



# Brandwatch

## In praise of slow food

**This is the first Brandwatch review where our branding commentator, Locum non-executive director Tony Hodges, admits to influence from its readers. On the one hand, it is dedicated to our sadly departing Review editor, Owen Budekin, who has fielded angry response, constructive criticism and late copy with equal stoicism. On the other hand, its subject matter has been chosen by the managing director of Locum Destination Consulting, James Alexander, who leapt on the invitation to have his say with atypical abandon. 'Let's take a look at leisure destinations on the High Street,' he cried. So here, by unpopular demand, is a snapshot of branded food and beverage businesses.**

Strange to say, they all seem to have been the subjects of stock market attention in recent weeks, which will doubtless mean this column is out of date before it is published. No matter. These brands matter because they reflect social and economic issues of our day: Americanisation, homogenisation and customisation; wine, women and value; fast food and its infinitely preferable alternative. For our army, like others, marches on its stomach, all the way down the High Street.

### Wham Bam Uncle Sam

You will have noticed that, around the world, there has been a lot of marching recently. Some march against capitalism, others against

war, but in truth most seem to be marching against Americana. For years, the world was trading Levi's at border crossings, smoking cigarettes like cowboys, learning to sing via Coca Cola. Now, even McDonald's is suffering from chain reaction. It was predicted some years ago when Italian activists revolted against the idea of hamburgers on their revered Roman avenue. (Thus was born the Slow Food movement, of which more anon.) This was followed up by the burghers of Hampstead and some bravely litigious green persons, amongst others.

Yet few American icons seem to have suffered as badly as Burger King. On 13 December 2002, Diageo finalised its sale, at last, for \$1.5 billion; in July 2002, the buyers had originally bid \$2.26 billion. In its last six months, Burger King turnover had slumped 15 per cent and its operating profit 30 per cent. Diageo was right to be rid of the brand, despite the costly markdown, to focus on its strong drinks portfolio. For Burger King was not just suffering from pre-sale confusion but from just about every negative trend a brand could imagine. Its fast food competition continued to outmuscle it (McDonald's) when it was not providing healthier alternatives (KFC's improved chicken offer). New competition for traditional burgers challenged homogenisation as the route to profit. Why else did McDonald's buy into the choice offered by Prêt à Manger? Consumers were demanding more choice, healthier alternatives and a rest from Americana. On top of all this, Burger King's branding was 'out of time', as ageing rock stars would have it.

Now, Diageo is no mug when it comes to branding. Consider Guinness, Smirnoff, Bailey's. But drinks brands are simpler to market than retail brands. Fast moving consumer goods can still just about get away with product advantage, consistently promoted, and the



Burger King: 'I'm fat. I'm proud. And American.'

The highly distinctive noise of a Pizza Express



60-year-old mantra of the unique selling proposition. If you want evidence that this is not enough in the retail business, look at Burger King. It sells a better product than McDonald's: forget its chips, many are they who choose the pit stop at Moto because it carries the better burger. It promotes its flame grilled advantage consistently. It owns its product definition, its Whopper (sic).

But the only thing that is rounded about Burger King is the product, not the experience. This brand is about straight up and down promotion, not 360-degree vision. Its big brassy brand identity says it all: 'I'm fat and I'm proud. And American.'

Branding has moved on, beyond the high fat diet of TV advertising and price promotion. Consumers have moved on, beyond fast food and Americanisation. You can bet that Diageo is happy to have moved on too.

## Individualism and all that jazz

Once upon a time pizza meant a fast food alternative to burgers. Remember Pizzaland and its stringy cheese logo? Or Pizza Hut, still with us, just? They sold us dough, heavy with homogeneity.

And then along came Pizza Express. It looked different: blue, marble, cool, more like a modern Italian trattoria. It sounded different, with its jazz evenings and adult buzz. And it tasted different. Altogether worth a premium.

This was an individual outfit that bore the mark of an individual entrepreneur. We hear a lot about erstwhile whizz kids Hugh Osmond and Luke Johnson and their involvement in Pizza Express, but its hallmarks of individuality can be traced to a man called Peter Boizot,

co-founder and jazz nut. Those hallmarks are still there if you search hard in what gets close to 360-degree branding for a restaurant chain.

