



# THERE WAS

A STEVEN SPIELBERG FILM MANY YEARS AGO

**CALLED** *A.I.*, all about a little android boy uniquely programmed to love. Sadly, the humans in his

life didn't love him back. When it comes to new technologies, we are like that sometimes: skeptical, suspicious, maybe a little afraid. And in 2023, there was a lot for technophobes to worry about. For starters, it was generative Al's "breakout year," according to the annual McKinsey Global Survey, released in August. One-third of the survey's respondents in the business world said their organizations "are using generative Al regularly in at least one business function." The report noted that "experimentation with the tools is already relatively common, and respondents expect the new capabilities to transform their industries."

## 

Obviously, that includes the restaurant biz. While the AI overlords haven't taken over our kitchens yet, generative AI and natural language processing (NLP)—which, for example, powers chatbots and enables computers to understand and process orders at a drive-thru—are on the verge of becoming indispensable for many quick-service restaurant chains. But these technologies aren't infallible. In a TikTok video posted earlier this year, two young women at a McDonald's drive-thru watched in amazement as the AI system kept adding more and more McNuggets orders to their total—tallying at least 26, for a

cost of more than \$325, before the video cut off. Fortunately, they thought the whole thing was funny, but not everyone is amused by these little glitches: Another TikTok user complained about a McDonald's bot that inexplicably turned her order for one Coke into nine sweet teas. "I did not ask for this!" she wailed.

We might not have asked for AI, but here it is. And it will change everything, so we might as well figure out how to use it to sell more pizza. Looking back at the past year gives us a pretty good idea as to what 2024 holds for pizzeria operators—and the future looks very (artificially) bright indeed.

## 

You might assume Domino's is leading the way in bringing AI to the pizza industry. After all, the chain's executives have proclaimed that it is, first and foremost, a technology company. But, while Domino's isn't exactly lagging behind—it has been using DOM, an AI-powered ordering assistant bot, for years—other smaller brands have also been running point in this AI revolution.

Foremost among them: Jet's Pizza, the Detroitstyle chain headquartered in Sterling Heights, Michigan, with about 440 locations in 23 states. Jet's says it has fulfilled more than 5 million orders with the OrderAI Text and OrderAI Talk systems from HungerRush. The text-to-order option began in 2019, and, as of July 2023, 4 million orders had gone through. Moreover, in December 2021, the brand started piloting Order AI Talk, an AI-powered chatbot. It's now available at 240 stores in 20 states and has already surpassed 1 million orders. In July, the company said it was earning \$6 million per month using AI tech.

Aaron Nilsson, Jet's chief information officer, noted at the time that AI has made employees' jobs easier, too. "One of the biggest concerns we were hearing from franchisees was getting enough applications in the door, so we addressed this with technology," he said. "OrderAI can take infinite phone calls, which is instrumental in getting employees off the phones and back into the fun part of the job—making delicious pizzas."

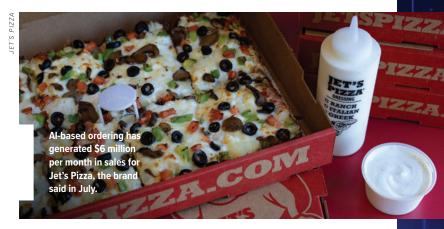
Nilsson added that Jet's has "seen less turnover as work stress has been reduced. Technology has created a better work environment and, let's be honest, it's really fun for our customers to use."

But Domino's is very much in the AI game, too. In October, the brand announced a new five-year

partnership with Microsoft "to create the next generation of pizza ordering and store operations with generative AI technology and cloud computing power." Domino's revealed that it had been experimenting with data and AI capabilities to "make store operations smarter, simpler and more robust." The Microsoft partnership's

"OrderAl can take infinite phone calls, which is instrumental in getting employees off the phones and back into the fun part of the job—making delicious pizzas."

Aaron Nilsson, Jet's Pizza



goal: develop a generative AI assistant that will streamline day-to-day managerial tasks, like inventory management, ingredient ordering and staff scheduling. It will also help with pizza preparation and quality control and could free up store managers to spend more time with customers and team members.

"The rapid advancement of artificial intelligence... will revolutionize not just the tech industry but the restaurant industry as well, and pizzerias are no exception," says Bobby Lawson, publisher and technology editor at Earthweb, an online business, technology and lifestyle publication and resource discovery platform.

So what are AI's potential applications for pizzeria operators? "For marketing, AI can be used for personalized customer engagement," Lawson says. "They can use artificial intelligence to collect data about customer feedback, order history and preferences. They can then use this to create a more personalized marketing campaign and send emails with recommendations based on the customer's order history and preferences."

Additionally, Lawson says, "AI can make operations a smoother process if it's used to optimize inventory management. With all the data that AI can collect, it will be able to track inventory levels. The AI system can then be trained to generate reorder points, assisting pizzerias in reducing food waste and

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ensuring they have the right stock on hand to create their customers' favorite pizzas."

