



# Business Analysis Strategies for ***KFC***

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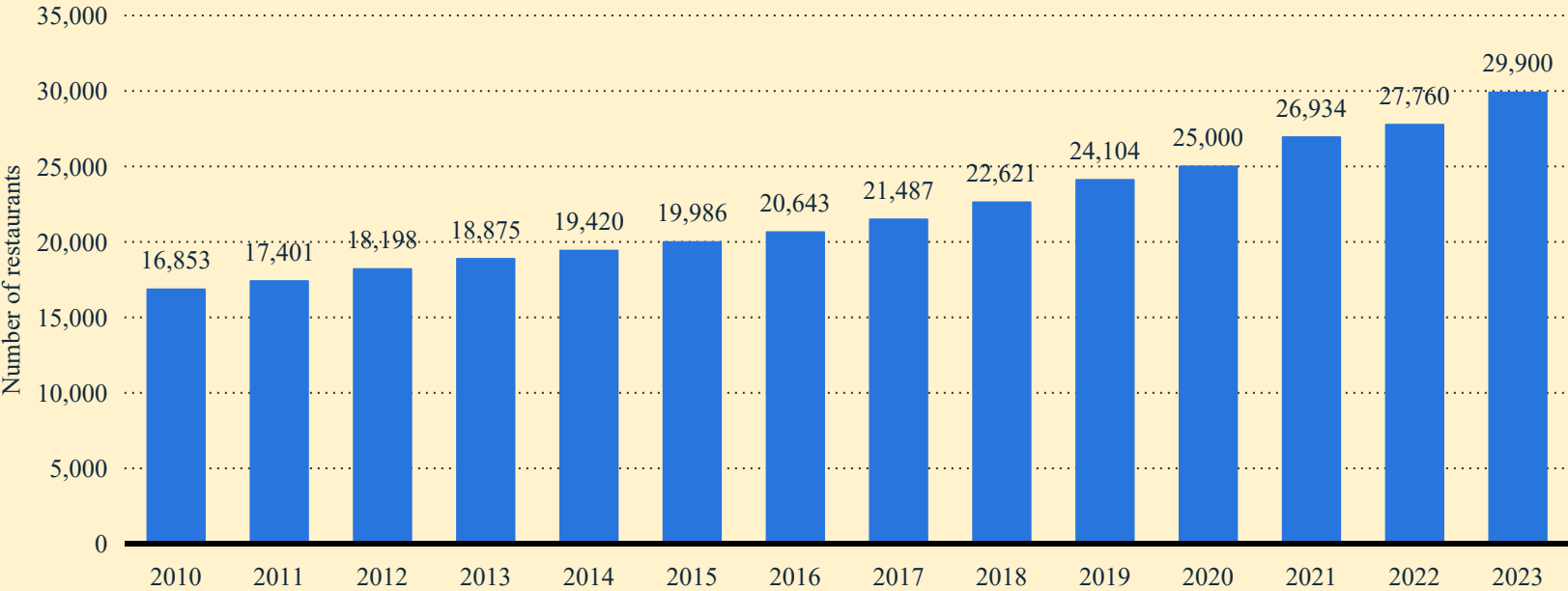
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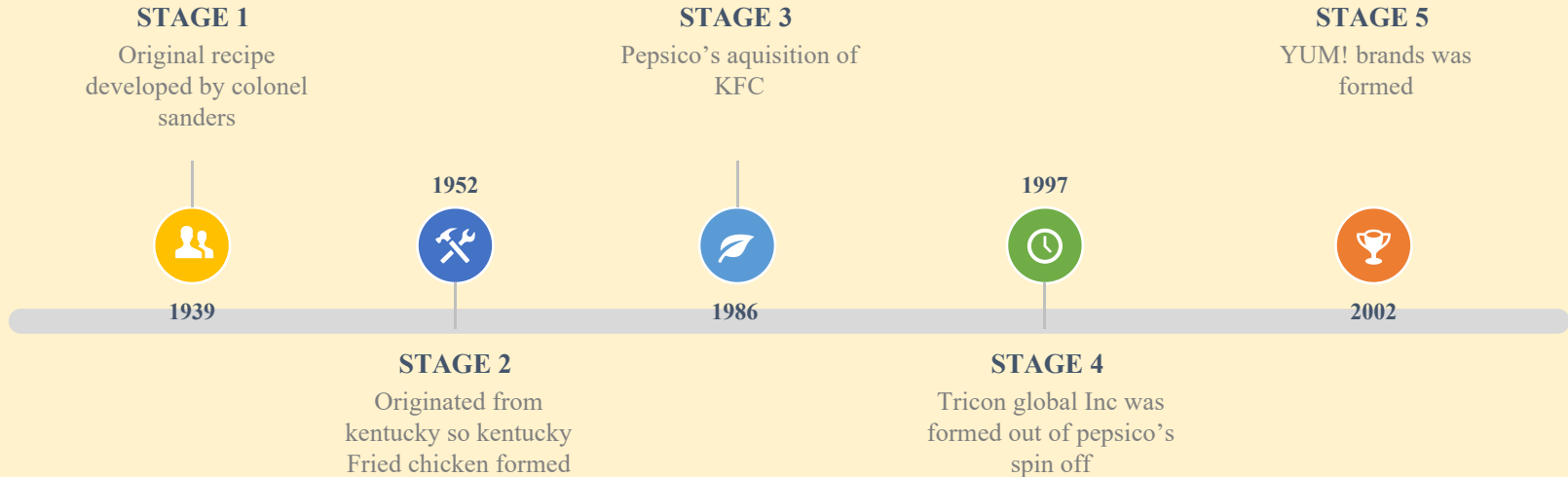
# Introduction