The distinctive blue sign and the wonky, plate-shaped identity are still there. So are the Soho jazz club and jazz evenings all around its universe. It promotes on price less than loyalty, with the country's leading drawing competition and a celebrity self-portraits auction in support of the National Trust. It even has a loyalty club that feels like Friends of the Tate at £45 per annum. Pizza Express celebrates the best, eccentric, civilised side of the British middle class. It was making donations to the Venice in Peril Fund on every order of its Veneziana pizza before most admen could spell corporate responsibility.

Yet even Pizza Express has been looking vulnerable in the face of new consumers and new competition. Perhaps the dangers have been exaggerated and the wounds more self-inflicted. The business lost focus, with one eye on its Gourmet Pizza and Kettner's acquisitions. It rested on its laurels and took too long to see the real growth benefits of refurbishing tired outlets. It famously reduced the size of its pizza and lost custom before putting value back on the plate. (Even customers prepared to pay a premium demand value, particularly in a country becoming notorious for restaurants that overcharge.)

It might have escaped more lightly in the absence of competition but pubs and bars have been sharpening their acts (see below) and places like ASK are posing the questions of Pizza Express that it posed of competition itself, in its youth: interesting design, wider choice, the emergence of service. The consumer, too, is posing questions, travelling beyond Europe, developing taste buds, demanding treatment as an individual.



## Right on trend at All Bar One. For how long?

As this review goes to press, there is an agreed bid for Pizza Express on the table from its once co-owner Luke Johnson and his backers at ABN Amro, with at least one other in the wings. From this perspective, Johnson looks like the right investor in the right place at the right time. He is too bright a businessman not to see that the shares have seen their worst and represent value. He is well placed to see the simple steps that can restore the brand's fortunes. And he understands the brand's individuality.

Oddly enough, although a pizza is a pizza is a pizza, the strength of this basic dish is that it is, at base, a base: you can do with it what you will, add to it what you choose, in a word (American though it may be) customise.

It costs very little to create your own personal pizza, but of such small satisfactions are great businesses born. We are living in an era of customisation. Once, a celebrated car manufacturer (American, of course) said we could have any colour we wanted as long as it was black. Now, we can choose whatever combination of CD player/coffee cup holder/gear stick we want and see our own, individual machine roll off its (European) line with our name on it. The humble pizza is perfectly positioned to take advantage of this brave new world of customisation and Pizza Express - with its eccentric, jazzy heritage and individualistic brand identity - is better positioned than many to do so. It needs an understanding hand on the tiller and a little imagination, but this is a better bet than an homogenised, American hamburger chain, by far.

## Not so much a brand, more an asset

As luck would have it and as this Brandwatch piece goes to press, Luke Johnson is being joined at the altar of acquisition by his ex-colleague Hugh Osmond, although each is advancing on different brides of course. Whilst Luke plans a reunion with his past loves at Pizza Express, Hugh seeks eternal profits in the steamy bars and plush bedrooms of Six Continents. By the time you read this, you will know

better than your scribe how well each suitor has performed, but at this stage a win double would seem a reasonable wager.

At first sight, it seems strange that neither of our hero dealmakers has mentioned 'brand value' in their propositions, or if they have it has been *sotto voce*. On second thoughts, perhaps this is not so strange. Brand valuations were originally brought to the fore by companies defending themselves from predators such as Luke and Hugh. (And a joyous coincidence, quite famously by Grand Metropolitan, now Diageo, in the '80s.) Since those merry Thatcherite days, our expert friends in the City have signally failed to agree on methods of brand valuation and their true role in corporate marriages. In any case, over here, Pizza Express shareholders may be welcoming Luke and, over there, Six Continents may not have much in the way of brand assets with which to defend its de-merger plans and corporate ramparts from Hugh.

Here is the rub for Six Continents. This, remember, is the company once known as Bass - the first trademark to be laid on the statute book in this country - a company intent on reviving two other brand names for its planned separate entities: InterContinental Hotels (for a division that also incorporates Holiday Inn, Crowne Plaza, etc.) and Mitchells & Butler (for a structure embracing brand forces such as Ember Inns - still warm, Vintage Inns - still dated, Toby Carvery - still juggling along, and O'Neill's - still almost Irish.)

