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Marketing and the OB Mindset
Leonardo's Pizza Marketing Plan

FIVE-YEAR MARKETING PLAN
Leonardo's Pizza

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1. Executive Summary:

Leonardo's Pizza is a family owned and operated business for the past 20 years with two central locations in Burlington and the other location in Portland, Maine opened in 2007. With a reputation for "Best Pizza" Leonardo's keeps their customers returning with traditional vegetarian and gourmet pizzas, and creative combinations. Leonardo's strives for excellent customer service, and quality assurance with their food.

With a mission to remain innovative, Leonardo's consistently strives to create new flavor combinations while providing traditional, vegetarian, and gourmet pizza. Along with this Leonardo's works to provide excellent customer service, in turn to enhance public relations. A strong customer base improves their reputation, and word of mouth increases the number of new customers ordering with Leonardo's. By avoiding unnecessary spending and keeping costs efficiently, they adamantly seek to increase profit margins.

A unique and refined product keeps the business competitive in the market. By taking time each day to cut up fresh ingredients, instead of buying them pre-made, quality is ensured throughout the product. Additionally, Leonardo's recognizes those with dietary restrictions, and makes specialty gluten free, vegan, and even cheeseless pizza. Catering to customer's individual needs makes for a special experience simply through food.

In the future, Leonardo's will continue to improve sales with current and new customers in their three current locations by maintaining an outstanding product offered and provide the best service possible. Their jarred pizza sauce line is planned to expand in a wholesale effort across the country, a strong modernization. Leonardo's will also begin to pursue the potential of having the company start a slow growth process through the franchise model.

2. Company Description:

Leonardo's is a family owned and operated New England retail pizza delivery and carry out company. They have been servicing the Burlington, Vermont area with two stores for 20 years and opened a third store in Portland, Maine in 2007.

Leonardo's is proud to have received "Best Pizza" recognition with numerous awards. The family that owns Leonardo's has created all of their pizza recipes, taking pride in the development of traditional, vegetarian and gourmet pizzas. They have worked hard over the years to be creative and innovative in their flavor combinations.

Leonardo's makes dough daily in their store using King Arthur Flour and prepares their ingredients using the finest tomatoes, cheeses, meats, and vegetables. All of Leonardo's pizzas are made with organic whole wheat or white crust, using the highest quality ingredients, resulting in a fresh and flavorful pizza with integrity, always striving for perfection.

Leonardo's believes in their pizza and in the way they run their business. This marketing plan outlines how the company will continue to grow and change their business by the year 2020.

3. Strategic Focus and Plan:

Mission:

The mission of Leonardo's is to remain innovative and creative with flavor combinations while providing traditional, vegetarian and gourmet pizzas to the Burlington and Portland communities.

Goals:

For the next five years Leonardo's will strive to achieve the following financial and nonfinancial goals:

- Nonfinancial goals:
  - Excellent customer service
  - Public relations
  - Quality of food being served

- Financial goals:
  - Don't spend more than we are making
  - Avoid unnecessary spending
  - Increase profit margins
  - Pursue franchise model
  - Increase sales of pizza sauce line

Core Competency and Sustainable Competitive Advantage:

In terms of core competency, Leonardo's seeks to achieve a unique ability to (1) provide high quality pizza to the Burlington and Portland areas and (2) keep up with current taste and food trends that will help us in creating a unique and special pizza.

To translate these core competencies into a sustainable competitive advantage, the company will work closely with our suppliers and customers to build the relationships and alliances that are necessary in satisfying the most people we can.

In order to provide the best possible service to their customers Leonardo's offers free delivery on all their orders. This ad is the first thing you see when you get onto the home page of the Leonardo's website.



4. Situation Analysis:

SWOT Analysis:

While Leonardo's Pizza is doing well, they also have areas of pitfall, which are unavoidable in any business.

