

enables Domino's to focus exclusively on pizza, this practice also increases the firm's vulnerability to the increasingly health-minded customer and possible government mandates for fast-food restaurants to stop using certain ingredients and preservatives, and potentially forcing all restaurants to label all nutrition information on the menu at the point of sale. Such a law would not be favorable to Domino's.

Domino's attributes much of its success to an incentive-based system for franchisees in which it actively shares in profits through increasing demand for new stores and through purchasing supplies from the Domino's supply chain. Domino's individual franchisee stores and company-owned stores also enjoy a simple and effective store layout enabling pizza delivery and carryout orders to be processed and executed efficiently as compared to many competitors. Unlike Domino's, many rival pizza firms use a dine-in business model, which is much more costly than Domino's strategy. Competitive advantages such as these make Domino's an attractive franchisee option in the quick-service restaurant (QSR) market because overhead and investment is generally cheaper than competing firms.

Sustainability

Sustainability refers to the extent that an organization's operations and actions protect, mend, and preserve rather than harm or destroy the natural environment. Many firms today develop an annual sustainability report, similar to an annual report, to reveal to stakeholders its actions and commitment to sustainability. However, Domino's does not produce an annual sustainability report nor does the company have a sustainability statement on its website.