Kat Campbell, a data scientist and author of a Substack newsletter called Data Science and Machine Learning 101, notes that AI can drill down to uncover and employ data in surprising ways, such as "analyzing past consumption patterns and factoring in variables like local events, weather forecasts and seasonal trends" to optimize inventory and control food costs. She also recommends using AI-driven analytics "to understand customer preferences better, tailoring the menu based on popular choices and even predicting future culinary trends."

Coppell, Texas-based Cicis Pizza found a more novel use for the technology this past summer: leveraging AI as a social media "intern." Over the summer, Cicis' marketing team used ChatGPT and Midjourney to create social media posts, including graphics and captions, across all platforms. The first post created by the "AI intern" went live on Instagram on July 17. It depicted an AI-generated robot bearing pizzas and a simple caption: "Meet our AI intern slicing up pizza posts this month at Cicis!"

As a copywriter, AI leans a bit too hard into clichés, but it generates some splendidly weird graphics; after all, it lacks the artistic and design sensibilities that humans possess and often doesn't understand or prioritize esthetic principles. That's just part of the fun. Case in point: Cicis' July 19 post, depicting a football player leaping above a crowd of fans, mouth open wide to bite into a floating pizza—even though he's still wearing his helmet. (And a couple of fans have caveman-like eyebrows, but is that really

All in all, the Cicis initiative was successful, but it won't replace real, live social media managers anytime soon, says Maria Trujillo, the brand's senior vice president of marketing. "When it comes to our in-feed content for Facebook and Instagram, posts featuring our AI intern's creations vielded average engagement rates that were at least 15

so off-base?)

"[Al is] a tool we're employing to help drive efficiency and assist with brainstorming. But unless we're creating something wildly imaginative, like a mac and cheese robot, it will be used day to day as needed."

#### Maria Trujillo, Cicis Pizza

times higher than the industry average," she explains. "For us, these results are in line with our typical social engagement, so, while not a huge boost from a metrics standpoint, it successfully opened up new creative possibilities, allowing us to try new things without any additional investment—like reimagining our brand mascot as an anime character."

Moving forward, Trujillo adds, "[AI is] a tool we're employing to help drive efficiency and assist with brainstorming. But unless we're creating something wildly imaginative, like a mac and cheese robot, it will be used day to day as needed. Our food means everything to us, so even if AI could replicate our pizza's appearance perfectly [in a social media graphic], we wouldn't want to do that. Authenticity matters, and we often went back in and incorporated our actual product shots into the AI images so that it better reflected the food our customers could find on the buffet."

Regardless, Nilsson believes AI tools should no longer be thought of as optional for restaurant chains. "We see them as key competitive differentiators that position us as a market leader," he says. "With this type of technology, we've been

VICE GUYS PIZZ

able to significantly elevate our brand."

Cicis' marketing team will continue to incorporate AI into social media "when it makes sense," Trujillo says. I'm sure AI will find its way into every little corner of our operations at some point. But there are no grand plans just yet."

Jovana Batkovic and Greg Gebhard, owners of Nice Guys Pizza in Cape Coral, Florida, picked an Al tool's "brain" for a recipe that proved a hit with guests.

How about a pizza topped with mac and cheese, bacon, and jalapenos? It's a wild combo, but it's delicious!

You could try a pretzel crust or a garlic butter crust to

What about the crust

really take it to the next level!

"However, like in all industries,





## **MAKING PEACE**

Lee Kindell, on the other hand, has a grand plan: incorporating robots into his operations at Moto Pizza, with four stores in Seattle. He's starting with just one—the Picnic Pizza Station—at the newest Moto location in the city's Belltown neighborhood. But he has his sights set much higher.

Drone delivery? He's working on it. Barista bots? Ditto. Star Trek-style food replicators? Well, not yet, but Kindell is hopeful.

He and his partner, Nancy Gambin, sell out of pizza—a lot. Eater Seattle says Moto's pies "might be the best in all of Seattle," but they're not easy to get. Moto just stays too busy, and pre-ordering is a must. A traditionalist in many respects, Kindell works with a sourdough starter (called "Betty") that's more than 100 years old. The art and craft of making pizza by hand are important to him. But after he injured his arm, he changed his perspective.

"I thought I'd be a one-man shop forever," Kindell tells PMQ. "When I realized I can scale a highquality pizza that matches the best of 'em [with a robot], it was game on." As he sees it, a robot can do what he does, but faster and more efficiently at least as far as prepping a pie is concerned. "Whether you like it or not, robotics is a positive certainty in our food future," Kindell says. "I truly

believe we can still attain a superior artisan food product using this new technology."

