



Bob Kraut

CMO, Papa John's

CUSTOMER EXPERIENCE AWARD

## Q+A on Keeping an Eye on the Pie with Papa John's Bob Kraut

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A conversation with Bob Kraut, CMO of Papa John's, is a wonderful reminder that despite all the new communication channels and the potentially transformative power of big data, successful marketing can still be boiled down to a few simple truths: product quality matters, customer satisfaction is the bellwether metric, employees are a critical part of the brand experience, get your message right and then, perhaps hardest of all, stick with it.

In our interview below, Bob expounds on all of these points in a way that is refreshingly matter of fact, sharing his insights while making them seem common sensical. Of course, to borrow upon the wit and wisdom of Harry Truman, "If common sense were so common, more [marketers] would have it." The truth is that talking about these things is relatively easy, the hard part is the implementation and on that front, Papa John's certainly has its "eye on the pie," so its little wonder that Bob is a recent recipient of The CMO Club's CMO Award for Customer Experience.

**Drew:** Customer experience does not always come under the control of the CMO yet can have a dramatic impact on the brand and ultimately the believability of your marketing initiatives. How have you been able to impact the customer experience in your current role?

**Bob:** For us, the consumer is at the center of all we do. We always "keep our eye on the pie", so that the ultimate customer experience is bringing people together to eat great pizza at a great price with an exceptional ordering and service experience. As for marketing's role in the customer experience, we do the heaving lifting in creating emotional connections with our customers in our branding, online experience and social media and engagement. The pizza business is dominated by heavy price promotion which I don't think contributes to a sustainable customer proposition. At

Papa John's, we have incredibly loyal customers and they love the brand experience-- the American Customer Satisfaction Index has ranked us the #1 pizza brand in satisfaction 13 of the past 15 years.

**Drew:** A lot of marketers are talking about employee advocacy – is this a priority for you and if so how are you going about it? If not, perhaps you could talk about how you as a marketer have had an impact on the whole customer experience.

**Bob:** When I came to Papa John's a little over a year ago, my biggest surprise was how happy the people are and how aligned people are against our vision and positioning. Simply put, when you are in the service and delivery business, "happy employees equal happy customers". So I think we count all of them to be great customer ambassadors. One of the ways that our employees feel like an owner of the business, is through our "open innovation" culture. We solicit and source product ideas and ways to make things better for our customers and I think it shows up in customer ratings and in our business results.

**Drew:** "Better ingredients. Better pizza." has been your tagline for a while now. A lot of marketers of change campaigns too quickly in my humble opinion. What has allowed you to stick with this one for so long and what would inspire you to move away from it?

**Bob:** Papa John's has done what is equivalent to the textbook case on how to build a brand based on quality and consistency. Quality is the core value of the company--I think its in our DNA and has given the company the strength to resist changes over the ups and downs of the business cycle. And I think its a testament to the leadership of our Founder, John Schnatter--great leaders have discipline. "Better Ingre-

dients. Better Pizza” continues to work well for us--I am type of leader that doesn't try to fix things that aren't broken--but I think we are making progress in enriching our brand promise and injecting a more contemporary currency to the brand.

**Drew:** How have you used social media to advance your brand's overall marketing efforts? Are there any networks/platforms that are working better for your brand than others?

**Bob:** We use social media to talk to our brand believers and to reach broader audiences in ways that are authentic, real-time and meaningful to them. Pizza is the perfect platform for social media--at its core, pizza bring people together as social platforms virtually. In 2014, we greatly expanded our social reach beyond Facebook and Twitter--we are now active on Instagram, Google Plus, Vine, the publisher platforms etc--and we have taken our highly visible NFL sponsorship into social media, especially on local level--where we sponsor 21 NFL teams.

**Drew:** What have your experiences been with mobile marketing been to date?

**Bob:** We run an e-commerce with nearly 50% of sales coming from online--so we have a greater share of customers accessing our brand online than any other pizza brand--that kind of us makes the #1 digital brand. An increasing share of our sales is coming from mobile so we have increased our investment in all-things mobile --advertising, apps, alternative payment and localization. And we are seeing all these initiatives work well for Papa John's.

**Drew:** Loyalty programs can be tough to get off the ground. Can you talk a bit about Papa Rewards and how it is working for you? What advice would you give to a fellow marketer if they were contemplating a loyalty program?

**Bob:** We introduced our Papa Rewards Loyalty Program in 2010. The pizza market is so price sensitive and this creates a relationship and another point of connectivity to our most loyal consumers and gives us opportunities for segmentation and more precise marketing. Our customers love

the program--Papa Rewards was recently named as the #1 loyalty in the restaurant category by Bond Loyalty. With that said, loyalty programs alone won't work if the pizza isn't good. We know our customers come back for our better ingredients and attention to quality – and it is important to us to reward them for their loyalty.

**Drew:** Finally and perhaps a bit early, what's on top of your 2015 marketing resolutions list?

**Bob:** That's easy-- “eat more pizza!” But seriously... we love to top our best. We're committed to continuing our commitment to have better ingredient on our pizzas, leadership in online sales and deepening relationships with our customers, partners and employees.

#### About the author

Drew Neisser is the CEO and founder of Renegade, the NYC-based social media and marketing agency that helps inspired CMOs cut through. He is the champion of Marketing as Service, a philosophy he espouses in his writings on [FastCompany.com](#), PSFK, TheDrewBlog and The Cut, a much-appreciated monthly newsletter. If you have a CMO success story to tell, let Drew know at [dneisser@renegade.com](mailto:dneisser@renegade.com).