- KFC(Kentucky Fried Chicken) is the world leader in fast-food joints originated from Kentucky,United states of america.
- After McDonalds, KFC is world's second leading fast-food joint in world operating in over 145 countries and around 29,900 locations(Statista, 2023).
- KFC is mainly renowned for spicy and aromated fried chicken menus on list. Besides the delicious chicken there lies a complex organizational environment which will be discussed further.

Worldwide KFC restaurants:



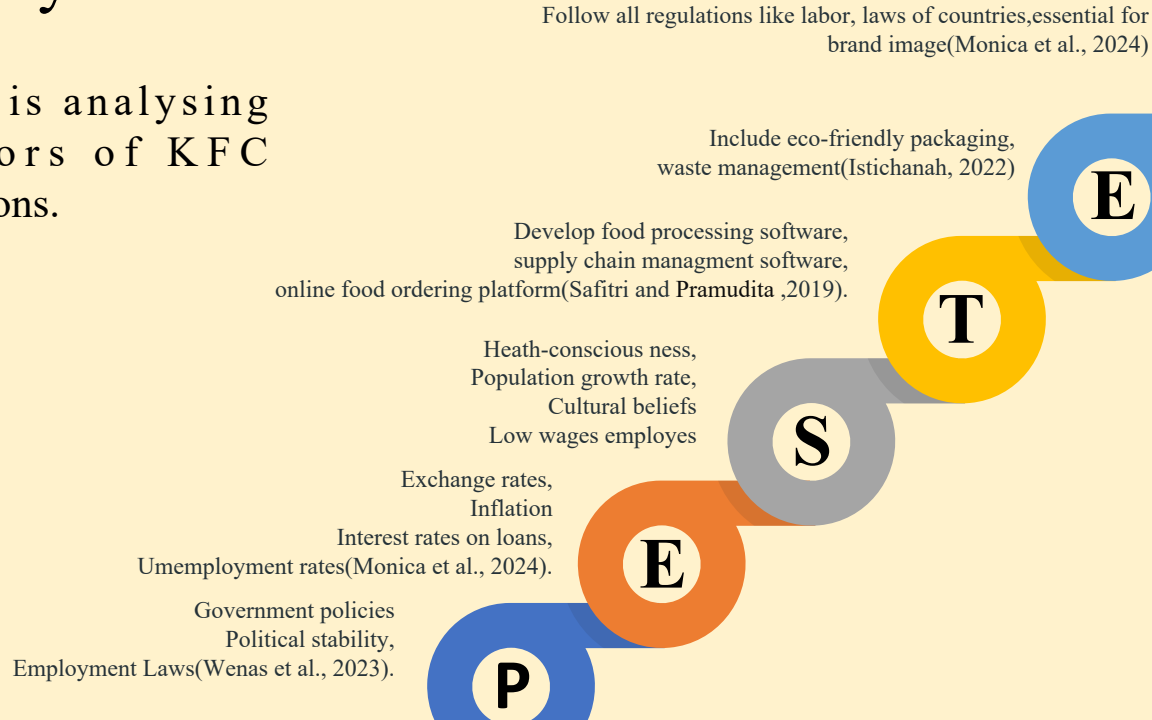
# THE HISTORY



# Macro Level Analysis

## -Pestel Analysis -

Pestel analysis is analysing external factors of KFC influencing operations.



