

Southeast asia and home-grown filipino hamburger

[Business](#), [Company](#)



**ASSIGN
BUSTER**

Jollibee, a home-grown Filipino hamburger chain, expanded rapidly throughout the Philippines and in 1993 had 124 stores. The company had weathered a series of storms – the entry of McDonald's in 1981, their first failed move offshore to Singapore in 1993, subsequently entry to the Taiwan, Brunei and Indonesian markets. To head overseas expansion, the company hired an experienced outsider whose ambition was to make Jollibee one of the world's top ten fast food brands by 2000. This trail led them to the Middle East, Guam, East Malaysia, Hong Kong and Indonesia.

The strategy was to avoid markets with entrenched competition and to customize menus to suit local tastes. As the business grew, friction occurred between the domestic and international operations, coming to a head in 1997 when Jollibee took a fresh look at strategy – many thought rapid expansion overseas had served the company well, others, particularly on the domestic side, felt it was ill-conceived. Now there were three new decisions to be made: should Jollibee enter Papua New Guinea, a country with a population of five million and with no entrenched competition?

What should they do about Hong Kong where three stores already existed? And what should be done about the chain's proposed U. S. operations where Jollibee planned to open its first store in California -- would the Jollibee concept appeal to mainstream America or could it only succeed by focusing on recent immigrants and Filipino expatriates? The new head of international operations reflected on his predecessor's plans to open 1, 000 Jollibee stores overseas before year 2000. " It took McDonald's 20 years for its international operations to count for more than 50% of total sales, I'll be happy if I can do it in 10 (years)," he said.