**Pizza Market 2022**

**Slightly Declining Sales Considered a Plus**

Because most pizza chains and independents have mature pick-up and delivery services, they were able to weather the continuing pandemic better than many other restaurants. Many pizzerias added technologies for food preparation and customer-facing efficiencies.

Total US pizza market sales decreased 1.5% to $45.59 billion from October 2020 through September 2021. Total locations decreased 3.8% to 75,117, but, again, a positive comparison to the many restaurants in other sectors that closed.

Euromonitor International is forecasting a 5.3% increase in total 2022 sales for the North American pizza market to a total of $56.5 billion. Full-service pizzerias will drive most of that increase at 9.7% and limited-service pizzerias’ sales will increase 3.3%.

**Top Five US Pizzerias by Various Performance Metrics, January–September 2021**

|  |  |  |
| --- | --- | --- |
| Sales Per Unit | Fastest Per-Unit Growth | Per Company Sales |
| #1: Dion’s Pizza | #1: Papa John’s | #1: Domino’s |
| #2: Giordano’s | #2: Marco’s Pizza | #2: Pizza Hut |
| #3: LaRosa’s Pizzeria | #3: Pizza Guys | #3: Little Caesars |
| #4: California Pizza Kitchen | #4: Hungry Howie’s Pizza | #4: Papa John’s |
| #5: Oregano’s Pizza Bistro | #5: Villa Italian Kitchen | #5: Papa Murphy’s Pizza |

*PMQ Pizza Magazine* (Technomic), December 2021

**Chains and Independents’ Gains and Losses**

Pizza chains’ total sales during that period increased a very slight 0.14% to $27.65 billion while sales at independent pizzerias decreased 3.75% to $17.94 billion. Total locations for both sectors declined: chains -2.5% (35,309) and independents -4.95% (39,808).

Despite those sales declines, CHD Expert estimated average sales per pizzeria increased 2.5% to $606,866 for the October 2020–September 2021 period. Chains average sales per store increased 2.7% and independents’ average increased 1.3%.

When more restaurants were open for on-premise dining, consumers ordered fewer pizzas for delivery. Because of this trend, Domino’s suffered its first negative same-store stores (Q3 2021) of the past 10 years, decreasing 1.9%, while Papa Johns’ increased 6.9%.

**Top Five QSR Pizza Chains, by Sales, 2020**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Chains | Sales | Avg. Sales/Unit | Franchised Units | Company Units | Total Units | Units Change |
| Domino’s | $8.29 B | $1.30 M | 5,992 | 363 | 6,355 | +229 |
| Pizza Hut | $5.40 B | $938,000 | 6,539 | 22 | 6,561 | -745 |
| Little Caesars | $4.00 B | $940,000 | 3,629 | 582 | 4,211 | -2 |
| Papa John’s | $3.20 B | $1.01 M | 2,546 | 588 | 3,134 | -8 |
| Papa Murphy’s | $805 M | $622,000 | 1,233 | 59 | 1,292 | -37 |

*QSR Magazine,* August 2021

**Ordering and Delivery Insights**

According to an October 2021 survey of restauranteurs and consumers for Square’s 2022 Future of Restaurants report, 13% of customers said they wouldn’t patronize a restaurant without online ordering and 68% prefer to order directly from a restaurant’s Website or app.

On-premise digital ordering is an ever-increasing trend as the Square survey found 79% would rather order through a kiosk than a waitperson, 11% wouldn’t patronize a restaurant without digital menus and 45% of restaurants will add QR code menus after the pandemic.

DoorDash reported a 165% increase in consumers customizing their pizza orders through its digital delivery service and Detroit-style pizza in a rectangular shape with crispy edges gained in popularity, placing fourth on Grubhub’s list of top food items ordered during 2021.

**Restaurants’ Current Payment Options, October 2021**

|  |  |
| --- | --- |
| Option | Percent |
| #1: Mobile wallet (e.g., Apple Pay) | 76% |
| #2: Pay-at-the-table devices | 52% |
| #3: QR code payments | 50% |
| #4: Contactless payment kiosks | 42% |
| #5: Other | 6% |
| #6: None of these | 6% |

Square, December 2021

**Beverage Choices Among Pizza Lovers**

You can’t enjoy a pizza without your favorite beverage and beverage sales are a major revenue stream for pizzerias. Data from five representative 2021 consumer/market surveys conducted by The Media Audit provides insights about the favorite beverages of pizza fans.

Unsurprisingly, adults 18+ who at any pizza restaurant during the past four weeks over-indexed the most for consuming one or more carbonated soft drinks during the past seven days, or 20% more likely than the market average.

