

Domino's Pizza Celebrates 20 Successful Years of Franchising

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Domino's Pizza is a brand that delivers quality to the customer and excellent profits to their franchisees.

When Domino's Pizza founder Tom Monaghan commissioned Franchise Development Services (FDS) in 1985 to conduct a pre-entry study to launch his brand in the British market, he was taking his first step into franchise history. Celebrating its 20th anniversary this year, the Domino's Pizza network is still opening outlets in towns and cities throughout England, Scotland, Wales and Ireland at a fast pace.

Originally founded in 1960 in Ypsilante, Michigan, Domino's Pizza operates a network of over 7,400 company-owned and franchisee-owned stores worldwide. Domino's Pizza Group Ltd. holds the exclusive Master Franchise rights to own, operate and franchise Domino's Pizza stores in the UK and Ireland. At present the company has 357 stores operating under 145 single and multi-unit franchisees.

"FDS conducted an extensive study in the British market to formulate a strategy for Domino's Pizza to spread its wings," says FDS founder and Managing Director Roy Seaman. "We approached the concept from various angles, weighing the options, and costs, gauging the potential of the local markets and measuring the popularity of rival brands including local fish and chip shops.

"After touring the US headquarters in 1984, the FDS team returned to the UK and embarked upon a detailed pre-entry study. When the report was submitted to Tom Monaghan, he thanked us for our detailed work, insights and outline UK franchise development business plan, and then surprised us by revealing that there was no need for an advertising and marketing programme as he already had a potential applicant in mind for the UK Master Franchise rights.

"FDS's work was of great value as it provided an independent assessment of the market opportunity. Milton Keynes was chosen as the site for the UK headquarters, and it is from there that the Domino's Pizza acorn has grown to become a major player in the British marketplace."

FDS assists Domino's Pizza every year in designing a franchisee recruitment strategy that, like its pizzas, delivers quality every time. "The advantage of FDS is its ability to provide a fool-proof franchise package," reflects Domino's Pizza Franchise Development Manager Andy Cooke. "FDS publications like The Franchise Magazine are the right vehicle to carry editorial that reports on facts as provided by the Domino's Pizza franchisees. This alerts readers that are searching for the brand and system that will form the ideal vehicle with which to achieve business success.

The Franchise Magazine's editorial policy is highly focused on franchising and helping the master franchisee to meet a cross-section of potential franchisees. The articles are highly informative and help the readers to keep abreast with the latest developments in the field. The Franchise Magazine is in fact one of our very best and most consistent sources of successful franchisee recruitment."

The UK pizza market is currently worth over £400 million a year and according to Hospitality Trust Foundation the figure will double in size by 2010. Domino's Pizza has launched a major recruitment

drive to meet the demands from the market, and is planning to achieve a network total of 500 stores by the end of 2006.

“There are many factors that have contributed to the success of Domino’s Pizza in the UK,” adds Roy. “The primary factor has been the strategy formulated by FDS for the expansion of Domino’s Pizza in the British market. It was unique because the selection criteria for franchise recruitment had no parallels in the franchise history.

Instead of building a chain of pizza outlets, the strategy aimed at setting up a team of franchisees who can grow with a world-renowned brand. More than for financial strength, franchisees were selected for their entrepreneurship and desire to be part of a winning team. Now nearly half of the Domino’s Pizza franchisees are multi-store owners or have the potential to reach that distinction.

“The FDS projections for Domino’s Pizza were remarkably accurate. In the first report itself we clearly predicted a time period of 10 to 15 years for the brand to become a major force in the British pizza market. We also projected an annual recruitment target of five to 10 franchisees. That prediction has been spot on. Now, after 20 years, Domino’s Pizza has brought 145 talented and successful business people to its fold.”

Adds Andy: “Franchisees have always been at the heart of our success. The commitment and business acumen of these individuals has helped to make Domino’s Pizza the leader in pizza delivery across more than 64 international markets. Our expertise and passion for delivering hot and fresh pizza has earned us the loyalty of millions of pizza lovers around the world. We are now seeking franchisees, who are prepared to take on their most exciting business challenge yet. The rewards can be high, the work is tough but all along the way the franchisees will benefit from the strength of an established and respected brand, a proven system and a team of people who are determined to help them to succeed.

“A Domino’s Pizza store is the nerve centre of a time critical food delivery service where the team aims to deliver a hot and fresh pizza on time, every time. We motivate and train our team members to understand that working with Domino’s Pizza is all about creating an experience that makes our customers smile.”

Supporting the Domino’s Pizza franchisees is a highly-skilled corporate team responsible for dough production, ingredient sourcing, safety and hygiene monitoring, product and technology development, property management, marketing, human resources, finance, IT, administration, operations and training. Roy Seaman believes that there is further substantial growth and earning opportunities for new entrants to the Domino’s Pizza franchise network and has no hesitation in recommending that this company will continue to meet every realistic expectation for the serious prospective franchisee.

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