



# PIZZA REPORT

Your definitive guide to the out-of-home pizza market





# EAT WHAT MAKES YOU HAPPY

<b>Page 5</b>	Introduction
<b>Page 6-7</b>	The Pizza Market
<b>Page 8-9</b>	The Pizza Fan
<b>Page 10-11</b>	Toppings
<b>Page 12-13</b>	Going Artisan
<b>Page 14</b>	Sector Focus
<b>Page 15</b>	The Pub & Casual Dining Market
<b>Page 16-17</b>	Family Dining
<b>Page 18</b>	The Food-to-Go Market
<b>Page 19</b>	Hotels
<b>Page 20-21</b>	Leisure
<b>Page 22-23</b>	Primary Education
<b>Page 24-25</b>	Higher Education
<b>Page 26-27</b>	Your Go to Pizza Expert

Earlier this year, a survey of 25,000 people in 24 countries, revealed pizza to be one of the most popular foods in the world.<sup>1</sup> In the UK, it has steadily moved up the ranks to become a top menu item, competing with great British favourites fish & chips and burgers.<sup>2</sup>

Today, the pizza category continues to go from strength to strength and has become a consumer favourite covering a range of eating occasions, from brunch to on-the-go.

In this definitive guide to pizza out-of-home, we explore what has become a hugely competitive market. Discover the many trends that are shaping and influencing it, examine the key audiences and delve into the channels to examine how operators are using pizza as a profitable food solution.

Pizza remains an untapped opportunity for many, and we hope through this report it will help you unlock the profit potential in your business.

**Dr. Oetker Professional**



# The UK Pizza Market

The UK pizza market is worth **£4.9 billion**.<sup>3</sup> Whether at home or eating out, we can't get enough of this classic.

**60%** of us buy pizza as a weeknight dinner option<sup>4</sup> and this pizza culture is extending to out-of-home too!

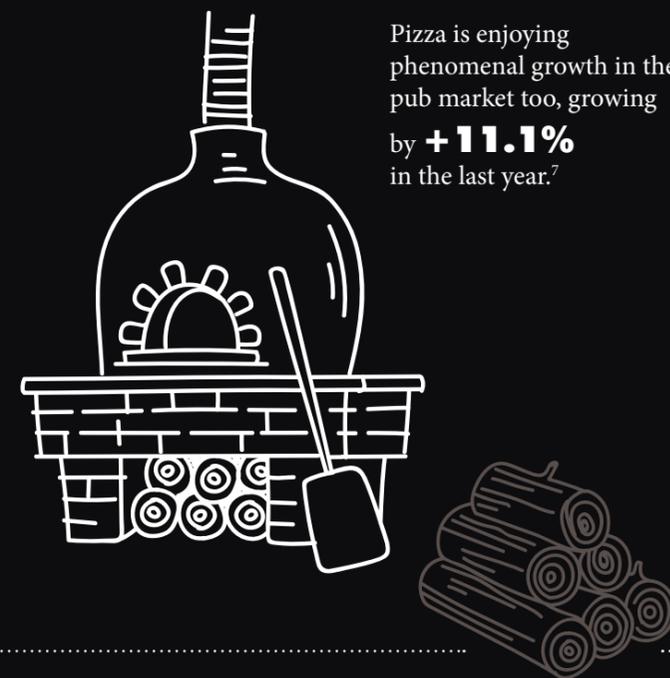
Pizza is now the fastest growing dish out-of-home and one of the top three UK menu items.<sup>5</sup>

Young or old,  
consumers love  
**pizza!**

## Eating Out

Despite heavy competition, the top performing casual dining brands have a pizza focus, with Pizza Express taking the top spot!<sup>6</sup>

From Franco Manca to Homeslice, independent pizza chains are giving the groups a run for their money, with the market predicting a **+25% growth** this year alone.<sup>8</sup> Whether it's sourdough bases, traditional Neapolitan recipes or pizza and drink pairings their unique offerings are putting them on the map and driving the pizza category.



Pizza is enjoying phenomenal growth in the pub market too, growing by **+11.1%** in the last year.<sup>7</sup>

## Takeaway & Delivery Market

In the last decade the takeaway delivery market has grown to be worth a staggering **£4.2 billion!**



Pizza delivery makes up half of that and is worth an estimated **£2.1 billion**.<sup>10</sup>



# THE *Pizza* FAN

Whether you're young or old, eating with friends or feeding the kids, pizza's versatility and wide appeal is driving demand out-of-home!

