

LEVEL 7 ASSESSMENT SPECIFICATION

Student name:	Luk Yau Yee	Student ID number:	2247753
Programme:	MBA		
Module:	Change and Stability Management		
Module code:	HKBM 7015	Contribution to Overall Module Assessment (%):	25%
Lecturer:	Dr Joe Leung	Internal Verifier:	Dr Che Cheong Poon
Assignment Title:	Assessment 1 - Presentation	Word count (or equivalent):	8-10 Minutes
Submission deadline:	14 April 2024 (Presentation and Submission of PPT)	Return date of provisional marks & written feedback:	Within 20 days after submission



FAIRWOOD

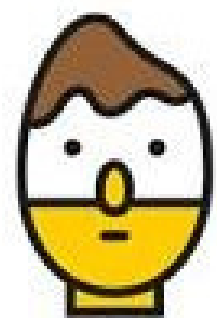
Fairwood (0052.HK)

IN THE EVER-EVOLVING WORLD OF FLAVORS AND CRAVINGS
LET US BE THE PIONEERS OF CHANGE.

FAIRWOOD-CHANGE



食得開心
大快活
Fairwood



TAIWAN
BOWL

台式肉燥 / 小吃 / 奶茶

一碗肉燥



ASAP

As Simple
As Possible



一葉小廚



Just a F&B Group



A Socially Responsible F&B Group and Dominant Soft Meal Provider



Vision

To be the most Loved F&B Group

PURPOSE

To create value for our customers, our team, our company and the communities we serve

MISSION

Enjoy great food
live a great life

Teamwork

We foster trust, open communication between both our team and our partners, mutual respect for each other, and sincere cooperation

Continuous Learning

We encourage learning through knowledge transfer, continuous development of each team member, and are committed to improving and growing together

Pursuit of Excellence

We challenge ourselves and our partners to excel in all we do, to have the courage to innovate, and to enhance efficiencies

Care for our Community

We engage with our neighbourhoods, actively connect with our customers, partners and communities, work to meet our sustainable development commitments, and give back to society

Milestone

1972



First store

1981



1st Central Kitchen

1991



IPO

1992



1st Beijing

1999



QSCI

2003



New Logo

2004



Q-mark

2006



Planning system

2008



New design

2009



Food process plant

Milestone

2010



100th shop

2011



"barrier-free"