Six Continents is clearly confused and it may well be that it needs a Hugh Osmond to dispel the mists and extract the value. Yet it should not have needed such an aggressive outsider to do so. Here is an operator of branded leisure destinations that is not demonstrating brand value: on its balance sheet or in its operations themselves. The company is not a successful City brand - or it would not be de-merging - and its component products are insufficiently powerful consumer brands to merit a premium.

Within Six Continents there is at least one embryonic brand that feels warm, if not hot: All Bar One. Predictably, this is one hedonist destination that Locum's managing director suggested as a candidate for review. This is one outlet that the Bass/Six Continents researchers accurately plotted. All Bar One is right on trend. It is to the

Sir Titus Salt, Bradford, complete with tall stove. Just another landmark local pub from J.D.Wetherspoon



traditional wine bar what Pizza Express is to Wimpy. It is to the urban pub what Film Four is to Men & Motors. It is to the neighbourhood bistro what Jamie Oliver is to Fanny Craddock. This is a well planned, precisely targeted product. Here, at last, is a bar that recognises the primacy of women and wine in pre-marital, urban lifestyles beyond the football stadium. Yes, this is where footballers' wives would go if they had escaped marriage and ITV.

The product is well intentioned. The flexibility and evolution of the All Bar One menu speaks volumes for sensitive customer research. The focus on wines by the glass redresses decades of traditional wine merchant bias and restaurateur myopia. The designs are clean, fresh, airy. The customers invariably create a buzz, sharing their 'bites' and comparing their breads (stone baked, granary, ciabatta, bocata and toasted pannino, since you ask). Something, however, is missing.

All Bar One, oddly, says it all. There is no one who has placed an individual hand upon this brand. The logo is clean but has no edge. The name is neat but lacks the burr that creates memorability. There seems to be no persona that binds product, place and punter into a happy band, or brand. No quirkiness, individuality, entrepreneurial vision. All Bar One will continue to do good business for some time, as long as it stays on trend, but it may not develop into a long term brand. It is looking like a Lexus but could never aspire to the edge of a Porsche or Jaguar. Good product, reasonable asset, wannabe brand.

## Back to the future

If Burger King is an endangered brand, Pizza Express a recovering brand (potentially at least) and All Bar One a wannabe brand, then the fourth brand under scrutiny - J.D. Wetherspoon - is hardly a consumer brand at all. This is a corporate brand *par excellence*: in its own words 'the world's grooviest pub company'; 'the fastest growing company in the UK'. But brand it is and its newsletter tells good stories as a good brand should. At its heart, like many a fine brand and company, is a visionary entrepreneur, Tim Martin. Late 40s, 6'5",

18 stone, slightly scruffy, well into the top half of Britain's richest 500. He prefers managed pubs that allow control but avoids corporate acquisitions, instead looking for 3,500- to 4,000-square-foot sites that deliver the scale he demands. Not for Martin themes or concepts or spin; he prefers 'cleanliness, beers, service and maintenance'.

Yet for all its old-fashioned virtues, J.D. Wetherspoon is a beacon to the future. The proprietor virtually lives in his premises, so he hears what customers and staff feel, first hand. (Close to the stakeholders.) He grew sales after expert advice from Egon Ronay on the food offer: use better basic ingredients, offer lighter dishes, take the wine upmarket, serve better coffee. (Focus on quality.) He finds unique sites, restores them with style, and delivers unique environments, 'groovy loos' included. (Sense of place.) Most of all, he recognises the capital value of his brand, at the corporate level, depends on his portfolio of community brands at the local level. This is the truly British expression of customisation: the landmark pub as community destination. 'Think global, act local' is a mantra for international brands and multinational advertisers. It seeks to reconcile the new, universal reach with its corollary, individual and parochial identity. Tim Martin gets there without jargon: big national company based on local destinations. This is the way to harness individuality, as J.D. Wetherspoon's shareholders can testify.

