

Successful factors of subways business



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With the rapid development of economy and the steady growth of people's living standard, what is playing an increasingly important role in our life? It is no denying that health is one of the most important things. The reason I choose subway for my assignment is subway as a the world's largest submarine sandwich franchise agency, and is also the world's second largest single brand fast-food franchise chain, is devoted to make contributions for all human beings ' healthy.

Nowadays, subway has 33733 restaurants in 92 countries. The story start from 1965, a poor student named Fred DeLuca set out of fulfill his dream of becoming a medical doctor, but he didn't have enough money for his education. Finally, he found a way can help him overcome this plight. One family friend named Dr. Peter Buck suggested he open a submarine sandwich shop of \$1000. Dr. Peter Buck offered to become Fred's business partner. They never know that would change the landscape of the fast food industry. The first store was opened in Bridgeport, Connecticut in August, 1965. then , they opened 32 stores in ten years, Fred soon learned the basics of running a business, as well as the importance of serving a well-made, high quality product, providing excellent customer service, keeping operating costs low and finding great locations. These early lessons continue to serve as the foundation for successful SUBWAY® restaurants around the world.

The first subway restaurant opened in Parnell, Auckland New Zealand in 1995¼the popularity has spread with more than 200 stores nationwide.

Simple operations with no cooking involved, make the subway franchise a great business opportunity. In fact, that many customers have become franchise owners simply because they believe in the product.

Business demographics

Some of the successful factors of Subway's business are outlet as following:

2. 1 Healthy food

SUBWAY provides fresh health and nutrition delicious food. In North America, Advertising “ seven kinds of SUBWAY sandwiches adipose content are less than 6 grams!” can be seen everywhere. SUBWAY has become a global health fast food pronoun.

Subway restaurant food includes:

- *Better for you, nutritious menu items**
- *Flexible food options for multiple day-parts**
- *Gourmet breads, sauces and toppings**
- *Hot subs toasted to perfection**
- *Freshly prepared subs, salads and wraps made to order**

2. 2 Unified standard

Entering the global any one SUBWAY restaurant, you can see a unified design, unified menu, unified service concept, the taste of the global unification, style of pure SUBWAY food. – The secret of success in the characteristic is my lifeline. These SUBWAY ‘ characteristics, let people keep it in mind that sandwich and SUBWAY connected directly.

2. 3 Open wide type service

all staff “ three seconds smile” and “ the three minutes service” rule, let customers receive the most thoughtful and the fastest service. Three seconds services mean that before guests entering the store three seconds, all front officers great with smile. the process between customers order and the

completion time of production does not exceed 3 minutes. All sandwiches are in front of you the site fabrication.

2. 4 Powerful system support

To complete the operation mode of supporting the joining trader products and operation, SUBWAY let its join traders stood on the shoulders of giants and push on to ensure that all customer feeling, the world’s largest submarine sandwich franchise institutions health quality.

SUBWAY in the global development, has advanced white-collar by Europe and the common recognition. People can often get information from SUBWAY company website about which store Michael Jordan went into or Pierre borg bought what kind of sandwich, or even the news that Julia Roberts is that took up residence in SUBWAY headquarters of the side.

Now, SUBWAY has branches all over the china. including Beijing, Shanghai, Guangzhou, Dalian and Hangzhou .

The franchise systems for many fat potpourri tradition fast food provide a more healthful substitutes.

Subway always offer new products for different kinds of people, like children, adults, student, officeworkers, and even the people with some diseases, like hyperlipidemia , diabetes and so on. subway also can fulfill these people' needs. That's the reason why people choose subway , the most interesting thing is that the people named jared losing 245 pounds and staying healthy because subway' healthy food help him and also it's his first commercial in his life, encourage many people change their eating habits . Many people follow and become more healthy than before. You can make a healthy promise in subway' website and subway will help.

Customers are not only becoming more interested in having information about their food and the operation process, but also more confident for their health.

