

MARKETING PLAN OF



Author: Lofti Bouazza

Tutor: Diego Monferrer Tirado

Degree in Business Administration

AE1049 – Degree Final Project

Academic year: 2018-2019



1. EXECUTIVE SUMMARY	5
2. SITUATIONAL ANALYSIS.....	6
2.1. Internal Analysis.....	6
2.1.1. Identity of the company	6
2.1.2 Enterprise resources.....	7
2.1.3 Capacity of the company.....	29
2.2 External Analysis	32
2.2.1. Macroenvironment	32
2.2.2 MICROENVIRONMENT.....	52
2.2.3 COMPETITION ANALYSIS.....	54
2.3. MARKET ANALYSIS	62
2.3.1. Situation of the fast food sector.....	62
2.3.2 Consumer analysis	65
3.SWOT.....	68
4.SEGMENTATION	74
4.1 Positioning.....	76
5.OBJECTIVES	77
5.1 General objectives	77
5.2 Specific objectives	77
6. MARKETING STRATEGIES	77
6.1 Diversification or growth strategy.....	77
6.2 Competitive strategies	78
6.3 Competitive advantage strategy.....	79
7. ACTION PROGRAMS	80
7.1. Summary of action plans.....	80
7.2 Product decisions	81
7.3 Price decisions	84
7.4. Distribution decisions.....	85
7.5. Communication decisions	88
8.TIMELINE.....	92



9.BUDGET	93
10. CONTROL	96
12. BIBLIOGRAPHY	100
11.INDEX OF FIGURES, TABLES & GRAPHS.....	97
12.Bibliography.....	100



1. EXECUTIVE SUMMARY

Telepizza is a multinational chain of pizzas of Spanish origin, focused on an American environment, which is present in several countries. Its main product is pizza, but it also offers hamburgers, sandwiches, salads and starters among others, which are offered at a high quality and at reasonable prices. The chain is considered as a pioneer in technology in its sector, where its purpose is to facilitate the consumption of quality pizzas through constant innovations.

The data reflect an increase in turnover and let us understand that will be in constant growth, due to the economic recovery that the Spanish territory is experiencing. This is accompanied by an increase in consumption and spending in fast food establishments, which is supported by the Spanish population, due to socio-cultural characteristics.

In this marketing plan we have carried out an internal analysis to study Telepizza's resources, especially the establishment of Telepizza located in Oropesa del Mar. Also, an external analysis has been carried out on the national and municipal territory, where a PESTEL analysis was done focusing on competitors, the market and consumer behaviour. This joint analysis is summarised in the SWOT analysis that will allow us to establish the company's objectives.

In the internal analysis we highlight the quality of Telepizza's products, its great presence in communication with customers and its great strength in technology and R&D+i. Regarding external analysis, we stress the economic recovery, the increase in the demography of Oropesa del Mar during the periods of Easter and Summer, as well as the number of people registered in the municipality that have an Arab origin and from Muslim religion.

Finally, some objectives have been established to be followed by the Telepizza in the municipality of de Oropesa del Mar in order to adapt to the current market and to encourage business growth. The objectives are to increase sales, to obtain new customers and to improve the brand's image and reputation.

Telepizza has proposed 11 actions to achieve the objectives mentioned earlier, which have taken into account the budget, culture and values of the company as to implement them. Moreover, they have also established a timeframe and have made a schedule which reflects the time in months to implement such actions. Followed by this, a control



to ensure the compliance with objectives and actions is presented in case of deviations in order to proceed to correct them.

2. SITUATIONAL ANALYSIS

2.1. Internal Analysis

2.1.1. Identity of the company

Telepizza's vision is to connect people by giving them moments of happiness, no matter when or where they are.

The mission of this brand is to offer quality products to everyone, anywhere, through an excellent, efficient, personalised, and accessible service.

The company's values are as follows:

- To be a team, that is to say, working in the same direction, uniting all forces to reach the company's objectives.
- Resilience, being committed to everything they do, they are experts in adapting to new situations, facing new objectives without rest, with passion, energy, flexibility and determination.
- Customer-focused is another of Telepizza's values as they seek to offer the best service and the best product exceeding customer expectations.
- Dreamers, since they think big and differently in order to bring new ideas that respond to customer needs. They are self-demanding, as they believe that everything can be done in a better way to increasingly improve its service. Excellence and Quality are the starting point, whilst Innovation is the brand's path to follow.
- Without fear, they always pursue new challenges, take risks and turn them into opportunities. They make decisions, looking for the best solution to solve any problem.



Figure 1 Telepizza's History

YEAR	LANDMARK
1987	Company founded
1988	First store in Madrid. Pioneer in home delivery within the pizza segment in Spain.
1992 - 1993	First factory for dough production Start of international expansion strategy, opening stores in Poland, Portugal and Chile.
1995	Market share of 52% and 248 stores (204 in Spain and 44 abroad)
1996	Listed company on Spanish stock market. Exponential growth: reaches 287 stores: 236 in Spain and 51 abroad.
1999	New group of reference shareholders join the company.

YEAR	LANDMARK
2010	Acquisition of Jeno's, leading chain of pizzerias in Colombia and leading chain of Latin origin in South America. Signing agreement with the Chinese group, sector leader in bread and bakery products. The agreement includes setting up a joint venture, with 50% share for each company.
2011	Launch in Peru with opening of first store and ambitious expansion plan across the country.
2013	Arrival in Ecuador, after acquisition of six restaurants from the local chain PizzaExpress. Arrival in Panama
2014	Arrival in Bolivia Arrival in Angola and Russia through agreements with Master franchise
2016	In April, stock market flotation Starts operating in Morocco and Saudi Arabia Announcement of launch in Malta and Iran
2017	Announcement of launch in United Kingdom, Switzerland, Czech Republic, Paraguay and France

Source: Press kit of Telepizza

2.1.2 Enterprise resources

2.1.2.1. Human Resources

- At Telepizza there is a lot of emphasis put on the staff. In general, the employees of this company are young people between 16-35 years, with the intention of



making the workers to feel at home and in family, where each Telepizza store is considered to be a family.

- Most of the workers are students, so Telepizza is flexible regarding the shifts and working hours of its employees. Hence, employees are able to combine work with their studies. Moreover, the company also tends to offer employment close to the employees' home, with indefinite contracts.

Figure 2 Human resources of Telepizza

<ul style="list-style-type: none"> • More than 26,000 employees: <ul style="list-style-type: none"> ○ 95% permanent contracts ○ 5% temporary (only for specific campaigns, Christmas and product launch) • Employees as "internal customers", whose needs are a priority <ul style="list-style-type: none"> ○ Social benefits ○ Work-life balance measures • Entrepreneurship part of Telepizza's DNA <ul style="list-style-type: none"> ○ 2/3 franchises run by company employees 	<ul style="list-style-type: none"> • Motivation, training, recognition, career <ul style="list-style-type: none"> ○ Training measures: training plan adjusted to each profile and area • Career – routes <ul style="list-style-type: none"> ○ Strong internal promotion programme enabling promotion from delivery staff to top management ○ External promotion: programmes adapted for new recruits that help enrich the organisation • Awards/recognition <ul style="list-style-type: none"> ○ Personal moment policy: ○ Recognition for stores with highest sales and growth
---	--

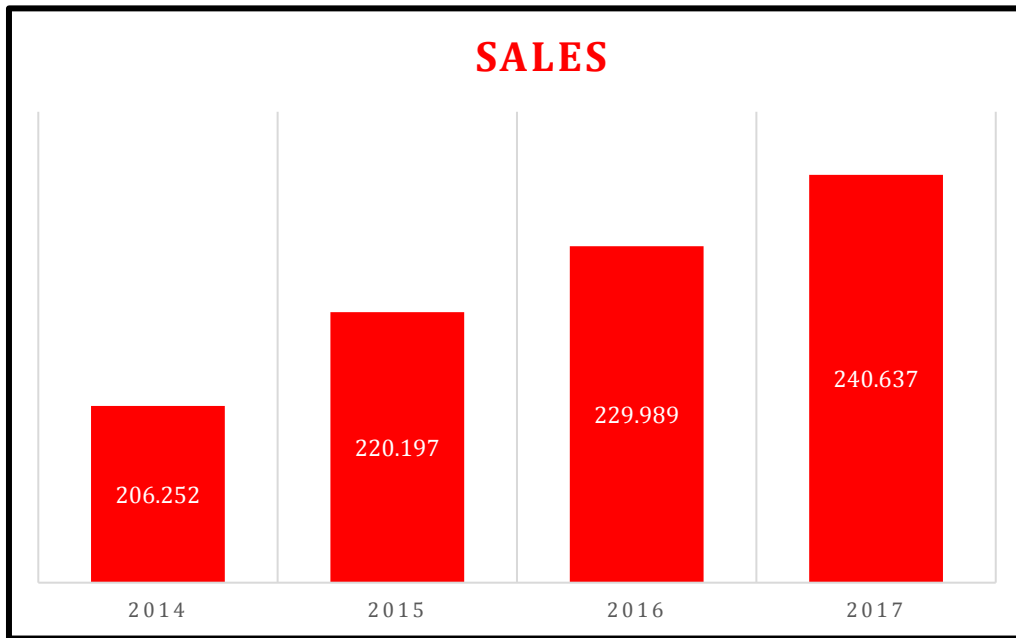
Source: Press kit of Telepizza

2.1.2.2. Financial Resources

- In recent years, Telepizza has experienced an increase in sales of 4.63% comparing the results of 2017 to the year 2016. Furthermore, it can be observed that the results of the firm's earnings for the year are positive.



Graph 1 Sales of Telepizza



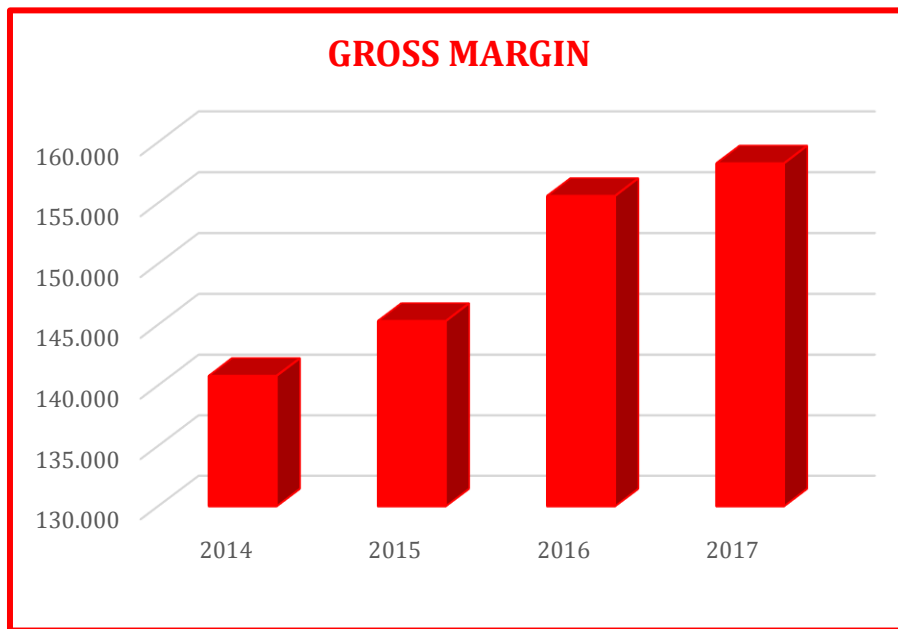
Source: Own elaboration, Data: Mercado de facturas

We will proceed to the gross margin analysis, EBITDA and net profit to determine if the brand of Telepizza is making profit.

As we can observe in the graph 2, the gross margin indicates the percentage of profit per euro invested, as it is growing.



Graph 2 Gross margin of Telepizza



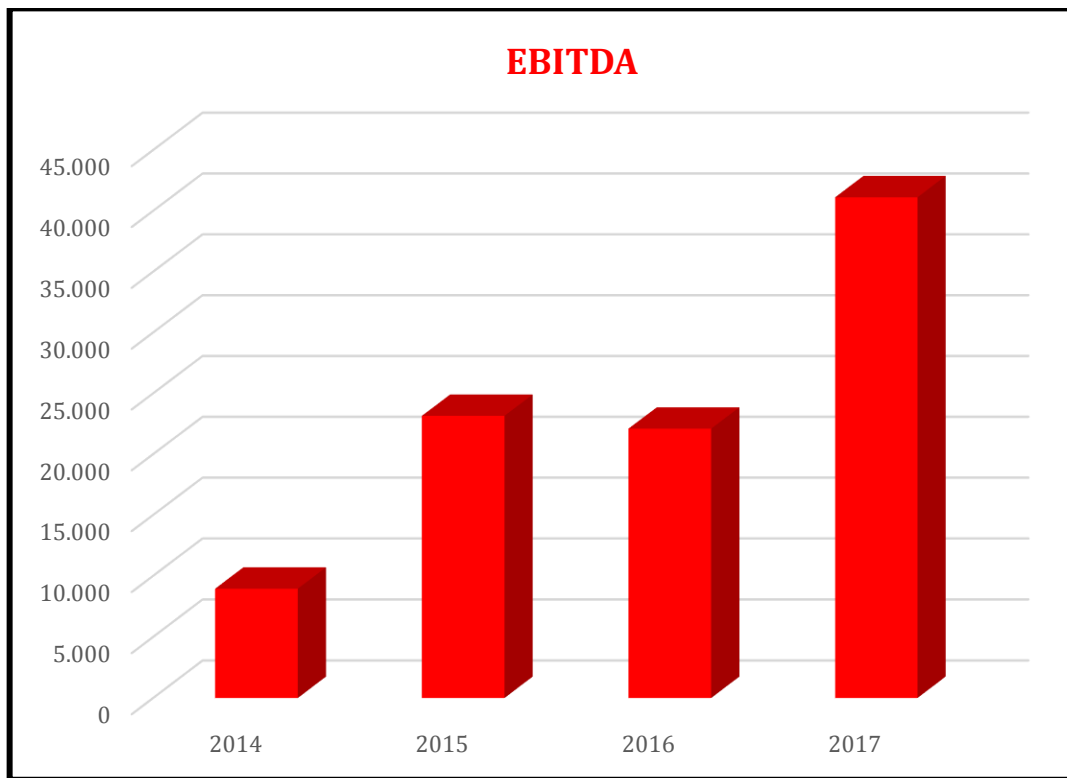
Source: Own elaboration, Data: Mercado de facturas

EBITDA is one of the financial indicators representing gross operating profit, which is calculated before the deductibility of financial expenses.

As we can see in Graph 3 the EBITDA is increasing. This means that it is a positive factor in the generation of the company's cash flow.



Graph 3 EBITDA of Telepizza



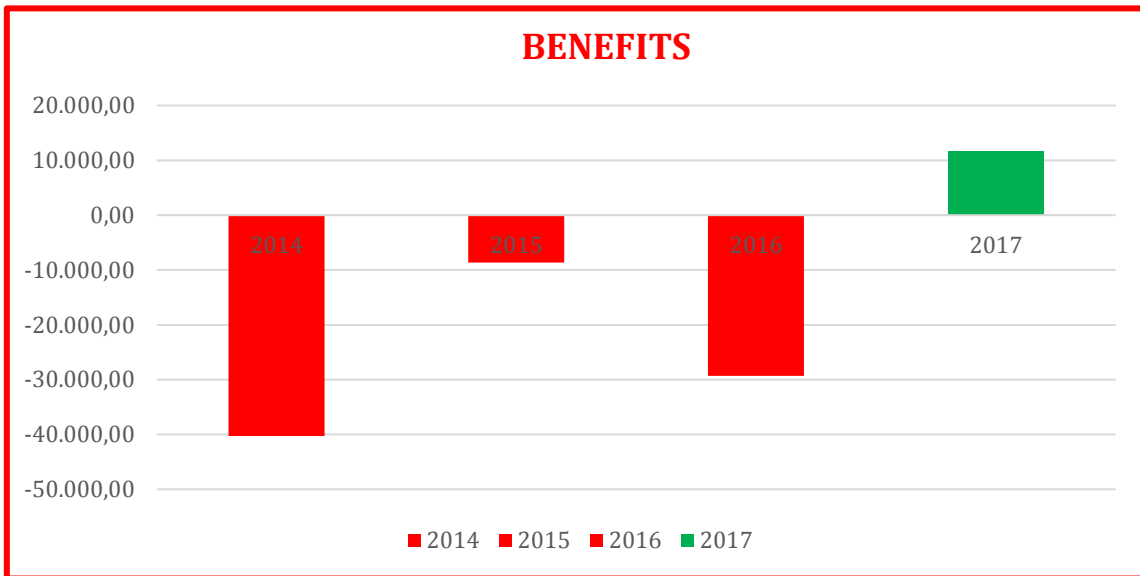
Source: Own elaboration, Data: Mercado de facturas

Finally, we will take a look at the gross profit as it has evolved. Hence, we will be able to reach a conclusion on the company's cash position.

As we can observe in graph 4, profits have increased, thus the company is obtaining earnings. This is due to the three factors we have analysed, which show to be positive and to favour the growth of profits and the generation of the brand's cash.



Graph 4 Benefits of Telepizza



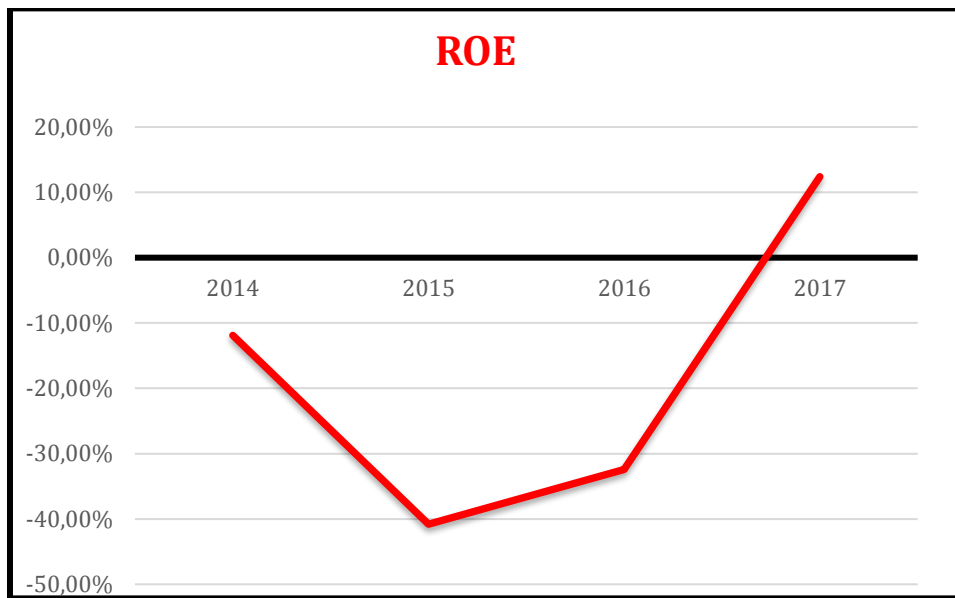
Source: Own elaboration, Data: Mercado de facturas

In order to know if the company is profitable, we are going to analyse three other factors such as ROE, ROS and ROA.

As we can see in Graph 5, the ROE has grown over the last year by 138.3%, this data means that the company generates value for the shareholders of the company.



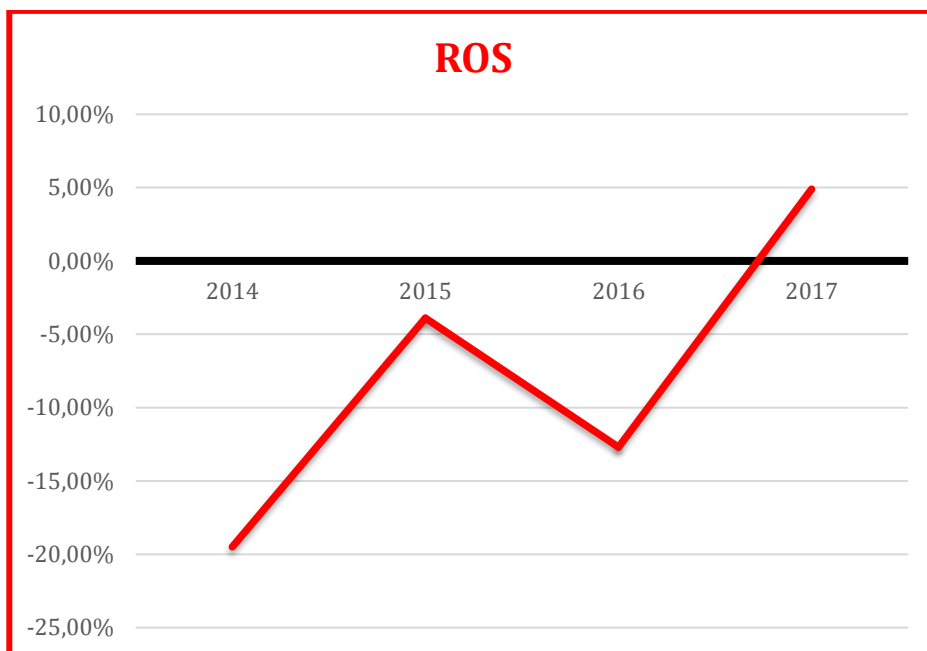
Graph 5 ROE of Telepizza



Source: Own elaboration, Data: Mercado de facturas

As we can observe in Graph 6 the ROS has also grown by 138.2% and this data reflects that the company is obtaining more earnings per euro invested.

