

Case Study Analysis

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Table of Contents

<u>Sr.No.</u>	<u>CONTENTS</u>	<u>Page No</u>
1	Executive Summary	3
2	Situation Analysis	4
3	Roadmap ,Data analysis and Strategic Alternatives	6
5	Year wise Strategy Implementation Plan	15
6	Alternatives analysis	16
7	Financial Analysis	17
8	References	18

EXECUTIVE SUMMARY

Ganesh Bhel was a humble start of Mr. Ramesh Gudmewar. The business has evolved from a traditional hand cart business to fast food chain and is now a reputed brand as an organized retailer. The biggest challenge in front of the owners is about bringing the world class service quality standards in all the Ganesh Bhel outlets existing and the future. The case suggests that the concern of the gen- next was on future marketing strategy and of churning out best service quality expected by its customers and match it with the other international brands in the market.

Target market: Based on geography, demography income level, benefit segmentation and Psychology

Objectives of the Case:

1. To analyze Internal and External Environment through ETOP and SWOT Analysis
2. To suggest the Roadmap for growth , appropriate Strategic Marketing strategy for expanding business across Pan India and Overseas market
3. To suggest the different finance sourcing avenues for growth purpose.

Scope of the study:

This case covers following areas:

1. Marketing Management
2. Retail Management
3. Services Marketing
4. Internal & External Environment Analysis i.e. SWOT & ETOP respectively
5. Strategic Marketing Plan for Ganesh Bhel Private Limited.

The analysis of facts and figures suggests various improvements on 7Ps of Marketing front. A Differentiation Strategy needs to be adopted by Ganesh Bhel Pvt.Ltd.

SITUATION ANALYSIS

1. SWOT Analysis

<p><u>Strengths</u></p> <p>Business Coach Product Quality Taste and freshness of the products Standardized process (ISO certified) Customization of products done Responsiveness towards customer complaints</p>	<p><u>Opportunities</u></p> <p>Packaged Food Segment in Domestic & Overseas market Distribution across Pan India & Overseas Customization of products according to different segments R&D (new variants of existing products)</p>
<p><u>Weaknesses</u></p> <p>Retail Store Ambience Brand Image Unskilled & untrained manpower Competitive pricing Organizational Structure Financial sourcing for growth purpose is not explored to the fullest.</p>	<p><u>Threats</u></p> <p>Local companies competing at less price No first mover advantage in packaged food Existence of competitors in emerging markets delivering quality products with a good customer base. Substitute products to compete with</p>

2. Environmental Threat and Opportunity Profile (ETOP)

Environmental Factors	Impact of the factor	Potential Opportunity or Threat
<u>Political</u>	→	Government regulations and approvals, licensing
<u>Economy</u>	↑	Growing economy and Fast food retail industry has potential to be explored.
<u>Social</u>	↑	Health Conscious trends, packed food and take away options mostly preferred by consumers
<u>Technological</u>	↓	Technological advancements adoption Company should be certified under ISO 9001:2014. There is a need felt to upgrade on production (automation) and quality (process) for increasing the volumes at lower costs can be achieved.
<u>Environmental</u>	↑	Environmental friendly material used for packing
<u>Legal</u>	↓	Copyrights of trademark are not taken. Brand name used by local fast food outlets
<u>International</u>	↑	Untapped overseas markets.

ROADMAP FOR GROWTH OF GANESH BHEL

The company has following routes to follow for growth :

- Outlets should be treated as an SBUs.
- Distribution of Packaged Chaat items – across Maharashtra, Pan India and in the Overseas Market

1. Application of SERVQUAL Parameters (Applicable For outlets only)

- The company should adopt the SERVQUAL method to analyze the various Service Quality Parameters wherein the customer's viewpoint about an ideal fast food joint can be compared with the Ganesh Bhel outlets.
- Following parameters should be used for SERVQUAL :

1. Responsiveness

- Employees give prompt service to customers
- Employees are willing to help customers
- Employees are never too busy to respond to customers request
- Customer orientation in employees

2. Assurance

- Behavior of employee instill confidence in customers
- Employees consistently courteous with customers
- Employees have knowledge to answer customers question

