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Fast-food chains with healthful offerings bring home awards

Subway leads bevy of sandwich chains in ratings for healthful/nutritious food offerings

SAN CLEMENTE, CALIF. — At a time when health and nutrition at quick-service restaurants has dominated news coverage of the industry, Subway has carved out a niche as the clear leader in providing healthful foods. For eight straight years, Subway has been ranked No. 1 when it comes to providing healthful foods. In 2006, 55 percent of diners rated Subway “excellent” on “availability of healthful/nutritious foods,” 4 percentage points higher than the runner up. Indeed, the Top 4 chains rated on this attribute are sandwich brands. Submarina, Panera Bread and Port of Subs are rated excellent on this attribute by about half of their customers.

Fully 43 percent of QSR customers rated “availability of healthy/nutritious food” “extremely important” in their selection of a fast-food restaurant in 2006, up from 35 percent in 2001. In fact, it is the only attribute of 12 studied that posted increases for five consecutive years.

These findings are based on the quarterly syndicated Quick-Track® research program conducted by Sandelman & Associates, a San Clemente, Calif.-based market research firm that tracks consumer trends for the restaurant industry. Based on ratings provided by the study’s respondents on fast-food chains they visited in the past three months, Sandelman announced its eighth annual **Quick-Track Awards of Excellence** for the top-rated chains.

In addition to tracking specific customer satisfaction attributes, Quick-Track also gathers overall ratings for QSR chains. Panera Bread, In-N-Out Burger and Giordano’s Pizza finished in a three-way tie for “quick-service restaurant chain with the highest overall rating of last occasion,” according to this study of more than 76,000 QSR users interviewed in 58 markets during 2006. Remarkably, 58 percent of respondents rated each of these three chains “excellent” overall.

In 2006, “value for the money” increased in importance for consumers in their selection process of a quick-service restaurant. Specifically, 56 percent of QSR customers rated value “extremely important,” up from 53 percent in 2005. As other Sandelman & Associates research suggests, the increased importance of value is likely because of the increase in energy costs in 2006.

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In 2006, 36 percent of all quick-service restaurant chain customers rated their last occasion “excellent” overall, a figure that’s stabilized since peak satisfaction levels were attained in 2004. In all, 25 chains received one or more Awards of Excellence in 2006.

The winners are . . .

In 2006, the Top 10 chains rated excellent overall included a great variety of types, but sandwich chains (three of the Top 10) stole the show. Burger (one), pizza (two), chicken (one), Mexican (two) and miscellaneous (one) rounded out the 10 highest ranked chains overall.

In-N-Out not only tied for No. 1 overall, but also received an impressive 13 awards on a wide range of customer satisfaction attributes; Panera garnered nine. Giordano’s, a Chicago stuffed pizza chain, catapulted into a three-way tie for the No. 1 spot overall from No. 16 in 2005.

Slightly more than half of chains improved their overall rating in 2006, but only five chains achieved a statistically significant improvement: Giordano’s, White Castle, Panera Bread, Domino’s Pizza and Taco Bell.

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About The Study

Quick-Track® is a syndicated research study that tracks key consumer behavioral and attitudinal measures for all major fast-food and pizza chains in individual markets. This research program has been conducted on a quarterly basis since 1988 by Sandelman & Associates, a San Clemente, Calif.-based market research firm. During 2006, Quick-Track telephone surveys were conducted in 58 major markets across the U.S. among a total sample of 76,002 fast-food users. Respondents provide an overall rating of their last purchase occasion for each tracked chain they have patronized in the past three months. They also rate selected chains they have patronized in the past three months on 12 key attributes that define a chain’s image, including food, service, cleanliness, convenience and value. A five-point rating scale is used, with “1” being “poor” and “5” being “excellent.” The scores reported equal the percentage of patrons giving an “excellent” rating (top-box score). To ensure reliability, data is reported only for those chains that were rated by at least 150 past-three-month users. For some chains, the sample of respondents providing an overall

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rating was sufficient and this rating is included in the report, but the base providing ratings on specific attributes was below the 150 minimum requirement and attribute ratings for those chains are not included in the report. Importance ratings for the same 12 attributes are provided from the quarterly Quick-Track National study, which was conducted among 2,400 quick-service restaurant users in 2006. Respondents rate the importance of each attribute in their selection of a fast-food or pizza restaurant, with “1” being “not at all important” and “5” being “extremely important.”

TOP RATED CHAINS OVERALL — BY CHAIN TYPE

% "Excellent" for Overall Rating of Last Occasion

ALL CHAIN TYPES

Panera/St. Louis Bread	58%
In-N-Out Burger	58%
Giordano's Pizza	58%
Chick-fil-A	53%
Firehouse Subs	53%
Chipotle	53%
Atlanta Bread Co.	51%
Taco Tote	49%
Bill Miller's	49%
Me 'n Ed's Pizza	49%
<i>ALL CHAINS AVERAGE</i>	36%

BURGER CHAINS

In-N-Out Burger	58%
Blake's Lotaburger	45%
Backyard Burgers	41%
<i>BURGER CHAINS AVG.</i>	32%

CHICKEN CHAINS

Chick-fil-A	53%
Zaxby's	42%
Boston Market	42%
<i>CHICKEN CHAINS AVG.</i>	35%

MEXICAN CHAINS

Chipotle	53%
Taco Tote	49%
Chico's Tacos	48%
<i>MEXICAN CHAINS AVG.</i>	37%

SANDWICH CHAINS

Panera/St. Louis Bread	58%
Firehouse Subs	53%
Atlanta Bread Co.	51%
<i>SANDWICH CHAINS AVG.</i>	39%