Graph 6 ROS of Telepizza

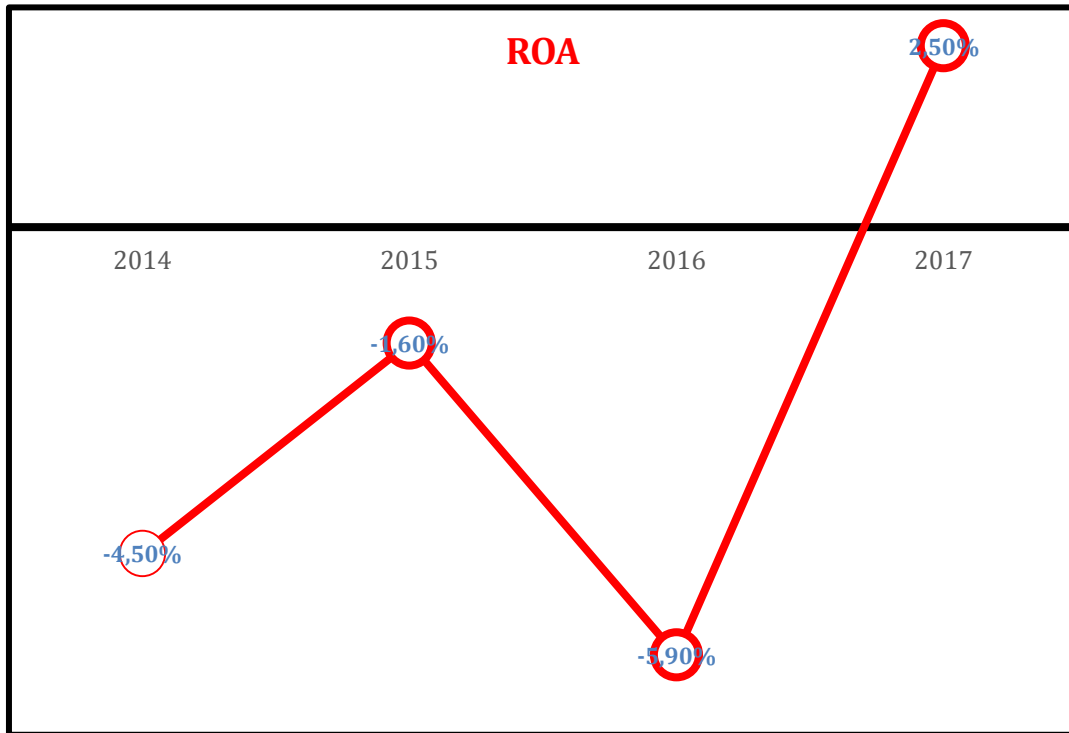


Source: Own elaboration, Data: Mercado de facturas



Finally, as we can see in Graph 7, we observe that the growth in ROA is of 142.1%, that is to say, the company is obtaining a higher profit per invested euro.

Graph 7 ROA of Telepizza

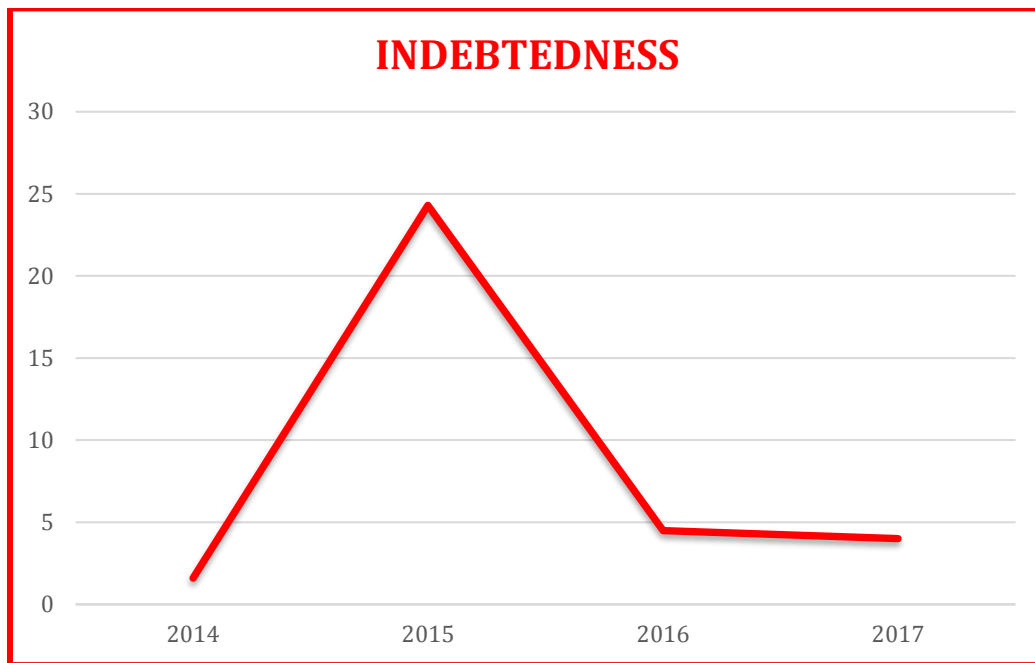


Source: Own elaboration, Data: Mercado de facturas

Through the previous financial analyses, we have been able to determine if the Telepizza brand was making profit. Therefore, we are now going to analyse the company's indebtedness to find out if it requires more funds to face these debts.



Graph 8 Indebtedness of Telepizza



Source: Own elaboration, Data: Mercado de facturas

As we can observe in Graph 8, the company's indebtedness diminishes by 11%, which means that the company is increasing its own resources in its financing structure.

The conclusions that we can draw from all this financial analysis is that the Telepizza brand can face its activity with a large part of its own resources along with a part of external resources, but the latter are paid for in a short-time period.

2.1.2.3 Physical resources

Telepizza is currently located in more than 20 countries and has over 1421 establishments in these countries. Moreover, they have their own factories in 6 countries (Spain, Portugal, Poland, Chile, Colombia and Peru), thus located in different continents.

These are the countries where Telepizza has its physical establishments:

- Europe: Spain, Portugal, Poland, Switzerland, United Kingdom, Russia, Czech Republic, France.



- Latin America: Chile, Colombia, Peru, Ecuador, Panama, El Salvador, Guatemala, Bolivia, Paraguay.
- Other markets: Iran, Saudi Arabia, Angola, Morocco.

Figure 3 Establishments of Telepizza across the World



Source: Press kit of Telepizza

The Telepizza establishment is usually of an average of 100m². It includes a kitchen area where pizza is made allowing customers to peek through the window. Additionally, there must also be a lounge, terrace or both, where food can be served to customers.

Moreover, in the kitchen there has to be a large chamber where fresh food is stored, there has to be a table where the pizza is made and where the ingredients are kept throughout the working day. There is an American model oven that works with chains of two floors, its measures are in proportion to the measures of the premises, where its



average cost is 30,000 euros. Another part of the premises must be destined to the space of stretching of the pizza dough, it is a space with a style of table made in marble.

Furthermore, in the lounge lately reforms are being carried out by order of the directive of the brand Telepizza. They are incorporating sofas around the tables and on the walls of the lounge there is a decorative picture of a landscape made by pencil which is reflects the city where the store itself is located.

There must also be a showcase model in the living room that illustrates the children's toys that are offered with the fun menu.

Telepizza stores underwent a significant change in their decoration and equipment in order to make them more competitive: greater comfort and convenience for customers, while more manageable for staff (chairs that were easier to clean, simpler and more practical furniture, new decoration which is more modern and attractive, the introduction of new competitive elements such as children's playgrounds in larger stores, baby chairs, a new redistribution of the kitchen including a much more optimised way to reduce processing times and staff costs, etc.).

Figure 4 Establishment of Telepizza



Source: Press kit of Telepizza

2.1.2.4 Technological resources

Telepizza is considered to be a pioneer in digitalisation, as it manages to make and deliver pizzas by the means of technology.

Telepizza uses on an international level a concept known as the "Plug & Play platform" that allows it to implement all digital evolutions in all the countries in which Telepizza operates. From an internal point of view of the company, the brand is transforming its way of working and is modifying its technology towards an internet-based model.

From the external point of view, the company is in continuous contact with the client through the design of APPs and the brand website, where the client can make purchases and orders from electronic platforms and with any type of mobile device.

The company has adapted to new technologies from the beginning, knowing that it is a great opportunity to increase sales. We can observe this in the table below, where year after year Telepizza's technology has been updated with new trends.

Table 1 Technology of Telepizza

2004	Digital expansion (before TW and FB arrived in Spain)
2010	First app
2011	First social Commerce App on Facebook
2014	Launch of Tweet Delivery
2016	Increase of over 35% in digital orders The mobile phone surpassed the PC in digital sales, accounting for 56% of orders during Q4 2016
2017	The mobile phone surpassed the PC in digital sales, accounting for 56% of orders

Source: Press kit of Telepizza



The results obtained in Internet sales are as follows:

- The average expenditure per customer on digital orders has increased by 35% as opposed to telephone orders.
- Greater precision in the management of orders.
- Greater brand visibility and penetration of new products in terms of innovation and image.

Additionally, the company of this brand works with a computer system whereby a single click on the telephone station can distribute all the information of the customer's order to all workstations. This includes the delivery, stretching table, pizza table, even the office of the boss is aware of the statistics that are moving at that time of sales. This allows a more efficient decision making since all this information moves quickly because all the positions are connected with the main post that is the place of order taking.

2.1.2.5 Marketing Resources

Price

Price is a relevant factor to take into account since it is one of the most powerful competitive instruments. It influences both demand and supply, and is often the only information we have about the product.

Telepizza's pricing strategy is based on the market and on its competition. This means that it is related to the value customers perceive about the product and also to the price relationship of its direct competitors. A relative comparison of Telepizza's prices with its competitors shows that its prices are slightly higher. It also sets prices by means of price discrimination, in particular depending on the channels used as it does not sell at the same price on its website or door-to-door as it does in the establishment itself.

For instance, regarding the strategy of price discrimination per channel, the price of the online store is 9 euros. This allows Telepizza to obtain a lower margin of profitability but to in turn get a more reliable image for the company. The average bill in store is 18 euros



and average bill at home is 11 euros. Hence, prices of Telepizza products are usually medium-high and are targeted to people with moderate incomes.

The aim of this price strategy is to maximise market share.

Product

At Telepizza, marketing is aimed at the final consumer and we classify their products as consumption products, aimed at the end user.

The products of the brands are considered as convenience goods since it does not require an effort by the consumer to analyse the brand, price, quality and model that suits their needs to the extreme.

Regarding the packaging of the products, we can say that they are original as it is used a means of sale and they therefore put an emphasis on pampering to the extreme their packaging. It is full of messages of health care and of the values of the company.

It also has moderate guarantees because if upon receipt of the order it turns out to be defective, the brand is responsible and takes care of replacing the delivered product.

With regards to the brand strategy, it uses the single brand strategy, as it covers all products.

Telepizza commercialises a very wide portfolio of products. When analysing them, we can say that its breadth stands out, although the depth is also more than acceptable in some of their products. The consistency is narrow as the products are all related by the food sector, highlighting its catalogue for its large number of references.

Figure 5 Products of Telepizza

PARA AMANTES DE LA CARNE				
				
CON HUEVOS chistorra,	BARBACOA Salsa barbacoa,	BARBACOA CRÉME	BACON CHEESEBURGUEBRISPY	BACON CHEESEBURGUEBRISPY

PARA AMANTES DE LA CARNE				
				
CON HUEVOS chistorra,	BARBACOA Salsa barbacoa,	BARBACOA CRÉME	BACON CHEESEBURGUEBRISPY	BACON CHEESEBURGUEBRISPY

PARA LOS MÁS CLÁSICOS				
				
FLORENTINA salsa de nata,	PIZZA DE LA HUERTA	HAWAIANA Tomate, topping	MEDITERRÁNEA Salsa	CARBONARA Salsa carbonara,

PIZZAS SIN GLUTEN *			
			
PIZZA JAMÓN	4 QUESOS	BARBACOA	CARBONARA

NUESTROS MENÚS INDIVIDUALES			
			
			
NUEVO			

Source: Website Telepizza



Throughout its history, Telepizza has developed different types of pizza, with different flavours and designs. This was possible thanks to the implementation of innovation in its products.

Table 2 Product innovation

2005	Telepizza Strómboli, the first square, closed pizza with a new "bread dough" base.
2009	Individual salad, kebab and pizza menus. Pasta and hamburgers included in product range.
2010	Roller Pizza and chicken hamburger.
2011	First pizza "cooked" on the social media, "Chicken Fan Barbacoa" pizza, after consulting followers on social media.
2012	Top Sandwich range, made with focaccia.
2013	Introduction of new wholemeal dough Launch of Pizza Natura, with ruccula, cheese, grilled courgette and chicken.
2014	"Pizzalada"; with a pizza base, crispy bacon and covered with a chicken popcorn salad
2015	Telepizza de Nachos, the first pizza with dip.
2016	Gourmet Telepizza range
2017	Lanch of sweetest dessert, Telepizza Sweet

Source: Press kit of Telepizza



DISTRIBUTION

Telepizza has its own establishments around the World that sell pizza to the final customer. These establishments are acquired through a 10-year contract in which the retailer has the right to sell the brand's pizza under the protocol and rules of the franchisor. Therefore, we can state that between the brand and the final consumer there is an intermediary who makes the actual sale, so Telepizza works with the channel level 1 as we explained above with the intermediaries.

Figure 6 Distribution channel of Telepizza level 1



Source: Own elaboration

The way in which the Telepizza's brand is distributed has evolved over time. Previously it was only available in person or by telephone, whereas today it is also available via the Internet. It also works very frequently with e-commerce and M-commerce as to communicate and sell their products over the Internet since it develops a relational marketing through social networks.

Regarding the dynamics of the channels, it uses a single sales channel although it also makes the sale through the Internet with the objective of reaching the youngest consumers of pizza.

Figure 7 Sale channels of Telepizza



Source: El mundo de las empresas

Communication

Communication is the way a company transmits its product to consumers. For this, we have 8 communication tools or communication mix: advertising, sales promotions, public relations, personal sales, direct marketing, on-line marketing, events and experiences, mobile marketing and buzz marketing.

Telepizza uses various tools for its communication mix:

Advertising. It frequently uses mass advertising through the television channel where it communicates the offers of “crazy Tuesdays” or “family days”, where it aims to reach large numbers of people in the short term.

Sales promotions. Short-term activities with which they try to encourage the sale of a product.



Telepizza develops promotions to the consumer and promotions to the channel, referring to the sale of their product through the Internet. For consumers, Telepizza makes offers such as crazy Tuesdays, family days and 2X1, the triple offer, the fun menu that promote the sale of menus to children that include small gifts.

It must be said that the offers via physical presence and via Internet are not highly differentiated. Yet, there is some differentiation, in order to increase sales to the youngest consumers and to reduce the required members of staff of customer service.

Figure 8 Promotions of Telepizza



Source: Website of Telepizza

Public relations. Activities to strengthen relations with the environment and to transmit a favourable image.

Telepizza sponsors the first team to participate exclusively in mobile game competitions called "Team cheese", being the first electronic sports team dedicated exclusively to games for mobile devices.

In addition, it has a YouTube channel where it publishes all its events and where it presents all the new product lines that are emerging.

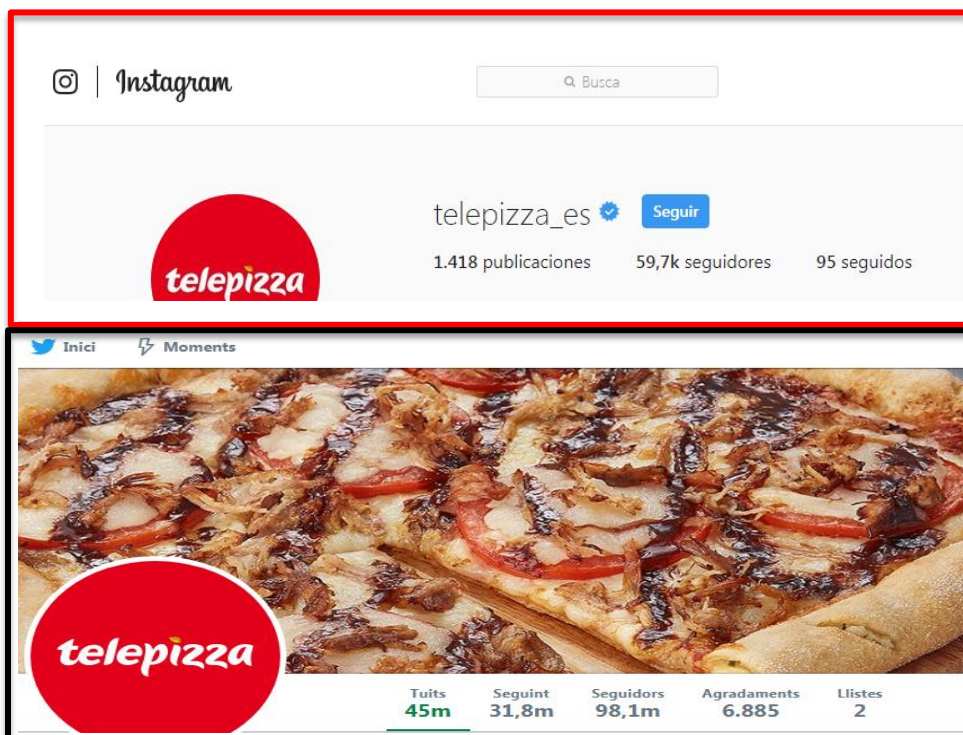


Direct marketing. Channel or combination of channels that is used to get a direct and measurable response from the end consumer.

For instance, Telepizza is a company that uses online marketing a lot, either from its website or from its social networks, in which it informs of its promotions, events and information of the day-to-day activity of the company. Also, on social networks like Facebook they have 655 thousand followers and 692 thousand "I like" having also store on this platform; 59,7 thousand followers in Instagram; and 98,1,8m followers on Twitter.

As we mentioned earlier, Telepizza also has a channel on YouTube where its presence is strong.

Figure 9 Telepizza's Social Network Presence



Source: Facebook & Instagram of Telepizza

On-line marketing. Customers often receive personalised mailing, mobile marketing and catalogues, with the aim of communicating directly with the end customer. On the website Telepizza has a catalogue of products that serves as a showcase 365 days a



year, also segmented for each type of target audience depending on the final objective of the client.

Mobile marketing, Buzz marketing. The possession of a "friendly" website makes it easy to use intuitively as it allows consumers to make purchases from mobile devices. It also has buzz marketing on its Facebook page, where you can find a section of reviews left by consumers among them (C2C), opinions and advice are shared about the brand and its products. This can be seen on their Facebook page.

Figure 10 Marketing Buzz de Telepizza



Source: Facebook of Telepizza

2.1.2.6 R&D+I

Telepizza has several collaborators who belong to the R&D+I departments where they are constantly developing new formulas to make their pizzas better and of a higher quality. Also, they are also continually experimenting with new pizzas of different flavours to surprise their customers.



2.1.2.7 Corporate Social Responsibility

As pointed out by the CEO of Telepizza (Juanategui, 2016): “Our first Corporate Social Responsibility report is an exercise of transparency through which we want to highlight our strong commitment to society. And all this is possible thanks to the enormous effort made by all the people who make Telepizza possible. A great team that continues to maintain, day after day, its commitment and enthusiasm for a more socially responsible management and that allows us to continue advancing in this direction through the implementation of new initiatives.”

The first Corporate Social Responsibility report contains the following actions: during the year 2017/2018 the company Telepizza has developed the initiative of "together we grow" which consists of a programme for the employment of people with intellectual disabilities in each of its establishments in Spain, more than 100 people with Down syndrome have already been integrated in the establishments. The pizza company has also been implementing an equality policy since 2007.