Strengths: • Highest quality ingredients • Good location • Pick up/Deliveries	Weaknesses: • Capacity • More expensive • No sit down dining
Opportunities: • Family owned business • Good weather • Foot traffic	Threats: • Competing pizza shops • Bad Weather • Short of Ingredients

Industry Analysis:

Many delivery pizza shops in Burlington collect a delivery fee without even telling the customer they are being charged this fee. This is the main reason families said they would rather pick up their pizza then get them delivered to their homes. At Leonardo's we do not charge for a delivery fee and clearly state that on our website.

Competitor Analysis:

a. **Trends:** Current trends in the pizza business are quick to sway customers from one establishment to another. Initially, most customers are drawn by price of the food, and how quickly it could arrive. Competitors provide coupons with their food upon delivery, at their establishment, through mail, and even ad flyers.
b. **Competitors:** Competitors include: Domino's, Papa John's, Wings Over Burlington,
c. **Advantages:** Quality ingredients, gourmet pizza, dietary accommodations (vegan, vegetarian, gluten free), homemade style, and

Company Analysis: Leonardo's has over 25 years in the pizza business. Leonardo's has a dedicated staff composed of family members and trusted employees that work hard everyday to make sure that the pizza coming out of Leonardo's kitchen is unique and delicious. The business maintains close relations with their producers and customers to make sure that they are on top of what is popular in the pizza industry today.

Customer Analysis:

Customer Characteristics: Demographically, Leonardo's customers are typically in middle to upper class. Leonardo's is one of the more expensive carry out/delivery pizza places in Burlington because of their high quality and fresh ingredients.

Health and Nutrition Concerns: Some customers are concerned about the quality of ingredients, and dietary accommodations that a restaurant is willing to make for them. At Leonardo's this is not an issue. Ingredients and toppings for Leonardo's Pizza are organic, as well as their chicken. Also, all establishments are kept sanitary and ingredients non-contaminated, meeting health and safety code.

5. Market-Product Focus:

Marketing and Product Objectives:

Leonardo's marketing intent is to take full advantage of its brand potential while building a base from which other revenue sources can be mined. These are detailed in the three areas below:

- Current markets. Current markets will be grown by expanding Leonardo's brand. Leonardo's will do this by increasing consumer's awareness through the distribution of more flyers and coupons and increasing its presence on social media.
- New markets. In the next five years, Leonardo's should expand to new metropolitan areas, which will increase its customer base.
- New products. Leonardo's brand presence will increase with the revelation of new pizzas that will stir up interest among consumers.

Target Market:

PRIZM data for Burlington Vermont:

- Zip Code: 05401
- Population: 29,578
- Median Age: 29.5
- Median Income: $40,100
- Consumer Spend: $635
- Consumer Spend ($/HH): $50,619

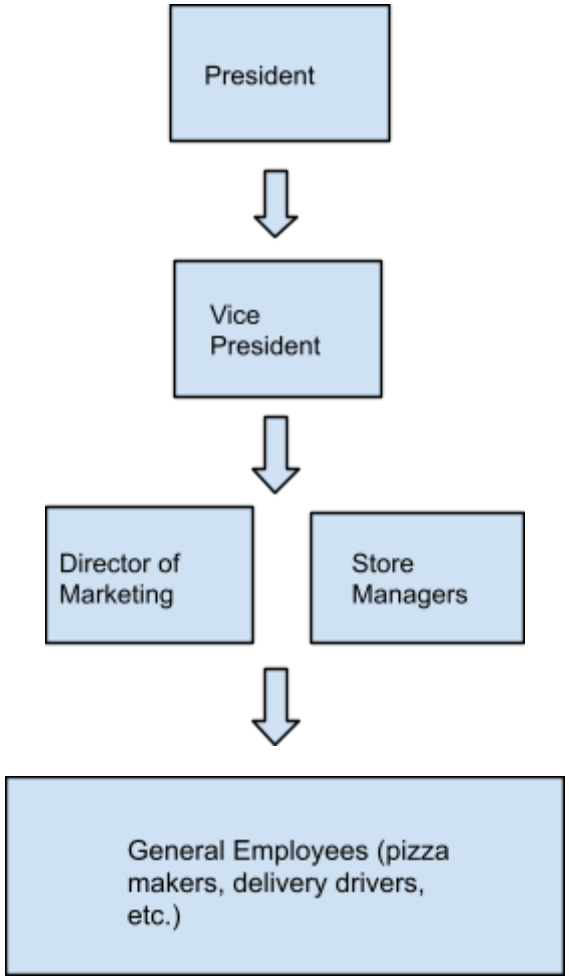
Demographics:

