

Strategic Management

Strategic Plan

Programme	MBA
Module	Strategic Management
Module code	LCMB7003
Lecturer(s)	JAYALAKSHMI GOPALKRISHNAN & GLADIUS KULOTHUNGA
Submitted on	03/01/2024

Table of Contents

Introduction	3
Vision, mission and objectives for Delicious	3
Environmental audit (internal and external) for Delicious	5
External environmental analysis (PESTLE)	5
Analysis of the competitive business environment.....	8
Internal analysis	9
Strategic options available for the company and the best fit strategy which achieves the sustainable competitive advantage	10
Best fit strategy	13
How to implement and execute the Strategy	14
Different monitoring tools to monitor the Strategy	17
Conclusion	19
References	20

Introduction

In today's rapidly changing business environment, effective strategic management is crucial for a company to make the best use of its resources and achieve business objectives in an efficient manner (Bailey et al., 2018). Strategic planning is a primary step in the strategic management process, which is a roadmap that outlines an organisation's long-term goals and the actions needed to achieve them (Combe, 2014). This strategic plan is for 'Delicious', a small-scale fast-food restaurant in London, which aims to expand across the UK. In the following sections, the current market trends, consumer behaviour, and the competitive environment have been analysed. The report will then present a strategic plan for the expansion of Delicious, including market penetration strategies, branding, operational improvements, and sustainability initiatives.

Vision, mission, and objectives for Delicious

A vision statement is a declaration of an organisation's main long-term goal or aspiration (Henry, 2021). It serves as the roadmap for the company's future and its current courses of actions (Greve, 2021). It motivates and inspires stakeholders, sets a high-level goal, guides decision-making and strategy development and easy to understand and remember. A mission statement, on the other hand, describes the firm's current business activities, purpose, and approach to achieving its goals (Mackay et al., 2023). It answers the questions, "What do we do?" "How do we do it?" and "For whom do we do it?". Mission statement states the purpose of the organisation, reflects the current operations and how the organisation distinguishes itself in its field, and encourages employees and stakeholders to work towards common goals (Jankelová, 2017).

- **Vision Statement for Delicious**

To be the premier choice in the UK for gourmet burgers, hand-cut fries, and fresh salads, transforming the fast-food experience into a fusion of quality, taste, and sustainability, and becoming a household name synonymous with enjoyable and responsible dining.

- **Mission Statement for Delicious**

Delicious is committed to serving exceptional fast food that combines traditional and unique flavours with modern culinary styles. Our mission is to provide delicious, nutritious, and sustainably sourced meals in a welcoming environment, ensuring every customer enjoys a fast, friendly, and satisfying dining experience. We are dedicated to continuous

improvement, community involvement and creating value for our customers, employees, and stakeholders.

These vision and mission statements will set the roadmap for the company and define its purpose in the industry (Henry, 2021). These statements are clear in their aim to position 'Delicious' as a top choice for gourmet burgers, hand-cut fries, and fresh salads in the UK. The desire to revolutionise the fast-food experience by focusing on quality, taste, and sustainability has been reflected through the vision and mission statements of the company (Greve, 2021). The focus on quality, taste, and sustainability aligns well with current consumer trends towards healthier, more sustainable eating options in today's fast-food industry. This alignment, thus, indicates a strong understanding of market dynamics and customer preferences (Einola, 2017).

Business objectives

The objectives of the business are what it aims to achieve in short and long term of its operations (Combe, 2014). For Delicious, the plan is to launch a customer-oriented, sustainability focused, innovation and value driven, employee focused and growth oriented fast-food business in the UK, that will try to do things differently in this saturated marketplace.

- Launch a series of signature burgers and introduce a rotating seasonal menu, aiming to enhance customer interest and visit frequency.
- Expand to five additional locations across key UK cities within the next three years, focusing on high footfall areas.
- Strengthen brand presence through digital marketing, social media engagement, and local community events, targeting a 30% increase in brand recognition within two years.
- Achieve and maintain a customer satisfaction rate above 90% by consistently delivering high-quality food and excellent service.
- Implement eco-friendly practices in sourcing, packaging, and operations, aiming for a 25% reduction in environmental impact over the next five years.
- Create a rewarding workplace with training programs and career advancement opportunities, aiming to reduce staff turnover and increase employee satisfaction metrics.
- Target a 10% annual growth in revenue, focusing on efficient operations and effective cost management strategies.

