



**Technomic®**

# Industry Insights

A roundup of noteworthy foodservice findings  
for the week of March 1, 2021

# Top Pizza Players See Strong 2020 Results

Driven by a pandemic-fueled spike in delivery demand, two of the industry’s largest pizza players achieved double-digit same-store sales growth in 2020.

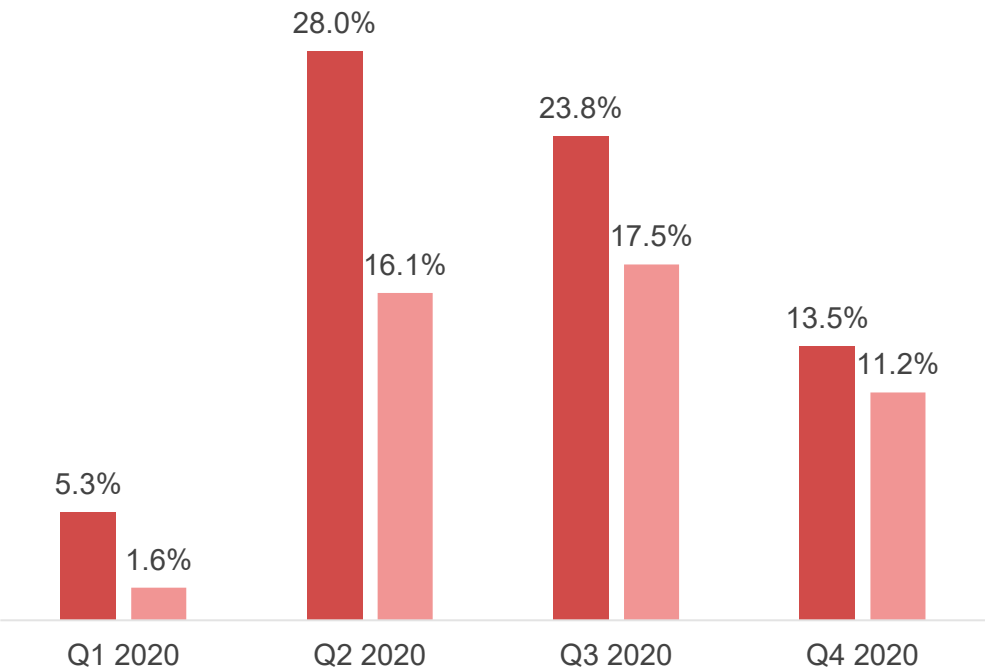
At Papa John’s, same-store sales rose 13.5% during the fourth quarter, marking the chain’s sixth consecutive quarter of growth. Annualized same-store sales increased by 17.6% in 2020 after declining 2.2% the year prior.

Domino’s U.S. same-store sales rose 11.2% in the fourth quarter, continuing the chain’s impressive streak of 39

straight quarters of positive results. On an annual basis, comparable sales grew 11.5% in 2020 following a 3.2% increase in 2019.

QUARTERLY SAME-STORE SALES  
YEAR-OVER-YEAR CHANGE %

■ Papa John's ■ Domino's



Sources: Technomic Ignite company data

# Winning Back the Morning

The brisk morning traffic that convenience stores have been traditionally known for has given way to a seismic shift in consumer behavior. The typical morning routine that would normally bring customers in for fuel, coffee and breakfast hit a downturn over the last year, as work and school obligations became centered at home.

Now, however, we're seeing the beginnings of a return to both on-site work life and in-classroom learning. This means that a burgeoning resurgence in c-store morning routines is poised to take root. For c-stores to take advantage, a renewed attention to

the morning menu—with plenty of portable meal options—is a must.

Our most recent consumer research found that roughly half (49%) of frequent c-store consumers are most likely to purchase breakfast sandwiches when they stop in for foodservice during the week. To meet this need, c-stores are working with their supplier partners to try out new LTO breakfast sandwiches with a variety of carriers, fillings and flavors to reinvigorate the breakfast daypart and win back the morning.