So has 2023 seen an explosion of pizza robotics? Not really. But there have been a few interesting and even surprising—developments, such as DiGiorno, the frozen pizza brand, testing a pizza vending machine at a Walmart in Colorado, and BRIX Holdings, which owns the RedBrick Pizza

## THE REVIEWS ARE IN

he charts on the opposite page reflect food critics' and the general public's reviews of their favorite pizzerias nationwide. Using a simple algorithm, we based the Critically Acclaimed ranking on 2023 "best-of" lists from 50 Top Pizza, the Washington Post, Food & Wine, Infatuation.com and Gayot.com as well as the Michelin Guide. For the People's Choice ranking, we averaged out ratings for highly reviewed pizzerias (1,000 reviews or more) on Google, Yelp, TripAdvisor and Facebook.

## CRITICALLY ACCLAIMED PIZZERIAS

RANK	Pizzeria	LOCA	TION
1	Pizzeria Bianco	Phoenix	ΑZ
2	Ken's Artisan Pizza	Portland	OR
3	Una Pizza Napoletana	New York	NY
4	Del Popolo	San Francisco	CA
5	Don Antonio	New York	NY
6	L'Industrie Pizzeria	Philadelphia	PA
7	A16	Oakland	CA
8	Razza Pizza Artigianale	Jersey City	NJ
9	Milo & Olive	Santa Monica	CA
10	Pizzeria Sei	Los Angeles	CA
11	Nouvelle Kitchen & Brewery*	Robbinsdale	MN
12	Tony's Pizza Napoletana	San Francisco	CA
13	Ribalta	New York	NY
14	0' Munaciello	Miami	FL
15	800 Degrees	Los Angeles	CA
16	Frank Pepe Pizzeria Napoletana	New Haven	СТ
17	Al Forno	Providence	RI
18	Jay's Artisan Pizzeria	Kenmore	NY
19	Song' E Napule	New York	NY
20	Casey's Pizza	San Francisco	CA
21	Kesté	New York	NY
22	La Leggenda Pizzeria	Miami	FL
23	Pasquale's Pizzeria Napoletana	South Kingstown	RI
24	Ops	Brooklyn	NY
25	Spacca Napoli Pizzeria	Chicago	IL

<sup>\*</sup> Originally reviewed as 'Pig Ate My Pizza at Nouvelle Brewing'

## PEOPLE'S CHOICE PIZZERIAS

RANK	Pizzeria	LOCATION	
1	Mister O1	Grapevine	TX
2	Simon's	Des Moines	IA
3	Vito's	Bountiful	UT
4	Zeneli Pizzeria	New Haven	СТ
5	Crust	Miami	FL
6	Orsi's Italian Bakery & Pizzeria	Omaha	NE
7	Ciao! Pizza & Pasta	Chelsea	MA
8	Saverio's Authentic Pizza Napoletana	Massapequa	NY
9	A Little Pizza Heaven	Scranton	PA
10	Pizza e Birra	San Diego	CA
11	Horst Sub & Deli	New Waterford	ОН
12	Sapori di 786 Degrees	Pasadena	CA
13	Steve's Pizza	Battle Creek	MI
14	Di Pasquale's Marketplace	Baltimore	MD
15	Smiling With Hope Pizza	Reno	NV
16	Domenick & Pia Downtown Pizzeria	Waterbury	СТ
17	Nolita Pizza	New York	NY
18	Riccardo's Pizza Restaurant	Browns Mills	NJ
19	Pizzeria Lui	Lakewood	СО
20	Terita's Pizza	Columbus	ОН
21	Fatto a Mano	Redondo Beach	CA
22	Tasty Pizza	Omaha	NE
23	L'Industrie Pizzeria	Brooklyn	NY
24	Great American Pizza and Subs	Golden Valley	AZ
25	GoodFellas Pizzeria of L.I.C.	Long Island City	NY

chain, undertaking a similar initiative with its new Pizza Jukebox concept at a Walmart in Frisco, Texas. Not so surprisingly, Columbus, Ohiobased Donatos Pizza—a longtime tech innovator under founder Jim Grote—also plans to open a "fully autonomous pizzeria" (i.e., a vending machine) in its hometown at some point in the not-so-distant future.

On the independent side, Alessio Lacco and Sofia Arango, owners of Atlanta Pizza Truck, unveiled a pair of Quickza vending machines that could grow into an empire, as PMQ reported in last October's issue. "We're establishing relationships in Atlanta, and we want to franchise our model by partnering with other pizzerias in the United States and in other countries," Lacco told PMQ. "We can work with them to create their own recipe for the vending machines, or they can use our recipe."

Making peace with robots will pay off for visionary pizzeria operators, Kindell believes. "It's gonna take the outliers and risk-takers to get first to market, with a few flops along the way," he says. "Those who hold on and get to the finish line win. I hope to be one of them. Being early requires a lot of patience and tenacity to fine-tune these technologies to work to scale—and what a ride!"

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## WATCH YOUR BACK, PAPA JOHNS >>>>>>>>

Of course, the quick-service pizza chains won't likely give a lot of ground in the tech race. As previously mentioned, Domino's and Jet's Pizza have already taken the AI plunge, along with Yum! Brands, Pizza Hut's parent company. But, all in all, 2023 was a mixed year for the industry's leading quick-service brands. For one thing, while Domino's hasn't surrendered its spot as the world's largest pizza chain—not by a long shot—its executive leadership had to make some tough decisions to stay on top this year.

