

Pizza and Pasta Restaurants - UK - November 2016

Report Price: £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“Digital innovation and authentic dishes made from simple and fresh ingredients are transforming pizza and pasta into a destination business, helped by the expansive store presence of leading players. Independent players may be hit by competition from the swelling multitude of new entrants and deli-and-dining formats that are driving more customers into store.”

– Trish Caddy, Foodservice Analyst

This report looks at the following areas:

- Venues can draw on customisation trend to drive growth
- Women are more addicted to snacking than men
- Locally sourced ingredients could help operators standout

The pizza and pasta out-of-home market is in growth and looks set to continue to soar as consumers' appetite for authentic Italian food drives spend. However, growth stands to impact on independent players. The top end of the takeaway and home delivery markets continue to make concerted efforts to push digital innovation and e-commerce with advanced technology, while restaurants become a destination business with fresh ingredients and speed-service as main areas of focus.

Streamlining menu items to focus on key performance drivers such as traditional Neapolitan pizza, should continue to support the segment. Snack-sized dishes should also help create more occasions for all-day eating. Continued focus on communicating the product features and price looks much needed, given that the frugal mentality lingers among most consumers. However, flexibility to customise pizza is also an enticement to visit a pizzeria for many diners.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Pizza and Pasta Restaurants - UK - November 2016

Report Price: £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know
Topics covered in this Report

Executive Summary

The market
Takeaway/home delivery
Figure 1: UK pizza and pasta takeaway market, value sales and forecast, 2011-21
Dine-in restaurants
Figure 2: UK pizza and pasta dine-in restaurants market, value sales and forecast, 2011-21
Key players
Domino's leads by store numbers
Pizza Hut Restaurants outperforms the market
PizzaExpress rolls out Firezza
The consumer
Larger households are the vanguard of home delivery
Older people dine in pizza or pasta restaurants
Figure 3: Frequency of visiting pizza and pasta restaurants and using takeaways/home deliveries, 2015 and 2016
Dine-in customers are willing to spend more than £30
Figure 4: Approximate spend on pizza/pasta on a sit-down restaurant meal, September 2016
Affluent diners spend less than £15 on takeaway or home delivery
Figure 5: Approximate spend on pizza/pasta on a takeaway/home delivery meal, September 2016
Half of diners are uninterested in special features
One in five diners are interested in local ingredients
Figure 6: Interest in special features at pizza/pasta restaurants/takeaways, September 2016
Older people expect restaurants to reduce waste
Smaller meal portions appeal to women
Heavy users are interested in customisable pizza
Figure 7: Attitudes towards pizza/pasta restaurant/takeaway, September 2016
Young men are interested in live music entertainment
Digital apps attract students to order home delivery
Figure 8: Behaviours towards pizza and pasta restaurant/takeaway, September 2016
What we think

Issues and Insights

Venues can draw on customisation trend to drive growth
The facts
The implications

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | China +86 (21) 6032 7300
APAC +61 (0) 2 8284 8100 |
EMAIL: reports@mintel.com

Pizza and Pasta Restaurants - UK - November 2016

Report Price: £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Women are more addicted to snacking than men
 The facts
 The implications
 Locally sourced ingredients could help operators standout
 The facts
 The implications

The Market – What You Need to Know

Pizza and pasta market is in growth
 Decline in core users could temper market growth
 Brits are saving money
 Over-55s make up almost 30% of the population
 Shortfall of hospitality staff intensifies
 Rising food prices
 Pressure to make food portions less sweet or smaller

Segment Performance, Market Size and Forecast

Pizza and pasta restaurants are in growth
 Figure 9: Value sales^ of the total UK pizza and pasta restaurant/takeaway market, 2011-21

Demographic changes and consumer confidence could temper market growth
 Figure 10: UK pizza and pasta restaurant total market, value sales and forecast, 2011-21

The takeaway/home delivery market has been bifurcating
 Figure 11: Value sales of the UK pizza and pasta takeaway market, 2011-21
 Figure 12: UK pizza and pasta takeaway market, value sales and forecast, 2011-21

Dine-in restaurants innovate to stay competitive
 Figure 13: UK pizza and pasta dine-in restaurants market, value sales, 2011-21
 Figure 14: UK pizza and pasta dine-in restaurants market, value sales and forecast, 2011-21

The impact of the EU referendum vote
 Figure 15: Alternative market scenarios for the post-Brexit pizza and pasta restaurant total market, at current prices, 2016-21

Eating out has been resilient in previous slowdowns
 Forecast methodology

Market Drivers

Savings to rival eating out as main discretionary spending area
 Figure 16: Selected consumer spending priorities (after bills), October 2015-September 2016

Britain's ageing population
 Figure 17: Trends in the age structure of the UK population, 2011-16 and 2016-21

Hospitality recruitment at its most difficult
 Brexit fears driving up food costs
 Pressure from health secretary to make food portions less sweet or smaller
 Central London rents and rates continue to rise above inflation

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300
 APAC +61 (0) 2 8284 8100 |
EMAIL: reports@mintel.com

Pizza and Pasta Restaurants - UK - November 2016

Report Price: £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Companies and Brands – What You Need to Know

- Domino's retains an unassailable lead by store numbers
- Pizza Hut reports strong performance
- PizzaExpress beefs up takeaway business

