Bloomin' Brands, Inc. (BLMN) Q2 2026 Earnings Call Transcript

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Q2: 2026-08-05 Earnings Summary

Insights

EPS of $0.39 beats by $0.10 | Revenue of $1.02B (1.34% Y/Y) beats by $14.31M

Bloomin' Brands, Inc. (BLMN) Q2 2026 Earnings Call August 5, 2026 8:00 AM EDT

Company Participants

Tara Kurian - Senior VP of IR, FP&A, and International
Michael Spanos - CEO & Director
Eric Christel - Executive VP & CFO

Conference Call Participants

Alexander Slagle - Jefferies LLC, Research Division
John Ivankoe - JPMorgan Chase & Co, Research Division
Jeffrey Farmer - Gordon Haskett Research Advisors
Allison Arfstrom - Piper Sandler & Co., Research Division

Presentation

Operator

Greetings and welcome to the Bloomin' Brands Fiscal Second Quarter 2026 Earnings Conference Call. [Operator Instructions] Please note this event is being recorded. It is now my pleasure to introduce your host, Tara Kurian, Senior Vice President, IR, FP&A and International. Thank you, Ms. Kurian. You may begin.

Tara Kurian

Senior VP of IR, FP&A, and International

Thank you, and good morning, everyone. With me on today's call are Mike Spanos, our Chief Executive Officer, and Eric Christel, Executive Vice President and Chief Financial Officer. By now, you should have access to our fiscal second quarter 2026 earnings release and our investor presentation slides, both of which can be found on our website at www.bloominbrands.com in the Investor section.

Throughout this conference call, we will be presenting results on an adjusted basis. An explanation of our use of non-GAAP financial measures and reconciliations to the most directly comparable GAAP measures appear in our earnings release and investor presentation on our website, as previously described.

Before we begin formal remarks, I'd like to remind everyone that part of our discussion today will include forward-looking statements, including a discussion of recent trends. These statements are subject to numerous risks and uncertainties that could cause actual results to differ in a material way from our forward-looking statements.

Some of these risks are mentioned in our earnings release. Others are discussed in our SEC filings, which are available at www.sec.gov. During today's call, we'll provide a brief recap of our financial performance for the fiscal second quarter 2026, current thoughts on fiscal 2026 guidance, and an update on our turnaround strategy. Once we've completed these remarks, we'll open the call up for questions.

With that, I would now like to turn the call over to Mike Spanos.

Michael Spanos

CEO & Director

Thanks, Tara, and good morning, everyone. I will discuss our second quarter results and provide an update on our turnaround. Eric will then review the financials and our thoughts on guidance.

First, I want to congratulate our team on the progress on both the Outback Turnaround Plan and our financial results. Our focus on consistency of execution on food quality, service, experience, and providing affordable offers is making an impact.

As Pat Hafner, President of Outback, told his team at our Managing Partner Conference in June, "Motivation gets you going. Consistency of execution keeps you growing." We remain committed to consistency of execution that delivers a cumulative impact in delivering a great guest experience. While success will not be linear, we believe these commitments will lead to sustainable and profitable growth in the long term.

Turning to our second quarter results. Outback's Guest Metric Scores continue to improve, with year-over-year gains for the fourth consecutive quarter reinforcing that we are getting better every day. This is the power of consistency of execution. In Q2 of this year compared to Q2 of last year, Outback's Guest Scores increased across service by 7 points, atmosphere by 7 points, value by 6 points, intent to return by 5 points, food by 4 points, and brand trust by 2 points. I will share more details of our Outback turnaround progress shortly.

Our Q2 U.S. comparable restaurant sales were positive 230 basis points with traffic down 190 basis points. We have continued to narrow the gap versus the industry as defined by Black Box each quarter, and our Q2 comp sales were in line with Black Box while traffic trailed by 110 basis points. Affordable entry price points at our casual dining brands, combined with consistent execution and craveable service, is improving our what-you-get-for-what-you-pay-for value equation.