3. Tangibility

- Brand Image
- Parking availability
- Clean Eating Area
- Visually appealing physical facilities and ambience
- Modern Looking Equipment's
- Attractive visibility of Materials associated with the service like Menu Cards, Cutlery, Cups, and Plates etc.
- Employees neat in their appearance
- Sophistication in the employee communication towards customers
- Freshness of the food products, product quality & hygiene
- Standard retail store layout across the retail chain

4. Empathy

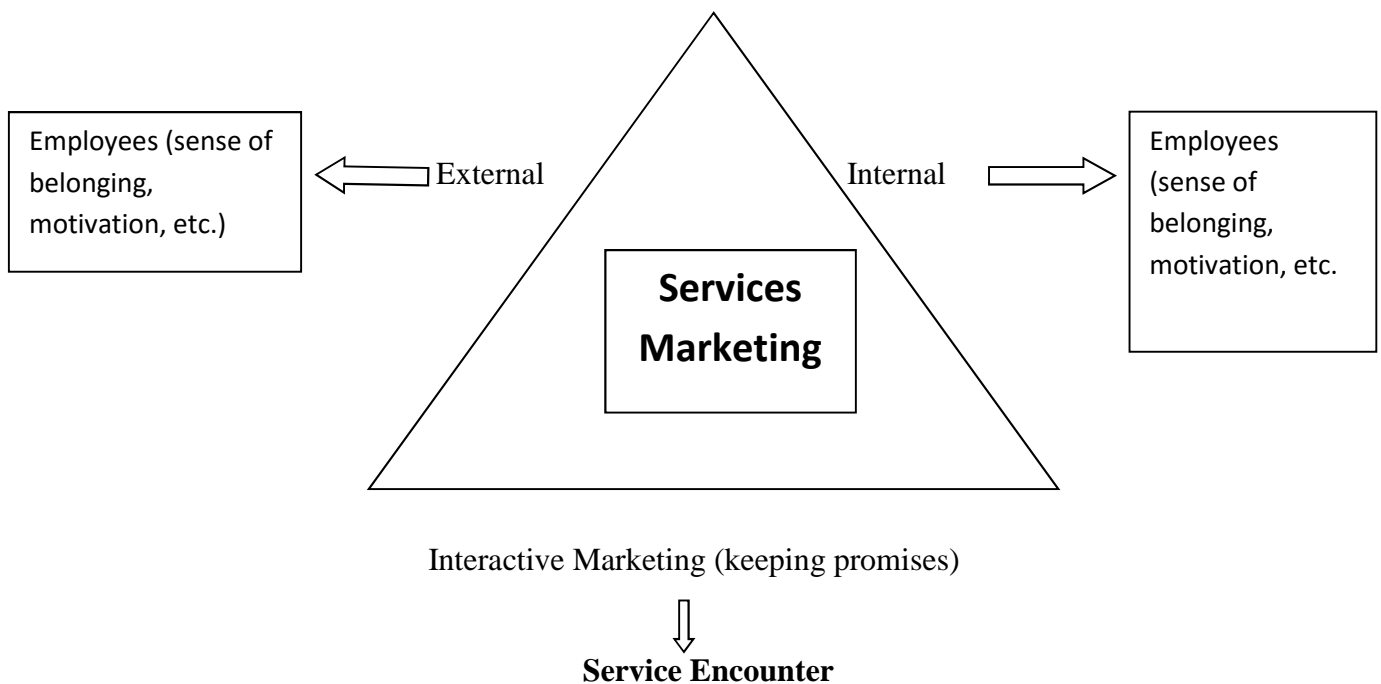
- Operating hours and locations convenient to the customers
- Employees gives customers a personal service
- Employees understands specific needs of consumers

5. Reliability

- Flawless service at the first time
- Timely delivery of orders
- Consistency in Delivery

- **Apart from all the parameters mentioned above the company should also consider service recovery parameter in its SERVQUAL**

Service Recovery Parameters
<ul style="list-style-type: none">• Employees quickly apologies for mistakes and are empowered to provide on spot compensation• Employees care about customer complaints & handle them successfully.



