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Why Papa John's Is Breaking With Fast-Food Tradition and Nixing Its Menu Boards

That and other design changes are the latest steps in a long post-Schnatter turnaround

By Robert Klara | 1 day ago

Big overhead menu boards—a fixture every fast-food chain uses—are missing in Papa John's latest prototype.

Credit: Papa John's

Earlier this month, Papa John's released its third quarter earnings, giving CEO Rob Lynch some meat to toss to the wolves of Wall Street. Systemwide sales were up 11.2% for the period, EPS doubled and revenues of nearly $513 million represented an 8.4% increase from the prior year.

In a sense, these piping hot results were to be expected. After all, we're still in a pandemic—coupled with an inflation crisis—and pizza remains a family dinner option that's hard to beat. As The New York Times put it last year, pizza's "ease and affordability [has] made it a pandemic staple for families and a rare bright spot in an industry that has been decimated."

But Papa John's https://www.adweek.com/performance-marketing/papa-johns-will-donate-1-to-charity-if-you-try-the-new-shaq-a-roni-pizza/), which is deep into an ambitious overhaul that Lynch began when he took the then-troubled chain's helm in 2019, had one major piece of unfinished business: the actual restaurants. There are more than 5,000 in the U.S, and while a good portion of customers may never set foot on the linoleum of any of them, many locations are in need of a face-lift.

That new look revealed itself earlier this week when headquarters released mockups of the design it plans to roll out across its huge system in the coming months and, in the case of franchisees, years. Though some of it is hardly edgy (such as the white tile walls and added parking), at least one feature is bound to raise eyebrows—though not for its appearance, but rather its absence.

Ever Wanted to Dress Like a Papa John's Delivery Driver? With Its Latest Campaign, You Can

The menu boards, a time-honored staple of fast-food dining, are gone—or at least on their way out. The reason is that the chain no longer needs them, which became especially clear over the last two years.

Pull out your phone

"Over 80% of our purchases [now] happen online, [so] there isn't necessarily a need for menu boards," Papa John's chief commercial officer Max Wetzel told Adweek.

Menu boards have been an essential component of restaurant architecture since the postwar rise of fast-food itself. (Even before then, if you count cafeterias.) The Smithsonian's collection, as a point of interest, includes a Jack in the Box drive-thru menu board from the early 1960s with an enormous metal clown head poking out the top.

But with restaurant menus universally available on the web, they're less of an imperative than they once were.

"Modern quick-service restaurants today are moving to more digital fulfillment models for a v of really good reasons: labor costs, speed, removing friction between online ordering and in-s

experience," observed Peter Dixon, chief creative officer at consultancy Prophet. "As the majority of orders become digitally originated, the utility and necessity of menu boards has commensurately decreased."

Wetzel did add that there is a video screen up above the hot rack where the location can still tout various specials if it so chooses.

New units sport colors inspired by pizza ingredients like tomato red and basil green. Papa John's

Also playing: The Dough Show

Of course, if 80% of Papa John's ordering happens online, it still means that 20% does not. And for the sake of customers who prefer an in-person pick up to grab their pizzas, Papa John's has made another noteworthy design change.

There will be a wide open area framed in plate glass through which customers can watch the pizza being made. Indeed, there's even signage reading "Welcome to the Dough Show" stretching across the overhead band of wall.

Wetzel added that that wording is still a work in progress and might vary by market and location. But the salient point is this: Though the new prototypes boast a refreshed color palette, a new logo and other bells and whistles, this observation window is a physical affirmation of the chain's doubling down on its longtime positioning: namely, fresh ingredients.

"That's really about the personality we're bringing through," Wetzel continued. "We have no freezers in our restaurants. All of our ingredients are brought in fresh. Our dough is made from six simple ingredients. That's a huge differentiator for us. Those are things that we should be putting in front and center for our customers that come into our restaurants."