PIZZA CHAINS

Giordano's Pizza	58%
Me 'n Ed's Pizza	49%
Papa Murphy's	47%
<i>PIZZA CHAINS AVG.</i>	36%

MISCELLANEOUS CHAINS

Bill Miller's	49%
Pat & Oscar's	42%
Pick-up Stix	40%
<i>MISC. CHAINS AVG.</i>	37%

TOP RATED CHAINS FOR EACH ATTRIBUTE

% Rating "extremely important" or "excellent"

Taste or Flavor of Food

<i>Importance</i>	71.3%
Me 'n Ed's Pizza	65.5%
In-N-Out Burger	60.0%
Panera/St. Louis Bread	54.9%
ALL CHAINS AVERAGE	40.9%

Quality of Ingredients

<i>Importance</i>	63.2%
In-N-Out Burger	59.4%
Me 'n Ed's Pizza	57.5%
Panera/St. Louis Bread	55.4%
ALL CHAINS AVERAGE	37.2%

Temperature of Food

<i>Importance</i>	58.3%
In-N-Out Burger	59.8%
Me 'n Ed's Pizza	58.5%
Submarina	56.4%
ALL CHAINS AVERAGE	42.3%

Variety of Menu Items

<i>Importance</i>	34.6%
Panera/St. Louis Bread	48.9%
Bill Miller's	48.1%
Me 'n Ed's Pizza	47.3%
ALL CHAINS AVERAGE	33.7%

Healthy/Nutritious Food

<i>Importance</i>	43.0%
Subway	54.9%
Submarina	50.8%
Panera/St. Louis Bread	47.9%
ALL CHAINS AVERAGE	23.1%

Friendliness/Courtesy

<i>Importance</i>	54.4%
In-N-Out Burger	59.4%
Chick-fil-A	52.7%
Moe's Southwest Grill	49.8%
ALL CHAINS AVERAGE	33.8%

Speed of Service

<i>Importance</i>	50.8%
Chipotle	49.4%
Bill Miller's	48.9%
Submarina	47.5%
ALL CHAINS AVERAGE	31.3%

Accuracy in Filling Orders

<i>Importance</i>	66.9%
Moe's Southwest Grill	61.6%
Chipotle	61.5%
In-N-Out Burger	61.2%
ALL CHAINS AVERAGE	43.9%

Cleanliness of Restaurant

<i>Importance</i>	76.6%
Panera/St. Louis Bread	57.4%
Schlotzsky's	55.2%
In-N-Out Burger	53.8%
ALL CHAINS AVERAGE	35.1%

Overall Appeal to Kids

<i>Importance</i>	34.4%
McDonald's	49.9%
Chick-fil-A	41.1%
Me 'n Ed's Pizza	37.0%
ALL CHAINS AVERAGE	23.0%

Convenience of Locations

<i>Importance</i>	47.6%
McDonald's	54.4%
Bill Miller's	52.4%
Me 'n Ed's Pizza	51.6%
ALL CHAINS AVERAGE	31.9%

Value for the Money

<i>Importance</i>	56.0%
Chico's Tacos	64.4%
Little Caesars Pizza	58.3%
In-N-Out Burger	49.1%
ALL CHAINS AVERAGE	29.8%

CHAINS IMPROVED OVERALL RATING vs. YEAR-AGO — BY CHAIN TYPE

Chains with statistically significant year-to-year increases

BURGER CHAINS

White Castle

MEXICAN CHAINS

Taco Bell

SANDWICH CHAINS

Panera/St. Louis Bread

PIZZA CHAINS

Giordano's

Domino's Pizza

EXTREME STATS: FAST-FOOD EDITION

76,002	Number of fast-food users surveyed during 2006
115	Number of chains rated on an overall basis in 2006
104	Number of Awards of Excellence issued in 2006
58	Number of chains rated on 12 key attributes in 2006
58	Number of markets where fast-food users were interviewed in 2006
25	Number of chains to win at least one Award of Excellence
63	Number of Awards of Excellence earned by 7 chains
41	Number of Awards of Excellence earned by 18 chains
13	Most 2006 Awards of Excellence earned by a chain (In-N-Out Burger and Bill Miller's, <i>tied</i>)
1	Number of awards earned by each of 11 chains
51%	Percent of chains with higher overall rating ("Excellent") in 2006 vs. 2005
77%	Rate "cleanliness of restaurant" as extremely important (most important attribute, unchanged from 2005)
58%	Highest overall rating earned by a chain (Panera Bread, In-N-Out Burger and Giordano's Pizza, <i>tied</i>)
55%	Subway rating on "availability of healthy/nutritious food" (top-rated chain)
54%	McDonald's rating on "convenience of locations" (top-rated chain)
50%	McDonald's rating on "overall appeal to kids" (top-rated chain)
44%	Average chain rating on "order accuracy" (highest rated attribute)
42%	Greatest disparity between importance (77%) and average chain rating (35%) ("cleanliness of restaurant")
39%	Highest average overall rating by chain type (sandwich chains)
36%	Average overall rating across all chains
34%	Rating "overall appeal to kids" as extremely important (least important attribute)
32%	Lowest average overall rating by chain type (burger chains)
4%	Percent of chains with statistically significant increase in overall rating in 2006 vs. 2005
23%	Average chain rating on "overall appeal to kids" (lowest rated attribute)
20%	Lowest overall "excellent" rating earned by a chain (McDonald's)
11%	Largest increase in overall rating from 2005 to 2006 (Giordano's Pizza)
0.2%	Smallest increase in overall rating from 2005 to 2006 (Burger King, Popeye's and Checkers, <i>tied</i>)