Globlex Securities Co., Ltd.
30 May 2025

Not all growth is equal: Decoding SSSG in a shifting market

- SSSG reflects organic growth but diverge from total sales due to store expansion
- CPALL shows aligned growth, while Chipotle and OKJ rely on new stores.
- SSSG must be viewed in context—not as a standalone performance metric.

Same-Store Sales vs Total Sales Growth

As the global restaurant industry grapples with falling consumer spending, declining tourist traffic, and heightened competition—especially in Thailand—investors must sharpen their understanding of Same-Store Sales Growth (SSSG) versus Total Sales Growth. While SSSG is widely used to assess organic sales momentum, it can diverge significantly from total sales growth depending on store expansion, brand diversification, or operational strategy.

When SSSG ≈ Sales Growth: CPALL case study

CPALL is a clear example where SSSG strongly influences total sales growth. In 1Q25, SSSG was +3.0% y-y, while total sales grew +6.4% y-y—driven by the fact that over 95% of its 15,430 stores had been open for more than a year. This means nearly half of the sales growth came from existing store productivity, with the rest from new store expansion. In mature networks like CPALL, SSSG closely mirrors underlying demand and serves as a reliable indicator of long-term growth quality.

When SSSG < Sales Growth: Chipotle case study

By contrast, US-based Chipotle reported 0% SSSG in 1Q25, but total sales grew +6.4% y-y. This gap is due to aggressive new store openings, with 57 new locations added in the quarter. These new stores outperformed older stores thanks to optimized locations and store format adjustments. In such cases, total sales growth is driven more by footprint expansion than by improved store productivity—an important distinction for investors evaluating growth quality.

When SSSG << Sales Growth: OKJ case study

Thai restaurant group Ohkajhu (OKJ) demonstrates an even starker divergence: in 1Q25, SSSG was just +0.1% y-y, yet total sales grew +32.8% y-y. This was driven by new store openings, particularly under new brands like Oh! Juice, which contributed ~13% of total sales. Moreover, newer stores showed higher revenue per outlet than older ones. Despite stagnant SSSG, OKJ delivered +48.7% y-y net profit growth, supported by margin improvements and scale efficiencies—highlighting that low SSSG doesn't always imply weak financial performance.

Beyond the numbers – Interpreting SSSG with context

While SSSG remains a valuable tool to gauge organic store-level performance, relying on it without context can lead to misleading conclusions. Investors must look deeper—examining store age mix, brand proliferation, and margin structure—to understand the true quality of growth. In an environment where consumer behavior is shifting rapidly and expansion strategies vary by company, SSSG should be used as a directional indicator, not a standalone judgment. Ultimately, a company's ability to grow profitably—whether through mature stores, new concepts, or operating leverage—is what matters most for long-term returns.

Analyst

Suwat Sinsadok, CFA, FRM, ERP
suwat.s@globlex.co.th,
+662 687 7026

Siriluck Pinthusoonthorn
Siriluck@globlex.co.th,
+662 672 5806

Globlex
Securities Co., Ltd.

Exhibit 1: 1Q25 vs 1Q24 SSSG vs Total sale growth

Company	Business type	Total sale growth	SSSG	Total store	Store > 1 year	New store	stores > 1 year	Growth driver
		(%)	*(% y-y)*	*(store)*	*(store)*	*(store)*	*(%)*	
CPALL	Thai retail 7-11	6.4	3.0	15,430	14,730	700	95.5	SSSG and store expansion
Makro	Food wholesale	3.1	1.0	176	169	7	96.0	Existing store and new store expansion
Lotus's	Food retail	2.7	0.5	2,560	2,517	43	98.3	Existing store and new store expansion
Chipotle	Mexican healthy QSR	6.4	0.0	3,783	3,484	299	92.1	New store with higher sales productivity
OKJ	Thai healthy QSR	32.8	0.1	58	41	17	70.7	Rapid expansion and new brands

Sources: CPALL; CPAXT; Chipotle; OKJ; Globlex Research

GENERAL DISCLAIMER

Analyst Certification

Suwat Sinsadok, Register No. 020799, Globlex Securities Public Company Limited

The opinions and information presented in this report are those of the Globlex Securities Co. Ltd. Research Department. No representation or warranty in any form regarding the accuracy, completeness, correctness or fairness of opinions and information of this report is offered by Globlex Securities Co. Ltd. Globlex Securities Co. Ltd. Accepts no liability whatsoever for any loss arising from the use of this report or its contents. This report (in whole or in part) may not be reproduced or published without the express permission of Globlex Securities Co. Ltd.

RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.
* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

Overweight: The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.