Outback's Q2 comp sales were up 140 basis points with traffic down 280 basis points. As we mentioned in our first quarter earnings call, we chose not to lap some dilutive traffic offerings from Q2 2025, particularly in our third-party delivery space. While third-party delivery remains a key part of our business and plays an important role for convenience, our focus is on delivering a remarkable dining experience to drive sustainable traffic growth.

Outback continues to drive traffic and loyalty from the Aussie 3-Course affordability offering, with about 60% of the guests consistently trading up from the entry price point into the higher price tiers and approximately 20% trading up on the dessert option.

Carrabba's comp sales were up 170 basis points with traffic of negative 250 basis points. Similar to Outback, we chose to not lap some dilutive third-party delivery offerings from prior year. This is the sixth consecutive quarter that Carrabba's drove positive comp sales, driven by continued focus on the in-restaurant experience and delivering elevated, authentic Italian food with warm hospitality. We are seeing positive results and increased guest satisfaction from our updated day-of-week offers and continued strong interaction with our experiential wine dinners.

Bonefish's comp sales were up 810 basis points with traffic of positive 450 basis points. Bonefish continues to steadily improve traffic growth with momentum in day-of-the-week offers such as Margarita and Martini Mondays and Bang Bang Shrimp Wednesdays. The team has done an excellent job of engaging guests with an energetic bar in a polished casual seafood environment, leveraging our core menu items for exciting affordability offers.

Fleming's comp sales were up 160 basis points, with traffic down 280 basis points, and achieving the eighth consecutive quarter of positive comp sales growth. The team continues to provide memorable special occasions for our guests through disciplined execution and approachable offers.

I will now update you on our turnaround focused on Outback Steakhouse. The turnaround is anchored on four strategic platforms as previously communicated, which are, first, deliver a remarkable dining experience; second, drive brand relevancy; third, reignite a culture of ownership and fun; fourth, invest in our restaurants. These platforms will be supported by non-guest-facing productivity savings, balanced capital allocation, and a strong management team.

Starting with an update on the first platform to deliver a remarkable dine-in experience. The first step was the launch of our new steak lineup in November of last year. We continue to see our steak score in the top box. Consistent with Technomic, our Ziosk guest scores are showing noteworthy improvements year-over-year across intent to return, food quality, service, steak temperature, and value. The commitment to consistency of execution has driven four consecutive quarters of year-over-year improvements in Outback Guest Metric Scores.

Moving to the next element of a remarkable dining experience, Craveable Service. As we have previously communicated, we identified that our 1 server to 6 table station ratio during peak hours didn't provide the right level of guest interaction and satisfaction. In Q2, we successfully rolled out our new service model to all Outbacks, reducing our ratio to 4 tables per server during peak hours.

We are receiving positive guest feedback from this change. Our Q2 absolute service scores were over 90% top box and increased by nearly 3 points year-over-year. Like our steak quality, guests are telling us they see the difference in our enhanced service model, improving the what-you-get-for-what-you-pay-for value equation. Our Outbackers continue to leverage the tabletop Ziosk data to drive accountability and close any gaps in performance in each restaurant.

We will continue our commitment to delivering a great guest experience with training for front-of-the-house Outbackers this month on our enhanced hospitality experience model to deliver a fun, casual, Aussie, No Rules, Just Right experience.

Our second strategic platform is driving brand relevancy at Outback to differentiate the brand. We will embrace the core of our Aussie brand roots by inviting customers to come as our guest and leave as our mate. Our brand communication will primarily showcase the quality of our steak lineup with a balance of brand equity and the affordability of our Aussie 3-Course offer and craveable service.

We are increasing our marketing spend year-over-year in the second half of this year, and will continue to shift our marketing mix into social and digital channels. Marketing will bring them in with a No Rules, Just Right, Aussie irreverence, and a relentless focus on consistent execution will bring guests back.

Reignite a culture of ownership and fun is our third strategic platform. Our people are the key to our turnaround, and we are focused on having strong leadership throughout our restaurants, starting with our Managing Partners. Reigniting a culture of ownership and fun begins with recognizing the achievements of our partners and Outbackers.