2012



40th anniv

2013



Give warm campaign

2014



Care for elderly

2016



Food to table

2017



Delight Menu

2018



No Straw

2020



Click & collect

2021



Bakery

Objective of the Presentation

REVIEWING, RETHINKING, REBRANDING

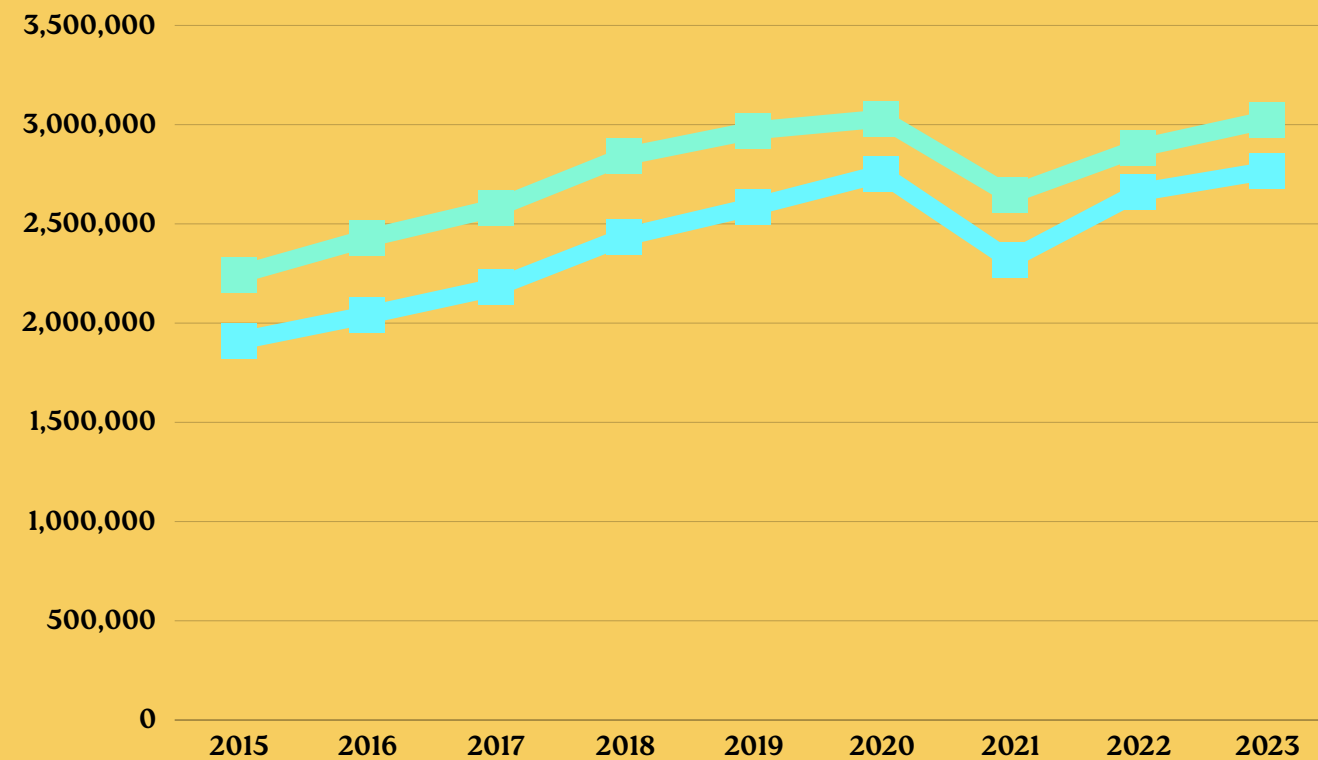
Objective of Change

DONT FALL IN DEATH SPRIAL

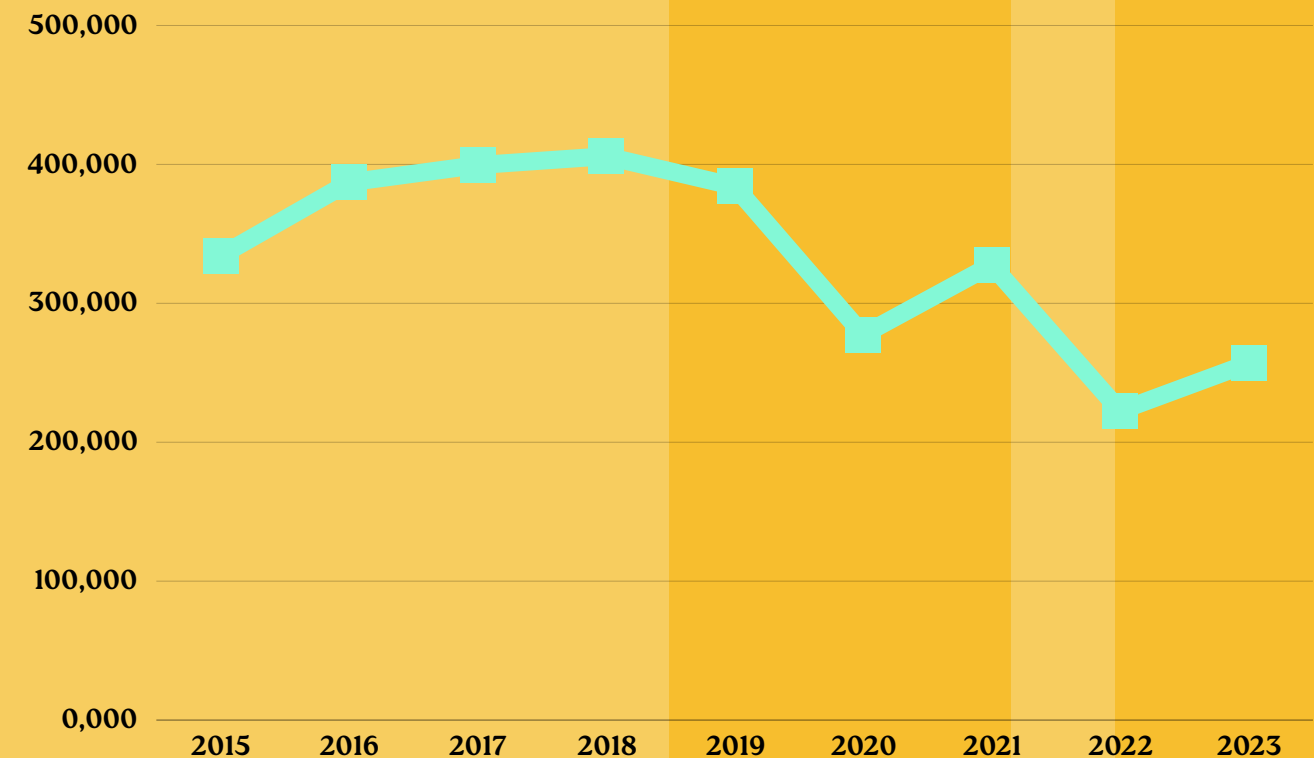
(Nadler, Shaw and A Elise Walton, 1995)