*When it comes to the pizza consumer*  
**EVERYONE'S A FAN!**

**29%** of pizza purchases are by **35-49 year olds**

...followed by **27%** of **25-34 year olds**

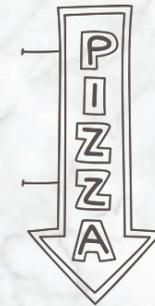
**23%** of the **over 50s...**

...**21%** of **18-24s**

Pizza crosses demographics, making it one of the few menu items that attracts a wide customer base.<sup>11</sup>

In fact, over a third of people will look for pizza on a menu versus classic burgers and pies.<sup>12</sup>

- **Pizza Express**
- **Pizza Hut**
- **Zizzi**
- **Prezzo**
- **Ask Italian**
- **Bella Italia**



Are all in the top 10 leading operators - by outlets.<sup>13</sup>

## *What makes a great pizza experience?*

When it comes to pizza experience, Pizza Hut has the most positive associations **(83%)**.

Followed by **Pizza Express** leading with value for money and range.

**Menu (41%)**, **choice of toppings (37%)** and **atmosphere (28%)** are the most exciting aspects of these restaurants.<sup>14</sup>

## Toppings

Whether you're vegan or a meat lover, prefer a thin & crispy or stuffed crust, the beauty of pizza is that anything goes when it comes to **bases and toppings**.

#1

**Protein** power  
meat feasts

The favourite  
toppings are:

#2

**Cheese**  
cheese and  
more cheese

#3

**Vege** me up

# Pizza

The most popular pizza styles are: <sup>15</sup>

1. Thin & Crispy
2. Italian
3. **Stuffed Crust**
4. **Deep Pan**
5. *American*
6. Hand Stretched

With consumers eating more pizza, interest in new toppings is rising...

**27% of younger diners** don't think there are enough options – the consumer group that eats pizza the most! <sup>16</sup>

As demand for pizza grows, so does consumer interest in new and exciting toppings with veganism, brunch, spice and global flavours all making their way onto pizza.

Pizza lends itself perfectly to a variety of world flavours and as consumers become more adventurous in their tastes, operators can get creative and tap into the top food trends to boost profits.

The **pizzas** consumers are most interested in are: <sup>17</sup>



There's never been a better time to try out new toppings, the only limit is your **imagination!** <sup>18</sup>

Did you know **Vegan** is now officially mainstream! **3.5 million** people follow a vegan diet in the UK, increasing by **360%** in the last decade. <sup>19</sup>



# Breakfast PIZZA

With research showing a **65% rise** in the number of breakfast and brunch bookings over the past two years<sup>20</sup>, this part of the day provides a significant opportunity for caterers. Those willing to innovate will be the winners in this market!



# Plant-Based PIZZA

The meat-free market is set to reach **£658 million in sales by 2021<sup>21</sup>**, pizza is a great option to ensure you are appealing to the growing number of consumers following vegan, vegetarian and flexitarian diets.



# Posh PIZZA

There are **three key topping trends** that are appearing more and more on pizzas that will keep consumers coming back for more!

*Artisan pizzas are increasingly making their way onto menus. Driving incremental value for operators and offering a real point of difference for discerning consumers who are looking for quality and value for money when eating out.*

# African FLAVOURS

Tipped to be **one of the hot food trends for 2020<sup>22</sup>**, tapping into West African flavours is a sure fire way for caterers to boost their offerings.

# Sector focus



The beauty of pizza is that whatever your sector it works across main menus, light bites, grab and go and delivery. More and more operators are using pizza to drive profits during quieter day parts and to tap into the booming on-the-go market.

Pizza is an essential menu item that supports what's important to your business.

- **Speed and convenience** - Simple, consistent prep is easy to achieve
- **Customisation** - Exciting, seasonal specials can sit alongside year-round favourites
- **Great Value** - Switch up or down quantities of ingredients to hit your margins and introduce artisan ingredients for a premium pizza that demands a higher price point
- **Format** - Options to hit every day part, from snacking to sharing



## The PUB & CASUAL DINING Market



With pizza eaten on 23% of all casual dining visits, more and more pubs are turning to a pint and a slice to boost their appeal with diners and keep up with the market.<sup>23</sup>

In fact, pizza occasions in pubs have **doubled** over the past two years to **19m...**



... helping to drive profits, with consumers spending **8% more** on average per visit.

### The New Pub Classic

- Pizza's **wide appeal** and fast cooking time is helping pubs win the lunchtime battle
- Share with friends or eat on your own – pizza is a great fit for the **social pub environment**
- Pizza to go is bringing more customers through the door and capturing a slice of the home-delivery and takeaway market - set to grow to **over £2 billion** over the next three years<sup>24</sup>
- It can drive early week visits to pubs, **36.5%** of pizza occasions are between **Monday and Wednesday**<sup>25</sup>

### Power Bars

The three fastest growing brands are wet led, with operators such as the Botanist and Alchemist carving out distinctive, premium offerings.