Source: Technomic Convenience-Store Membership Program featuring the C-Store Q1 2021 MarketBrief

## NEW OPTIONS

### Spicy Quesadillas

Two new quesadillas with heat-tinged flavor profiles join the menu. For breakfast, the Chorizo & Egg Quesadilla is made with spicy chorizo, eggs and melted cheese. (Kwik Chek)

### Handheld Waffles

Joining the permanent menu after a

successful 2020 LTO promotion, the Waffle Breakfast Sandwich features sausage and egg between two maple-flavored waffles. (Kwik Trip)

### Updated Proteins

A new Sizzli breakfast sandwich variety now showcases plant-based Beyond Breakfast Sausage, served with egg and cheese on a bagel. (Sheetz)



Image Source: CSP Daily News  
Courtesy of Kwik Chek/TXB

# Meat-Restrictive Diets Expanding

Diets constantly evolve, and consumers are increasingly adhering to ones that limit animal products in some way. The flexitarian diet has increased the most since 2018 and has the highest adherence, likely because it is the most accommodating and customizable.

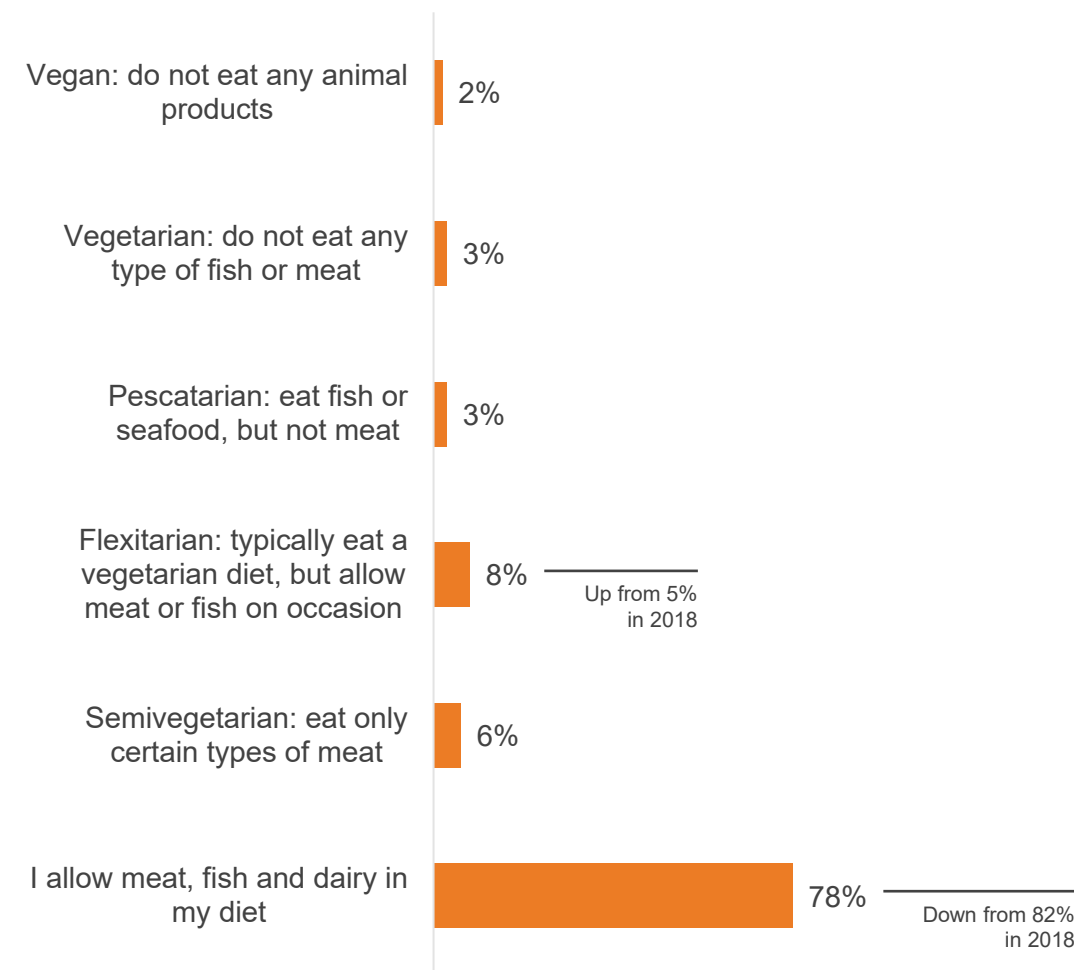
Although not shown, weekly consumption for both seafood and vegetarian dishes has also increased since 2018, due in part to shifting dietary habits. This trend is poised to continue as consumer awareness increases about these diets and lifestyle choices, such as the benefits plant-

