

Little Caesars Enterprises, Inc. Marketing Plan
Little Caesars Enterprises, Inc

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1. Executive Summary

Little Caesars is estimated to be the fourth-largest pizza restaurant chain in the United States and is the largest carry-out pizza chain, while claiming to be the largest in the world. It was founded by Mike Ilitch and Marian Ilitch in 1959 in Garden City, Michigan as "Little Caesars Pizza Treat." The company is famous for its advertising catchphrase, "Pizza! Pizza!" which was introduced in 1979. By 1987 it was available across the Northern United States. Little Caesars is a subsidiary of Ilitch Holdings, Inc and even today remains a private company.

The 2006 marketing plan for Little Caesars Pizza analyzes the company's present state, the environment in which the company is competing in, and projections for the upcoming year. As a new location for the current franchise owners in a severely competitive market, many solutions will be offered to help Little Caesars Pizza advance in its market share locally here in Radford.

We will build on the main corporate vision of Little Caesars Pizza, which is "To be the best take-home pizza chain by exceeding customer expectations with extraordinary value, great tasting products, and outstanding people while providing strong returns to our stakeholders" ("Little Caesars Pizza – Franchise Opportunities: About Us" 2006). A set of goals have been organized, all of which will contribute to the success of this franchise location in the upcoming years.

We analyze its strengths and weaknesses that this particular Little Caesars Pizza is facing in its current atmosphere. The strengths including quality customer service through family owned franchises, constantly expanding into new markets and quality products are essential to it and must continually be emphasized throughout the organization. Other opportunities are laid out that must be taken advantage of for growth to occur.

After analyzing and averaging data of current operations we have calculated projected gross sales to be around \$494,000.00. Expenses and taxes would be taken from this to reach a net income for the year. When interviewing the manager at the Radford franchise he wasn't at liberty to share any real numbers with us as per franchise policy.

Competitors of Little Caesars Pizza are looked at to analyze the situation in which the company is currently operating. Many different aspects of the industry are covered and ways to use this to the advantage of this company are looked into. We will cover what the market has to offer and who should be a target when advertising. This marketing plan will offer suggestions on ways to better implement the current advertising campaign locally. Through this marketing plan there will be clear, concise evidence that the future of this local Little Caesars Pizza is promising.

The organizational structure of the Little Caesars Enterprises is quite structured. The family oriented atmosphere that it continues to impose in its franchises help develop a more personable relationship with its customers and develop a strong and healthy work environment. Little Caesars is a industry leader and will continue to grow in its current operations.

2. Company Description

Little Caesars Enterprises, Inc., started by cofounders Mike Ilitch and Marian Ilitch to develop and market Little Caesar Pizza, is the fourth largest pizza chain and the largest carry-out chain internationally with restaurants on five continents. The first Little Caesars Pizza restaurant was first introduced into Garden City, Michigan in 1959 and expanded internationally to Canada, Ontario ten years later (Hoovers, 2006).

To the Company's knowledge, Little Caesars Pizza's success is through its outstanding value, especially with the introduction of "Pizza! Pizza!" which offers the consumers the "buy one get one free" slogan that aided in its success in the industry. Little Caesars was also the first pizza restaurant to serve pizza in minutes, to have a drive-through, carryout windows, and to open in a stadium. It has the expertise and knowledge in all aspects of successful restaurant operations from site selection to local store marketing ideas, and the personnel to support the community. Little Caesars Enterprises also has strong national brand recognition and increasing brand awareness to untouched markets.

The company is dedicated to giving back to the communities that sustains their business in the economy. It promotes charity contributions, visits homeless shelters, donates food to homeless people, and responds to disasters, such as hurricanes in the Gulf Coast area, and the World Trade Center attacks on September 11, 2001 (Little Caesar Enterprises, Inc., 2006).

Little Caesars Enterprises believes in its family oriented business which has proven successful in its franchise community made up of hundreds of family business owners. This marketing plan outlines how the company will continue to expand and improve its strategic plan in its general environment.

3. Strategic Plan/ Focus

The following portion demonstrates four aspects of Little Caesars Pizza's business strategy influencing this marketing plan. (1) the mission/vision, (2) goals, (3) core competence/sustainable competitive advantage, and (4) Corporate Philosophy of Little Caesars Pizza.

A - Mission/Vision

The mission of Little Caesars Pizza is, as described on the corporate web-site: "To be the best take-home pizza chain by exceeding customer expectations with extraordinary value, great tasting products, and outstanding people while providing strong returns to our stakeholders" ("Little Caesars Pizza – Franchise Opportunities: About Us" 2006). The Radford Manager agrees that they follow the corporate mission statement and use it as a model in day to day operations (Cecil Talbert, personal communication, 4 Nov, 2006).

B - Goals

Little Caesars Pizza maintains a strong focus on value, great tasting pizza, and convenience.

- Financial Goals
 - To make enough profit to exceed the initial start-up cost of the franchise.
 - To minimize expenses while still offering premium ingredients and customer service.
 - To increase sales by 10% from the first year of operation through promotion and customer service.