# -KFC Swot Analysis - analyze external threats and opportunities and internal strengths and weaknesses.

- + Large brand image and large restaurant chain
- + Unique product and recipe/ingredients
- + More focused on research and development
- + Quality foods with quick service



## STRENGTHS

- Suppliers unethical way of goods and supply
- Logistic supply chain



## WEAKNESSES

- + Franchising
- + Cultural diversity
- + New ideas and innovations
- + Collaboration and partnership



## OPPORTUNITIES

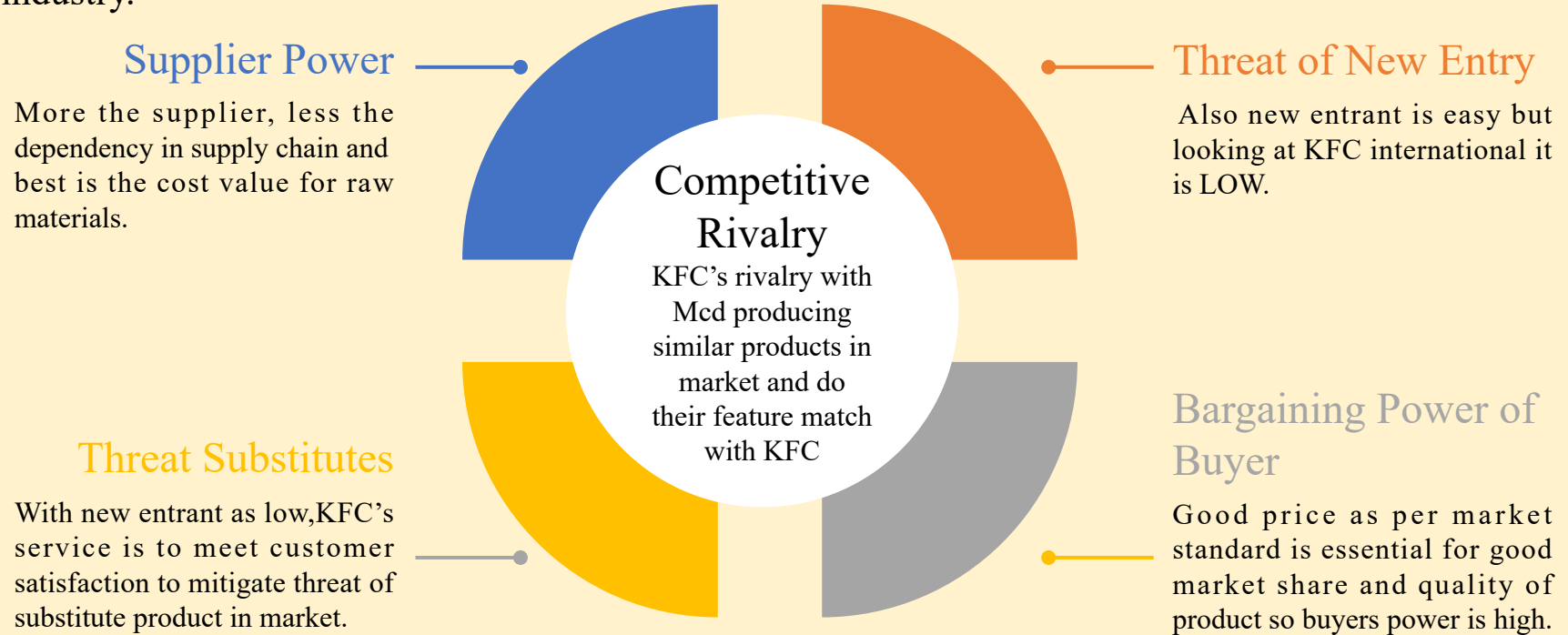
- Competitors
- Health conscious customers may find better opportunities