2. Strategic alternatives for improvements in People , Process & Physical Evidence ie. the 3 P's of Services

The Case shows a necessity to improve on the 3 Ps of Services. Following are the different ways in

which they can improve:

1. **PEOPLE:**

Analysis:

- a. The organizational structure should be worked on. Two Managing Director's instructing one COO may create a hindrance in percolating the decisions ,conflicts and delay in decisions looks obvious.
- b. HR and Marketing people are totally neglected from the organizational structure
- c. Majority of employees are unskilled and untrained.
- d. Employees might lack on sophistication in communicating with the customers as well as other stakeholders of the company.
- e. For achieving the growth they need to concentrate on recruitments & training of Manpower.



1. Restructuring

- Marketing & HR people should be recruited immediately.
- COO should report and be instructed by only One MD
- Restructuring is the need of the hour

2. Recruitment

- Job titles, job descriptions , qualifications, etc. should be clearly communicated
- Modern recruitment tools like Naukri.com, Shine.com, etc. can be chosen

3. Training

- Training programs to be arranged according to requirement and at 2 levels ie. Internal & External
- Orienting and updating the knowledge of employees in regards to products, process, quality, competitors, communication, grooming, customers, productivity, growth opportunities in the organization, R & D technology, policies, etc.
- Team building activities, motivational talks,etc.

- Developing skills in the unskilled workers

4. Retaining

- Employees should feel the sense of belongingness
- Motivating factors like monetary and non-monetary benefits can be given

2. PROCESS:

Analysis:

- a. The company improvement in the processes is suggested in the case by adopting the ISO 9001:2008 certification in the year 2011 is a significant achievement for the organization.
- b. The processes have been standardized with ISO 9001:2008 implementation.
- c. The company has not upgraded the certificate for a period of more than 5 years.
- d. Customization is the needed which is dependent on customers requirement

Strategic alternatives for improvement in process

1. ISO 9001 :2014 should be acquired and eventually the company should upgrade itself to ISO 9001 : 2018
2. JIT, Kaizen ,TQM and 5S Policies can be implemented at the plant
3. Assembly line to be applied at the outlet to reduce the lead time of order
4. Continuous improvement in the processes should be focused
5. Customization in products dependent on the target market done by standardization of processes for different segments.

3. PHYSICAL EVIDENCE:

Analysis:

- a. Store ambience, uniformity in the layout, uniforms, products, services, etc. Should be taken as an important factor in gaining confidence about the brand.
- b. Store ambience as compared to global players in fast food has a scope to improve and can be a major factor in creating physical evidence of service quality.
- c. Brand name is used by many other local fast food outlets in Pune region

Strategic alternatives for improvements in Physical Evidence

1. Quality Policies should be made visible in the stores and on the website of Ganesh Bhel
2. Store ambience should be improved
3. Uniformity in the store layouts, branding, employee's dress code ,services, products, menu cards, arrangements of tables and chairs, etc. should be taken care of which will help in creating and engraving an image of Ganesh Bhel on the minds of the customers.
4. Achievements of Ganesh Bhel should be displayed in all the stores.

5. Reviews of food critics and valuable celebrity customers should be displayed in the outlets.
6. Food safety & Hazard & Critical Control Points ie HACCP IN Conformance With national & International along with GMP certification can be differentiate the brand from its competitors.
7. Trademark must be copyrighted so that no other retailer can take an undue advantage of brand name.

3. STRATEGIC ALTERNATIVES IMPROVEMENTS IN 4 PS OF MARKETING:

Some improvements in the 4Ps can help the company to boost their sales , profits , help it gain competitive advantage, can resolve the challenges faced by price volatility of raw material, keep competitive prices, high investments in infrastructure and SCM

1. PRODUCT

Analysis :

1. The Products catered to by the outlets are majorly Bhel, Pani Puri and other Chaat items.
2. Packaging of polystyrene provide excellent moisture barrier.

