



# Arby's Benchmark Report

## Executive Summary

Arby's enjoys unique positioning as a QSR chain with a credible deli format that bakes beef roasts & freshly slices all other roasts in-house in order to create Fast Crafted, made-to-order hot deli sandwiches which offer a compelling fast casual-like alternative to burger, chicken-only and cold-cut sub concepts. Sandwiches are distinguished by: generous stacks of quality meat toppings (big, meaty sandwiches); and leading-edge protein variety which extends well beyond Arby's core roast beef heritage. The brand's positioning is effectively communicated by its "We Have the Meats" campaigns and its focused core menu benefits operations while innovative LTOs (including monthly new news) drive trial and add variety. The selection of gourmet Market Fresh sandwiches & salads expands the concept's appeal to more upscale, health conscious consumers (eliminating the veto vote). Having said this, flattish 2017 comps reflects the brand's vulnerability as a premium player in a hyper competitive price environment although a steady layer of price point value LTOs in 2018 should help. A lack of a national breakfast platform could be hurting sales especially given the industry's growing emphasis of offering breakfast all day and there maybe more work to do to simplify innovation in order to improve service given deteriorating 3rd party customer satisfaction surveys. **In conclusion, while Arby's is well positioned as a QSR player that can serve as a credible alternative to a NY deli, the brand could further benefit from a sharpened value focus, simplified innovation and a faster remodel & digital cadence.**

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