The way for subway to let more people know them:

*Television commercials

*Successful personal lose weight example and some inspired stories

*Brochures, tray mats and leaflets (if condition is available)

*Newspaper advertisements

*Radio

*Good reputation

*Country-specific websites.

Different communication ways can help subway catch every chance for people to know their good quality products.

Organization goals

Subway wants to deepen their connection with customer by offering the healthiest food in the world and the lowest price between fast food markets. Their vision is to be #1 quick Service restaurant chain in the world and their company mission is to delight every customer so that they want to tell their friends, with great value through fresh, delicious made-to-order sandwiches and an exceptional experience.

3. 1 Subway mission statement:

providing the tools and knowledge to allow entrepreneurs to successfully compete in the QSR industry worldwide by consistently offering value to consumers through providing great-tasting food that is good for them and made the way they like it.”

3. 2 Our Core Values and Philosophy

We are committed to customer satisfaction through offering high quality food with exceptional service and good value.

We take great pride in serving each other, our customers and our communities.

We seek continuous improvement in all that we do.

We value a sense of urgency and emphasize an innovative, entrepreneurial approach to business.

We expect fairness and mutual respect in all our activities.

We know our success depends upon the initiative we take individually and our ability to work as a team

That' the reason why subway restaurant chain has been named the NUMBER 1 franchising for 2010. not only for its excellent food, but also perfect service for customers and franchisees.

Organization culture and ethics

Subway has unique idea for their products and special meaning for their business; they already got the key for business by their own culture

4. 1 Subway’ Sustainability efforts can be found in these areas in which they do business:

Distribution

Packaging

Our eco-stores

Subway eco-store in Florida receives lead silver certification

Subway recognized five vendor partners for conservation efforts

4. 2 SUBWAY restaurants ‘ business style – as Diverse as the Communities They Serve

Doctor’s Associates Inc. (DAI), the franchisor of the SUBWAY® restaurant chain, is an Affirmative Action, Equal Opportunity employer. DAI is committed to taking positive steps towards increasing the representation of women and minorities in business and the work force in general. In addition, the members of the SUBWAY® restaurant chain take great pride in the knowledge and understand that the organization and the individuals within it are against any type of discrimination against employees on the basis of race, sex, sexual orientation, gender identity, creed, religion, color or national origin. While the company does not track specific information regarding the race, sex, creed, religion, color or national origin of our franchisees or their employees, the respondents to a voluntary survey of SUBWAY® franchisees have indicated that:

34 percent of SUBWAY® franchisees are women

24 percent of SUBWAY® franchisees are members of minority groups

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10 percent have identified themselves as 62-years or older

nearly 30 percent of franchisees said they employ individuals who are 62-years of age or older and 23 percent of franchisees said that individuals 62-years or older make-up at least 10 percent of their staffs

nearly 80 percent of franchisees indicate that members of minority groups are employed in their restaurants and more than 25 percent of responding franchisees said that members of minority groups make-up between 50 percent to 100 percent of their staffs

98 percent of franchisees report that they have a women employed in their restaurants while more than 78 percent say that women make-up between 50 percent and 100 percent of their employees.

66 percent of respondents said that their SUBWAY® restaurants are “ family-operated” businesses

4.3 Looking Out for the Food Chain

SUBWAY® restaurants have made a commitment to only purchase produce from suppliers that are S. A. F. E.

SAFE (Socially Accountable Farm Employers) was formed in 2005 by the Redlands Christian Migrant Association and the Florida Fruit & Vegetable Association. It is a nonprofit organization that provides transparent and independent auditing and certification of farm labor practices in the agriculture industry. Producers who earn the SAFE seal have demonstrated that they foster a work environment for their employees that is free of intimidation, violence and harassment, and minimizes workplace hazards.

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Growers who are SAFE-certified comply with the strict standards outlined in the organization's Farm Labor Employer Code of Conduct. The code covers general employment practices and specific issues such as forced labor, child labor, discrimination, wages and benefits, employment records, workplace safety and housing.