- Non-Financial Goals
 - To uphold the corporate mission/vision.
 - To obtain a good reputation mainly from the student population as getting their money's worth and holding a good customer relationship while maintaining outstanding customer service.
 - To create and maintain a happy and healthy work environment



Brand recognition is an advantage in today's competitive marketplace. Little Caesars boasts one of the most beloved characters in the history of food service, and kids love visiting with "Little Caesar" in our restaurants.

C - Core Competencies and Sustainable Competitive Advantage

When discussing Little Caesars Pizza's core competency, there are two main objectives it seeks to achieve: (1) Supply convenient high-quality, competitively priced, pizza to the community's population. (2) To deliver the pizza products in a timely manner with exceptional customer service.

To transform these core competencies into a sustainable competitive advantage, Little Caesars will maintain quality relationships with its suppliers while continuing to emphasize customer service to employees.

D - Corporate Philosophy

At the heart of Little Caesars Pizza's philosophy is a profound commitment to

give back to the communities that sustain its business.

Little Caesars Pizza and its franchisees are devoted to numerous organizations throughout the United States. One of the most significant programs Little Caesars has founded is a nationally recognized program called the Love Kitchen, a pizza restaurant on wheels, and was established in 1985 by Little Caesars founders to feed the homeless and hungry in the United States and Canada. Since its start, the Love Kitchen has fed more than 1.5 million people in need.

In addition to visiting soup kitchens and homeless shelters, the Love Kitchen also responds to disasters, including the recent hurricanes in the Gulf Coast area, the site of the World Trade Center attacks on September 11, 2001, and the Alfred P. Murrah Federal Building bombing in Oklahoma City in 1995. The Little Caesars Love Kitchen has received presidential declaration from the Reagan, Bush and Clinton Administrations, as well as a certificate of appreciation from the State of Michigan. Its franchisees support the Love Kitchen by providing food and labor for servings in their markets. There are no fees associated with the Love Kitchen for the driver, the vehicle, or fuel. Franchisees find it very rewarding to support the Love Kitchen in their communities. (“Little Caesars Pizza – Franchise Opportunities: Philosophy”, 2006)

4. Situation Analysis

This situation analysis gives a quick overview of the current events through a SWOT analysis, which depicts the environment that Little Caesars finds itself currently. The SWOT analysis is an example of the different strengths, weaknesses, opportunities, and threats in which the company is facing or may face. Later in this section, the industry, competitors, company, and consumers are considered in more detail as well.

SWOT Analysis

Figure 1. SWOT Analysis Little Caesars Pizza (Internal Factors)

Internal Factors	Strengths	Weaknesses
Management	Mangers are extensively trained to own their own franchise	Some managers have taken it upon themselves to run their franchise against company regulation
Offerings	Hot-N-Ready pizza for only \$5 First to serve pizza at lunch, drive thru, and serve pizza in minutes	Limited varieties of choice and lose focus on taste and quality of the pizzas and no delivery
Marketing	Pizza! Pizza! Buy one get one free!; “Hot-N-Ready” \$5 Pizza	Menu items are not publicized well
Personnel	Providing jobs and first time experience for young workers, new Veterans to start a new franchise	No connection between other franchises and corporate offices
Finance	Aggressively expanding both domestic and international marketplaces	Trying to recover from the loss of closing stores in the 1990s
Manufacturing	Maintain a clean environment to produce pizza	Equipments that are used to produce pizza needs to be upgraded
R&D	Constantly thinking of ways to expand the franchise	Don’t experiment with new options, i.e. menu items

Figure 1 Continued – SWOT Analysis Little Caesars Pizza (External Factors)

External Factors	Opportunities	Threats
Consumer/Social	Always giving back to the community through charities, family causes, and youth sports	Another pizza restaurant entering in the same social scene
Competitive	Offering hot pizza fast with no wait	Still not up to par with Dominos, Papa Johns, Pizza Hut, and other major pizza companies
Technological	Using the Internet for additional advertising and information on the company	No online ordering; limited coupons online
Economic	Using stadiums and other sporting events to advertise & market	Crumbling market share led to hundreds of store closures from 1998~2001
Legal/Regulatory	Trying to maintain perfect status in Dept. of Health Inspection	Unprecedented franchisee lawsuit settlement in 2001

Figure 1 shows both the internal and external factors that affect the market in which Little Caesars operates in. Some of Little Caesars internal advantages are that it has the Hot-N-Ready offer for only five dollars, being a family owned business for over 40 years, and its drive to expand the franchise worldwide. These strengths from within the company itself, helps keep Little Caesars on the path upward to challenge its competitors.

One external opportunity that the company takes on fully is that it has always giving back to the community through charities and other events. Along with giving back, Little Caesars uses stadiums and other venues to advertise its products throughout the sport seasons as another opportunity. This part of Little Caesars’ core philosophy for the business shows that it takes pride in giving back to the community.

Although Little Caesars strives to promote its strengths and opportunities of the market, like every other company, it has its share of negative characteristics. For instance, internal characteristics that poses problems are the loss of some business from

not offering delivery services and some potential customers will not go to Little Caesars because its menu items are not well known. Without the knowledge of its menu, customers will continue to purchase from its competitors that have a more widely known menu.

