

2015

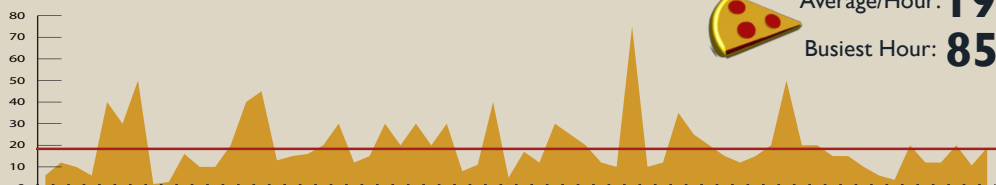
Pizza & Delivery Restaurant

PERFORMANCE BENCHMARKING STUDY

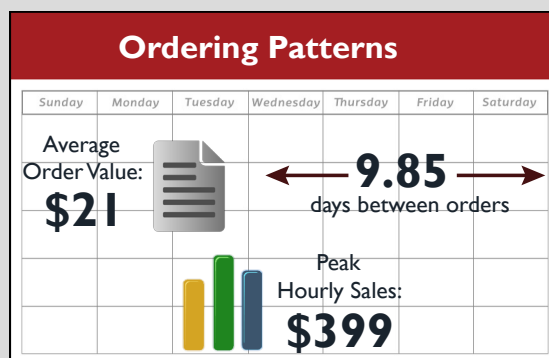
Benchmarks in Review

Source: A survey of US and Canadian pizza and delivery restaurant operators, conducted online and completed in person at the 2015 International Pizza Expo.

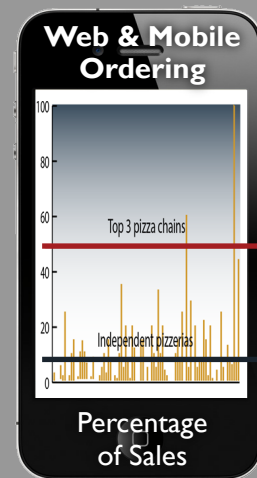
TOTAL ORDER VOLUME



SALES

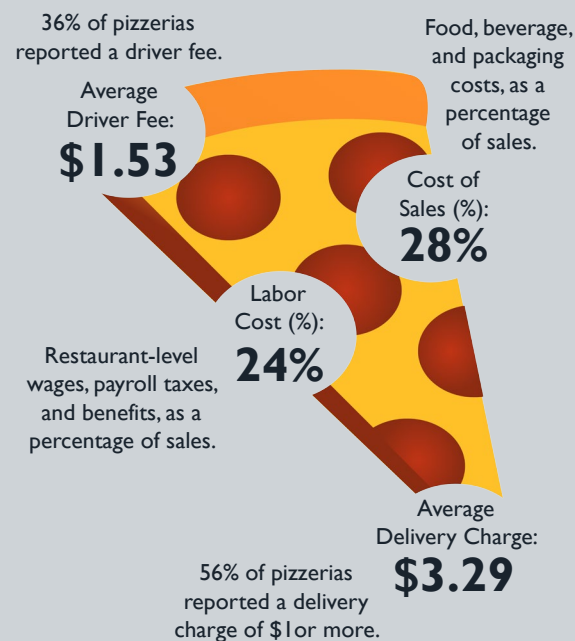


ORDER VALUE

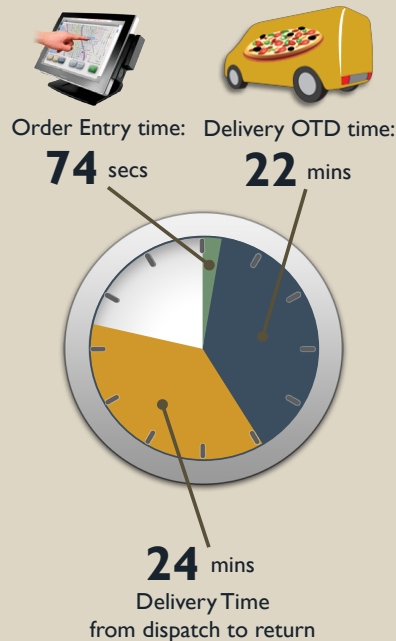


Adoption of web and mobile ordering among independent restaurant companies and smaller franchise organizations lags far behind the leading pizza delivery chains.

COSTS AND FEES



SPEED OF SERVICE



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Sales and Order Volume



Average hourly sales volume was \$399, with operations averaging 19 orders per hour and an average order value of \$21.

