



**Technomic**<sup>®</sup>

# Industry Insights

A roundup of noteworthy Canadian foodservice findings for the week of April 19, 2021

# U.S. Chains Buoy Results for MTY Global

In line with a tumultuous 2020 across the restaurant industry in Canada, MTY Global reported a system sales decline of 24% in Q1 of 2021. The group largely owns mall-based restaurants in Canada, but had its numbers stay afloat thanks to two large U.S. brands, Papa Murphy's and Cold Stone Creamery.

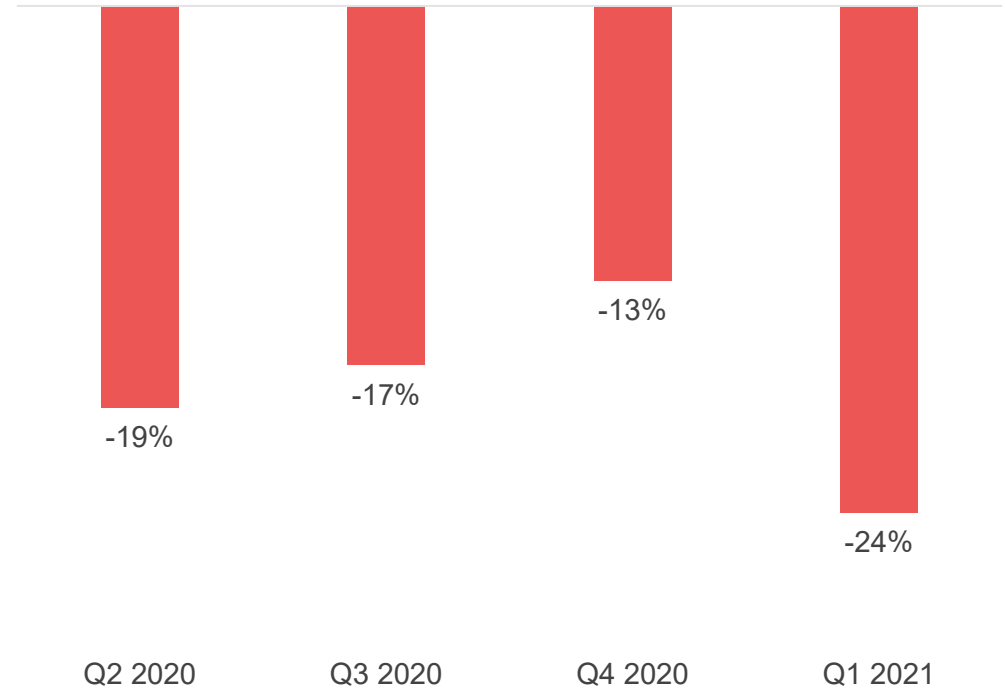
MTY acquired Papa Murphy's in May 2019 and has owned Cold Stone Creamery since 2016.

Though it was Papa Murphy's nearly 1,300 U.S. locations that bolstered the group's sales, the take-and-bake pizza brand does have 13 locations across Canada. Cold Stone Creamery

operates 865 U.S. units, but it does not currently have any stores in Canada.

While MTY built itself on Canadian brands, its reliance on U.S. stores has increased in recent years. Sales in the U.S. made up 61% of the group's total system sales in 2020, an increase from 48% in 2019.

MTY GLOBAL  
YEAR-OVER-YEAR TOTAL SYSTEM SALES



Sources: Technomic Ignite Company news and MTY Global Investor Relations

# Brands Help LTOs Stand Out

Among recent limited-time offers rolled out throughout Canada, many have featured brand names (both food and nonfood brands) attached to them. This strategy can help operators drive purchases, with 54% of consumers who visit fast-food restaurants agreeing that featuring brand names make them more likely to purchase food or beverages at these locations.

Both McDonald's Canada and Tim Hortons recently teamed up with Cadbury to release special limited-time treats around Easter. McDonald's Canada's Cadbury McFlurry features Cadbury Creme Egg fondant blended into soft serve. Tim Hortons released a Cadbury Mini Eggs Dream Donut that

was topped with a nest of Cadbury Mini Eggs.

Krispy Kreme Canada also recently collaborated with Oreo to release the Oreo Cookie Glazed Doughnut and the Over-The-Top Oreo Cookie Doughnut, both of which feature an Oreo cookie glaze and Oreo cookie pieces.

Pizza Pizza and Pizza 73 have both taken these branded LTOs a step further by offering limited-time merchandise to go along with menu specials. In celebration of UNO's 50th anniversary, both pizza chains offered an UNO Combo, featuring pizzas, drinks and an exclusive co-branded UNO card deck.