These objectives indicate that Delicious is pursuing a growth-oriented, customer-centric, and socially responsible strategy. The company is looking to expand its market presence, innovate its product offerings, and build a strong brand, all while maintaining high standards for customer service, employee satisfaction, and environmental responsibility (Mackay et al., 2023). This multifaceted approach suggests a holistic and forward-thinking business strategy aimed at long-term success.

Environmental audit (internal and external) for Delicious

Environmental audit is the process of evaluating the external and internal factors of the business environment (Wooldridge & Cowden, 2020). The internal and external factors influence business strategies, plans, activities, decisions, and operations. The evaluation of the external and internal environmental factors is part of a company's strategic decision-making process (Jankelová, 2017). Awareness of the environmental influences on business operations is crucial for the success of a business (Helfat, 2021). Therefore, it is necessary to evaluate the challenges and opportunities in the external environment and the strengths and weaknesses in the internal environment that the company can utilise to operate successfully.

External environmental analysis (PESTLE)

PESTLE, which stands for Political, Economic, Social, Technological, Legal, and Environmental factors, is a comprehensive tool used to analyse and monitor the macro-environmental factors that may impact an organisation (Henry, 2021). It provides a broad view of the external landscape, identifying potential opportunities and threats in the market. Here, the PESTLE analysis for the company has been carried out in the context of its operations in the UK.

PESTLE analysis:

Political factors: The political landscape in the UK has undergone significant changes in recent years. Multiple changes in leadership and governance and changes in regulations and policies have significantly affected business operations in the UK (Trading Economics, 2023). For instance, the corporate tax rate has been increased to 25% this year, which puts pressure on businesses with increased overheads (GlobalData, 2023). Higher taxes can lead to increased operational costs, potentially affecting profit margins and financial planning. This increase necessitates more

efficient financial management and potentially a revision of pricing strategies to maintain profitability (Statista, 2023).

The UK is no longer a part of the EU, which limits growth opportunities for British businesses across Europe (CIPD, 2023). This has also led to an increase in costs of materials and labour in some sectors, including the restaurant sector (GlobalData, 2023). For instance, increased costs for importing ingredients and supplies from EU countries due to new trade tariffs and border controls have been issues for the restaurant businesses to deal with recently (Statista, 2023).

Economic factors: Various economic factors such as inflation rate, interest rate, demand, and supply, etc. can affect businesses either positively or negatively. In the UK, the current inflation rate is 6%, which is quite high for the economy (CIPD, 2023). This affects people's spending power, making many customers less willing to spend more on non-essential items. For fast food restaurants, high inflation levels have been proven to have negative impact on sales as less consumers spend money on expensive outdoor foods (GlobalData, 2023).

The current economic landscape in the UK also faces challenges from the increased labour costs, supply chain shortages and increased fuel prices, which affect people's spending power as well (Trading Economics, 2023). For businesses, efficient cost management strategies are essential to maintain profitable business operations. This might involve reviewing and optimising all areas of expenditure, from sourcing and operations to marketing and utilities. Implementing cost-saving technologies and processes can also be beneficial (Statista, 2023).

Social factors: The diverse and evolving social landscape in the UK, characterised by changing dietary preferences and increasing health consciousness, presents both opportunities and challenges (CIPD, 2023). The growing popularity of vegan, vegetarian, and health-focused diets requires fast food businesses to adapt its menu to cater to these preferences, potentially expanding their customer base. However, this adaptation requires careful menu planning and market research to ensure authenticity and appeal (Data and Marketing Association, 2023). Additionally, the rise of food culture and social media influence on dining choices underscores the importance of an engaging online presence. Fast food restaurants must navigate these social trends adeptly to remain relevant and competitive in the fast-food market.

Technological factors: Technological advancements significantly influence the fast-food industry in the UK, impacting businesses in multiple ways. The rise of digital ordering platforms and food delivery apps presents a substantial opportunity for expanding customer reach and convenience (Data and Marketing Association, 2023). Embracing these technologies can increase sales and customer satisfaction but also involves managing operational complexities and potentially higher commission costs (CIPD, 2023). Moreover, the integration of technology in kitchen and service operations, such as point-of-sale systems and kitchen display screens, can enhance efficiency and accuracy but requires investment and staff training.

