

Restaurant business case study

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The company has admitted that a problem is expanding without sacrificing business going forward. What can be seen as a advantage as well as a disadvantage a relatively new staff. The company wants to acquire more of the market share in the catering business Introit hurting there restaurant business.

There first option would be to move there catering business to a second location opening up more space for the restaurant location, they currently use the catering space at busy times if t is available.

Although a successful business the restaurant needs a larger capacity and the dinner crowd could use fifty more in it's capacity so the move seems like a logical thing. The major problem facing them is the have to move relatively close in not only distance but demographics as well to maintain their customer base. So the major question facing Savors is how far MI people travel and if you increase prices to make this expansion plus will your customer buy into it.

Problem Identification

The current space as it stands is not large enough to handle the current business needs so a session needs to made.

The problem is multifaceted a business decision and a marketing plan that is Nell though out so as not to cause confusion to your current customers and those {o are hoping to attract to a healthy expansion. Another major problem is that the catering business is relatively unknown, and Anna the restaurant and catering manager points out the money derived from this venue Nil be needed to fund the potential expansion.

So in retrospect this part of the business can not be considered as John the general manager likes to refer to it as. The biggest part of this problem is that Savors has to develop a marketing strategy to increase this half of the business. Running head: Savors case study Root Cause If we want to look to root cause it could be taken from the mouth of the general manager that Savors would seem to be a success, this can sometimes lead to complacency.

In reading the case study it would seem to me that this action was long over do, and still a little stagnant.

He also seemed to be a little reluctant with the hiring of the new staff leaders to not discuss expansion until they settled in. The most apparent root cause is that the catering business was relatively unknown to even the most devoted patrons to the restaurant portion of the business, so now its like starting a new business from the ground up.

Strengths

Restaurant business well established Competitive pricing with businesses in their area in an upscale setting. Motivated staff Insaneness Lack of marketing plan for the catering business Relatively new leadership team Inadequate setting they could use fifty additional seats in the dinner crowd and moving the catering to a new building would accomplish this.

Opportunity Expansion of the catering business Move the catering business too new building, between the increased revenue in the tattering and restaurant business would fund the expansion.

Threats Competition – several restaurants in the same demographic area
Expand without excluding current customers Moving the new location to a new demographic area, because the restaurant business is a good selling point for the catering business.

Alternatives The first alternative is always the same, they could nothing and hope to grow the business by sheer luck. Now that we have decided this is not the best approach we could contract and independent on prices in the same demographics not just in Omaha but throughout similar areas f Nebraska.

In most case this problem can not be discovered internally, it is best ascertained by an unconnected third party. Even though they seem to have a somewhat successful market plan and alternative would be third part intervention and impose a market-development strategy especially for the catering portion of the business. The alternative comes back to the opening sentence of this paragraph do nothing.

Suggestions My first suggestion would be to be to go forward with the expansion but keep to the current plan of staying in the same area of affluent section of Omaha. The continued