

Domino's credits social media for sales growth

By <u>Olivia Solon, creamglobal.com</u>

LONDON, UK: Domino's Pizza has reported a 29% surge in pre-tax profits to £17.5 million (about R200 million), buoyed by a strong performance from e-commerce sales and attributed its link-up with Foursquare as key to its recent performance.

The takeaway company reported a like-for-like sales increase in 553 stores by 13.7% in the 26-week period to the end of 27 June this year.

Domino's now has 627 stores in the UK after 19 new stores were opened in the period. The company said it was on track for a further 55 store openings this year.

The group highlighted its e-commerce business as the stand-out performer, where sales had grown by 61.4% in the period and that online sales now accounted for 32.7% of overall UK delivered sales.

The domino effect

In May this year, Domino's launched a nationwide promotion on Foursquare that encourages users to check-in at its outlets.

In today's financial results Domino's said it had "led the way with social media initiatives such as affiliate marketing, our superfans programmes and the development of a link up with Foursquare, the location-based social media site".

It added that its web-based activity had afforded it the dual benefit of "driving pizza sales" and "building customer loyalty".

Chris Moore, chief executive, said: "It is easy to try and attribute our success to one thing - be it the weather, or *Britain's Got Talent*, or the World Cup - but the underlying trend shows a more compelling picture."

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