

Case study example

Business



Case Study - KFC KFC is one of the most famous fast food brands with a worldwide chain of approximately 11, 000 fast food restaurants in the world. Its services include preparing, packaging and sale of ready to eat foods. Business model: KFC is US based but has branches worldwide; it has franchised its operations hence making it profitable. To ensure competitiveness it spends approximately 5% of its sales on advertising, advertising is done in local TV is to capture the local market. In its operation it incurs costs of leasing, stock purchases, training wages and insurance among others.

Political risk: After the NATO bombing of Chinese embassy in Belgrade in 1997 there were demonstrations in China. The Chinese protestors attacked KFC since it is US based; KFC is hence faced by political risks in its operations in oversea countries.

Adoption strategy: KFC has been able to adapt to changes in customer tastes and to suit new environments. It has changed its menus to suits the Chinese tastes and eating styles; it has close ties with the Chinese government, hires local managers and also sources for food within the country. To suit the Chinese culture of eating in groups it has introduced large sharing dishes.

Unethical practices: KFC has been accused of unethical practices, for example, when slaughtering the birds they cut their throats and through the birds in scorching water while they are still conscious. KFC has failed to heed to its animal welfare advisors advice on abolishing this cruel practice. KFC uses oil containing Tran's fatty acid increasing cholesterol intake, obesity and risk of heart attack.