Another of the activities promoted by Telepizza is the launch of the "Telepizza excelente lab" programme, which aims to boost young people's creativity through a laboratory of ideas. More than 500 students have already participated in this programme in 2017 from four university centres: the Faculty of Communication and Social Sciences of the San Jorge University, the Faculty of Communication and Humanities of the San Pablo CEU University, the Master in Business Internationalisation of ICADE Business School and TeamLabs - Leinn. This laboratory of ideas will continue to be one of the strategic axes of the company. In fact, in 2018 there have been ten centres that have participated, and it is expected that for the coming academic year it will continue to increase.

Another of its social responsibility actions is that Telepizza has decided not to use eggs in its products from caged hens.

Finally, one of its programmes was the setting up of "Cajas solidarias" (solidarity savings banks) to disseminate different social causes such as the fight against cancer, with which



it makes 20 million Telepizza savings banks available to NGOs to publicise their projects, give them visibility and, in this way, reach millions of Spanish households.

2.1.3 Capacity of the company

2.1.3.1 Distinguishing capability

The company Telepizza wants its products to be perceived by its customers in a different way than competing products, since it is working in a sector with strong competitors. However, Telepizza considers itself a leader in its sector and the numbers reflect this, for this reason it must always be updated in this dynamic and complex market.

Telepizza is characterised by offering products as well as experience and moments of happiness to their consumers, bringing together their customers with loved ones and enjoy unforgettable moments. One of its competitive advantages is the adaptation of business with innovation, where for them innovation is not a department but an attitude, where every day is innovating in channels, products, packaging, how to work and communicate with the customer. Another of its differentiating features is the ability to drastically increase sales through the digital channel, where it has managed to create a community of customers through loyalty and offers.

It also offers high quality products, with doughs and fresh ingredients selected with much care as well as the selection of its staff since it is its main asset as to offer excellence in service. For this, it bets on a strategy of backwards integration in order to ensure good quality standards in their products.

Figure 11 Telepizza's secret



Source: Press kit of Telepizza



2.1.3.2 Value chain

When we talk about a company's value chain, we describe the development of a company's activities that generate value for the end customer. In this way, we understand under a value system the set of activities carried out by many different individuals. In the case of the company to be analysed, we will distinguish between primary and secondary or support activities.

SECONDARY ACTIVITIES

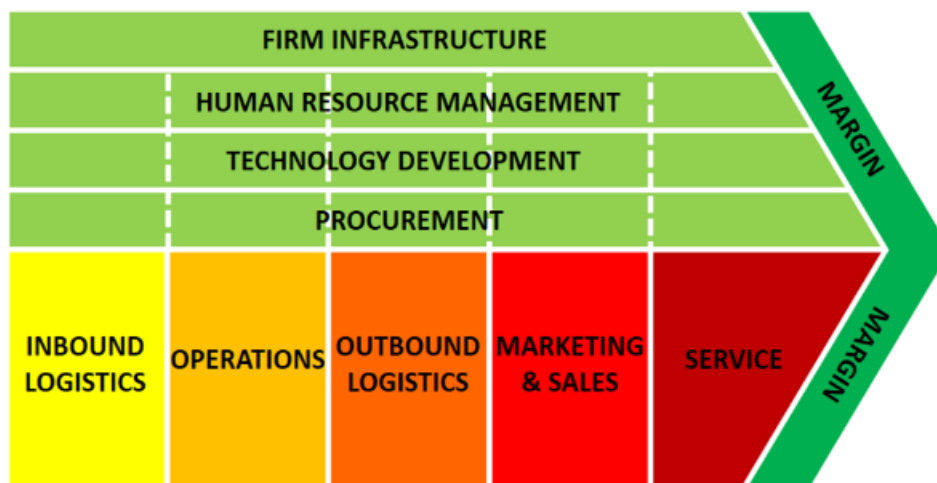
- **Infrastructure:** The Telepizza stores have the support of the great brand management where reports are written on financing, accounting, and planning to carry out the activities of the store efficiently. So, these activities are provided from outside the retail establishments but always from the Telepizza brand.
- **Human resources:** Activities related to personnel at Telepizza are carried out directly by the heads of Telepizza's establishments, but always respecting the policies and values that they want to transmit from the top of the hierarchy. The heads themselves are responsible for recruiting, hiring and motivating personnel, but there are always activities such as payroll, formalisation of contracts or settlement that is prepared by the department of Human Resources of Madrid in the case of Spain.
- **Technology:** Telepizza constantly carries out R&D+I but from the head office, which is in charge of innovating in the designs, flavours, products and the quality of its services and then transmitting them to its retail stores.
- **Supply:** Telepizza establishments from time to time make orders by "truck" where all the ingredients and products are needed to carry out the commercial activity. This order is made by factories that are in large capitals that distribute them every day to all their stores large quantities of stock (strategy and backwards integration).



PRIMARY ACTIVITIES

- **Internal logistics:** As we have explained in the case of Telepizza, it has an order system where it receives trucks with stock from time to time in order to carry out its activity. These stocks are kept in cold and dry warehouses depending on the nature of the stock they are kept in cold chambers or in normal warehouses.
- **Production:** At Telepizza, this phase of activities is one of the most important, as all the ingredients and their combinations are transformed into the pizza that is sold to the final customers.
- **External logistics:** Telepizza has a home delivery service where it takes customer orders to homes or curfews, where the average delivery time is 30 minutes from the time the order is placed.
- **Marketing and sales:** Telepizza does a great job in the marketing department to promote its products and offers, it uses all means of communication to make itself known and sell by itself.
- **Service:** The service such as after-sales or maintenance or improvement of the customer's decision process is performed directly from the staff of retail stores. These activities are like the solutions of the problems related to the orders, of explanation of offers, or management of complaints among others.

Figure 12 Value Chain



Source: Google



2.2 External Analysis

In this external analysis that we will proceed to carry out, we will take into account both factors at the national, regional and in some cases provincial factors of the province of Castellon de la Plana and specifically the municipality of Oropesa del Mar as this dissertation is focused on the establishment of Telepizza which is located in the coastal area of the province of Castellon.

2.2.1. Macroenvironment

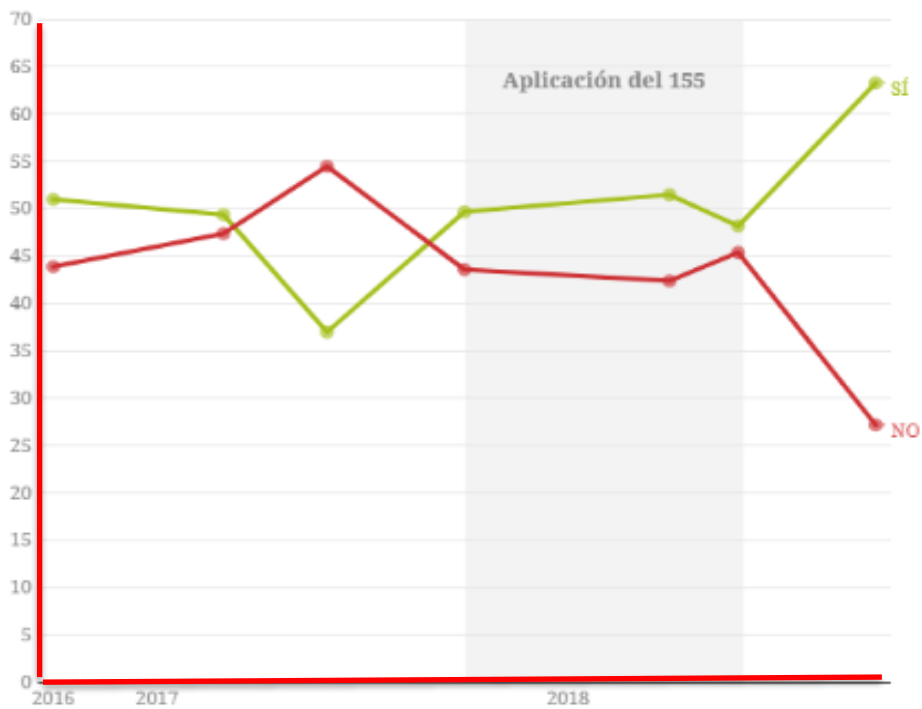
For the study of the **macroenvironment**, we use the PESTEL analysis, which identifies the environmental factors that affect the sports nutrition sector. These elements are important, because the company cannot control them and therefore has to take them into account in the development of the strategy.

2.2.1.1 Political factors

The year 2018 has been marked by the Catalan political crisis, specifically by the intervention of the Generalitat by Article 155, where the ruling party in Catalonia declared independence illegally. This has led to a situation of anger in much of Spain where some consumers have decided to stop consuming Catalan products, which has led to about 2,800 companies to leave the Catalan territory and are now implanted in other regions of the Spanish territory.



Graph 9 Votes against and in favor of the Catalanian independence



source: *El diario*

One of the most important points were the demands of the feminist movement that seeks to fill the void in politics. After the mobilisation of March 8, we will be waiting how it will be reflected in the next electoral cycle.

Pedro Sánchez will form the first parity government in the history of Spain and promises to progressively equalise paternity and maternity leave. The socialist government has openly declared itself to be a feminist and has secured reforms in 2019 that will bring about real equality between women and men.



Figure 13 Percentage of women in autonomous



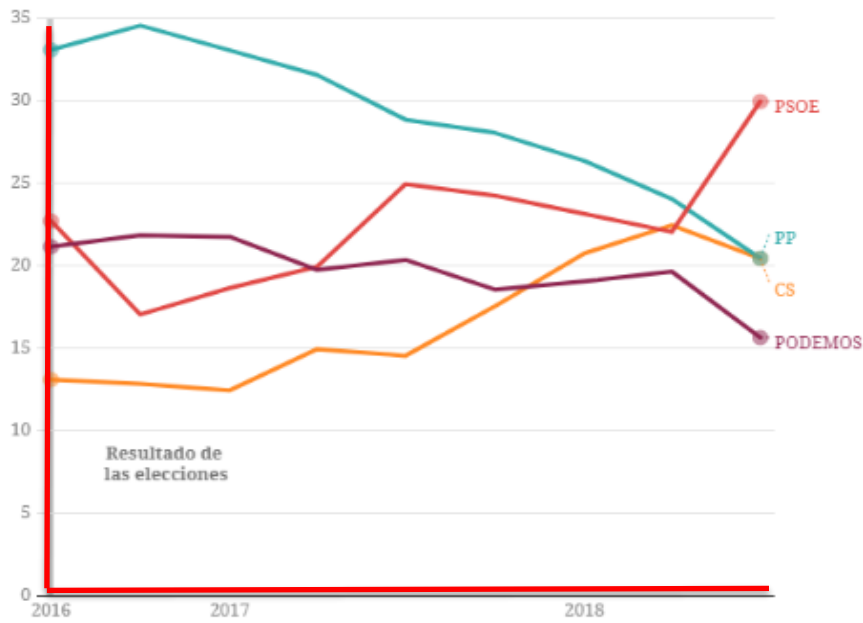
Source: Statistics national institute

The year 2018 was also marked by the motion of censure that ended with the government of Mariano Rajoy. In addition to all this, there were elections in Andalusia that changed the electoral board.

If something is changing in Spain in the political field is that the bipartisanship is ceasing to exist and other political parties other than PP and PSOE are gaining strength. These are parties like “Podemos” and “Ciudadanos” that won the elections in Catalonia.



Graph 10 Evolution of the voting intention in the general elections

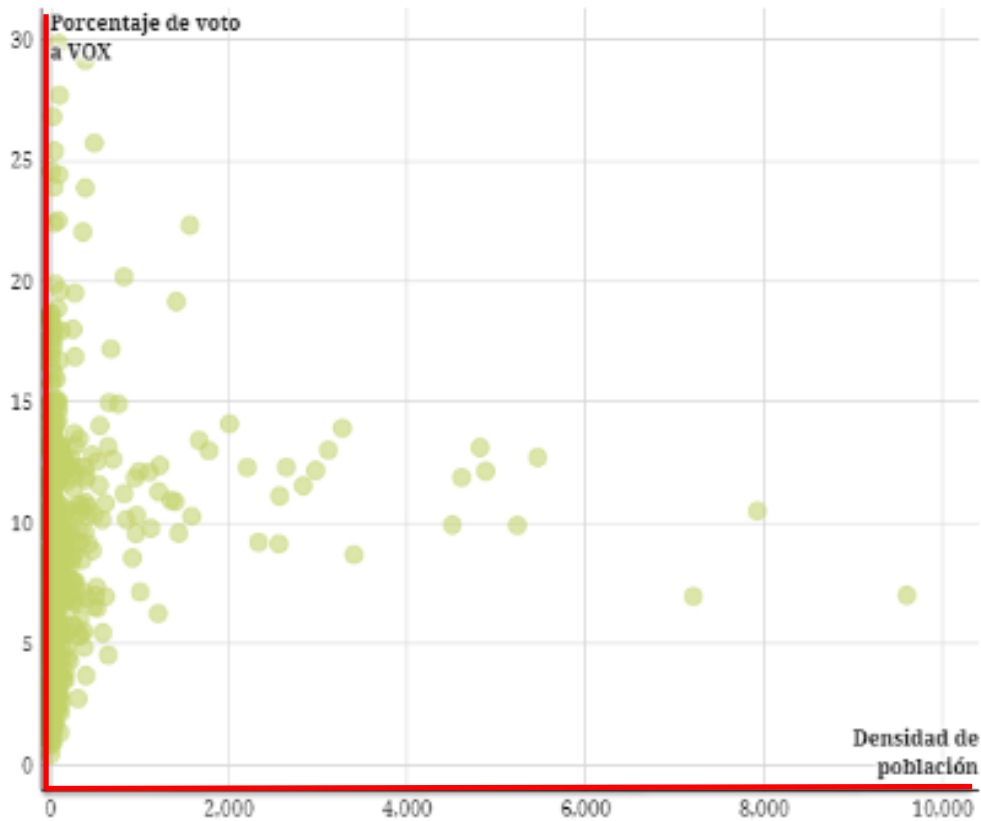


Source: CIS

At the end of 2018, there was news that has given much to talk about in the present and in the future. This refers to the incorporation of the extreme right of the VOX party in the parliaments of Andalusia with which it has 12 deputies and that is expanding and is being installed throughout national politics.



Graph 11 Percentage of votes on VOX in relation to the density of each municipality



Source: La Vanguardia

The distrust of politicians is an issue that is more than evident today. According to CIS, politicians are the second main concern of the Spanish population. During the crisis, the second concern was the economic situation, but since 2012 the focus shifted to politicians, who according to the Spanish are the reason for the instability of institutions.

2.2.1.2 Economic factors

Spain enjoyed a long process of economic expansion after the crisis of the 1990s, translated into growth above the European average. However, in 2008 it suffered a stagnation of its economy that ended up generating a period of economic recession. The recovery did not begin until 2014 in a gradual manner.



Nevertheless, despite the growth that Spain is experiencing that may be affected by the elections by Pedro Sánchez, which generates political instability, Spanish companies and markets are normalising this instability. Yet, there is a concern for its subsequent evolution and how this will not be done by the same Spain, but by the main trading partners such as France, Germany and Italy.

According to the Institute of Economic Studies (IEE, 2018) The Spanish economy will grow by 2.1% in 2019, where it will enter a cycle of deceleration. This means that the GDP will grow at a slower pace than in 2018.

Spain may suffer, but not because of this instability, but because of the slowdown in the foreign sector, due to the decline in demand from markets such as Germany, France and Italy. These are Spain's main trading partners, which are going through a bad time. Up to 34% of Spanish exports go to these countries.

On the other hand, employment is expected to grow by 1.9% and unemployment to fall by 14.2%, where employment is growing in the real estate and construction sectors.

Throughout 2019, there is expected to be a high increase in public spending of direct taxes, two facts that if they come to occur, would be a risk to growth in Spain, so it is expected an increase in the deficit by 2.2%.

According to Feito (2018), "it must be borne in mind that the 2019 elections will generate great uncertainty in investors, and this will have its impact on macroeconomic factors."



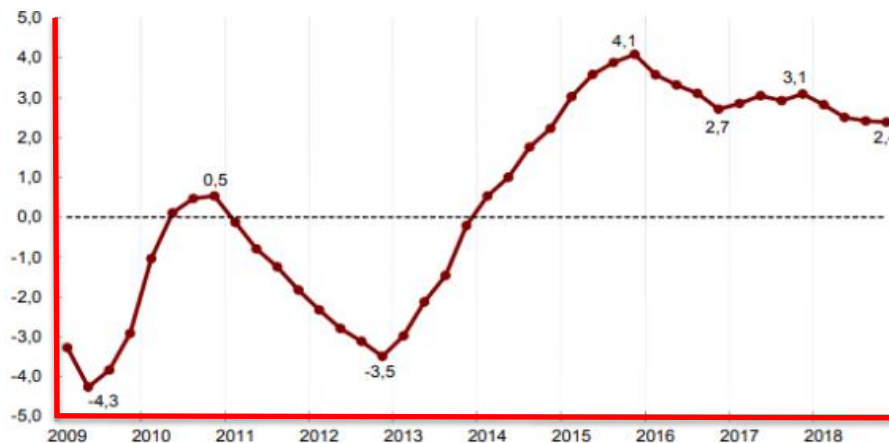
Table 3 GDP

	2017	Previsiones	
		2018	2019
PRODUCTO INTERIOR BRUTO	3,0	2,6	2,1
Consumo de los hogares e ISFLSH	2,5	2,4	1,9
Consumo público	1,9	2,1	2,1
Formación bruta de capital fijo	4,8	6,0	5,1
— Bienes de equipo y otros productos ¹	6,0	7,8	5,8
— Construcción	4,6	6,0	6,3
Demanda nacional (aportación al crecimiento del PIB)	2,9	3,1	2,7
Exportación de bienes y servicios	5,2	1,7	1,8
Importación de bienes y servicios	5,6	3,6	3,7
MERCADO DE TRABAJO			
Puestos de trabajo equivalentes a tiempo completo			
— Variación en miles	497.501	442.770	358.939
— Variación en porcentaje	2,9	2,4	1,9
Tasa de paro (EPA)	17,2	15,3	14,2
PRECIOS Y COSTES			
Precios de consumo (media anual)	2,0	1,7	1,6
Remuneración salarial media	0,6	1,0	1,6
Costes laborales unitarios	0,5	0,8	1,3
SECTOR EXTERIOR (% PIB)			
Saldo balanza pagos por cuenta corriente	1,8	1,5	1,2
ADMINISTRACIONES PÚBLICAS (% PIB)			
Déficit (-) o superávit (+)	-3,1	-2,7	-2,2

Source: Statistics national institute



Graph 12 GDP



Source: Statistics national institute

In the Eurozone it stands out that in 2018 its first two quarters were of growth, in the third it was even more pronounced with an increasing rate of only 0.2%. It is also important to mention the decrease in GDP of Germany. This is due to the slowdown in international trade and the paralysis of automobile production due to pollution regulations.

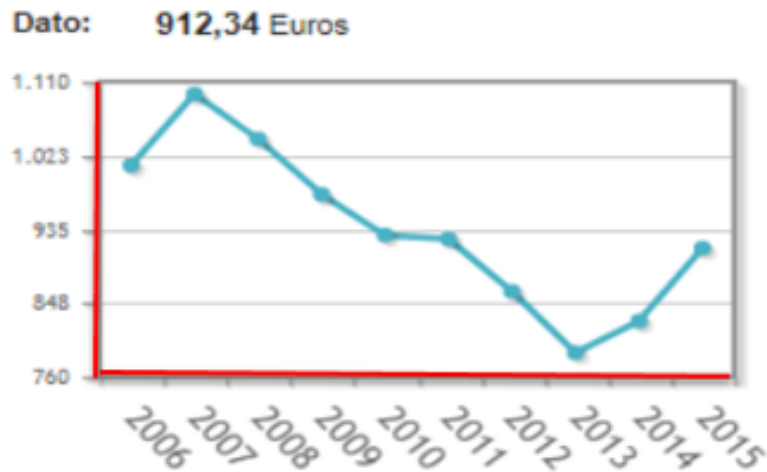
The inflation rate in the euro zone started the year at 1.3% and rose in the second half of 2018 to 2.1%, this was due to the increase in the price of oil. While the underlying has remained at 1.2%, we can conclude that Europe does not expect an easy year in 2019 with BREXIT.

Now, we have specifically tried to analyse the consumption per person in restaurants during 2015 (the last we have in our disposal in the INE) and tells us that a person, on average, spends 912'34 euros per year.