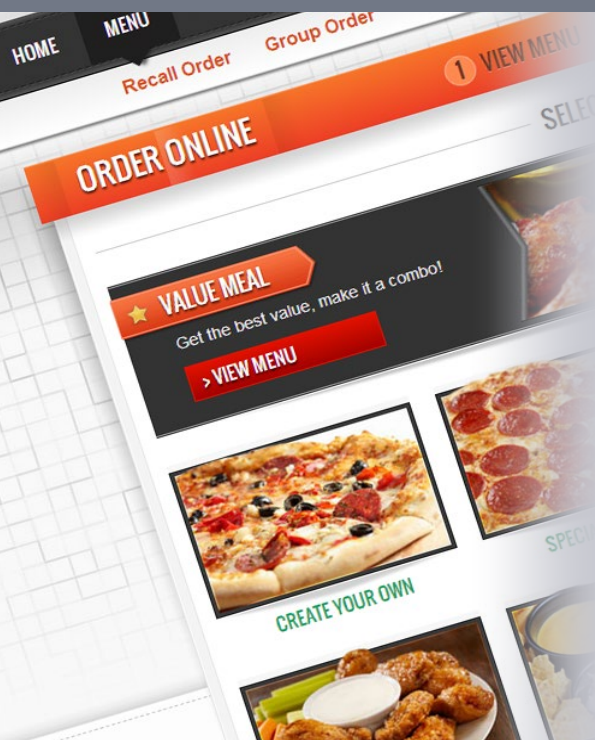
Customer loyalty was a significant factor in overall order volume, with restaurant operators reporting that their average customer ordered once every 9.85 days.

Average order value varied widely based on business mode. Slice shops reported order values as low as \$3–5 (the price of a slice and a soda), while dine-in pizzerias could average as high as \$50 for a typical family order.

In general, fast casual concepts serve a much higher percentage of single diners, resulting in more orders but significantly lower order values (averaging \$8 per ticket). The typical ticket at delivery concepts was a family order averaging \$20.

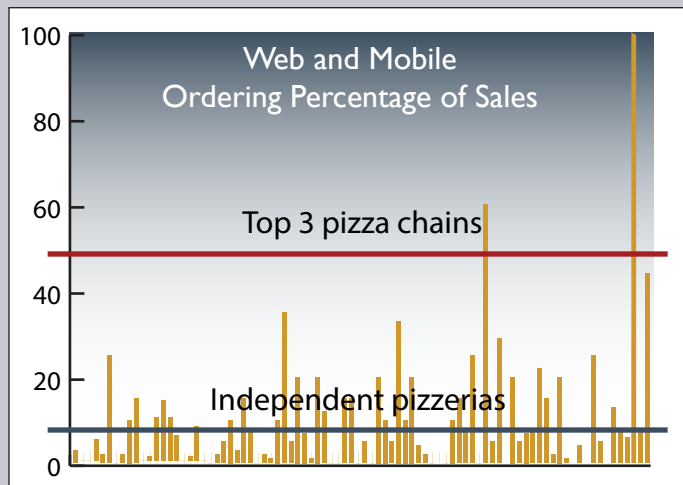
Average Order Value (\$)	Average Order Frequency (Days)	Average Orders Hour
21	9.85	19

Web and Mobile Ordering



Only 44% of the independent pizza and delivery restaurants in the study reported taking orders online, and at those companies, web and mobile orders still make up less than 8% of total sales. This is a marked difference from the leading pizza chains, where online orders are approaching or exceeding 50% of total revenue.

With studies showing the capacity for online ordering to increase order size and frequency, this slow adoption rate may well be costing restaurant companies in both short-term revenue and long-term customer loyalty.



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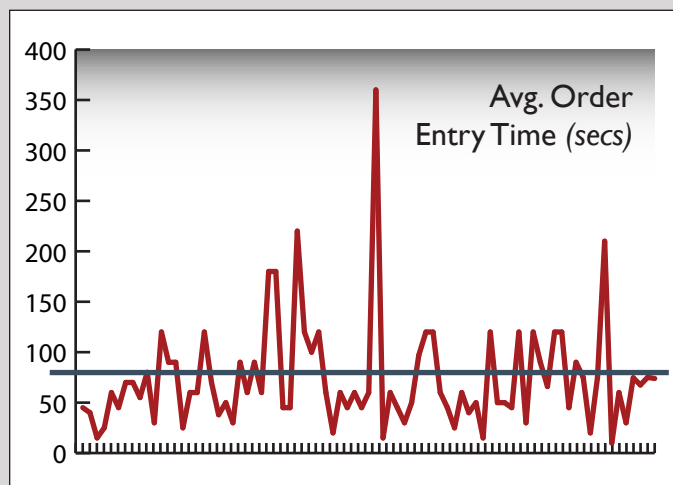
Speed of Service



The study evaluated speed of service in initial order entry time, kitchen time for delivery orders (OTD time), and delivery performance from dispatch to return.

Order entry times varied from as little as 20 seconds in some quick service concepts to more than three minutes at some locations, averaging 74 seconds overall. Out-the-Door times for deliveries ranged from 10 to 35 minutes, but the majority of restaurants in the study were very close to the 22-minute average.

Time from driver dispatch to return varied based on delivery area from as little as 12 minutes to as long as an hour at a few locations, averaging 24 minutes overall.



Costs & Fees



The study tracked labor cost, including restaurant-level wages, payroll taxes, and benefits as a percentage of sales. Averaging 24%, reported labor costs varied at participating restaurants from as little as 9% to as much as 40% of sales. Cost of sales (COS) in the study included food, beverage, and packaging costs as a percentage of sales. Reported COS numbers ranged from 15 to 50%, but most of the restaurants reported COS near the average of 28%.

Although 97% of the restaurants in the study offered delivery services, only 56% reported a delivery charge of \$1 or more. The average delivery charge was \$3.29, with most over the \$2 mark. Only 36% of participants reported a driver fee, with the average \$1.53.

