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WILLIAM & MARY

LEADERSHIP & BUSINESS PODCAST

EPISODE 232: JOE JORDAN – TECHNOLOGY, STORYTELLING, & PIZZA

Joe Jordan

You wanna be good at poking holes and even better at filling them. So great. It's people who are problem solvers and wanna get in there. And I talk about blank sheet thinkers, people who can just take that blank sheet and begin to think through, alright, how do I make this better? How do I leave it better for those who are gonna come next?

Female Voice

From William & Mary in Williamsburg, Virginia. This is Leadership & Business, produced by the William & Mary School of Business and its MBA program. Offered in four formats: the full-time, the part-time, the online, and executive MBA. For more information, visit wm.edu.

Ken White

Welcome to Leadership & Business, the podcast that brings you the latest and best thinking from today's business leaders from across the world. Sharing strategies, information, and insight that help you become a more effective leader, communicator, and professional. I'm your host, Ken White. Thanks for listening. When you hear the word Domino's, chances are you think pizza, and for good reason. There are over 20,000 Domino's locations across the world. Domino's is number 1 in the world in quick service restaurant pizza. It has 20% of the global market share and 22% market share in the US. And while pizza is the heart and soul of Domino's, company leaders see themselves in 3 businesses: pizza, storytelling, and technology. Joe Jordan is president US and Global Services at Domino's. After working at PepsiCo, Unilever, and Accenture, he's been with Domino's for 12 years. A William & Mary graduate, he recently spoke with the school's MBA students about the unique way Domino's sees itself. Afterwards, he sat down with us. Here's our conversation with Joe Jordan.

Ken White

Joe, thanks so much, first of all, for speaking to our students. You you just spoke to about a 100 MBAs. How was that experience?

Joe Jordan

It it was great. An incredibly engaged group. Lots of great questions and had to cut them off at the end because we ran out of time. So.

Ken White

When you address a group like that, is there ever a curveball? Is there something that surprises you by something somebody brings up?

Joe Jordan

Yeah. It's what they might be interested in personally. So today, questions that the presentation was really marketing focused, but getting questions around ESG, getting questions around international development, and things that may be on their minds and that they're passionate about, but weren't necessarily the focus.

Ken White

Yeah.

Joe Jordan

It was always great to hear and get some of those surprises.

Ken White

And now you've been at Domino's over a decade?

Joe Jordan

Yeah. It's 13 years now. Yeah.

Ken White

And what was the what was the career path to get there?

Joe Jordan

So before Domino's. Undergrad here, obviously, at William & Mary, and then spent 5 years at at the time it was still called Andersen Consulting. Changed to Accenture right as I was leaving. Got my MBA at NYU Stern and then worked for Unilever. So on Hellman's and Wishbone, Country Croc, the traditional CPG world. Worked for a couple years for Phillips Electronics as a as a brand manager for their Norelco brand, then moved over to Pepsi, was there for about five years working in both innovation and on brand Pepsi, kind of the marketer's dream. You know, getting to do a Super Bowl commercial for the brand Pepsi. And then, yeah, 13 years ago, joined Domino's as a VP of marketing, became CMO, then was promoted up to run our international business about seven years ago now. And 3 years ago, I came back to the US to run our US business.

Ken White

So you're mostly focused in the US?

Joe Jordan

Mostly focused in the US. So I'm president of our US business. I have full responsibility for that. We are a COE-based organization. So, some of my functions, our analytics and insights team, our development team, marketing team, digital marketing team, those report up through me and support our global business as well.

Ken White

This might be an unfair question, but looking back at your career, was there 1 job that you think, boy, without that, I don't know if I'd have had the success I'm have having right now.

Joe Jordan

You know, it was a relatively short time at Unilever, but the grounding that I got there in that CPG world, Unilever had a, it was basically a book for everything. What are you trying to do? You're trying to redesign a package? Are you trying to launch a new product? It was just so rigorous and detailed and so many smart people there that it's a foundation that I've been able to rely on my whole career that was were a really great start in marketing.