4. 4 Team SUBWAY Makes Strides against Breast Cancer

Volunteers for Team SUBWAY® joined over 3, 000 walkers at Lighthouse Point Park in New Haven, Connecticut on Sunday, October 24, 2010, to participate in Making Strides Against Breast Cancer, a three-mile walking event for charity, coordinated by the American Cancer Society.

The event was attended by women and men of all ages, raising donations for the ongoing fight against breast cancer. In all, Making Strides Against Breast Cancer raised over US\$180, 000 – and Team SUBWAY® was pleased to help contribute to the cause.

4. 5 Sponsorships

Just another Way to help our Neighbors and Promote Healthy Lifestyles

The SUBWAY® restaurant chain is proud to be a national sponsor of the American Heart Association's Start! Movement, Jump Rope For Heart and Hoops For Heart programs. Last year, representatives of the American Heart Association and Milford, CT, Health Director Dennis McBride joined the HQ staff members at HQ to kick-off the national launch of Start!, the AHA's movement to encourage men and women to walk and live a more active lifestyle. Jump Rope For Heart and Hoops For Heart are national, educational fund-raising programs that engage students in physical activity (jumping

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rope for elementary grades and basketball for secondary grade levels) while raising funds to support lifesaving heart and stroke research.

Helping students in a quest for higher education is the foundation that SUBWAY® was built on – after all young Fred DeLuca started the SUBWAY chain with the sole purpose of financing his college education. The Hispanic Heritage Youth Sports Award honors young Latino leaders with grants for their college education. The Hispanic Youth Sports Award is open to graduating high school seniors who maintain a 3.0 GPA or higher, and is divided into 12 different regions across the country: Dallas, Houston, San Antonio, San Diego, Los Angeles, San Jose/San Francisco Bay Area, Phoenix, Chicago, Miami, New York, Philadelphia/New Jersey, and Washington D. C. Applications can be found in all SUBWAY® locations throughout the above regions.

In Connecticut, the Frederick A. DeLuca Foundation, named for the chain's founder, provides scholarship grants to many of the high schools and community organizations throughout the state.

Being an official sponsor of Little League Baseball is just one way the SUBWAY® restaurant chain joins the fight against childhood obesity. The brand was able to develop the “Triple Play Program” which focuses on making healthier eating choices and community involvement.

As other restaurants and chains struggle to reinvent themselves and their menus by providing a couple of “healthier” options, the SUBWAY® brand has long prided itself on offering a wide array of healthier options to

traditionally fatty fast foods and has been a leader in providing nutritional information to customers.

Management of knowledge resources

It is no doubt that subway is the #1 franchise in fast food industry. It not only plays a leader role in our eating manner, but also plays an important role in our business idea.

Subway' business strategy is one of the best in fast food industry.

The subway ' strategy is to let their business stand in the stage of fast food and also play an important role in this area.

Pay;

Low initial franchise fee, that's the most important factor that subway ' business getting bigger and faster than other brand.

Easy learn

Simple operations with no cooking involved, make the subway franchise a great opportunity

Quality

Products you will be proud to serve. Subway offers customers many great options to eat a fast meal that is good for them.

Healthy

The most competitive factor among fast food industry.

Group dynamics

In my point of view, group dynamics mean two or more people make contributions for one goal together with different skills and experience, it is doesn't matter that people come from different background, we also can work together to achieve one goals.

Personally, I think subway is a best example for group dynamics.

Because subway never leaves franchisee alone and walk with franchisees forever. Before you open , you and your designee or manager will take part in our intensive two-week program. After you open, ongoing support will help you all the time.

The company provides:

- *Access to formulas and operational systems
- *Store design and equipment ordering guidance
- *Training program
- *Operations manual
- *Representative on-site during opening
- *Periodic evaluations and ongoing support
- *Informative publications

The franchisee is responsible for:

- *Initial franchise fee

*Finding locations

*Leasehold improvements and equipment

*Hiring employees and operating restaurants

*Paying 8%royalty to the company and a fee into the advertising fund

With the subway franchise system's outstanding support structure and operational history, it's no surprise that its growth continues to break global records.

