

Swot analysis of jollibee foods corporation

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



Jollibee Foods Corporation Company Background

Tony Tan Cacktiong founder of Jollibee Foods Corporation tells a story about the success story of his company. There are many other stories about Tan and Jollibee that many people didn't know about, and that would have remained unknown, if Tan hadn't bested successful entrepreneurs from 30 other countries to win the "World entrepreneur of the year" Award in Montecarlo, Monaco, on May 28, 2004. Tan had always been low-key and media-shy.

He was quiet happy to let his lieutenants do the talking for him to the press, actually - but his winning the award from the accounting firm Ernst & Young had forced him to agree to so many newspaper, magazine, and TV interviews later to tell them the story about the Jollibee story. After all it was he who won the award - not any of his lieutenants. Still, if Tan had always been reticent about telling the Jollibee story beyond his immediate circle of friends and acquaintances, he had been equally reticent-if not more so-about revealing his personal history to the outside world. This reticence comes from humility.

Unlike many corporate leaders who trace their lineage to wealthy Chinese clans, and who had studied in the more prestigious schools, Tan had comparably very humble beginnings, with his family exactly mirroring the stark circumstances in which the early Chinese immigrants found themselves in Manila. His father had been an immigrant cook in Binondo's Seng Guan Buddhist Temple on Narra Street before he opened a small Chinese restaurant in Davao City, where Tan and his siblings helped clean tables and

get water to customers. It was his experience in his father's restaurant that set Tan and his siblings on the road to entrepreneurship.

In 1975, when he was set to graduate as a chemical engineer at the University of Santo Tomas in Manila, Tan and his family pooled P350, 000 to open 2 Magnolia ice cream parlors: Cubao Ice Cream House near the Coronet Theater, in the middle-class shopping area of Quezon city, and Quiapo Ice Cream House under the Quezon Bridge in Quiapo, Manila. The siblings themselves manned the cash registers and served as waiters. After two years, the siblings began serving chicken and hamburger sandwiches, and in 1978, when they already had six ice cream parlors, they decided to convert their stores into hamburger restaurants and called the chain Jollibee.

By that time McDonald's entered the market in 1982, Tan was already entertaining dreams of growing the business outside the Philippines, and was neither interested in getting a McDonald's franchise nor afraid of competing with the U. S. giant. Tan found McDonald's very good at everything, but he thought it would not find favor with the customers because it served bland food (though McDonald's has since started serving chicken, spaghetti and other great tasting value meals).

McDonalds didn't know the culture like the Tan's did, and they used that knowledge to advantage to thrive and eventually become the Philippines' top fast-food chain. Paulino cheng, a Jollibee franchisee in Greenhills, San Juan, says the fast food chain owes its success to its great tasting food and its advertising campaigns extolling the brand and its mascot as part of the Filipino pop culture. Indeed, with affiliates Chowking, Greenwich and

Delifrance, the Jollibee group now counts over a thousand outlets here and abroad, 50, 000 employees and about P30 billion to 50 billion annual sales.

Tan's success in transforming Jollibee into a Filipino icon has led many entrepreneurs to dream about following in his footsteps, and analysts to heap praise on his entrepreneurial and people skills. Ernst & Young's chairman, James S. Turley, has called his story " a truly inspirational one. " Howard Stevenson, professor of entrepreneurship at theHarvardBusiness School, describes Jollibee as a success story " based on solid foundations, not a meteor that will burn itself out.

Says Lance Gokongwei, president of JG Summit Holdings: The success of Jollibee can be attributed to good leadership, vision and corporate culture. Company Logo Company's Trademark Jollibee is known for its trademark: " BEEDA AND SARAP! " Proposed Picture Capital According to Mr. Chaze the service manager of Jollibee Foods Corporation at Dasmariñas Central Mall as I've made an interview with him, he said that before you enter this kind of business you have to consider so many facts to be able to have a business franchise like this.

First you should have the enough capital of franchising this company ranging from 30 million to 50 million pesos. Second fact is that, the company will take a look at your proposed location or best to say that they will make an ocular inspection on where you plan to put up the business to check out if it will have a great amount of customer, and the last one and the most important fact to consider is that the company will take a look at your income or budget and to your other properties to see if it will fit or will be able to raise or support the franchise when crisis came.

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The 4 P's of the Business Product As history tells about Jollibee, It was once an ice cream parlor before, until the time that Tan and his family came to see the opportunity to come up with new products to serve. On 1977, they began selling chicken and hamburger sandwiches, and in 1978 the family of Tan decided to convert their 6 ice cream parlors into hamburger restaurants. As time came by, after all the successful years of Jollibee, In this new generation, they were widely known for their best selling products the "chicken joy", and the Jollibee's hamburger which is also known as the "Yumburger".

Tony Tan Cacktiong used his knowledge of Filipino taste and culture to turn Jollibee into a true Filipino icon. Place One of the important factors to consider before you can have this kind of business is the place or location, before you can say that this spot is best for the location of your franchise you should ask these question, " who are the target customers in this site? ", " what are the possible threats in this location? ", " Who are the competitors in this area? ", " Is the place suitable for the kind of business I will establish?

Or vice versa", If you are able to answer all of these presiding questions then you are now on your road to survival in establishing a business. Of course in minding your four P's, the place is the most critical among the four. You have to consider everything. According to Mr. Chaze, you have to make sure that the place where your business franchise will be built should be in a very crowdly place. Given the examples are near the schools, malls, market place, subdivisions and etc. Price Franchisees are given the right to use the franchiser's trademark in franchising.

Then franchisers are providing full support to franchisees in terms of staff training, research and development, advertising and promotion. However, franchisees follow strict standards and run their outlets by the book. So in terms of pricing, franchisees need to abide the rules and regulations in price setting according to the book of rules of the company. If the company changes their price on the products, so will the franchisees be. Overall, the prices in all Jollibee stores are based on the main office of the company.

Promotion

In terms of promotion, the Jollibee foods corporation promotes their products through advertising in TV commercials and radio stations, Sponsorship, tarpaulins, and promo's like tipid cards. If they have new offers in purchasing their product, they made it through personal or suggestive selling. Like their latest offer now the " happy plus card", this card is a reloadable card wherein you can buy their product without paying cash. You can also earn points for rewards. The bigger points you have, the bigger reward you may get. SWOT Strengths of the company 7-Eleven convenience store

Company History The 7-eleven chain of stores started when an ice dock operator in Dallas, Texas began selling bread, milk and eggs to customers on Sundays and evenings-when grocery stores were closed- apart from the ice blocks they bought to keep in their boxes at home. The idea for the convenience store chain began in 1927 at the Southland Ice Company in Dallas, Texas. 7-elevens first outlet was known as tote'm stores because the customers " toted" away their purchases (some even lugged Alaskan totem poles in front The name 7-eleven originated in 1946; when the stores were open from 7a. . to 11 p. m.

It wasn't long before 7-eleven stores were open 24 hours a day and 7 days a week. Company logo Company Trademark 7-eleven is known for its gulp and Slurpee products. It is open 24/7. Capital In getting a franchise of a 7-eleven store, you should have at least a starting capital of 5 million to 10 million, this is only for the name of the company. For the stocks, you should have another million for sustaining the needs of your store in order to meet also the needs of the customers.