

Essay on five guys ltd case study

[Business](#), [Company](#)



Analysis of the company's present position

The company appears to be in a very healthy state both financially and as regards turnover. Founded in 2002 in Virginia, it has expanded considerably since then opening a vast number of outlets across the whole of the United States. The success of Five Guys Ltd principally relies on word of mouth as it does not advertise or have a proper marketing strategy however this has not deterred it from being a huge success on all counts. Potentially, the company is running at almost full capacity although there is always room for some expansion.

Relevant marketing theories or concepts highlighted

The company uses direct marketing as its main outlet, with social media marketing through sites such as Facebook being very important. In fact it is stated that Five Guys Ltd has over 60, 000 fans on Facebook which is an ideal tool for direct marketing. The direct approach is used here with very little advertising strategy other than word of mouth which seems to be very successful for the company as it has managed to increase its business substantially notwithstanding some bad publicity on the quality of the company's fries. The emphasis on direct marketing is consistent throughout the company's philosophy and it is also important to note that they have had considerable success in this regard.

What did you learn from the case?

Five Guys Ltd is a company which has grown incredibly from very humble beginnings and there is much to learn from the whole case. Principally, I learnt that the whole strategy used is based on sheer perseverance and

other forms of direct marketing which have been extremely successful in the long run. The company has grown from strength to strength also based on the simplicity of its concepts that is providing fresh quality food for its improving clientele and also decorating its outlets in the simplest manner possible. It is intriguing to note that the company works more by word of mouth and does not react to negative publicity which is countered by the good name which Five Guys has amongst its faithful clientele. The shrewd use of celebrity visits boosts the company's image substantially such as when President Barrack Obama came to one of the outlets. This strategy teaches you that occasionally, elaborate marketing theories and strategies are not really worth the effort. Five Guys Ltd is definitely a success story without the traditional marketing strategy employed by other companies.

If you owned the company, what would your marketing strategy be for the next five years; justify?

Five Guys Ltd seems to be doing well with its current marketing strategy which is based on two basic concepts; direct marketing through word of mouth and social networking. I would not change much of this strategy as it has proved to be outstandingly successful on all counts and has brought about incredible success for the company. Perhaps I would attempt to address some of the health concerns mooted in the study with an advertising campaign on the quality of the Five Guys Food and would conduct more interviews with media explaining company policy and moral obligations (Ferrel, Hartline 2010). This could increase sales and boost the company's profile all over the US and potentially also increase the customer base.

References:

Ferrel, Hartline (2010), Marketing Strategy, South Western College
Publications

Smith S (2004); Fundamentals of Marketing Research; Sage Publications