

Launching a Product for Generation Me: New Pizza Hut Melts



Remember Pizza Hut? Gen Z doesn't.



In 2020, the Pizza Hut brand was in desperate need of a turnaround, and we started on Chapter 1 of our turnaround playbook. We repositioned Pizza Hut as the Pizza Lover's pizza, which was about turning nostalgia into NEWstalgia, building strong distinction, cleaning up our menu of gimmick pizzas and unapologetically commanding a premium price for a better pizza. And it worked. We revitalized our core consumer, we restored restaurant profitability and we won QSR turnaround of the year in 2021.

But in QSR, yesterday's challenge is not today's challenge. We immediately had to begin Chapter 2, which was about driving penetration and increasing frequency—more consumers eating across more dayparts.

Pizza Hut performs phenomenally with 45+, always winning on taste and brand connection, but struggles to generate sales and relevance with Gen Z (that represented our best opportunity for growth).

As a generation, they spend \$3.5B in the pizza category and increase their category spending by 13% each year (NPD).



Our Goals Were Clear

- 1 Modernize the Brand**
Make Pizza Hut cool and relevant for younger customers, not just their parents.
- 2 Become More Everyday**
Turn Pizza Hut into an everyday choice, not just for special occasions.
- 3 Drive Transaction Growth**
Get more people to buy a Pizza Hut pizza, not just to love our brand.

Gen Z said Pizza Hut was corny, not cool.

And they also said we were “cringe.” Ouch!

Gen Z wasn't a fan. Only 17% said Pizza Hut was their favorite pizza chain restaurant (CivicScience).

So we knew reaching them would pose a challenge. For many of our core customers, their emotional connection to Pizza Hut was built during childhood. We were intimately part of their lives. From family dinners to being part of their favorite pop culture moments, we were the hub of social excitement for that generation.

But yesterday's pop culture isn't today's pop culture, and social excitement feels different.

We needed to generate a new kind of social excitement for Gen Z: become a part of their pop-culture zeitgeist.

Pizza Hut needed a new vibe, new tone and a new energy to show Gen Z that this isn't your dad's Pizza Hut anymore but a brand inspired by and built for youth culture while remaining distinctly Pizza Hut.



The First Opportunity

Our first opportunity to put the new Pizza Hut to work was for Pizza Hut Melts, a brand-new product designed for solo diners.

Melts were a critical product to the brand that we had been planning for all year.

Melts presented the first big opportunity to connect with Gen Z because it fit perfectly within their current dining habits (more snacking, more meals on the go, more individual eating) and it was a way to open new eating occasions with Gen Z that weren't the normal pizza occasion (lunch, afternoon snack, solo dinner).

The big challenge was that Melts were for an occasion that wasn't our core customer's occasion and made for a customer that wasn't our core, so there was a lot riding on it.



Welcome to Gen 'Za

To launch Melts in a way that resonated with Gen Z, we had to reimagine how the brand showed up in culture.

Music would become an important piece of our work to create a new energy and vibe. According to Kantar, music helps create a 63% increase in the feel-good factor of audiences toward advertising, with the number being even higher for Gen Z. And we needed to make Gen Z feel good about Pizza Hut.

We used a Gen Z visual language and took all of our cues from social media, almost like a Gen Z professional photographer was shooting Instagram photos. We used hotter lighting to create brighter imagery of the food, we went in closer to the food to make it more real, and we ensured we had more diversity and personality in our casting, showcasing bright jewelry, tattoos, nail art to make it more truly reflect who Gen Z is and their style.

One of the biggest changes that defied category norms was actually showing people enjoying the food and not just focusing on stylized shots of a static pizza sitting on a table.

Last, we had to be more culturally led in where we showed up, placing greater emphasis on activations—not just ads—on social media and creating content on platforms like TikTok.



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Landing on Our Melting Insight

Look at nearly any study on Gen Z and you'll see how much they crave community, connection and a sense of WE.

70% of Gen Zers say that communities help them feel like they belong (Impero).

66% believe community allows them to connect with people around causes or interests (McKinsey).

80% of Gen Z crave community because it helps them feel understood (Complex).



Yet, as much as Gen Z is seen as a community-first generation that is about “we” over “me,” they all have a lot of “Main Character Energy” going on.

78% of Gen Z want to define their own identities (Complex).

THE
NEW YORKER

WE ALL HAVE “MAIN-CHARACTER ENERGY” NOW

On social media post-pandemic, everyone is ready to become a protagonist.

// *When I meet people and interact with people, I go 110% me.”*
“I’m not looking at it. I’m living in it.”
“I’m not a follower, I’m me—every day.”



An Individual Product for a Culture of Individuality

The Insight: Me > We

*“iGen [GenZ] was born into a more individualistic culture than previous generations, one that **favors the self more and social rules less**. This culture treats people as individuals instead of as members of groups, and thus promotes equality for all.”*

—Jean Twenge, Ph.D., professor of psychology at San Diego State University; author of *Generations*

Our creative challenge(s)

A Pizza is for WE, but Melts are for ME.