Ken White

Yeah. I think everybody can look back at that. All the experiences, of course, are always great, but there seems to be 1 for everybody that is a little more powerful than the rest. I think what's interesting about Domino's and hearing your presentation, I'm not sure, listeners know it but may not think of it top of mind is the the marketing, the advertising, the storytelling. Why such a commitment to all of those?

Joe Jordan

Yeah. It's it's to to break out of all the noise. Right? We are in a very competitive category, and we are the leader at about a 20% market share. So there are, I think, at last count, somewhere around 60,000 pizza restaurants in the US. How do we get them to choose us next time? And, building that brand and getting them to have, yes, there's that functional connection that we offer great value and consistent service, but then having that emotional connection that this is a brand for someone like me. The only way we're gonna get there is through the storytelling, and that helps us break through and be top of mind when they're thinking about that next occasion.

Ken White

But the campaigns, the shifting, the messaging, it seems like you're always on the move. What's the philosophy there?

Joe Jordan

Yeah. It's it's figuring out what the consumer wants next. And we talk about ourselves as a work in progress, a brand in progress, so we're always trying to be better tomorrow. So we can't just rest on what we've done in the past. If we were delivering in 30 minutes, well, how might we deliver in 25 minutes? How might we deliver in 20 minutes? How do we make sure it's there in 20 minutes every single time? That consistency is really something consumers look for for us. So we have to 1, continue to invest in the brand and in our technology to make sure we can do that, and then we need to get the story out there and let consumers know how we're pushing forward.

Ken White

Some businesses spend quite a bit; invest a bit in that in your business, a lot. That's just the way it goes at the organization.

Joe Jordan

Single largest investment we make is in technology.

Ken White

Yeah. Interesting. 1 of the things you pointed out that again is I think things, people might not think about, but once they hear it, they obviously know it. You have two customers.

Joe Jordan

Yeah.

Ken White

Those who come to the store and those who expect delivery. How are they different?

Joe Jordan

Yeah. So you've got the carryout world, the delivery world. The delivery is really where we started. We were the 1st pizza delivery company back in 1960. That's a customer who wants the convenience. Maybe a little bit less price-sensitive as well. They wanna be able to be home. They do care about, again, the consistency. They wanna know when they're gonna be needing to answer the door and be ready, and they've got a house full of hungry people, and they're waiting on us to deliver for them. The carryout customer tends to be a more price-sensitive customer, which works out well for us in that you've got delivery fees and you've got tipping with delivery. Right? So in carryout, we don't have to

pay for the delivery driver. You're your own delivery driver, so we can offer a better value for the product there, where we offer a 7.99 large pizza. That's a great value right now. You can feed a couple of people for 7.99. That's hard to do these days. Those customers just wanna come to the store to get that value and then also have that control so they know they're not waiting on someone and uncertain. Alright. When are they gonna get here? It's 5 minutes late. I've again, I've got this hungry family. And there is even a little bit of kind of this hero thing where I wanna be the one who comes home and walks into the house with the pizza. Dad. Dad. Thank you.

Ken White

Absolutely. Absolutely. The apps, that that you use that you've created, how important today?

Joe Jordan

Critical. Critical to our business. We do I'd say it's probably around \$8,000,000,000 of business digitally a year in the US. So between desktop is still there. Some people still like to have that experience. Mobile web, obviously, is a big part of it, but then the the Android and Apple apps are are critical part of our business. They give a more seamless experience for our customers. And the great thing for us, particularly with with so many of our customers coming in digitally, it gives us the data. I know what you bought, when you bought it. I know when you were last here. Hey. Wait. You usually come back every 2 weeks. You haven't come back. Maybe I should send you a tickler, an email, or a text, or to get you to reconsider.

Ken White

Makes it I'm sure it makes it hard to believe once upon a time, a customer had to pick up the phone and call, and that was it.

Joe Jordan

No. You look back to some of these photos of our stores from the sixties and seventies and all people with pen and paper writing stuff down, and that was it. You had to come. It's there's still maybe, call it 10, 15% of customers who'll call the store. Maybe they've got a big birthday order or something like that, and they don't trust the digital for some reason, but that continues to tick down a bit each year.

