

# Burger machine essay sample

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Burger Machine is a local burger stall business that has been present in the Filipino market since 1980. They were the first to establish a 24/7 business idea and was named the “ the burger that never sleeps”. Burger Machine currently ranks 4th in the Philippine Market with the most number of stalls with 804 stalls. Aside from their wide reach in the Philippine market, they are also known for the taste and quality of their food. Which the Filipino`s look for – an opportunity for market growth. Burger Machine aims to increase their sales by at least 20%. Burger Machine plans to achieve this by increasing some more its distribution channel and value-based pricing.

#### THE COMPANY BACKGROUND

In 1981, Ms. Fe Esperanza S. Rodriguez and her sister came up with an idea of converting mini buses into selling vans patterned after mobile food vans in the United States. Her family’s liking of burgers gave her the idea of conceptualizing a unique way of serving burger sandwiches to people in the most economic, fast, and convenient way. On January 11, 1981, two van type outlets were opened in the Rodriguez gasoline stations located along Aurora Blvd. and EDSA corner Julia Vargas. Burger Machine started with an initial capital of P40, 000 and with 20 people working in shifts for 24 hours daily. Burger Machine’s schedules mark the company as “ The burger that never sleeps.” In 1982, its third outlet opened. The business was an instant hit. The owners attributed it to the restaurant-quality food at street-level prices and the popularity of hamburgers to Filipinos. It was Burger Machine who introduced the first “ cheesedogs.”

It started when a regular customer ordered a slice of cheese to his order of regular hotdog. Likewise in 1981, the familiar dwarf you see in every Burger

Machine van was introduced to the public. It was only in 1988 when he was finally given a name in a contest, BURGER BART. Graphic designer/visual communicator Zeus Parades coined the name “BURGER MACHINE” and designed the original logo and graphics on the mobile stores. In 1990, the Corporate Office in EDSA started and was called EDSA Business Unit. It was also in this year when the Food and Nutrition Research Institute of the Department of Science and Technology confirmed our burgers as “source of the most nutrients in terms of peso value compared to other leading hamburger chains.” With the growing outlets nationwide and 175, 296 hours of round the clock service to the public, the “burger that never sleeps” continues to grow by leaps and bounds.

#### INDUSTRY ANALYSIS

The food industry, especially fast-food or Quick Service Restaurants, is thriving. The food industry is largely controlled by Quick Service Restaurants, which are responsible for 72.8 percent of the whole industry revenues. McDonald's is the industry leader, with revenues that is more than double the next on the list. These restaurants have concentrated on low prices and quick service to get customers in the door. Also, they market heavily towards children and families as a fun, safe place to eat. The fast food industry has common trends among the big players: toys for kids, playgrounds, low prices or value menu. More recently restaurants have begun to offer healthier choices on the menus. Entering the 'health food' markets was risky but has been paying off for these restaurants. Another trend among the industry leaders is consistency of the products that you buy. Every location of that restaurant will have the same core menus, which can become monotonous.

Fast food retains its position as the largest and the fastest-growing category in the Philippine consumer foodservice industry. During 2012, this category reported total foodservice revenue of P121. 9 billion, taking 30% of total value sales in consumer foodservice. Growth in terms of outlets, transactions and value sales remains vibrant. Outlet openings have been supported by the increasing number of shopping centre's and small community supermarkets in Metro Manila and key cities nationwide. Outlet growth was estimated to be at 8% in 2012 while transactions and value sales ballooned by 9% and 11% respectively. The Birth of the Burger

In the early 1200s, the Mongol army placed slabs of lamb and mutton under their horse saddles as they rode into battle. After the meat was tenderized by the saddle and the back of the horse, they would consume it raw, as if it were an uncooked beef patty. This strange but practical method eventually developed into the creation of modern ground beef. Now that you've got ground beef, you know what has to come next: the hamburger. Some believe that the hamburger came from a meatball stand owner who flattened his meatballs between two slices of bread. He then called his new on-the-go creation " Charlie's Hamburgers." Others believe that the hamburger originated from a hot dog vendor who decided to substitute their hot dogs for beef, naming this invention the " hamburger" after their location, Hamburg, New York.

