

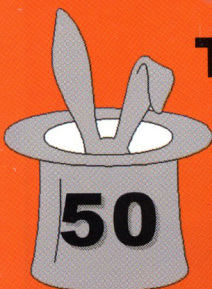
PMQ

\$7.00

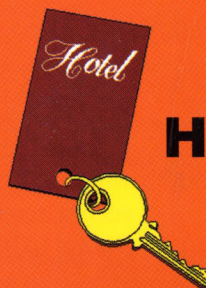
PIZZA MARKETING QUARTERLY

FALL '98

NEW IDEAS FOR SELLING MORE PIZZA  PROMOTIONS  STRATEGIES  CONNECTIONS

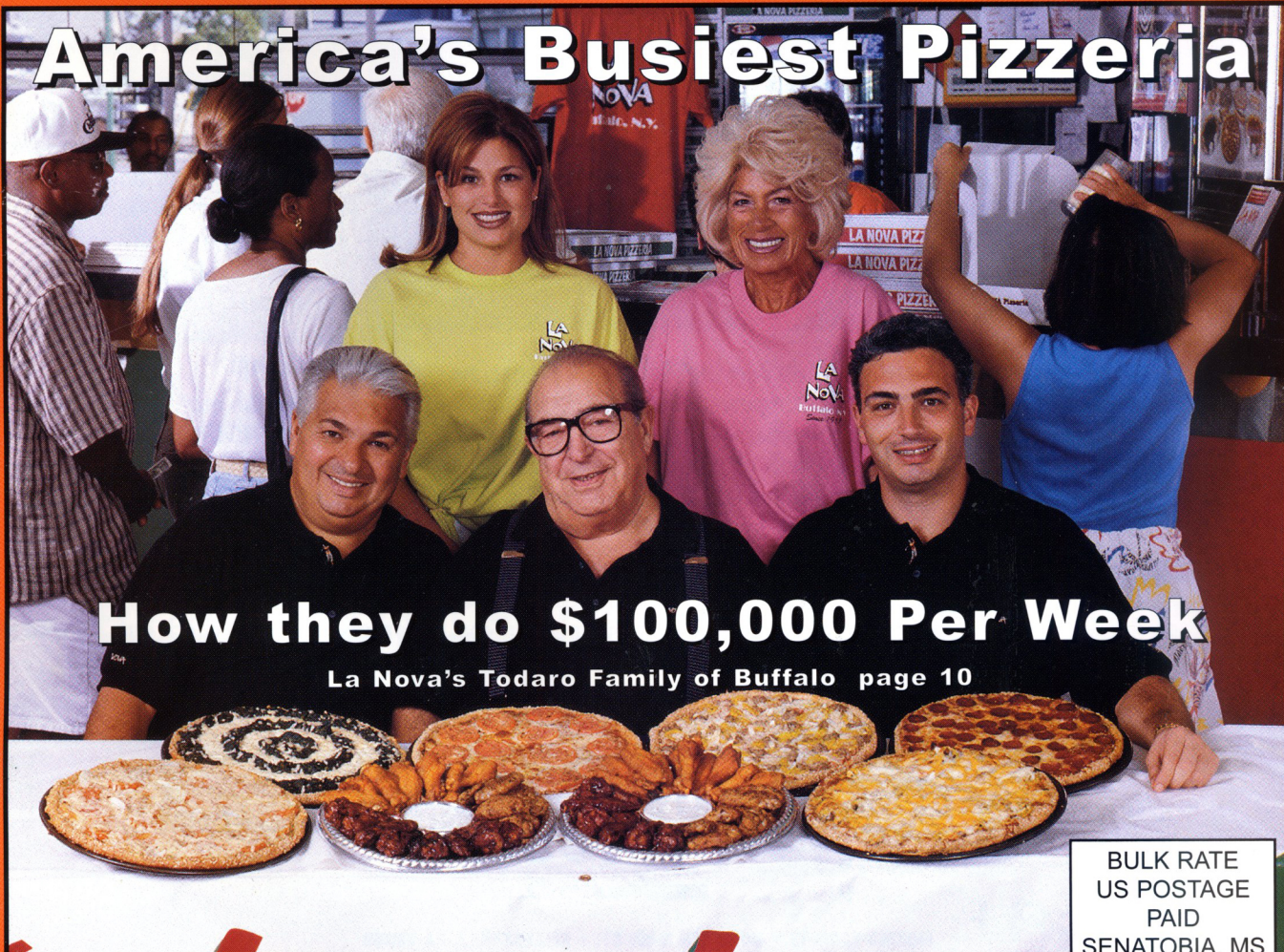


**Top 50 Marketing
Finds From
Chicago's
NRA Show** page 34



**Big Dave's
Hotel Strategy**
page 42

America's Busiest Pizzeria



How they do \$100,000 Per Week

La Nova's Todaro Family of Buffalo page 10

BULK RATE
US POSTAGE
PAID
SENATOBIA, MS
386
PERMIT NO 167

Postmaster: Address Correction Requested

Green Advertising / 605 Edison St. / Oxford, MS 38655

www.pmq.com



La Nova Pizzeria 371 West Ferry St. Buffalo, NY

La Nova Pizzeria of Buffalo New York has been rated the number one independent pizza operation in the country. And unless you know of another pizza store that averages \$100,000 per week in sales the title is theirs to keep.

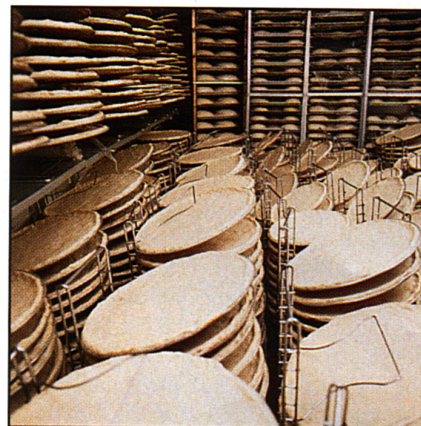
How can one store do that much business? Isn't that impossible? After spending three amazing days with the Todaro family I can assure you that it is not impossible at all. And if the Todaro family moved to Minneapolis, Miami or Memphis it wouldn't be long before new sales records would be falling.

Remember those old World War II movies where you could tell the real American from the German Impersonators by asking them questions about baseball? Well, you can tell if someone is from Buffalo by asking them if they've heard of La Novas. La Nova's has developed a reputation so strong that all three Todaros are pizza celebrities. Just take a walk with a Todaro and start counting the smiles, handshakes, hugs, kisses and horn honkings that their presence generates.

How do they do it? What can we learn

from them that will help your pizza operation? Plenty.

