

# **Tombstone Pizza Industry Report**

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## **Executive Summary**

Tombstone is a beloved frozen pizza brand that started in the small town of Medford Wisconsin. Located directly across from a cemetery, the name Tombstone was created. Frozen pizza is so loved In the United States, but is it just as loved in the United Kingdom? This industry report will cover an overview of Tombstone and its marketing efforts, Frozen pizza trends in the United States and United Kingdom, as well as customer profiles and potential United Kingdom customers. These factors will help determine if Tombstone can be successful if they were to export to the United Kingdom.

The frozen pizza industry in the United States is much larger than in the United Kingdom. Despite this, the United Kingdom has many popular pizza brands such as Good Fellas, and Chicago Town. Similar to popular frozen pizza brands here they have a variety of thin and thick crusts, plain cheese, and meaty pizzas. The industry is largely there but how will Tombstone stand out against these other brands?

Before entering the United Kingdom, Tombstone needs to be aware of strategic implications and how they can understand them before making wrong decisions. The first implication is the size of sales pizza brings in. Compared to The United States and other competitive industries in the United Kingdom, the pizza sales in the United Kingdom are not very large. The next implication is the competitors in grocery stores, stores such as Tesco and Sainsbury have their generic brands that are currently dominating the pizza brand shares. If Tombstone wants to enter those grocery stores it will need to create a competitive advantage to stand out. The last implication is the small brand shares Tombstone has in the United States. Their brand competitor DiGiorno is currently

number one for brand shares. This can be an implication because if they are not doing so well in the United States how will we know they will do well in the United Kingdom?

Many implications and decisions need to be made aware of before deciding to enter a new market. If Tombstone can become aware and transparent with these implications, while still staying true to their brand but confining to a new culture, I believe they will succeed In the United Kingdom. The United States and the United Kingdom, have many similar aspects as countries this is something Tombstone can use as an advantage.

Overall, Tombstone has a rich history this report will go over the company's history. Then it will dive into the situational analysis of internal and external. Then a look into the frozen pizza industry in the United Kingdom and United States. Next will be potential consumers, and lastly will end with a full SWOT analysis of Tombstone Pizza.

## **Company Overview**

The Simek family were the owners of a local Tavern in Medford Wisconsin called *The Tombstone Tavern*. The name comes from the cemetery that was right across the street from the Tavern. Joe Simek the owner of The Tombstone Tavern was recovering from a broken leg back in 1962. To pass the time at the Tavern he started making pizzas in the back of the house. He then started serving them to his favorite customers. Word started to get out and the demand for the pizza grew. This started the long success of the newly named Tombstone Pizza. After word got out about the Tavern selling the frozen pies, local businesses in Medford started to request them. That year, the Simek's converted the tavern into a fully functioning pizza factory. Creating their well-known thin-crust, savory pizzas. By 1964 Tombstone had gone national. As of today, Tombstone is now a branch of Nestlé known as Nestlé Pizza headquartered in Medford Wisconsin. Tombstones can be found in retailers such as Walmart and Target. (Tombstone Pizza)

## **Situation Analysis**

### **Internal Analysis**

Going back to Tombstone roots, in April of 2024 they released two new options. The Primo and Let's Meat Up. Both options are a nod to their tavern-style roots. Along with that on National Beer Day April 7<sup>th</sup>, 2024; Tombstone partnered up with Voodoo Ranger a popular IPA beer to create a limited-edition pizza-flavored beer (Tombstone). Along with that they frequently have created bar snack-inspired pizzas such as a deep-fried pickle pizza. Tombstone stays true to its

values and where it started. Using the slogan “Born in a Bar” an ode to their tavern roots. They use their Tavern upbringing as a great competitive advantage.

Tombstone Pizza goes for about \$4.99 at retailers such as Hy-Vee and Walmart for the original thin crust (Tombstone Pizza). Compared to other brands Tombstone is cheap. They frequently offer coupons and promotions online, in local newspapers, and by direct mail (Tombstone Pizza). These are all great promotions to bring customers to buy Tombstone Pizzas.

Tombstone Pizza has been around for about 62 years, so they have quite the experience under their belts. With this, they know how to create delicious pizzas that have consumers coming back for more. With the affordability, ease of make, and reliability of Tombstone there is no question that they stand out to shoppers. The United Kingdom has a good-sized market for frozen pizza at 1,425 Great British Pounds to a million. Tombstone is very similar to the frozen pizzas already in the United Kingdom market. Both offer thin-crust options and different flavors. Frozen pizza is just as accessible as it is in the United States. The big four supermarkets all carry them as well as have their brand of pizza.