External threats in which Little Caesars face are not utilizing the new trends in technology with both its online ordering like some of its competitors and with the closure of multiple stores in the 1990s; it is still trying to catch up with the top pizza restaurants to this day. Even though the company was at a set back, Little Caesars has shown its strength in innovation of new ideas of franchising out to the world.

Industry Analysis: Fast Food and Quick Services

Little Caesars can be found in multiple industries such as the Fast Food and Quick Services and Limited Service Restaurants which is a sector of the Restaurant Industry found in the 2002 NAICS, it all depends on which reports are looked at to retrieve the information. Both industries have similar projections of the Little Caesars Enterprises. On its website, Little Caesars states that today it's in a \$30 billion pizza industry (Little Caesar Enterprises, Inc., 2006). Little Caesars is making its move upward from the loss in the 1990s, when it had to close a number of stores. In the first half of 2002, however, its sales increased by 11%. This sudden increase shows that after closing a large number of its units it was able to quickly jump back into the market again (PizzaMarketPlace.Com, 2006). As illustrated in Figures 2-4, Little Caesars Pizza is ranked the fourth largest pizza chain in the US, its market share as of December 2005 was 7.58% with systemwide sales at approximately \$940,000,000. Its market share averages

year by year to be around 7.5% as illustrated in Figure 3 below by NRN research. It shows continued growth for year end in 2005 of 7.43% which was down half a percent from the year before however it still ranks number two in sales growth for that year (Cebzynski, 2006).

Figure 2 – Pizza Chains Ranked by US Systemwide Sales Growth

PIZZA CHAINS RANKED BY U.S. SYSTEMWIDE SALES GROWTH (Year-to-year percentage change)						
LATEST-YEAR RANK	PREC.-YEAR RANK	CHAIN	FISCAL YEAR END	LATEST* VS. PRECEDING	PRECEDING VS. PRIOR	
1	1	CICI's Pizza	Dec. '05	12.84	14.22	
2	6	Little Caesars Pizza	Dec. '05	7.43	-0.57	
3	5	Papa John's Pizza	Dec. '05	5.74	0.50	
4	3	Domino's Pizza	Dec. '05	4.53	5.65	
5	4	Pizza Hut	Dec. '05	1.92	3.32	
6	2	Chuck E. Cheese's	Dec. '05	1.89	9.45	
		AVERAGE:		5.73	5.43	

*Actual result, estimate or projection
Source: NRN Research

(Cebzynski, 2006)

Figure 3 – Pizza Chains Ranked by Top 100 Market Share

PIZZA CHAINS RANKED BY TOP 100 MARKET SHARE (Share of aggregate sales of pizza chains in Top 100)						
LATEST-YEAR RANK	PREC.-YEAR RANK	CHAIN	FISCAL YEAR END	ANNUAL MARKET SHARE		
				LATEST*	PRECEDING	PRIOR
1	1	Pizza Hut	Dec. '05	42.73	43.58	43.80
2	2	Domino's Pizza	Dec. '05	26.74	26.60	26.14
3	3	Papa John's Pizza	Dec. '05	14.72	14.48	14.95
4	4	Little Caesars Pizza	Dec. '05	7.58	7.33	7.66
5	5	Chuck E. Cheese's	Dec. '05	4.28	4.37	4.14
6	6	CICI's Pizza	Dec. '05	3.95	3.64	3.31
		TOTALS:		100.00	100.00	100.00

*Actual result, estimate or projection
Source: NRN Research

(Cebzynski, 2006)

Figure 4 – Pizza Chains Ranked by US Systemwide Sales

PIZZA CHAINS RANKED BY U.S. SYSTEMWIDE SALES						
LATEST-YEAR RANK	PREC.-YEAR RANK	CHAIN	FISCAL YEAR END	U.S. SYSTEMWIDE FOODSERVICE SALES (BY FISCAL YEAR, IN MILLIONS)		
				LATEST*	PRECEDING	PRIOR
1	1	Pizza Hut	Dec. '05	\$5,300.0	\$5,200.0	\$5,033.0
2	2	Domino's Pizza	Dec. '05	3,317.0	3,173.2	3,003.4
3	3	Papa John's Pizza	Dec. '05	1,826.2	1,727.1	1,718.5
4	4	Little Caesars Pizza	Dec. '05	940.0	875.0	880.0
5	5	Chuck E. Cheese's	Dec. '05	531.0	521.2	476.2
6	6	CiCi's Pizza	Dec. '05	490.3	434.5	380.4
TOTALS:				\$12,404.5	\$11,931.0	\$11,491.5

*Actual result, estimate or projection

Source: NRN Research

(Cebzynski, 2006)

Competitors

Though Little Caesars has a strong marketing advantage, it also has some very strong competitors. Its top competitors are Pizza Hut, Domino's, and Papa John's. Each of these pizza companies sell the same things, but what really counts are the few promotions that are offered that truly set them apart. Figure 5 on the next page illustrates the top pizza restaurants as of 2003.