Source: Technomic Ignite Menu and Ignite Consumer, including the Technomic 2020 Canadian Future of LSR Consumer Trend Report

McDonald's Canada's Cadbury Creme Egg McFlurry  
Image Source: McDonald's Canada website

# Consumers Remain Cautious of Self-Serve Beverage

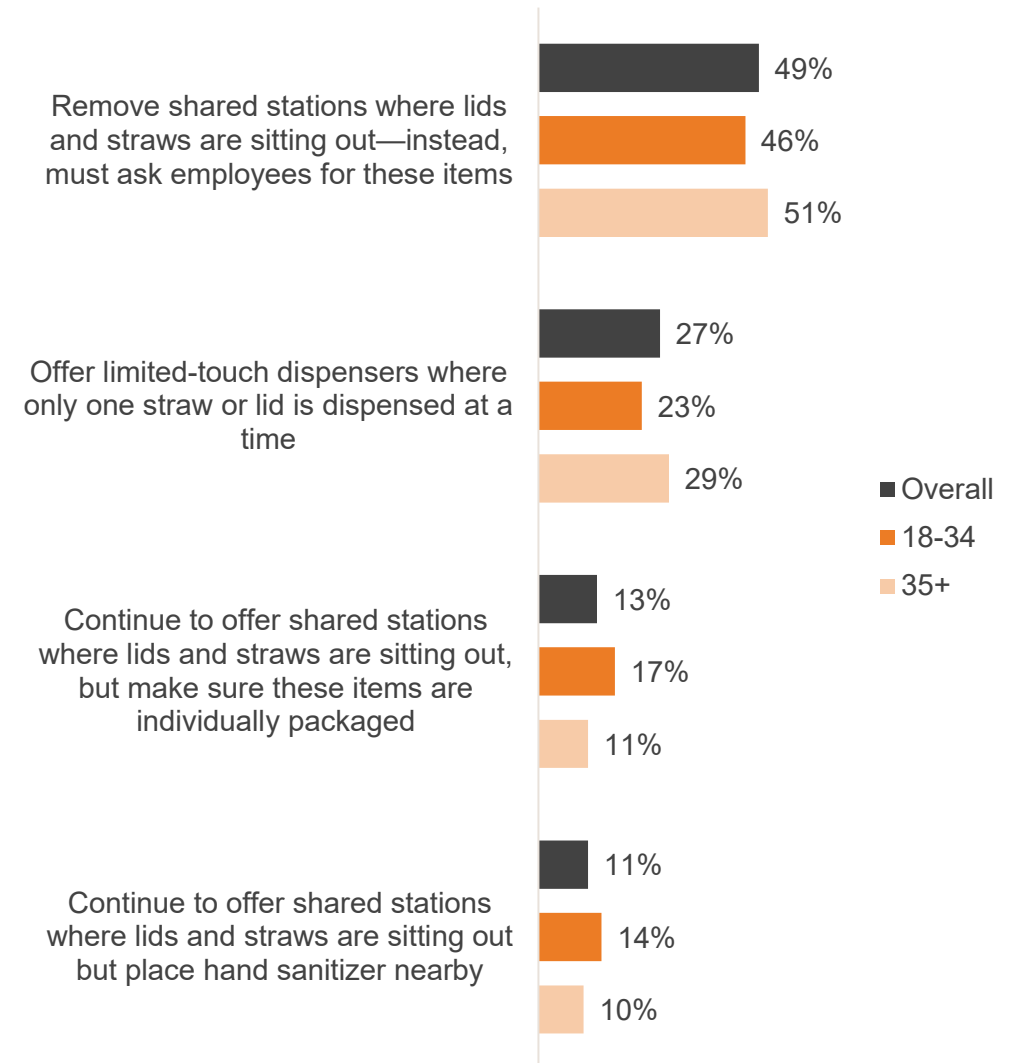
Operators have had to adjust their self-serve beverage offerings over the past year due to safety and sanitation concerns. Currently, consumers prefer that employees control lid and straw distribution as opposed to having them at a self-serve or shared station. This reflects how many consumers are willing to sacrifice convenience for safety as vaccines continue to rollout.

Consumers don't feel comfortable with lids and straws sitting out as other customers could accidentally touch them while grabbing their own lid or straw. High-touch areas will likely remain a concern to consumers as we emerge from the pandemic.

Offering canned or bottled beverages can provide variety and highlight safe alternatives. Additionally, emphasizing cleanliness procedures around beverage stations will be critical going forward to maintain customer trust and loyalty.

Base: 1,214 consumers who have purchased a beverage from foodservice in the past month  
 Source: Technomic Ignite consumer data featuring the Technomic Canadian 2020 Beverage Consumer Trend Report

PREFERRED WAYS FOR OPERATORS TO HANDLE LIDS AND STRAWS MOVING FORWARD



# A Look at the World's Largest Pizza Chains

Pizza is popular—now, in the pandemic era, perhaps more so than ever. It's convenient, adaptable to myriad flavours and toppings, can be premium or budget, healthy or comforting and, importantly, highly suitable for delivery.

Among Technomic's Global 150 ranking of the largest global restaurant chains by unit count, 11% are pizza or Italian/pizza. That's a huge chunk relative to other major categories, on par with burger (10.5%) and besting chicken (9.3%) and sandwich (3.3%).