La Nova has the big picture. They have kept their management priorities in their proper order. First product, then operations, then marketing. They learned and refined their business by competing in the super competitive, Italian-American Buffalo Pizza Market since 1957. Even now the original Papa Joe works 7 days a week alongside his son Joe and Joe's son Joey, his daughter Carla and wife Cookie. Three generations of Todaros bounce ideas off of each other and challenge each other to perfection. It is a powerful management team and brain trust. Papa Joe is the experienced and respected pizza patriarch. Joe Todaro keeps the store crew hustling and customers coming back with world class management skills: a blend of pizza fanaticism, coaching, and genuine Italian warmth. Joey is Mr. Energy sacrificing his relatively young 30 year old body with full time management assistance to the store while aggressively leading the newer family business, La Nova Wings Distribution from the office upstairs. Carla and Cookie fill in on the hundred or so remaining tasks that need the competent hand of ownership.



One night supply of dough.



One Night Supply of Wings. Their 18 Blodgett Ovens are scattered throughout the store. Their underground supply room looks like a convenience store.



La Nova is always busy. Businesses buy for lunch. Families buy dinner. The late night party crowd and then there's the pizza pilgrims who come from Canada and Pennsylvania to enjoy La Nova's Pizza.

La Nova's Recipe for success.

Product., Operations, Marketing

Product:

The food is superb. The Todoros have been refining and improving their recipes since 1957 in one of the most competitive pizza markets in the world. They are not afraid to try new tastes, and with the direct and frequent customer feedback they get from Buffalo's high-pizza-standards population, it doesn't take long to separate the great food from the good.