Most notably, Domino's finally yielded to the seemingly inevitable: third-party delivery. For vears, the company had shunned aggregators even as its rivals embraced them. That changed this summer when Domino's entered into a global agreement with Uber Eats that included stores in four pilot markets in the U.S. "Now that aggregators are at scale, the next logical marketplace for us to enter is order aggregation," Domino's CEO Russell Weiner said in a July 12 announcement.

Since then, Weiner told investors in an October earnings call, "Our integration into the Uber Eats platform is proceeding as planned. We'll achieve our goal of Uber Eats providing delivery orders to all our U.S. stores by the end of the year. We expect this initiative will drive incremental delivery volume from new customers, increase our share of the pizza delivery market and create stronger economics for our company and franchisees."

Competitors like Papa John's and Little Caesars obviously felt the aggregators had reached scale in 2022 or earlier, but never mind that. The fact is, Domino's has been struggling to hire drivers since the pandemic. In 2021, then-CEO Ritch Allison said the company had been "experiencing one of the most difficult staffing environments in a long time," adding, "The real pinch point is the drivers." But the company might have found at least a partial solution to that problem this year: Since many potential drivers don't have their own cars,

the chain plans to put more than 1,100 Chevy Bolt electric vehicles on the road for select franchise and corporate stores by the end of 2023.

The combination of more in-house drivers and third-party delivery could ease Domino's samestore sales woes—Weiner thinks so, anyway. Although the brand logged an impressive 3.6% growth in U.S. same-store sales in the first quarter of 2023 compared to Q1 2022, the second quarter saw growth of just 0.1%, followed by a decline of 0.6% in the third quarter. To boost sales again, the chain unveiled a "new and improved" Domino's Rewards program that makes it easier for customers to earn free food. Then, in a headlinegenerating move in October, Domino's promised free "emergency pizza" to customers who joined the loyalty program and placed a digital carryout order of at least \$7.99. They followed up that same month with a promise of free "emergency pizza" for anyone with student loans to pay off.

Papa Johns, the No. 4 pizza chain, prefers menu updates to pizza giveaways; the company hailed

its Cool Ranch Doritos Papadia, launched in May with a star-studded marketing campaign, as its "biggest innovation ever." And in March, the brand announced it was expanding its use of OptiPrice, a pricing gap analytics platform, "to ensure that our products remain price-competitive and that our customers are receiving great value from each of our restaurants."

But Papa Johns had better watch its back: Marco's Pizza has made no secret of its goal to claim that No. 4 spot, and it could turn into a dogfight. Already this year, Marco's has opened more than 50 stores and announced the signing of 50-plus franchise agreements. Over the last six years, the brand has doubled its store footprint and shows no signs of slowing down.

In late October, Gerardo Flores, Marco's chief development officer, said the company has identified more than 4,200 locations where it could open new stores over the next five to 10 years. "We have a five-year development plan in place that we're trying to hit," Flores told Restaurant Dive.

## TOP ID PIZZA BRANDS BY UNITS, SALES (PLUS 5 TO WATCH)

35 -3335 35 -3355 -			**		
Chain Name	2022 U.S. Sales (Millions)	2022 U.S. Units	2021 U.S. Sales	2021 U.S. Units	Total Change in Units YoY
Domino's	\$8,752	6,686	\$8,641	6,560	126
Pizza Hut	\$5,500	6,561	\$5,500	6,548	13
Papa Johns	\$3,698	3,376	\$3,486	3,339	37
Little Caesars	\$3,520	4,173	\$4,185	4,187	-14
Marco's Pizza	\$968	1,067	\$899	1,002	65
Papa Murphy's	\$753	1,168	\$809	1,230	-72
MOD Pizza	\$605*	531	\$590	506	25
California Pizza Kitchen	\$569**	159	\$571**	166	-7
Hungry Howie's	\$479	536	\$478	534	2
Round Table Pizza	\$422*	417*	\$421	416	1
5 "Contending" Bra	nds To Watcl	h			
Mellow Mushroom*	\$419	175	\$401	173	2
Cicis Pizza	\$340	279	\$286	291	-12
Mountain Mike's	\$279	265	\$254	246	19
Sbarro	\$226	351	\$196	315	36
Toppers Pizza	\$82	73	\$78	70	3
	*				

Data courtesy of QSR magazine. \*Estimate. \*\*Data courtesy of FSR magazine.

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Marco's Pizza expects to open its 1,200th location in 2023 and is on track to add 150 new stores next year.

