- ✓ Modern and attractive facilities: Attractive decoration of premises, inspired by New York design.
- ✓ Location of the premises and ease of parking: They are located mainly in shopping centers and in areas of large influx of people.
- ✓ Wide range of hot-dogs unlike the competition: The main competitors of The Good Burger don't offer hot dogs, positioning itself as a competitive advantage over the competition.
- ✓ Burger bread is manufactured exclusively for TGB: The bread is different
  from the rest of the competition brioche type, and is made especially for TGB,
  so it is a competitive advantage over the competition, that is to say, the
  company has exclusivity with the type of bread, and unlike the rest competition.
- ✓ Non-alcoholic beverages refill service: Soft drinks include "refill" for a price of €2, meaning soft drinks can be refilled as often as the customer wants. Moreover, this property offers tankards of Heineken, Cruzcampo, Paulaner and Guinness brands, plus red wine, Rioja wine and white wine.
- ✓ Product elaboration process visible by customers: The kitchen space is covered with glass for the customer to observe the process of products elaboration.
- ✓ Committed to organic products: Company offers 100% ecological hamburger beef free of hormones, anabolic steroids, and antibiotics. Livestock hamburger with diets based on herding and prohibits the use of feed with GM (Genetically Modified) built.
- ✓ New tech with an orders "Caller": Orders are placed at the counter of the establishment, but instead of waiting for the preparation of products over the counter restaurant, customers can sit at tables and dependents deliver a small "beeper" device that lights up and vibrates when customer order is ready to pick up.

#### **WEAKNESSES:**

- ✓ No drive-through: The Good Burger doesn't have the service to make the purchase of products from the car, while other fast food companies offer this service. The product is purchased on site.
- ✓ The restaurant has neither menus nor kids menu: The restaurant has no menu for customers and has no children's menu; the products are elected separately and could be a bit more expensive than other companies that offer a menu.

- ✓ The size of the burgers and hot-dogs is smaller than that of the competition: Products bearing in advertising are not related to the products offered on the premises; the size of the burgers and hot dogs is small relative to the price. Many customers have registered their opinions in platforms, forums or opinion websites his dissatisfaction with the size of the products in relation to the price paid.
- ✓ Main product packaging inadequate: Due to the high competition and similar products, packaging design is very important to differentiate from the rest of the competition. TGB hamburger packaging design is inadequate for the presentation of the product, the packaging design consists just on white paper and does not include the TGB brand on the packaging, it could be considered a simple design for the flagship product of the chain.
- ✓ Hasn't both delivery service or online purchase: This may be a weakness
  against other companies that do offer this type of service, as people
  increasingly demand more services to save time, comfort and adaptable to any
  location.
- ✓ Scarce advertising and promotions: The company has two years of activity in the market and they have some promotions, but lacks innovative promotions in other than the current established in order to attract new customers.
- ✓ Low experience in the gourmet fast-food market: It is a company created in 2013 and has been introduced in a market of gourmet products and fast service that is growing.

#### **OPPORTUNITIES:**

- ✓ *Increase in the gourmet fast-food demand:* Consumers are more concerned about their health, so products with quality ingredients, creative cuisine and more competitive prices demand is growing.
- ✓ Fast-food consumption has risen due to the crisis: The current situation is encouraging the consumption of fast-food; many people seek lower prices and quicker service.
- ✓ **Tendency to go shopping to the mall and eat fast-food:** Shoppers flock to malls to shop and eat fast food products in the same center.

#### THREATS:

- ✓ Large number of fast-food restaurants: High competition in this sector is a major threat because the consumer has low charge to choose from different fast food and fast service.
- ✓ Fast-food bad publicity: The overall image of fast food is negative due to high
  fat and sugar products that can harm health, and would enhance the individual's
  obesity. This negative publicity affects The Good Burger.
- ✓ Increase of the delivery and online services: Many people look for comfort and are increasingly demanded by today's society, causing consumers to not come to the establishments.
- ✓ **Decrease of the Spanish purchasing power:** The Spanish economic crisis is the main threat to the sector, because the Spaniards have less purchasing power and many families reduce consumption habits in the catering sector.

## 4. SEGMENTATION

The Good Burger offers gourmet products and fast service, the target market of this company is described both by its actual market and the market at which future actions will lead.