La Novas has been voted Buffalo's favorite Pizza, time and time again in frequently occurring radio and newspaper sponsored pizza competitions. Their wings are also Buffalo's favorite. Quality is not just a slogan with La Novas. It's an assumed minimum requirement that customers expect and deserve. Papa Joe still makes the sauce. They buy block cheese and shred it themselves. They make their own blue cheese because they can't find any as good as theirs. They make their own sausage. Nothing is canned and everything is cut fresh the same day it is used. They are perfectionists

who are always trying to be better than they were yesterday and don't mind running a 35 % food cost. Nothing ever leaves the store that is less than great.

Although La Nova only offers Pizza, Wings, Subs and Calzones, a customer could eat there everyday for a month without getting tired of the food. The variety of Pizza is deep.

In addition to what you'd expect they have a great selling White Pizza, the Grandma T Sweet Pizza, the Garlic pizza with sesame crust.

They offer three kinds of wings: BBQ, Hot and Italian. With more on the way. Their Subs are three or four leagues above what you'd find at Subway and they have 48 to choose from. Their Calzones are made with a specialty Calzone sauce and they even spell "La Nova" on them with cheese for presentation impact.

Operations.

The Todoros see handling of the surges in business as the key to sustaining growth. Whatever it takes to handle it is done. Imagine for a minute this La Nova sales monster. \$100,000 in sales per week from Pizza, Wings, Subs and Calzones only. No pasta, no liquor, no coupons. Imagine all the adjustments to facilities and personnel that had to be made during the last decades to handle the thousands of Friday night and holiday rushes to sustain growth. Where most business would choose to open another store, La Nova would add another room to hold another 6 Blodgett ovens and a walk-in. When other businesses would let their sales plateau because it was impossible to find more drivers, La Nova would simply do the impossible. What ever it takes. Employees are paid well including a 15 percent retirement plan. One dishwasher there has already saved \$30,000 towards retirement. Thanks to La Nova we now know that the upper limit of a stores capacity is not 20, 50, or even 100 thousand a week. In 1973, long before sales were anything like today, Joe Todaro told his general manager Vinny Damico that if he stuck with him they would eventually be the number one store in the country. And now La Nova is number



How well do you speak Italian? Do you know what La Nova means? Papa Joe Todaro opened the first La Nova at a different location in 1957. He used an Italian architect who didn't speak or write in English to draft the original design. At the top of the Pizzeria's blueprints would be the name Papa Joe would use. La Nova Pizzeria or "The New Pizzeria."

continued on page 13

La Nova's Marketing Strategies

one. And according to Joe, so is Vinny.

Marketing

It's not surprising that the number one store in the country would have to be doing most everything right. Their marketing approach is not for everyone. But for a single store market leader their approach is perfect. La Nova's marketing is based more on enhancing the personal customer relationship than broadcasting advertising and coupons to everyone in general. The Todoros have long been community oriented and have built personal relationships with every customer that walks in the door. They are pillars and friends of the community. When organizations need help, they go to La Nova for help with catering events. Sometimes for free, sometimes for pay. When a customer calls to report a death in the community, La Nova will often send a meal to the grieving family. It is the job of every employee to make each customer feel special and Joe consciously spends time having fun with the customers. Customers are genuinely moved and energized by him. After all they have just met a celebrity. They feel honored by all the attention.

The most important tool in the La Nova Marketing War Chest is the La Nova T-Shirts, a prized possession in Buffalo. La Nova sells or gives away no less than 200 T-Shirts or Polo shirts each week. They even sell high quality La Nova Jackets at a loss in order to

turn customers into walking billboards during the winter months. They recently came out with an orange line of T-Shirts specifically made for the areas road construction crews which are required to wear orange. In one road crew observation I saw 4 La Nova orange shirts out of a crew of 15.

The Champagne strategy. A yearly event around Christmas time. The Todoros personally hand out to customers around 4,000 bottles of champagne each year. The value of this gift and the symbolism of this act knocks customers out; another reason they are glad to see a Todaro at the front of the store to greet them throughout the year.

The St. Joseph's day strategy. March 19th. An old Italian custom during Lent where Catholics provide a meatless meal to the poor. La Nova enjoys city wide press along with professional football and hockey players donating their time participating in the feeding of 4000 poor and needy. La Nova takes all the video machines out of their store to make more room. They set up tables inside and out. This event is posted in the Sunday bulletins of all area churches and the TV coverage is covered by all area news stations.