We held our Outback Managing Partners Conference in June. This was the first time since 2019 that we have had our partners together, and it was a great event to get them energized around the elements of the turnaround. We have great partners, and they are clear on their ownership to deliver a great guest experience.

We were privileged to have one of our Outback founders, Tim Gannon, who invented the Bloomin' Onion, spend two days with our team, inspiring them on the core of the brand, our special culture, and the potential of our business based on the turnaround plan. What was particularly motivating was Tim's feedback that we are doing the right things to turn around Outback.

I want to congratulate Market Vice President Robbie Atkins for being named Outbacker of the Year. Robbie exemplifies our principles and beliefs as a leader, setting the standard that success is growth in sales and profits and is the result of taking care of our people and guests. Congratulations, Robbie.

Additionally, consistent with what we communicated in our previous earnings call, we implemented the first phase of an updated MP compensation model during Q2. The first phase of our MP compensation program has two key goals. First, to ensure total cash compensation is competitive with the local market, starting with a competitive base salary, and second, to ensure that total cash compensation remains tied to the growth of sales and profit of the restaurant.

Lastly, let me update you on our fourth strategic platform, invest in our restaurants. We are on track with our goal to touch nearly all of the Outback restaurants by the end of 2028 with targeted initiatives to refresh the interior and exterior, expecting to spend on average between $350,000 and $400,000 per refresh location. We have completed approximately 31 Outback refreshes through the end of July and are on track to complete around 85 for the full year of 2026. This asset refresh approach focuses on improving guest ambiance in the restaurant interior and exterior, which will improve the dine-in experience.

Additionally, we have completed the rollout of our chargrill expansion across Outback. This cooking platform enhancement allows our Outbackers to have the optimal cooking platform for our new steak proteins and non-steak proteins.

Let me now turn it over to Eric to review our financial performance for Q2 and guidance for Q3 and full year fiscal 2026.

Eric Christel
Executive VP & CFO

Thank you, Mike, and good morning, everyone. I would like to start by providing a recap of our continuing operations financial performance for the fiscal second quarter of 2026. Q2 total revenues were $1.02 billion compared to $1 billion last year, reflecting a 1% increase. Restaurant sales were up, driven by positive comparable restaurant sales of 230 basis points. We remain very focused on narrowing the gap to the industry in the near term and positioning ourselves to lead the industry in the long term.

Average check increased by 420 basis points compared to 2025, with pricing partially offset by negative mix as we continue to invest in affordable offers for our guests. We are seeing an improvement in our mix compared to our original forecast, driven by the leadership and efforts of our Outback team in three key areas.

First, we have enhanced our menu design to incent our guests to enjoy our combo offerings, which feature our outstanding steak and non-steak proteins together. Second, we are seeing guests trade up to more premium steak cuts once they engage with our servers and see the steaks on the menu. Third, we are seeing continued momentum from our non-alcoholic mocktails, providing a premium and experiential beverage experience to include low-calorie options such as our strawberry peach refresher to complement our Aussie-themed Mock Croc and Sharky Temple.

As a result of what we are seeing in mix, this has a positive impact on the turnaround investment dollars, which I will explain in detail shortly. Off-premises sales were 24% of total U.S. sales in the quarter, consistent with Q2 last year. Outback's off-premises mix were 26% in the quarter and Carrabba's were 34%.

Our GAAP diluted earnings per share was $0.37 compared to earnings of $0.29 per share last year. Our Q2 adjusted diluted earnings was $0.39 per share versus earnings of $0.32 per share last year. The difference between GAAP and adjusted GAAP operating results is approximately $3 million of adjustments in Q2 2026, primarily as a result of transformational and restructuring activities.

The Q2 adjusted operating margins were 4.0% versus 3.5% last year. The 50-basis-point difference between this year and last year was driven by improved restaurant margins. Within restaurant margin, COGS was elevated compared to last year, driven by commodities inflation of 5.7%. Labor was favorable, driven by the lap of higher health insurance costs in the prior year, and other restaurant operating expense favorability was driven by non-guest-facing productivity.

