

Restaurant Research's Concept Benchmark Analysis Report

Popeyes

May 2011

Executive Summary

We are happy to report that Popeyes' return to the basics has helped this brand regain positive momentum. In essence, the system's resurgence has not been sparked by a major repositioning, but rather a sensible approach to improving operations and a marketing focus which supports the brand's core equity (bone-in chicken with a spicy, Louisiana style flavor profile). Of course, Popeyes' recent success also has been helped by the chicken segment leader's (KFC) miscues prompted by an unsuccessful move to sandwiches, white meat strips, etc. which we believe reflects a view that consumers no longer desire fried chicken because of health considerations. However, it is our opinion that Popeyes' recent success proves that there remains a place for fried bone-in (done right) across all generations of consumers - supporting the idea that well-run brands have the ability to lead public opinion. In conclusion, we believe that Popeyes' brand leadership has set the concept on the right path with ensuing franchisee support helping the system build upon an increasingly solid footing.

Table of Contents

| | <u>Pages</u> |
|-------------------------|--------------|
| Strategy | 1-2 |
| System statistics | 3 |
| Sales performance | 4 |
| Operational performance | 5 |
| Unit level data | 6-9 |
| Remodeling | 10 |
| Franchisee overview | 11 |

Please check www.ChainRestaurantData.com for information on how to order this report.

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.