MARCO'S PIZZA



#### ARE HANDHEIDS GETTING HOTTER

fter offering individually sized, handheld Pocket Pies as an LTO from mid-March through early June, MOD Pizza added them to the menu permanently in September, thanks to "overwhelming demand." Customers can choose between the Italiano, Four-Cheese and the Chicken Bacon Ranch. In October, Marco's Pizza rolled out its own handheld, the Pizzoli. It's a combination of pizza and stromboli and is available in four varieties: Pepperoni, Buffalo Chicken, Pepperoni & Sausage, and Chicken Bacon Ranch. Papa Johns scored a handheld hit with its Papadias flatbread sandwiches back in February 2020. It's starting to seem like portable is preferable when possible!

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# "We are going to hit our 1,200th location this year. We are on track to do 150 stores next year and then increase it thereafter, year after year. The goal is, over the next couple of years, to get to 300 store openings per year."

On the fast-casual side, Blaze Pizza won't pose a threat to Papa Johns or Marco's anytime soon. But the brand did score a huge coup with a Pi Day promotion on March 14, adding 500,000 new members to its Blaze Rewards program and raising total membership to an astonishing 3.5 million. Not bad for a chain with about 330 stores in 38 states and six countries.

How did they do it? On March 1, Blaze announced the return of its \$3.14 deal for Pi Day. Customers who downloaded the Blaze Pizza app were automatically enrolled as Blaze Rewards members, which qualified them to purchase any 11" pizza with unlimited toppings for \$3.14 on March 14 only. That pizza usually sells for \$11.25. Customers were required to visit a Blaze location to take advantage of the offer. Thanks to that move, the Blaze Pizza app was the fourth most downloaded app on March 14, even edging out TikTok.

Like Domino's, Seattle-based MOD Pizza also jazzed up its loyalty program, MOD Rewards, to allow members to earn rewards faster. With more than 540 stores in 29 states and Canada, MOD says it's now the largest fast-casual pizza concept. It's certainly one of the most socially conscious. In April 2023, the brand announced it was partnering with nonprofits across the country to create the MOD Opportunity Network (MOD O.N.), dedicated to hiring and supporting people with barriers to employment, specifically justice-involved individuals and those with intellectual and developmental disabilities.

Back in 2021, Scott Svenson told PMQ that he and his wife, Ally, founded MOD Pizza as "a crazy social experiment," aiming to "combine the best of a for-profit business with the heart of a nonprofit, whereby the more successful we were, the better and bigger social impact we would make." So far, so good.



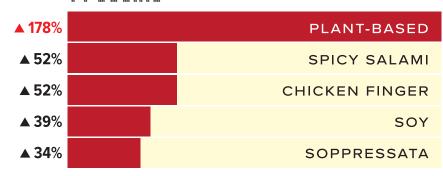
# 2024'S FASTEST-GROWING PIZZA INGREDIENTS

Source: Datassential

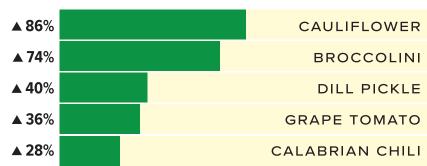
### Sauce/Flauor



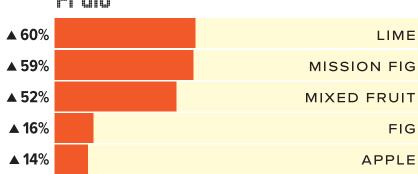
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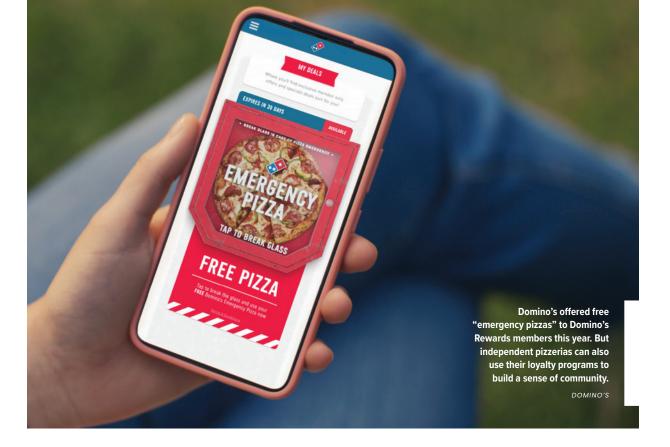
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## PLANT-BASED MFATS PFAK

he market for plant-based meat alternatives peaked in 2020, according to an August 2023 report from CoBank's Knowledge Exchange, and "the initial period of exceptional sales growth appears to be over." Mintel reported that fewer than half of Americans who tried those products at the time purchased them again. "Whatever their reason for purchase, plantbased offerings appear to have fallen short of consumers' expectations in terms of either cost or performance," said Billy Roberts, senior food and beverage economist for CoBank. "Market participants should be able to address the cost issues with greater economies of scale and minimized supply chain expenses. However, innovation around taste, texture and mouthfeel will be essential to capture more mass-market consumers."

