

Panera bread

Business



Panera Bread (Affiliation) Panera Bread key strategy is focusing entirely on its competitive advantage. The strategy has led to the growth of the company from a small bakery to a global food chain spread across to 2000 locations in the US and Canada (Srinivasan, 2006). The company has numerous competitive advantages one of which is its excellent management. Panera Bread also has well maintained financial statements thus, increasing its attractiveness to investors.

Panera Bread also differentiates itself from its competitors by offering healthy foodstuff, and superior customer service. The company main competitive advantage is its ambiance that serves an escape from the daily hustle.

Based on the SWOT analysis on Panera Bread, its brand image is strong in the US. By focusing on its competitive advantage, the company has maintained a strong customer loyalty due to its appealing ambiance. Panera Bread core competency is its artisan foods considered the best by its loyal customers.

The primary components of Panera Bread value chain include: customer service, operating performance, and inbound logistics. The inbound logistics is more crucial as it acts as a product differentiation mechanism (Srinivasan, 2006).

The management should reconsider its strategic measure of franchising its 73 stores and its attempt to augment its share buyback. The underlying reason is that this will increase the company debt level and thus lowering its future profitability. Panera Bread should instead focus on other effective measures of competing against its rivals such as Starbucks.

For Panera Bread to strengthen its competitive position in the global food

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industry, it should focus on promoting its organic food (Gamble, & Thompson 2012). As earlier mentioned, most people are shifting their consumption pattern to healthy organic foods as they become more conscious of their health. Therefore, this will help strengthen the company competitiveness and its business prospects.

It is clear that a company's competitive advantage is everything. The growth of a company can only be achieved by exploiting the competitive advantage and the core competencies of the company.

References

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