- Age Range: 18-55
- Gender Identity: Any
- Income Range: Middle to upper class families
- Ethnicity: We hope anyone is comfortable and feels welcome.

Points of Difference:

Leonardo's Pizza remains competitive by having a unique and refined product. By taking the time each day to cut up fresh ingredients, instead of buying them pre-made, quality is ensured and customers are happier with the product. Additionally, Leonardo's recognizes those with dietary restrictions, and makes specialty gluten free, vegan, and even cheeseless pizza.

Positioning:



The positioning of operations is typical of any small corporation; the President makes large executive decisions and sees over the Vice-President. Overseeing both the Director of Marketing and the Store Managers, the Vice-President collects the data and makes suggestions to guide each in the right direction for the business. The director of marketing observes trends and researches media for the best possible way to outreach their company. Creating ads, menu layouts, coupons, and outreaching are only a few of the responsibilities the director faces. The store managers oversee day to day operations of each of the facilities. Keeping employees on task and ensuring a smooth running business occupies most of the managers' time. Each of the lower level workers that make the pizza, run the cash register, handel orders, and deliver the

pizza are the main operations of the business. These employees report to their store manager for tasks and guidelines on what to do and future planning.

6. Marketing Program:

Product Strategy:

Product Line:

Leonardo's product line ranges from Traditional, Inspired Vegetarian, Gourmet, and Vintage style pizza's. Along with fresh roasted chickens, various types of breads, and salads.

Unique Product Quality:

Leonardo's has a huge selection of toppings and specialty pizzas that are not offered by any other pizza place in the area. Ingredients like thai chilis are only the beginning to the multitude of offerings at Leonardo's pizza.

Packaging:

Leonardo's packaging is very simple and classic. There are no distracting pictures or wording on the box; only Leonardo's logo can be found on their packaging.

Price Strategy:

The price of a small pizza is $9.95 and a large is $14.75. Specialty pizzas start at 14.45 for a medium and 19.45 for a large. These prices are comparable to other pizza chains.

Promotion Strategy:

Key promotion programs include social media, recipes, and coupons.

Social Media:

Leonardo's has a Facebook and Twitter where they post promotions and specials that are happening that day, along with events they are catering.

A Twitter page is most beneficial to Leonardo's Pizza as a business. Due to their fast pace and generally conscious and active attitude, Twitter would be the best fit as it would allow Leonardo's customers to speak directly with the business over social media, as well as give the business an opportunity to more proactively market themselves.

Sales could be greatly increased through use of Twitter by Leonardo's. By using hashtags and trends, Leonardo's could better reach college students and young

professionals, which make up a decent portion of Leonardo's target market. By reaching out on Twitter, Leonardo's could expand their market and increase customer volume. Also, by advertising and offering deals and specials on Twitter, their customers would be further encouraged to buy more pizza more often.

- Leonardo's is very effective at communicating their brand on Facebook and Twitter. However, there is a major difference in the content they post on either site. Leonardo's should make their social media platforms more uniform so that people only have to follow one site and are still getting all the content.
- Leonardo's gains customers by advertising their lunch specials on Twitter everyday, so they are using their social media effectively to sell their products.
- Leonardo's could make better strives to connect with their customers. There is a potential for this by tweeting back responses to customers, responding to Facebook posts, and creating Facebook surveys or options for feedback.
- Their company culture of locally sourced, quality pizza with gourmet, vegetarian, vegan, and gluten-free options is pretty clear to their customers. Customers have come to know Leonardo's for their quality and personalization. Having their company culture integrated into the food that they make allows Leonardo's to easily communicate their values on social media.