Walk-in customers still matter

As restaurant consultant John A. Gordon of Pacific Management Consulting Group points out, the open kitchen model has ample precedent. "This has been done on the casual dining side," he said. "It's a traditional form of restaurant merchandising." (California Pizza Kitchen has been doing it since the mid 1980s, in fact.)

Gordon added that the kitchen display window suggests that, even though third-party delivery drivers now outnumber Papa John's own drivers by a 2-to-1 margin—a ratio that Lynch revealed in his most recent call with analysts—Papa John's is clearly still speaking to its takeout guests. And, obviously, this constitutes a more profitable customer for the chain since no percentage of those checks are going to pay a delivery service like DoorDash https://www.adweek.com/brand-marketing/doordashs-whirlwind-ad-shows-how-dashpass-users-can-enjoy-the-bare-necessities/) or Grubhub.

The "Dough Show" window, Gordon pointed out, "says to me that they really are trying to go after the neighborhood guest in a car who will actually spend a little time waiting for their order. And that the game afoot is to atrophy the third-party delivery mix and increase the takeout sales mix."

Whatever the end game, the open window to the kitchen is also the latest piece of Lynch's strategic plans for the company, which was on the ropes when he took the corner office.

Heat in the kitchen

The first brush fire Lynch had to extinguish when he took over nearly 27 months ago was the considerable smoke and flame generated by Papa John's founder John Schnatter. After years as the face of Papa John's, Schnatter left under a cloud in July 2018 after using the N-word https://www.adweek.com/agencies/papa-johns-founder-says-ad-agency-pressured-him-into-using-the-n-word/) during a conference call. (Schnatter claimed he was merely referencing the late KFC founder Colonel Harland Sanders' own use of the slur, but nonetheless deemed his diction to be "inappropriate and hurtful" in a written apology.)

Schnatter had lit a previous fire in November 2017. The flame was ignited by Schnatter slamming the NFL's accommodation of players who, during the National Anthem, took a knee as a silent protest against police brutality toward Black Americans begun by Colin Kaepernick and widely adopted by other professional football players.

Known to be conservative in his political views, Schnatter took things a step further by blaming the NFL https://www.adweek.com/brand-marketing/papa-johns-flips-off-neo-nazis-while-apologizing-for-divisive-nfl-anthem-protest-comments/) for not "nipping [the problem] in the bud." He blamed the resulting polarization for poor TV ratings and, by association, a dip in Papa John's pizza sales. The resulting PR fracas worsened when white supremacist website The Daily Stormer applauded the pizza chain.

Schnatter's comments about the NFL led to a $5 drop in the price of Papa John's share. Between 2017 and 2019, sales also fell by $364 million.

Inside Papa John's Transformation: How Diversity and Marketing Leaders Are Changing the Brand

The arrival of Lynch was just the sort of course correction the pizza chain sorely needed.

But the design changes announced this week relate to a more foundational decision of Lynch's—specifically, not to compete with Domino's on price and to holdfast to Papa John's longstanding tagline of "Better ingredients, better pizza."

Do these changes make sense together?

But here's a question worth asking: Why is the company phasing out menu boards and emphasizing its kitchen prep display window at the same time? Delivery drivers presumably don't care about fresh ingredients, and if most consumers aren't coming into the stores, why go through the trouble?

Dixon said that, despite most consumers opting for online everything, "there is still an ever-present impulse customer that will go into the restaurant" and that the "transparency as proof of quality technique is a good one, suggesting nothing to hide. It's a good idea for any restaurant."

For his part, Gordon isn't scratching his head over the store design changes themselves, but related issue that it will take time to iron out.

"Mr. Lynch is a good CEO, and they're getting their act together at Papa John's," he said. The sticking point, he continued, is the price tag. Corporate only oversees a small number of restaurants. The bulk of the system is operated by franchisees, who'll have to implement this facelift on their own. The new prototype, Gordon said, "is kind of like a flagship solution. The franchisee is going to be extremely interested in what the total buildout cost [will be.]"

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