In a category full of products for **WE** and a brand that is known for **WE** occasions and not individual ones, how do we make Melts the one you want to be most selfish about?

And do so with a vibe that is uniquely Gen Z?



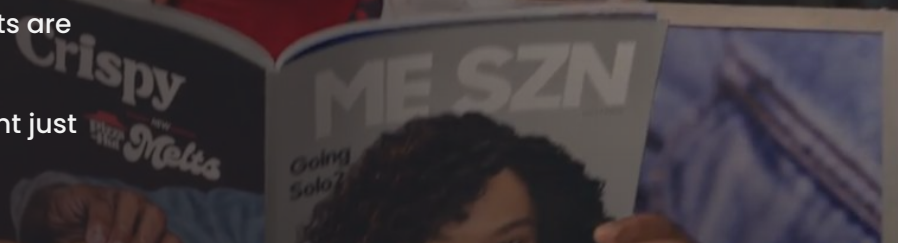
The Idea

With **Melts**, it's Me SZN.

Pizza Hut Melts are a celebration of the non-sharers. It's your time to shine. Do your own thing. It's time to be your unapologetic, authentic self—to put yourself, your cravings and your desires first. And that starts with what you eat. It's me szn.

On TV, we imagined what a “World of Me” would look like as soon as you take that first bite into a Melt: a world that's just for you because Melts are just for you. A young woman eating Melts notices that everyone else she meets is also her. From a man selling flowers, to a traffic cop, to her face on the cover of a magazine, it's all her because Melts are just for her and no one else.

Every element reinforces that Melts are meant just for you, only you and are not for sharing.



Social:

“PIZZA HUT WILL PAY YOU NOT TO SHARE ITS NEW MELTS ON SOCIAL MEDIA.”

We did the exact opposite of what most brands would do when launching a new product. We told people *not* to share it, which makes total sense for a product that's also not meant to be shared. It was a “call to inaction.”

We hired influencers to encourage people not to share their Melts, we asked everyone to sign our MDA (Melts Disclosure Agreement), and we offered people \$100 if they promised never to share.

For those who ignored our request, we negotiated with them to delete their posts, offering up any prize you could think of (a drone, a new gaming console, a tuba, whatever) just to get them to take it down.

Of course, that led to more sharing because when people saw that their friends were making money and winning prizes by deleting Melts posts, that, of course, led them to share their Melts even more. Because when you tell Gen Z to do something, they just do the opposite.



Pizza Hut Melts

MELTS DISCLOSURE AGREEMENT (MDA)

I. SUMMARY
This Agreement is ALL-NEW CRISP! Pizza, the Meltee (just for you, kind as it's...over share the

II. PAYMENT
By signing, Pizza Hut as bucks, greenbar the Meltee agrees.

III. THE STIPULATION
The Meltee will not media. The term "posts, blog posts, bodybuilding webz posts on a socialer you know follows, ing food, or posts" on.

IV. ADDENDUMS
Additionally, the M
➤ Share their h
➤ Physically re
➤ said Melts.
➤ Leave said h
➤ Place half of
➤ Share said M
➤ cote.
➤ Share the M
➤ post a good g
➤ Feed the M
➤ like they like
➤ Catfish Ionel
➤ Make a viral
➤ Auto-tune a
➤ Create a new
➤ The Melt M

V. CONSEQUENCES
If any such Melt is shared in any way, whether in real life or on social media, we will be really, really disappointed in you guys.

VI. ENFORCEMENT
The Meltee acknowledges and agrees that due to the unique and unshareable nature of new Pizza Hut Melts, any breach of this Agreement would cause irreparable harm to a total burnout. The Meltee must delete said sharing on social media and make a public statement that they are "a fool" and could "never OutPizza the Hut."

VII. GOVERNING LAW
This Agreement shall be governed under the laws of No One Out Pizzas The Hut, which is to say this is not actually a legal document because WE ARE ABOVE THE LAW! (none from Pizza Hut Legal Pizza Hut is not above the law.)

IN WITNESS WHEREOF, the Meltee hereto have executed this Agreement as of the date written below.

1st Party's Signature

Jenna Peck
Date: 00/00/22

2nd Party's Signature: Pizza Hut.

Pete Za
Date: 00/00/00

5% sales increase system wide Q4

The results speak for themselves. We're coming across as a more modern brand for a more modern audience with increased scores for innovation, modernity and excitement by 13, 10 and 18 points respectively (Pizza Hut Brand Tracking Q4 2022).

And more importantly, it's resulting in sales. Though Pizza Hut's U.S. system-wide sales were flat and same-stores sales fell 1% over the course of 2022, the introduction of Pizza Hut Melts in Q4 helped drive a 5% system-wide sales increase for the quarter. The product introduction helped us **reach new audiences** and drive new dayparts, with Melts customers being 31% more likely to visit during lunch.

"This launch was intentionally designed for young people," Pizza Hut CEO Aaron Powell said during Yum Brands' Investor Day in December. **"We're very pleased with the same-store sales growth, transaction growth, new customers and repeat customers since this has launched."**

Source: Yum! Brands, Inc. 2022 Fourth-Quarter Results

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