

Devilishly good pizza firm takes slice off competitors

by Melissa Davies

As two of the world's largest pizza companies compete for the biggest slice of the New Zealand market, a homegrown company is giving them a run for their money.

Hell Pizza is the first company in New Zealand to use internet food orders.

The 100% New Zealand-owned and operated franchise began as a single outlet in Wellington seven years ago and has expanded rapidly throughout the North Island in the last two years.

Those expansions will continue with plans for 28 Hell Pizza outlets in New Zealand by the end of next year. The chain also hopes to act on enquiries from Australia.

Hell Pizza CEO Stuart McMullin says that despite competition from Restaurant Brands' Pizza Hut and Australian newcomer Domino's, there is still room for expansion in New Zealand.

"In Australia there is one pizza store for every 1500 households. In New Zealand there is only one for every 10,000 households. That's why the Australian companies come over and think there is so much room in the market," he says.

Domino's plans to open 60 stores in the next three years and Pizza Hut also has plans for expansion.

However, Mr McMullin expects this will improve his business.

"Domino's coming over will actually be good for us because it gets people eating pizza. If they're eating pizza, they'll think, 'Oh, lets try that Hell Pizza.' Then they'll figure out that Hell Pizza is so much better."

"Domino's will open quite a few stores but we're not too worried



PHOTO: MELISSA DAVIES

GO TO HELL: Hell Pizza worker Callum Riggins at the company's Botany store

because we have quite a few points of difference," says Mr McMullin.

The live pizza ordering means you can place an order over the internet and the website is updated every five seconds with the time you can expect to wait for your pizza at any outlet.

Mr McMullin says another point of difference is the company's attitude.

He says this is reflected in the chain's "provocative" name.

A Hell Pizza outlet also projects

this image, with slogans on staff uniforms such as "Providing oral pleasure since 1996" and "Putting the sin in cuisine", as well as pizza names like Gluttony, Sin, and Adulterer.

"Our stores are allowed to express their own personality. We encourage our staff to put stuff up on the walls, play phat music and just have fun."

Mr McMullin says Hell Pizza is most loved by people aged 18 to 30, but the chain also attracts a wide range of other people.

"At any one time you can have a gothic, an old grandma, some kids and a couple of teens standing behind the counter," he says.

Hell Pizza focuses on gourmet pizzas, for example, a simple mix of chicken, cranberry and camembert or a more exotic mix of tandoori chicken, yoghurt, cashews, rice and tomatoes.

"Gourmet pizza is different in New Zealand than in any other country — it is more like a meal. People who come from other countries can't believe all the stuff we put on pizza in New Zealand. You can eat one slice and get full."

Mr McMullin says it is too late for the other chains to be treated seriously in the gourmet pizza market, so this will always be Hell Pizza's major point of difference.

"It would be like trying to sell Gucci at Woolworths."

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Fast food giant a solid performer

by Charlotte Winstone

Increasing pressure from the health sector has not prevented fast food company Restaurant Brands from a solid performance in the New Zealand market.

Restaurant Brands New Zealand Ltd owns KFC, Starbucks and Pizza Hut operations in New Zealand and Victoria, Australia. In September it announced total second-quarter sales of \$95.7 million, an increase of 1.8% or \$1.7 million on the prior year's second-quarter. This was the company's highest ever quarterly sales volume.

For a company whose sale of fast food has come under the spotlight due to escalating concerns about obesity, turnover seems to be stable.

But although the sales trends were improving, the company's first-half trading results were down on the prior year. Restaurant Brands says costs included product mix, increases in repairs and maintenance, and store overhead costs.

Overheads were affected by the need to revitalise the Australian business, where old restaurants are being replaced by new ones.

Restaurant Brands says the improved sales were largely driven by strong performance from Pizza Hut operations in New Zealand and Victoria.

Pizza Hut has gone from strength to strength since 2000, when it acquired home delivery service Eagle Boys and changed from a dine-in business to a home delivery and takeaway operation.

Even KFC, which reported declining sales for the 2002/2003 financial year, announced improved sales trends for the second quarter of this year. The company says KFC benefited from product initiatives

including a re-launch of Hot and Spicy Chicken and the Real Meal balanced meal offer.