As it relates to our 33% retained ownership in Brazil, which is classified as an equity method investment, we recognize the loss of approximately $900,000 in Q2. We still expect the full year loss to be approximately $3 million to $4 million. According to our capital structure in Q2, total debt net of cash is $636 million. As of the end of Q2 2026, our leverage metrics were 3.7x on a lease-adjusted net leverage basis and 2.0x on a net debt to adjusted EBITDA basis. Our long-term lease-adjusted net leverage ratio goal remains 3.0x.

Capital expenditures in the quarter were $44 million. We expect to complete a large amount of refreshes in Q3 of this year and taper off in Q4 as we focus on serving our guests during peak season. We still expect the full-year capital expenditures to be in the range of $185 million to $195 million. Consistent with our previous communication, our capital allocation priorities are to, one, invest in the base business, and two, pay down debt. Teams are committed to these priorities to provide a platform for the turnaround and a strong balance sheet to support growth.

As I mentioned, we are seeing improved mixed trends at Outback, which has a positive impact on the turnaround investment needed in 2026. We had allocated $25 million for food investments, of which $18 million were specifically for mix, we now expect the mix investment to be $4 million. The turnaround investments now total $36 million down from $50 million. Productivity savings remain on track for $30 million for a net investment in 2026 of $6 million.

Turning to our guidance this year, as it relates to the full year fiscal 2026, we expect U.S. comparable restaurant sales to be between 1% and 2%. We expect sales mix to improve by approximately 100 basis points, offset by slightly lower traffic as we make the strategic decision to not repeat profit dilutive offers from last year.

We now expect our adjusted diluted earnings per share to be between $0.90 and $1. Our previous guidance was between $0.75 and $0.90. The increase in our earnings per share guidance range is attributable to our year-to-date performance, improved mixed trends, and better middle of the P&L cost controls.

As it relates to the third quarter of 2026, we expect Q3 U.S. comparable restaurant sales to be between 1% and 2%. We expect Q3 adjusted diluted earnings per share to be between negative $0.27 and negative $0.22. We expect to have a tax expense of approximately $5 million in the quarter. Our full year tax rate is expected to be negative, which will drive a tax expense in Q3 due to our negative earnings outlook. We expect our 33% Brazil EMI to be approximately negative $2 million. Let me now turn it back over to Mike.

Michael Spanos
CEO & Director

Thanks, Eric. Overall, we are on track with our Outback turnaround, implementing and executing what we said we would do. We are building momentum in our guest feedback and Outbacker feedback tells us our strategy is sound. Our strategy is consistent and is, one, deliver a remarkable dining experience through improved steak quality, enhanced service, and consistency of execution. Two, drive brand relevancy to differentiate Outback. Three, reignite a culture of ownership and fun with a commitment to our people. Four, invest in our restaurants to refresh approximately 100% of Outbacks by 2028.

Investment in the turnaround is supported by non-guest-facing productivity savings with a balanced capital allocation led by an outstanding set of leaders that are seasoned restaurant operators. We acknowledge that success is not linear, and we will continue to responsibly pace and sequence the investments to deliver a great guest experience and foster positive team member engagement. The leadership team continues to be committed to our strategy to provide long-term, sustainable profit growth and improving every day in how we operate our business. We will continue to be transparent in our progress.

I want to close today's call by thanking all of our teams in the restaurants and restaurant support center. Our current results and our future potential would not be possible without the dedication, hard work, and commitment of our Outbackers, our Amigos, our Anglers, and our Associates to deliver remarkable guest experience every day.

With that, let me open up the call for questions.

Question-and-Answer Session

Operator

[Operator Instructions] The first question comes from Alex Slagle with Jefferies. Please go ahead.

Alexander Slagle

Jefferies LLC, Research Division

I wanted to ask on, I guess, as you're looking at the outcomes, the steak upgrades, service changes, are there any notable surprises sort of to how you're seeing the improved performance and experience metric shake out? I don't know if it's fairly broad-based and even, or if it's still more varied and dependent upon quality of the teams and the management teams you have in place, and also, you know, the improved mix and check performance that drove the guidance upside. Is that really more a direct reflection of some of the service changes and menu changes just trying to get the core of that?