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Are you starting to notice a pattern with the pizza chains? Many have been continually fine-tuning their loyalty programs to drive sales and attract new customers, who will, ideally, stick around for more deals and, ultimately, free food. According to an August 2023 report, "The Evolution of Loyalty Programmes in Foodservice," from Euromonitor International, the Domino's loyalty program ranks in the top 20 worldwide—specifically, No. 11, sandwiched (so to speak) between Chick-fil-A and Sonic Drive-In. But is the points-based approach taken by these big brands (and most other restaurant loyalty programs) the only way to go?

The Euromonitor report notes that 23% of digital consumers have three to five apps for ordering directly from restaurants, not counting third-party delivery apps. These apps take up a lot of space on the phone. And Rocio Franco, who authored the Euromonitor report, says they're all strikingly similar, because they "primarily revolve around transactional benefits."

To meet evolving consumer preferences, she wrote, restaurateurs need to introduce "next-generation" features to their loyalty programs that

will "add substantial value and adapt to consumers who actively seek an emotional connection to the brands they love."

What, exactly, does that mean? "Next-gen features, such as gamification, experiential rewards, hyper-personalization, decentralized structures and community-driven programs, go beyond the transactional aspect of loyalty programs," Rocio tells PMQ. "For independent pizzeria owners, I personally would focus on the community-driven program feature."

Food, including pizza, makes for "captivating fandom topics," she says. "Consumers seek communities around their passions, and loyalty programs catalyze fandoms and brand connections....Brands can leverage this connection to shift toward a more customer-centric innovation process."

Franco points to Taco Bell as an example. "The brand is interacting with its loyalty program members, offering a chance to co-create a product. Members can vote on fresh hot-sauce slogans through a fan poll for each packet type, contributing to the redesign rollout process and feeling part of the Taco Bell community."

Granted, there's a big difference between Taco Bell and an independent pizza shop. But any pizzeria can create a poll and ask for customer input on, say, a new specialty pizza or appetizer "Companies with engaged workforces experience higher profitability—21% higher, in fact. Which means prioritizing company culture can have a significant impact on your organization's financial returns."

#### **Belle Wong, Forbes.com**

to be added to the menu. "Another type of community-driven program is from La Cage, a sports bar in Canada, which cultivates a community centered around sports, specifically [the Montreal Canadiens] hockey team," Franco says. "Members of their loyalty program receive discounts whenever the Montreal Canadiens score five goals."

Pizzeria operators understand community building better than most. Your rewards program offers another way to do it, while showing your customers that their opinions matter. And you don't need a hometown pro sports team for that. Virtually every pizzeria has customers who love their local high school football or basketball team. Give them a reason to sign up for your loyalty program, and then show them that you share that passion.

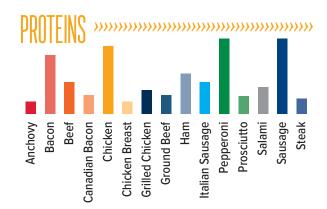
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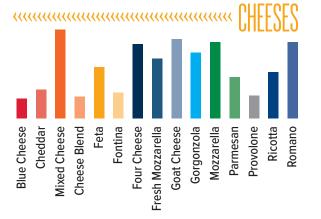
Pizzeria operators can boost their loyalty programs—and community spirit—by tying rewards to local kids' sports.

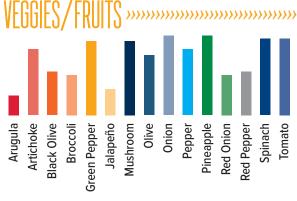


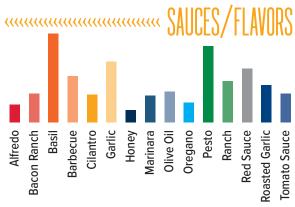
# MOST POPULAR INGREDIENTS BY MARKET SATURATION %

Source: Datassential









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# CHANGING THE NARRATIVE ON GAS STATION PIZZA >>>>>>>

Large chains aren't the only competition independents and smaller chains have to worry about these days. As convenience store (C-store) operators continue to build up their own foodservice programs, the pizza parlor and the gas station are beginning to share more and more similarities. C-stores are expanding their foodservice menus and devoting more time to crafting offerings that customers will enjoy. And, when it comes to a crowd-pleasing meal, there's no better option than pizza.

C-store pizza is changing, however, and it may surprise the unaware consumer. Gas station pizza is no longer the "last resort"; rather, it's something many consumers seek out and plan their meals around.

Pizza-focused C-store operators have made it a point in recent years to compete with traditional quick-service restaurants by offering many of the same foodservice options, including seating for

guests and active customer service. 7-Eleven, for example, aims to compete through authenticity and innovation. "At 7-Eleven, our pizza was inspired by the classics—New York City's Brooklyn pizza, pizzeria pizza and all the greats," says Kiara McKinney, who leads the 7-Eleven public relations account at Edible Inc. In addition to a take-andbake option, she says, "We offer fresh pizza both whole and by the slice."

