

Franchising an Important Component of Sales Growth for Many Restaurant Chains, Finds Technomic

2008-07-29

A new report from foodservice consultants Technomic found that many top restaurant chains grew their 2007 sales through signing more franchisees, instead of relying on same-store sales increases. This held true for both limited-service and full-service sectors.

'Restaurant chains are facing an increasingly challenging environment and higher costs,' says Darren Tristano, Executive Vice President of Technomic Information Services. 'Expansion through franchising transfers some of the downside risk of a slowing economy to the franchisees, while the franchisees benefit from managing a restaurant brand that is tried and true both operationally and with its consumer base.'

Technomic teamed with Restaurant Finance Monitor to produce the Technomic/Restaurant Finance Monitor Top 400 Restaurant Franchise Company Report, featuring Restaurant Finance Monitor's Monitor 200 report, which ranks the 200 leading restaurant franchise companies by sales. In addition, Technomic reports on the Future 200—a ranking of the 201 through 400 leading restaurant franchise companies. Select findings include:

The Top 400 restaurant franchisees generated \$31 billion in sales in 2007, about 8.5 percent of the total restaurant industry's \$364 billion.

NPC International, a major franchisee of Pizza Hut, was the largest franchise company in 2007, with sales of \$679 million, up 12.9 percent over 2006.

Burger King, Taco Bell and McDonald's were the restaurant brands most often franchised.

The Technomic/Restaurant Finance Monitor Top 400 Restaurant Franchise Company Report covers both major franchisors and leading franchisee organizations. It will help operators identify the leading restaurant franchise companies, discover the brands behind the Top 400 franchise companies, understand where franchising opportunities exist within restaurant brands, benchmark sales, units and growth against the Top 200, and benchmark units and growth against the Future 200 companies.

The report's comprehensive appendices sort the Top 400 companies alphabetically and offer concept breakdowns by franchise company and brand, region(s) of company operations, and selected franchise cost-structure analysis for leading restaurant brands. A complete listing of franchise company contacts is also included.

To purchase or learn more about the Technomic/Restaurant Finance Monitor Top 400 Restaurant Franchise Company Report, please visit www.foodpubs.com.

This article comes from Hotel News Resource

<http://www.hotelnewsresource.com>

The URL for this story is:

<http://www.hotelnewsresource.com/article33759.html>

© 1998 - 2008 Nevistas and the author.

Brought to you by Hotel News Resource

Distribute your news on our Network

See what all the buzz is about at:

http://www.hotelnewsresource.com/Info-news_account_info.html