CHIPOTLE SIGNIFICANTLY REDUCES DIGITAL ORDER WAIT TIMES

“Smarter Pickup Times” Rolled Out Across the U.S.; Reduces Wait Times and Allows for Greater Digital Order Volume

DENVER--(BUSINESS WIRE)--Feb. 20, 2017-- Chipotle Mexican Grill (NYSE: CMG) has completed the rollout of its “Smarter Pickup Times” technology to all its restaurants that offer digital ordering. The advanced technology allows customers who order digitally to benefit from shorter and more accurate pickup times and the ability to reserve a future pickup time. The technology enhances all forms of digital ordering including web ordering (order.chipotle.com) as well as the company’s ordering apps for iOS and Android. “Smarter Pickup Times” also improves the company’s ability to process more digital orders without disrupting service or throughput in its restaurants.

Chipotle has extensively tested the “Smarter Pickup Times” system in restaurants around the country. In tests, the company saw a reduction of wait times for digital orders by as much as 50%, and an increase in the total number of digital orders to record levels.

“Most people don’t know that nearly every Chipotle has an extra make-line in the back of the restaurant where orders can be prepared without disrupting service on the main line,” said Mark Crumpacker, chief marketing and development officer at Chipotle. “Smarter Pickup Times enhances this capability by dynamically scheduling orders and generating accurate wait times based on the current volume of orders. This allows us to prepare more digital orders while simultaneously improving the customer experience.”

Chipotle’s “Smarter Pickup Times” technology dynamically monitors digital order capacity to ensure that each restaurant can effectively manage the digital orders flowing into the second make-line. The company is also in the process of rolling out an enhanced version of this second make-line that will greatly improve ergonomics for the teams staffing the line, and allow for even greater order volume and accuracy.

“We have been evaluating all of our digital offerings with an eye toward removing friction,” explained Curt Garner, chief information officer at Chipotle. “That started with a redesign of our website to make it responsive to whatever device a customer is using – a computer, tablet or smart phone – followed by online catering and additional out of store payment options, and continues with the completion of our ‘Smarter Pickup Times’ initiative. With this change, we have reduced the wait time for digital orders and are able to keep our restaurants from being overwhelmed with digital orders, particularly at peak times.”

Chipotle is currently running a marketing campaign to drive digital orders that includes in-store promotions, social media advertising, search optimization, and digital advertising. Moving forward, nearly all of the company’s digital advertising will link customers directly to digital ordering.

ABOUT CHIPOTLE

Steve Ells, Founder, Chairman and CEO, started Chipotle with the idea that food served fast did not have to be a typical fast food experience. Today, Chipotle continues to offer a focused menu of burritos, tacos, burrito bowls, and salads made from fresh, high-quality raw ingredients, prepared using classic cooking methods and served in an interactive style allowing people to get exactly what they want. Chipotle seeks out extraordinary ingredients that are not only fresh, but that are raised responsibly, with respect for the animals, land, and people who produce them. Chipotle prepares its food using whole, unprocessed ingredients and without the use of added colors, flavors or other additives typically found in fast food. Chipotle opened with a single restaurant in Denver in 1993 and now operates more than 2,200 restaurants. For more information, visit Chipotle.com.

Forward Looking Statements

Certain statements in this press release, including statements about digital initiatives and related marketing programs, are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. We use words such as “anticipate,” “believe,” “could,” “should,” “estimate,” “expect,” “intend,” “may,” “predict,” “project,” “target,” and similar terms and phrases, including references to assumptions, to identify forward-looking statements. The forward-looking statements in this press release are based on information available to us as of the date any such statements are made and we assume no obligation to update these forward-looking statements. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those described in the statements. These risks and uncertainties include, but are not limited to, the following: the uncertainty of our ability to achieve expected levels of comparable restaurant sales due to factors such as changes in consumers’ perceptions of our brand, including as a result of food-borne illness incidents beginning in late 2015, the impact of competition, including from sources outside the restaurant industry, decreased overall consumer spending, or our possible inability to increase menu prices or realize the benefits of menu price increases; the risk of food-borne illnesses and other health concerns about our food or dining out generally; factors that could affect our ability to achieve and manage our planned expansion, such as the availability of a sufficient number of suitable new restaurant sites and the availability of qualified employees; the performance of new restaurants and their impact on existing restaurant sales; increases

in the cost of food ingredients and other key supplies or higher food costs due to new supply chain protocols; the potential for increased labor costs or difficulty retaining qualified employees, including as a result of market pressures, enhanced food safety procedures in our restaurants, or new regulatory requirements; risks related to our marketing and advertising strategies, which may not be successful and may expose us to liabilities; risks relating to our expansion into new markets; the impact of federal, state or local government regulations relating to our employees, our restaurant design, or the sale of food or alcoholic beverages; risks associated with our Food With Integrity philosophy, including supply shortages and potential liabilities from advertising claims and other marketing activities related to Food With Integrity; security risks associated with the acceptance of electronic payment cards or electronic storage and processing of confidential customer or employee information; risks relating to litigation, including possible governmental actions related to food-borne illness incidents, as well as class action litigation regarding employment laws, advertising claims or other matters; risks relating to our insurance coverage and self-insurance; our dependence on key personnel and uncertainties arising from recent changes in our management team; risks regarding our ability to protect our brand and reputation; risks associated with our ability to effectively manage our growth; and other risk factors described from time to time in our SEC reports, including our most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q, all of which are available on the investor relations page of our website at ir.Chipotle.com.

View source version on businesswire.com: http://www.businesswire.com/news/home/20170220005083/en/

Source: Chipotle Mexican Grill

Chipotle Mexican Grill
Chris Arnold, 303-222-5912
carnold@chipotle.com

---

https://newsroomeu.chipotle.com/2017-02-20-chipotle-significantly-reduces-digital-order-wait-times