

Pizza Hut's Brand Advantage and Expansion Strategy

By

Ya-Lin Chen, Yu-Zhen Kuo

陳雅琳, 郭于甄

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DEPARTMENT OF INTERNATIONAL AFFAIRS

This senior paper was presented

by

Ya-Lin Chen, Yu-Zhen Kuo

陳雅琳, 郭于甄

It was defended on
November 11, 2022
and approved by

Professor's name, Assistant Professor, Department of International
Affairs

Signature: _____ Date: _____

Professor's name, Assistant Professor, Department of International
Affairs

Signature: _____ Date: _____

Professor's name, Assistant Professor, Department of International
Affairs

Signature: _____ Date: _____

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Abstract

Our research topic is consumers' consideration factors when choosing pizza brands, Pizza Hut's brand strengths, and store expansion strategy. First of all, I would like to thank Pizza Hut for entrusting us with a research project of industry-university cooperation. Our research directions have three major points. The first one is to understand the factors that influence consumers' purchase intention when choosing a pizza brand. The second one is that through the first study, we can understand what factors affect consumers' purchase intention, and analyze what is Pizza Hut's brand strengths when it competes with other brands. The last one is the expansion strategy of Pizza Hut. Constantly expanding new stores is one of a company's growth strategies. Therefore, our last research result is to help Pizza Hut find a suitable location for opening a new store in Tainan, and to analyze the impact of the new store on the existing store.

In order to answer the first and second research questions, we read previous studies which are related to consumers' purchase intention and interview the director of Pizza Hut. In addition, one of our research students went to a Pizza Hut in Tainan to do a 320-hour field investigation and we can better understand customers when they go to Pizza Hut. We also collect questionnaires. We collected a total of 125 valid questionnaires. We use statistical methods to explore what factors influence customers'

purchase intention and Pizza Hut's brand advantages.

In response to the third research question, first, we found some secondary information on the Internet, such as the population structure of Tainan, and searched for some houses with reasonable square meters and reasonable rents on the rental housing website in Tainan, and then relying on this information, we will find a suitable location for expanding new store in Tainan. In addition, we will also calculate how the new store will affect the revenue of the original store.

In response to the first question, our findings found that there are six main factors that affect consumers' purchase intention. They are brand impression, service quality, price, store atmosphere, product diversification, and the location of the restaurant. If companies can satisfy consumers on these six factors, it will help brands grow. In response to the second question, we found that Pizza Hut's brand image and product diversity are significantly higher than other pizza industries. Therefore, brand impression and product diversity are Pizza Hut's brand strengths. Pizza Hut can strengthen its competitiveness in this direction. Last, for the third question, we have done several layers of research and analysis. Generally, when expanding new stores, researchers base their selection criteria on the revenue the new location can bring to the company. However, our research also considers whether the new location's revenue comes from dividing the revenue of the original store. After analyzing, we found that the North District of Tainan has a large population, but only has one Pizza Hut, so it is a suitable location for expanding new stores. And through the calculation results, we can know that the new store won't divide up the revenue of the original North District Pizza Hut. The detailed calculation process can refer to the content of this essay. We also provide some practical suggestions to Pizza Hut.

Key words: Growth strategy, Brand advantage, Purchase intention, Expansion strategy