

Domino's looks to World Cup boost after quarterly sales fall

Domino's Pizza has seen sales fall after a VAT hit and as it came up against last year's boost from the Euro football tournament, but is eyeing a strong end to 2022 amid the upcoming World Cup.

The UK and [Ireland](#) takeaway pizza giant saw like-for-like system sales, excluding so-called split territories, fall 9.3% in the three months to the end of September.

But it said that with the impact of the temporary VAT rate reduction ending stripped out, sales rose 2.4%.

This marked a sharp pull back on the 6.4% growth seen a year ago, when trading was boosted by the Euro tournament knock-out stages in July, and when August was buoyed by the "staycation" trend amid Covid travel restrictions.

We're looking forward to our busiest weeks of the year with the men's football World Cup and the festive season to come

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Domino's said September was a stronger month and added that the better trading continued into the fourth quarter, with like-for-like system sales excluding split territories and the VAT rate change rising by 10.4% in the first six weeks.

Interim chief executive Elias Diaz Sese said the firm was looking forward to a solid final quarter, with the World Cup tournament starting later this month.

He said: "We have made a strong start to our important final quarter.

"This has been driven by a focus on service by our franchise partners, our focus on digital, strong national value campaigns, collections growth and the initial benefit of being on the [Just Eat](#) platform.

"We're looking forward to our busiest weeks of the year with the men's football World Cup and the festive season to come."

The figures came as Domino's announced that its tie-up with delivery group Just Eat is rolling out nationwide across the UK and Ireland after a successful trial.

It initially ran the six-month pilot in 100 stores but has increased this to 1,000 and will add another 200 by the end of 2022.

Domino's said the Just Eat partnership has helped boost recent trading and its share of the UK takeaway market, which has risen to 7.2% from 6.4% a year earlier, according to the firm.

It has also seen trading helped by strong growth in customer collections – a key focus area for the business – which saw sales jump 28.1% in the third quarter, against a 12.7% fall for deliveries against tough comparisons from a year ago.

The group has also been increasing prices for its franchisees as food costs soar and said it will continue to pass on

inflation into the new financial year.

“Due to the rapidly changing inflationary environment this year, we began passing through these increases during the first half of the year and will continue to pass these through in the second half of this year and into 2023,” the group said.

It announced a £20 million share buyback programme and pledged further shareholder returns next year, following its move to offload its stake in the [German](#) business to focus on the UK and Ireland.