

# Panera bread company



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BUSTER**

Successful growth of Panera Bread Company was contributed by their good management of the company, Good marketing strategies, and committed workers. One of the principles which enabled the company to grow was merging with St. Louise bread unit which made it to increase its sales drastically. Another thing that enabled the company to expand was expansion Ali Bon pain and Panera bread chains. Later it brought Ali Bon pain cafes which consequently increased their sales. By use of SWOT as one of the analytical methods, Panera Bread Company has a number of strengths that have enabled it to expand from 1981 till today.

Some of the strengths experienced by Panera Bread Company includes: Ability to open many bakeries and cafes which increasingly raised its sales drastically within a short period. Panera Bread Company had well experienced workers who knew how to organize its menu properly in order to attract more customers. Also the quality of food that was produced by these workers ensured that it meets the customer's needs and therefore more customers were attracted to dine at their cafes.

The company had set their prices at a very affordable rate which made all who wanted to access their product to do with a lot of ease since their sales targets both urban and rural dwellers. The management of Panera Bread Company was quite strong. They seized every growth opportunity which could increase their sales. Also, they could try to locate their cafes in those areas which are highly populated in order to capture more customers for their products. Due to these good management skills it's believed that by 2010 the company will be one of the world's major producers of bread and other bakery products in the world.

Panera Bread Company has well trained bakers who carried out every process of production until the products are produced in good order. These products were designed to target customers through the company's bakery expertise. The company ensured that their menus were regularly revised and reviewed to sustain the interest of customers. New menus were regularly introduced by developing them in the kitchen and consequently selling them in limited number of cafes in order to examine the response of customers.

If the menu is pleasing a number of customers it's introduced in all their cafes. Panera Bread Company introduced catering services to meet the growing demand of their customers in schools, parties and workplace their products sold well which consequently increased their sales. The company made great effort in marketing their products. They had great competition based mainly on attracting customers based on their fair prices. During marketing they also ensured that customers viewed dining at Panera as good value.

The company used extensive research methods to establish the customer's preference concerning food and beverages and price points. Generally, marketing by company played a very small role in marketing bread since the biggest part was played by customers through positive talks about Panera products. Management initiated opening of Franchise operations which they believed that it could boost the growth and the sales of the company. Panera Bread selected good sites and environment of their cafes which were basically situated in sub-urban areas.

Provision of good sites and environment attracted more customers since they could meet to relax or have meetings which boosted their sales.

General competition of Panera Bread Company was quite health since they competed with restaurants which couldn't meet their standards, had high prices and their services were generally poor. Therefore, in competing for market, they performed quite well. The main weakness of Panera Bread bakery was based on their marketing strategies they used since they did not meet the target of many customers.

There products thrived due to their good quality since their strategies for marketing were not that reliable. The company had quite a number of opportunities which it could exercise for it to develop. Some of them include merging with other companies which seemed to be a threat to their operations and sales. Also it had great opportunity of opening more branches because of its increased income and the growing number of its customers. Another opportunity seized in this company is their ability to lower diverse products for sale.

The biggest threat that the company face is based on marketing since the management has not invented better ways to convince more customers on availability of their products but they rely on customer's confidence of their products. The main problem of Panera Bread Company has poor marketing strategies which are brought forth by instability of national advertising funds since they kept changing. Also the means invented by company or advertising were poor and needed to be revised. The company managed to overcome this problem by raising money for National advertising.

Necessary action which need to be taken to overcome these marketing problems are inventing better advertising and marketing strategies for their products in order to create more awareness of their products to the customers. Sera Lee Corporation The main management issue of Sera Lee Company was for it to transform the company into a more formed food and beverage and household product company. The buying of companies such as Sprague, Warner and company made Sera Lee sales to increase drastically. Also, by engaging in stock exchange trade affairs, the company's financial status increased a great deal.

The company's shares were trading in New York stock exchange. The change of its name from sera lee to consolidated food cooperation showed its diversified ways in processing, packaging and distribution of its food products. Acquiring kitchen for sera lee and entering the retail food business when it acquired piggy wiggly supermarket also enabled diversity of its sales (Graham, 2003). The newly elected CEO of sera lee company had to do some retrenchment initiatives to eliminate some of the businesses which were seen as non strategic. Analysis of how the retrenchment process could be carried on was based on key financial ratio.

The first business to be sold was valued at \$450 million which sold a variety of house hold products. This business was sold to Tupper Ware Corporation for \$557 million cash. Another business which was consequently sold was United State retail coffee which traded in food and beverages products valued at \$213 million. This business was sold to Italy based segafredo Zanetti group for \$82. 5 million which indicated that the business was sold at

a great loss. European apparel business made great sales, like in 2005 it had sales amounting to 1.2 billion.

This European apparel business had a branch portion of its business, the courtaulds business, which at the same year had made sales of about \$560 million and promised other payments following the performance of company. The following year another portion of sera lee courtaulds was sold to PD enterprise at \$120 million which was selling mostly clothes. Another business which was sold was European Nuts and Snacks which had annual income of about \$88 million which marketed products under Duyris brand. This business was sold at approximately \$150 million.

US meat snacks was a very small portion which made sales ranging from \$25-\$33 million this business was eventually sold at \$9million which indicated a total loss to the company. European meats made sales of about \$1.1million but it had a great number of employees which amounted to 4,500 people this company was sold at \$575 million. After the completion of retrenchment strategy, sera lee initiated post retrenchment strategies which were aimed at reutilizing sales and boosting profitability. They aimed at increasing sales from 2-4% to reach \$14 billion by 2010.

The company wanted to lay its focus on consumer and customer need and good operating strategies. Company believed that by initiating of competitive price, coming up with new products and new brand would boost their market The remaining business boosted the profit of the company. For example, sera lee food and beverage division made sales of \$9.16 billion which contributed to 19.6 percent share of the north America retail meat

sales in 2006 In North America, retail meat sales improved by 5% which consequently increased operating income to 36%.

North America retail bakery was also expected to greatly increase the profits of the company. Its sales increased from \$91 million in 2003 to \$697 million in 2006. Another business which remained was sera lee food service. This service marketed and sold produce to consumers in North America. They expected the sales to grow from \$476 billion in 2006 to \$522 billion in 2010. Different produce contributed to a certain percentage in the growth of company. Sera lee had international brands. The management team of this business had focused on improving marketing and sales strategies.

The business makes approximately sales of about 4. 9 billion in some regions like west America. International beverages business increased its sales like coffee which attained sales of about 24. 5 billion in 2006. There great sales consequently increased the company's net profit. International bakery accounted for 25% of market. It made a sale of about \$4billion which makes 25% of total industry sales by 2015. Household care was another business which was not sold by sera lee.

It deals with products like Kiwi which made great sales of about \$1. billion in 2006, Sunnex made \$800 million, Insecticide brands contributed \$205 million of unit revenue in 2006, and ambi pur earned \$335 million. Management of sera lee did a wise did in retrenching those business which didn't perform well in market. This is because the money gained from their sales greatly boosted the other remaining companies which made them to reach great sales. For sera lee company to attain significant sales, the company should

improve new products, marketing program, increase store promotions and improve product placement.