## THREATS

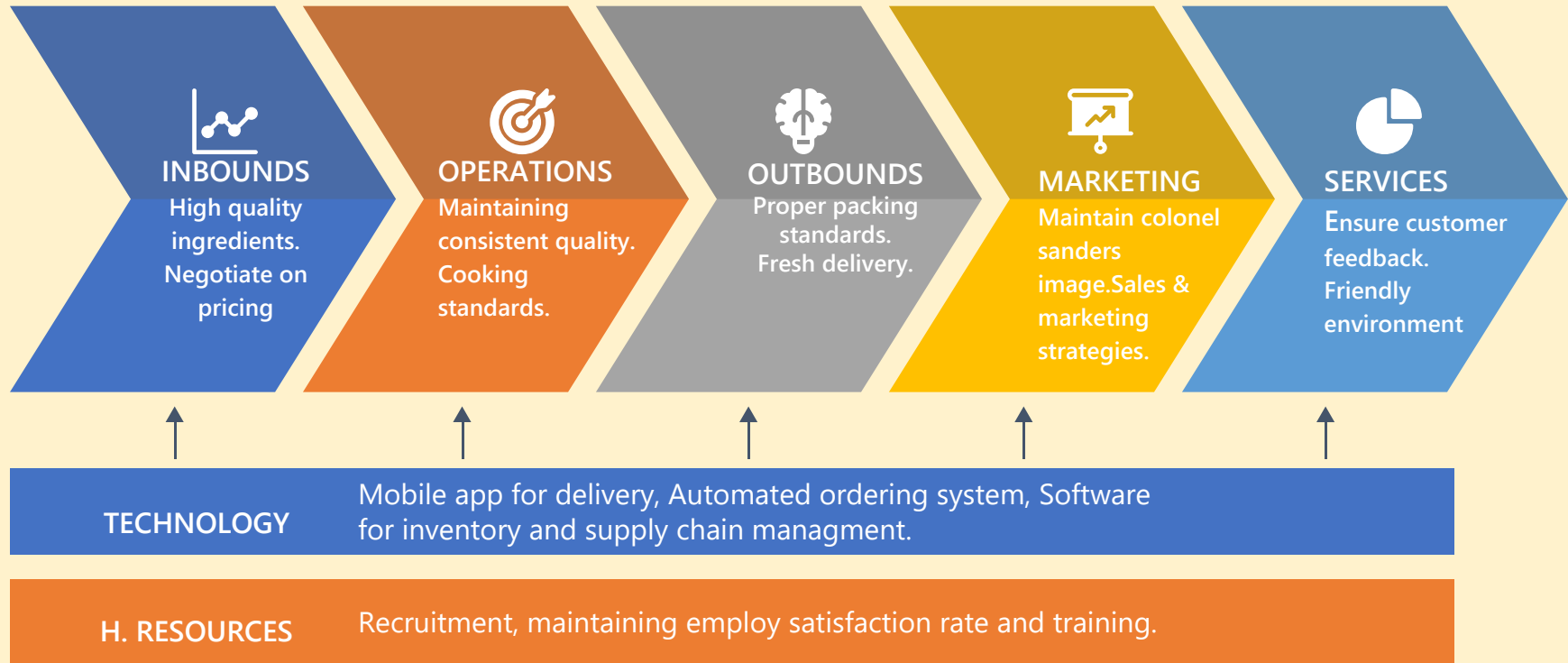
# Micro Level Analysis

**-Porter's 5 Forces** - analyze how KFC can achieve competitive advantage in fast food industry.





# Value Chain - analyze activities required for smooth functioning of business



# VRIO Analysis-The VRIO Analysis of KFC analyzes internal resources one by one to provide sustained competitive advantage.

**V** VALUE



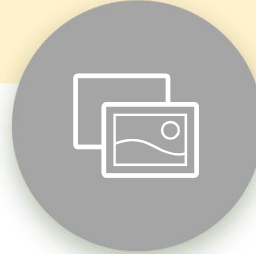
Value employees  
Value end cosumer with  
products

**R** RARITY



KFC products have 11  
herbs and spices which is  
rare

**I** IMITABILITY



K F C has its own  
ingredients secret recipe  
which is highly imitable  
for rivals