based eating has on the environment.

Consumers are also increasingly saying at least one friend or family member is a vegetarian (41%, up from 36% in 2018), which can impact their dietary choices and knowledge.

Base: 2,736 consumers ages 18+  
Source: Technomic Ignite consumer data featuring the Technomic 2021 Center of the Plate: Seafood & Vegetarian Consumer Trend Report

WHICH OF THE BELOW STATEMENTS MOST CLOSELY DESCRIBES YOUR EATING HABITS WITH RESPECT TO ANIMAL PRODUCTS?



# Sustainability Back in Focus

Put on hold for a short while, suppliers and operators have restarted their sustainability initiatives in recent months as the health of the environment remains a key long-term priority across global markets.

Here are some recent highlights.

## Australia

McDonald's new eco-friendly flagship—which marks the brand's No. 1,000 store in the country—features sustainable cutlery and packaging, 100% renewable energy, recycling for used kids meal toys, charging stations for electric vehicles and carbon-neutral delivery service.

## Middle East & North Africa

Starbucks rolled out strawless lids across its system in the region as part of its ongoing effort to reduce plastic use at its coffee shops.

## Canada

KFC is testing a compostable spork made of bamboo, corn and sugarcane that breaks down into biomass and takes 18 months to decompose.

As operators return attention to sustainability and eco-friendly initiatives, suppliers should promote products that help position their clients as industry leaders.



McDonald's eco-friendly flagship in Australia  
Source: McDonald's press release

# COVID-19 DISRUPTION INDEX

**COVID-19 Disruption Index** is powered by [Shortest Track](#), utilizing AI, machine learning and disparate sets of data resources to quantify the potential risks that U.S. businesses face from the spread of the COVID-19 virus at the market level.

The highest index possible is 1.00, which is not good and reflects markets that are extremely disrupted. The index is updated on a weekly basis.

The COVID-19 Disruption Risk Index shares weekly updates through a business lens, rather than a health lens, and incorporates more than 20 different data signals to measure disruption and predict future impact. These signals include infection rates, deaths, state-level restrictions and social distancing requirements, population densities and mobility, group size limitations and lifestyle risk factors contributing to spread. More information is available [HERE](#).

## Change Versus Previous Week and Month

Change versus previous week/month allows users to see if the market is becoming more or less disrupted over time. Changes that are positive (+) show a move toward becoming increasingly more impacted by COVID-19 (not good). Changes that are negative (-) show a trend toward being less impacted by COVID-19 (good).

**Ignite Subscribers:** [Download full market report](#)

TOP 5 MOST DISRUPTED MARKETS BY INDEX POINT CHANGE (VERSUS PREVIOUS WEEK)		COVID-19 DISRUPTION INDEX (MAX: 1.00, HIGH DISRUPTION)	PERCENT CHANGE VERSUS LAST WEEK	PERCENT CHANGE VERSUS LAST MONTH
1	Ames, Iowa	0.459	3.28%	4.06%
2	Des Moines-West Des Moines, Iowa	0.454	2.93%	4.69%
3	Waterloo-Cedar Falls, Iowa	0.404	2.67%	3.36%
4	Iowa City, Iowa	0.374	2.69%	3.84%
5	Cedar Rapids, Iowa	0.377	2.65%	3.89%

Notes: Data updated Feb. 22, 2021  
Source: [Shortest Track](#)

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