An open-minded franchisee and an outstanding support team are the two key factors to bring company profits.

Meeting management

Subway is a franchise company, so headquarter will give you instruction and everything will become easier because everything is the same, there is no doubt that why subway is very easy to open and manage, also get money back quickly,

Anyway, if franchisee has any problem about business or anything else need to fix it, you can contact with headquarter as soon as possible and they will help you in need as soon as possible.

There is a meeting for franchisee and someone interested to exchange experienced named franchising trade show, you can ask questions, taste the food, and see for yourself how simple our reoperations are. Just you need view the list of upcoming trade shows and make plans to attend one in your area to learn more about becoming subway franchise owner.

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What is more, there is a seminar for people to learn more about subway and it's free for people, you just attend an upcoming seminar in your area and you can meet subway restaurant representatives. That's the easy way for people get more information from subway without trouble.

I only know these two meetings in subway when I came to subway company in New Zealand, the reception told me that it is a business secret unless I was a part of subway. So that I can't know the detail about subway daily meeting and other method of meeting.

Stakeholder

No one can buy stock in subway because DAI is a privately held company and is not traded on any stock exchange. Each franchise is individually owned and operated.

To be a franchisee is your best choice if you want to buy stock in subway.

Subway franchisees should possess an entrepreneurial spirit and be committed to building a successful business. That's the challenge for someone wants open their own business.

Subway offer location flexibility and an easy-to run operation built on simplicity and efficiency, so our start-up costs are lower than most restaurants. The initial franchise fee is \$15, 000 and total investment can be low as \$78, 600. you should contact subway because they will make a reasonable plan for you.

The steps to opening subway

Get a FREE Franchise Kit

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Just complete the form, submit and learn more about franchising with
SUBWAY®!

Submit Franchise ApplicationSubmit Franchise Application

For any questions, contact our Franchise Sales department

Review the Disclosure DocumentReview the Disclosure Document

Be sure that your disclosure paperwork contains all the necessary
identification and approvals before submitting an application.

Application Approved! Application Approved!

Sign the Franchise Agreement.

Attend TrainingAttend Training

SUBWAY® trains every new franchisee at our headquarters facility in Milford,
Conn. or at a regional facility near you.

Secure a LocationSecure a Location

You may choose to build a new store or purchase an existing store from
another franchisee.

Build Your StoreBuild Your Store

If you are building a new store or renovating an existing location, the project
will be supported by our Development and Creative Services teams.

Celebrate Grand Opening!

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Networks

Network plays an increasingly important role in modern society, as well as subway.

You can order your meal in three ways in subway: online, text and mobile, it is a symbol of society progress and the ever-accelerated updating of science and technology.

According to the convenience from the internet and mobile, subway created a new way for people to order, if you have a phone and phone touch or a mobile phone purchased within 24 months and it has a color screen, you can order your meal in your mobile for free, just download the application and click which you want, that's it. Also you can use other option which let your mobile contact with subway like text.

Even you can order in subway website online with your company.

That makes business running faster and more efficient.

Regular newsletters-mails and voice-mails DVDs and additional learning tools are also available for franchisee and subway communicate to exchange idea or solve problems or negotiate some business or update facilities or learn new skills.

Subway has a hotline for everyone interested it for free and work 24hours. it is an easy way to exploit ate their business and fine more business chance.

Conclusion

As a conclusion, the different background and different culture are barriers as far as I am concerned.

Subway's franchisees come from different countries, naturally, the culture between franchisee and subway also differ a lot. Subway learns more knowledge about foreign countries, creates new products and new style for foreign franchisees, and makes a suitable plan for them, which's the reason why subway can open 33733 restaurants in 92 countries.

Anyway, English is very important in subway; no matter how can we learn from each other, we also need the same language for communication, so some Indian and Chinese staff members will feel more difficult when they work because English is not their first language.

In subway, three second smile is very useful to improve the satisfaction of customers and every staff shall attended a training before they become formal staff, so that they can deal with customers from different backgrounds very well, which can help them can through the communication to fulfill all of Customers ' need.