The bucket strategy. La Nova prints up special "La Nova" 5 gallon sauce buckets and gives them away as well. They end up all over. You'll see La Nova buckets at area fishing sites for holding fish. Painters use them. Construction sites use them. People use them to sit on. Another advertisement for La Nova.

The corrugated pizza box strategy. La Nova uses heavy duty corrugated boxes not only to keep the pizzas hot. But they like the idea that they don't fit into garbage cans, keeping them alive longer as billboards.

The off premise pizza strategy. In addition to the incredible store sales they also make and sell pizza for sale

La Nova's Six Marketing Secrets

1. The La Nova T-Shirt Strategy
2. The Champagne Strategy
3. The St. Joseph's Day Strategy
4. The Bucket Strategy
5. The Corrugated Pizza Box Strategy
6. The Off Premise Strategy



La Nova has additional distribution inside Buffalo area 7/11's and Wilson Farm Stores. (This is in addition to their \$100,000 per week store.)



Buffalo's Brand new cancer research hospital sells pizza by the slice to its hospital staff for lunch. Pizza and wings are delivered but subs are made by hospital staff on site.



Inside of Wilson Farms convenience store. Humidifier warmer keeps La Nova pizza delicious for hours.



One of Buffalos two giants supermarket chains is "Tops." Even they pay homage to La Nova wings with sign above. All Tops deli employees wear La Nova T-shirts.



La Novas waiting and dining area is a pizza museum. Its important for customers to be reminded that La Novas is an award winning pizzeria. Pictures of celebrities, letters from customers, and the awards remind customers why they came here in the first place.



La Nova is a festive place even in the middle of a Saturday afternoon.



Their museum lobby now awaits a new Trophy: The front cover blow up of PMQ.



Carla and Joey Todaro made the cover of *Pizza Today* in January 1994 as seen above. Two months later they launched their wing business at Pizza Expo 94 without having a single distributor. Joey and his sister Carla have made up for their humble beginning. La Nova expects to sell over \$15,000,000 in wings this year world wide.

by the slice to grocery stores, convenience stores, hospitals and night-clubs. Right now they sell between 200 and 400 pizzas a day this way. They've given each location a La Nova humidified display case where customers can view and select one of their more popular pizzas.

Again, the marketing strategies mentioned work well for La Nova because they have a reputation that people want to associate themselves with. One way of testing whether or not your store would qualify for this strategy may be to ask yourself how dependent you are on coupons. La Nova is in a position that they never use them. They don't have to. Their food and reputation is that good.

The Todaros have found a formula that has obviously worked well. Provide great food, fanatic service and genuinely value each customer. They have purposely done it all out of one location in order to maintain the control and quality that only an owner operator can ensure.

\$100,000 a week. Week in, week out.

It took all 5 Todaros, working 7 days a week for many years to accomplish this incredible feat. Perhaps you too, need to see it to believe it. If you come to Buffalo to check them out, don't worry about maintaining your cover. They won't chase you out of their store. The Todaros are more likely to give you a tour of their store and of course.....a La Nova T-shirt.

Wings Sales are Soaring thanks to Conveyor Ovens.

Joey started selling La Nova's conveyor oven friendly wings at the 1994 Pizza Expo shortly after they appeared on the cover of *Pizza Today* (January 1994). Since then, sales have grown dramatically. Sales doubled in 1996 and again in 1997. By the end of this year La Nova Wing Sales will top \$15,000,000. Many regional and national chains now use La Nova Wings and are available through most U.S. food distributors. Even Europe is now buying La Nova wings through their first International food broker in Ireland.

Joey decided to sell wings when he noticed that 90% of the pizza stores in Buffalo had them while most of the outside pizza world didn't. "It made perfect sense. If someone is going to have wings, why not get the ones that are recognized as the best in Buffalo? And I knew from our own sales history how important wings were to our sales. When we added BBQ Wings to our menu in 1981 our sales got a giant boost. Even our pizza sales increased."

As it turns out it is quite possible that if it hadn't have been for Joey's idea to introduce Buffalo Wings to the industry, Buffalo would still be eating them all alone. During the Massachusetts food show this past March, La Nova sales rep Joe Petruzzella had a conversation with Don Tyson of Tyson Foods. According to Petruzzella, Tyson said:

"Thanks guys, If it hadn't have been for La Nova, I would have never been able to sell Domino's and Pizza Hut on the wing idea."