Marketing director for Restaurant Brands Dean Divehall says as a fast food company it is under "environmental pressure" to take the issue of obesity seriously. He says the company, with more than 9000 New Zealand shareholders and employing 7500 New Zealanders, has a duty to its customers and staff to address obesity before it "skyrockets".

This pressure comes from worrying statistics. Thirty seven percent of New Zealand adults are overweight and 17% are obese. The prevalence of obesity is increasing and is projected to increase by a further 70% by 2011. Globally, sedentary lifestyles, poor nutrition and obesity are a growing phenomenon, with obesity leading to health problems from type two diabetes to heart disease.

In September health professionals and fast food companies attended two conferences in Auckland. The Childhood Obesity Symposium and Functional Foods: Solutions for Obesity.

Mr Divehall, who attended the Childhood Obesity Symposium, says

resolving this issue means balancing what we eat and balancing what we do.

"Kids are eating too much and doing too little."

Restaurant Brands says it is a matter of individual responsibility to achieve a balanced diet and lifestyle and it makes no apologies for producing an "occasional takeaway", which is a "taste treat". But Restaurant Brands is also keen to promote awareness of such responsibility

and for this reason offers healthy options.

Mr Divehall says the company would be missing out if it did not make positive changes to make its foods healthier. He says

making vegetables, such as corn and peas, available means KFC can offer a balanced meal. KFC has also introduced wraps and salads.

"Customers are saying to us they want a more balanced meal. Corn and peas were strong sellers for us."

Like McDonald's, Restaurant Brands has introduced nutritional information for customers and KFC is sponsoring children's rugby league.

In New Zealand Restaurant Brands now comprises 88 KFC stores, 35 Starbucks stores and 89 Pizza Hut stores.

Council combats violence at home

by Miriam Bell

Saying no to domestic violence is Auckland City Council's latest workplace initiative, which aims to benefit both the staff and the organisation.

This year the council has been involved in piloting a domestic violence-free programme intended to provide support to staff whose lives make it difficult for them to work effectively.

Council human resources advisor Avette Kelly says the DVFree programme is about the social benefits of making the workplace a safe place for employees.

"But if a staff member is trying to deal with something they can't cope with, it will affect their work anyway."

Working in a supportive, safe workplace helps to ease employee worries. This in turn increases productivity levels, builds goodwill and reduces absenteeism.

Ms Kelly says while business benefits were not the council's reason for adopting the DVFree programme, they are a bonus.

So far council staff have responded well to the programme, which trains staff volunteers to be domestic violence contact people.

"We're really aiming to get it talked about in the workplace so that any staff who may be affected by domestic violence know they don't have to hide it if they are suffering," says Ms Kelly.

"Our message is that the council supports its employees and will help them if it can."

After an approach from Safer Auckland City and the Domestic Violence Centre, the council became one of the first New Zealand workplaces to pilot the programme.

Centre spokesperson Jennie Halliday says the DVFree programme was developed out of an interest in finding domestic violence victims who are not getting help.

"Figures show that only about 12% of domestic violence is reported, so lots of people who are affected by it say nothing, and lots of them are probably in the workforce."

About 56% of women are in the workforce, so targeting workplaces seemed a good way to reach women, says Ms Halliday.

"And it's a good way of giving employers a choice to say they don't accept a culture of violence and to show that they are there to support their employees."

DVFree contact people are trained to use a screening, assessment and referral process to address the issues necessary to make a workplace as stress-free and safe as possible.

"The programme really deals with anything that affects a person's focus and ability to concentrate at work," says Ms Halliday.

She cites the example of an employee whose performance was affected because she was constantly anxious at work.

Assessment revealed that office layout meant the woman sat with her back to the door. This left her feeling unsafe, because of her personal circumstances.

Once the problem was established, the woman was helped and she improved her work performance.

"If you are in a workplace where this is the accepted workplace culture, it makes you as a worker feel better, safer and more valued by your employer."



PHOTO: CHARLOTTE WINSTONE

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