Not surprisingly, the vast majority (76%) of the top pizza chains are limited service, with four full serves on the list (all from Europe and North America).

Note: Global rankings by unit count;  
Chains based in the United States must operate in two or more international markets and have a meaningful location footprint outside of the U.S. to be eligible for inclusion  
Source: Technomic Global Foodservice Navigator Program

Leaders include well-known brands such as Pizza Hut (LSR in some markets, FSR in others and both in many), Domino's and Papa John's.

Ranked No. 6 among global pizza chains by unit count, South Africa-based Debonairs Pizza is the top brand not based out of America. The South Africa-based chain is followed by Canada's Pizza Pizza and the U.K.'s PizzaExpress (AKA PizzaMarzano in many parts of the world).

Learn much more about the global pizza landscape from a post-pandemic perspective with Technomic's new [2021 Global Pizza Category Report](#).

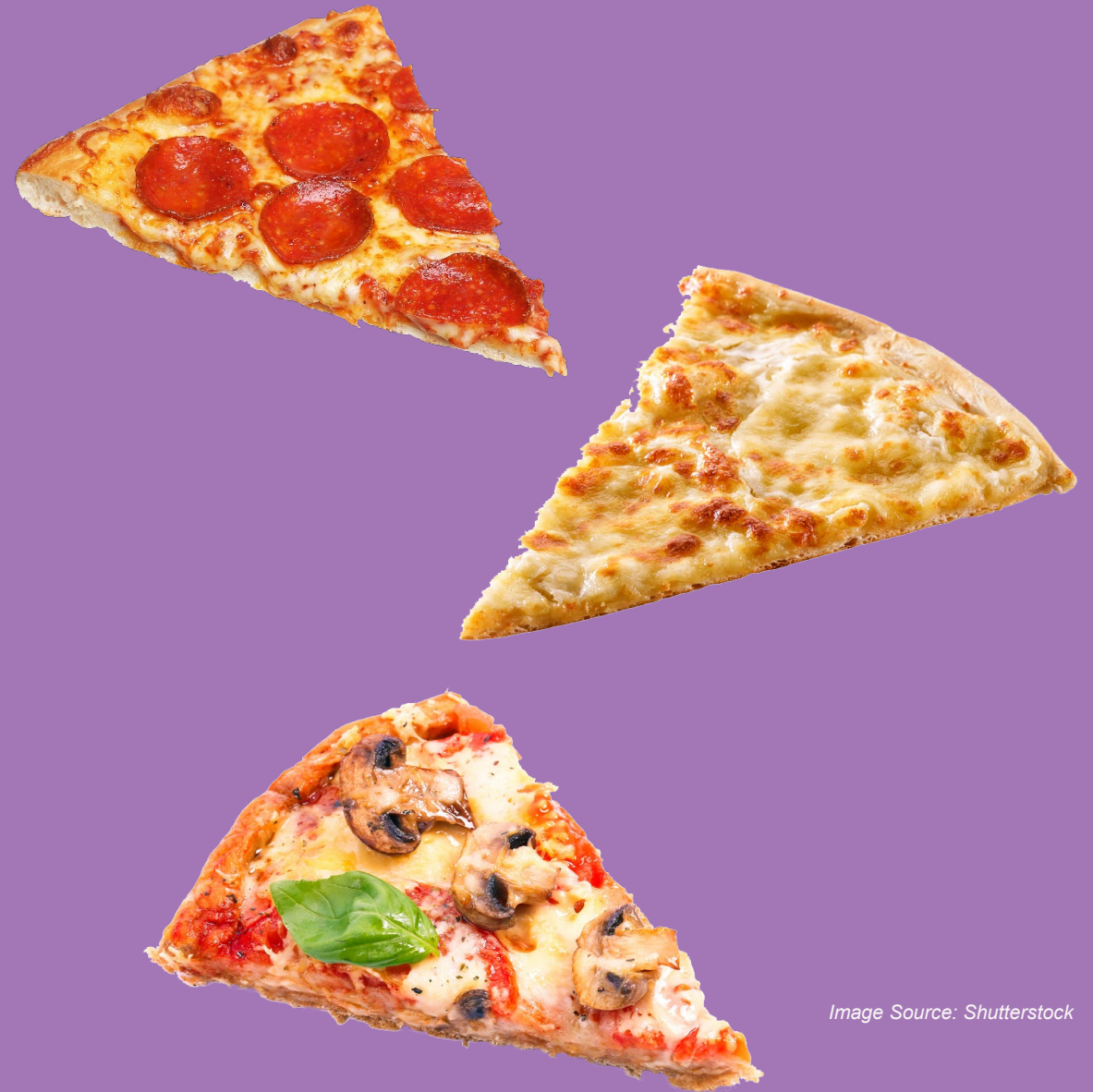


Image Source: Shutterstock

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We provide insights into consumer, industry and menu trends in the U.S., Canada and 23 countries around the world.

Our team of experts helps leaders in the industry make complex business decisions, set strategy and stay ahead of the curve.

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