Recipes:

Leonardo's tells what ingredients are in every pizza and in case people have allergies they will take off any ingredient that they are asked to leave out. They do not freely tell the process of making each pizza because that is a trade secret.

Coupons:

Leonardo's offers special discounts for college students and occasionally runs a larger percent off coupon through their mailing list. Other than that Leonardo's doesn't feel a strong need to offer coupons regularly because they feel that the free delivery and high quality pizza is enough incentive to buy.

Place (Distribution) Strategy:

Leonardo's gets fresh ingredients daily from different local companies. They make fresh pizza's in the shop every day and either deliver the pizza to you or you can pick it up at the shop.

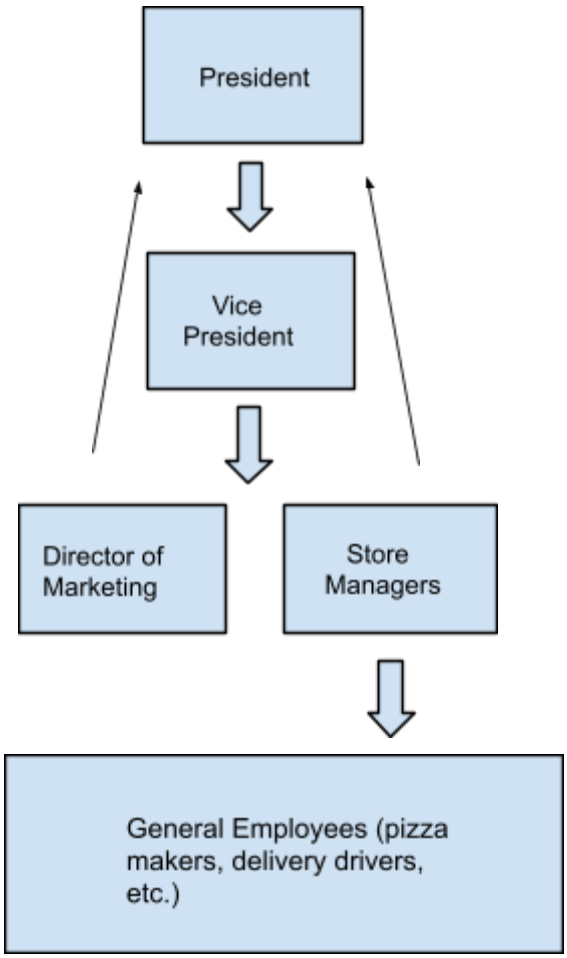
7. Financial Data and Projections:

Leonardo's is a family owned business and because of that, financial statements were kept private.

8. Organization:

Leonardo's current organizational structure can be seen in the following chart.

With the President hearing directly from the Vice President, Director of marketing and main Store Managers, as well as all of the part-time employees that report to Store Managers.



9. Implementation Plan:

Leonardo's implementation plans, as of today, are to continue improving sales with current and new customers in their three locations: Burlington, South Burlington, and Portland. The company plans on doing this by maintaining the outstanding product they currently offer and to provide the best service possible. Secondly, they are going to begin pursuing the potential of having the company start a slow growth process through the franchise model. Lastly, they plan on continuing to increase sales in their wholesale pizza sauce line throughout the United States and beyond.

10. Evaluation:

Although we were unable to access Leonardo's financial data, we believe they can still improve upon certain things in their business. We think Leonardo's would benefit from adding pictures of their products to their website. We also think they could improve their delivery process by adding a pizza tracker on their website. Leonardo's could increase sales by promoting their chicken and other foods, as well as their line of sauces, more on their website and on their flyers.