Restaurant Research®

Concept Analysis & Benchmark Report

Domino's 2024/2025

Executive Summary

Domino's is well positioned, ranked #1 in both delivery (30% share) and carryout (19% share). This iconic pizza brand is well known for its: digital ordering convenience & seamless payments; compelling everyday value offers; and fast delivery. An industry leading 85% digital mix is facilitated by its innovative "AnyWare" ordering platform and the chain's check outperformance reflects the benefit of large digital group orders as well as high margin add-on sales. Domino's is focused on feeding families/groups at a reasonable price per person and its promotional deals drive the majority of its sales. Prominent everyday value price points include: its $7.99 3 topping pizza carry-out deal; and its 2 for $6.99 each mix-and-match deal. The chain's value equation further benefits from an updated reward program (33MM active members) which allows users to earn points faster and periodic "boost weeks" which offer 50% discounts off menu prices. 2H24 comp guidance of +3% is expected to be driven by: low-single digit menu price increases; growth from its rewards program; and growth from its Uber Eats partnership. Long-term growth drivers include: competitive price points; leading-edge digital ordering platform; extensive customer data capabilities that drive effective marketing & customized offers via its loyalty program; and the chain's fortressing strategy which is designed to improve both delivery & carryout service. In conclusion, while Domino's is well positioned in the solid pizza segment, the chain must continue to find ways to offer its price sensitive customers with convenient, cost-effective delivery options that will keep them from choosing to cook for themselves at home.

Table of Contents

Parent Company Summary

Parent Company	Ticker	Corp. Debt Rating	Net Debt [(1)]/ EBITDA	EV/ EBITDA	Stock Performance		
					2023	TTM	May-24
Domino's Pizza, Inc.	DPZ	Not Rated	6.03	21.10	19.0%	76.9%	
$1B+ Chains			5.49	15.52	21.1%	7.5%	

Table of Contents

	Page		Page		Page
Strengths & Challenges	2	Operations	10	Closings	19
RR Dashboard	3	Tech & Equipment	11	Remodeling	20
System Statistics	4	Sales & Market Share	12 - 13	Franchise Summary	21
Marketing Strategy	5	Unit Economic Summary	14	Menu Exhibit	22
Marketing Spend	6	Unit Economic Trends	15	State Unit Map	23
Menu Strategy	7	New Build Costs	16	State Unit Detail	24
Menu Trends	8	New Build vs. Buy Analysis	17	Photos	25
New Products & Promotions	9	Development	18	RR Overview	26

(1) Net Debt includes operating leases.

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