Michael Spanos

CEO & Director

Yes, morning, Alex. It's Mike. So I'll break that down based on what seems to be three questions there. So on steak, we're really excited about what we're seeing in the steak lineup. It's performing really well. Our Outbackers are excited to sell it. Our back of the house is really excited as well executing it. We're seeing top box scores across the board. And the second piece of on steak, which has been a nice surprise, and it gets also to your mix question, we are seeing guests trade up more and more into the premium cuts. That's been better than what we had seen in our tests, when we did the test in 2025.

The third thing I would say, and this also gets to your mix question, is what's also been very encouraging is seeing the combo reaction to not only the new steak lineup, but guests also engaging with our differentiated non-steak proteins. So when I look at all that, I feel really good. We're still focused on consistency of execution, leveraging Ziosk to get it right. So that's the steak lineup. I think Pat and the team have done a great job. And the other adjacent point on that too is having the chargrill expansion done. That just gives us a lot more capacity to nail the lineup and we feel really good about our optimal cooking platform.

In terms of your question on the service, that one is playing out in early stages exactly as we wanted it to. Meaning, as we said, we wanted to get to 1 server 4-table station ratio during peak. That has worked really well. What has been really encouraging as we looked at the results is the pay of servers is almost exactly the same as it was before. We're seeing tips up as a percentage, tips shared down.

And what we think is starting and we're seeing happening is we're just back to the ownership culture we have where the server owns the table. That's just so core to what Outback was back when it was great, and that's good. So we wanted to make sure we felt good about where the servers were, we wanted to feel good about, where the guests were, and our Ziosk results are showing us that in terms of the likelihood to recommend a server, intent to return, feel good about that.

The last thing I'll say to your question on mix that I didn't cover, the other part that was really positive on mix, our team did a great job on the menu design, and I mentioned guests trading up on the premium cuts. But we've got really nice leverage on sides. Premium side steak toppers have been just well received by guests, that gives us nice tailwind.

And we also did some work on premium sides, which is really nice, whether we have a Parmesan creamed corn that we introduced that has done very well. Our desserts have been up as well, whether it's guests trading up on the Chocolate Thunder or the Chocolate Chip Skillet. That's been a nice surprise, we're seeing guests spending when they feel great in a restaurant.

Operator

Thank you. The next question comes from Sara Senatore with Bank of America. Please go ahead.

Unknown Analyst

This is Ashley on for Sara. So you noted in the prepared remarks Outback's guest metrics improved for a fourth consecutive quarter, and you called out positive guest feedback from the full rollout of the new service model, but Outback's traffic was still down 2.5% in 2Q. How should we think about the bridge from better guest scores to actual traffic conversion? You know, are there any early markets or restaurants where, you know, these guest metric gains are already translating into higher frequency by customers?

Michael Spanos
CEO & Director

Yes, hey Ashley, good morning. As I've said, our focus is long-term. Our focus is sustainable traffic, profitable traffic, and as I've said, our success is not going to be linear. There's a cumulative effect, especially in this industry when our average guest frequency is about twice a year, where you combine what is momentum in the steak lineup, the service lineup, a service model that we have, the experience we're going to be rolling out and hospitality experience training over the next few weeks, and then the affordability offers.

My experience in turnarounds, there's a flywheel on this. It takes time. I also know our Outbackers are telling us we're on the right path. I know our guests are telling us we're on the right path. One of our co-founders at a conference just said, we are absolutely on the right path, and we have locations, whether there's franchisees or current restaurants, when they have been doing what is true to the core of the brand, we grow traffic and we grow comp sales sustainably.

So what the last thing I would say is I'm going to be super transparent and candid with our results about what's happening and what has happened. We're going to be careful not to over-project what we think is going to happen in terms of future traffic, et cetera. But confident it's going to come because we're seeing the results.

