

The market strategy of chuck e cheese



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CEC Entertainment, Inc. participates in the food and entertainment industry, as it sells fast food and provides places for family to stay and play together. The food and entertainment industry has been facing challenges. The industry is in a decline. This is because people may be enjoying cooking at home or other ways, which is a cheaper choice. Also, competitors are everywhere, ranging from delicatessens and other pizzerias to fine-dining restaurants. For example, Papa John's international, Inc. and California Pizza Kitchen, Inc. To get more income, the CEC Entertainment, Inc. needs to unit expansion, improve same-store sales and cut cost. (Web: Food & Entertainment Complexes US Industry report: [http://www. ibisworld.com/industry/default. aspx? indid= 1647 04-16-2011](http://www.ibisworld.com/industry/default.aspx?indid=164704-16-2011))

CEC Entertainment, Inc. develops, operates, and franchise family food and entertainment centers under the name Chuck E Cheese's. The Chuck E Cheese's key products are appetizers, pizzas, salads, sandwiches, beverages and desserts. Their main service includes musical entertainment, arcade games, family oriented games and video games. These products and services appeal to family to enjoy themselves. The Chuck E Cheese also gives children who have wonderful performance prizes during games. The company prepares games, prizes, rides, food and entertainment which are suitable for children whose ages range from toddlers to big kids. These things can meet children's needs both in physics and spirits. Besides children, Chuck E Cheese also satisfies family by delicious pizzas and other food. Family has found an ideal place to have fun and improve relationships through birthday party, play games and school fundraising events. Chuck E Cheese emphasizes that everyone needs to have a place to stay away from

life and work pressure and Chuck E Cheese is the appropriate place. Kids and family can laugh and play in the harmony environment. (Web: Annual Report www.annualreports.com/partners/Report/21797www.annualreports.com/partners/Report/21797 04-16-2011).

For Chuck E Cheese, Papa John's international, Inc. and California Pizza Kitchen, Inc. are major competitors. Chuck E Cheese opens 545 stores in the USA and six foreign countries. The number of stores is much more than California Pizza Kitchen, Inc. which has 266 stores in the USA and eleven foreign countries. Chuck E Cheese celebrates its found and success in the food and entertainment industry for 30 years in 2007 while California Pizza Kitchen, Inc. operates 25 years' history. Compared to Chuck E Cheese, Inc. and California Pizza Kitchen, Inc., Papa John's international, Inc. operates much better. Papa John's has been operating well since 1984. Nowadays, there are over 3500 restaurants in all 50 states in the USA and 29 foreign countries. Because of its insistence of its promise " Better ingredients, Better pizza", Papa John's is acknowledged as the leader of selling pizzas. Chuck E Cheese and California Pizza Kitchen have lagged behind. During 2006 to 2008, Chuck E Cheese opened 29 new stores. Because of the measure, Chuck E Cheese gets more than \$2 million. Chuck E Cheese sets mind on international growth. Chuck E Cheese has planned to open 34 Chuck E Cheese's. CPK also has arrangements for 2011. CPK wants to keep opening new stores nationwide to expand markets. Papa John's will not stop trying to do their best no matter how good they are. Papa John's still wants to improve its position in the industry by opening new stores. (Web: Management opportunities: <http://tbe.taleo.net/NA4/ats/careers/requisition.jsp?org=>

CPK&cws= 1&rid= 1387; Web: Papa John's International: <http://www.papajohns.com/about/index.shtm>; Web

: About Chuck E Cheese <http://www.chuckecheese.com/> 04-16-2011)

Facing difficulties from challenging industry and competitors, Chuck E Cheese's will try to test local TV in southern California markets so that it can promote brand new games. The company will also develop advertisements through online, newspaper and TV which can appeal to kids and family. Chuck E Cheese's hopes that families can be encouraged to spend more time together and put life values in mind. Chuck E Cheese's will e-mail update news to three million e-club members to promote popularity. Moreover, Chuck E Cheese's announces that it will not increase its games and rides' price which is the same as 32 years ago to show its determination to provide fun and good environment. Chuck E Cheese's also pays much attention to its products and services which will be checked in order to meet consumers' needs. Chuck E Cheese's believes that it will overcome competitions by its principle, quality of food, service, entertainment offerings and new stores. CPK clings to its R. O. C. K. everyday (Respect, Opportunity, Commitment, and Kindness. To respect people at every level. To continue to expand opportunities for career growth. It is vital to have open, two-way communication to any company's success. " A little kindness goes a long way" indicates why CPK has one of the highest employee-retention rates in Th industry.) Also, there are four keys to success that make it beat competitors easily. At Papa John's, it determines to do all things excellent so that consumers will have satisfaction all the time. Papa is short for People Are Priority Always. Papa John's success is attributed to its ability and <https://assignbuster.com/the-market-strategy-of-chuck-e-cheese/>

teamwork spirit. Papa John's takes its attitude towards consumers seriously. Papa John's believes that its authentic quality products, services and community service will make it better so that it can win in the competition. (Web: Annual Reports: www.annualreports.com/partners/Report/21797; Web: Management Opportunities: <http://tbe.taleo.net/NA4/ats/careers/requisition.jsp?org=CPK&cws=1&rid=1387>; Papa John's international: <http://www.papajohns.com/about/index.shtm> 04-16-2011)

In order to market products, Chuck E Cheese opens national and international restaurants. Through opening new stores it can promote its popularity. Chuck E Cheese's always presents great food which will not let consumers feel disappointed. What are secrets? Chuck E Cheese's pizzas use freshest and best ingredients so that it can promise that pizzas are delicious. Chuck E Cheese keeps using 100% real cheese, special sauce and the best topping to promise good quality. Besides pizzas, Chuck E Cheese provides fresh salad and snacks to meet consumers' different appetite. Chuck E Cheese also provides package service which can satisfy people in many locations to have more income and market services. Chuck E Cheese does much commitment to society and communities. Chuck E Cheese launches "Healthy hands are clean hands" programs. Chuck E Cheese sets school fundraising. Chuck E Cheese donates 15% of each bill to school. This program is applied to non-profit public, private pre-school or elementary schools. Chuck E Cheese also sets non-profit fundraising which is used to raise money for children's organizations. Another program is to encourage students to get good grades. Students can get free tokens if their recent

grades report is satisfying. This program reflects that Chuck E Cheese pays attention to the education not just operate stores. (Web: Marketing products: http://www.faq.s.org/sec-filings/100226/CEC-ENTERTAINMENT-INC_10-K/; Web: Annual Reports: <http://www.annualreports.com/HostedData/AnnualReports/PDFArchive/cec2009.pdf> 04-16-2011)

It is significant for Chuck E Cheese to advertise itself. In 2009, Chuck E Cheese's advertisements were appeared in newspapers and online to make more people know the brand. In 2010, Chuck E Cheese tests southern California markets' TV to promote its new games and present new appealing advertisements. The company's website is decorated lovely and colorful which is appropriate to children. The CEO of the company also receives interviews to talk something about the company.

Chuck E Cheese is always being a promising company and it continues getting stronger and better.