Social media and digital marketing are indispensable for brand visibility and customer engagement, yet they demand consistent, high-quality content and strategic planning (CIPD, 2023). Additionally, staying abreast of emerging technologies like artificial intelligence for customer service or data analytics for understanding consumer behaviour is crucial but can be resource-intensive (Data and Marketing Association, 2023). For fast food businesses, the challenge lies in strategically leveraging technology to enhance business operations and customer experience, balancing the benefits against the costs and complexities involved.

Environmental factors: The increasing public awareness and regulatory focus on environmental sustainability present a dual challenge. On one hand, there is the need to adopt eco-friendly practices, like sourcing sustainable ingredients, minimising waste, and using biodegradable packaging (CIPD, 2023). These practices resonate with environmentally conscious consumers and can enhance the brand's reputation. However, they often involve higher costs and logistical complexities (GlobalData, 2023). Additionally, the fast-food industry faces scrutiny over its carbon footprint, necessitating energy-efficient operations and possibly the exploration of renewable energy sources (Data and Marketing Association, 2023). While these measures can lead to long-term savings and a positive public image, the initial investment and operational changes required can be significant.

Legal factors: The food safety and hygiene regulations in the UK require careful adherence to ensure customer safety and avoid legal repercussions (Greve, 2021). Employment laws are another crucial area, encompassing fair labour practices, employee rights, and workplace safety, necessitating thorough understanding and implementation to prevent legal disputes and penalties (Data and Marketing Association, 2023). Additionally, changes in trade and tax laws, especially

post-Brexit, can impact operations and financial planning (GlobalData, 2023). Navigating these legal complexities requires fast food business to be continually informed and compliant, as legal non-compliance can lead to significant financial and reputational damage (Greve, 2021).

The analysis of the external factors of the business environment shows that fast food businesses are facing significant challenges from the current economic and political situations in the UK. These pose significant challenges ahead of businesses, requiring companies to implement relevant strategies. However, the analysis also shows opportunities in the social, technological, and environmental factors of the business environment that the fast-food company can capitalise on through innovation and strategic planning.

Analysis of the competitive business environment

The competitive business environment has been analysed here using Porter's five forces analysis (Jankelová, 2017). It provides a comprehensive overview of the industry attractiveness for fast-food companies in the UK.

Porter's five forces	Description
Threats of new entrants	The fast-food sector is a low capital and low labour-intensive sector, which attracts new businesses to enter the market. Hence the threat of new entrant is significantly high. (Statista, 2023)
Threats of substitutes	The substitutes to fast food businesses are fine dining restaurants, Japanese restaurants, street food vendors etc. Each of these substitutes offer something unique in the food industry, which makes them strong competitors to fast food restaurants. Hence, the threats of substitutes are also high. (IBISWorld, 2023)
Competition from rivals	There are many fast-food chains across the UK, including KFC, McDonalds, Burger King, Wendy's etc. The market structure can be defined as monopolistic competition, which features many competitors offering differentiated value propositions. Hence, differentiation is the key to running a profitable business in this competitive environment. The competition from direct competitors is, therefore, significantly high as well. (IBISWorld, 2023)
Buyer power	In the fast-food industry, buyer power is high due to the abundance of choices available to consumers. Customers can easily switch to competitors if 'Delicious'

	does not meet their expectations in terms of price, quality, or service, making customer satisfaction and competitive pricing crucial for retention. (IBISWorld, 2023)
Supplier power	Supplier power in the fast-food sector is moderate. While 'Delicious' can choose from various suppliers for basic ingredients, specialized or high-quality ingredients might be sourced from fewer suppliers, giving those suppliers more power. Managing these relationships and exploring alternative sources are key to mitigating supplier dominance. (IBISWorld, 2023)

Table: Porter's five forces

The five forces analysis suggest that the industry competition levels are critically high, which is likely to pose significant challenges to the growth and operations of a small-scale fast-food restaurant. However, with the right differentiation strategy, the business is likely to succeed as well.

Internal analysis

For the internal analysis, the consultancy team has carried out a SWOT analysis for the company, to identify the strengths, weaknesses, opportunities, and threats of the company.