Figure 5 - Top Pizza Restaurants, 2003

Restaurants	(\$ mil.)	Share
Pizza Hut	\$7,900.00	36.37%
Domino's Pizza	4,125.00	18.99
Papa John's	1,820.00	8.38
Little Caesars	1,450.00	6.68
Sbarro	536.20	2.47
Chuck E Cheese's	490.00	2.26
Uno Chicago Grill	402.00	1.85
California Pizza Kitchen	385.00	1.77
CiCi's Pizza	379.40	1.75
Round Table Pizza	365.00	1.68
Other	3,867.45	17.81

Firms are ranked by gross sales in millions of dollars. Shares are shown based on sales of the top 50 firms. Source: *Pizza Today*, September 2004 p. NA, from *2004 Directory of Chain Operations* (Market Share Report 2006, 2006).

Company Analysis

Little Caesars was started by Mike and Marian Ilitch in 1959 in Garden City, Michigan. What started out as a small company grew in size within a few years. However, it had to downsize in the 1990s and then once again took a leap and doubled its size. The Ilitch's have successfully franchised Little Caesars internationally over the past 10 years. They (Ilitch's) have also started up their own charities and sponsorships through the parent holdings corporation, Ilitch Holdings Inc. From the start it has strived to have a family based company and this continues through today (Little Caesar Enterprises, Inc., 2006).

Customer Analysis

This section states the different characteristics of the customers in Little Caesars market. Little Caesars' customer demographics typically consist of families with children. The families that purchase Little Caesars' pizza are busy and pressed for time. Little Caesars also sells to sports fans, its pizza is found in many stadiums and ballparks throughout the United States (Little Caesar Enterprises, Inc., 2006).

5. Market-Product Focus

The following section describes the marketing and product objectives for Little Caesars Pizza. The target markets, points of differentiation, and positioning of its products are also addressed.

Marketing and Product Objectives

Little Caesars' main marketing objective is to be the best take-home pizza chain by exceeding customer expectations with extraordinary value, great tasting products, and outstanding people while providing strong returns to its stakeholders. These are detailed in four areas below:

- *Current Markets.* Currently there are approximately 4,500 delivery-carryout units located throughout the United States. Within the locations in the United States, four of them are located within 12 miles of Radford University. However, “The chain’s true store count or gross sales numbers—much less same-store sales numbers—have never been discussed publicly except for some rare and veiled revelations carefully doled out over the past two years.” (PizzaMarketPlace.com, 2006). “In 2005 alone, more than three billion pizzas were sold nation wide.” (Little Caesars Pizza – Franchise Opportunities: About Us, 2006). The chain was named best pizza chain in 4 out of 12 customer satisfaction attributes: value for money, speed of service, convenience of locations and overall appeal to kids. Little Caesars also was ranked in the top three of 58 quick- service chain rated on 12 key quality attributes.

- *New Markets.* The chain announced its plans to add “hundreds of franchisees over the next several years and add hundreds of stores worldwide in 2006,” (Little Caesar Enterprises, Inc., 2006) while maintaining its focus on domestic unit growth. Little Caesars Pizza wants to continue to increase sales growth, consumer acceptance, and to attract new franchisees. Eighty percent of all existing units are franchised, and Little Caesars is looking to expand into untapped markets through area development agreements and single unit operators dedicated to strong local marketing (Cebzynski, 2006).
- *Current Products.* Little Caesars Pizza sells various toppings on different types of pizzas such as deep dish, Baby Pan! Pan!, and original round pizza. It also sell side items such as break sticks, cheese bread, various flavors of wings, and salads with different types of dressings. Little Caesars even have various sandwiches such as Italian, ham with cheese and tuna (Little Caesar Enterprises, Inc., 2006).
- *New Products.* Little Caesars Pizza’s newest market strategy is a \$5.00 "Hot-N-Ready" pizza promotion introduced to compete with other companies in its industry. The pizza chain hopes the competitive pricing and an original format of pick-up your own fresh, hot, large cheese or pepperoni pizza anytime for \$5.00 are the advantages needed when planning a global expansion. Since Little Caesars is in the fast-food pizza industry it is in its mature stage, it is experiencing fierce price competition among many pizza restaurants such as Dominos and Pizza Hut (Franchising.Com, 2006).

Target Markets

The primary target market for Little Caesars Pizza is middle and low income families who desire to pay a low amount of money for a large portion of food to feed their family members. The secondary market consists of students who have little or no income and rely on part-time jobs or money from elsewhere to fund their food budget.

Points of Difference

The “points of difference” that differentiates the company from its competitors fall into three important areas:

- *Superior Ingredients.* Little Caesars uses superior ingredients and offers a variety of foods which includes sandwiches and side items. Compared to other pizza places that only focuses on one product which is pizza.
- *Family Owned Environment.* The owners of the Little Caesars Pizza value customer service and satisfaction and emphasize this to its employees.
- *Affordability.* The fast food industry provides a variety of cheap menu items which makes it affordable to many people.

Positioning

In the past, pizza products have been either fast but lacked quality or focused on quality but was time consuming, but not both. Little Caesars Pizza combines these two desirable characteristics to obtain a positioning in consumers’ minds as fast and high quality pizza, which allows customers to order them fresh out of the oven and tasty (Little Caesar Enterprises, Inc., 2006).

6. Marketing Program

The four marketing elements that are used by Little Caesars are explained in detail below. The promotion strategy is the most evident with the Hot-N-Ready deal that it offer.

