

# Restaurant Research's Benchmark Analysis Report

## IHOP

February 2009

### Executive Summary

IHOP is the largest player in the family segment by sales with virtually all of its restaurants owned by franchisees. This 50 year old concept is most well known for its world famous pancakes although the chain's menu also features a broad array of other breakfast, lunch and dinner items. The IHOP brand benefits from a multi-year focus on improvements in operations, menu quality and LTO marketing - helping to drive an impressive record of 23 consecutive quarters of comp growth. In terms of the big picture, we see no major strategic changes to this brand since we reviewed it last year as corporate ownership has been consumed with more pressing matters including the year-end 2007 Applebee's acquisition which strapped IHOP's franchisor (DineEquity) with a heavy debt burden in advance of the current credit crunch. Fortunately for IHOP, the chain's operational and marketing execution seems to be good enough for the time being especially as facilities benefit from the near conclusion of a remodel program.

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### RR Clients

Includes major lenders, investors, major US restaurant chains, operators and industry consultants. Please check [www.restaurantresearch.info](http://www.restaurantresearch.info) 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@restaurantresearch.info](mailto:info@restaurantresearch.info) or 860-274-4962.