



Embargoed until 11.30am, 11 May 2011

## **Z is for New Zealand**

The largest piece of consumer research in a decade will result in one of the world's most prominent brands being replaced in the New Zealand fuel market by something entirely Kiwi.

In April 2010, Shell's fuel business in New Zealand was sold to the New Zealand Superannuation Fund and Kiwi infrastructure company Infratil for NZ\$695 million. Greenstone Energy is the company that owns and operates these assets.

"When the Shell business was purchased, we set about trying to understand what consumers actually wanted in a retail fuel company, how they felt about this sector and the companies operating in it," said Greenstone CEO Mike Bennetts.

"This became the biggest piece of industry-specific consumer research in a decade, touching 17,000 consumers. The insights we've gained from listening to our customers and those of our competitors have seen us radically rethink our business."

Mike Bennetts said the most immediate and visible change would be the largest and most visible rebranding exercise in recent New Zealand history.

"Our customers told us loud and clear that the way we think about ourselves as Kiwis – our national identity - is changing fast. We've shifted away from the number 8 wire Kiwi battler stereotypes to a more confident and assured sense of our place in the world.

"The research was overwhelming in reinforcing the desire of New Zealanders to support world class Kiwi companies, celebrate success, and take on the world and win.

"We're already taking on the world through bringing a major international energy brand into Kiwi ownership to compete against the multinationals and we've decided we have a much more compelling story to tell under a distinctly Kiwi brand," said Mike.

"The desire expressed in the consumer research for a distinctly Kiwi identity has led us, through a lengthy and thorough process, to arrive at our new identity as simply 'Z'. Z – pronounced 'Zed' – is the first letter of the last word of the country to which our business is solely committed.

"The Z brand will provide a visual point of difference and customers will know they're supporting a Kiwi company. However, consumers have told us while they will support a world-class Kiwi company, being Kiwi alone is not enough. We agree. The new brand represents visually what will be a complete overhaul of our customer offer.

"With the Z brand we will offer cafe quality food and coffee. We will continue to sell world-class fuels and will differentiate ourselves by committing to a level of forecourt service for people that want it, and support New Zealand suppliers where possible. We will also be giving back to communities in which the Z brand is based. The main difference over time, however, will be a Kiwi attitude."

"We reckon that customers deserve better than what they've been getting and we reckon New Zealand is ready for a change," said Mike.

"With every Kiwi now a shareholder in our business through the ownership of the New Zealand Super Fund, we're committed to setting a new standard, putting the customer first and working to become a world-class Kiwi company."

-ends-

## **Z Energy**

*Z Energy is a New Zealand fuel company. Formerly known as Greenstone Energy, Z Energy is the result of a partnership between the Guardians of New Zealand Superannuation and Kiwi company Infratil Limited, who jointly acquired the downstream business of Shell New Zealand. The purchase included Shell's 220 service stations, their 17 per cent share in the New Zealand Refining Company, their 25 per cent stake in Fly Buys, plus all their commercial interests fuelling road transport, rail, marine and aviation.*

For more information contact:

Sheena Thomas

Communications Advisor

Z Energy Ltd

04 462 4647

[sheena.thomas@z-energy.co.nz](mailto:sheena.thomas@z-energy.co.nz)



## Questions and Answers:

### **Q. Why 'Z'?**

A. We arrived at 'Z' because it's short, sharp and to the point. It reflects our national identity and our commitment to New Zealand. To us, Z is all about New Zealand.

The name also met a set of criteria: was it distinctive, was it easy to spell and pronounce. When testing our ideas the name that continually kept winning on all attributes was Z.

Our new Z logo deliberately represents the infinity symbol. It celebrates the millions of journeys New Zealanders take every day.

### **Q. Is this just change delivered in a paint pot?**

A. That could not be further from the truth. We will fail if all we deliver is new colours and a new logo. The experience has got to be at the heart of our story and our offer.

Our customers have told us they will back a world-class Kiwi company; but it's got to be world class. Being Kiwi by itself is just not enough.

The new brand is much more than just a new livery; it is a reflection of who we are, what we do and how we are going to do it. It is about a new New Zealand company and with it comes a Kiwi attitude, high quality fuels, a desire to do the right thing by New Zealand, and a service that reflects what our customers want.

