University Medical Center, Ohio Tobacco Prevention Foundation, and Birds Eye. Doug can be reached at [dspak@northlich.com](mailto:dspak@northlich.com) or (513) 762-1767.