



**Unit Title: MARKETING MANAGEMENT**

**Unit Code: MKT**

**Lecturer: Mr. CLEY GERVAIS**

**Submission Date: May, 14th 2020**

**Location: BAHRAIN**

**Student Name: GHAZI ALKHARS**

**Student ID: SBSBAHMSC1904053**

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# EXECUTIVE SUMMARY

Al-Baik, is a fast-food chain of restaurants, founded in the mid-seventies in the city of Jeddah, Saudi Arabia. It is famous for serving fried chicken and seafood meal with potatoes as the pick-meal. It had become very popular because of its distinctive taste resulting from the mix of spices used and the right price for everyone in addition to excellent service and high quality. Within years, Al-Baik branches expanded significantly to cover many neighborhoods of the city of Jeddah, and then expanded and opened other branches in different cities of Saudi Arabia. The number of its branches currently reaches 64 branches .

# BRAND OVERVIEW

For more than 40 years, Al-Baik has been a symbol of high quality meals and distinguished service in the field of catering services, specializing in preparing fried chicken and seafood meals. It has a license to manufacture foodstuffs, and was distinguished by its application of the highest international food safety standards for all the various food products of the company, which culminated in its factory obtaining the ISO 2005: 22,000 certification in food safety regulations. It is the first Saudi national factory in the Kingdom to complete this achievement. In addition to being an entity that provides the highest levels of quality to consumers in the Kingdom of Saudi Arabia, Al-Baik is one of the pioneering companies in the development of several educational, social and entertainment programs dedicated to developing the minds and creativity of Saudi population.



**Al-Baik logo**

**COMPETETION OVERVIEW**

Al-Baik has strong competition in the market. Some of its top competitors are international brand names, such as KFC (Kentucky Fried Chicken), Chick-N-Dip, and Popeyes. Although Al-Baik succeeded in pulling many customers from its competitors, it raised many questions and rumors about the failure to open other branches in the rest of Saudi cities, especially the city of Riyadh, and the answer to this question remains mysterious and secret to the owners of the company. However, Al-Baik Company signed an agreement in April 2012 with the Qassim Municipality to open two branches in the Qassim region in central Saudi Arabia, followed by many branches in different cities in the Kingdom. Al-Baik was criticized because it is not grown to a worldwide brand, although it is recognized by everyone in the Saudi Arabia.

## TARGET MARKET

Al-Baik is basically a chain of fast food restaurants that their main target market was initially youths and children. They have a signature meal called Al-Baik chicken meal. It is a broasted chicken pieces with special unique garlic sauce. This kind of food attracted different generations in Saudi Arabia.

**SEGMENTATION**

* **Demographic:** The demographic segmentation of Al-Baik is mainly targeted to the youth and children population. The company targets the population of the age between 5 to 40 years old with a low to middle level income. With their high quality delicious meals and reasonable prices, their target customers has presently expanded to old people as well.
* **Behavior**: Al-Baik divides the total market into smaller homogeneous groups based on costumor purchasing behavior such as age, income, and season. This behavioral segmentation based on purchasing habits from costumers such as meals, average salaries, and brand loyality. Being the main headquarter of the company and its branches located in Jeddah, the main airport for visitors for Hajj and Omrah (Islamic worships), this created a large number of customers during these seasons. Moreover, the affordable prices of valuable meals made Al-Baik the first choice of many customers.
* **Psychographic:** Psychographic segmentation distinguishes the business according to characteristics, beliefs, behaviors, desires, and lifestyles of the costumer. The company offers lunch and dinner meals through employees with **disciplined** attitude, always being **helpful**to anyone in need, and with **fair**and **empathetic**manner to everyone.



**Al-Baik Branch in Makkah (just close to the holy mosque)**

## SWOT

* **Strengths:**

1. Chain of fast food restaurants with well known brand name in the Kingdom of Saudi Arabia.

2. Branches located in different cities of Saudi Arabia.

3. High quality food with popular meals among different generations.

4. Has a subdivision of the company, named Akwat, which is a factory responsible for supplying the restaurants with foodstuff.

5. Effective branding and marketing activities, with social responsibilities in the development of several educational, social and entertainment programs in Saudi Arabia.

* **Weaknesses:**

1. Branches are limited to the geographical boundaries of Saudi Arabia.

2. Even the branches inside Saudi Arabia are few in comparison to the brand's popularity.

3. Meals are limited to fried chicken and fish.

* **Opportunities**:

1. Expanding the commercial activities outside Saudi Arabia, to reach to the Gulf countries (Kuwait, Bahrain, Dubai, etc.)

2. Making more varieties of meals, taking the opportunity of its well-known brand.

* **Threats**:

1. Lot of competitors in the region with international brand names serving the same kind of foodstuff.

2. Maintaining low prices is a major concern due to higher production costs with new tax regulations.

3. Customers started to look for other restaurants with new ideas of meals.

## MARKET RESEARCH

* **Product**:

Al-Baik has a special secret mix of spices that represents a competitive value which makes Al-Baik products different from its competitors, no matter how much they try to imitate them.

Al-Baik In spite of many branches in Saudi Arabia and their current tendency to expand throughout the Kingdom, the quality strategy is a mandatory issue. They have strict regulations and standards in production methods, no matter how many branches there are and no matter how commercial franchises are granted to ensure quality and cleanliness.

* **Place**:

Place is also an important factor in marketing strategy growth. Most of Al-Baik branches are in the western region of Saudi Arabia, which has a high residents and visitors from all over the world, due to the location of the two holy Islamic cities, Makkah and Medinah. There is a familiar scene, perhaps not without a flight journey from Jeddah to Riyadh, where there is at least a traveler carrying a bag full of Al-Baik meals to bring them to his family in Riyadh or perhaps as a "valuable" gift to be thanked for.

* **Price**:

Another competitive advantage of Al-Baik is the price they are most keen on. They have their calculations and precautions to keep their prices nearly constant and within reach. Anyone watches the long lines in the branches and the great crowd, he can ses the simple worker with his tattered clothes, and he can see also the well-dressed man with his luxury car. It is a product of the rich and the poor.

* **Promotion**:

Al-Baik promotes and preserves the brand in the minds of their clients, as their transparent handling of complaints and observations reflects this. In addition to the above, social marketing is one of the secrets of the success of their meals in my opinion. I even heard many people said about Al-Baik as if it is an experience that must be taken while going to the western region of Saudi Arabia. Perhaps the spread of their charitable contributions among people is as an explanation of their success and contributed to strengthening the brand of Al-Baik.

## C:\Users\AlKhars\Desktop\albaik.jpg

## Long line of customers waiting for Al-Baik to open (Branch of Medinah, Saudi Arabia)

## CONCLUSION & RECOMMENDATIONS

To sum up, Al Baik Restaurants is a local success story that is proud locally. It is also impressed by the global experiences in the passion of customers and their long wait for the opening of a specific activity. This brand should expand to reach the Gulf countries in neighborhood, but with emphasizing on maintaining the well-known quality and price.

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