SURVIVE, SUSTAIN, SURPASS

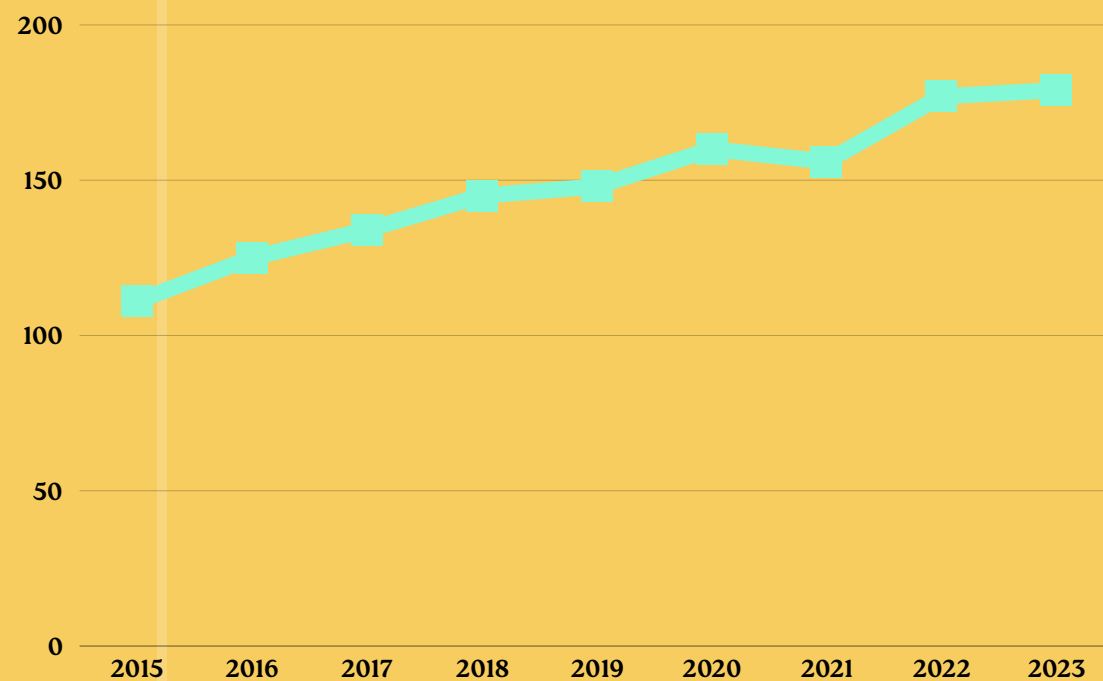
Sales and Cost



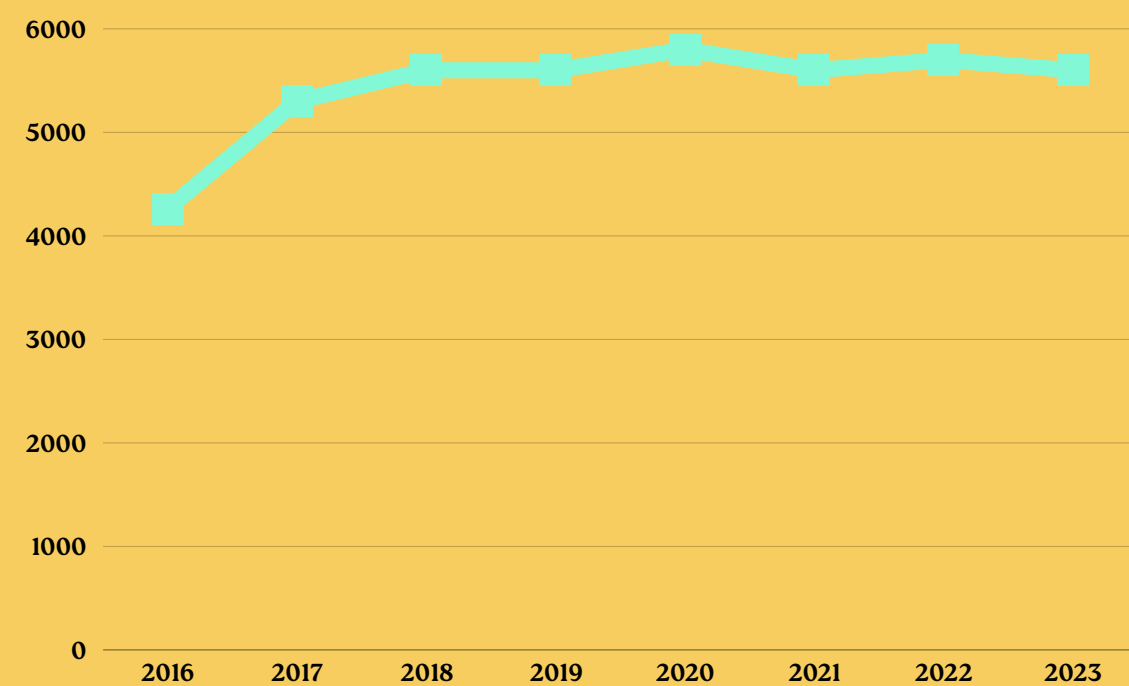
Profit



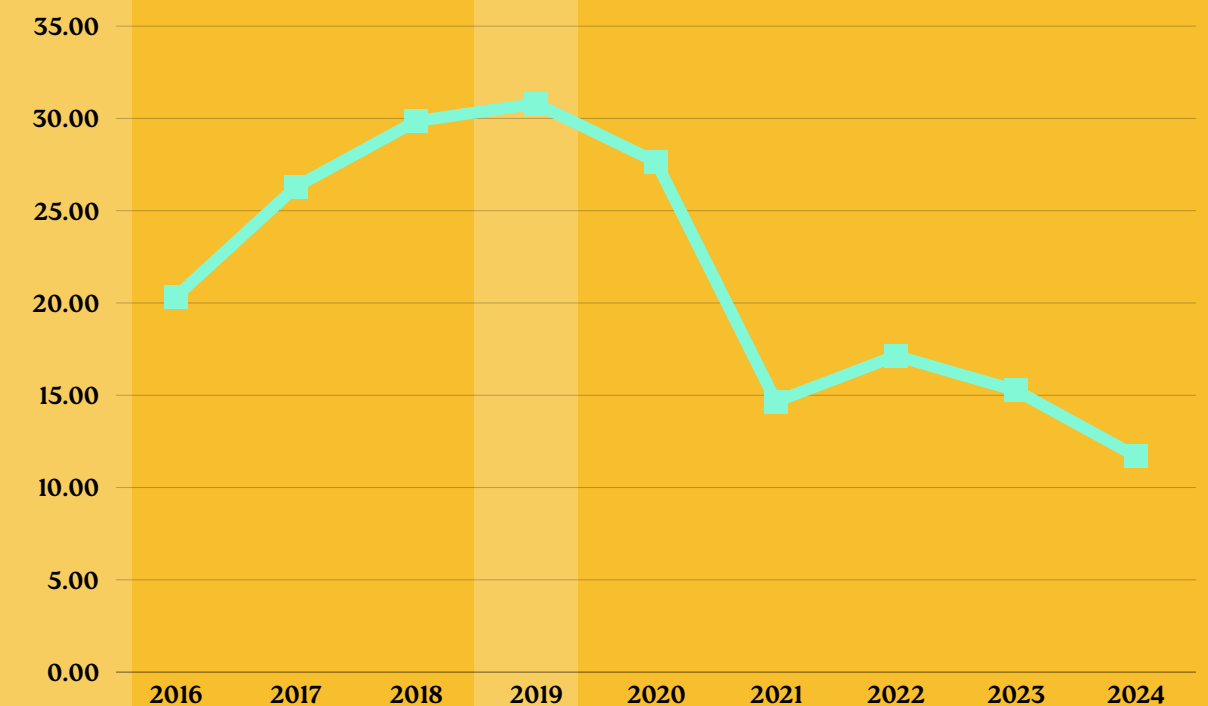
No. of Shop



No. of Staff



Stock Price as 31 Mar of the year



Analyze - PESTLE Model

PESTLE analysis evaluates external factors affecting an organization's business environment. It encompasses