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## Subway's \$5 Foot-long Becomes Yardstick for Fast-Food Meal Deals

**Chains Fight to Keep Up With Competitor, but Will Consumers Buy It?**

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CHICAGO (AdAge.com) -- If fast food has one truism, it's that success breeds imitators.

Subway handily beat its competition last year with the incredibly popular \$5 foot-long promotion. Doing so, it also crystallized the \$5 price point as the one to meet or even beat. The sandwich chain closed the year with double-digit same-store sales increases, and competitors went back to the drawing board. Subway, which is the nation's largest restaurant chain, has since made the \$5 promotion permanent for a handful of subs, and occasionally offers all of its sandwiches at \$5 for a limited time.



"It's become the institutionalized yardstick against which all of the meal specials are going to be judged," said Brand Keys President Robert Passikoff. "They're looking to expand their lines and their income streams. Doing that allows them to try and migrate the brands in different directions, and say, 'We have more than just fill-in-the-blank.'" The degree to which consumers will accept it, he added, is a moving target that also hinges on the marketer's ability to execute.

Subway continues to push \$5 sandwiches, but with a lot more company. Domino's launched a \$5 toasted sub this winter, [Quiznos has a \\$4 sandwich](#), and Kraft has introduced frozen sandwiches under \$4 from its DiGiorno and California Pizza Kitchen brands. Pizza Hut launched a \$5 calzone over Memorial Day weekend. Even McDonald's billboards in New York show a Big Mac, fries and a drink pointing to a full meal at the critical \$5 mark.

In some cases, the competition has gotten nasty. Subway sent Domino's a cease-and-desist letter in response to an ad from Crispin Porter & Bogusky [that says Domino's beat Subway](#) in a national taste test by a 2-to-1 margin. Domino's president David Brandon then [burned the letter in a TV spot](#).

While Subway claims that the ongoing promotion is sustainable for its system because of its size and subsequent leverage over vendors, how long smaller competitors can bear up remains to be seen. Some Quiznos franchisees have roundly criticized low-price promotions that affect their margins, but the corporation has said the \$4 Torpedo was designed to boost franchisee profit. In most cases, it's too early to say what products are getting the most traction.

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# Battle of the sandwiches

	<p><b>SUBWAY</b></p> 	<p><b>QUIZNOS</b></p> 	<p><b>DOMINO'S</b></p> 
<b>PRODUCT</b>	Five-dollar foot-long sandwiches	\$4 Torpedo sandwich	Oven-baked sandwiches
<b>AGENCY</b>	McCarthy Mambro Bertino, Boston	Nitro, New York	Crispin Porter & Bogusky, Miami
<b>THE PITCH</b>	"Five, five, five-dollar foot-lo-oong." 12-inch sandwiches made right in front of you, just the way you like them, with any kind of bread and as many toppings as you want.	"Toasty Torpedo. Over a foot of Quiznos flavor. Only \$4." Launched in March, are served toasted, on a baguette.	Domino's sandwiches, starting at \$4.99, are oven-toasted and delivered to your door.
	<p><b>PIZZA HUT</b></p> 	<p><b>KRAFT</b></p> 	<p><b>KRAFT</b></p> 
<b>PRODUCT</b>	\$5 P'Zones	DiGiorno flatbreads (frozen)	CPK (aka California Pizza Kitchen) Melts
<b>AGENCY</b>	BBDO, New York	DraftFCB, Chicago	Draf FCB, Chicago
<b>THE PITCH</b>	"Sub sandwiches leaving you cold? Heat things up. Get one pound of P'Zone." The calzone has the added benefit of being delivered.	Fast, easy, portable, cheaper, at \$3.19. New microwave technology makes them crispy when you don't have access to an oven.	Same as DiGiorno, although a little pricier at \$3.49. Consumers get all of the convenience with the CPK prestige, and fewer than 400 calories.