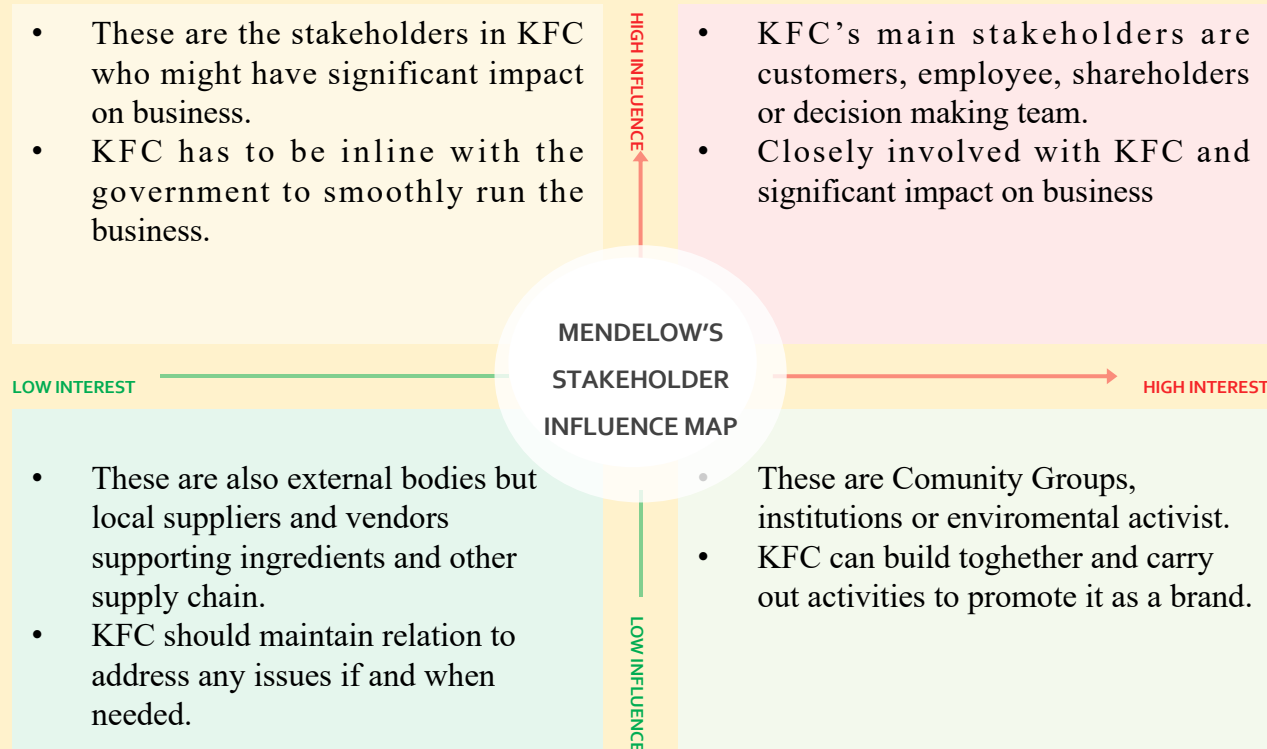
**O** ORGANIZATION



Generate sustainable  
product with great  
capitalization.

# Strategy & Governance Models:

**Mendelow's Matrix** - The stakeholder matrix classifies power and interest of stakeholders based on their roles.



# BCG Matrix: Analyzing product and business of KFC with respect to 4 divided units.



# Ansoff Matrix - Analyze KFC's potential future growth analysis in competitive market.

## PRODUCTS

Existing

New

Existing

**MARKET  
PENETRATION  
STRATEGY**

**PRODUCT  
DEVELOPMENT  
STRATEGY**



Focus more on selling existing product by opening new stores and loyalty programs for customers.



Introduce new health conscious products, flavors, meals. Also start vegan options by providing plant based meat.



Open its outlet in country where it is not serving like norway. Setup new distribution channels like stores other franchises with KFC products.



KFC can cater frozen food available at all regional stores. Also focus on some new dining restaurants theme to attract customers.