### **Customer Analysis**

Considering Tombstones Tavern upbringing their current customer are familiar with the bar scenes. More of the younger generations including Generation Z and Millennials. Also, someone who is looking for an affordable and easily accessible meal. (ProQuest). Consumers who are not looking to spend a ton of money and who may be living a busy lifestyle are also in the current customer pool. Although Tombstone is in all 50 states it loves to market itself as a Midwest

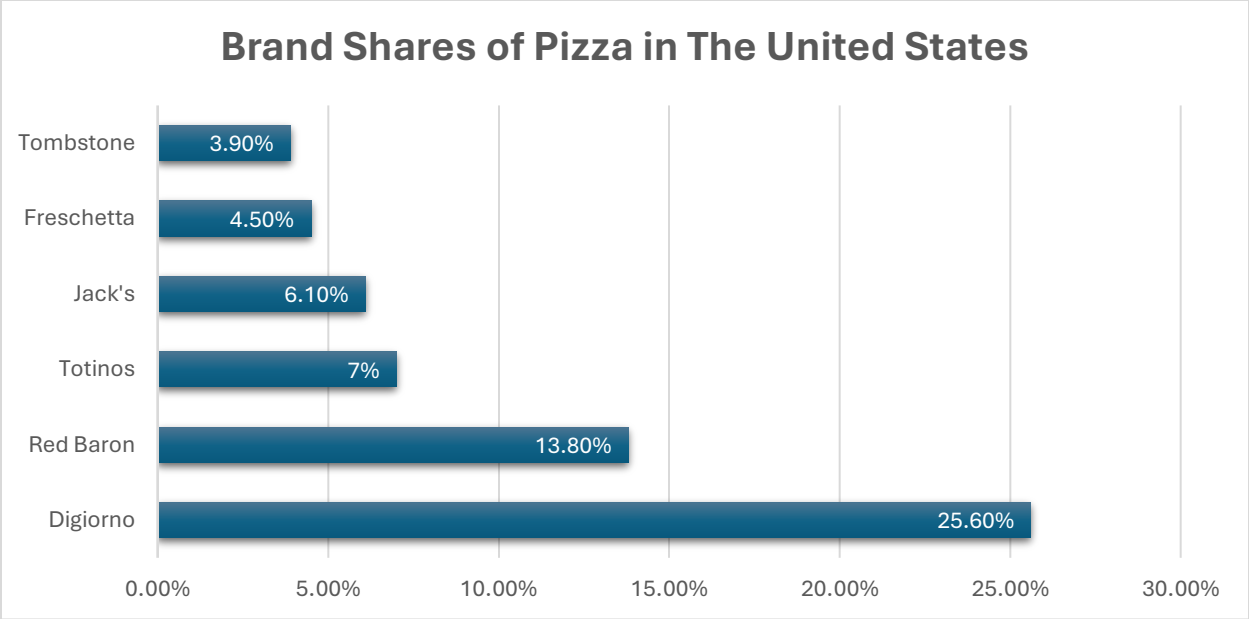
brand and takes pride in that. Many customers reside in the Midwest. Heavy users are most likely to buy Pizzas in bulk and have a few stocked up in their freezer for their convenience. Light users will buy one when they are in the mood, or it catches their eye at the grocery store.

The potential United Kingdom customer is similar. Someone who is looking for an easy meal, affordability, and reliability. Although the Midwest brand would not be prevalent. Pubs are quite popular in The United Kingdom, and marketing towards frequent pub customers could help keep Tombstones “born in a bar” marketing efforts.

You can buy Tombstone Pizza at many big box retailers including Walmart, and Target along with Pick ‘n Save, Kroger, and Meijer. If you are unsure of where you can find one in your local area, they offer a lookup tool for each pizza on their website (TOMBSTONE). You can also get Tombstone through delivery services such as Instacart and Uber Eats. Tombstone is very accessible and can be found in all the fifty states.