Strategic alternatives for improvement in Product

1. The company should do Backward integration of indigenous manufacturing of raw materials like farsan , puri's, etc. as this will reduce the volatility of raw material.
2. Some selective products should be purchased by applying JIT
3. Hygienic packaging
4. Innovativeness and differentiating products like Diet Bhel could be a take away packets and sold in the outlets .The USP of it could be trans-fat free, MSG & GMO free . R&D on various sprouts.
4. Packaged Combo offers can be given for packaged products like a COMBO of: 1 plate bhel , 1 tissue paper, 1 card and a small water bottle in sizes like half kg,1 kg ,etc. can be provided. Cup packs (for individuals), Family packs (for 4-6 members in a family) can be introduced.
6. Customized products for various segments can be offered depending upon segment characteristics.
7. High Volumes & high profits can be achieved by differentiating the products based on ISO Certification.

2. PRICE

Analysis: The price charged by Ganesh Bhel in comparison with the competitors is towards a high side.

Strategies to be followed for price:

Keep price intact by differentiating products & justifying it on parameters like advanced process followed and raw material used.

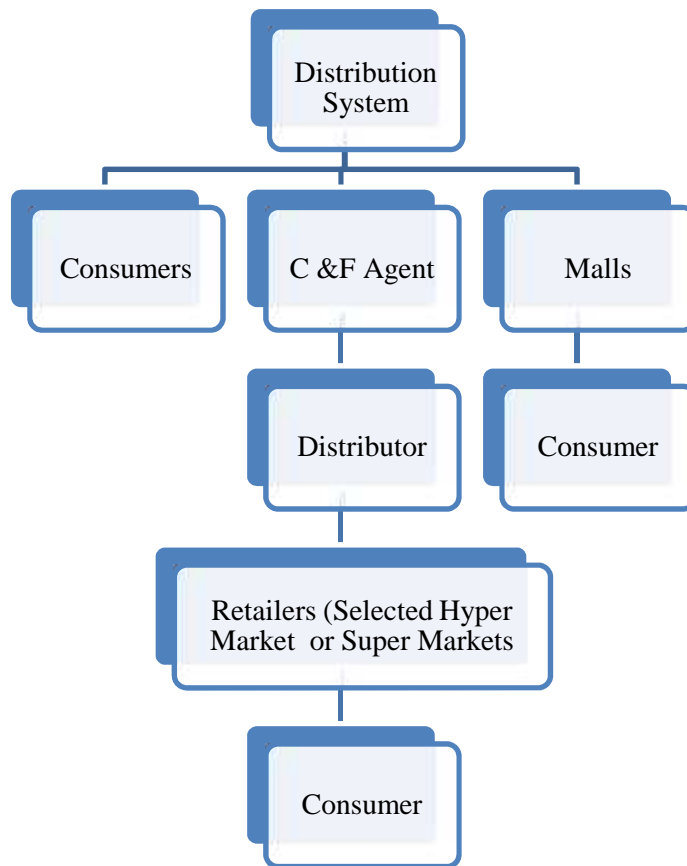
3. PLACE

Analysis:

Currently the company is using its outlets to distribute and sell its products .It has proposed to use the services of distributors by giving them 15-20% margins.

Strategies:

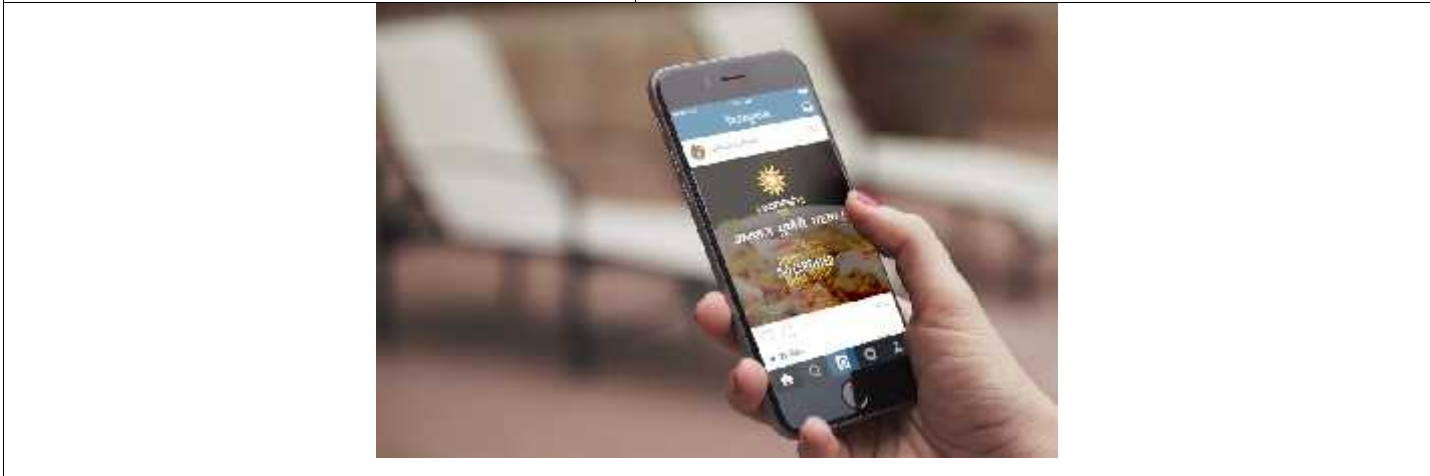
1. For pushing the packaged products and combo offers in packaged form the company can give 15 - 20% margins to the distributors at initial stage?
2. Following distribution strategy can be used :