Product Strategy

Little Caesars is known for its pepperoni and cheese pizzas being readily available whenever you want. It also offer different crust styles, bread products, wings, sandwiches, and salads. Little Caesars emphasizes its use of only the finest ingredients to serve the highest quality products to its customers that are expecting more for their money.

Product Line

Online menu:

Original Round Pizza-(12", 14", 16",* 18"*)

Deep Dish Pizza-(medium or large)

Pizza by the Slice-(cheese or pepperoni)

Baby PAN!PAN!-(two individual-sized deep dish pizzas w/ cheese and pepperoni)

Crazy Bread-(8 sticks, topped with butter, garlic, and Parmesan cheese)

Crazy Sauce-(Little Caesars exclusive tomato sauce)

Italian Cheese Bread-(bread covered with melted cheese topped w/ Italian spices)

Caesar Wings-(Hot, medium, or mild chick wings: 5, 10, 20, 30 pieces)

Caesar Sandwiches*-(Italian, Ham and Cheese, Tuna)

Salads*-(Greek, Tossed, & Antipasto w/ choice of dressing: individual & family)

Toppings: extra cheese, pepperoni, Italian sausage, ham, beef topping,
green pepper, onion, black olive, mushroom, bacon, pineapple, banana
pepper rings, tomato, and anchovies

*Offered at participating locations

Typical Menu:

Cheese only	1 st pizza	2 nd pizza	Toppings
12" medium	\$7.49	\$6.00	\$0.75 each
14" large	\$9.49	\$7.00	\$1.00 each
16" x-large	\$11.49	\$8.00	\$1.25 each

Specialty Pizzas: Meatsauce, Veggie, Supreme, Pepperoni

	1 st pizza	2 nd pizza
12" Medium	\$9.49	\$6.00
14" Large	\$12.49	\$7.00
16" X-Large	\$15.49	\$8.00

Stuffed Crust: additional \$2.00 for any size pizza (Mozzarella Stuffed Crust)

Additional Items:

Wings (BBQ, Italian, Hot)	\$0.40/each
Crazy Bread and Sauce	\$2.49
Slices (Pepperoni or Cheese)	\$1.59
Soft Drinks (20 oz / 2- Ltr)	\$1.09/ \$1.99
Coke, Diet Coke, Sprite, Dasani	

Unique Product Quality. Mentioned earlier, Little Caesars uses the best ingredients to serve its customers the highest quality products. The dough that it uses is always fresh which uses flour that is specially milled everyday. Its special blends of cheeses are

never frozen and it also uses the vine-ripened tomatoes to make the sauce, along with Little Caesars' secret blend of spices.

Packaging. Little Caesars uses its boxes to advertise its number one promotion. The pizza boxes are covered with the Hot-N-Ready logo. You can also find a few coupons on the box to be cut out and used. This helps bring its customers back by reminding them of the great deals Little Caesars' offer every time its customer goes back for another piece of pizza.

Price Strategy

Affordability is Little Caesars number one price strategy. Its most recognized price strategy, as mentioned before, is the Hot-N-Ready pizzas for five dollars. This is its main price strategy however it also offers deals on the second pizza that you order at a set price. Little Caesars tries to make its food more desirable through price creating the attitude that you can get more for your money with convenience and great taste.

Promotion Strategy

The promotion strategy that Little Caesars has is primarily the Hot-N-Ready pizzas for five dollars. By having the Hot-N-Ready offer, it attracts many families that need a sufficient meal quick and cheap. Instead of delivering these pizzas, Little Caesars wants to make its customers experience a more personal approach by having its customers pick up their pizzas. This helps the customers build a relationship with Little Caesars and keeps them coming back for more, which other companies lack by

using the delivery service. This company does a great thing for families; with pizza being such a hot commodity these days, it is offering great convenience for little money (Little Caesar Enterprises, Inc., 2006). Little Caesars also has certain promotions like Family Fun Pack, where Hasbro has combined with Little Caesars to have a drawing for four Hasbro games and one Family Pizza Party. It also offers sports deals for the sports fans. Little Caesars focuses on cheap and convenient food and achieve this with all its promotions.

Place Strategy

Little Caesars has 4,500 units throughout the United States and the overseas today. These units are typically located in areas that are frequently busy with a lot of traffic, for those looking to grab something in a rush. Since Little Caesars is the top carry-out pizza company, its facilities are not designed for dine in however, they usually have seating for those waiting on their orders that are other than the Hot-N-Ready pizzas (Little Caesars Enterprises, Inc., 2006).

7. Research and Development

Little Caesars is constantly researching and developing its company to improve it for the better. Its team's main focus is product integrity; the team constantly runs surveys and does market research to determine what items to place on its menus and what deals to offer. Since its current main focus is that of franchising internationally, Little Caesars' developing team is busy on where the franchises will prosper the most.

When conducting a survey in class, the main complaints of Little Caesars were the inconvenience of no delivery, quality, and taste compared to the other top pizza companies located here in Radford, Virginia. For the Radford area, having delivery is a key option for college students since driving is sometimes not an option they would take or that is readily available. However, with the Hot-N-Ready deal that it has, unlike the other companies, students do appreciate and readily jump on the low prices and quickness for supplying instances where quick and cheap food is needed.