<u>Strengths</u>	<u>Weaknesses</u>
1. Unique Menu Offerings: 'Delicious' has a unique selection of gourmet burgers, hand-cut fries, and fresh salads that differentiate it from competitors. 2. Quality and Locally Sourced Ingredients: Emphasis on high-quality, locally sourced ingredients appeal to health-conscious consumers and those interested in supporting local businesses. 3. Customer Service Excellence: A strong focus on customer service creates a loyal customer base and positive word-of-mouth referrals.	1. Limited Brand Recognition: As a small-scale restaurant, 'Delicious' struggles with brand recognition compared to established chains. 2. Scale of Operations: Limited financial and operational resources compared to larger competitors restrict expansion and marketing capabilities. 3. Dependency on Local Market: A heavy reliance on the local customer base is risky for the business if local market dynamics change. (IBISWorld, 2023)

4. Agile Business Model: Being a small-scale operation, 'Delicious' has been able to quickly adapt to market changes and customer preferences. (IBISWorld, 2023)	
<u>Opportunities</u> 1. Market Expansion: There is potential for opening new locations, especially in high footfall areas across the UK. 2. Diversification of Menu: Introducing new and seasonal items will attract a broader customer base. 3. Leveraging Technology: Utilising digital marketing and online ordering systems will enhance customer reach and operational efficiency. 4. Collaboration and Partnerships: Partnering with delivery services or local events will increase visibility and customer acquisition. (Statista, 2023)	<u>Threats</u> 1. High Competition: The fast-food market in the UK is highly competitive, with many established players. 2. Economic Fluctuations: Changes in the economy, like inflation or recessions, will affect consumer spending patterns. 3. Changing Consumer Preferences: Trends in dietary habits (like a shift towards plant-based diets) could impact demand for certain menu items. 4. Regulatory Changes: New food safety, health regulations, or employment laws can increase operational costs. (Trading Economics, 2023)

Table: SWOT analysis

Strategic options available for the company and the best fit strategy which achieves the sustainable competitive advantage.

Strategic fit refers to the degree to which an organisation's strategies align with its external environment and internal capabilities and resources (Greve, 2021). It involves making sure that the company's goals, objectives, strategies, operational methods, and resources are in harmony with the market conditions, external factors, competitive landscape, and the organisation's own strengths and weaknesses (Jankelová, 2017). A good strategic fit means that a company is effectively utilising its capabilities and resources to meet the demands of its target market while also addressing the challenges posed by competitors and the broader industry context (Henry, 2021). A good fit strategy ensures strategic fit for a company in its current business environment. To identify the best fit strategy for the firm, it is necessary to first identify and evaluate the strategic

options (Einola, 2017). One of the tools that is used commonly in literature to evaluate strategic options is the TOWS matrix.

	<u>Strengths</u> Unique Menu Offerings Quality and Locally Sourced Ingredients Excellent Customer Service Agile Business Model	<u>Weaknesses</u> Limited Brand Recognition Restricted Operational Scale Dependency on Local Market
<u>Opportunities</u> Market Expansion Menu Diversification Adoption of Technology Collaborations and Partnerships	<u>S/O</u> Product development strategy: Utilise the unique menu and quality ingredients. Service innovation: Leverage excellent customer service and agile model to quickly adapt to and incorporate technological advancements for enhanced customer experience and operational efficiency. Market development: Increase outlets in new locations across the UK.	<u>W/O</u> Market penetration: Increase brand recognition through strategic marketing aligned with market expansion efforts.
<u>Threats</u> Intense Competition Economic Fluctuations Changing Consumer Preferences Regulatory Changes	<u>S/T</u> Differentiation focus strategy: Emphasise the unique menu and local sourcing as key differentiators in a competitive market.	<u>W/T</u> Strategic partnerships: Explore collaborations and partnerships to mitigate the impact of

	Business process innovation: Use agile business model and excellent customer service to swiftly adapt to changing consumer preferences and regulatory environments.	economic fluctuations and expand market reach.
--	---	--

Table: TOWS matrix

Upon analysing the TOWS matrix, it is evident that in its current situation, the company's strategic options are diverse. First, if the company aims to use its strengths to maximise opportunities, then it can pursue market development strategy, product development strategy and/or innovate customer experience using technological innovations (Greve, 2021). Market development strategy involves entering new geographic markets with the existing product. Here, Delicious can set up chains in new locations, which will contribute to its growth objectives (Mackay et al., 2023). With chains operating in different locations across the UK, the brand will soon become a domestically renowned fast-food chains competing with the likes of KFC and McDonalds (IBISWorld, 2023). However, market development strategy would require a significant amount of investment, and it will put the brand in a more direct competition with other well-known fast-food chains.