Adults 18+ who ate at any pizzeria also over-indexed, on average, for drinking one or more ready-to-drink iced tea (116), liquor/spirits (116), juice/juice drink (116), beer (115) and bottled water (114). (not necessarily with a pizza, but very likely when ordering one).

**Adults 18+ Who Ate at Any Pizza Restaurant\* and the Style of**

**Beer They Most Often Purchase and Type of Soft Drink They**

**Usually Consume, by Indices, in Selected Markets, 2021**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Beverage Style | Asheville, NC | Minneapolis- St. Paul | Austin | San Francisco | Portland, OR |
| Regular beer | * 117 | * 114 | * 108 | * 140 | 116 |
| Light/low-calorie beer | * 147 | * 106 | * 110 | * 124 | * 101 |
| Non-alcoholic beer | † | * 75 | * 111 | * 153 | * 55 |
| Diet/Zero sugar soft drink | 82 | * 115 | * 90 | * 102 | * 105 |
| Regular soft drink | * 131 | * 116 | * 121 | * 118 | * 127 |

Based on The Media Audit’s 2021 surveys \*during the past four weeks †insufficient data

**Tech Tools Become Mainstream**

More pizza-making robots are coming to market with more capabilities and efficiencies. xRobotics’ xPizza Cube makes 300 pies per hour. A team of former Space X engineers is developing a robot-powered mobile pizzeria, which can make a pie every 45 seconds.

A diversity of pizzerias are also acquiring robots to assist the wait staff. Bella is a food runner that greets customers, guides them to a table and brings their food orders to the table. Small delivery bots are also starting to appear, especially on college campuses.

The labor shortage in the entire restaurant industry, including pizzerias, is driving more operators towards automation technology for their operations and, 62%, responding to the Square survey, said automation would help to manage online orders with less staff.

**Customers’ Perceived Benefits of a Digital Restaurant Menu, October 2021**

|  |  |
| --- | --- |
| Benefit | Percent |
| Reduces contact with surfaces others have touched | 38% |
| Needn’t wait for server to bring menus to the table | 37% |
| Easier to browse the menu | 33% |
| Better for the environment than using printed menus | 33% |
| Server doesn’t have to explain menu options | 23% |
| No benefits | 23% |

Square, December 2021

**Hot Slices of Trends**

Several restaurant industry analysts are forecasting a return to experiential dining, which was becoming trendy before the pandemic. Diners may eat different courses in different rooms and decors and more dishes will be prepared tableside.

More ghost kitchens, which only prepare orders for pick-up and delivery services, will open and, according to a Deloitte report, 79% of respondents said they would likely order from a ghost kitchen.

Many trends related to protecting the environment and eating healthier will continue to become mainstream at pizzerias. Patrons, especially young adults, want to help curb food waste, consume more locally-grown food items and eat plant-based pizza toppings.

**More Valuable Insights**

In Fast Casual’s annual Top 100 Movers & Shakers report for 2021, &pizza was the top-rated pizza restaurant among all the restaurants in the list at #2, Mountain Mike’s was the second pizza restaurant at #19, Blaze Pizza is #31, Pizza Guys #38, Square Pie Guys #43, Mod Pizza #53 and Artichoke Basille’s Pizza #69.

Rent.com has published its annual list (2021) of The Best Cities for Pizza in America based on three criteria: ratio of pizzerias to all restaurants in the city, number of pizzerias per square mile and number of pizzerias per 100,000 residents.

**Top 10 The Best Cities for Pizza in America, December 2021**

|  |  |  |  |
| --- | --- | --- | --- |
| City | Proportion of Pizzerias | Pizzerias/  Square Mile | Pizzerias/ Capita |
| #1: Rochester, NY | 18.60% | 4.00 | 70.01 |
| #2: Pittsburgh, PA | 18.19% | 3.87 | 70.93 |
| #3: New Haven, CT | 19.11% | 3.16 | 46.07 |
| #4: Philadelphia, PA | 18.23% | 3.75 | 31.75 |
| #5: Bridgeport, CT | 18.77% | 3.25 | 36.01 |
| #6: Miami, FL | 9.16% | 5.25 | 40.39 |
| #7: Buffalo, NY | 18.35% | 2.55 | 39.96 |
| #8: Cambridge, MA | 11.07% | 5.33 | 26.91 |
| #9: Worchester, MA | 22.26% | 1.81 | 36.13 |
| #10: Manchester, NH | 20.92% | 1.52 | 44.38 |

Rent.com, December 2021

*Sources:* *PMQ Pizza Magazine* Website, 12/21; *QSR Magazine* Website, 12/21; Square Website, 12/21; Restaurant Business Website, 12/21; The Media Audit Website, 12/21; Fast Casual Website, 12/21; Rent.com Website, 12/21.

*Updated*: December 2021

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**Local Market and Station Information**