Political, Economic, Social, Technological, Legal, and Environmental aspects, impacting operations, strategies, and performance (Hall, 2023)

P

Political

- GBA related policy: 《横琴粤澳深度合作区鼓励发展试点区域饭堂暂行办法》
(Guangdong-Macao In-Depth Cooperation Zone in Hengqin, 2023)
- The Product Eco-responsibility
(Amendment) Bill 2023
(The Government of the Hong Kong Special Administrative Region, 2023)

E

Economic

- Persistent high costs, even during downturn (ET Net, 2023)

S

Social

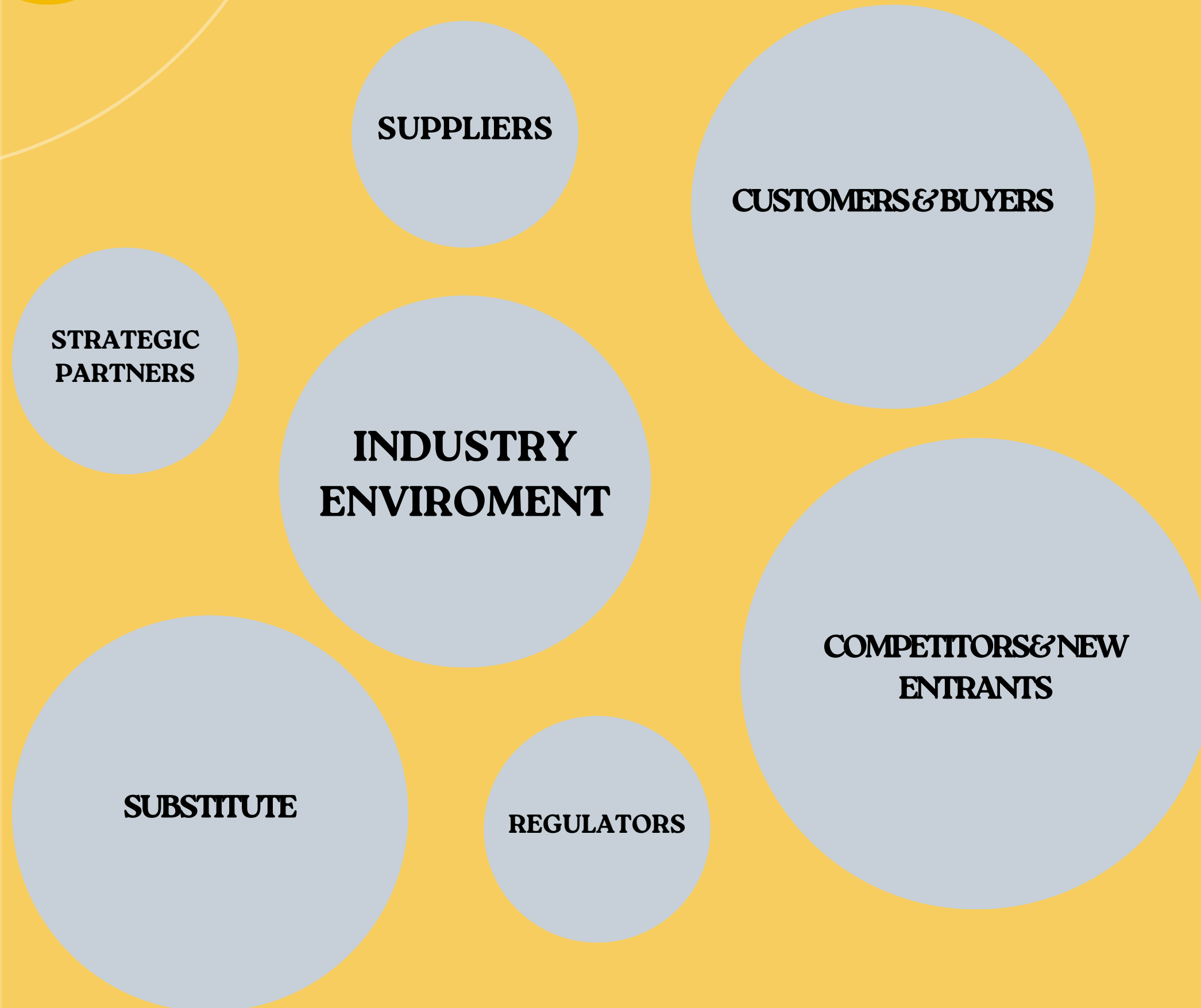
- Ageing Society: Aged >65, 20.5% in 2021 to 36.0% in 2046
(Hong Kong Census and Statistics Department, 2023)
- The Irresistible Trend of Hong Kongers Heading North, 7 times was the average number of times each Hong Kong resident went to the north in 2023 (HK01, 2023). (Mingpao, 2023)