Operator

Thank you. The next question comes from John Ivankoe with JPMorgan. Please go ahead.

John Ivankoe
JPMorgan Chase & Co, Research Division

It's definitely interesting to kind of see your success and actually pushing or having your customers push the Outback brand higher through premium steaks, sides, toppings, what have you. So that's obviously an achievement that says a lot about your historic brand. So the question, I guess, is kind of on the other side, which is the opportunity that you have, you know, to achieve value through price points.

In other words, you know, the brand I know was promoting things kind of in the mid-teens for a while, 3-course, what have you. Does it make sense to kind of come back and really, you know, re-establish that part of the menu and maybe engage in a core high-low, or should we just be focused on the core and the higher-end part of the menu for this point?

Michael Spanos

CEO & Director

Yes, morning, John. How you doing? I think we're doing that. What I mean by that is, in all the casual dining brands, and I'll stick to Outback, which is your question, we've been real sharp on providing barbell pricing. When you look at it, and that really starts with Aussie 3-Course, that is the entry point. That's the entry point of affordability, and that's especially the entry point for those households that are running under $100,000, and we're seeing good retention and frequency of use, and there's a lot of good items in there.

You've got Chopped Steak, you've got Teriyaki Skewers, you got a great burger at the entry price point. So somebody can come in at $14.99 and feel really good about that value. The other end, which we've seen, is we, especially in the K-shaped economy this plays, we're also seeing guests trade up to the premium cuts. So they can get the strip, they can get our selection of ribeyes which is everything from a 13-ounce to 15-ounce and the boneless 20-ounce bone-in, we're seeing really good results there.

And so we're seeing that trade up as well so I don't think there's going to be any change there. The other thing we've been really zoned in on is just consistency of execution, regardless of who it is. They love the brand. What we hear from our guests is they love our brand when we do it right. So I think that's going to be the approach and that's what we're seeing -- working right now.

John Ivankoe

JPMorgan Chase & Co, Research Division

Okay, thank you. And if I can, on a follow-up, in terms of the remodel, interior and exterior, for $350,000 to $400,000, I don't need to tell you this, I don't think, but for a casual diner, especially with some age on it, that's a really low number, you know, so firstly, congratulations on being able to achieve that. And, you know, Mike, the question I'll ask you is, would you like to spend more if you could spend more?

So in other words, are we kind of nailing it, you know, at this $350,000 to $400,000 where we won't have to revisit it for 10 years? Or might -- you know, this remodel, be kind of what's necessary as part of maybe a multi-stage remodel process as your overall financials allow you to?

Michael Spanos

CEO & Director

Yes, John, it is enough. And I say this on the last earnings call. First of all, we're focused on the right ambiance and the right touch points, interior and exterior, one that gives the guests the feel on the interior that we've updated items that matter to them, as well as on the exterior, which sends a signal to those driving by some things have changed.

So, one, I'll focus on what we're doing and then the numbers. And the inside, it's predominantly tables, chairs, floors, some ceilings. We're also doing some touch-up on bar, the TV package. When you look at the exterior, there's a landscape, there's some painting, and there's lights. That's what it is, and that gets into that average of $350,000 to $400,000.

Now if you look at the numbers, John, I mentioned this on the last call, if you just assume roughly just short of 600 total Outbacks, roughly half of them have already had either they're new or had pretty heavy remodels the last few years. So that leaves you a remainder of about 300 Outbacks and we're looking to get to about 100 a year. We think we'll get to approximately 85 this year and that's the plan. And as I said before, the results we've seen is we like the traffic lift after we've done those. We are going to see a nice 100 to 200 basis point lift about 6 months to a year after we get those done.

John Ivankoe
JPMorgan Chase & Co, Research Division

Thank you, and I look forward to more time in restaurants.

Michael Spanos
CEO & Director

Yes, we'd like that, John. Thank you.

Operator

The next question comes from Jeff Farmer with Gordon Haskett. Please go ahead.