7-Eleven features staples like cheese and pepperoni pies but also has introduced specialties like Extreme Meat and a Breakfast Pizza, as well as a variety of LTOs. "We love to experiment with new flavors for our customers to try. Over the last year, we have introduced Spicy Meat Pizza, Breakfast Pizza and Veggie pizza, to name a few," McKinney says. "We also do a number of pizza-related promotions."

And get this: 7-Eleven even offers third-party delivery and online ordering via the 7NOW app.

And while Marco's Pizza aims to move from the No. 5 spot among top pizza chains to No. 4 by dislodging Papa Johns, Casey's, with its 2,500plus locations, claims that it's the fifth largest pizza chain in the country. Casey's goes through 30 million pies in a year, a staggering number for a brand that offers a full array of foodservice

options. The chain even recently secured the copyright for the phrase, "The Official Pizza and Beer Headquarters."

To make its pizzas broadly appealing, Casey's brings in field trainers to its lab to connect with store operators and determine the product's direction. Then the product is finely tuned, tested with at least 150 guests, and, after any needed tweaks, rolled out to Casey's stores.

To change perceptions about C-store pizza, Casey's wants more people to try its food, which is easier said than done. So Casey's introduces unique LTOs and new menu items to drive

customer engagement and loyalty. Additionally, it leverages a unique advantage it has over some other QSRs: the ability to sell alcohol with pizza.

At Break Time C-stores, management decided that a co-branded partnership was the best way to launch its pizza program, providing instant brand recognition and brand support. For example, MFA Oil Co. operates more than 70 Break Time stores across Missouri, with the majority of stores offering Hunt Brothers Pizza for customers.

Oh, and that reminds us: Hunt Brothers Pizza currently operates 9,000 locations across 30 states. C-store pizza, it seems, is everywhere!

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So, yes, pizza remains a crowded—and mature market. No big surprise there. But here's one last tip for staying in the game next year: If you're one of those operators who complains that "young people don't want to work anymore," take a good, hard look at your company's culture. Why would they want to work for you? "They should just want to work, period," is no longer the right answer, according to Giuliana Calascibetta, district manager of Cam's Pizzeria in Rochester, New York. "A lot of businesses are, like, 'It's all about how you take care of your employees.' That's what they always say, but then they don't walk the walk. They read it in an article or a book. OK, well, apply it!"

Giuliana and her sister, Bianca Calascibetta, now run the small chain their father founded in 1980. Both women are young, inventive and smart—and they're realists who also hold dearly certain ideals typical of their generation. They know most Gen X-ers won't work for the wage a pizzeria can afford to pay. That leaves Millennials and Gen Z. And they're, well, a little different. Personal development and growth opportunities mean as much to them as a fat paycheck. "They don't want to feel like a number," Bianca says. "They don't want to feel like a cog in the wheel. They're not motivated by money. I know it sounds counterintuitive, but they want to feel like they're a part of something bigger than themselves."

Alex Koons, owner of Hot Tongue Pizza and co-owner of Purgatory Pizza, both in Los Angeles, defines "culture" as "a living set of values." As

he wrote in a May 2023 article for PMQ, "If values aren't intentionally put in place, the staff will naturally create their own culture, and it could be one of laziness, resentment and disdain." Koons' key values are honesty, hard work, courage, perseverance and empathy. But just as importantly, Koons creates an environment where his employees want to come to work every





day—in part because they never know what crazy idea their boss hatched the night before. He might plop a wig on their head, tell them to wiggle their bottoms and spotlight them in his comedic Instagram Reels. At the same time, he holds monthly companywide meetings to hash out problems and "make sure everyone is happy," he says. "These meetings provide great opportunities to get feedback, course-correct, and hear

out any employee who needs to get something off their chest."

In other words, engage your Millennial and Gen Z employees, and they will, in turn, become more engaged and productive employees. And they're less likely to skip out on you for a job that pays an extra one buck an hour. "Companies with engaged workforces experience higher profitability—21% higher, in fact," Belle Wong noted in an August 15 article on Forbes.com. "Which means prioritizing company culture can have a significant impact on your organization's financial returns."

Your pizzeria's success largely depends on today's younger workers, so you need to make

"[Gen Z is] not motivated by money. I know it sounds counterintuitive, but they want to feel like they're a part of something bigger than themselves."

Bianca Calascibetta, Cam's Pizzeria

them feel as valuable as that regular who comes in every Thursday for a meat lovers pie. Get to know them, find out what makes them tick and what they want to do with their lives, Giuliana says.

"I tell my employees, 'I hope you don't come into work just thinking you're going to get a paycheck and leave," she says. "The most valuable thing everybody has is their time, right? So I say to my employees, 'You're working 40 hours a week and

making money, and, of course, it's great. But what about the value of you working on yourself and your personal goals while you're at work? Maybe you're not confident. So let's work on speaking to customers more and learning their name and having them learn your name.' There's so much value in that. Money's replaceable. Your time is not replaceable. And I think that's the most important thing. I believe that. And my employees know I believe that. So they apply that to themselves."

