

OCTOBER National Pizza Month

GUEST EDITORIAL

Why Refrigerated Pizza is Grocery Stores' Third-Fastest Growth Category

By: **BILL MACKIN**, President
MaMa Rosa's Pizza

The current economy – characterized by layoffs, home foreclosures and a wobbly market – has given consumers plenty of reasons to watch their dollars more closely. Grocery stores, as a result, are tending to fare well in the recession



BILL MACKIN

as consumers look for economical alternatives to eating out and increasingly shop for more groceries so they can cook at home.

The family meal event, in fact, is trending upward for the first time in 20 years. A recent GfK Custom Research North America consumer study revealed that 60 percent of respondents are eating out less often than they did a year ago. Looking ahead one year, almost half say they will be preparing and eating more meals at home. A mid-September 2009 nationwide Harris Poll concurred, showing that 67 percent of Americans say they plan to decrease spending on eating out at restaurants.

Refrigerated Pizza is a Grocery Leader

Among the perishables driving much of grocers' sales growth in the down economy, refrigerated pizza is the brightest spot of all. With nearly 15 percent unit sales growth over the last year, it is the third-fastest growing category in grocery stores overall, and the hottest item in the perishables category.

For grocery stores, refrigerated pizza can be a sales leader in any economy, but there are good, common-sense reasons it is a par-

ticularly important component of a grocer's meat case right now:

Our shopper is your shopper.

Most families shopping in grocery stores are shopping for four or more people. These consumers, who tend to avoid the frozen aisle and choose fresh meats, also are refrigerated pizza buyers. Refrigerated pizza is presented in the meat department – typically a grocery store's largest-selling department, where people already are spending more money than in other categories – and refrigerated pizza adds incremental sales to other products in the department. Pizza also knows virtually no seasonality, which translates to more consistent sales and profits for grocers.

True value.

Just because consumers are eating at home more often doesn't necessarily mean they want to cook elaborate meals. From both a value and a time standpoint, refrigerated pizza provides the exact meal occasion families want. Refrigerated pizza meets consumer demand for quick and easy preparation and a good-tasting, universally popular meal, all at a price that allows consumers to feed a family on a budget.

Incremental to frozen.

A recent Consumer Insights report showed that refrigerated pizza sales are completely incremental to frozen, in part because a 20-

oz. frozen pizza costs in the neighborhood of \$3.50, while a 46-oz. refrigerated pizza – which goes much further – typically costs around \$5. Refrigerated pizza also is characterized by high consumption rates, which drives demand for further sales: When a pizza is purchased in a fresh state, the first pizza in a two-pack generally is consumed in 24 hours and the second is eaten in three days.

Something for everyone.

Product options – family-size, single or hand-held refrigerated pizzas offer something for everyone in the family. Regardless of whether a shopper is feeding a whole family at dinner or a teenager hungry for an after-school snack, refrigerated pizza works for multiple meal occasions.

High non-promoted sales rates.

For MaMa Rosa's, which makes and sells 64 percent of the nation's refrigerated, branded pizza, 70 percent to 75 percent of sales are non-promoted.

Recent research also shows that MaMa Rosa's is a destination product for 35 percent of its customers who are so brand loyal that, if their grocery stores don't carry the product, they will make trips to other shopping outlets to find it. Consequently, MaMa Rosa's refrigerated pizza not only adds incremental sales, but grocery retailers who don't carry the product ac-

tually are losing sales to competitors.

Willingness to trade up.

While the new, cost-conscious consumer is skipping more expensive impulse items and aggressively shopping price, she's also proving there are areas where she's willing to trade up, particularly if it means an enhanced home meal experience. Consumers – who can see exactly what they're getting through the clear over-wrap covering refrigerated pizza – tend to perceive greater price and quality value in the fresh product over frozen pizza.

Consumers won't stop watching their pennies anytime soon. But grocers who take advantage of the sales growth opportunity that refrigerated pizza provides will be among the success stories of America's recession.

About the Author:

Bill Mackin is president of MaMa Rosa's, LLC. Based in Sidney, OH, MaMa Rosa's is the nation's leading manufacturer of branded, refrigerated pizza. The \$70 million company makes and markets 64 percent of the branded pizza sold in the refrigerated section of the supermarket.



Frozen

Artisan Creations

Weight Watchers Smart Ones Introduces Grilled Flatbreads



WEIGHT WATCHERS SMART ONES BRAND is giving lunch time a boost with new flavorful Artisan Creations Grilled Flatbreads. The new Grilled Flatbread line offers a variety of flatbread sandwiches with bakery-baked flavor and grilled, crispy bread, right out of the microwave.

Smart Ones Grilled Flatbreads boast real grill marks, robust flavor and whole strips of steak or chicken, topped with fire-roasted vegetables and tasty sauces. In addition to serving as a better-for-you lunch option, mid-day munchers can enjoy Smart Ones Grilled Flatbreads either crispy or soft, by following the package instructions for a sandwich that suits personal tastes.

Each of the Grilled Flatbread varieties has a Weight Watchers POINTS® value of six, has 310 calories or less, and six to eight grams of fat. The line includes four tasty flatbread options:

- **Chicken Marinara with Mozzarella Cheese** with grilled white meat chicken, fire-roasted bell peppers and onions, and reduced-fat mozzarella cheese, topped with a zesty marinara sauce on a flatbread.
- **Savory Steak and Ranch** flatbread with seasoned beef steak, fire-roasted green bell peppers and onions, reduced-fat mozzarella cheese, with a creamy ranch sauce.
- **Southwestern Style Chicken Fiesta** with grilled white meat chicken, a blend of reduced-fat cheeses and fire-roasted vegetables, complemented by a roasted red bell pepper sauce on a flatbread.
- **Chicken Bruschetta** with grilled white meat chicken, tomatoes, roasted red bell peppers and reduced-fat mozzarella cheese with a creamy roasted garlic sauce.

Smart Ones Grilled Flatbreads are distributed nationwide for a suggested retail price of \$3.29.

Denali Partners with Meijer to Develop

A Fresh Approach to Mint Chocolate Chip Ice Cream

CHOCOLATE CHIP MINT is among the top five ice cream flavors sold in the United States, a fact not lost on Denali Flavors, Inc. and Meijer Stores who have partnered to introduce Denali's new Mint Moose Tracks® flavor of ice cream as a Premium Meijer brand product.

It's a new take on an old favorite, featuring a blend of decadent mint-flavored ice cream with swirls of dark chocolate Moose Tracks Fudge and mint milk chocolate candy cups. Meijer Premium Mint Moose Tracks ice cream retails for \$2.99 per half-gallon, and is available at all Meijer Supercenters throughout the Midwest.

Mint Moose Tracks is another ice cream "hit" for Denali, the Wayland, Mich.-based premium ice cream developer. The Company's Moose Tracks brand of ice cream flavors includes Original, Brownie, Chocolate, Extreme and now, Mint. All five Moose Tracks varieties rank among the top 10 percent of ice cream items sold in the U.S. according to recent A.C. Nielsen data.

"We felt we had a winner with Mint Moose Tracks, even in the concept stages," said Neal Glaeser, president of Denali Flavors and Denali Ingredients, Inc. "What we couldn't have anticipated is the overwhelming acceptance of this new flavor across the board."

