

Levendary case study

Business



Levendary Case Study al Affiliation: Levendary Case Study Question The entry of Legendary Café was not based on strategy but on the pressure to improve the growth of the business which was recording reduced growth in the US market. This can be ascertained by the fact that there were no outlined procedures that were provided to Chen while establishing the subsidiaries in different Chinese cities. Therefore, Chen went out of his way to look for different designs that met the interests of the target market. This enabled the Legendary Cafés in China to make profits which supported struggling firm in US market. Therefore, the entry process was not organized, an aspect that made it hard for the restaurant to establish its designs and menu in the market (Bartlet & Han, 2011).

Question 2

Foster should slowly establish Legendary Café without interfering with the operations. This is to ensure that the loyal customers who are accustomed to the old designs are retained. However, the restaurant should first conduct a market research and establish the perception or feeling of the target market towards the proposed changed. This is to ensure that they are not affected, an aspect that can make them to shift their focus towards the competitors (Bartlet & Han, 2011).

Mia Foster should give Chen the freedom to run the Chinese outlets.

However, she should inform Chen that he must abide to the rules and regulations that have been set by the headquarters (Bartlet & Han, 2011).

Therefore, even when he is making critical decisions, he should consider the overall goals of the whole restaurant. This is to ensure that the intervention does not affect Chen momentum in the Chinese market while also the goals of the restaurant in this market are being achieved.

The headquarters should decentralize its authority and provides managers of subsidiaries with opportunity to make independent decision depending on the conditions in the market. This is to enable the restaurants serve the interests of the target market which are unique.

References

Bartlet, C., & Han, A. (2011). Levendary Café: The China Challenge. Harvard Business Publishing, 4357, 1-13.