

Restaurant Research's Benchmark Analysis Report

Wendy's

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Executive Summary

Wendy's is a brand with a strong tradition in the middle of a retrenchment period. No doubt that this chain lost its way over the last 6 years at a time when its biggest nemesis (McDonald's) gained steady ground. But if the Golden Arches could get its act together after stumbling for many years, then so can Wendy's. In our opinion, it is all about brand equity – it takes decades to build and provides years of staying power during periods of dormancy. Fortunately for Wendy's, its brand equity was built with solid components of operational excellence on top of menu and marketing execution. Further, we have long been a fan of RTM which took over Arby's before becoming Wendy's new owners as of 4Q08. These guys know a thing-or-two about operating a store and Wendy's corporate stores look like low-hanging fruit to us. So Wendy's new owners are working on the nuts-n-bolts of the business as they figure out things like how to build and remodel a store for less. In any case, it's not like Wendy's is terribly broken like some other concepts we see and a quick study of their comp chart shows that things could be a lot worse for a brand with a historic premium positioning. While turnarounds never come as fast as everyone would like, we see this one as firmly on its way.

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RR Clients

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More About Us

Restaurant Research LLC leverages an extensive network of industry players as part of its annual Concept Benchmark Analysis due diligence process for 22 large US restaurant chains. Also, RR tracks store level data for all major chains with system-wide sales in excess of \$1B across all major restaurant segments in order to produce 11 key Industry Data Topic reports. For more information please contact us at info@ChainRestaurantData.com or 203-405-1901.