

# [Kfc marketing plan](https://assignbuster.com/kfc-marketing-plan/)

The accurate reading of consumers preferences of KFC revealed that healthy eating, animal welfare and ethics are three of the most consumer’ desires KFC are facing today. The issue of animal welfare has intrigued KFC as the People for Treatment of Animals (PETA) in 2008 claimed KFC suppliers exercised unethical treatment for the chickens in their farms. This group believed that KFC suppliers should improve the living conditions of the chicken and address ethical issues in raising them in the farm are needed (KFC Menu, 2010).

In other areas, health reforms are being pushed by health organizations to encourage healthy living that advised people to avoid fats and to eat only healthy foods. As these issues are closely linked to the operations that would eventually affect profitability of the KFC, a change of marketing plan that definesits corporate responsibility to its stakeholders is needed. Corporate social responsibility (CSR) has been defined as “ the concept that an organization has obligations not just to conduct its business and adhere to legal guidelines, but also to look out for the welfare of “ he community, and society at large” (ecomii, N. d. ). CSR is also viewed as a PR device to gain good favor from customers, and in some point refers to corporate ethics and good governance. As such, a new marketing plan is designed in order to improve the image of the KFC and increase its profitability. This will address the ethical problems in use of caged chicken and a change of direction that illustrates KFC markets and the strategies it is going to use to continue to attract customers and to create a solid revenue system for the company.

In effect, this marketing plan is a strategy that determines exactly what the market wants – and coming up with a plan that will satisfy its wants. Organizational structure Kentucky Fried Chicken (KFC) is well known restaurant chains when it comes to chicken. The company’s headquarters are found at Kentucky (where it derived its name) in the U. S. As per company record, KFC has over eleven thousand restaurants located in over eighty countries of world. Some of the countries served outside U. S. are UK, China, Thailand, Kuwait, Spain and Barbados, Puerto Rico, Pakistan and many others.

The major product of the company is chicken served in various forms such chunky chicken hot pie, chicken fillets, chicken sandwiches among others. KFC has a total of 300 sets of menus being served in its outlets. As part of YUM! brand that operates a global restaurant system, KFC teams up with other restaurants like Pizza Hut and Taco bell brands (About Us). 1. 1. Vision The vision of the marketing plan is to provide customers the ultimate satisfaction of eating healthy foods and to provide choices that respond to their tastes and budget.

KFC does this by giving customers options between organic and non-organic chickens in the menu that customers can easily order in many KFC restaurants found worldwide. Management will be committed to the success of the plan and is willing to spend for the necessary resources for its successful implementation; that the marketing plan is in the context of the organization’s overall business plan and that the people in the organization down to the supply chain will share a similar view to the marketing function. 1. 3.

Objectives The overall objectives of the marketing plan is to create a new corporate image that projects KFC as sustaining ethics in animal welfare as part of its corporate social responsibility to its stakeholder and ultimately increase its profitability •Replying to the demands of PETA and other animal welfare pressure groups, the use of organic chicken is proposed along with the standard chicken menu used by KFC in its restaurants. Advantages in using organic chicken are: it is healthy, tastes better and safe to eat.

An organic chicken, as opposed to caged chicken, is not fed with routine drugs, growth promoter, feed crops or grass grown with fertilizers and pesticides, and is not raised in nasty conditions and genetically modified organism. (Herris, M. 2010) Moreover, the change of KFC’s basic ingredient is also proposed to cover the Freedom Food indoor reared chicken which is also related to organic chicken raising. Appendix 3 shows the growing market of organic chicken.

KFC’s target markets will be the working group ages 24 to 30, families and the health conscious customers. Customers are typically workers, students and working parents who are busy and have no time for home cooking. 2. 1 Market definition and segmentation

We have two target market segments: one who buys organically produced chicken recipes and is willing to buy it at higher cost and the others who are the regular and loyal customers of KFC. The primary difference between these two segments is the likelihood of willingness of organic minded customers to pay more for the sake of health and eating tastier chicken meat.

Target market segment strategy

Our market segment strategy will be to develop two sets of same menu offered by KFC but one will be using organic chicken as basic ingredients. Upon launching our first set of menu, we will get in touch with our customers via numerous on-line methods, including social media and e-mail marketing as well as the use of regular media. Upon creating these menus, we will be able to market these by promotions and discount offerings to wholesale customers holding events and parties, to the loyal customers of KFC and health conscious customers who will patronize KFC for the first time. Distribution channel

The new menu set up will be offered in all branches of KFC worldwide for consistency of approach as needed in a chain store and thru the on line ordering system of KFC. Competitive Forces There are many fast food restaurants offering chicken recipes but very few are considering the organic-chicken approach in serving their food. The unique twist on this approach is also an advantage because the company will not be spending much time and energy on other resources except for the organic chicken and that efforts will only be concentrated on its development. Communications

The days when a company could count on creating demand simply by spending a large amount of money in advertising is over. Companies now rely on other low budget sources such as websites to promote a product. The plan will be using internet sources in announcing our marketing plans and up dates on menus thru our website. Aside from this, we will use social communications network such as Facebook, Twitter, and other platforms often used by customers in the demographic market. We will also be using regular tweets and updates via Facebook.

Websites, internet and social network sites will be used to generate traffic into the KFC chains. For example, discounts and points can be earned when a customer logs in to KFC websites that could be applied to their on-line ordering and purchases. Possibilities are endless if one is creative. 2. Implications, challenges and constraints arising from the implementation of the marketing

plan. In order to portray the implications, challenges and constraints of the proposal, a SWOT, PEST and Porters Five Analysis and matrix for marketing growth strategies are presented. S. W. O. T. analysis outlining the strengths and weaknesses (internal to the organization) of the organization and the opportunities and threats (external to the organization) that the organization faces StrengthName, recognition and reputation. Established in 1954, KFC is the first restaurant to enter into the chain restaurant business. It has developed a stronghold and reputation in the business. It is one of the largest food chains in the world. WeaknessEthical responsiveness

Opportunities\*

Growing of fast-food industry. Potentially profitable markets overseas such as China, Brazil, Indonesia, Brazil, India, Russia and India. \* Operating costs has been expanding in KFC. KFC has an advantage of economies of scale in purchasing of supplies and in choosing its store location. It also takes advantage of the presence of Yumi! Brands that houses KFC with Pizza Hut or Taco Bell Brands. By doing so, KFC does not have to wait for a store to be built or to look for a location. By adding KFC brand in an existing Yumi! Retail outlet, increased profit is achieved because of increased customer base. It also saves on advertising and promotions as efforts are combined.

Threats•Saturation of the US market. Based on slow growth of KFC sales in US, there is a possibility that it has reached maturity of the market. •Increasing competition and rising sales of substitute products. Because of the slow growth in sales, other fast food restaurants have offered new menus that included chicken. For example, McDonalds introduced chicken sandwiches and fried chicken, Pizza Hut offered marinated rotisserie-cook chicken. •Changing preferences of consumers. Consumers begin to demand healthier foods as well as demands for animal welfare protection.