

Hard rock cafe in london case study

Business



Identify the strategy changes that have taken place at Hard Rock Cafes since its founding in 1971. The Hard Rock Cafe® started off in London (1971), as a cafe® that offered live rock music.

Since its opening, its main strategic change has been the globalization of the brand. Hard Rock Cafe® has a location in about every “hot” or destination cities (cities that are main attractions for tourists). It has expanded from one cafe® in London to “157 faceless in 57 different countries”.

But with the change towards globalization, there were other social factors and issues that come into play. Hard Rock Cafe® has to take into account the political and social factors of the region where they place a location, in order to optimize their chance of success.

Also, they must study the culture of the area as well and be able to learn to adapt to what the people of that area like the most. Each Hard Rock Cafe® location has merchandise and items that are unique to that location. 2.

As Hard Rock cafe® has changed its strategy, how has its responses to some of the 10 decisions of MM changed? Some of the ten decisions of MM include goods and service design, location selection, supply-chain management, and inventory. Goods and service design of the Hard Rock Cafe® are based on location.

Depending on the region, the meal is different; based on the location the food is particularize specifically for that region. The location selections were

at first influenced by tourism. Starting from one cafe© in London, Hard Rock Cafe© expanded to cities with high tourism.

Later on they took lattice and social factors, and economic fluctuations into consideration, and expanded to other cities where tourism wasn't as high, such as Nottingham, England and Birmingham. Supply-chain management is “ the decisions that determine what is to be made and what is to be purchased”. For the Hard Rock Cafe©, the supply-chain managements get complicated, as the new locations are placed further apart from the existing locations.

Inventory decisions in the Hard Rock Cafe© include the selling of merchandise unique to each location other than food. This allows for more revenue to be made. . Where does Hard Rock fit in the four international operations strategies outlined in Figure 2. 9? Explain your answer. The Hard Rock Cafe© fits in the Unmolested Strategy, where It has low cost reduction, and high local responsiveness.

In a Unmolested Strategy, “ authority Is decentralized with substantially autonomy at each business. ” This strategy maximizes the competitive response for the local market. This Is exactly what the Hard Rock Cafe© has done by establishing faceless In over 50 countries, with each action selling merchandise unique to Its region.

With success In the home market, moving the management and process to another market, and not necessarily the same product Is what the Hard Rock Cafe© has done. I personally saw this when I went to the Hard Rock Cafe© In Middlemen, Colombia this past summer. Having been to the New York
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location as well, I noticed differences in not only the menu, but merchandise solo as well.

I en Idea, management, Ana process all stays ten same, but the product changes to adapt to what fits the consumers of the region.