## **External Analysis**

### **Industry Overview**



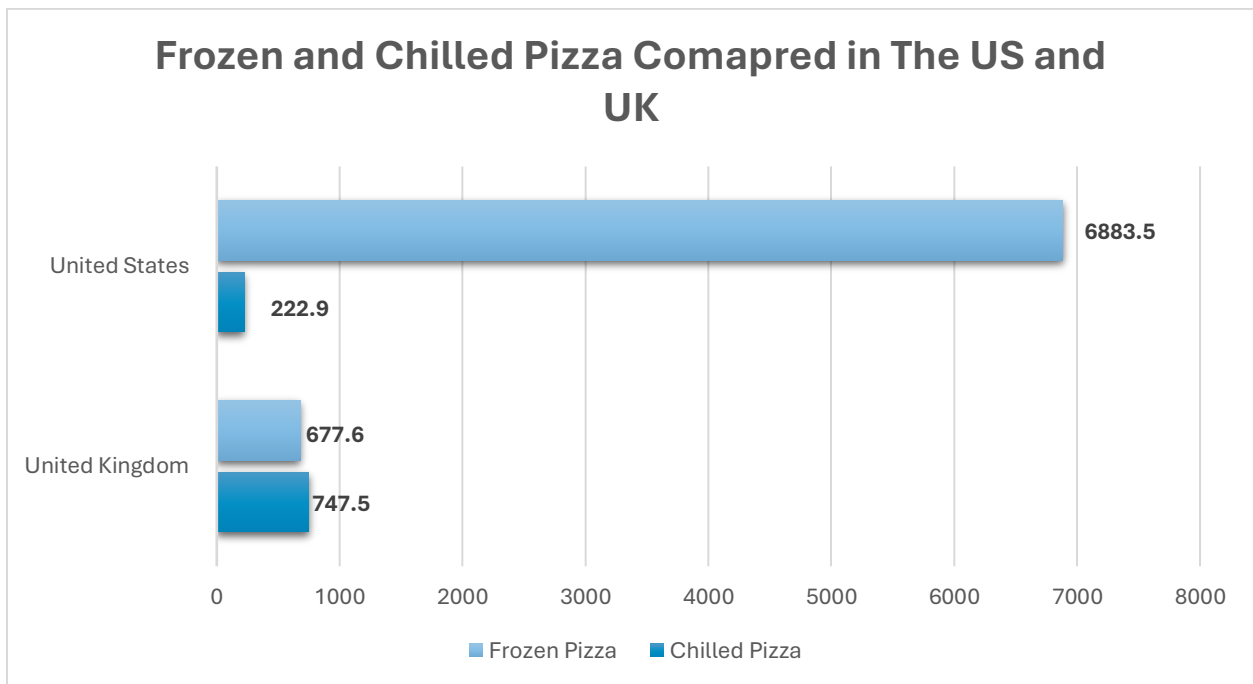
(Euromonitor)

The frozen pizza market size is massive compared to the United Kingdom's size. In 2023 sales of pizza were 7,106 United States Dollars to the million. It is forecasted to rise to 8,530.6 in 2028. Take a look at chilled pizza versus frozen pizza. Frozen pizza takes up 6,883.5 million in sales whereas chilled pizza only takes up 222.9 million in sales. (PASSPORT). The sales of frozen pizza are expected to grow to 7,093 million at the end of this year and 8,291 million in the year 2028. The highest percentage of company shares of pizza is Nestlé USA Inc. at 40%. The next runner-up is Schwan Food Company at 21%. Tombstone is owned by Nestlé, so it is a great advantage that they are number 1 in the percentage of shares for pizza. For more specific shares of pizza the highest brand shares of pizza is DiGiorno at 25.6% second Is Red Baron at 13.8% and third is Totinos at 7%. Tombstone is ranked number six and has 3.9% of brand shares.

(Euromonitor)

