

Business plan on brief history of the company

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



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Business Plan

Just to begin with, it is important to note that Chili's Inc company is based in the united states, Canada and also internationally. The restaurant menu mainly include appetizers, soups, Chili and sides, Salads, Burges, Tacos, Chicken, seafood, baby back ribs, steaks, beverages, sandwiches , fajitas among other things.

The current location of the Chili's restaurant was once upon a postal station. The station was once located in Dallas Texas. The station was later converted to a restaurant on March 13th 1975 by Larry Lavine. Larry wanted to establish an informal full service restaurant where the first brand offered was to be hamburger, this was because he had noticed that such brand was missing in the area. The brand was to be offered at affordable price so as to attract many customers. however, the tested brand proved successful and it led to the expansion of the business and by 1980s; more than 22 Chili's locations were available in the region. (Holter).

However, in the year 1983, the company was sold to the Brinkler

international. The company currently has many branches in the United States of America. The company also has many recognized locations internationally. These locations include Canada, Peru, Venezuela, Saudi Arabia, Egypt and Germany among others. The locations have been targeting different people. For instance, the location which was opened in Osan Air Base in south Korea is basically meant to serve the military community.

Industry and competitive analysis

It is prudent to note that the restaurant industry has been monopolistically competitive. Restaurants do have very low profit margins because most of them have products which are similar in one way or another. Despite of the fact that most people do take restaurants to have different products, it is important to note that these restaurants always deal in products which are mostly considered to be substitute. However, what creates competition in the food industry is because of the high physiological need for food. Other factor which makes it more competitive is the fact that restaurants are always vulnerable to new laws, regulations and the macro-economic factors.

Chili's Restaurant competitive analysis.

The restaurant industry is monopolistically competitive. However, there are few industries that offer stiff competition to Chili's Restaurant. the casual dining of the industry is highly fragmented whereby the fifty largest companies account for about 20% of the market. Based on the 2010's years-end revenues and the market share, Brinkler international is considered as one of the most successful company in the industry. The top ten companies

in the restaurant are as follows (Holter).

- Darden: Red Lobster and Olive Garden with an estimated revenue of \$7.50billion and market share of about 3.95% by the year 2010.
- OSI Restaurant Partners with an estimated revenue of \$3.63billion and a market share of about 1.91%.
- Brinkler International: Chili's with an estimated revenue of \$2.76billion and a market share of about 1.45%
- Dine Equity with estimated revenue of about \$1.33billion and a market share of about 0.7%.

Therefore, from the above information, we can conclude that the major competitors of Chili's are: OSI restaurant partners, Darden and the Dine Equity. From the data, it we can conclude that the top four companies only make up approximately 8% of the entire casual dining industry. This implies that Chili's has high number of competitors. Despite of the fact that most of the restaurants are not as big as Chili's, some people look at the other restaurants as substitute. The fact that there is strong competition in the industry, the only means through which Chili's can survive this stiff competition is to invest heavily in market research, marketing and advertising.

Target market

Chili's as a subsidiary of the Brinkler International operates within a casual dining industry. The restaurant operates as a full service restaurant and offers decent high quality food at affordable prices. The restaurant attracts a wide range of consumers both locally and internationally. It attracts young adults and the families. The restaurant targets the 18-54 year old age group.

These comprise about 50% of the American population. (Hoover's Online). Reliable information from the restaurant show that the company always target wide range of audience as part of its business strategy. Most people who had once been to the restaurant describe it as a place that one can go any night of the week especially when cooking is not an option or to the bachelors who fear cooking because they always offer meals at affordable price. The Chili's environment is very conducive and most families enjoy having a drink at the place. The environment also attracts families because of the availability of Kid's menu and also available promotional coupons. In a nutshell, we can say that families and the professionals are some of the target market. These people like friendly conducive environment at Chili's.

Work Cited

Holter, Mike. (2011, Sept. 20). " Chili's Restaurant Server Minimum Wage Class Action Lawsuit." Legafi. Legafi LLC. Web. 25 October 2011.

Hoover's Online. " Brinker International, Inc. Company Report: Company Overview". Retrieved October 6, 2011 from Hoover's Online.