As we can see in the graph 13 the reduction of the average expenditure has been reduced during the phase of the recession from 2007 to 2013, where there starts to show a slight economic recovery of the country and this is reflected in the average expenditure per person that is continuously increasing by each year.



Graph 13 Average consumption spending in restaurants



Source: Statistics national institute

Income and employment are two usual factors that explain expenditure on extra-domestic food. An increase in income is associated with an increase in consumption outdoors and vice versa. That is to say, there are higher probabilities of making an expenditure in extra domestic food in the households that have higher income (Rama, 1997). Similarly, the higher the occupational level, the less there is spent on domestic food and more on extra-domestic meals. In Spain, employed persons spend more on eating out than unemployed or inactive persons, who try to eat more at home (Díaz Méndez and García Espejo, 2012).

As we can observe in table x, the gross income of the municipality of Oropesa del Mar is increasing in 2016, which will allow the increase in the expenditure of the Oropesina population.



Table 4 Evolución de la renta de Oropesa del mar

Evolucion de la Renta Media en Oropesa del Mar/Orpesa				
Año	Renta Bruta	Var	Renta Dispo	Var
2016	23.757€	2.012€ (8,47%)	19.573€	1.559€ (7,97%)
2015	21.745€	-54€ (-0,25%)	18.014€	120€ (0,67%)
2014	21.799€	-83€ (-0,38%)	17.894€	-159€ (-0,89%)
2013	21.882€	0€ (0,00%)	18.053€	0€ (0,00%)

Source: Press of Oropesa

2.2.1.3 Factores socioculturales

According to data from the National Statistics Institute (INE, 2017), Spanish society is summed up by 46,528,966 people, of which 73.2% declare themselves to be Catholics.

In Spain, the vast majority of people speak Spanish, but there are several co-official languages such as Catalan, Galician or Basque. Since the recession that arose in 2008, Spaniards have diminished their quality of life with respect to previous years. Yet, they continue to enjoy a good level of well-being, as almost all social resources are within reach. In addition, in Spain the birth rate declining, since year after year births decrease, reaching 8'99‰ in 2015. This is motivated by the recession, which reduces the possibility of supporting a child, and the increased integration of women in the workplace.

According to the National Statistical Institute (INE, 2017) more than half (58.4%) of the population eat only 3 meals a day (breakfast, lunch and dinner). In the group of people aged 65 and over, 72% do so. Almost a third (32.1%) of people also have a snack, i.e. they eat 4 meals a day. Of these, 48% are under 20 years of age. Among the people who often eat small amounts throughout the day there are more women (58.1%) than men (41.9%). Only 4.4% of the population skips a main meal a day.

The decision to eat outdoors is also determined by culture, society, health and education. Díaz Méndez and García Espejo (2012) stated "it is showed that in Spain, the level of education and leisure time has more influence than employment and income on the habit

of eating outdoors, while in other countries this is linked more to the employment factor", this means that the decision to eating outdoors is explained or caused by cultural factors rather than economic ones.

According to a study conducted by "El Periódico" explains that 56% of citizens of the Iberian Peninsula opt for a bar to eat outdoors. The Spanish country is by far, in the whole European continent, the one that goes more often to this type of establishments, since on average in Europe the population that eats at a bar is 23 % . Also, people are used to remain seated in restaurants in Spain while eating, 54% of them going to restaurants as compared to 43% that chooses fast food establishments. The European countries that most decide to eat in a fast food restaurant are Finland and Serbia with a percentage of 55% .

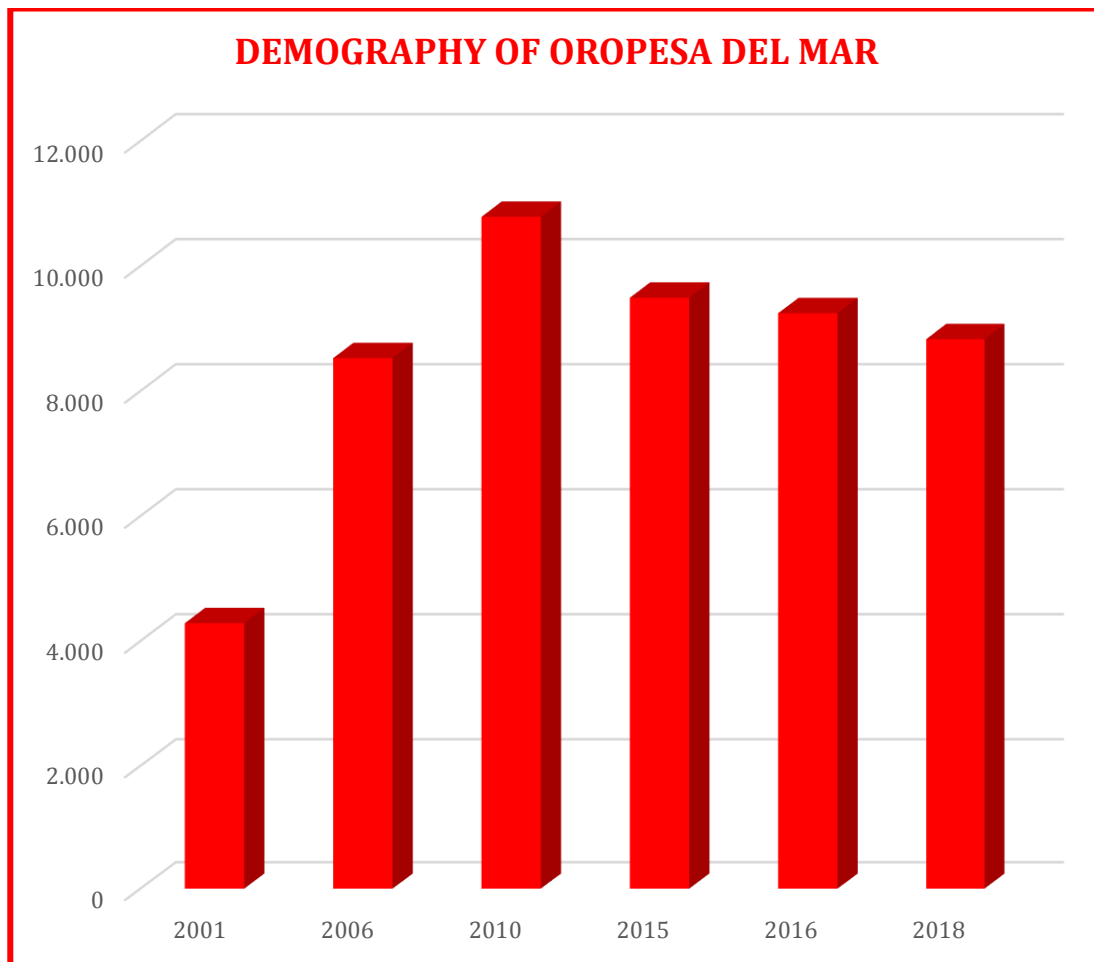
Another unusual habit in Spain is to see people eating out in the street, whereas this habit in the rest of Europe is more developed, this difference in Spain is due to the legal restriction. In Spain only 3% buys fast food, which is nothing compared to the 20% of Germany, Ukraine and Russia.

In Spain only 2% dinner outdoors when returning from the working day, whilst 59% eat at home with their family watching TV or using mobile phone.

Coming back to the demographic analysis, we focus on the town of Oropesa del Mar. We can observe how its demography has been growing since the beginning of 2000. This growth is motivated by the growth of the construction sector present in the town during those years. However, on the other hand, from 2010 it has begun to lower its demography due to the recession and the exodus of its population looking for work in other provinces.



Graph 14 Demographics of Oropesa del Mar



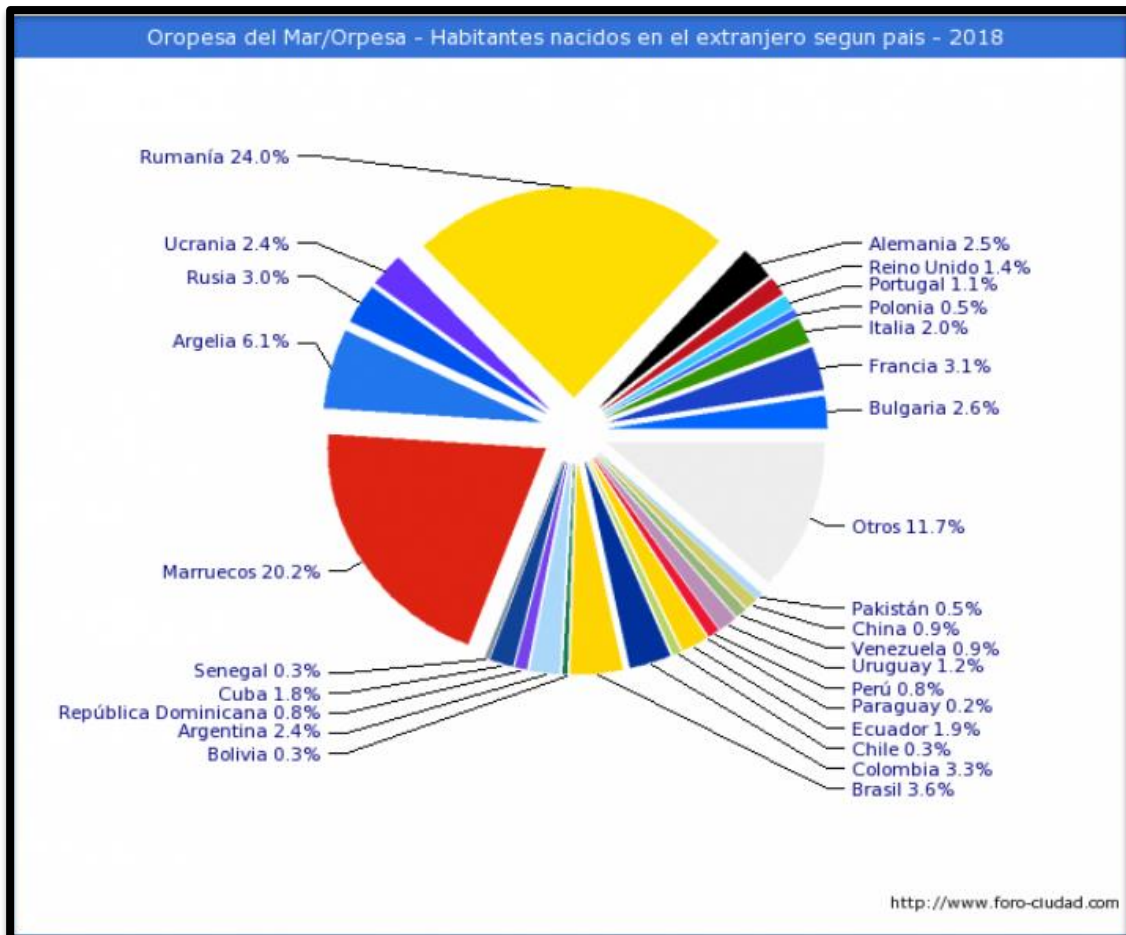
Source: Own elaboration, Data: Press of Oropesa

The nationality that predominates in the locality of Oropesa del Mar is the Moroccan one with a percentage of 20.2% and the Romanian with 24%. But, if we separate by race, the Arabic corresponds to a 26%, a public that in summer triples because of tourism and due to being the main client of purchases of real estate in the zone of the coastal zone during this period. Moreover, it is a public with high spending during its stay in Spain, for local establishments it would be a good target to satisfy.

The population of Oropesa in summer exceeds, reaching 60000 people. This is due to tourism, so during the summer months there is an increase in employment in Oropesa del Mar.



Figure 14 Population in Oropesa del Mar



Source: Press of Oropesa

2.2.1.4 Technological factors

Today, we live in a globalised society where, thanks to current technologies, almost anything can be achieved. The existence of Internet and social networks has considerably increased the speed of transmission of information and has offered new methods of advertising different from the conventional ones. The technological factors clearly require a significant investment and often funding to make develop. Technological advances are modifying the purchasing behaviour of consumers due to increased access to information, they are informed and compare products long before buying and they decide to do so increasingly through digital channels. The use of information and communication technologies (ICTs) in households has grown significantly in recent



years, although there is still a gap between users and non-users (digital divide) that can be attributed to a number of factors: lack of infrastructure (particularly in rural areas), lack of computer knowledge and skills needed to participate in the information society, or lack of interest regarding what the information society can offer.

Analysing the use of ICT products by people, in particular the use of the Internet, according to age and sex provides us with information on the profile of the person using it, the gender differences in use, and the degree of development of ICT in society.

The Europe 2020 strategy proposes three priorities: smart growth, sustainable growth and integrative or inclusive growth.

Smart growth implies the development of an economy based on knowledge and innovation as drivers of future growth. This means improving the quality of education, strengthening research results, promoting innovation, knowledge transfer across the European Union and making the most out of ICT (information and communication technologies).

For the progress of a digital community, a "Digital Agenda" for Europe in the coming years is envisaged, which will promote, among other objectives, access to and use of the Internet by all European citizens, mainly through activities promoting digital literacy and accessibility.

According to the results of the National Statistical Institute (INE, 2018): "11.2% of companies with 10 or more employees carried out big data analyses in the previous year (2017), i.e. 2.4 points higher than the previous year".

This study also says that 11% of this type of companies used some type of robot during that year.

Other data in relation to technology in commerce, is that 32.1% of these companies make purchases through e-commerce and 1 out of 5 are sold through the same channel.



Graph 15 Evolution of firms that undertook e-commerce (% on total firm)



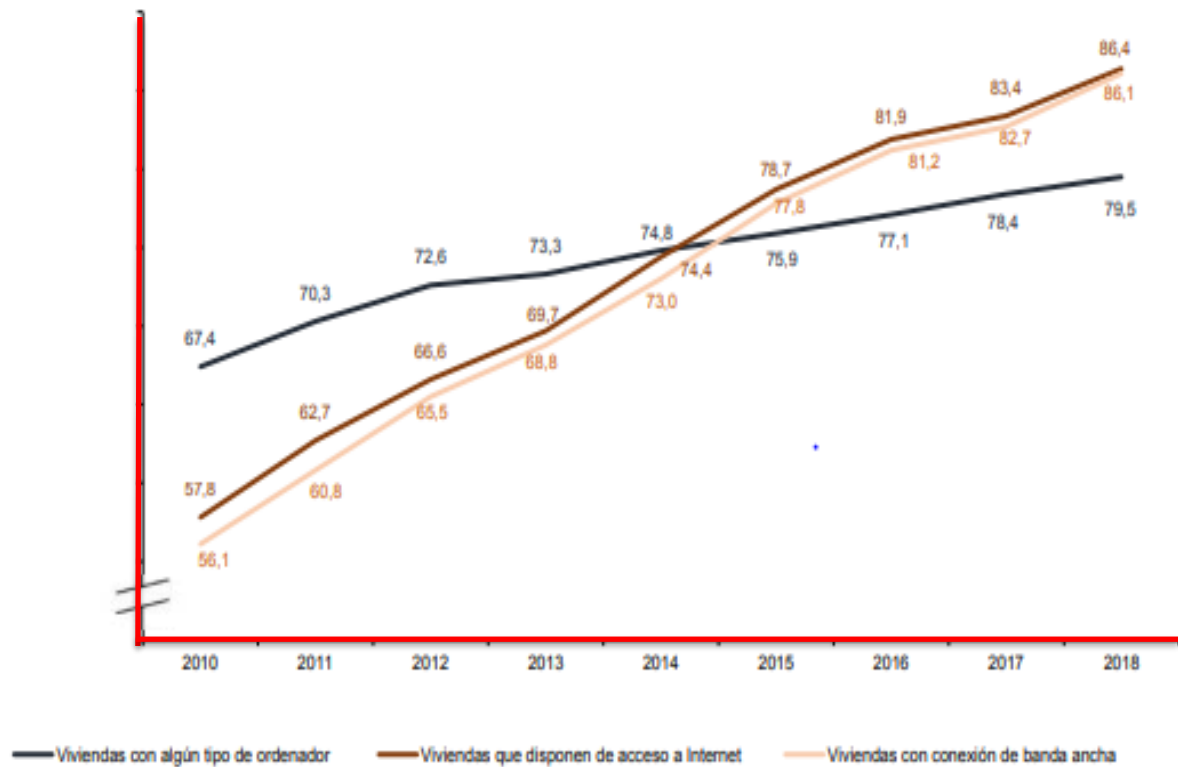
Source: Statistics national institute

Continuing with the analysis of the obtained results, thanks to the INE study, it has been concluded that 86.1% of Spanish households aged 16 to 74 have used the Internet in the last 3 months and that 72.1% have used it on a daily basis.

Moreover, 43.5 of the persons aged between 16 and 74 years old have purchased online in the last 3 months. and 53% in the last 12 months.



Graph 16 ICT equipment in households



Source: Statistics national institute

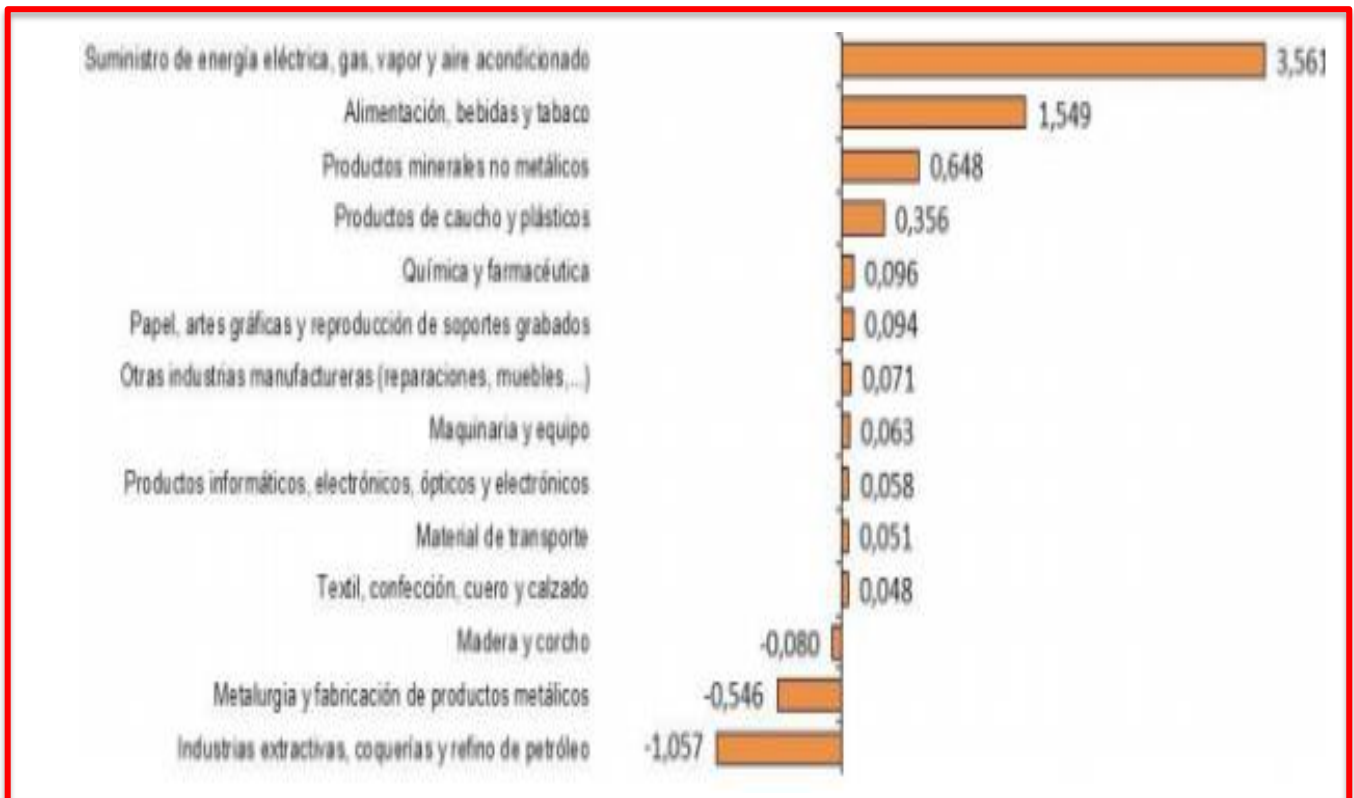
2.2.1.5 Environmental factors

Finally, a large majority of the Spanish population has an active attitude towards the environment, treating it as an immediate problem and not as a problem of future solution. Although the degree of concern is high, society's perception of itself is somewhat more critical, believing that there is little respect on behalf of people.

According to the latest study carried out by the national statistics institute (INE, 2017), "expenditure on environmental protection has increased by 4.9 in 2016, reaching a number of 2.490 million euros, 0.45% of the sector's business figures, and investment in environmental protection has increased by 16.7%. The sectors that concentrate more spending with regards to environmental protection, among others, is the food, beverages and tobacco sector with 23.3%."



