

Restaurant Research's Benchmark Analysis Report

Arby's

January 2012

Executive Summary

Arby's continues to pursue a turn-around of its brand which has struggled dramatically since the onset of the great recession. Past attempts to reposition the chain have failed to move the needle as Arby's struggles with how to build brand equity on a foundation of roast beef. New management and ownership is currently looking hard at how the brand fits into the QSR marketplace by seeking to define a target market coupled with a plan of how to reach it. However, we suspect that Arby's real work is to consider how to leverage its uniqueness by making roast beef cool again. If Starbucks can convince the world that caffeine is fashionable, maybe Arby's could do the same with red meat. This will require operational improvements, facility upgrades and a reinvigorated franchisee base. Fortunately, sales stability provides new brand management with some breathing room which could be just the break Arby's needs to get going.

Table of Contents

	<u>Pages</u>
Strategy	1-2
System statistics	3
Sales performance	4
Operational overview	5
Unit economics	6
Unit development	7-8
New build costs & valuations	9
Remodeling	10-11
Franchisee overview	12

RR Clients

Includes major lenders, investors, major US restaurant chains, operators and industry consultants. Please check www.ChainRestaurantData.com for a partial client list and customer testimonials.

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.