8. Financial Projections

When the manager, Cecil Talbert, of the local Little Caesars' franchise was interviewed for this marketing plan, we were unsuccessful in gathering specific financial information about the local chain. He was not at liberty to disclose financial information or discuss the profits or losses the local company has experienced as per corporate policy. He was able to offer us how many of Hot-N-Ready pizza they keep on hand per hour illustrated in Figure 8 which is a chart that corporate provides them with. He also gave us a rough estimate of gross income per week to be around \$9500.00 per week (Cecil Talbert, personal communication, 13 Nov. 2006).

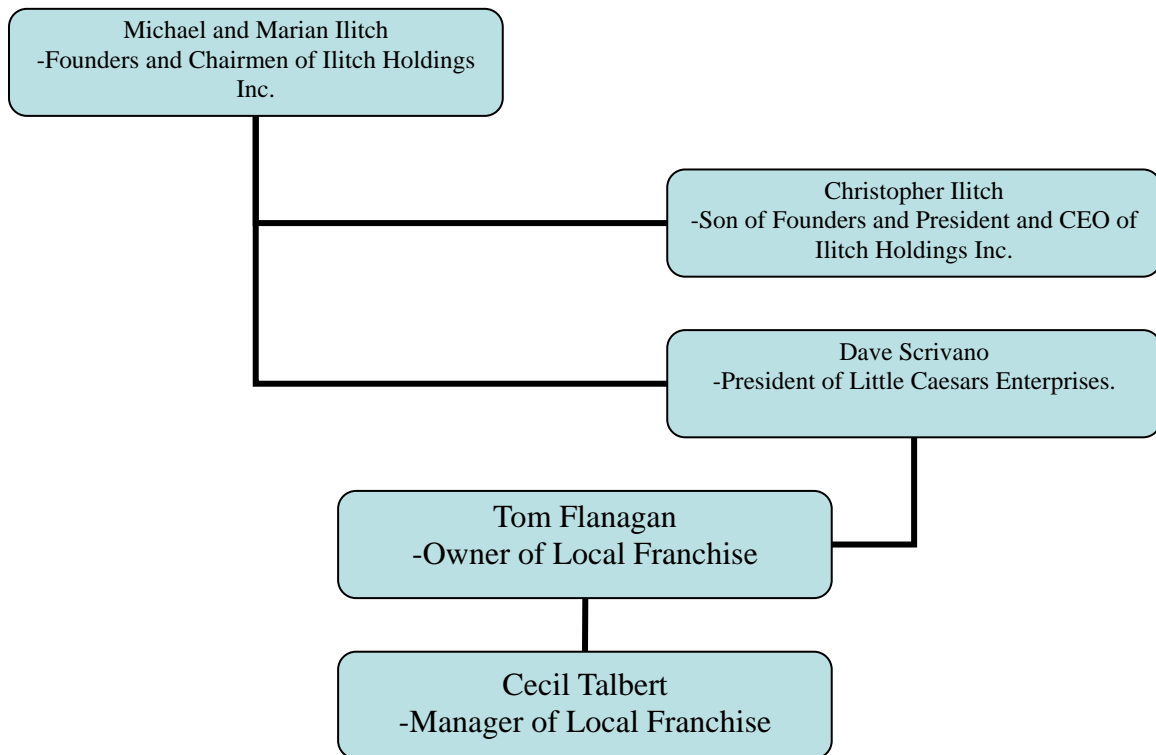
The North American Industry Classification System (NAICS) categorizes carry-out pizza businesses under "Limited Service Restaurants." The 2002 NAICS code is 722211, for carry-out restaurants. It describes the industry as one that is, "...primarily engaged in providing food services (except snack and nonalcoholic beverage bars) where patrons generally order or select items and pay before eating. Food and drink may be consumed on premises, taken out, or delivered to the customer's location. Some establishments in this industry may provide these food services in combination with selling alcoholic beverages" ("2002 Economic Census Industry Series Report", 2004). There are currently over 4,500 franchise units in the United States and worldwide, the ones in the US had generated total industry revenue of 94,698,045. The annual payroll of the restaurants with a payroll system is \$24,032,405. These specific statistics can be found in the industry report for the U.S. Census Bureau, Industry Statistics Sampler (U.S. Census Bureau, Industry Statistics Sampler: 722211, Limited Service Restaurants Report).

When comparing the United States statistics, Virginia has 4,296 establishments, as of 1997. The revenue generated by this industry was \$2,539,598, or 2.68% of the revenue for the US for the limited-service restaurant industry which is \$94,698,045 (“2002 Economic Census Industry Series Report”, 2004). The company shows the continued growth for year end in 2005 of 7.43% which was down half a percent from the year before; however, it is still ranks number two in sales growth for that year (Cebzynski, 2006).

9. Organization Structure

Little Caesars corporate organization is run by the two head chairperson, Male Ilitch and Female Ilitch. Following by the chairperson, the President and CEO of the Ilitch Holdings Inc, headed by Christopher Ilitch. The subsidy of Litte Caesars Enterprises is run by the President Dave Scrivano. The local franchise in Radford is owned by Pat Flanagan, and run under the management of Cecil Talbert. Talbert manages about ten employees, depending on the season. Summer season may tend to require fewer employees due to students being out of school. The chart below shows the structure from the top corporate level down to the local franchise level.