Even J.D. Wetherspoon's share price stalls occasionally but its model is as good as its founder's ability to delegate. Individual pubs have their own scope and their own, individual identity. The company culture spreads far and wide, represented aptly by its badge of virtual Victoriana. This is a view of the past as future, and it works.

From its Bradford outpost built on the site of the city's first municipal swimming baths and dedicated to the memory of Victorian teetotaler Sir Titus Salt to its CAMRA-awarded Old Manor in Bracknell, Berkshire, the J.D. Wetherspoon ethos of individuality shames every other pub chain. You can have your slugs and ferrets and stage Irish. Give me Tim Martin and his groovy loos any day. Like a latter day Lennon, he proves that the devil emphatically does not have the best tunes.



## Slow food: 'a movement for the protection of the right to taste'

### Follow the snail

The slower the hand, the sweeter the blues. Let me introduce you to Carlo Petrini, founding father of Slow Food, the Eric Clapton of food destination makers.

Now you will not find Slow Food outlets on your local High Street today, if ever. In fact its presence in the UK is tragically minimal and one only encounters Slow Food physically at its Salone del Gusto each autumn in Turin, along with about 70,000 other foodies, or at a local convivium event.

Slow Food started as a protest movement, against shabby eating habits, fast food restaurants, 'the reduction of thought to meatball'. Its purpose since birth in Piedmonte, celebrated in Barolo of course (was ever a wine so slow to mature?), has become more positive: 'a movement for the protection of the right to taste'. It has grown into a large scale international movement, with over 60,000 members spread over five continents, though about half are in Italy where there survives, for this observer, the soul of real food. Slow Food does not advertise or invest in bricks and mortar or list itself on any Stock Exchange. It has grown by word of mouth, over many a laden table, through individual, local convivia which organise events, debates, charity work and good meals.

This is not a commercially driven brand but brand it is. Its Salone del Gusto is a brilliantly successful destination event. Its Osterie d'Italia guide had a first print run of 90,000 sold out before the book's official launch. Its Ark of Taste is a massive project to catalogue products, dishes and animals in danger of extinction. Above all its brand symbol is the most elegant example of total branding you will find. It is a snail.

Slow Food tells us of a book devoted entirely to snails, written in 1607 by Francisco Angelo L'Aquila. L'Aquila shows what human beings can learn from the silent life of snails, in particular: that the snail is 'of slow motion, to educate us that being fast makes man inconsiderate and foolish'; that, since it carries its house, 'wherever the snail is, that is its home'. The Slow Food symbol is a potent communication, of reaction against the modern obsession with

speed and of individual domestic choice. As a brand statement, it has clarity, modesty, resonance of country lore and wit.

If you are unclear about why Slow Food and its branding appear in a review of commercial leisure brands from the destination market place, consider this. The sequence of brands covered here travels from the fastest of service and consumption to the slowest. Also from the sullied ambassador of an unhealthy past to the far-sighted missionary of an organic future. Think of the drinks that accompany foods served under the auspices of these brands: from carbonated sugar water through steadily improving wines and real ales to the finest local vintages Gambero Rosso reviews. From the obesity of a Burger King franchise to the vibrancy of an osteria with its chiocciola award. Just as Carlo Petrini has developed a brand that stands for individuality and rootedness, so Tim Martin has turned to the past for a glimpse of more attractive futures, with individual pubs serving local needs. Slow Food has no advertising. The Sir Titus Salt pub has no jukebox. The connections are there to be savoured.

Perhaps the brands of tomorrow will not be symbols of multinational scale but signs of loyalty and individuality. Perhaps, in the world of destinations, they will stand for higher standards of hospitality too.

**FOOTNOTES: On 5 February 2003, Carlo Petrini was asked to become a member of the international Future of Food Commission.**

**If you are interested in knowing more about Slow Food or even in opening a Slow Food convivium, visit [www.slowfood.com](http://www.slowfood.com).**

**If you are interested in the shares of Pizza Express, Six Continents (or whatever it becomes), J.D. Wetherspoon, or, heaven help you, the new owners of Burger King, visit your I.F.A. or stockbroker. But do not blame the author or Locum Destination Review, please.**