Product development strategy, as suggested in the matrix, can be implemented by offering new and unique items in the menu. This will help differentiate the brand's value proposition, thus, attracting new customers (Wooldridge & Cowden, 2020). It can be easy to accomplish with the help of skilled staff. Furthermore, unique menu items can reinforce the company's brand image and market positioning, aligning with specific customer segments, such as those seeking gourmet or specialty fast food options (Einola, 2017). However, developing new products can be costly, involving research, testing, and marketing expenses. There is also the risk of increased operational costs due to more complex menu offerings (Henry, 2021). New products also carry the risk of not being accepted by the target market, leading to potential losses. Another risk with this strategy is that introducing new items can complicate operations, requiring additional training for staff, changes in kitchen processes, and potentially slowing down service times (Mackay et al., 2023).

Market penetration can help the company minimise weaknesses by maximising opportunities. It will involve implementing strategies to increase sales and recognition using digital marketing

platforms (Einola, 2017). For instance, strategies such as social media marketing, storytelling, influencer partnerships, and targeted advertising can be leveraged to enhance Delicious brand presence and attract more customers (Henry, 2021). Utilising digital marketing platforms allows for precise targeting and personalisation, which can be particularly effective in reaching the desired audience. Additionally, offering promotions and discounts through these channels can incentivize trial and repeat purchases, thereby boosting sales (Mackay et al., 2023). Furthermore, engaging customers through interactive content like polls, contests, and feedback requests on social media can enhance customer engagement and brand loyalty (Henry, 2021). This increased interaction not only fosters a community around the brand but also provides valuable insights into customer preferences and behaviours, which can inform future business decisions. Thus, by maximising market penetration through digital marketing strategies, Delicious can effectively address its weaknesses, such as limited brand recognition, and capitalise on opportunities to increase sales and market presence (Wooldridge & Cowden, 2020).

However, succeeding with market penetration strategy in the fast-food industry can be extremely difficult due to the intense competition in this sector (Mackay et al., 2023). Furthermore, market penetration strategy can only benefit the company's sales in the short term but will have less impact on the long-term market position of the company (Wooldridge & Cowden, 2020). Furthermore, significant investment in marketing and advertising is required for effective market penetration. This can strain financial resources, especially for a small-scale business, without guaranteed proportional returns (Mackay et al., 2023).

The company may consider differentiation focus strategy by differentiating how the materials and ingredients are sourced. This will help the company establish itself as a sustainable fast-food brand. However, this strategy will only benefit the company in minimising the threats. It does not answer for how the company can maximise opportunities for growth (Wooldridge & Cowden, 2020). Similar arguments can be made regarding business process innovation as a strategy to gain competitive advantage. In a competitive marketplace, business process innovation will have limited impact, if not complemented with other strategies.

Best fit strategy

The strategic approach for 'Delicious' to gain a competitive edge in the fast-food industry involves a synergistic combination of market development and business process innovation (Helfer, 2021).

Expanding into new geographic areas as part of its market development strategy allows 'Delicious' to tap into diverse customer segments, significantly increasing its market share and brand awareness (Mackay et al., 2023). This expansion is not just about growing; it's a strategic move towards becoming a nationally recognized brand, akin to major industry players like KFC and McDonald's. Although this requires substantial investment, the potential for long-term gains in market presence and revenue growth is considerable (Henry, 2021).

Furthermore, market development serves as a tool for risk mitigation. By diversifying its operations across various locations, 'Delicious' reduces its reliance on a single market (Helfat, 2021). This geographical spread allows the company to cushion itself against localised economic downturns and leverage the varied customer preferences and demographics throughout the UK. Such diversification is crucial in the dynamic fast-food sector, where regional tastes and trends can significantly influence business success (Mackay et al., 2023).

Alongside market expansion, 'Delicious' is focusing on enhancing its operational efficiency through business process innovation. By streamlining kitchen operations, adopting advanced point-of-sale systems, and optimising supply chain management, 'Delicious' can significantly reduce costs and improve customer service quality (Helfat, 2021). These improvements in operational efficiency are not just cost-saving measures; they are essential to maintaining service and quality standards, especially as the business scales up. Efficient and streamlined processes ensure that the company can handle increased demand without compromising on the quality of service that defines its brand (Einola, 2017).