New

**MARKET  
DEVELOPMENT  
STRATEGY**

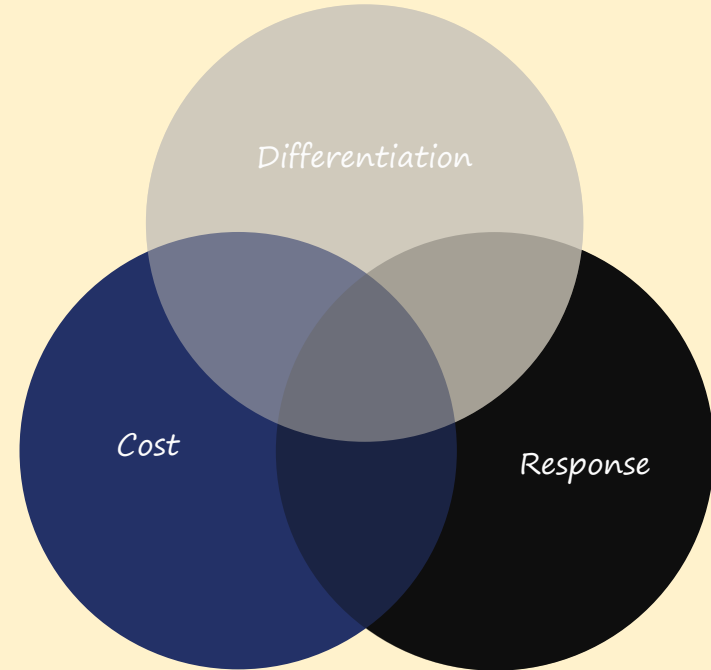
**DIVERSIFICATION  
STRATEGY**

MARKETS

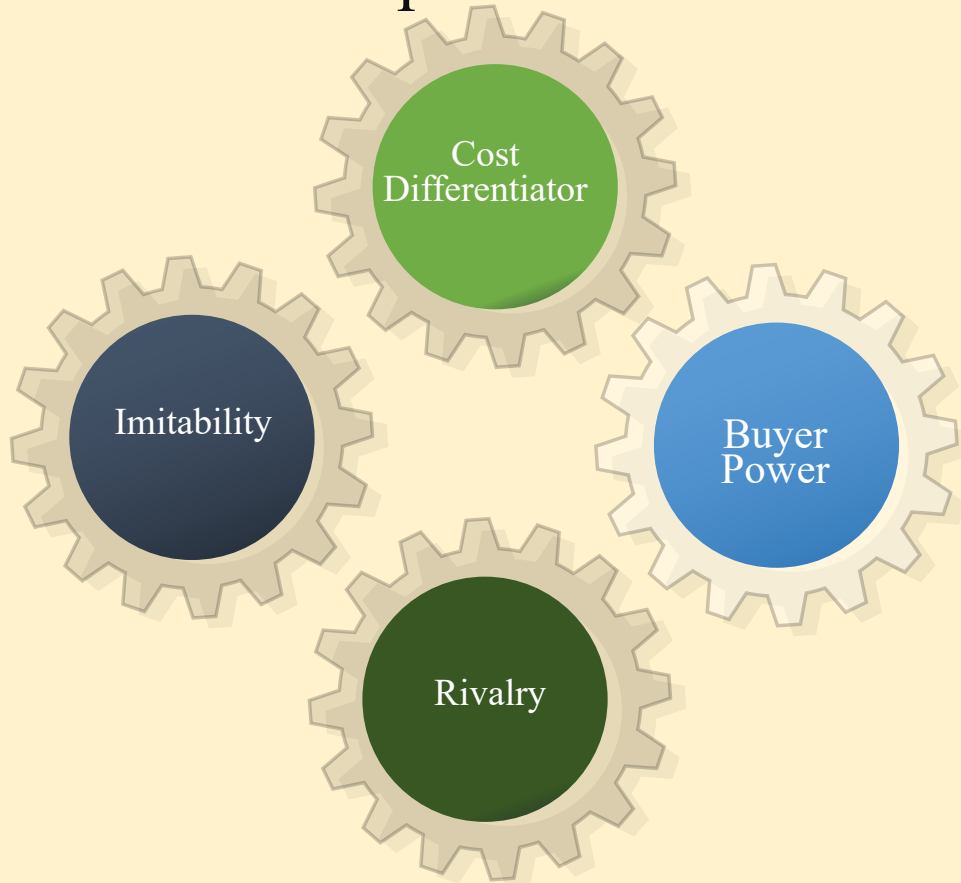
# Competitive Advantage

Based on three factors Cost, Differentiation and Response there are ten operations decisions for best strategies to be opted by KFC:

1. Product
2. Logistics
3. Inventory
4. Location
5. Process
6. Layout
7. Quality
8. Scheduling
9. Layout
10. Human Resources



# Business Proposal - Diversification with a healthy twist



1

**Imitability** : KFC will diversify its menu to cater healthier options while maintaining fried chicken offerings and fixed recipes.

2

**Buyer Power**: buyers have the capability to substitute the product with less prices.

3

**Cost Differentiator**: Value to product with best cost and best quality. New products need to be priced lower or equivalent to competitors

4

**Rivalry**: Develop a new menu line featuring grilled chicken, salads with favourable dressing. Healthier options like plant-based protein , bean burgers or vegetarian fried chicken for vegans. Offer small portions for health - conscious customers.

# Implementation Proposal

## **Timeline:**

### **Year 1**

- Extensive market research
- Collaborate with local ingredients and develop taste tests.
- Marketing strategy to introduce KFC in market with new menu suitable for all variations in customer base.

### **Year 2:**

- Analyze pilot program feedbacks from customer to identify needs of customer.
- Expand new locations and eventually increase market share by localising with franchise.
- CSR activities to market the KFC brand.
- Social media influencers to promote healthier menu.

## **Risk Analysis:**

- Customer Acceptance.
- Increased Costs.
- Operational Challenges

## **Strategic Recommendations:**

- Sustainability
- Technology
- Loyalty Programs
- Community Engagement(CSR Activities)



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Thank You

Any questions ?