Pizza can help operators with limited kitchen experience offer a high quality, good value food. Driving further growth and giving consumers a full experience.<sup>26</sup>



F  
A  
M  
I  
L  
Y

D  
I  
N  
I  
N  
G

## What *Families* Want

- **Friendly** environment
- **Fast** service
- **More choice** for children's menus
- **Healthier** options
- **Treat** responsibly
- **Value** for money

### *With One in Three*

families eating out at least once a week, family-friendly pubs are the most popular places to visit.

Did you know **20%** of parents treat their children to a meal on the way home from school? Making family dining a key market for pubs looking to grow profits and drive trade during earlier day parts.<sup>27</sup>

Through pizza, operators are broadening their menu appeal. A firm favourite with consumers big and small, pizza is taking children's menus beyond fish fingers and pasta and dialling up the excitement and meal satisfaction. From individual mini formats that offer portion control and kids love, to sharing full size pizzas for a fun mealtime – pizza is becoming the must have family-dining option.



## The food to go market is **BOOMING!**

It's worth an estimated **£21.2bn**<sup>28</sup> and makes up a quarter of all eating out spend.

**Tesco, McDonalds, Subway, Sainsbury's** and **Greggs** are all in the top ten but branded fast food led outlets including **Pret A Manger** and **Eat** are steadily growing, appealing to millennials looking for a high quality, fresh food offering.

### Pizza 2 Go

Fast to cook and easy to eat, pizza is proving a profitable addition for operators targeting on-the-go. Offering full pizza or by the slice, appeals to those looking to grab something quick. It can keep menus fresh whatever the time of day, by switching toppings to reflect the latest food trends...vegan, world flavours or spice - anything goes with pizza.

#### So what's driving food to go?



**Ultra-Convenience** – Consumers are time poor and need their food fast. It's especially important around lunch, with the average lunchbreak lasting just 22 minutes.

**Breakfast Club** – Such little time means breakfast on the go is growing, consumers are eating better breakfasts and snacking less.

**Hot Offerings** – Cold sandwiches just don't cut it like they used to, hot food works across all day parts and ticks the boxes when it comes to value for money.

**Value** – We don't mean cheap; the focus is quality ingredients and...innovation!

**Innovation** – From the vegan sausage roll to breakfast pizza, food to go is tapping into the biggest trends to attract a new audience.

## HOTELS

The UK hotel industry is one of the greatest contributors to the out-of-home market, with a *turnover of £19.4 billion*.<sup>29</sup>

Despite the uncertainty of Brexit, the rise of Airbnb and a decrease in corporate travel, the market is performing steadily, with *full service (+3%) and budget hotels (+2%)* growing their segments.

### Food & Beverage

Guests are spending **10% less on food and beverage** during their stay than they were in 2000<sup>30</sup>. With more eating out options to choose from than ever before, hotels are now putting a **new focus** into food to appeal to leisure guests and attract

people from the high street.

Alongside the restaurant, a strong bar and in-room menu is helping to drive additional spend, with pizza proving a **profitable and popular addition**.



## The Hotel Guest



Guests can choose to dine at the bar or in-room for all sorts of reasons. From tiredness or arriving late in the evening, to having young children or not wishing to eat alone in a restaurant – which can often be the case for business travellers.

Pizza is quickly becoming a popular option for hotels to serve alongside the classic Club Sandwich and Burger, helping operators to profit from its wide appeal.

- Quick and **easy to cook** without putting pressure on the kitchen
- **Late night ordering** – consistent results means the night porter can confidently prepare them
- **Toppings** can be updated, and special diets easily accommodated
- Great **value for money** for guests
- **Easy to eat** in a bar or in-room

From Junk Yard Golf to Flight Club, the leisure market is booming with consumers increasingly spending money on experiences with family and friends.

New and exciting concepts such as US-based Punch Bowl Social, are raising the bar when it comes to food and social mash ups. Operators are now improving and growing their food offer to satisfy pleasure seekers and capitalise on the rise of EATERTAINMENT.

“

Being a **city centre stadium** puts us in a unique position, putting us in direct competition against restaurants and bars. Pizza has given us a new lease of life...and I've seen a considerable profit growth in these areas.

”

Chris Reed, Retail Catering Manager, Sodexo - St. James' Park Stadium.

# Leisure

**30%**  
of adults  
have taken part in a leisure activity in the last year



The UK is forecast to spend **£141 billion** on leisure activities by **2022**<sup>31</sup>



As one of the **top five dishes** eaten out-of-home,<sup>32</sup> pizza continues to be a popular way for sports and leisure venues to tap into the latest food trends. Pizza's **versatility** really comes into its own, working well **across a host of eating occasions**, whether it's grabbing a snack from a kiosk at half time, dining in a family restaurant or enjoying a meal in hospitality.



"We were serving pizzettas at some of our kiosks but were missing a trick by not offering our guests a traditional slice of pizza to enjoy on-the-go. Pizza not only gives us a quick win on **speed of service**, but also substantially increasing our **sales!**"

Andrew Edwards, Head of Food & Beverage, Paultons Park.

