

Panera bread case study analysis



**ASSIGN
BUSTER**

1. What is Panera Bread's strategy? Which of the five generic competitive strategies discussed in most closely fit the competitive approach that Panera Bread is taking? What type of competitive advantage is Panera Bread trying to achieve? * The competitive strategy that best fits Panera Bread is differentiation. The offer gourmet fast food to the urban area. There a triple threat with their competitive advantage : product, environment, and great service.

2. What does a SWOT analysis of Panera Bread reveal about the overall attractiveness of its situation? Does the company have any core competencies or distinctive competencies?

3. What is your appraisal of Panera Bread's financial performance based on the data in case Exhibits 1, 2 and 8? How well is the company doing financially? Use the financial ratios in Table 4. 1 of Chapter 4 as a guide in doing the calculations needed to arrive at an analysis-based answer to your assessment of Panera's recent financial performance. * Total, revenue, net income, royalties, fresh dough sales to franchises and earnings per share have steadily grown since 2002. The company seems to be doing very well, even in a slower economy.

4. Based on the information in case Exhibit 9, which rival restaurant chains appear to be Panera's closest rivals? * Panera Bread competes heavily against Atlanta Bread Company, Applebee's, Au Bon Pain, Chili's, and McAlister Deli. Some fast food chains may have a higher net profit due to their size and name recognition, but I believe that Panera Bread and other companies are going to continue to grow as more and more people become

award of rising health issues. I believe Panera is competing more against sit down restaurants, but what gives them their edge is that it is gourmet food, but fast.

5. What strategic issues and problems does Panera Bread management need to address? * Try to grow the customer base for the later hours of the store. Find ways to improve the company owned Panera Bread stores compared to the franchise stores.

6. What does Panera Bread need to do to strengthen its competitive position and business prospects vis-à-vis other restaurant chain rivals? * I wouldn't recommend trying to do anything too large as this may drive away customers that you already have. I would continue to add new menu items that should attract new customers. Continue to add stores in urban market areas and offer the restaurant style environment that many sandwich chains that they compete with do not.