### **Q. How does a New Zealand petrol outlet manifest itself, if you say you are going to be different?**

A. It comes down to attitude, local products, being straight up, and providing the services that New Zealanders want. For example, in our Z convenience stores you will now see pies locally produced in Hawke's Bay, and seriously delicious cupcakes. For those who want it, there will be personal service on the forecourt.

However, this is just the start. We know we will need to keep on evolving, so we will continue to listen and to respond.

**Q. Why didn't you go down the sit down café track?**

A. Our research told us that this was not on the Kiwi customer wish list from their service station. Our customers generally want to get in and get out rather than sit down in a café when they're filling up. We recognise that we are a stop during our customers' busy days, not a destination in itself.

Our customers want to get in, get fuel, grab a good coffee and some good food and be on their way – while at the same time supporting a Kiwi company in which every Kiwi has a stake. Our new food and coffee offer is specifically tailored to meet these expectations.

**Q. What most surprised you in the research?**

A. Our research not only told us what New Zealanders expect from New Zealand business, what they expect from a New Zealand energy company, they also told us something about the changes to New Zealand's cultural identity: We have moved away from the easy-going, agriculturally creative, underdog identity. We still prize humility, community spirit, loyalty and kinship, but we have developed a pride and a confidence in our place in the world; an ambition to succeed and an interest in celebrating those who do well either here or overseas. Figuratively speaking, we've left number eight wire behind. There is a "new Kiwi" that has emerged.

The tall poppy syndrome is fading. Instead we are proud of and thirsty for, achievements that are truly world-class, that discover new things and forge new paths.

**Q. How long will it take you to rebrand all your stores?**

A. Initially we're going to pilot 10 stores across the North and South Islands. We want our customers to tell us what they think. If this all goes to plan, the full brand rollout would commence in October 2011, and we expect it to be finished by the end of June 2012.

**Q. How many service stations would that be?**

A. There are 226 service stations across our national network.

**Q. What is the timeline for the pilot sites?**

A.	Shell Greenlane	Auckland	3 June
	Shell Skyway	Auckland	10 June
	Shell Shirley	Christchurch	13 June
	Shell Takanini	Auckland	24 June



Shell Linwood	Christchurch	4 July
Shell Waiouru	Waiouru	6 July
Shell Harbour City	Wellington	8 July
Shell Mana	Wellington	29 July
Shell Turangi	Turangi	5 August
Shell Putaruru	Putaruru	22 August

These dates may shift slightly as the rollout proceeds. However, at each we will be seeking feedback and input from customers as to how we can improve our offering.

**Q. What will you do in local communities?**

A. The research told us that consumers expect Kiwi companies to give back to local communities. As a starting point for each Z site that is opened we will donate \$5,000 to charitable organisations within the surrounding community, as selected by our customers via a vote at each site.

Over the entire network, that's well over \$1 million supporting local Kiwi charitable organisations that matter to local people.

**Q. Did you have to split from Shell or was it your choice?**

A. We have made a decision that going with Z delivers the most value to Greenstone over time and better reflects our aspirations to become a world class Kiwi company. Our decision not to renew our brand licence with Shell in no way reflects on the Shell brand or our relationship with Shell.

All the attributes our customers liked about Shell will still exist with Z: location, quality fuel, competitive prices, robust fuel supply, Fly Buys, supermarket dockets. We are lucky enough to be building our new company from the experience and expertise of Shell.

However, we are a New Zealand company and we felt our brand needed to reflect this. Brand is only half the story. With it comes a Kiwi attitude, and a service that better reflects what 17,000 New Zealanders told us they want from a New Zealand energy company.

Another factor in our decision-making was the fact that the license to continue to operate under the Shell brand would be significantly more expensive over time than the one-off cost of rebranding now.

We had to decide whether continuing with the Shell brand was cost-effective in the long-term, but more importantly, whether it suited our long-term plans.

**Q. How can you guarantee fuel supply?**

A. Shell is still our major supplier, even though we have been operating for a year now without being owned by them. Additionally, our purchase of Shell New Zealand's assets included a 17 per cent stake in the New Zealand Refining Company, where over 70 per cent of fuel and over 90 per cent of diesel used in New Zealand is processed to the highest international fuel specifications. So our supply chain remains robust, which is what people expect from New Zealand's leading fuel supplier.