Graph 17 Repercussions for industrial sectors. Year 2016



Source: Statistics national institute

According to the National Statistics Institute (INE, 2016): "The activity with the greatest investment in environmental protection in 2016 was the supply of electricity, gas, steam and air conditioning, with 276.8 million euros. This supposes 46.0% more than the previous year. It is also worth mentioning the investments made by coke and oil refining industries (85.0 million euros) and by Chemicals and Pharmaceuticals (70.2 million euros)".



Graph 18 Percentual distribution of investment in automotive industries. Year 2016



Source: Statistics national institute

2.2.1.6 Legal Factors

The political factors that affect the hotel and catering sector and more specifically the hospitality industry are:

European regulations relating to the sector:

- Bolkestein Directive (Directive 123/2006/EC), based on the freedom of establishment and flow of services between the member states of the European Union, seeking the simplification of procedures and formalities.

- Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002, laying down the general principles and requirements of food law, laying down the principles affecting food safety and establishing the European Food Safety Authority (EFSA).



➤ Regulation (EC) No 852/2004 of the European Parliament and of the Council of 29 April 2004 laying down rules on the hygiene of foodstuffs.

➤ Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 lays down more specific legislation on the hygiene of foodstuffs of animal origin.

➤ Regulation (EC) No 854/2004 of the European Parliament and of the Council of 29 April 2004 lays down specific rules for the organisation of official controls on products of animal origin intended for human consumption.

Spanish regulations relating to the sector:

➤ Law 42/2010, of 30 December, amending Law 28/2005, of 26 December, which regulates health measures against smoking, regulating the sale, supply, consumption and advertising of tobacco products.

➤ Law 31/1995, of 8 November, which promotes the measures to be taken regarding the prevention of occupational risks.

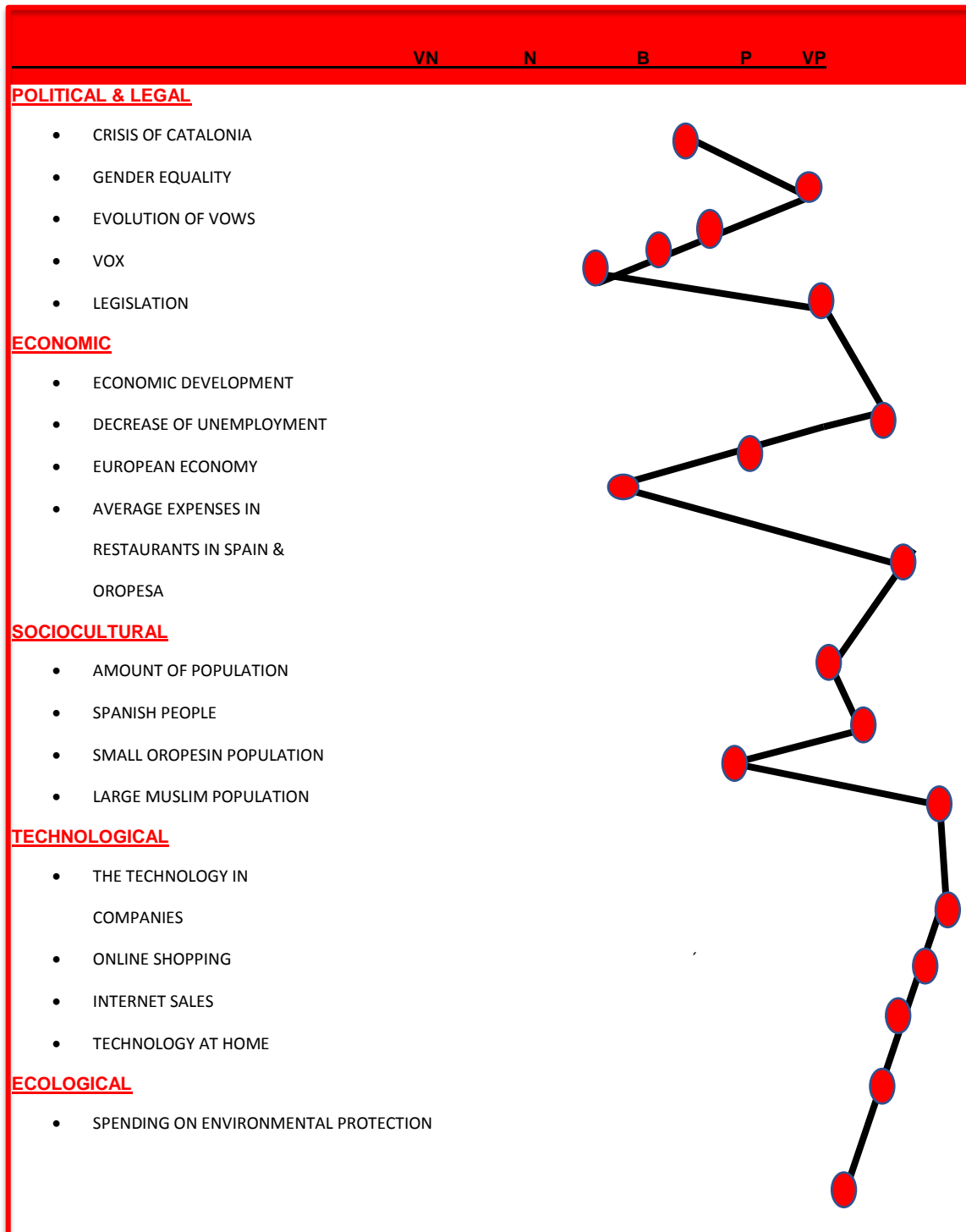
➤ Royal Decree 486/1997, of 14 April, through which the minimum safety and health provisions in the workplace are established.

➤ Royal Decree 1215/1997, of 18 July, affecting health and safety for the use of work equipment by employees.

➤ Royal Decree 640/2006, of 26 May, which regulates the conditions of hygiene, production and marketing of food products.



Figure 15 PESTEL ANALYSIS FOR TELEPIZZA



Source: Own elaboration



2.2.2 MICROENVIRONMENT

To analyse the **microenvironment**, a framework is established to study the level of competition within an industry, and with which to develop a business strategy. These five forces are those that operate in an organisation's environment and influence the ability of the organisation to satisfy its customers and to obtain profitability.

2.2.2.1 Buyer / customer bargaining power

If the size of customers is small (low demand) and they agree upon a price to pay for the product, this creates a threat to the company. If there are many suppliers, customers will increase their bargaining power, as they have a greater chance of switching from suppliers. In the case of our company, the products are over-the-counter and you can find them in any other pizzeria of less or more quality than Telepizza. However, Telepizza offers the delivery service that few others offer. Still, competition is high, and it has to get customers to trust the ingredients they use, since fast food is increasingly questioned nowadays. Also, negotiating power of customers tends to be medium/high, as there are many companies dedicated to this type of genre, both nationally and internationally, which tend to offer customers products with very similar characteristics. Therefore, the brand is obliged to innovate constantly with new items and to launch attractive offers constantly to set itself apart from the competition.

2.2.2.2 Suppliers' bargaining power

The bargaining power of suppliers against Telepizza is low as the number of suppliers that can sell to Telepizza is high and these products are not differentiated, so this is an advantage for the brand as it can get the products at a lower cost.

2.2.2.3 Competition

This refers to barriers of entry that may arise when introducing a new product or competitor. The easier it is to enter, the greater the threat. In case of Telepizza, there is a medium threat of new entrants, since most of these types of establishments in the sector are franchises and large investments are required for their opening. In addition, the location of these establishments is located in expensive places such as shopping centres, beaches, city centres where it is significantly expensive to pay the rent or to purchase large premises. Moreover, in case of competition that belongs to no franchises its threat is not so high since it does not have advertising like that of Telepizza and its costs are higher due to not having economies of scale. In case of franchises, in addition



to that, they can easily open establishments and can usually rely on existing investments in mass advertising, so they are already recognised by the crowd.

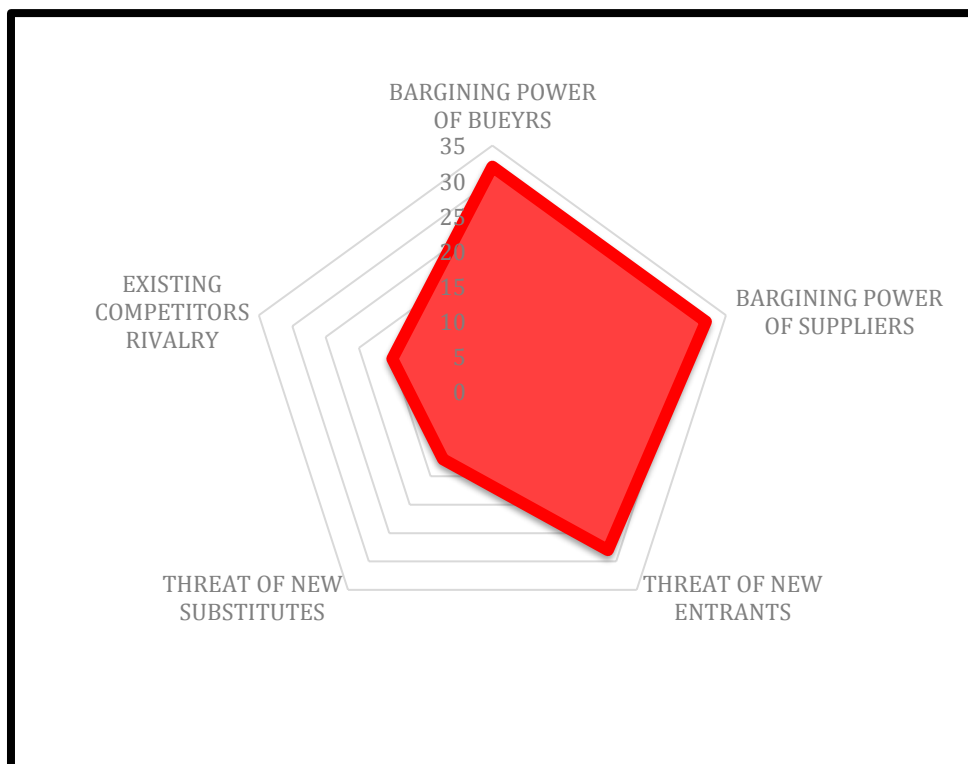
2.2.2.4 Substitute products

Replacement products are those that satisfy the same needs while being different. Customers switch easily to alternative products, because there is high competition in this fast food market and are increasingly competitive in prices. The threat of substitute products is high since today there are many establishments and a large variety that can replace the pizza. Alternatives could be Kebab and hamburgers offered by competitors, as well as sandwiches, snacks and frozen pizzas that can even be found at the supermarket pizza and serve as a substitute product to Telepizza pizza.

2.2.2.5 Rivalry between competitors

In the sector in which Telepizza is located there are other important brands that are conquering the market through price wars and constant launches of offers. This makes the competitors rivalry in the industry to be high. The main rival of the brand of Telepizza is Domino’s, which provided service is identical compared to Telepizza.

Figure 16 Porter’s 5 Forces Plot



Source: Own elaboration



2.2.3 COMPETITION ANALYSIS

The analysis of the competences we are going to proceed next, where the rivalry of the competition in this sector generates profitability to the companies since they are in constant launching of offers and calling the attention of the client by means of personalised offers.

Telepizza considers as competition: Domino's, Pizza Fono (Oropesa del mar), Pizza Hut, McDonald's, Burger King, 100 Montaditos, Pans & Company, Foster's Hollywood. Yet, Domino's is its direct competitor along with Pizza Fono in Oropesa del mar.

Competition regarding product shape: These are products and brands that satisfy the same need in the same segment, and with the same attributes and proportion. At this level we find direct competitors as they offer the same type of product with similar characteristics and are aimed at the same target market. In the case of Telepizza we find Domino's, Pizza Hut and Pizza Fono. The three companies offer pizzas. In the case of the third company, it is direct competition in Oropesa del Mar. Telepizza's objective is to gain market share to these two companies.

Competition in the category of the product: They have the same attributes but with different appearance or proportion. In relation to Telepizza, at this level we place McDonald's and Burger King, since at the national and regional level we do not find competitors of Telepizza for this level, and we consider that the hamburger chains suppose an excellent competition to Telepizza.

our

Generic competition: They satisfy the same need. In case, this refers to the need of service and fast food. At this level we place 100 Montaditos, Pans & Company and Foster's Hollywood.

Competition on a budget level: Fight for the same Budget



Figure 17 LEVEL OF COMPETENCE OF TELEPIZZA



Source: Own Elaboration

We can state that there is a great rivalry in the sector between these companies where there is a presence of significant growth at a national and an international level.

Domino's

Domino's Pizza is an American fast food chain specialised in pizza making.

The company was founded in 1960 by Tom Monaghan. It currently has more than 14,500 establishments (more than 5,000 in the United States alone, the second largest in the country after Pizza Hut) and is established in 89 countries and territories.

Domino's is Telepizza's main competitor, and is in a war over market share, which is aimed at youth, families, adults and children.

The products it offers are varied. Yet, pizza is their star product. The list of products they offer is the following:



Figure 18 Products of Domino's

NEW
AMERICAN LEGENDS



Texas BBQ Crispy



Buffalo Chicken



Kansas pulled beef

DELUXE'S



Cremozza al estilo Bourbon



Cremozza BBQ



Cabramelizada



Pulled Beef

CLAZZICA'S



Pecado Carnal



Carbonara



Extravaganza



Barbacoa



CREA TU PIZZA



Margarita



Elige por mitades

CREA TU GLUTEN FREE



Camembits



Combo de pollo



Combo de alitas



Pan de ajo con queso



Pan de ajo



Kickers



Patatas grill



Alitas de pollo



Strippers



Alitas de pollo con salsa



Ensalada de pasta y pavo



Ensalada pasta y marisco

Source: Website of dominos



The company as we can observe, has highlighted its breadth of products although the depth is also more than acceptable in some of the products. The consistency is narrow because the products are all related to the food sector, in which its catalogue stands out for its large number of references.

As we have said, the star product is the pizza, which is offered in a medium size with a price of 8 Euros and as a family pizza with a price of 12 Euros.

Domino's establishments are located in places such as shopping centres, city centres, beaches and even airports.

Domino's also has a home delivery service, where they also have sales through virtual platforms.

The commercial policy of Domino's is similar to that of Telepizza's, which advertises through television, internet, social networks, discount brochures, promotions and gifts offered to children.

Pizza Fono

Pizza Fono is a family-run pizzeria founded in 1995 by Algerians, who were trained in their youth by Telepizza, and who today apply the Telepizza principles in their own business.

It is a pizzeria that only has one product, which is pizza: a high-quality pizza at a low price. In Oropesa del mar is the main competitor of Telepizza, as Pizza Fono struggles to reduce market share to Telepizza through low prices. However, this is not enough because it does not have a marketing department that manages advertising and communication and promotions in an effective way, so their marketing is scarce.

It has 3 establishments of great amplitude in Oropesa del mar, which are located along the coast, i.e. at the first row of the beach.

Its products are basically pizzas of all types of category similar to that of our brand, which are usually accompanied by starter complements.



Pizza Hut

Pizza Hut is a fast food restaurant chain subsidiary of the Yum Group! Brands. It is known for its Italian American cuisine that includes pizza and pasta, as well as side dishes and desserts.

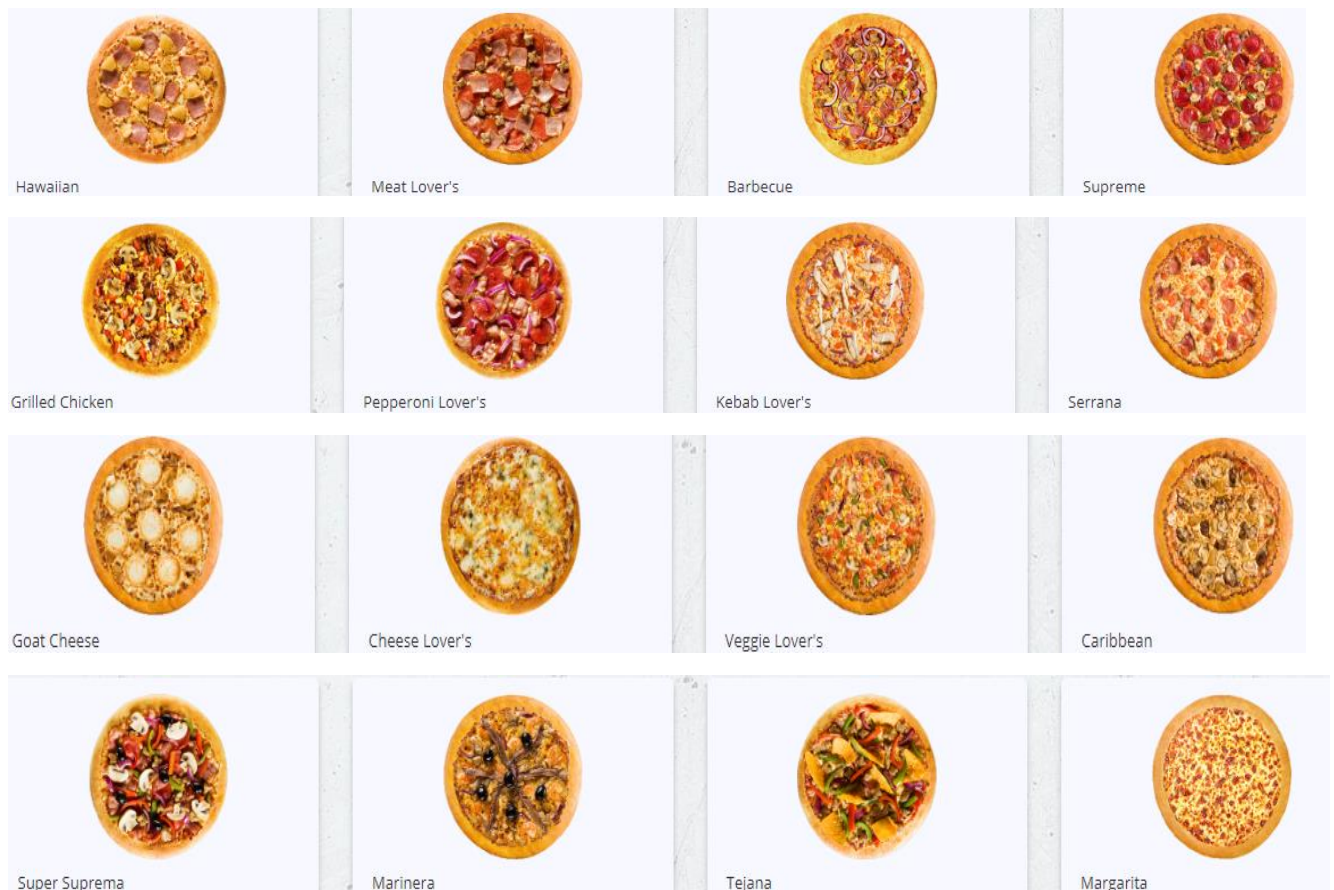
The Pizza Hut story began in 1958, when two Wichita (Kansas) students, brothers Dan and Frank Carney, set up their own restaurant.