Figure 6 – Organizational Structure Hierarchy



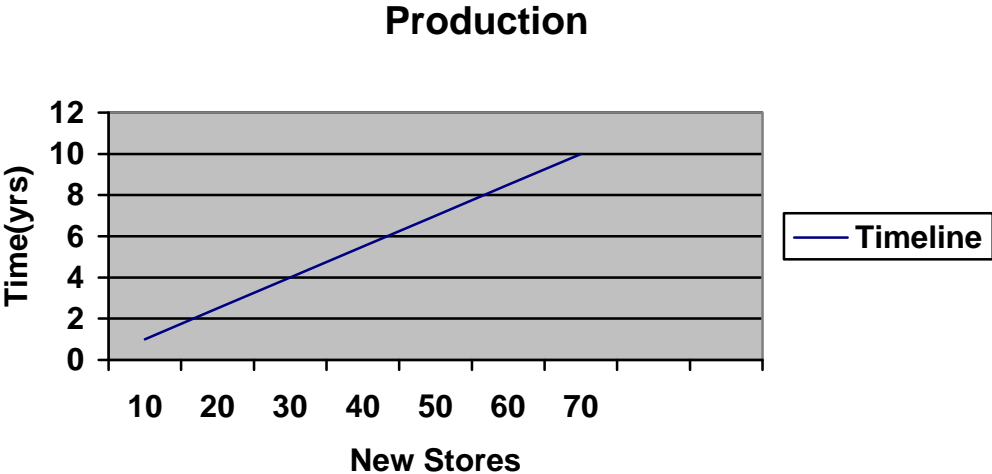
10. Implementation Plan

Little Caesars expectation of growth comes from its strategic planning and development. These strategies will be shown in the opening of more franchises and the spreading of its innovative promotional tactics; most recently the Hot-N-Ready slogan. This slogan is meant to aim towards value-oriented markets and focus on the quality of the Little Caesars product. Implementing these strategies of quality, freshness, and including price; with their \$5 pizza deal, will help the company increase revenues, broaden its market, and grow as a company. The local Little Caesars in Radford should focus on implementing more advertising and low-cost student discounts. As the only advertising they do now is done all by corporate as part of the franchise, no additional campaign is done on the owners' behalf. Also it should consider the delivery option due to the main target market locally is students, due to the lack of ability of and/or willingness of students to pick-up their own pizza. This poses a big problem with the local Little Caesars because competitors like Highlander's and Mike's Pizza are providing a good product with convenience of free delivery. Marketing on Campus with flyers and coupons should be a focus as well as to obtain recognition of the students. Most students do not go through catalogs or look online for food deals; they simply use what is given to them and what they know.

The overall growth of Little Caesars is the focus and goal of the corporation. One example is to open around 70 new locations in the Boston area alone within the next ten years. These new openings will employ close to 1,600 new employees, with the focus of producing a quality low-cost product for neighboring families. The chart on the next page illustrates how Little Caesars must open about ten new stores every one and a half to

two years in order to stay on track with its goal in Boston (Little Caesars Pizza Target Boston For Major Growth, 2005).

Figure 7: Boston Case Study Graph



11. Evaluation and Control

Using scales and target sales projections like the one used in the Implementation Plan to compare with actual sales and growth over the next decade will help Little Caesars compare and make decisions based on how fast or how slow sales and growth are increasing or decreasing. Based on what is reflected in these comparisons will give Little Caesars an understanding of how its target market is reacting to there product, and will influence the company to make changes in its marketing mix, including: price, place, product and promotion. If the projected expansion in Boston does not stay on task with the estimated 70 new locations in ten years, Little Caesars may then want to focus on moving to areas in the Boston region that are family communities or possibly even open locations in school areas. Students with little to no income will certainly appreciate the low-cost advantage that Little Caesars has to offer with its \$5 deals while always providing quality with a “Hot-N-Ready” pizza (Little Caesars Pizza Target Boston For Major Growth, 2005).

12. Appendix A: Biographies of Key Personnel

The Little Caesars franchise was first started by Michael and Marian Ilitch in Garden City, Michigan in 1959. Michael and Marian are the Chairmen and Vice Chairwoman of Ilitch Holdings, which controls all of the business interests of the Ilitch family including: Little Caesars Enterprises, the Detroit Redwings, and the Detroit Tigers. Ilitch Holdings purchased the Detroit Redwings in 1982, and a decade later purchased the Detroit Tigers in 1992. Michael Ilitch has said that purchasing the Tigers was a fulfillment of a lifelong dream. The president of Little Caesars Enterprises is Dave Scrivano. Michael and Marian's opening of the first Little Caesars came after their third child, Marian became dedicated to helping her husband Michael and soon turned the small mom and pop business into a \$2 billion international company; most of this growth came throughout the 1970's. Marian Ilitch most recently purchased the MotorCity Casino in Detroit City, in 2005. Today Michael Ilitch is claimed to have an estimated worth of \$750 million, recently stated at 398 on the Forbes fortune 400 list.