3. PROMOTION:

PROMOTIONAL STRATEGIES AT PAN INDIA LEVEL.	'Take Away' packets & Happy hours can be introduced.
	Collaborate with theatres for combos. POP
	Start food blog, FB page and Instagram account
	Add on 'collaboration with wedding halls, caterers, event managers, etc.
	Participate in food festivals and flea markets, & other exhibitions.
	Get into collaboration with library sit outs n read outs like "akshardhara", "wari book café", etc.
	Start fresh & healthy Bhel for health conscious people e.g. tofu sprouts Bhel.
	Snowball technique- Marriott can help in getting collaboration with Marriott at different locations.
	KHAVAIYYA of the month. Panipuri challenge. Wall of fame and put up their photo with appropriate tagline in all outlets.
	Improvement in display, packaging, infrastructure and surroundings at outlets for impulse buyers.
	Sponsor Marathi television cookery shows/ online channels.
	Sponsoring organizational groups during mass festivals.
	Sponsor small events.
	Collaborate with IT firms, travel agencies, etc.
	Get reviewed by food critic.
Seasonal add on's in consideration with geographical locations.eg hot soup in winters, etc.	
Branding can be done over delivery bags, plates, combo packs, water glasses, etc	
PROMOTIONAL STRATEGIES AT INTERNATIONAL LEVEL	Advertise in Indian television channels
	Participate in Indian Cultural Community events & exhibitions.
	Advertisements can be posted on "Desi Indians" a website popular in Indians abroad
	Distribution of packaged foods in Indian and American malls.
	Approach Indian Consulate to put up business in foreign countries.
	Advertisements can be given in Indian Bulletin – a fortnight newspaper.
	Big food stalls near Indian temples.
	Promotions on different Mandal's website in different countries.
	Can advertise on particular states website. e.g. in US the state of Chicago. Stalls can be put up on festival days, carnivals ,etc
Collaboration with Mexican restaurants can be a good launching pad for organisation.	