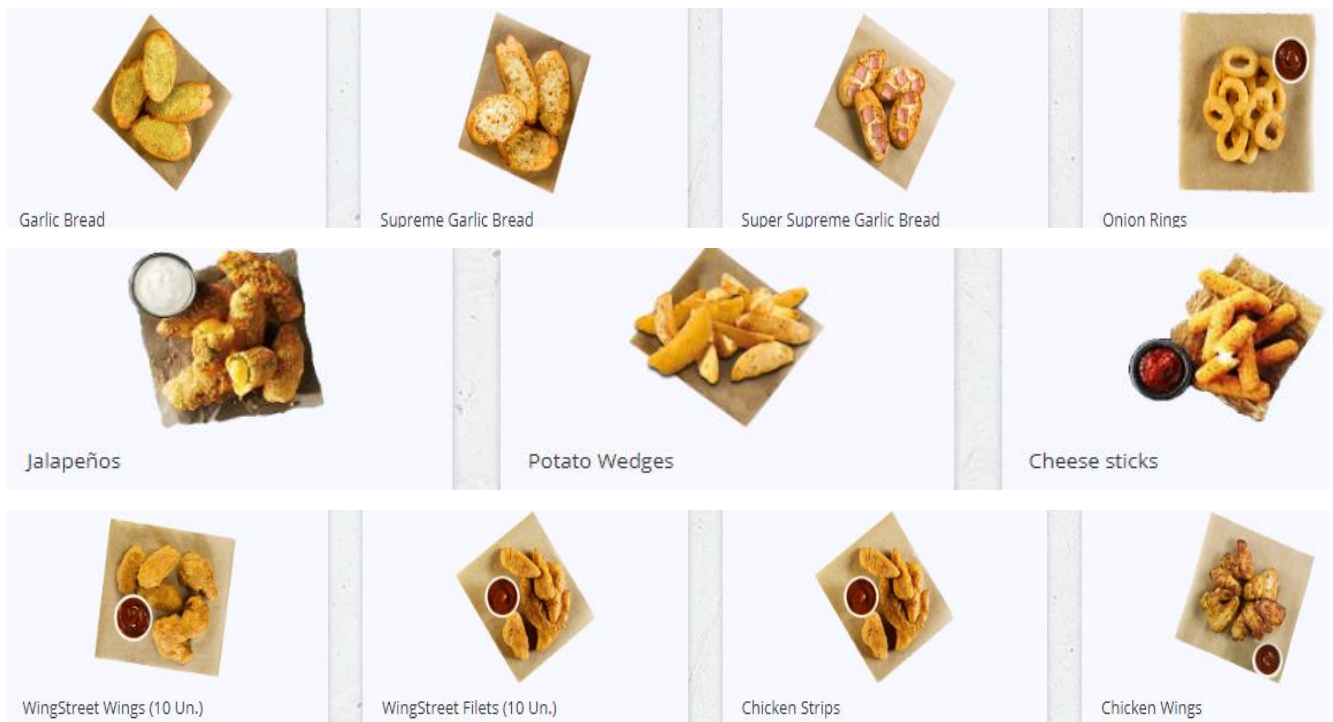
Pizza Hut has more than 34,000 establishments worldwide.

Pizza Hut is an ally with Telepizza, but they do business independently of each other. Yet, it is managed under the Spanish chain Telepizza in the national territory and other nations.

The products offered by this brand are the following:

Figure 19 Products of Pizza Hut





Source: Website of Pizzahut




The company as we have observed, highlights its breadth although the depth is also more than acceptable in some of the products. The consistency is narrow because the products are all related to the food sector, highlighting its catalogue for its large number of references.

The prices of the pizzas of the American brand are similar to those of the competition, such as Domino's or Telepizza itself.

The brand's commercial policy is strong in the United States and South America as it advertises on paid televisions, through social networks, but its presence in marketing in the Iberian Peninsula is almost none.

We can conclude that this brand is an important pizza sales chain, but it is not a direct competitor of Telepizza as it is allied to the Spanish pizza chain and does not have a strong presence in the Oropesa del Mar area of Telepizza.

Table 5 Table competition summary

COMPETITORS	PLACE	PRODUCTS	MEDIUM PRICE	PROMOTION
	<p>Retail business & franchises.</p> <p>More than 14500 restaurants.</p> <p>Domino's in Oropesa: zero.</p> <p>Home delivery.</p>	<p>Pizza</p> <p>Starter</p> <p>Salads</p> <p>Desserts</p>	<p>15 euros</p>	<p>- Pamphlets, raffle and discounts.</p> <p>Promotions special dates. - TV commercials, radio ads and magazine. - Website and Social Networks. - Mobile marketing - Outdoor</p>
	<p>Retail business.</p> <p>3 restaurants in Oropesa.</p> <p>Home delivery.</p>	<p>Pizza</p> <p>Starter</p> <p>Desserts</p>	<p>10 Euros</p>	<p>Pamphlets, discounts, Website, Social Networks</p>
	<p>Retail business & franchises</p> <p>More than 34000 restaurants</p> <p>Zero. restaurants in Oropesa.</p>	<p>Pizza</p> <p>Starter</p> <p>Salads</p> <p>Pasta</p> <p>Desserts</p>	<p>15 euros</p>	<p>- Pamphlets, raffle and discounts. - Promotions special dates. - TV commercials, radio ads and magazine. - Website and Social Networks. - Mobile marketing - Outdoor</p>

Source: Own elaboration



2.3. MARKET ANALYSIS

2.3.1. Situation of the fast food sector

The fast food sector is growing in Spain. Its price, long opening hours, and speed of service have an important influence on the customer's decision to consume in this sector. According to a study by EAE Business School, it reports that sales increased in recent years, after the onset of the crisis in Spain to reach a turnover of 2,678.2 million euros. This is due to tourism, and the recovery of private consumption, and especially in average spending on family leisure. This growth is now paused in this phase but is expected to increase by 50% in the next 5 years due to the positive recovery of the Spanish economy.

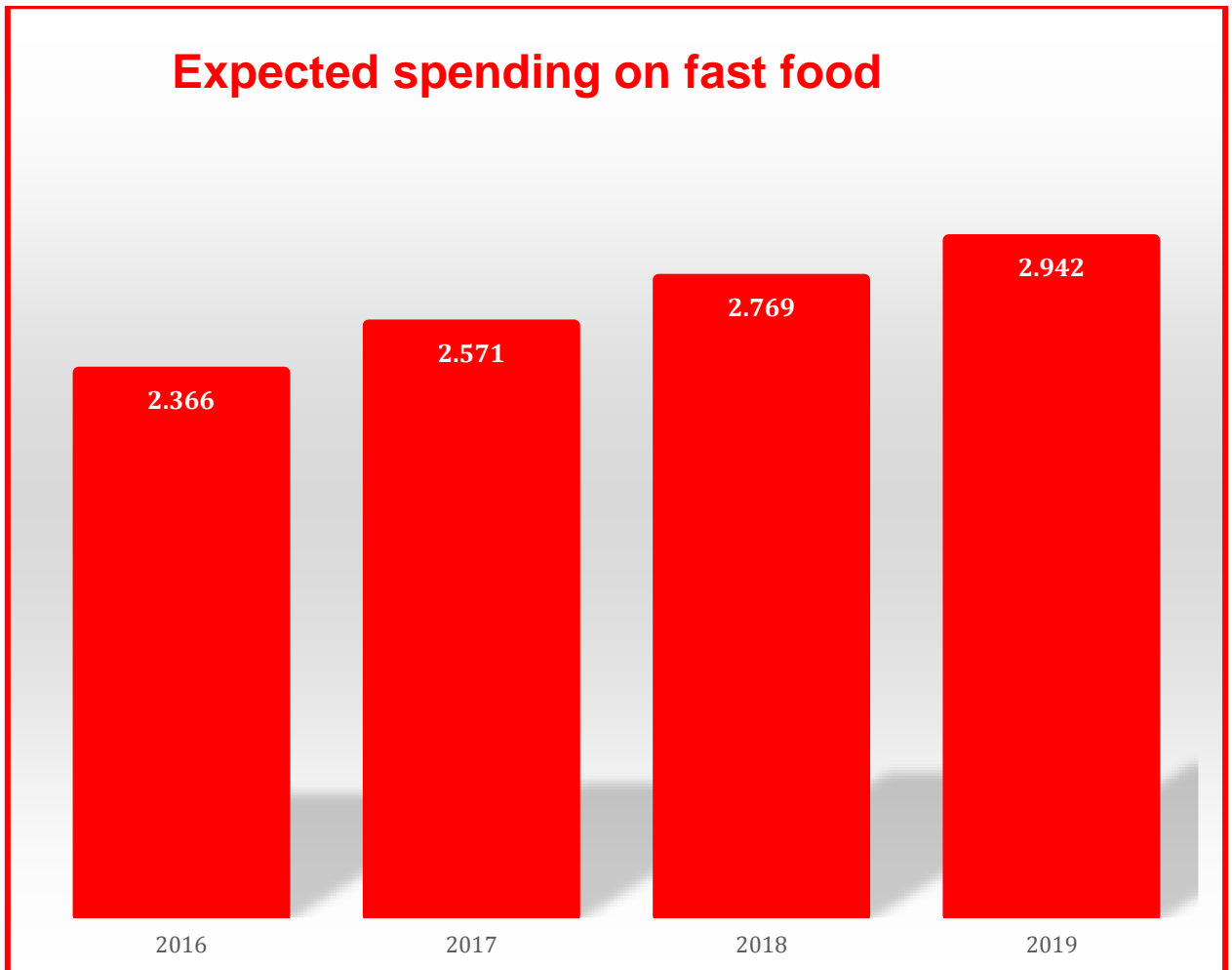
As we can see in the graph (x), it reflects the sales forecasts in the fast food sector, where in 2019 there is a forecast of 2,942 million euros in the sector. This is due to the growth of new delivery services and pizzerias that are driving the fast food sector.

Sectoriat DBK Informs (DBK 2018), concludes that total sales of fast food establishments grew by 5.6% in 2017.

The delivery service showed a more dynamic behaviour, thanks to the entry of major chains in this business and good acceptance by customers. Hence, this type of service generated sales of 450 million euros, 13.1% more than in 2016.



Graph 19 Expected spending on fast food in Spain from 2016-2019
(in millions of euros)



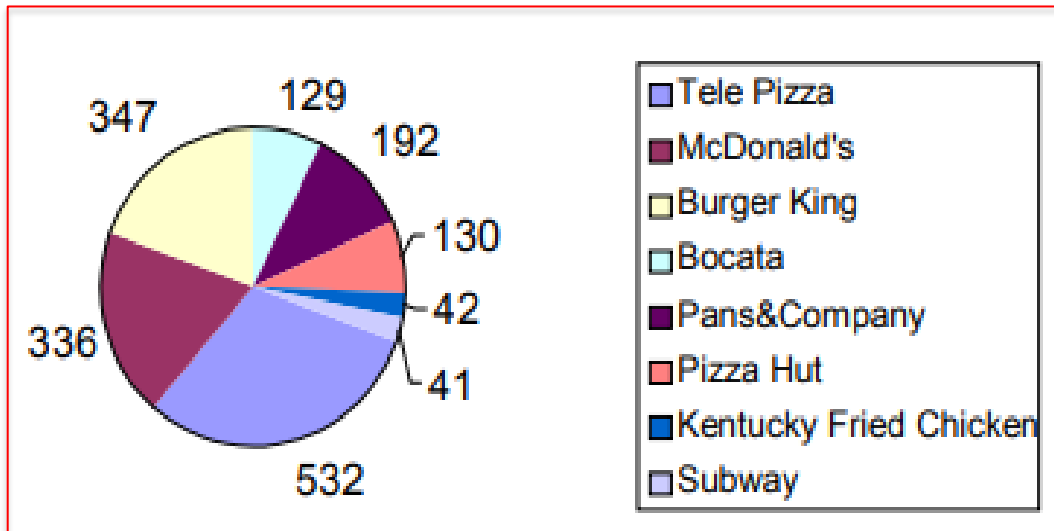
Source: Own elaboration

Sales in the fast food sector are made through two types of channels: Franchises (currently 77% of businesses) and the establishments themselves (23%) and over time this trend will increase, i.e. franchises will increase, and they will be reduced or there will be fewer businesses of their own. Therefore, franchises are once again gaining strength compared to independent premises, as they reflect 75% of the total supply of establishments, which stood at 4,890 in 2017, showing an upward trend. By type, the weight of the hamburgers stands out, with 1,450 stores, also registering the largest



number of openings. This was followed by snack bars (1,280) and pizzerias (1,245), while the group of other establishments reached 915 points of sale.

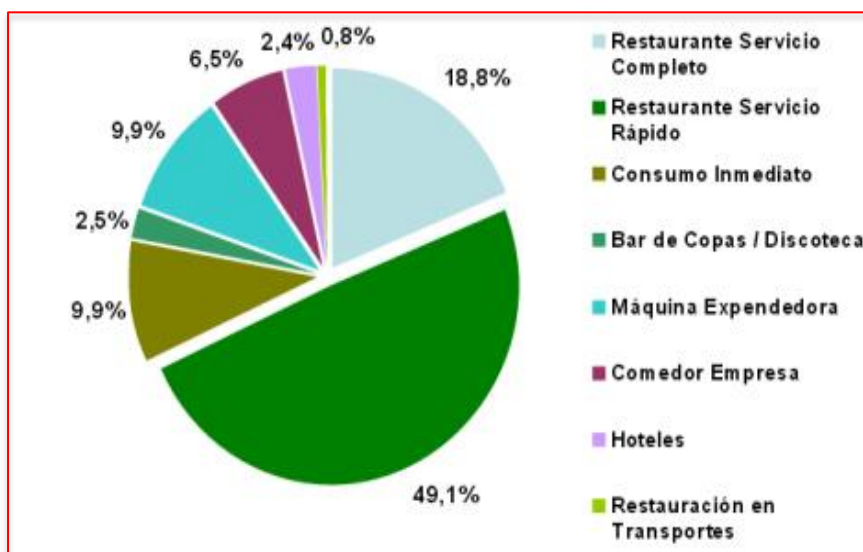
Figure 20 Amount of establishments of main fast food chains in Spain



Source: Latina magazine

Half of the visits are to fast food establishments. We can see in figure 21 that consumers make more visits to the fast food service and secondly to the full-service restaurant.

Figure 21 Consumer visits by type of service



Source: Ministry of Agriculture, Food and Environment



2.3.2 Consumer analysis

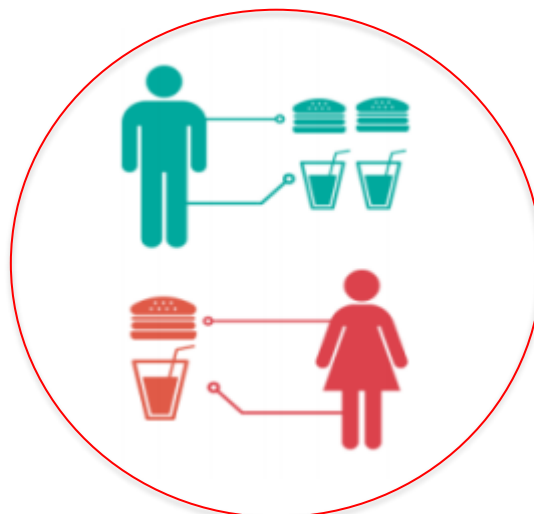
The characteristics of the customers who go to fast food services are the following:

- ❖ People with long working hours and are too busy with their own tasks.
- ❖ Families with children.
- ❖ Students and young people who are attracted by the price of the service.
- ❖ People with anxiety or depression often go to these types of places to eat high-calorie foods.

60% of men eat more fast food than women, and 40% of women consume this type of food on a weekly basis.

According to a study by EAE Business school (EAE 2015), Spanish men eat fast food more than twice as much as women. We can see this in Figure 22

Figure 22 Fast food consumption by sex

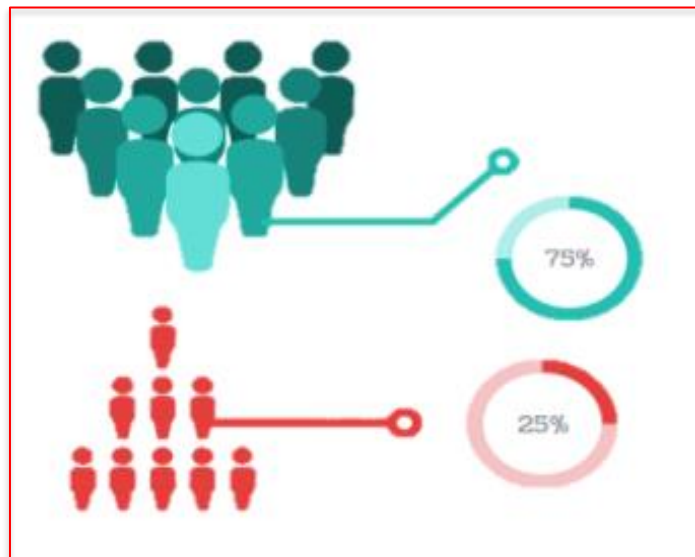


Source: Study of EAE Business



According to EAE Business School (EAE 2015), 75% of the Spanish population aged between 9 and 35 years consume fast food and only 25% of the population over 35 years consume fast food Figure 23.

Figure 23 Fast food consumption by age group



Source: Study of EAE Business

The customer's motivation to consume fast food products is due to brand, taste, price, speed of service, lack of time or unwillingness to cook, buying for convenience, work or non-working people who have little time to eat at home and are away from home, but mainly to go out with their partner, friends or families with children.

Pizza chains are increasing their sales in a considerate way as they attract the attention of customers by different factors such as the following:

- ❖ Atmosphere in the American establishments.
- ❖ Great variety of ingredients, and products leaving aside the traditional ones.
- ❖ Combination of pizzas with other types of products.
- ❖ It is encouraged to reaching all segments and promote online ordering.

- ❖ New sauces reinvent the existing products.

- ❖ Social networks are becoming decisive factors for consumers.

- ❖ Low prices, reunion with relatives, social meeting point.

- ❖ Location, proximity.

Consumers have evolved in trend these recent years. Buyers consider the quality of the product as an important factor to choose establishment, being the prices of products and the location of the establishment as second and third decisive factors.

In the current situation of Spain and the income of the Spaniards, we can see that the frequency of eating out had decreased in recent years. Yet, it is increasing after the crisis significantly, 38% of people eat out once a week and 21% of people eat in restaurants or fast food establishments several times a year.

The days of the week with the most visits to places of food consumption are during the weekend, i.e. Fridays, Saturdays and Sundays. Among the meals of the whole day, those that generate more sales are lunch (in the first place) and dinner (in the second place).

Spaniards maintain their average expenditure in the establishments of the sector, a study of extra-household consumption in Spain by the Ministry of Agriculture, Food and Environment,

(MAPAMA, 2017) explains why consumers visit establishments and these variables can be observed in the following table 6.

Table 6 Decisive variables of customer visits

Variables	%
Menu	8,4%
Promotion price	3,3%
Promotion product	4,7%
Promotion present	0,3%
Other promotion	2,1%
Without promotion	83,7%
TOTAL	100%

Source: Own Elaboration. Data: Ministry of Agriculture, Food and Environment

3.SWOT

STRENGTHS

- **Quality products:** Telepizza offers high quality products.

- **Proximity:** Telepizza's establishments are located in establishments that are appropriate and opportunistic to the customer, such as shopping centres and large population areas.

- **Modern establishments:** The brand's establishments have an American atmosphere, which pleases the clients.

- **Wide range of products:** In addition to pizza, Telepizza also offers other types of food such as hamburgers, pasta, sandwiches, starters, salads and desserts (such as the "red box" of chocolate pizzas) that can satisfy the needs of different types of customers.



→ **The manufacturing process is visible to the customer:** the process of making the branded products can be perceived with great visibility by the customer from the rooms or terraces, where this factor generates customer confidence in the brand.

→ **Good financial health:** As we have seen in the financial analysis of the company, we have concluded that it has a good state of financing, where it faces its debt without any obstacle, and it can easily obtain external financing.

→ **Credibility:** It has a strong brand that generates trust and credibility among customers.

→ **Strong in advertising and promotions:** Telepizza has great strength in the field of advertising and communication with the client, where it informs about its promotions and news as well as where consumers can find discount offers to different types of menus.

→ **Fame:** Telepizza is very famous both nationally and internationally.

→ **R&D+i:** Telepizza is a company that invests in R&D+i to innovate its products and to generate enthusiasm for its customers. Moreover, it applies technology in all aspects of the business, for this it is considered a pioneer in technology in its sector.

→ **Backward integration:** Telepizza has opted for a backward integration strategy where it supplies its own stock and ensures a reduction in costs as well as an increase in the quality of its materials.



→ **Corporate social responsibility:** Telepizza is involved in environmental and social care, where it aims to help with the actions of red boxes and by employing people with Down syndrome.

→ **Delivery service:** Telepizza takes your order to your home with an additional cost of 2 euros on the order.

→ **Experience:** Telepizza was founded in 1987 and today in 2019 has already 32 years of experience in the fast food sector.

→ **Merchandising:** Telepizza has strong merchandising products (glasses, T-shirts, bracelets, toys, magnets) that help to publicise the presence of the brand in homes.

WEAKNESSES

→ **Price:** Telepizza has higher prices than its local competitors.

→ **Workplace:** Despite the good working environment, the reduced working hours offered by Telepizza to its employees together with the low salary (5 euros per hour), the workers do not stay in the job for a long time, and often leave when they have just gained the dynamics of work that is intended by Telepizza.

→ **Large entry capital:** To belong as a retailer in the Telepizza brand requires large capital to start the business with the franchise.

OPPORTUNITIES



→ **Increased demand for fast food:** Consumers, after the recession and the economic recovery the country is experiencing, are returning to the habits of eating out more frequently going to fast food restaurants.

→ **Tendency to go shopping at the mall and eat fast food:** People have become accustomed to go shopping and then eat and dine in the malls, which is one of the key establishment points of Telepizza.