**Rick Hynum** is PMQ's editor in chief. **Kevin McIntyre** is the online editor for C-Store Decisions, PMQ's sister brand.

## TOP PIZZA WEBSITES (BY TOTAL TRAFFIC)

Estimates of web traffic and website rankings have always been dicey at best. For years, we've noticed that PMQ.com's traffic was underreported by some public sources. Nevertheless, trends in web traffic reporting can help us better understand how the pizza industry is moving forward in the digital space. We reviewed web traffic estimates from multiple third-party sources to arrive at our own estimates and provide a snapshot of leading pizza chains' digital presence and power. Maybe this is the kind of traffic you can expect when you take over the industry in 2024!

RANK	Pizzeria	WEBSITE	AVG. MONTHLY TRAFFIC
1	Domino's Pizza	dominos.com	21M
2	Pizza Hut	pizzahut.com	14M
3	Papa John's	papajohns.com	11M
4	Little Caesars	littlecaesars.com	7M
5	Marco's Pizza	marcos.com	2.6M
6	Chuck E. Cheese's	chuckecheese.com	1.4M
7	Hungry Howie's Pizza	hungryhowies.com	1.3M
8	Papa Murphy's Pizza	papamurphys.com	1.2M
9	Jet's Pizza	jetspizza.com	1.1M
10	MOD Pizza	modpizza.com	1M
11	Cicis	cicis.com	830K
12	California Pizza Kitchen	cpk.com	720K
13	Mellow Mushroom	mellowmushroom.com	650K
14	Lou Malnati's Pizzeria	loumalnatis.com	640K
15	Round Table Pizza	roundtablepizza.com	630K
16	Giordano's	giordanos.com	580K
17	Pizza Ranch	pizzaranch.com	470K
18	Buca di Beppo	bucadibeppo.com	460K
19	Mountain Mike's Pizza	mountainmikespizza.com	450K
20	Donatos Pizza	donatos.com	410K
21	Blaze Pizza	blazepizza.com	390K
22	Peter Piper Pizza	peterpiperpizza.com	380K
23	North Italia	northitalia.com	360K
24	Imo's Pizza	imospizza.com	350K
25	Godfather's Pizza	godfathers.com	300K

## DIGITAL DOMINANCE (BY PER-UNIT WEB TRAFFIC)

Obviously, an independent pizzeria or small chain—even those that have found their niche or are poised to grow—can't hope to match the digital reach of a major chain. When we look at web traffic for smaller operations on a per-unit basis, we get a very different picture of what it takes to get your business to the next level in an increasingly data-driven economy. There are many factors involved in the digital success of these pizza companies, but it's worth checking out their sites to discover what they're doing right—and to use their best practices to bolster your own digital presence.

RANK	Pizzeria	WEBSITE	UNITS	EST. AVG MONTHLY TRAFFIC	EST. MONTHLY TRAFFIC/UNIT
1	Joe's Pizza (NY)	joespizzanyc.com	7	200K	29K
2	John's Incredible Pizza Co.	johnspizza.com	9	150K	16K
3	Mario's Pizzeria	mariospizzaonline.com	7	110K	16K
4	Toppers Pizza Place	topperspizzaplace.com	11	170K	15K
5	Pizza Luce	pizzaluce.com	9	130K	15K
6	Incredible Pizza Company	incrediblepizza.com	6	86K	14K
7	Goodfellas Pizzeria	goodfellaspizzeria.com	10	140K	14K
8	New York New York Pizza	nynypizzeria.com	8	100K	13K
9	Frank's Pizzeria	frankspizzeriaomaha.com	3	38K	13K
10	Joe's Pizza (CA)	joespizza.it	6	68K	11K
11	Buddy's Pizza	buddyspizza.com	16	180K	11K
12	Bertucci's	bertuccis.com	23	240K	10K
13	Zachary's Chicago Pizza	zacharys.com	5	50K	10K
14	Jules Thin Crust	julesthincrust.com	7	69K	10K
15	Frankie's Pizza	frankies-pizza.com	6	59K	10K
16	Mamma Mia's	mammamias.net	6	56K	9.3K
17	Giordano's	giordanos.com	64	590K	9.2K
18	Frank Pepe Pizzeria Napoletana	pepespizzeria.com	16	140K	8.8K
19	Gallagher's Pizza	gallagherspizza.com	4	35K	8.6K
20	lan's Pizza	ianspizza.com	9	77K	8.6K
21	Pie Pizzeria	thepie.com	6	51K	8.5K
22	Franco's Pizza	francospizza.com	5	41K	8.2K
23	Lou Malnati's Pizzeria	loumalnatis.com	81	640K	7.9K
24	Maria's Italian Kitchen	mariasitaliankitchen.com	8	61K	7.6K
25	Green Lantern Pizza	greenlanternpizza.com	11	81K	7.4K