The combination of market development and business process innovation offers synergistic benefits. Expanding into new markets while simultaneously improving operational efficiency can lead to cost savings and increased profitability (Helfat, 2021). This dual strategy ensures that 'Delicious' doesn't just grow but also strengthens its operational core, making the business more resilient against competitive pressures.

How to implement and execute the Strategy

Implementing and executing the strategy of combining market development with business process innovation at 'Delicious' requires a well-coordinated and systematic approach. Initially, it is crucial to conduct thorough market research to identify potential new locations for expansion. This

involves analysing demographic data, understanding local customer preferences, and assessing the competitive landscape. Once suitable locations are identified, the next step is securing the necessary funding for expansion, which might include seeking investors, securing loans, or reallocating internal resources (Bailey et al., 2018).

The following is a diagram showing the process through which the company can implement market development strategy.



For effective market expansion, the company must understand the demographic profile of potential locations. This includes analysing population size, age distribution, income levels, and lifestyle preferences (Pearce & Robinson, 2013). Locations with a higher concentration of the target demographic for 'Delicious', such as young professionals or families, should be prioritised. Followed by that is the analysis of market demand and customer preferences (Bailey et al., 2018). The company should research local food preferences and dining habits. This should involve conducting surveys, focus groups, and analysing existing data on local eating patterns (Greve, 2021). Understanding what the local population values in a fast-food experience - whether it is quick service, gourmet options, healthy alternatives, or affordability – can guide the decision.

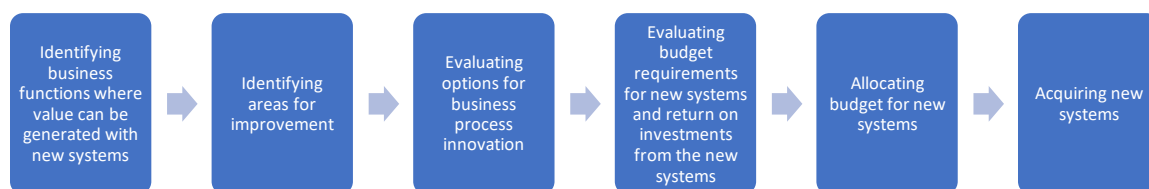
Competitor analysis should be carried out next. This includes identifying existing fast-food restaurants in the area, their menu offerings, pricing, and market position. Areas with fewer direct competitors or where competitors lack 'Delicious' unique selling propositions (USPs) can be more attractive (Einola, 2017). Assessing the economic health and stability of the area, including factors like employment rates, economic growth, and consumer spending power, can indicate the viability of a new location. Thriving economic areas are generally more conducive to business success (Greve, 2021).

The feasibility assessment should also involve evaluating real estate availability and costs (Mackay et al., 2023). The availability and cost of suitable real estate is a practical consideration. Locations

that offer visible, accessible, and affordable sites are preferable (Greve, 2021). Factors like foot traffic, parking availability, and proximity to complementary businesses (like shopping centres or entertainment venues) should be considered. Understanding local regulations and zoning laws is critical as well. This includes checking for any restrictions or specific requirements for opening and operating a fast-food restaurant in the area (Mackay et al., 2023).

Lastly, the brand must ensure the community and culture fit. Ensuring the brand aligns with the community and culture of the potential location is important for long-term success (Pearce & Robinson, 2013). This includes considering how well 'Delicious' will be received in the community and whether its values and offerings resonate with local cultural norms (Mackay et al., 2023). Studies suggest that culture fit is necessary for the success of food businesses in new locations, and overlooking this factor can lead to losses.

Parallel to the expansion efforts, 'Delicious' should initiate the process of business process innovation (Pearce & Robinson, 2013). This starts with a comprehensive review of current operations to identify areas for improvement. Implementing advanced point-of-sale systems, streamlining kitchen operations, and optimising supply chain management are key areas to focus on (Mackay et al., 2023). Training staff to adapt to new processes and technologies is critical to ensure a smooth transition (Pearce & Robinson, 2013). The following diagram shows a process through which business process innovation can be achieved.