Figure 8 – Prepped Pizza Projection Chart

	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Monday
10:30-11:00	3	3	3	3	3	X	3
Cheese	1	1	1	1	1	X	1
11:00-12:00	11	10	14	20	10	3	9
Cheese	1	1	2	2	1	1	1
12:00-1:00	16	23	17	23	30	18	12
Cheese	2	2	2	2	2	2	1
1:00-2:00	11	8	9	10	18	18	9
Cheese	1	1	1	1	1	2	1
2:00-3:00	5	6	8	12	17	11	8
Cheese	1	1	1	1	2	1	1
3:00-4:00	8	11	14	17	15	15	9
Cheese	1	1	1	2	1	1	1
4:00-5:00	12	12	26	40	26	25	15
Cheese	2	2	3	5	3	3	2
Supreme	3	3	5	6	5	3	3
5:00-6:00	21	29	34	41	26	12	22
Cheese	3	3	4	5	4	2	3
Supreme	5	5	6	8	6	5	5
6:00-7:00	24	24	29	40	26	25	32
Cheese	3	3	4	5	4	3	3
Supreme	3	4	5	6	4	3	3
7:00-8:00	32	22	26	37	25	22	21
Cheese	3	3	4	4	3	2	2
Supreme	3	4	5	6	4	3	3
8:00-9:00	23	21	24	30	25	18	20
Cheese	2	2	2	3	3	2	2
9:00-10:00	12	12	16	16	18	7	12
Cheese	1	1	1	2	2	1	1
10:00-11:00	X	X	X	6	5	X	X
Cheese	X	X	X	2	3	X	X
11:00-12:00	X	X	X	5	4	X	X
cheese	X	X	X	2	1	X	X

*Across from row with time label = pepperoni

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14. Team Meetings

Date	Time	What was accomplished at each meeting?	Who met?
8/28	5:15PM~ 5:40PM	Gather ideas for thesis statement and mini case questions	Alan Arant Michael Crowder Jennifer Hu Allison Redinbauh
9/11	5:15 PM~ 5:30PM	Plan and make outline for the mini case	Alan Arant Jennifer Hu Allison Redinbauh
9/12	12:20PM ~ 1:10PM	Ask for tips about how to start and assign group jobs to group members from the grad. Student Lauren Troupe	Jennifer Hu
9/13	5:15PM ~ 5:25PM	Discuss when to interview the manager, and decided to change company for both mini case and marketing plan	Alan Arant Jennifer Hu Allison Redinbauh
9/18	5:10PM ~ 5:30PM	Discuss group attendance issues and what we had to do next for both mini case and marketing plan	Alan Arant Michael Crowder Jennifer Hu Allison Redinbauh
9/25	5:15PM ~ 5:20PM	Discuss where we are in mini case	Alan Arant Jennifer Hu Allison Redinbauh
9/26	1:45PM ~ 3:30PM	Worked on the mini case in the library	Michael Crowder Jennifer Hu Allison Redinbauh
9/28	4:20PM ~ 5:30PM	Finalize and edit the mini case with the grad. Student, Lauren Troupe	Jennifer Hu
10/9	5:15PM ~ 6:00PM	Talk about the mini case and marketing plan	Alan Arant Michael Crowder Jennifer Hu Allison Redinbauh
10/10	8:00AM ~ 9:20AM	Discuss the marketing plan	Alan Arant Michael Crowder Jennifer Hu Allison Redinbauh
10/12	8:00AM ~ 9:20AM	Discuss the marketing plan and finalize the mini case	Alan Arant Jennifer Hu Allison Redinbauh
10/16	3:00PM~ 3:55PM	Practice and go over both mini case and marketing plan	Alan Arant Michael Crowder Jennifer Hu Allison Redinbauh
10/30	3:00PM~ 3:55PM	Discuss where we are in marketing plan	Jennifer Hu Allison Redinbauh

10/31	3:15PM~ 3:45PM	First attempt to interview Little Caesars Manager (We made appointment but manager was too busy)	Alan Arant Jennifer Hu Allison Redinbauh
11/4	3:30PM~ 3:40PM	Phone interview with Cecil Talbert	Alan Arant
11/13	3:15PM~ 3:25PM	Interviewed Cecil Talbert in person (attempted to gather info on financials)	Alan Arant
11/15	5:00PM~ 5:40PM	Work on marketing plan	Alan Arant Michael Crowder Jennifer Hu Allison Redinbauh
11/26	7:30PM~ 10:00PM	Helping each other out on the marketing plan	Jennifer Hu Allison Redinbauh
11/27	12:15PM~ 12:45PM	Worked on MKTG Plan	Alan Arant Jennifer Hu
11/27	5:15PM~ 7:00PM	Worked on MKTG Plan	Alan Arant Jennifer Hu Allison Redinbauh Mike Crowder
11/28	8:00AM~ 9:30AM	Worked on MKTG Plan	Alan Arant Jennifer Hu Mike Crowder
11/28	3:30PM~ 5:00PM	Proof Read MKTG Plan finished up with citations in APA	Alan Arant Michael Crowder Jennifer Hu Allison Redinbauh