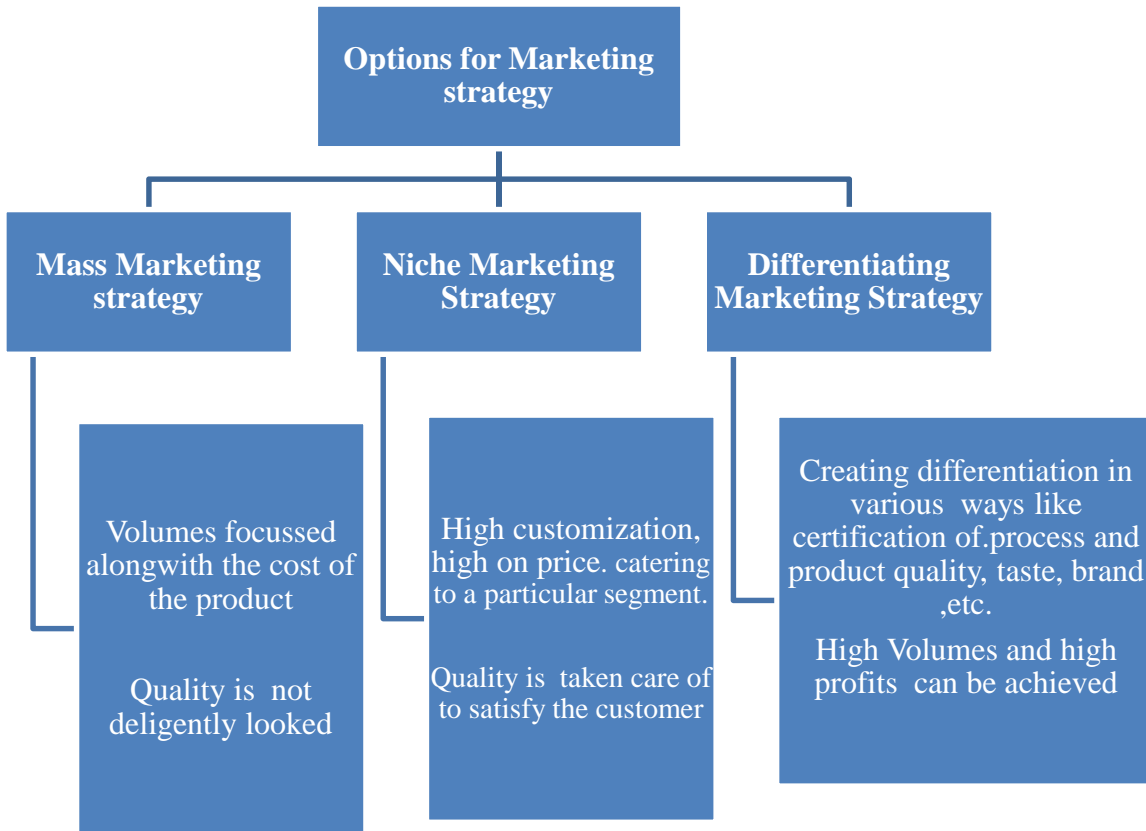


YEAR WISE STRATEGY TO BE IMPLEMENTED BY GANESH BHEL PVT. LTD.

<u>YEAR</u>	<u>REGION</u>	<u>STRATEGY</u>
6 months to 1 year	Across Maharashtra in leading supermarkets , hyper markets & malls	Distribute the packaged products. Pack cup, Bhel Puri kit, other combos etc. to be introduced .Use POP materials banners , posters, etc. Distribute samples in schools ,canteens and travel agencies Give distributors & retailers some schemes to push the product in the market. Promote brand in malls Improve brand visibility at prominent places
Next 2 years	Prominent areas across Maharashtra	Franchise stores to be established. Franchise to be SBUs
Next 3 years	Pan India & Overseas Market Market lucrative markets like UK, Singapore, Dubai, US, Australia, New Zealand. Countries with PTA can be explored.	Test market. Distribute the brands across the country through malls, hyper markets and super markets. Find distributor overseas and create brand awareness.

ALTERNATIVE ANALYSIS

DIFFERENT MARKETING STRATEGIES



The company should use **Differentiating Marketing Strategy** as the company is eyeing for high volumes, profitability and is differentiating the products on taste and quality, has ISO Certification to its credit.

FINANCIAL ANALYSIS

*Assuming that the investments in company owned outlets is Rupees Ten lakhs

The ROI of Ganesh Bhel = (Net Profit/ Total Investments) 100

$$= (106616/1000000) 100 = 10\%$$

1. The company is right now earning 10% ROI which can further go up to 15-20%.
2. The cash cycles (with respect to the outlets) are short and can retain up to a certain level so as to reinvest .
3. Company has not explored other sources of financing.

SOURCING STRATEGIES:

For achieving expansion & growth various sourcing avenues can be implemented,

1. **Ploughing back the earnings** from brand fee & royalties received from franchise .Earnings from distributing in malls, hyper markets, etc. can also be utilized to expand in Maharashtra and across Pan India .
2. **Pre- shipment & Post shipment finance, Revolving Letter of Credits** for export business
3. **Venture Capitalist and Angel Investors** can be approached to increase the investments and for growth purpose.

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