To ensure effective implementation, 'Delicious' should establish clear timelines and milestones for both market expansion and process innovation. Regular progress monitoring and flexibility to adapt to unforeseen challenges are essential components of successful execution (Bailey et al., 2018). Communication is also key - keeping all stakeholders, from employees to investors, informed about the strategy and its implementation progress helps in garnering support and ensuring alignment across the organisation (Combe, 2014). Marketing will play a vital role in the

successful execution of this strategy. This should include promotional campaigns to create buzz around new locations and leveraging digital marketing to enhance brand presence. A strong online presence and engagement through social media can aid in building anticipation and customer loyalty in new markets (Greve, 2021).

Lastly, it is important to continuously gather and analyse feedback throughout the execution of this strategy. This feedback, whether from customers, employees, or market data, should be used to make iterative improvements to both the expansion plans and operational innovations (Combe, 2014). By meticulously planning, systematically executing, and continuously refining its approach, 'Delicious' can successfully implement its combined strategy of market development and business process innovation.

Different monitoring tools to monitor the Strategy.

Successful implementation of the strategies can be supported with the use of monitoring tools. In this section, the consultancy team has discussed the monitoring tools for the strategies.

1. Key Performance Indicators (KPIs): The management should establish specific, measurable KPIs related to market expansion and process innovation. These include sales figures, market share, customer satisfaction scores, cost savings from process improvements, and employee productivity metrics (Einola, 2017). Regular tracking of these KPIs helps in assessing whether the strategy is achieving its intended goals. Using advanced data technologies such as Big Data, Data Analytics and AI, the team can harness real time data from the ongoing projects to measure these KPIs (Mackay et al., 2023).

2. Balanced Scorecard: The management should also use balance scorecards to measure the progress of the projects (Einola, 2017). This tool allows for a more comprehensive view of the effectiveness of the strategy by evaluating performance from multiple perspectives: financial, customer, business process, and learning and growth. It involves evaluating the financial performance indicators, customer engagement, business process efficiency and growth in terms of sales and market share (Mackay et al., 2023). Thus, this approach ensures that all critical aspects of the business are monitored and aligned with the strategic objectives.

3. Customer Feedback and Surveys: Regularly gathering and analysing customer feedback, through surveys, reviews, and direct feedback, can provide insights into customer satisfaction and

perception (Einola, 2017). This is crucial for evaluating the impact of new menu items, service improvements, and overall customer experience. Specially with new outlets, the restaurant should be regularly conducting surveys and feedback analysis to assess customer satisfaction levels and the areas for improvement (Wooldridge & Cowden, 2020). The surveys can also provide insights into areas where the company can improve to gain advantage over competitors.

4. Financial Analysis Tools: Financial analysis tools will play a crucial role to assess the company's progress (Wooldridge & Cowden, 2020). Utilising profit and loss statements will provide a clear view of the financial health of the business, particularly the profitability of new locations opened as part of the market development strategy (Helfat, 2021). Cash flow analysis is another critical tool that would provide insights into the liquidity and financial efficiency of the new business operations, including the impact of process innovations. These tools, alongside other financial metrics such as return on investment and break-even analysis, will be instrumental in assessing the cost-effectiveness of the strategies implemented (Henry, 2021). Regular financial review will ensure that the business stays on track financially, identifying areas where adjustments might be needed to optimize performance and

Benchmarking: Comparing Delicious performance against industry standards or competitors can provide valuable insights into its relative position in the market and highlight areas for improvement (Jankelová, 2017). By comparing its performance against industry standards and key competitors, 'Delicious' can gain crucial insights into its market position (Henry, 2021). This comparison with competitors will help identify strengths to capitalise on and weaknesses to address. It should encompass various metrics, including sales volume, market share, customer service standards, operational efficiency, and innovation. Through benchmarking, 'Delicious' can understand where it stands in relation to the fast-food industry's best practices and leading players (Pearce & Robinson, 2013). This understanding will be instrumental in driving continuous improvement, helping to refine strategies, and ensuring that 'Delicious' not only meets but strives to exceed industry benchmarks, thereby enhancing its competitive advantage.

Data Analytics: Data analytics will play a crucial role in the strategic development of 'Delicious'. By analysing sales data, 'Delicious' can gain insights into which menu items are getting most popular, the peak sales periods and customer spending patterns (Jankelová, 2017). This information will be invaluable for making informed decisions about menu adjustments, pricing

strategies, and promotional activities. Analysing customer behaviour, such as purchase history and feedback, will help in understanding customer preferences and improving the customer experience. Operational efficiency can also be enhanced through data analytics by identifying bottlenecks in the service process and areas where resources can be optimised (Pearce & Robinson, 2013). Overall, data analytics will provide a comprehensive view of the business performance, guiding 'Delicious' in fine-tuning its strategies for maximum effectiveness and efficiency.

