# Good example of essay on buffalo wild wings: situational analysis

Business, Company



# **Background**

Buffalo Wild Wings (BWW) is a well-known restaurant chain in the U. S. that was founded in 1982 by Jim Disbrow and Scott Lowery (Whitfield, 2012). Located in 47 US states, BWW has more than 800 outlets, more than half of which are franchising (Stern, 2012). In 2010 the company opened its subsidiary in Canada. Total company's assets have approximately \$500 mln (Stern, 2012). BWW restaurants specialize in chicken wings under unique sauces. The outlets also have sport bars with large menus including various salads, burgers and appetizers. For the visitors, in the restaurants big TV screens have been installed to allow everyone watch popular sports (Stern, 2012). Actually, Buffalo Wild Wings restaurants are known for their relaxing atmosphere, excellent reputation, where people come with great pleasure spending their free time with their families and friends.

BWW restaurants work to satisfy their customers and their attitude to the clients is reflected in their mission (Buffalo Wild Wings Marketing Plan, n. d.): "WOW people every day". BWW's corporate everyday activities that include four major steps aim at achieving their mission.

The first step is guest-driven. To provide their guests with the great amount of satisfaction focusing on excellent service, food of the highest quality, enjoyable time the restaurant tries to "WOW their guests every day" (Buffalo Wild Wings Marketing Plan, n. d.). The second step to achieve the corporate mission is focus on team. Employees united in a team are provided with respect, positive attitude, equal rights and opportunities that are expected to be shared with every guest. The third step to accomplish the corporate mission is community connected. The restaurant aims to "WOW

https://assignbuster.com/good-example-of-essay-on-buffalo-wild-wings-situational-analysis/

the communities", in which it operates and practices its business and help improve these communities (Buffalo Wild Wings Marketing Plan, n. d.). The fourth step is about the dedication to excellence. The restaurant commits itself to franchisees and stakeholders providing superior financial results and sustainable performance and development. Thus, the corporate mission, expressed in four major steps, helps better realize the company and its values.

# **Industry Analysis**

The industry is made up of full service restaurants, which provide take out and entertainment services along with food services (Southward, 2013). Industry nature is extremely competitive, in the framework of which BWW is constantly increasing and improving its brand image, recognition and loyalty. The actual major industry concerns are raise in food and labor costs that force the restaurant chains to increase prices for meals.

In the recent years, BWW restaurants are affected by the economic downfall (Southward, 2013). People refuse from eating out, restaurants, in their turn, are creating new techniques and solutions to draw more guests. BWW is undertaking various steps to fight the economic crisis. For instance, twice a week they serve special offers two types of chicken wings: traditional and boneless ones. This offer has the price equivalent to a half of the full price. This tool is the most effective marketing step in attracting more clients. The company is also utilizing such measures as distribution of coupons with \$5 discount or a coupon for 6 free wings in BWW (Buffalo Wild Wings Marketing Plan, n. d.). Additionally, to entertain their guests and make their visit to the

restaurant more enjoyable BWW is using modern technologies. It offers several TVs that allow guests to play trivia or poker via Buzztimer play boards in addition to TVs meant for watching sports (Buffalo Wild Wings Marketing Plan, n. d.). This is one of the company's greatest feature and advantage over the main competitors, as it really enjoys their guests. For instance, a guest can enjoy wings, watches their favorite sports or play poker at once. BWW has also introduced Buzztimer application on Androids and iPhones that is demanded by guests (Buffalo Wild Wings Marketing Plan, n. d.).

# **Main Competitors**

BWW restaurant chain has two main competitors: Hooters, which has the similar menu and focuses on chicken wings, and Doghouse Grill, which is situated close to BWW and attracts the same clients (Buffalo Wild Wings Marketing Plan, n. d.). BWW's competitors also provide TVs for watching sports. Detailed competitive grid for BWW and its competitors is presented in Table 1.

Thus, Hooters offers greater variety of dishes (burgers, salads, seafood, soups, chili and sandwiches), while BWW has rather limited offers.

**SWOT Analysis** 

# Strengths:

- National restaurant chain with more than 800 outlets
- Experienced management team that supports the sustainable growth of the company

- Flexible service model
- Moderate prices
- Strong financial position
- Unique meals and sauces
- National brand recognition and loyalty
- Innovation

### Weaknesses:

- High concentration of outlets in some regions (for instance, on Ohio and Midwest). Regional recession may be disastrous for the company
- Great reliance on chicken wings sales that bring more than 20 percent of non-alcoholic sales (Whitfield, 2012)

# **Opportunities:**

- Services and meals extension
- International Expansion

### Threats:

- Economic crisis
- Inconstancy of prices for chicken wings
- Strong competition in industry

# **Conclusion and Recommendations**

Buffalo Wild Wings operates in a tense competitive environment under conditions of economic recession. The restaurant chain is rather profitable and successful and it enjoys a great degree of popularity among sports fans owing to sports TVs located in their outlets, tasty chicken wings and variety

https://assignbuster.com/good-example-of-essay-on-buffalo-wild-wings-situational-analysis/

of beers. However, to stay competitive and to extract substantial profits,

Buffalo Wild Wings should introduce the following measures:

- Attract more guests BWW should extend its menu to satisfy customers, who don't like wings but prefer, for instance, seafood or soups. This step may attract more guests to BWW restaurants.
- Put chili into their menu and consequently to provide one more joyful option for sports fans.
- Take advantage of their strengths (signature sauces, wings and sports TVs) to be even more competitive, i. e. explain their guests why Buffalo Wild Wings are the best.
- Apply social media to advertise local outlets meals and events.
- Expand sponsoring practices in order to attract new guests and sports fans.
- Offer more surveys to their customers and introduce human observation that may help better understand their guests' needs and expectations.
- Search for new target markets that could be profitable.

## References

Buffalo wild wings. (2010). Investor's Business Daily. Retrieved June 15, 2014, from http://www.metrostate.edu/

Buffalo Wild Wings Charges Past 1, 000(TH) Restaurant Milestone. (2014).

The Wall Street Journal. Retrieved June 15, 2014, from http://www.

metrostate. edu/

Buffalo Wild Wings Marketing Plan. (n. d.). Retrieved June 15, 2014, from http://meganhamik. files. wordpress. com/

Southward, B. (2013). The crowd goes wild for Buffalo Wild Wings.

FortuneMagazine. Retrieved June 14, 2014, from http://www. metrostate.

edu/

Stern, G. M. (2012). How buffalo wild wings nets every flavor of fan chicken chain caters to more than the sports guy. Investor's Business Daily.

Retrieved June 15, 2014, from http://www. metrostate. edu/

Whitfield, P. (2012). Buffalo wild wings: A steady profit story. Investor's Business Daily. Retrieved June 15, 2014, from http://www. metrostate. edu/