On the other hand, Texans believe that the burger was a reincarnation of the breakfast patty - a beef sandwich squeezed between two slices of French toast and garnished with glazed onions. Although all of these instances have hit hamburger history, it is still uncertain which one of them is the true story <https://assignbuster.com/burger-machine-essay-sample/>

behind the birth of the hamburger. However, no matter how you slice it, the hamburger industry nowadays is nothing like as it was before. Hamburger franchises have spread their ways across the nation and continue to find innovative ways to turn their customers into loyal burger-fanatics. No meatballs and hot dogs here, folks! The hamburger industry is beefin' up for good.

### The Burger Industry

The growth of burger-menu restaurants continues to outpace the overall restaurant industry's expansion. According to The NPD Group's most recent restaurant census, the total number of restaurants rose just 0.5% in the past year. Limited-service burger restaurants, however, increased at twice that rate at a full 1.0% and the number of non-chain independent burger joints grew 3%. Overall, independents continue to outnumber chain restaurants, but the gap continues to slowly narrow as independent restaurants close. As of spring 2013, there were 617,505 restaurants, of which 280,336 or slightly more than 45% were chain units. Independent restaurants declined almost imperceptibly (-0.2%) to 337,169, a net decline of 536 locations. Chains gained 3,045 locations. Quick-service restaurants (no table-side ordering) accounted for 328,162 units or roughly 53% of NPD's total restaurant count. That represented a 1% increase. The number of full-service restaurants (including family-dining, casual-dining and fine-dining restaurants) was flat at 289,343.

While the overall restaurant industry was eking out a 0.5% gain, burger restaurants continued to grow at a faster rate. The number of quick-service burger restaurants rose 1% to 50,665, according to supplemental data <https://assignbuster.com/burger-machine-essay-sample/>

supplied by The NPD Group to BurgerBusiness. com. Burger-menu restaurants

account for 15. 4% of all QSR locations. Chain locations still greatly outnumber independents in the burger sector. NPD's spring census counted 44, 809 chain units and 5, 856 independent burger joints. But while the number of chain locations increased by 1% in the past year, independent burger joints increased 3% to 5, 856 (see chart). NPD's CREST tracking service finds that the total number of restaurant customers showed no growth over the past year. It counts 61 billion restaurant visits during the 12-month period ended this spring. That's a decline of 1. 73 billion annual visits compared with the year ended May 2009.

## MARKET ANALYSIS

Burger Machine possesses good information about the market and knows what the market needs and wants. We were the first one to establish a 24/7 burger machine and was nicknamed as " the burger that never sleeps". Even with the marketing strategy of the competitors like " buy one take one" we didn't get into it because we believe that quality is what the market wants.

### Market Profiling

I. Figure 1. 1 Respondent's Profile in terms of Gender Table 1. 1

Female got the highest percentage 67% and the Male got 32%. This insinuate that the female are occurring often buyers of burger. It means that the male are most likely heavy food such as rice to fulfill their starving.

Figure 1. 2 Respondent's Profile in terms of Age

## Table 1. 2

The first ranking is 5-15 years old got the 4% they were the students. The second ranking got the 56% the most number of respondent are belongs to 16-26 years old this are student or employee and the few number of respondent belongs 49 above this are employee or retired employee. And the remaining customer's age ranking is also considering customers. This implies that the employees are customer buyer of burger. Figure 1. 3

Respondent of profile by monthly income Table 1. 3 Base in our survey P 0-4, 000 got the 34% student respondent. We all knew that the few of the student is no working them focusing their study. Second P 4, 001- 8, 000 got the 40% under employed respondent & the other result got the few number of respondent is employed. Figure 1. 4 Respondent profile by which brand preferred to buy