## United Kingdom Competitors

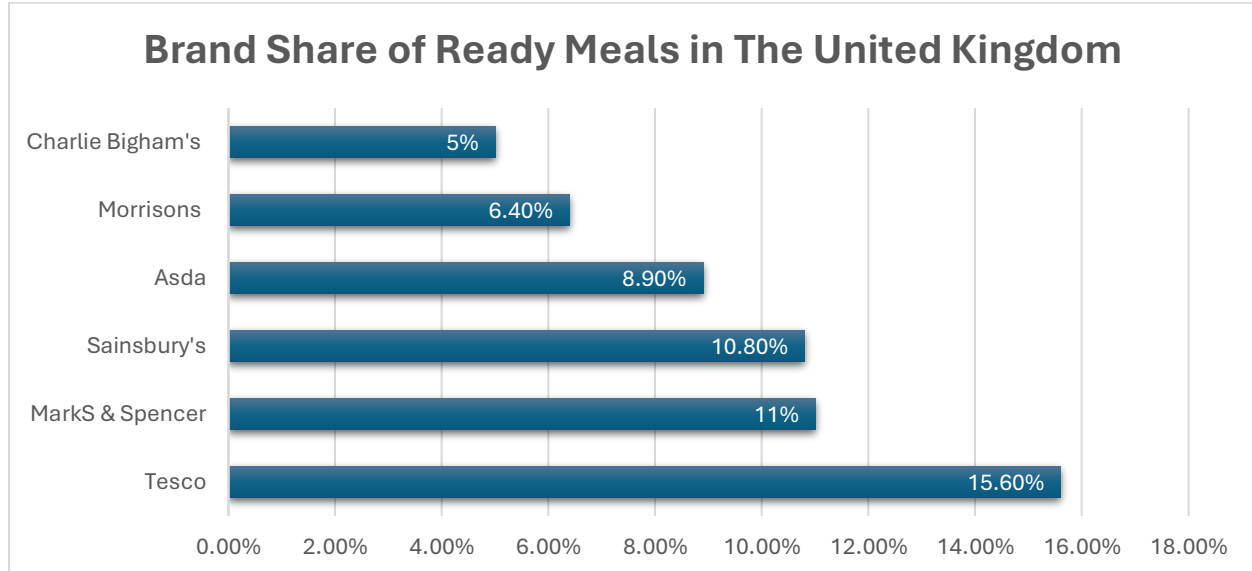
**Brand Competitors:** There are many different frozen pizza brands in the United Kingdom. The 2023 sales of pizza were 1,425 Great British Pounds to the million. So, there is a large market for the pizza industry in the United Kingdom, but the competitors are what is important. The top five pizza brands include Tesco, Sainsbury, Chicago Town, Asda, and Pizza Express (Euromonitor). In the United Kingdom, chilled pizza has slightly more sales than frozen pizza at 747.5 million compared to 677.6 million for frozen pizza.



(Euromonitor)



## Product Competitors:

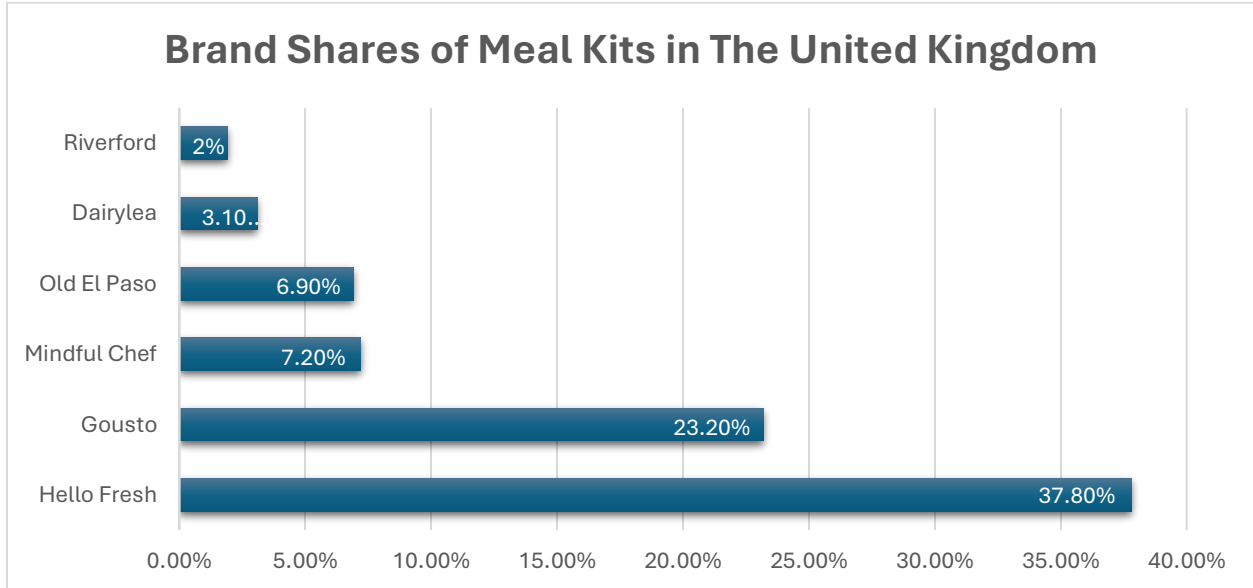


(Euromonitor)

Product competitors with Tombstone would include ready meals in similar grocery stores. Meals you can take home and eat right away or heat up. These are competitors because they are providing the consumer with the same basic steps. Buying an already prepared meal and going home to heat up. Although these competitors are not all pizza. Like the frozen pizza brands in the United Kingdom, Tesco comes in first place for brand shares at 15.6%. (Euromonitor).

