

Panera swot

[Finance](#), [Financial Analysis](#)



Analysis is a "situational in which internal strengths and weaknesses of an organization, and external opportunities and threats faced by it are closely examined" to provide an adequate strategy. Pander Bread Company has become one of the leading companies in the quick casual restaurant market.

Strengths

The Strengths that Pander Bread Company has are the following: a strong presence in its niche segment, a strong relationship with their franchisees, they focus on having a specialty bread and robust financial performance.

In 2008, the company operated in 1,252 bakery-cafes in 38 American States and Canada. Pander Bread Company's success relies on the strategy of quick service and high quality food. According to Wall Street Journal, Pander scored the highest with customer loyalty in their market niche. In 2007, Sandmen ; Associates Quick-Track "Awards of Excellence," put Pander Bread Company as one of the top chain restaurants for the sixth consecutive year. They have a very strong brand image, which also contributes to their success. Pander Bread Company has a strong relationship with their raunchiness.

It expects to operate 256 additional franchisees or area developers from their 725 franchise-operated bakery-cafes. Pander primarily operates through franchise agreements throughout the United States and this positive relationship that headquarters has with these companies has led to their success. This aids the growth of the company. The company has a high focus on being a specialty bread store. Pander Bread Company produces Artisan breads. Artisan bread utilizes natural ingredients with skilled attention, which differentiates the company from commercial intention.

This helps the company become secure in its segment of the market. Pander Bread Company has had robust financial performance. Its revenues increased by 21. 8% from 2007 to 2008. The companies net profit increased by 17. 4% from 2007 to 2008. This continued growth provides the company with a positive future. The company also purchased 51% of the outstanding stock of Paradise.

Weaknesses

Pander Bread Company has highly concentrated geographic operations, meaning the company is confined to operating in North America. This is a problem because if a hang in state taxes could bring a risk to the market concentration.

It also loses the opportunities that their competitors will have to establish themselves in foreign markets. The company does not operate in the Asia-Pacific region or Europe-Africa, which could be potential areas they could benefit from. Another weakness that Pander Bread Company has is its lack of scale. When compared to its competitors, Pander Bread Company has a lot smaller revenues. Companies such as Cutbacks or McDonald's dwarf this company, in yearly revenues. Pander needs to expand to other regions to become a worldwide competitor.

Opportunities

The three opportunities that Pander Bread Company has are the following: controlling of operating cost, expansion to grow top line and growth demand for organic products. Pander decided to focus its menu primarily with breakfast and Pander SOOT By Knaggy like pastry was intended to attract a

late afternoon to early evening consumer, but had little growth. The little growth was believed to be caused by the recession, which made the company have to focus its menu to two meals a day. The expansion of the company has created more geographic presence for top line growth.

Pander Bread Company opened its first company in Toronto, Ontario in 2008. In that same year, the company opened 91 new bakeries. This will help give the company a better presence, but another region for expansion would be Europe and Asia. The growing demand for organic products is a huge opportunity for the company. The already natural ingredients in its Artisan bread make this an easy transition for the company. According to article created by Denominator titled " Organic Food in the United States," the company had a compound annual growth rate of 17. 9%. This opportunity would fleet positively on product sales for the company.

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Threats

Pander Bread Company has four major threats to its success. The first threat to the company's success is the highly competitive restaurant industry. The company has to compete in three different industries. Pander competes in the specialty food, quick service and casual dining retailers. Its major competition is Cutbacks, McDonald's, Einstein Noah Restaurant Group, Potbelly Sandwich Works and Yum! Brands. This competition could impact Pander Bread Company's market share. The second threat to Pander Bread Company would be a disruption in the company's supply. Read also McCafe Swot Analysis

The company provides fresh dough to each location by temperature controlled vehicles. If there happens to be poor weather conditions, labor difficulties, technical issues or damage to any vehicles in the fleet, then the company could have shortage problem. Depending on how long there is a problem in the fleet; Pander Bread Company would see a decline in sales from those locations affected. The increasing popularity of vegetarian food is the third threat. " At an average growth of 9% per year, this market is projected to reach \$1, 700 million by 2010" . The increase of a preference of healthy, natural, and fat free food has created a very successful market. If Pander Bread Company does not adhere to this trend in the market, then they could be left behind by its competitors. The increase in the minimum wage is the fourth threat to Pander Bread Company. The steady increase in minimum wage has increased labor costs, which have impacted the company's profit. Hopefully, the minimum wage remains at \$7. 25 because this is affecting overall administrative costs for the company.