# Primary Education

In the UK there are over **32,000 schools** and **10.2 million** full and part time pupils in education.<sup>33</sup>

## Across England

& Scotland there is a school meal uptake of **63%** of primary pupils and **70%** in secondary schools, driven by the right to the Universal Free Infant School Meal.

Schools are under pressure like never before, having to feed pupils for as little as **76p** per day.<sup>34</sup>

**And in a really short time frame...** with lunch service lasting on average **59 minutes** for primary schools and **61 minutes** for secondary.

## Catering in schools is tough, meals need to:

- Meet school food standards
- Compete with the high street
- Meet operational and budget needs
- Be dishes that pupils know and love



To keep pupils on site we need to **replicate high street offerings**

Symon Dovey, Assistant Catering Manager, Vale of Glamorgan LEA.

Putting vegetables on a menu comes with its own challenges. Pizza is a clever way of pupils having veg without them even being aware – **pizza is one of our best sellers.**

Keith Myles, Catering Services Manager, Sunderland City Council



# HIGHER Education

## The UK university market

is valued at **£36.9bn**<sup>35</sup>, with **2.3 million** people in higher education institutes.<sup>36</sup>

With a diverse student market, **pizza is proving a popular choice for colleges and universities** thanks to its versatility back and front of house.

## The average age

of a university student is 22 and college students 29, these **sophisticated consumers** are the driving force for **key food trends**. Responsible for the rise of the brunch, making vegan mainstream, and snacking-on-the-go.



**Value driven students are looking for exciting options to keep up with their busy lifestyle.**

## Anything goes when it comes to toppings...

- Serve it **whole** or by the slice
- A **great** bar menu option
- Make the most of the **on-the-go market** with takeaway
- **Profit** when the main kitchen has closed
- Easy to **deliver** to residents

*The pizzas have soared in popularity* and we now sell *over 200 every week* in the food court and as a takeaway option at the student bar.

Ashley Podgers, Sous Chef at the University of Leicester.



# Your PIZZA Partner

At Dr Oetker Professional we know pizza and how to make it work for you and your business.

As your go-to-pizza expert we're passionate about working with you to make the most of every pizza opportunity and create an authentic pizza experience that's memorable.

From our Raw Dough Pizza Base that can be customised with your own signature

ingredients, to the nation's favourite Chicago Town Pizzas, it's all about offering the best choice, highest quality products and first class service – all backed with 100 years of expertise.

We're proud to work closely with operators across the foodservice industry and are the out-of-home pizza experts.



Professional

## Sources:

- <sup>1</sup> TUCO 2019
- <sup>2</sup> Horizons 2017
- <sup>3</sup> EMI Global Pizza Market 2017
- <sup>4</sup> Mintel Pizza Report, July 2017
- <sup>5</sup> MCA Eating Out in the UK 2018
- <sup>6</sup> MCA Eating Out in the UK 2018
- <sup>7</sup> MCA Guide to Pizza April 2019
- <sup>8</sup> Selected & Emerging Pizza Focused Chains March 2019
- <sup>9</sup> NPDI Group 2018
- <sup>10</sup> Statista
- <sup>11</sup> MCA April 2019
- <sup>12</sup> TNS Online Omnibus 2019

- <sup>13</sup> Eating Out In the UK Report 2018
- <sup>14</sup> TNS Online Omnibus 2019
- <sup>15</sup> TNS Online Omnibus 2019
- <sup>16</sup> TNS Online Omnibus 2019
- <sup>17</sup> Pizza Mintel 2017
- <sup>18</sup> Lightspeed/Mintel
- <sup>19</sup> VegSoc
- <sup>20</sup> Open Table
- <sup>21</sup> VegSoc
- <sup>22</sup> Whole Foods Market Food Trend Report 2020
- <sup>23</sup> MCA Pizza in Pubs 2019
- <sup>24</sup> MCA Food to Go 2019
- <sup>25</sup> MCA Pizza In Pubs

- <sup>26</sup> MCA Pub Report 2018
- <sup>27</sup> Sacla report
- <sup>28</sup> MCA Food to Go Report 2019
- <sup>29</sup> PwC Hotel Forecast 2019
- <sup>30</sup> UK Hotel Restaurant Market Report 2016
- <sup>31</sup> Mintel 2018
- <sup>32</sup> MCA New Concepts 2017
- <sup>33</sup> BESA
- <sup>34</sup> APSE
- <sup>35</sup> IBIS
- <sup>36</sup> AOC





# YOUR GO-TO PIZZA EXPERTS

FOR MORE INFORMATION VISIT  
[WWW.OETKER-PROFESSIONAL.CO.UK](http://WWW.OETKER-PROFESSIONAL.CO.UK)