Conclusion

In conclusion, the strategic path chosen by 'Delicious', encompassing market development and business process innovation, stands as a comprehensive approach to securing a competitive edge in the dynamic fast-food industry. The market development strategy, focused on geographic expansion, is designed to broaden the brand's reach, and tap into new customer segments, promising significant growth and increased market presence. On the other hand, the emphasis on business process innovation is set to enhance operational efficiency, contributing to cost-effectiveness and improved customer service. The implementation of this strategy, though ambitious, is grounded in a systematic and multifaceted approach, including thorough market research, strategic location selection, and careful financial planning. The incorporation of various monitoring tools like KPIs, balanced scorecards, and customer feedback mechanisms ensures that the strategy is continuously evaluated and adapted to meet changing market conditions and business needs. Overall, the strategic direction for 'Delicious' is well-positioned to not only foster short-term growth but also build a sustainable business model for long-term success.

References

- Bailey, C., Mankin, D., Kelliher, C., Garavan, T. (2018) Strategic management and strategic human resource management. *Strategic Human Resource Management*.
- CIPD (2023) Pestle analysis. *CIPD*. [online]. Available from: <https://www.cipd.org/uk/knowledge/factsheets/pestle-analysis-factsheet/> [Accessed December 7, 2023].
- Combe, C. (2014) Strategic management. *Introduction to Management*.
- Data and Marketing Association (2023) The trends shaping consumer behavior in the U.K. *DMA*. [online]. Available from: <https://dma.org.uk/article/the-trends-shaping-consumer-behavior-in-the-uk#:~:text=Almost%20three%2Dquarters%20of%20U.K.,pessimistic%E2%80%9D%20about%20their%20personal%20finances.> [Accessed December 7, 2023].
- Einola, S. (2017) Making sense of strategic decision making. *Real-time Strategy and Business Intelligence*, 149–166.
- GlobalData (2023) United Kingdom (UK) Pestle Insights - a macroeconomic outlook report. *Market Research Reports & Consulting | GlobalData UK Ltd*. [online]. Available from: <https://www.globaldata.com/store/report/uk-pestle-macroeconomic-analysis/> [Accessed December 7, 2023].
- Greve, H.R. (2021) The organizational view of Strategic Management. *Strategic Management*, 43–60.
- Helfat, C.E. (2021) The economic view of strategic management. *Strategic Management*, 61–80.
- Henry, A.E. (2021) Strategic leadership. *Understanding Strategic Management*.
- IBISWorld (2023) IBISWorld - industry market research, reports, and Statistics. *IBISWorld Industry Reports*. [online]. Available from: <https://www.ibisworld.com/united-kingdom/market-size/takeaway-fast-food-restaurants/#:~:text=The%20market%20size%2C%20measured%20by,industry%20increased%208.7%25%20in%202022.> [Accessed December 7, 2023].
- Jankelová, N. (2017) Strategic decision making and its importance in small corporations. *Corporate Governance and Strategic Decision Making*.
- Mackay, D., Arevuo, M., Meadows, M. (2023) Strategic decision-making in organizations. *Strategy*.

Pearce, J.A., Robinson, R.B. (2013) *Strategic management: Formulation, implementation, and Control*. New York: McGraw-Hill Higher Education.

Statista (2023a) Topic: The UK economy. *Statista*. [online]. Available from: <https://www.statista.com/topics/6500/the-british-economy/> [Accessed December 7, 2023].

Statista (2023b) UK fast food industry and Takeaway Market Size 2022. *Statista*. [online]. Available from: <https://www.statista.com/statistics/1282676/fast-food-and-takeaway-industry-market-size-uk/> [Accessed December 7, 2023].

Trading Economics (2023). *United Kingdom Indicators*. [online]. Available from: <https://tradingeconomics.com/united-kingdom/indicators> [Accessed December 7, 2023].

Wooldridge, B., Cowden, B. (2020) Strategic decision-making in business. *Oxford Research Encyclopedia of Business and Management*.