Ken White

How does loyalty being affected by, an app?

Joe Jordan

Our program, our loyalty program, which was called Piece of the Pie rewards and now last year just evolved into really simply Domino's rewards, started as a digital-only program. And we because we did want customers to move and migrate to digital if they weren't already there. It is a better experience for them. We see higher satisfaction ratings, and it's a cheaper experience for us because we don't have to pay for that employee to answer that phone in the store. They can be focused on making pizzas instead. So we focused there to start, and then over time, we allowed customers who purchased offline to apply those purchases to the program, but they needed to redeem digitally at least. So, again, it that helps us get that stickiness for that customer so we can we, again, understand what their purchase behaviors may be like and how we can continue to drive their satisfaction.

Ken White

And from the customer standpoint, the advantage to them is?

Joe Jordan

Yeah. It for the loyalty program; it's free pizza. It's that's that's the the big benefit. So the program started it's it's 1 of the highest value programs out there. So, six occasions of it started as six occasions. You'd get 10 points per occasion, 60 points. You get a pizza. That's a that's a that's a pretty good value pretty quickly what we found as we, as you launch a loyalty program, you don't know what you're gonna learn. And that's part of why you wanna launch a loyalty program. You get a lot more data on your customers. One of the things that we saw is we saw lower penetration for our carryout customers, and we saw some customers because they just don't have that frequency; they were earning points, but they're never redeeming points.

Ken White

Right.

Joe Jordan

So, as we relaunched at the end of last year, there were two things we did. We it used to be a \$10 threshold. We took it down to \$5. So, again, that 7.99 deal that I just talked about, you could buy that and never get any points. We also then created redemption tiers at 20 points and 40 points. And that lets customers, after two purchases, get a Coke, get a dipping cup, get a bread side, or they can wait and earn their way up to the pizza. And we've it's done exactly what we wanted. We've seen more redemptions for more customers and including those carryout customers, where they are now qualifying and getting the points. And we want them to redeem. Right. Because we want them to get that value out of the program because that's what creates the stickiness for us.

Ken White

We'll continue our discussion with Joe Jordan in just a minute. Our podcast is brought to you by the William & Mary School of Business. The Financial Times, Bloomberg Businessweek, Princeton Review, and US News and World Report have all named the William & Mary MBA program one of the best in the US and the world. If you're thinking about pursuing an MBA, consider one that has world-class faculty, unparalleled student support, and a brand that's highly respected, the William & Mary MBA. Reach out to our admissions team to learn which of our four MBA programs best fits you: the full-time, the part-time, the online, and the executive MBA. Check out the MBA program at William & Mary at wm.edu. Now, back to our conversation with Joe Jordan.

Ken White

So, the emergency pizza that it took off. Was it a year ago?

Joe Jordan

Yeah. It was just it was just about a year ago, and then we we just relaunched it again about 2 weeks ago now.

Ken White

Yeah. Can you tell us about that? And and why the relaunch? Because it's it's getting a lot of press and a lot of buzz.

Joe Jordan

Yeah. So it's interesting. It's a relatively simple mechanism. It's a buy-one-get-one-free mechanism. You buy a pizza now. We're gonna give you points for a pizza later. And that's really the key point. As we were relaunching the loyalty program last year, if we just went out and said, hey, here's the new loyalty program. It's updated. It's noise for our customer. There's so many different loyalty programs out there. Those who are already signed up were already signed up. It wasn't gonna break through. It wasn't gonna help us drive new customer acquisition, which is really what we wanted to do. So the idea was, alright. What if we ran this promotion? And instead of talking about the new loyalty program, we gave you loyalty points. So, the way you get the free pizza, the BOGO, is you get 60 points deposited into your loyalty account. So you're getting your free pizza. We're getting a new loyalty member.

Ken White

Right.

Joe Jordan

You're coming back for that next occasion. And by talking about it was kind of a universal truth that life happens. Right? And things, we all have bad days, and pizza can make it a little bit easier and a little bit better. So whether it's, you know, your car breaks down, or you burn something in the oven, everybody's been there. I think it really just resonated with people, and then it felt like we understood our customers. And instead of just saying, hey. Here's a BOGO. It's, hey. Life happens. Emergencies happen. The next time it happens, we got your back.