Jeffrey Farmer
Gordon Haskett Research Advisors

I'm just curious what the menu pricing versus commodity inflation spread will look like as you get into the back half of the year, just sort of what that dynamic will look like and potentially how it will impact your margins as you move forward.

Eric Christel
Executive VP & CFO

Sure. Hey, this is Eric. So we still see commodity inflation running basically 4.5% to 5.5% for the year. That's been consistent. We see pricing in about the 4.5% range. So pretty balanced. That's been our approach all year and will continue to be our approach.

Jeffrey Farmer
Gordon Haskett Research Advisors

Okay, and then you did touch on it, but as it relates to advertising weights, just as you move into the back half of this year, can you give us some context in terms of what that will look like in terms of advertising dollars versus what it was in the back half of 2025? And then just a little bit more color as it relates to how you guys are going to use those advertising dollars?

Eric Christel
Executive VP & CFO

Yes, I'll go ahead and give the dollars and then I'll let Mike comment on the sort of strategy. Essentially, we're going to be up roughly $15 million versus prior year for the full year. That's roughly 3% of sales for the full year. It's about $10 million more in Outback and then the rest of the brands have a couple million apiece. So just with right in line with our plan. A lot of that is second half weighted as well. So right in plan. But about $15 million for all 4 brands, about $10 million more for Outback.

Michael Spanos
CEO & Director

Jeff, it's Mike. First on the pricing, which I think is important too, before I go to the market, remember that the checks going to probably move by about 3.5% because the mixed impact, we had to call out about 2.5% last call. But as Eric mentioned in the prepared remarks, we've just seen that mixed improvement as the Outback team's done a better job, as I mentioned. So that's what's moving that number up.

On marketing, consistent with what I've been saying, first of all, I'm really excited what I'm seeing out of the marketing team in terms of the work that they've put together. And we're going to, from a strategic brand position, we're going to be all about the brand. The brand is about Aussie, it's about being a steakhouse, and that's the core of the brand with that irreverence, we're going to punch that up.

The brand communication will absolutely be steak-centric, and that's going to reinforce what we're doing on steak excellence, it'll have the affordability, and there will be equity in there. We'll start to increase that in the second half.

We've got what we're calling our hospitality training, which is going to further train up the front of the house how to bring that experience and energy into the restaurant. So you'll start to see that. And we'll have that split between equity, communication, and affordability. That'll be centered on our Aussie 3-Course. Eric already touched on the financials.

The last thing I would say is just the mix. We'll continue to move the mix more into about a 60% digital, 40% linear TV as we move forward because the linear is important, but as we recruit more Gen-X, Gen-Zs, Millennials, we need to be more in that social digital space, which is where we're shifting.

Operator

The next question comes from Brian Mullan with Piper Sandler. Please go ahead.

Allison Arfstrom
Piper Sandler & Co., Research Division

Hello, this is Allison Arfstrom, on for Brian. You hosted the Managing Partners Summit for Outback for the first time since 2019, so I wanted to ask about anything interesting or surprising that you learned from a boots-on-the-ground perspective from the operators. Thank you.

Michael Spanos
CEO & Director

Yes, thanks for the question. It was an awesome session. The biggest takeaway to me was how energized our partners were with the Outback Turnaround Plan. So the engagement was extremely important. And Pat and the team did such a good job. There was an element of fun. There was an element of recognition. But there was an element of training and ownership. So everybody knows their roles and responsibilities and what exactly has got to be done because that's our culture of accountability.

So I start there. And what was also very special was having Tim Gannon there, as I mentioned. When you have one of your co-founders there for two days telling the team we're doing the right things, and Tim, he's got it. I mean, he is on, and he was very clear with we're doing the right things. It was just great to have him there. So we all walked away. As Pat said, motivation gets you going, but it's about consistency of execution that keeps you growing. That's where we're at.

Operator

This concludes our question and answer session. I would like to turn the conference back over to Mike Spanos for any closing remarks.

Michael Spanos
CEO & Director

Thank you once again for your investment and support of Bloomin' Brands. I want to close by thanking our people for their passion and commitment to each other and our guests. Thank you.

Operator

The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.

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