

Brief history of jollibee food corporation



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The Jollibee Food Corporation was founded by Tony Tan Caktiong and his family. And did you know that the Jollibee Food Corporation wasn't selling fast food back in the days, instead they sell ice creams, and it was named as Jolibe. But after sometime, they decided on getting the services of a management consultant in the person of Manuel C. Lumba. Lumba suggested that to shift their business of ice cream parlor to hamburgers after his studies showed that a much larger market was waiting to get tapped. And sure enough, their hamburgers became a hit for a lot of Filipinos. After this success, Lumba next reformed the name Jolibe to Jolly Bee and made the two words form a single name Jollibee.

Then Lumba next created the product name "Yumburger" for their hamburgers as well as the name "Chickenjoy" for their—ah you what it is. Because of the fame of the Jollibee Food Corporation, they have decided on incorporating some expansions and acquisitions. On 2000, the Jollibee Food Corporation acquired Chowking, allowing Jollibee to be part of the oriental quick service restaurant segment. Similarly, Jollibee also acquired Red Ribbon Bakeshop on 2005, another popular fast-food restaurant in the Philippines. In 2006, Jollibee Food Corporation acquired the Délifrance which further expanded its penetration in the food service industry particularly in the French cafe-bakery, a growing segment of the Philippine food market.

Strength * Jollibee's strengths lie in that it has a dominant position in domestic market and achieving high brand loyalty in Dagupan City. * Jollibee also has experienced managers who assist the franchisees to their success during the start up stages. * They value quality over anything, so they can

sustain the loyalty of their customers. * Wide variety of products offered in diverse markets.

* Jollibee was the first to enter the market. * Retaining tight control over operations management, which * Allowing it to price below its competitor. * Having the flexibility to cater to the tastes of its local consumers. * Location of Jollibee East Junction was a perfect location because there is a wide population of the university, and S. T. I institute which was the 60% target market and the 40% was people who passes by.

Weaknesses The company is facing a lot of weaknesses in their operations.

* First, it is the inability to coordinate the activities between the international division and the local division. * They also have trouble at first in selecting good franchise partners and suitable locations in the international investments. * The company does not fully utilize its resources to the best results. The international division and the local division have to constantly compete with each other for limited resources. * The company, in its efforts to maintain its Filipino identity in other countries, has not been able to attract able staff or managers in the foreign country and their staff turnover rate is high. * Lacked more effective marketing skills as growth revenues decreased. * Lack on in-depth planning and research in the expansion to foreign markets. * Poor co-ordination between the national and international units.

Opportunity Opportunity in the fast food industry lies in the globalization of the countries. * People around the world are beginning to accept other cultures as their own and thus the entrance into these markets are getting

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easier. * As time pressure builds up for people, they want to look for food that is served fast and provides good value to them. Thus people accept fast food as a substitute for a meal. * The promising nature of international markets and also the available potential due to the migration of Filipinos in certain countries. * Being an agricultural country, full integration in sourcing raw materials could be done.

* For international markets, locating commissaries in the same country through joint ventures could be a potential source of success for the company. Jollibee could facilitate the technology provision while the partner could formulate the appropriate modus operandi to sell in the foreign market. * For the local market, an increase in the number of commissaries could easily reduce the transportation costs and the duration of shipments. This would allow the company to concentrate on the quality of products.

Threats Even though the global community is accepting, it still has its own preferences and environments which differentiate them from other countries. * Therefore it is not possible for the companies in the industry to apply a standard set of menu throughout the world. * International competition is rising and competitive forces are very strong. * Competition from both international companies and other local eateries. * Political instability in the country threatened JFC as it could hamper the opportunities to convince international investors and country leaders to allow a JFC entry in their country.