→ **Large international market:** The international market is gaining strength thanks to globalisation and it is a good opportunity for the Telepizza brand to increase its establishment in countries with virgin markets such as North Africa.

→ **Increased online shopping:** Consumers today, and the homes of Spanish citizens mostly have Internet connection and mobile devices, tablets and computers. Moreover, they are changing their buying trend through virtual channels. This can reinforce the idea of selling Telepizza's products through the web.

→ **Rigidity of the regulations:** The increase in the rigidity of the regulations gives more prestige to the brand, as it must comply with certain quality controls and legislation to be able to market their products.

→ **Favourable Spanish socio-cultural factors:** Spanish culture and leisure activities are factors that favour spending on restaurants, especially fast food. This means that cultural factors have a greater influence on spending than economic factors.



→ **Low competition at local level:** The competition that Telepizza finds in the town of Oropesa del Mar is not high or strong because there is neither a Domino's nor another pizzeria with this level of investment and prestige as the Spanish chain. We can only find the competition of Pizza Fono.

→ **Oropesa del Mar tourist municipality:** Oropesa in summer is full of people from all parts of Spain and the world. This is mainly due to its beaches and festivals held in the neighbouring municipality (Benicàssim), this drastically increases the demand for products in our sector.

→ **Large Muslim population in Oropesa del Mar:** The Muslim population in Oropesa del Mar is about 26% of the population. It always has difficulty eating out because they do not find halal food*, so it would be a good segment to satisfy their needs.

THREATS

→ **Substitute products:** substitutes products of pizza are becoming more and more quality and competitively priced.

→ **Political instability:** The national political situation in recent years has not been able to stabilise and this is generating some economic insecurity to investors and households, which may lead to the reduction of consumption and expenditure of citizens in the long term.

→ **Increased bargaining power of clients:** Customers have bargaining power since pizzas are free sale products, being in a market with high competition for these products as well as substitute products.

→ **Low winter population:** The population of Oropesa del mar is reduced during winter to almost 9000 people, which reduces the economy and business activity of the municipality.



Figure 24 SWOT of Telepizza



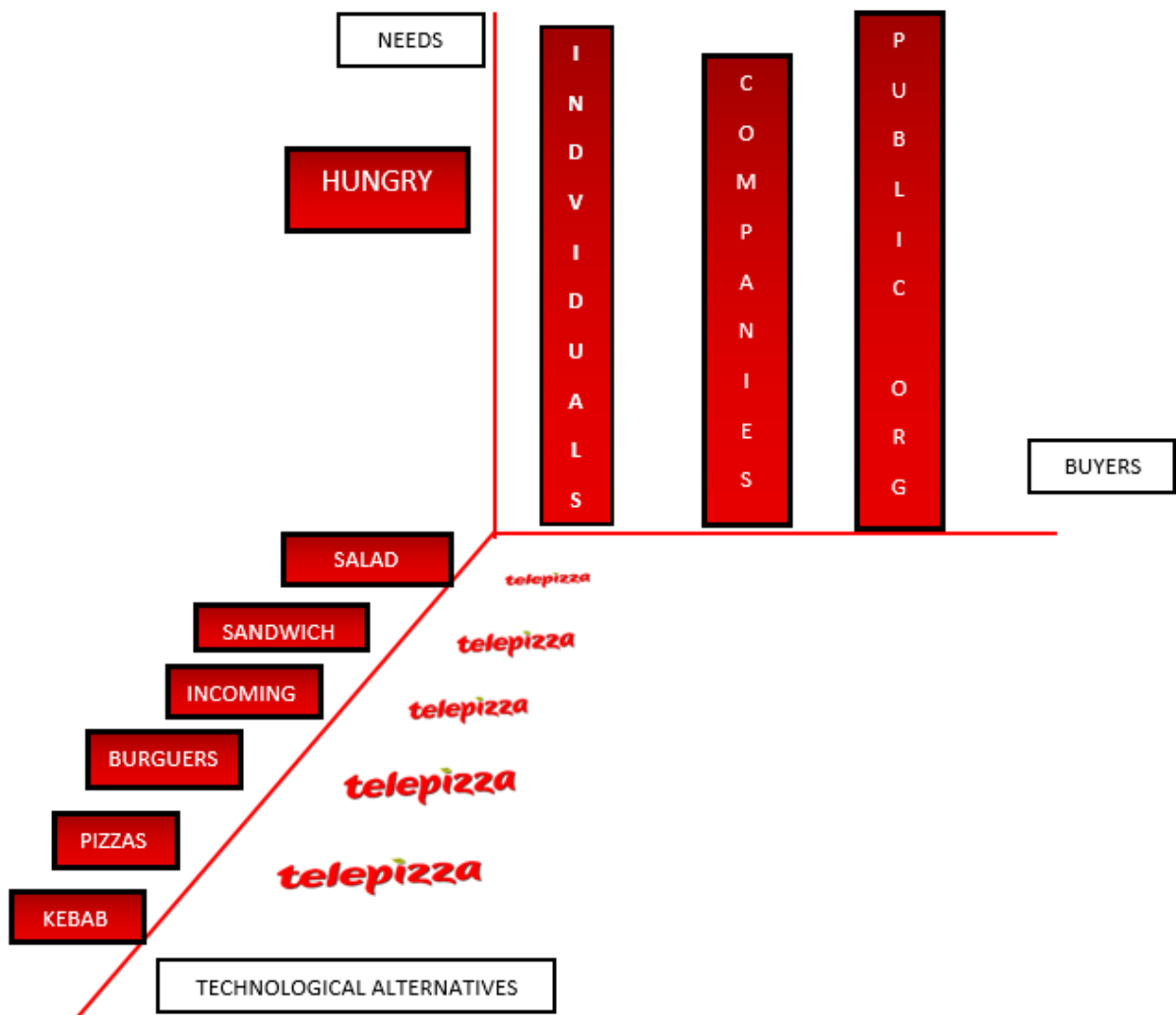
Source: Own elaboration



4.SEGMENTATION

As we can see in Figure 25, Telepizza mainly aims to satisfy the need for satisfying hunger to individuals through pizzas, hamburgers, starters, salads:

Figure 25 Product- market of Telepizza



Source: Own elaboration



Telepizza offers high quality products, with interesting promotions and a fast service. Its target market is established by both the real market and the potential market.

The target market for Telepizza is the upper-middle class. We also differentiate this target between groups according to lifestyle, age, religion.

- **Young people between 18 and 35 years old:** This population group is one of the main segments of the company. They are formed by students, young workers with an average level of income. This group of people is characterised by their lifestyle of irregular meals and is tended to choose fast food. This segment looks for attractive prices and interesting promotions. Moreover, it shows interest and importance to decoration, local environment and the area where they are. Young people use the Internet very often, so it is easier to reach this segment through social networks and the web. This segment is also increasing using the home delivery service, where they order a lot of products during holidays and weekends, to share with friends and family.

- **Adults between 35 and 60 years old:** This group of the general population seeks a quiet and comfortable environment, for this reason, among others, Telepizza decorates and generates an attractive atmosphere which is different from other establishments. In addition, this segment chooses high quality products to take care of their health.

- **Families and children:** Telepizza also targeted this type of segments, where they can enjoy the different types of low-price, wide variety and quantity menus to choose from. This segment tends to look for well-being and at the same time a place for their children to play and to enjoy the toys that Telepizza gives them as presents with the menu. This group also increasing in relying on the home delivery orders, in order to continue enjoying Telepizza products without leaving home and without generating any discomfort of moving with the children.



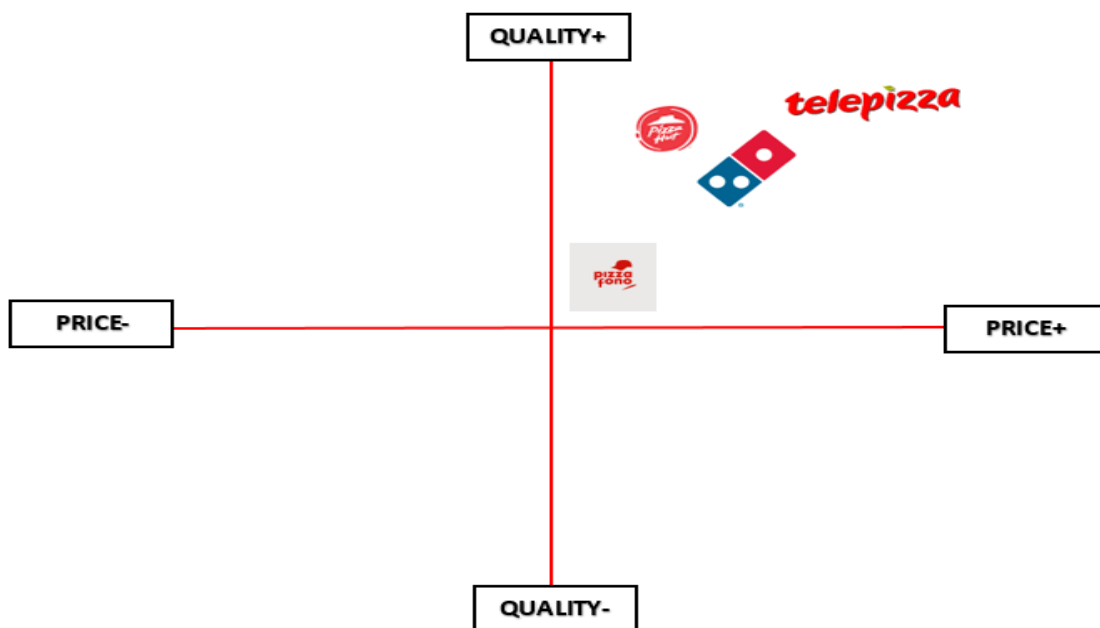
- **Muslims:** One of the potential markets to which Telepizza will be directed will be the Muslims of Oropesa del Mar, since this group looks for halal food, and where importance is given to the discount offers that are presented weekly in Telepizza. This group is increasing significantly at national and municipal level.

The strategy to be followed by the company is a marketing mix based on **differentiation in product through specialisation** as it has a wide range of products to meet the needs of different market segments, i.e. products that meet the expectations of different classes of people.

4.1 Positioning

According to the competition analysis we carried out on the pizzerias that directly compete with Telepizza, we will proceed to place the 3 pizzerias on the positioning map in order to know the positioning of Telepizza and its competitors according to the criteria that define the market, i.e. price-quality.

Figure 26 Positioning map



Source: Own elaboration



5.OBJECTIVES

The objectives to be established in this marketing plan are intended for the establishment of Telepizza located in the town of Oropesa del Mar.

5.1 General objectives

The general objective of the company is to increase brand awareness by satisfying customer needs, improving service and offering new products to reach new market segments.

5.2 Specific objectives

- **Objectives of commercial relationships**

1. To improve the brand image by 2019 by increasing customer satisfaction by 15%.
2. To achieve 10% new customers in 2019.

- **Management objectives of marketing activities**

3. To increase sales by 10% by 2019.

- **Business financial objectives**

4. Increase profits of Telepizza by 10% over the next 12 months.

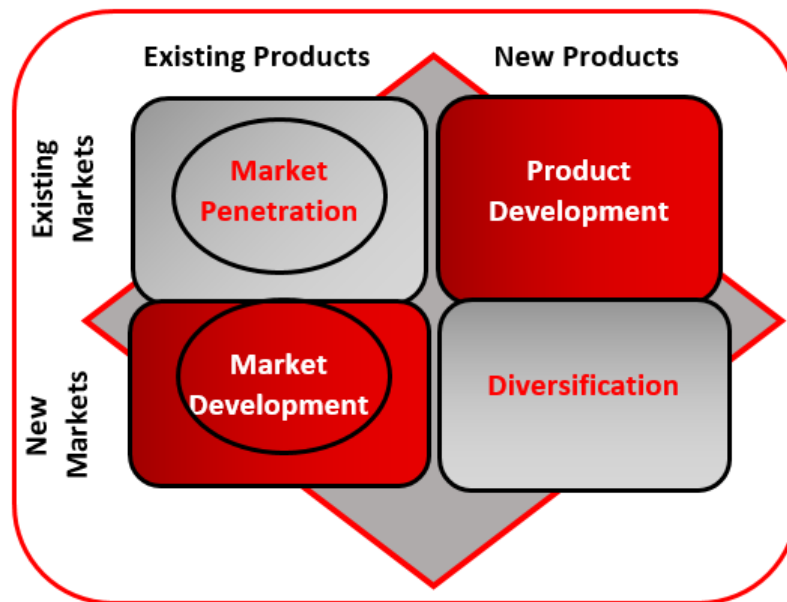
6. MARKETING STRATEGIES

6.1 Diversification or growth strategy

To analyse the growth strategy that Telepizza should carry out, we use Ansoff's growth matrix:



Figure 27 Ansoff's matrix



Source: Own Elaboration

After analysing the different growth strategies of Ansoff, Telepizza should use the **market penetration strategy**, i.e. increase sales of existing products to increase market share. This will be carried out through different actions that we will see below. This strategy has the advantage that Telepizza knows the market in which it operates, which facilitates the actions to be carried out.

It will also choose for the **strategy of developing new markets** with the products it already knows in order to reach new segments that it did not serve until now. In the case of Telepizza in Oropesa del Mar, it aims to reach the Arab public.

The company has already operated with these strategies and it knows them very well. Hence, it has the advantage of being familiar with the situation as we have mentioned before.

6.2 Competitive strategies

The strategy that Telepizza follows and must follow with respect to the competitive strategies in the Oropesa del Mar area is the **leader strategy**. This is because Telepizza has an outstanding position in the sector at a national level and no less in the municipality of Oropesa del Mar, where it is the main point of reference with respect to its competitors. Additionally, it is the one that sets the guidelines, trends and changes in the municipality.



For Telepizza to protect its position in the market, it should also increase market share in order to seek an increase in profitability.

6.3 Competitive advantage strategy

In order to be better than the competition, Telepizza opts for a strategy of **differentiation**, which aims to offer its customers high quality products and design with constant innovation in order to be perceived as unique, special, superior.

There must be a **differentiation through the products**. Although pizzas are a standard product, Telepizza will always try to incorporate new features in their tastes, quality, formats and design in order to increase the reliability of customers and to increase the guarantee in the quality standards used in the products.

We will also opt for the **differentiation of the service**, where it is intended that our orders are delivered at home and are available at the store at the agreed time, i.e. punctuality. Employees are also trained to offer good after-sales service, which gives the customer a guarantee regarding their order

7. ACTION PROGRAMS

7.1. Summary of action plans

Table 7 Summary of action plans

ACTIONS	OBJECTIVES
Action 1. New product line: Halal food	2. Get 20 % of new customers in 2019 3. Increase sales by 10 % in 2019 4. Increase profits of Telepizza by 10% over the next 12 months
Action 2. Buffet	2. Get 20 % of new customers in 2019 3. Increase sales by 10% in 2019 4. Increase profits of Telepizza by 10% over the next 12 months
Action 3. Sale of portion of pizza	2. Get 20 % of new customers in 2019 3. Increase sales by 10% in 2019 4. Increase profits of Telepizza by 10% over the next 12 months
Action 4. Increase the area of the delivery service	1. To improve the image of the brand by 2019, increasing customer satisfaction by 15% 2. Get 20 % of new customers in 2019 3. Increase sales by 10% in 2019 4. Increase profits of Telepizza by 10% over the next 12 months
Action 5. Open new store on the beach front	1. To improve the image of the brand by 2019, increasing customer satisfaction by 15% 2. Get 20 % of new customers in 2019 3. Increase sales by 10% in 2019 4. Increase profits of Telepizza by 10% over the next 12 months



Action 6. To introduce “Auto-pizza”	<ol style="list-style-type: none"> 1. To improve the image of the brand by 2019, increasing customer satisfaction by 15% 2. Get 20 % of new customers in 2019 3. Increase sales by 10% in 2019 4. Increase profits of Telepizza by 10% over the next 12 months
Action 7. To introduce Collection point by Oropesa	<ol style="list-style-type: none"> 1. To improve the image of the brand by 2019, increasing customer satisfaction by 15% 2. Get 20 % of new customers in 2019 3. Increase sales by 10% in 2019 4. Increase profits of Telepizza by 10% over the next 12 months
Action 8. Create an Instagram account	<ol style="list-style-type: none"> 2. Get 20 % of new customers in 2019 3. Increase sales by 10% in 2019
Action 9. Gift voucher at Christmas, Easter & summer	<ol style="list-style-type: none"> 1. To improve the image of the brand by 2019, increasing customer satisfaction by 15% 2. Get 20 % of new customers in 2019 3. Increase sales by 10% in 2019
Action 10. Participation in sport races offering pizza.	<ol style="list-style-type: none"> 1. To improve the image of the brand by 2019, increasing customer satisfaction by 15%
Action 11. Advertising on flyers for Arab public	<ol style="list-style-type: none"> 2. Get 20 % of new customers in 2019 3. Increase sales by 10% in 2019 4. Increase profits of Telepizza by 10% over the next 12 months

Source: Own Elaboration

7.2 Product decisions

Action 1. New product line: Halal food

Objective to which it contributes:

2. Get 20 % of new customers in 2019
3. Increase sales by 10 % in 2019
4. Increase profits of Telepizza by 10% over the next 12



Implementation period: 12 months

Budget: 25€/ Product line

Description: a new variety of food in our catalogue with the concept halal, i.e. food that is allowed by the Islamic religion for the Muslim public. Within this variety of food, we can find halal pizza that has the following ingredients: halal meat with other vegetable ingredients such as natural tomato, olives and green pepper. Another product is the halal wings that at first sight have no difference between normal chicken wings, the difference is found in the religious procedure of the sacrifice of the animal, we can also find sandwiches and “spirodogs”.

All these halal products such as meat are purchased through suppliers which are specialised in these products.

Figure 28 Halal product line



Source: Own Elaboration

Action 2. Buffet

Objective to which it contributes:

- 2. Get 20 % of new customers in 2019
- 3. Increase sales by 10 % in 2019
- 4. Increase profits of Telepizza by 10% over the next 12

Implementation period: 9 months (September-May)

Budget: 5€ / person



Description: This action tries to elaborate a free buffet during the low season of Telepizza in Oropesa del Mar to favour the social activity between the citizens, offering them a free buffet for a reasonable price of 7,95 euros per person with minimum of 2 people to access. In this buffet it is possible to eat all the pizzas that the client wishes. However, customers can only order a new pizza once they have finished the previous one and it is not possible to take outside of the establishment what is left over of the meal.

The free buffet includes:

- Pizzas
- Starters
- 1 drink

Action 3. Sales of portion of pizza

Objective to which it contributes:

2. Get 20 % of new customers in 2019
3. Increase sales by 10 % in 2019
4. Increase profits of Telepizza by 10% over the next 12

Implementation period: 12 months

Budget: 0,80 cent / portion

Description: there will be sales of portions taken from pizzas of the familiar size, that is to say, portions of great size. With this action, the intention is to facilitate the decision to come to consume in Telepizza's establishment to a group of numerous people. In these large groups, there always exist people who do not eat much and for this reason they prefer to go to other establishments where they can opt for other smaller portions, Also it is tried to satisfy the necessity of the hunger before the meals or suppers, that is to say, to eat something that does not fill you.