T

Technological

- Popularity of food delivery Apps (Statista, 2023)
- Technological Advancements

Industry Environment



FINDINGS

- Customer preferences shift: **77%** of Hong Kong consumers prefer **dining at home** more often in the post-pandemic era (Nielsen, 2022)
- **Northbound Leisure Trend:** Hong Kongers Heading to Shenzhen
- Intense **Competition:** Prepackaged Meals and the "Two-Dish Rice" Trend (Metro Finance , 2023)
- Rising delivery app popularity: **56% more!** (Statista, 2023)

Internal Environment



FINDINGS

- A 52-year history of market establishment
- Executive Chairman, Mr Dennis Lo, embraces change (South China Morning Post, 2005)
- Have profit that enables continued investment in R&D
- Shared vaule: A thriving innovation culture permeates Fairwood (Lo, 2023)

SWOT Analysis

S

- Established Market Presence
- Forward-Thinking Leadership
- Operating Profits
- Innovation Culture
- Have change experience in 1995-1999
- Have owned centralised kitchen and food processing plant

O

- Technological Advancements
- Supportive Policies by China
- Aging Population
- Have the opportunity and resouces for Innovation and Product Development

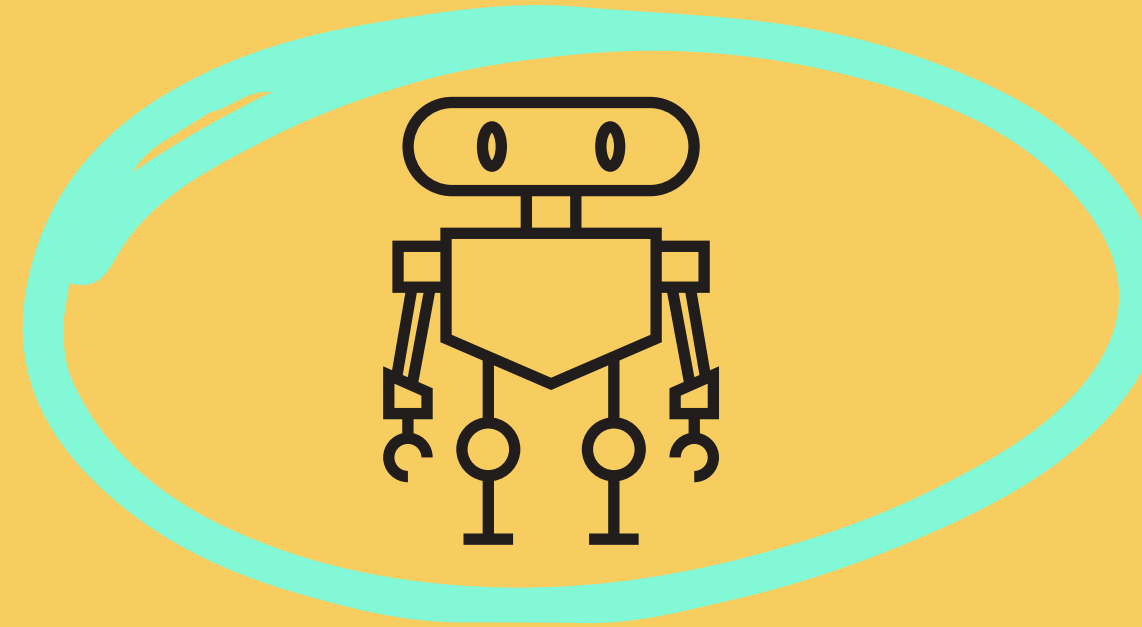
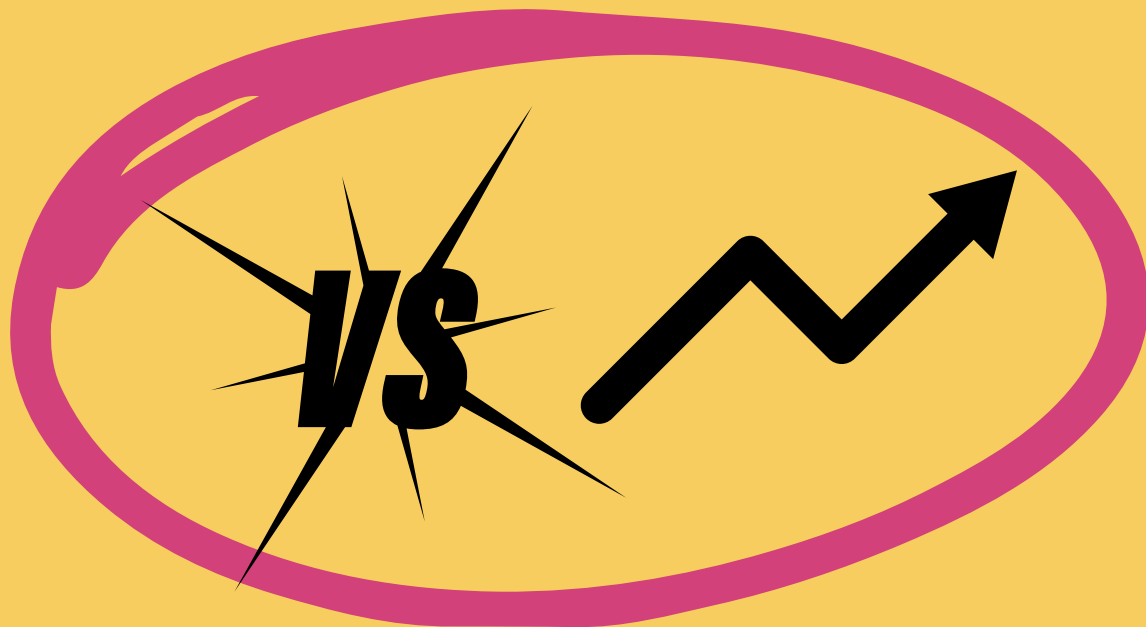
W

- Profit drop
- Shifting Customer Preferences
- Intense Competition, frequence of customer drop

T

- Shifting Customer Preferences
- Increasing Substitutes, Competition
- Northward Shift
- Popularity of delivery Apps
- Aging Population

PUSH & PULL FACTORS FOR CHANGE



**PLANNED CHANGE: PRIORITIZE PREPARATION TIME, SUPERIOR TO EMERGENCY CHANGE -
DON'T WAIT UNTIL IT'S TOO LATE.**



How to Change?

STRATEGIC CHANGE

GENERATE MORE REVENUE AND CUT COSTS 



	Increase revenues and sales	CUT COST
Short and Medium Run	Grasp the chane to get into GBA	Leveraging Technological Advancements for Increased Operational Efficiency
Long Run	Add a new product line: Soft Meal Provider (delivering) in Hong Kong Catering to the Needs of the Elderly	Enjoy the Economies of Scale in soft meal production: Monopoly of soft meal



Benefits of the changes

INCREASE SALES	✦	PROFIT
EXPANDING MARKETS	✦	GBA
BRANDING OF FAIRWOODS - CSR	✦	STOCK PRICE
ECHOING OUR VMV	✦	LIVE A GREAT LIFE

FOR MEMBERS COMMENTS AND SUPPORT

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