Market Share

- Domino's retains an unassailable lead by store numbers
 - Figure 18: Outlet numbers of selected major pizza/pasta restaurant/takeaway brands, 2012-16
- Pizza Hut Restaurants reverses losses
- PizzaExpress reports ambitious growth plans for Firezza
- The Azzurri Group strengthens its pipeline

Launch Activity and Innovation

- Food innovations
- Papa John's innovates in flavour and cooking techniques
- Domino's trials premium range
- Neapolitan pizza has stretch
- Operators move towards being cashless
- Social media trends
- Short form videos on Snapchat gain traction
- Zizzi trains staff in Instagram photography
- Domino's rolls out Facebook Chatbot
- Pizza Hut Delivery launches quick service Express format
- One-stop shop concepts on the rise

Advertising and Marketing Activity

- Big players ramp up above-the-line advertising activities in 2015
 - Figure 19: Advertising expenditure by selected pizza and pasta operators, 2012-16
- PizzaExpress upweighted digital spend
 - Figure 20: Advertising expenditure by selected pizza and pasta operators, by media type, 2012-16
- Domino's uses TV to support new channels
- Pizza Hut debuts new tagline and TV ad
- Nielsen Ad Intel coverage

Brand Research

- What you need to know
- Pizza Hut is the most trusted brand of all
- Domino's excels as an innovative and convenient brand
- PizzaExpress has a good reputation
- Brand map
 - Figure 21: Attitudes towards and usage of selected brands, September 2016
- Key brand metrics

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300
 APAC +61 (0) 2 8284 8100 |
EMAIL: reports@mintel.com

Pizza and Pasta Restaurants - UK - November 2016

Report Price: £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 22: Key metrics for selected brands, September 2016

Brand attitudes: Frankie & Benny's is worth paying more for, while Papa John's continues to innovate

Figure 23: Attitudes, by brand, September 2016

Brand personality – Macro: Papa John's is seen as an ethical brand while Domino's edges towards boring

Figure 24: Brand personality – Macro image, September 2016

Brand personality – Micro: PizzaExpress is acknowledged for its health proposition while Pizza Hut is perceived as both tacky and exciting at the same time

Figure 25: Brand personality – Micro image, September 2016

Brand analysis

Domino's is the top brand in innovation and convenience

Figure 26: User profile of Domino's, September 2016

40% of users have never eaten at, but have heard of, PizzaExpress

Figure 27: User profile of PizzaExpress, September 2016

Pizza Hut is the most trusted brand of all

Figure 28: User profile of Pizza Hut, September 2016

Papa John's is cool and ethical but offers poor value

Figure 29: User profile of Papa John's, September 2016

Frankie & Benny's is the most fun brand of all

Figure 30: User profile of Frankie & Benny's, September 2016

The Consumer – What You Need to Know

Three in 10 Brits buy pizza or pasta at least once a month

44% of diners would spend up to £20 on a sit-down meal

35% of diners spend £14.99 on takeaway or home delivery

51% of diners are uninterested in special features

21% of diners are interested in local ingredients

61% of diners would like smaller meal portions

67% of diners interested in the option to build their own pizza

Frequency of Visiting Pizza/Pasta Restaurants/Takeaways

Three in 10 Brits buy pizza or pasta at least once a month

Takeaway or home delivery's heavy users

Dine-in restaurants' heavy users

Figure 31: Frequency of visiting pizza and pasta restaurants, takeaways/home deliveries, September 2016

A noticeable uplift in overall usage

Family time drives uptake for takeaway or home delivery

Figure 32: Frequency of visiting pizza and pasta restaurants and using takeaways/home deliveries, 2015 and 2016

A significant number of older people dine in pizza or pasta restaurants

Figure 33: Any users of pizza and pasta restaurants, by age, September 2016

Spend on Pizza/Pasta Restaurants/Takeaways

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Pizza and Pasta Restaurants - UK - November 2016

Report Price: £1995.00 | \$2431.91 | €2216.64

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Scope for dine-in customers to splurge on pizza and pasta

Figure 34: Approximate spend on pizza/pasta on a sit-down restaurant meal, September 2016

£15 spend cap for takeaway or home delivery

Figure 35: Approximate spend on pizza/pasta on a takeaway/home delivery meal, September 2016

Interest in Special Features at Pizza/Pasta Restaurants/Takeaways

Limited interest in special features

One in five diners are interested in local ingredients

Regional dishes pique one fifth of diners' interest

Under-35s are interested in seasonal menus

Figure 36: Interest in special features at pizza/pasta restaurants/takeaways, September 2016

Behaviours and Attitudes towards Pizza/Pasta Restaurants/Takeaways

Smaller meal portions weigh heavily on healthy eating

Reward schemes spark interest among heavy users

Customisable pizza could help bolster sales

Figure 37: Attitudes towards pizza/pasta restaurant/takeaway, September 2016

Young men are interested in live music entertainment

Snacking occasions offer growth potential for pizza and pasta venues

Figure 38: Behaviours towards pizza/pasta restaurant/takeaway, September 2016

CHAID Analysis

Methodology

Home delivery users order food digitally to save money

Figure 39: Pizza and pasta restaurants – CHAID – Tree output, September 2016

Figure 40: Target groups based on statements that apply to people about pizza/pasta restaurants/takeaways – CHAID – Table output, September 2016

Appendix – Data Sources, Abbreviations and Supporting Information

Data sources

Abbreviations

Brand research

Brand map

Consumer research methodology

Correspondence analysis methodology

Appendix – Market Size and Forecast

Forecast methodology

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com