## Table 1. 4

The highest brand prefers by the customer is Jollibee got the 30% number of respondent. Jollibee is the one of the most leading fast food chain in the Philippines. Burger Machine got 17% number of respondent. Burger machine more than a decade's serving in the Philippines but it is not almost popular in the mind of the customer. And the lowest is Scott Burger got 3% number of respondent. Figure 1. 5 Respondent profile in terms of Frequency of Purchase II. Table 2. 0 Respondent profile by summary of weighted mean in terms of marketing mix Description

3. 25 - 4. 00 = Strongly Agree

2. 50 - 3. 24 = Agree

1. 75 - 2. 49 = Disagree

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1. 00 - 1. 74 = Strongly Disagree

Table 2. 0 shows the summary of weighted mean in terms of marketing mix. Product got 2. 44 weighted mean with 3. 00 on its first attribute, 3. 46 on second, 3. 14 on third, and 3. 14 on the fourth. Price got 3. 32 weighted mean with 3. 26 on its first attribute. 3. 42 on second, and 3. 18 on its third attribute. Place got 3. 35 weighted mean with 3. 42 on its first attribute, 3. 16 on second, 3. 18 on third, and 3. 40 on its fourth. People got 3. 27 weighted mean with 3. 22 on its first attribute, 3. 22 on second, 3. 24 on third and 3. 24 on fourth. Promotion got 3. 16 weighted mean with 2. 9 on its first attribute, 2. 56 on second, 2. 74 on third, 2. 62 on third, 2. 58 on fourth and 3. 06 on fifth.

Overall total of Marketing Mix is 3. 30 that lands on strongly agree category.

Analysis: The table shows that the company has its quality as what the customer is expecting to them it also shows the price of their product is reasonable and affordable to its target customers. Promotions are effective. People specifically crews and managers are performing well and so, the store got the highest satisfactory level in terms of its marketing mix. Table 2. 1

Summary of Weighted Mean in all Categories

Description

3. 25 - 4. 00 = Strongly Agree

2. 50 - 3. 24 = Agree

1. 75 - 2. 49 = Disagree

1. 00 - 1. 74 = Strongly Disagree



Table 2. 1 shows the summary of weighted mean in all Category. Product got 2. 44 weighted mean. Price got 3. 32. Place got 3. 35. People got 3. 27. Promotion got 3. 16. Overall weighted mean is 3. 33. Analysis: It shows that Burger Machine is doing well in all aspects. Customers are satisfied with what they offer, serve, and treat people. But of course, those categories that fall to agree must be improved.

Market Needs: Quick Food Service - We are living in a fast-paced world and everybody seeks for a food source which can provide them with a quick, but substantial meal. Cheap Food Alternatives - Prices are going up each year; from gas prices to other necessities. People nowadays are thriftier when it comes to buying food. They often times have daily budgets, in order for them to go about their business without a fuss. Thus, it leads to the market to prefer food stalls, which are heavy in the stomach, but light in the pocket as well. Market Trend: Buy-one-take-one - People nowadays seek to find the most bang-for-the-buck food alternative, and promos just like buy-one-take-one have been a necessity, most especially for lower market segments.

Market Description Table 2. 2

Targeted Segments

Consumer Need

Corresponding Features and Benefits

Middle Class

Those burgers that range from P39 to P55

Large in size, more patty, coleslaw and special sauces.

Lower Middle Class

Those burgers that range from P37 to P38

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Medium in size, patty, coleslaw and sauces.

Lower Class

Burger that range from P27 below

Small in size, patty, and sauces.

Market Segmentation

Target Market

Our marketing efforts will focus on the following groups of people: The Philippines, is 12% Class ABC, 49% D and 39% E .

Class A - Upper Class - executives, presidents, CEOs (> P100, 000 / month)

Class B - Upper Middle Class - professionals (P50, 000-100, 000 / month)

Class C - Middle Class -white-collar jobs (P15, 000-50, 000/month) Class D-

Lower Middle Class - blue-collar/clerical jobs (P8, 000-15, 000/month) Class E

- Lower Class - living below the poverty line (