

## Restaurant Research's Concept Benchmark Analysis Report

### Subway

July 2011

#### Executive Summary

Subway continues to lead the QSR industry with a simple value proposition supported by a healthful menu image and augmented by an operational business model that allows customers to customize their orders which are made in plain sight. The chain continues to tweak improvements in menu and pricing that allows the brand to build momentum that started in 2008 with the game changing introduction of the \$5 footlong promotion. A successful breakfast intro is helping to build a daypart sales expansion for a concept that does the majority of its business between 11AM-3PM. Sales leverage is helping unit level economics which is driving operators to look for development opportunities. Also, brand strength allows the franchisor to be more selective in their franchisee selection which strengthens the entire system. In conclusion, we believe Subway remains strongly positioned for the future.

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#### RR Clients

Includes major lenders, investors, major US restaurant chains, operators and industry consultants. Please check [www.ChainRestaurantData.com](http://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](mailto:info@ChainRestaurantData.com) or 203-405-1901.