

Presentation essay



**ASSIGN
BUSTER**

The focus of this case is choosing the right strategy and a plan of action which will turn the company round. Texan chicken is a chain of restaurants in the fast-food industry. The company used a franchising system for the expansion.

The reason for the success was the quality of the product. When Texan Chicken went public the share price rose by 120% within a week.

Unfortunately the company's share price has fallen recently by over 80%. The demand for their products is decreasing because the competition is very strong but their products are rather expensive.

Moreover, they have expanded too fast and now have too many problems.

Furthermore, quite a lot of customers complain about bad service, dirty restaurants and poor decoration. In order to improve the situation Texan Chicken should:

1. Persuade Eva and Ramona Martinez, the founders, to resign. They don't have any experience in the restaurant industry and their decision and measures may even damage the business.
- 2.

Appoint a new CEO with extensive experience of franchising in the food industry.

It's necessary because the company needs the professional help and management.

3. Do the market research in order to learn if the company will be successful and in demand in Europe and, perhaps, improve profits by expanding there through joint venture.
4. Keep a strict control over outlets.

Work out a system of fines or just recall licenses from franchisees if they don't follow some rules. If there is a bad service, the staff is unfriendly and

everything is dirty the customers will not twice the quality of the product. .
Launch an advertising campaign. From the consumer survey one can see that there is an opportunity for attracting married buyers with children.

This group of customers could bring a lot of profit to a company. 6. If all measures are useless, the takeover could be a way out. It will allow Texan Chicken to continue their activity (but under another brand name) and have more financial resources. If the company follows these recommendations the situation will definitely change.