

Kfc marketing

Economics, Macroeconomics



ESTEL Frame work: In Macroenvironment there are many factors that will effect the decision making in any organisation. To overcome and analyse these factors organisation can categories it in to PESTLE model which is considered as below. The macro-environmental or external factors of KFC can be identified by using PESTLE analysis which stands for Political, Economic, Social, Technology, Legal and Environmental. Political factors:

This factor mainly deals with the government policies and procedures which is worked out through legislation and consists of all legal factors such as How stable is the political environment? Government position on market ethics Government view on culture and religion Government policy on Economy Taxation policy on tax rates and incentives These are some of the political factors that include legal issues, government implementations and define both the formal and informal rules under which the organization must be operated. Economic factor:

KFC organization is affected with national and global economic factors such as Cost of labour, Interest and Inflation rates, Economic growth rates, Business cycle stage (e. g. recession, recovery) and Unemployment rates. Due to recession the income of the KFC has consistently dropped down and most of the employees were jobless and the rest employees were employed for very few hours also the organisation had to cut down their budget. Social factor: It includes the cultural and demographic aspects of the external macro environment.

The potential of the employees who come from different back grounds and work together in the KFC and customer trends and aspect which the KFC has to consider as per their needs and wants of the customer such as changes in

lifestyles, Level of education, Value in society, Demographics (age, sex, race etc. ,) and Change in consumer needs and wants. The U. K people are mostly dependent of the fast food centres as they find very busy with their schedules.

Technological factor:

This factor is the major driver of globalization which reduces the minimum efficient of production levels and some of the technological factors are recent technological developments, Rate of technology changes, Alternative way of providing services, New discoveries, Communication technology. The technology has now become the most important aspect in KFC as when the customers are mostly delighted and satisfied with service including latest technology that is available in the KFC. The latest Technological methods that are used to serve the customer faster are such as digital screens, wireless headphones for the staff, cooking utensils.

Legal factor: The KFC has to maintain the rules and regulations related to the hygiene factors such as like employee proper training regarding the food and safety, personal hygiene, clean work environment and proper use of the utensils. This also deals with the legal environment in which the firms operate like the U. K has come up with the introduction of age discrimination legislation and increase in the minimum wage and greater requirement of recycles. When speaking about the hygiene it's a very true example were KFC had to bare the high penalty because of failing in maintaining food hygiene. A Kentucky Fried Chicken restaurant at the Hernston Business Park in Bridgend has been fined a record ? 24, 000 plus costs of ? 2, 000 after pleading guilty at Bridgend Magistrates Court to multiple food hygiene offences - the largest penalty handed out to date for

such offences in Bridgend County Borough. Bridgend County Borough Council brought two prosecutions against KFC (GB) Ltd resulting from inspections completed by the Public Protection team on 25 September 2005 and 22 May 2006. " Ref: http://www.bridgend.gov.k/web/groups/public/documents/press_release/018326.hcsp http://www.oup.com/uk/orc/bin/9780199296378/01student/additional/page_12.htm

Environment factor: KFC by considering the environmental factor has proved to be quite friendly towards environment where it uses the paper material for the food and services carrying instead of plastic to help in reducing the global warming though it cost very high for the organisation to adopt paper materials such as paper plates, paper boxes for food parcel, glasses and cups etc. 3. The Swot Matrix The SWOT analysis is an extremely useful tool for understanding and decision making for all sorts of situation in KFC organisation. The SWOT is acronym for Strengths, Weakness, Opportunities, Threats. SWOT provides a good frame work for reviewing strategy, position and direction of a company or business proposition. Need an essay? You can buy essay help from us today!