Along with Tesco, Asda and Sainsbury were among the top pizza brands. This trend is something to consider when looking to export Tomtombstones

## Generic Competitors:



(Euromonitor)

Generic Competitors consist of similar aspects of ready meals but are called meal kits. Meal kits are prepared ingredients for a consumer who then will have to make the meal themselves. You can find these in many wholesale stores such as Costco in the United States, or online subscriptions. Sales of food kits in the United Kingdom are 1,648 million, about 200 million higher than pizza (Euromonitor). HelloFresh is ahead by over 14 percent from Gousto.

HelloFresh is a meal kit delivery service that gets delivered right to your door. This fits into the competitive landscape because consumers looking for ease of getting ingredients don't have to leave their houses to make a gourmet meal. HelloFresh is also a prominently known brand in the United States.

## **Potential United Kingdom Consumer**

The Potential United Kingdom consumer is similar to consumers in the United States. United Kingdom consumers have positive outlooks on life, and less time yet are better off financially, and regularly socialize on social media (Euromonitor). How does this relate to Tombstone?

These are consumer styles of potential consumers of Tombstone in the United Kingdom.

**Product Use Patterns:** Younger consumers are less likely to spend time preparing food for themselves. This means these consumers are looking for easy meals they can dish up or pop in the oven and heat up within minutes. Lack of time when preparing food is also a factor states, many do not have much time to prepare large extravagant meals. (Euromonitor)

**Product Feature Preferences:** Consumers there want to be engaged with brands. This can give Tombstone opportunities to offer sweepstakes with consumers or be active on social media and respond to posts and comments. (Euromonitor)

**Shopping Habits:** Many consumers are seeking new products when they are out shopping. This can be trying new brands, or trying new flavors when they see it displayed in stores. If Tombstone creates flashy displays and some limited-edition new flavors for the United Kingdom this could draw in the target consumer. (Euromonitor)

**Potential Problems:** Currently consumers prefer home-cooked meals. This causes a big threat as Tombstone is not considered a home-cooked meal. Consumers are also focused on health

benefits when it comes to the food they are eating. This may cause problems because there are many healthier alternatives to frozen pizza. (Euromonitor)

## **SWOT Analysis**

### **Strengths**

Nestlé, Tombstone's parent company already has branded food in 186 different countries.

However, Tombstone currently is not one of those branded foods. Nestlé already has a market share in so many countries, the United Kingdom being one of them. This is something Tombstone can take advantage of.

Partnerships are what Tombstone excels at. Partnering with Voodoo Ranger, or the new Addams family movie (Tombstone Pizza) Doing this helps not only bring in your consumers but also consumers from your partners. This can open up many opportunities to partner with brands in the United Kingdom that consumers love. Partnering with Camden Hall Lager, a popular beer in the United Kingdom could bring in new customers.

### **Weaknesses:**

Creating brand loyalty will be quite difficult when entering a new market. This is something that Tombstone can try hard on but might not see the right results at first. Along with that, Tombstone amount of brand shares in the frozen pizza industry is not that high. This could be looked at as a weakness when coming over to the United Kingdom.

## **Opportunities:**

Tombstone has many opportunities to grow its products. Miniature pizzas being prominent in shops like Tesco can open up opportunities for Tombstone to create personal-sized pizzas. Tesco which takes up almost three-quarters of the United Kingdom's grocery market share, offers express and metro stores where you can grab and go and find personal meals. (The Big Four)

The popularity of meal kits and ready meals can give Tombstone opportunities to create build-your-own pizzas. Create a deconstructed pizza and have consumers put as many or as few toppings as they would like. Or creating a subscription similar to Hello Fresh, coming out with new flavor combinations for exclusive subscribers. This would attract meal kit lovers as well as pizza lovers

## **Threats:**

The biggest threat is competitors. Goodfellas, Chicago Town, and Tesco Takeaway are among some popular frozen pizza brands already sold at Tesco stores in the United Kingdom (Tesco). Popular grocery stores like Asda and Sainsbury have their generic brand food, including pizza. If Tombstone wants to get into those stores, it will need to differentiate itself in a way to attract consumers who are already loyal to the brand.

The popularity of Chilled pizza can pose a big threat. The chilled pizza market is larger than the frozen pizza market in the United Kingdom. If people are more interested in chilled pizza, will they not go for frozen pizza?

## **Conclusion**

After thorough research of Tombstone Pizza and the Industry of pizza in the United States and The United Kingdom. This leads to a lot of insight on whether Tombstone would be successful in the United Kingdom market. Tombstone does well in large grocery stores like Target and Walmart where there are so many brands to choose from. The small pizza industry can be a threat to Tombstone, but the United Kingdom offers many opportunities that Tombstone can take advantage of. There is a good industry for growth in the United Kingdom's pizza industry.

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