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DOMINO'S FRANCHISE - COSTS, FEES & EARNINGS STATISTICS



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Liquid Capital: \$75,000+

Net Worth Requirement: \$250,000

Investment: \$144,450 - \$582,500

Franchise Fee: \$25,000

Units in Operation: 18

Founded: 1960

Franchising Since: 1983

Domino's Pizza is the second-largest pizza in the world with a total of 18,486 restaurants spanning six continents.

Back in 1960, Dominos started in Ypsilanti, Michigan as a small pizza shop owned by two brothers. Fast-forward to 20 years, Dominos has franchised to more than 200 locations in 1983, established internationally in Canada, and is now operating in over 60 countries.

Today, the restaurant has thousands of chains from across the United States and the world. Domino's franchisees (https://wolfoffranchises.com/what-is-a-franchisee/) find themselves with a solid investment given it is backed by the reputation of being a profitable franchise (https://wolfoffranchises.com/what-is-a-franchise/) for many decades and the benefit of being a household brand.

Customers can receive pizza through door-to-door delivery or carry out services from a nearby Domino store. In addition to the traditional pizza, Domino's pizza franchise also serves thin crust and New York-style pizza. Customers love the brand for its quality toppings and excellent coupon packages available at competitive prices.

Dominos now sells more than just pizzas; they've added pasta, sandwiches, buffalo wings, desserts, and bread to the combination to make the buyer's experience more expansive and also offer more up-sell options.

IS DOMINO'S A FRANCHISE OR CHAIN?

Dominos is a franchise but has company-owned units. Domino's franchise started when the company decided to expand by allowing trained business owners to use Domino's business model and branding.

Simply put, Domino's Pizza is a franchise that has different chains/ branches/stores under its name. These chains are owned by separate individuals who have invested in the right to run their stores.

HOW MANY DOMINO'S FRANCHISES ARE THERE?

There are over 18,486 Domino's Pizza locations operating across the globe. Although the majority of its stores are in the United States, the brand is working hard to dominate the international market.

Not only has the number of Domino's franchise locations increased over the year, but the company's gross revenue has also experienced a speedy growth within the past decade.

HOW MUCH DOES A DOMINO'S PIZZA FRANCHISE COST?

Initial investment: initial investment varies and will depend on the location and the type of franchise you want to open.

A franchisee (https://wolfoffranchises.com/what-is-a-franchisee/) should be ready to start with a minimum of \$75,000 in liquid cash and the net worth requirement is currently \$250,000.

The initial investment of a Domino's pizza franchise in a traditional location ranges from \$144,450 to \$582,500. There is no option of direct or indirect financing through Domino's itself, but there are many outside sources available for franchise financing.

WHAT IS THE DOMINO'S PIZZA FRANCHISE FEE?

The initial franchising fee for building a new Domino's pizza store is \$25,000. There are different kind of additional fees which includes:

Royalty Fees

The royalty fee is the main revenue source for franchisors (https://wolfoffranchises.com/what-is-a-franchisor-definition/) which is around 5.5% of the total gross sales.

National Brand Fund: Advertising and Marketing Fees

This is a fee for the National Brand Fund which is 4% of the gross revenue for the company to spend on traditional advertising and marketing.

However, there may be other fees like the inventory and the real estate fees – this is either a one-time payment or an ongoing fee. In addition, carefully check your franchise agreement (https://wolfoffranchises.com/franchise-agreement/) for accurate and updated info on costs and expectations.



HOW MUCH DO DOMINO'S PIZZA FRANCHISE OWNERS MAKE?

How much a Domino's pizza franchise makes varies from location to location. Based on our research of over 5,000+ traditional franchise locations, the average weekly sales (AWUS) in 2019 was \$22,648 thus coming out to \$1,777,696 for the average location (AWUS multiplied by 52 weeks).

The average EBITDA (https://wolfoffranchises.com/what-is-ebitda/) of franchisees earning in the above revenue range was 12.1%. This means we can estimate that franchise owners take home \$144k in profit.

Meanwhile, most Domino's franchise owners have more than one retail outlet: this means a higher earning potential as you scale your owned franchise locations in retail outlets or shopping centers.

ENDING SUMMARY

If you want to invest in a profitable franchise, Dominos is a great choice to make. Just like buying any franchise (https://wolfoffranchises.com/buying-a-franchise-guide/), be sure to request the full franchise disclosure document (https://wolfoffranchises.com/franchise-disclosure-document-fdd/). This will help you understand all necessary requirements from Dominos headquarter and the fees you're expected to pay.

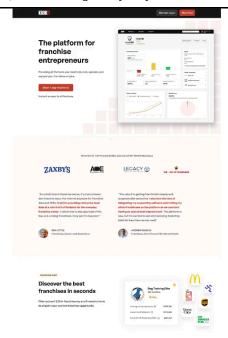
Keep in mind, that Domino's franchise qualification process will be expedited for internal candidates who have gone to franchise management school faster than outside candidates.

Regardless of the level of research you've done, make sure you associate with former franchise owners so you can have a clear clue about being a Domino franchise owner. If you eventually discover that Domino's Pizza isn't the right fit for you, there are plenty of other franchise options out there.



My innovative franchise analytics tool that can help you make smarter investment decisions thanks to valuable industry data.





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The Wolf

The Wolf of Franchises is an industry insider who's sharing the secret sauce of how lucrative the franchising industry can be. He offers expert insight to help both new and existing franchise owners reach success.

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