Ken White

And, man, is it resonating. The numbers are phenomenal.

Joe Jordan

It's it's amazing. So we we drove about 2 thirds of our new loyalty members, over 2,000,000 into the account through that program.

Ken White

Wow. Well, you're constantly thinking that the company's constantly innovating. Can you maybe share what might be next?

Joe Jordan

Yeah. So it's it's it's always something new. So we did come back with emergency pizza because it did resonate so much, and we wanted customers to see that again. We've had a a bit more new product innovation this year. We launched our New York-style pizza, which is a thinner pizza. We just launched a mac and cheese product that that's gotten some really great response from our customers. And then, as we go into next year, it's always understanding what what does the customer want? What are those pain points that are still in that process? Is it again something like, alright? I know the delivery is out, but I'm not sure exactly where it is. So we introduced something like GPS tracking, and that came out. How do we continue to do things like that, particularly for the carryout customer, and make sure that they're getting a hot pizza? So, letting them know when they should be leaving their house to to be at the store. Hey. You ordered. You're coming to pick it up. We can look at a geofence. You haven't left your house yet. Come to the store. So, what are these the different ways we take some of that friction out for customers? That's what you're gonna be seeing from us in the months and the years ahead.

Ken White

There's so much creativity. There's so much passion. How do you how do you hire for that? How how do you get the right people on board?

Joe Jordan

Yeah. It's, you know, you do wanna hire for that attitude. It's we are a very entrepreneurial company. It's we started by our founder, Tom Monahan, back in 1960, and all our franchisees came up through the system. They're entrepreneurial people. So that is what we look for: those who are problem solvers. We talk about you wanna be good at poking holes and even better at filling them.

Ken White

Yeah.

Joe Jordan

So great. It's people who are problem solvers and and and wanna get in there. And I talk about blank sheet thinkers. People who can just take that blank sheet and begin to think through, alright, how do I make this better? How do I leave it better for those who are gonna come next?

Ken White

So, as you say, the owners have come up through the ranks. So they obviously have some of these qualities. Any other qualities they have? Because it is sort of unique that they've all worked there somewhere at some point.

Joe Jordan

It's perseverance. I these are resilient people who have been through good times and bad times. And the brand isn't what they do. It's who they are because they did grow up in this brand. And they are one of the things I talk about that I just love about them; they are the most competitive yet collaborative group of people I've ever had the opportunity to work with. If you think about from an outside perspective, they everything's about leaderboards and and how are we going, how's our market share growing, how's our profitability growing, how are our service times. They're always looking at that and wanting to do better than the competition. They're also wanting to do better than their fellow franchisees. But any franchisee asks any other franchisee for help. They drop everything to help them. They will gladly share best practices. People travel from all over the world to visit one of our franchisees in California because he has great labor practices. They visit a franchisee down in Texas because he has the best delivery times. And these they welcome people in because they wanna share. They wanna help others get better, and then they wanna beat them. So Yeah.

Ken White

Right.

Joe Jordan

Yeah. It's a fun dynamic.

Ken White

And all this taking place, and the stock price just keeps going.

Joe Jordan

Yeah. So we we've seen we've seen some ups and downs as we've we've come out of COVID, but, you know, that weighing machine versus voting machine. And over time, we and we stated this in our investor day last December, we think there's 1,000,000,000 of dollars of growth left in the US and internationally for us. So still so much opportunity to take market share, to continue to grow stores, to continue to grow same-store sales. So.

Ken White

So the future looks bright.

Joe Jordan

The future looks very bright.

Ken White

That's our conversation with Joe Jordan, and that's it for this episode of Leadership & Business. Our podcast is brought to you by the William & Mary School of Business, home of the MBA program offered in four formats: the full-time, the part-time, the online, and the executive MBA. Check out the William & Mary MBA program at wm.edu. Thanks to our guest, Joe Jordan, and thanks to you for joining us. I'm Ken White, wishing you a safe, happy, and productive week ahead.

Female Voice

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