Figure 29 Pizza portion

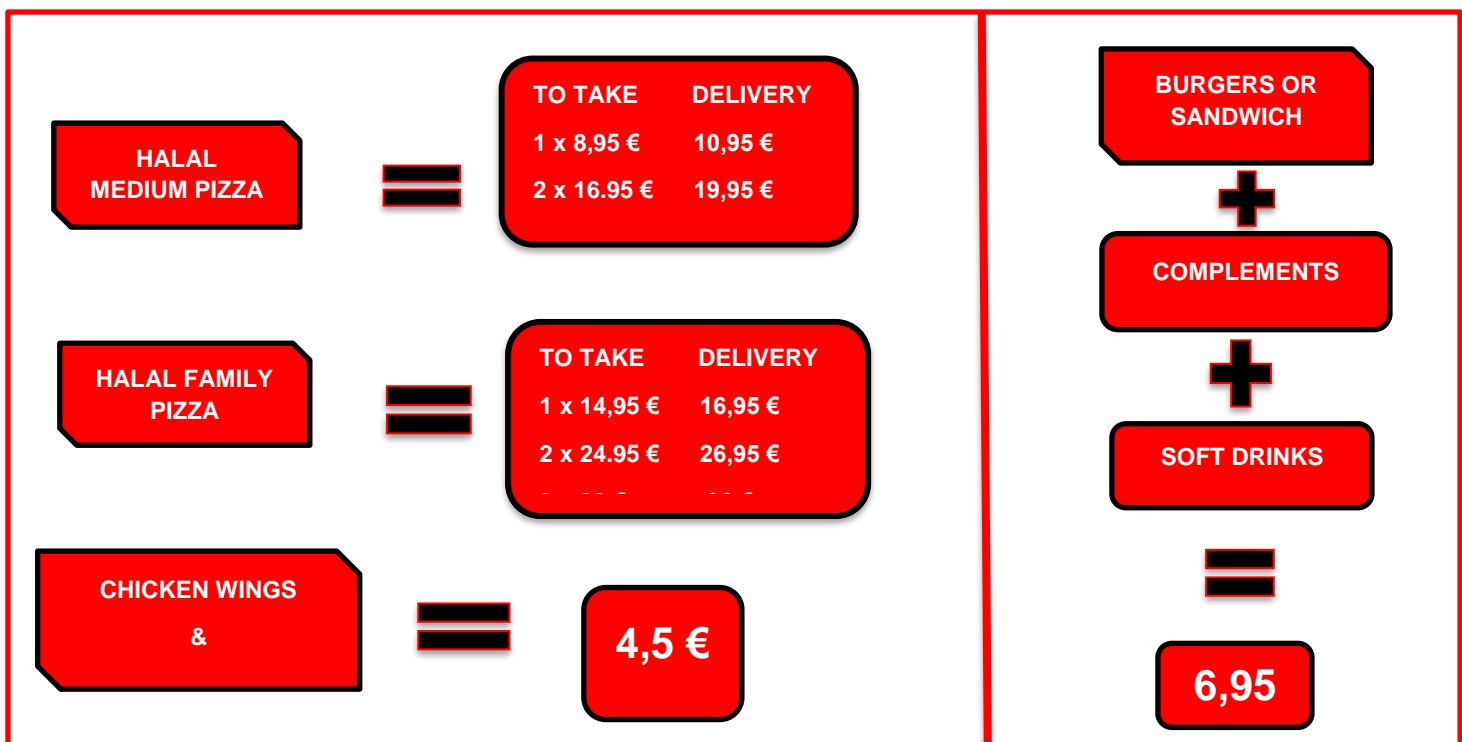


Source: Google

7.3 Price decisions

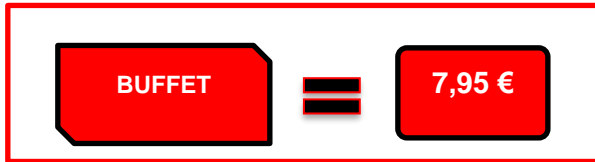
The pricing method established by Telepizza is for the value perceived by the customer. The consumption of high-quality pizza in a fast food service, with an American style and atmosphere rarely seen in Spain, the price is established by the customer's perception. We also propose the prices for the following products.

- Halal food

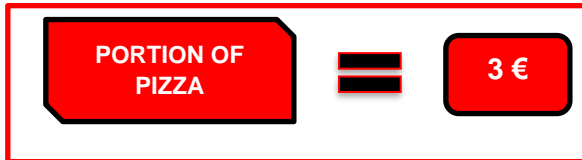


- Buffet





- Pizza portions



7.4. Distribution decisions

Telepizza's distribution is through the brand's own virtual platforms, through the telephone, and in the store itself, as explained above.

Action 4. Increase the area of the delivery service

Objective to which it contributes:

2. Get 20% of new customers in 2019
3. Increase sales by 10% in 2019
4. Increase profits of Telepizza by 10% over the next 12

Implementation period: 3 months (June-August)

Budget: 18.900€

Description: In the summer months, which correspond to high season due to tourism and the growth of the demography of the municipality of Oropesa del Mar, it has been decided to incorporate more distributors in the workplace and to acquire more motorcycles to ease the distribution. This allows Telepizza to reach the areas that, at the moment, Telepizza does not arrive at. This refers to the areas of the buildings of Torre la Sal (the end of Marina d'Or) and Torre Bellver, which are two areas that are at the extremes of the municipality and during winter are sparsely populated. However, during Summer they are more occupied which is why Telepizza is concerned with including and satisfying these consumers.



Figure 30 delivery service



Source: Facebook of Telepizza

Action 5. Open a new establishment at the beach front

Objective to which it contributes:

1. Improve the image of the brand by 2019, increasing customer satisfaction by 15%
2. Get 20 % of new customers in 2019
3. Increase sales by 10% in 2019
4. Increase profits of Telepizza by 10% over the next 12

Implementation period: 3 months (June-August)

Budget: 75.000€

Description: In Oropesa del Mar there are two Telepizzas in the whole municipality which belong to the same owner. One is located in the area of the town where it is open all year and another is located on “Playa de la concha”, which opens during Summer when there is the highest activity of the year in this area. For this reason, in the summer of 2019 another Telepizza establishment will be opened on the other Oropesa del Mar beach, the “Morro de Goz” beach, which has a great amplitude in meters as well as a large terrace on the first beach line. The same products as those marketed in other



establishments will be marketed. This action aims to reach the tourist public, where the establishment itself will be known for its location.

In this establishment there will be no home delivery orders, only local orders will be made, to take and collect.

Figure 31 Establishment of Telepizza



Source: Press kit of Telepizza

Action 6. To introduce “Auto-pizza”

Objective to which it contributes:

1. Improve the image of the brand by 2019, increasing customer satisfaction by 15%
2. Get 20 % of new customers in 2019
3. Increase sales by 10% in 2019
4. Increase profits of Telepizza by 10% over the next 12

Implementation period: 3 months (June- August)

Budget: 5.000€

Description: It is intended to introduce a "auto-pizza" in the location of Marina d'Or, to be precise, in the area of the PUBS. Here, Telepizza products will be offered with a rapidity service without getting out of the car. The service would be 24h, since at night time sales are high due to the night activities practiced in the area. With this action, is intended to reach the busy and rushed public as well as the night public.



Action 7. To introduce Collection Point by Oropesa

Objective to which it contributes:

1. Improve the image of the brand by 2019, increasing customer satisfaction by 15%
2. Get 20 % of new customers in 2019
3. Increase sales by 10% in 2019
4. Increase profits of Telepizza by 10% over the next 12

Implementation period: 3 months (June- August)

Budget: 13.800€

Description: In the summer of 2019 several collection points will be implemented around the municipality, where there will be employees of Telepizza who offer information to customers of the services offered. Moreover, they collect orders and communicate them to the Telepizza establishment. They also collect orders from customers who prefer to collect their orders at the collection point. With this action is intended to offer customers all kinds of ease to eat our pizzas without any problem.

The collection points are booths with the colours of Telepizza.

7.5. Communication decisions

Action 8. To create an Instagram account

Objective to which it contributes:

2. Get 20 % of new customers in 2019
3. Increase sales by 10 % in 2019

Implementation period: 12 months

Budget: 300€



Description: Currently, the Telepizza group has an Instagram account, which publishes the general offers of all national and international establishments. However, there are some offers that some establishments do not offer while appearing on the account, and there are other offers that some establishments do offer, and which do not appear insistently on this account. Therefore, we will proceed to develop an Instagram account, where we will present only the offers of our establishments and we will stay in contact with our customers in the municipality directly, without presenting confusions of offers between customers.

Action 9. Gift voucher, at Christmas, Easter & summer

Objective to which it contributes:

1. Improve the image of the brand by 2019, increasing customer satisfaction by 15%
2. Get 20 % of new customers in 2019
3. Increase sales by 10% in 2019

Implementation period: Christmas, Easter & summer

Budget: 3.000€

Description: There will be raffles, of 1000-euro cheques, that can be spent in any Telepizza in the world. These cheques will be raffled among the consumers of Telepizza during Christmas, Easter and summer, which are moments of a high average expenditure on consumption outside the home. With this technique, we intend to increase sales, to generate interest among customers and to feel involved in the activities done by Telepizza.

To participate in the draw, you have to buy the triple offer: either three medians or three familiar pizzas.



Action 10. Participation in sport races offering pizza

Objective to which it contributes:

1. Improve the image of the brand by 2019, increasing customer satisfaction by 15%

Implementation period: Christmas, Easter & summer

Budget: 450€

Description: In the municipality of Oropesa, different sports activities are carried out throughout the year, organised by the municipality itself. Telepizza has committed itself to the municipality of offering its pizzas to replenish energy among the runners after the race. It aims to link Telepizza with health care and quality pizzas among the citizens of the municipality.

Figure 32 Marketing of Telepizza



Source: Facebook of Telepizza



Action 11. Advertising by flyers to Arab public

Objective to which it contributes:

2. Get 20 % of new customers in 2019
3. Increase sales by 10 % in 2019
4. Increase profits of Telepizza by 10% over the next 12

Implementation period: 12 months

Budget: 3.000€

Description: In order to make halal products known, Telepizza has decided to produce leaflets presenting all the information about these products. These will be distributed around the most important shops in the municipality, in the mailboxes of the portals, on the cars and personally given to the pedestrians. In this way, the Arab public will receive information about Telepizza's new products.



8. TIMELINE

After the suggestions for the marketing actions, we present the chronogram of the activities to carry out, from its beginning and during the duration of each one of them.

Table 8 Timeline

ACTIONS	1	2	3	4	5	6	7	8	9	10	11	12
Action 1. New product line: Halal food	■	■	■	■	■	■	■	■	■	■	■	■
Action 2. Buffet	■	■	■	■	■	□	□	□	■	■	■	■
Action 3. Sale of portion of pizza	■	■	■	■	■	■	■	■	■	■	■	■
Action 4. To increase the area of the delivery service	□	□	□	□	□	■	■	■	□	□	□	□
Action 5. To open new establishment on the beach front	□	□	□	□	□	■	■	■	□	□	□	□
Action 6. To introduce "Auto- Pizza"	□	□	□	□	□	■	■	■	□	□	□	□
Action 7. To introduce Collection point by Oropesa	□	□	□	□	□	■	■	■	□	□	□	□
Action 8. To create an Instagram account	■	■	■	■	■	■	■	■	■	■	■	■
Action 9. Gift voucher, at Christmas, Easter & Summer	□	□	□	■	□	■	■	■	□	□	□	■
Action 10. Participation in sport races offering pizza	□	□	□	■	□	■	■	■	□	□	□	■
Action 11. Advertising through flyers to Arab public	■	■	■	■	■	■	■	■	■	■	■	■

Source: Own Elaboration



9. BUDGET

The budget, which will be destined to the implementation of the actions, is as follows:

The total cost of the new line of halal products increases to 25 euros entirety in its products, where the forecast sales of the entire line is 3,000. The buffet has an average cost of 5 Euros per person where 1,000 people will go according to our forecasts. The portions of pizza cost 0'80 Euro each for their preparation, and that a familiar pizza has a cost of 6'5 Euro (serving 8 portions). The sale forecast is of 4,000 portions. As we can observe, all the actions related to the products are made by Telepizza's kitchen staff themselves.

The increase of the delivery service area has a cost of 18,900-Euro as it has to hire 8 deliverers and pay them a salary of 5 Euros per hour. The working day of these deliverers comprises of 4 hours a day during the 90 days of Summer. This cost must be added to the purchase of 3 new motorcycles of 1,500 -Euros each.

The opening of both the new beach establishment and the opening of "Auto-pizza" increases to the amount of 125,000 Euros. This work is developed both by engineers who design the premises, workers who build the establishments, and computers to install ITC services to carry out the activity.

The costs for the introduction of collection points increases to an amount of 13,800 Euros where you have to buy three booths to provide information to the customer and must also pay the three employees assigned to these tasks, who will have a working day of 8h with a salary of 40 Euros during the 90 days of summer.

We will also hire a group of marketing staff for an amount of 300 euros for each time they have to update the Instagram account and to incorporate new features on it. We consider updating the account 5 times a year.

The cost of the draw of the gift card of 1.000 euros has the cost of 3.000 Euros since the draw will take place three times.

Telepizza by participating in sporting events 3 times a year in the municipality, the cost will be around 400 euros, as they will give away 30 familiar pizzas that have a cost for Telepizza of 6 euros each.



Finally, in order to make halal products known, a design company will be hired to produce the brochures with the desired information, which will charge us 3000 euros a year.

As we can see in Table 16, the budget increases to 142,269 euros plus the variable cost.



Table 9 Budget

ACTIONS	IMPLMENTATION	BUDGET
Action 1. New product line: Halal food	Own development	25€ X 3,000 product line
Action 2. Buffet	Own development	5 € X1,000 Person
Action 3. Sale of portion of pizza	Own development	0,80 Euro / 4,000 Units
Action 8. Create an Instagram account.	Marketing staff	300€ X 5Times
TOTAL	VARIABLE	84,700 €
Action 4. Increase the area of the delivery service	Own development	18,900 €
Action 5. Open new establishment on the beach front	Builders & computer expert	75,000 €
Action 6. To introduce "Auto-pizza"	Builders & computer expert	50000 €
Action 7. Introduce Collection point by Oropesa	Own development	13,800€
Action 9. Gift voucher, at christmas, easter & summer	Own development	3000€
Action 10. Participation in sport races offering pizza.	Own development	450 €
Action 11. Advertising on flyer to Arab public	Graphic design company	3000 €
TOTAL	FIXED	164.150€

Source: Own elaboration



10. CONTROL

In order to meet the objectives of the draft marketing plan, the following control guidelines will be established.

Table 10 control of objectives

OBJECTIVES	MEASURING FREQUENCY	CONTROL METHOD
To improve the image of the Brand in 2019, increasing customer satisfaction by 15%	Once per semester	Interview costumers every 6 months to measure their satisfaction and to compare the number of complaints of the previous year.
Achieve 10% new clients in 2019	Once every quarter	To compare the number of new clients with the number of consumers of the previous year that were registered in the data base.
To increase the number of sales by 10% in 2019	Monthly	Revise the annual income and to compare it with the results of the previous years.
Increase profits of Telepizza by 10% over the next 12	Monthly	reviewing monthly results in the database with previous years

Source: Own Elaboration



11. INDEX OF FIGURES, TABLES & GRAPHS

Tables

Table 1 Technology of Telepizza	18
Table 2 Product innovation	22
Table 3 GDP	38
Table 4 Evolución de la renta de Oropesa del mar	41
Table 5 Table competition summary	61
Table 6 Decisive variables of customer visits	68
Table 7 Summary of action plans.....	80
Table 8 Timeline	92
Table 9 Budget	95
Table 10 control of objectives	96

Graphs

Graph 1 Sales of Telepizza.....	9
Graph 2 Gross margin of Telepizza	10
Graph 3 EBITDA of Telepizza	11
Graph 4 Benefits of Telepizza	12
Graph 5 ROE of Telepizza	13
Graph 6 ROS of Telepizza	13
Graph 7 ROA of Telepizza	14
Graph 8 Indebtedness of Telepizza	15
Graph 9 Votes against and in favor of the Catalanian independence	33
Graph 10 Evolution of the voting intention in the general elections	35
Graph 11 Percentage of votes on VOX in relation to the density of each municipality.	36
Graph 12 GDP	39
Graph 13 Average consumption spending in restaurants.....	40
Graph 14 Demographics of Oropesa del Mar.....	43
Graph 15 Evolution of firms that undertook e-commerce (% on total firm).....	46
Graph 16 ICT equipment in households.....	47
Graph 17 Repercussions for industrial sectors. Year 2016	48
Graph 18 Percentual distribution of investment in automotive industries. Year 2016 ..	49



Graph 19 Expected spending on fast food in Spain from 2016-2019 (in millions of euros) 63

Figures

Figure 1 Telepizza's History 7

Figure 2 Human resources of Telepizza 8

Figure 3 Establishments of Telepizza across the World 16

Figure 4 Establishment of Telepizza 17

Figure 5 Products of Telepizza 21

Figure 6 Distribution channel of Telepizza level 1 23

Figure 7 Sale channels of Telepizza 24

Figure 8 Promotions of Telepizza 25

Figure 9 Telepizza's Social Network Presence 26

Figure 10 Marketing Buzz de Telepizza 27

Figure 11 Telepizza's secret 29

Figure 12 Value Chain 31

Figure 13 Percentage of women in autonomous parliaments 34

Figure 14 Population in Oropesa del Mar 44

Figure 15 PESTEL ANALYSIS FOR TELEPIZZA 51

Figure 16 Porter's 5 Forces Plot 53

Figure 17 LEVEL OF COMPETENCE OF TELEPIZZA 55

Figure 18 Products of Domino's 56

Figure 19 Products of Pizza Hut 59

Figure 20 Amount of establishments of main fast food chains in Spain 64

Figure 21 Consumer visits by type of service 64

Figure 22 Fast food consumption by sex 65

Figure 23 Fast food consumption by age group 66

Figure 24 SWOT of Telepizza 73

Figure 25 Product- market of Telepizza 74

Figure 26 Positioning map 76

Figure 27 Ansoff's matrix 78

Figure 28 Halal product line 82

Figure 29 Pizza portion 84

Figure 30 delivery service 86



Figure 31 Establishment of Telepizza	87
Figure 32 Marketing of Telepizza	90



12. BIBLIOGRAPHY

- Kotler, P., Keller, K. (2012). Dirección de marketing. 14th ed. Madrid. Pearson.
- Guerras, L.A. y Navas, J.E. (2007). La Dirección Estratégica de la empresa. Teoría y aplicaciones. 4th ed. Madrid. Civitas.
- Telepizza (2017). *Telepizza press kit*. [online] Available at: <<https://www.telepizza.com/wp-content/uploads/2017/11/Dossier-de-Prensa-Telepizza-Nov.pdf>> [accessed february 2019].
- Mercado de factures (2017). *Cuentas de Telepizza 2017*. [online] .Available at: <https://mercadodefaturas.es/empresas/tele-pizza-sa/#margen_bruto > [accessed february 2019].
- El mundo de las empresas (2018). *La nueva etapa de Telepizza* . [online] available at: <<https://mundodelaempresa.blogspot.com/2018/02/empresas-la-nueva-etapa-de-telepizza.html?view=classic> > [accessed february 2019].
- Telepizza (2018). *Conoce nuestra carta de Telepizza* . [online] available at: <<https://images.telepizza.com/vol/es/images/docs/carta/carta.html> > [accessed march 2019].
- Telepizza (2019). *Ofertas de Telepizza*. [online] available at: < <https://www.telepizza.es/productos/ofertas> > [accessed march 2019].
- Facebook (2019). *Comunicación telepizza* .[online] available at: <<https://www.facebook.com/telepizza> > [accessed march 2019].
- INE (2018). *Sector de restauración* .[online] available at: <https://www.ine.es/prensa/pib_prensa.htm > [accessed march 2019].
- INE (2015). *Gasto total y gasto medio en los hogares*. [online] available at: <https://www.ine.es/prensa/pib_prensa.htm > [accessed march 2019].
- Pizza hut (2019). *Carta de pizza hut*. [online] available at: <https://www.ine.es/prensa/pib_prensa.htm > [accessed march 2019].



- Dominos (2019). *Carta de dominos*. [online] available at:
<www.dominospizza.es/carta-de-pizzas > [accessed march 2019].
- Mollá Descals A. (2006) *Comportamiento del consumidor*. Barcelona: Universitat Oberta de Catalunya
- La Vanguardia (2018). *Siete datos que cambiaron la política*. [online] available at:
<<https://www.google.com/amp/s/www.lavanguardia.com/politica/20181217/453605810080/datos-marcaron-politica-2018.html%3ffacet=amp> > [accessed march 2019].
- ABC (2019). *Un año de turbulencias que amenazan la economía de España*. [online] available at:
<<https://www.google.com/amp/s/www.lavanguardia.com/politica/20181217/453605810080/datos-marcaron-politica-2018.html%3ffacet=amp> > [accessed march 2019].
- eleconomista (2018). *La economía Española crecerá a un menor ritmo en 2019 y entrará en un desaceleración, según IEE*. [online] available at:
<<https://www.google.com/amp/s/www.eleconomista.es/noticias-amp/9587116/La-economia-espanola-crecera-a-un-menor-ritmo-en-2019-que-entrara-en-un-ciclo-recesivo-segun-el-IEE-> > [accessed march 2019].
- Eldiario (2017). *El 2017 en 10 graficos*. [online] available at:
<https://www.eldiario.es/piedrasdepapel/graficos-de_papel_6_723437655.html> [accessed april 2019].
- INE (2018). *Medio ambiente*. [online] available at:
<https://www.ine.es/prensa/eqpm_2016.pdf > [accessed april 2019].
- INE (2018). *Medio ambiente*. [online] available at:
<https://www.ine.es/prensa/tich_2018.pdf > [accessed april 2019].