The target audience it targets is middle class that because of their lifestyle, they frequent fast-food restaurants. There are the following groups

- Young people between 18 and 35 years: This population is one of the main segments of the company. It is composed of university students and young workers or unemployed with an average income level. This population is associated with a lifestyle with irregular meals and has preferences for fast-food. This type of segment focuses mainly on price and promotions. On the other hand, it also shows importance to the decor, the local environment and the area where the restaurant is located. Young people use the Internet very often, so it is easy to reach this segment through social networks and the web page of the company.
- Adults between 35 and 55 years: The main motivating factor for this segment is that the atmosphere is comfortable and pleasant, so The Good Burger provides a well-designed decoration and different environment, compared to other fast food burgers. Moreover, this population itself pays

attention to the quality of the products and the company offered gourmet products. In recent years this population gives importance that the restaurant has Wi-Fi to connect via their mobile phone or laptop.

• Families and children: This company has no direct segmentation strategy with the child population and lacks its own products targeted to children under ten years. However, in future actions, a new strategy segmentation will target this population, and in turn it will attract families to the.

## 5. OBJECTIVES

## Overall objective:

Increase brand awareness through customer satisfaction and improve service to final consumers. Expanding the range of products to maintain current customers and achieve winning new market segments.

### **Specific objectives:**

- Objectives of commercial relationships:
  - 1. Attract 15% new customers in 12 months. In this case the company to attract and retain customers, the restaurant will aim into a new market segment, which will be children under 10 years. To try to keep existing customers and increase them by 15% in 12 months, will be included in the products portfolio two types of infant gourmet menus in order to attract parents to consume and meet the needs of their children with a healthy menu associated with today's tastes and trends.
  - 2. Getting 90% of customers to be satisfied in a year, as this will make customers make more visits in the future and achieve a repositioning of the image by the positive feedback from consumers that favor brand image.
  - 3. Increase the rate of repeat visits from customers in the restaurant in 12 months. To get customers to make more visits to the restaurant, a promotion of regional burgers with a duration of 12 months and other various promotions that will be described later are going to take place, in order to make the client go and assure that it is not so sporadic.

4. Increase interactivity with the customer in 12 months by involving the customer in an online monthly contest to create burgers; strengthen and increase links with them through burgers with typical ingredients of the region. The purpose of this goal is to increase customer participation in the company and maintain business relationships with consumers

#### • Management objectives of marketing activities:

- 5. Increase sales by 10% over the previous year by incorporating new different burgers with local products from each Spanish region.
- Business financial objectives:
  - 6. Achieving increase profit by 10% over the next year

## 6. STRATEGIES

The current strategy of the company The Good Burger is based on offering gourmet burgers 100% beef or pork, use only Batavia lettuce on their products, TGB own sauce, and have a type of bread made exclusive only to this company. In this section we describe the appropriate measures and strategies to achieve the objectives above.

## 6.1. Growth and diversification strategy

The company should guide the direction in which it must grow to maintain profits and increase them. To do this we must look at the Ansoff growth matrix

Present

Market
Penetration

Market
Development

Diversifation

Figure 19. Ansoff's matrix

Analyzing the different options of the Ansoff growth matrix, the Spanish burger company would have to adopt a **market penetration strategy**, because if it wants to improve the existing company's product to commercialize in the market that already goes, the company needs to grow and gain a presence on the today's market. To do this the company must carry out activities to increase its market share through product differentiation, attract and expand the number of consumers of hamburgers and increase its marketing activities. This strategy will be combined with the **market development strategy** because it will be introduced in a new market segment in the future, the children, and that will directly appeal to the families segment.

## 6.2. Competitive strategies

On the other hand, the competitive strategy that should be undertaken is **the challenger strategy**, because in the field of gourmet burgers and similar treats the leaders are the Bocavaca and Plan B.

In our case, The Good Burger is a little known company in Castellon, so its goal is to take on the leaders to seize part of their market share in the city. Our company should select the guerrilla attack because competitors have already covered the major market segments of the city, so this strategy of confrontation should prevent the expansion of the share of leaders and weaken the leaders by minor attacks. The guerrillas attack primarily through the introduction of promotions and the creation of new burgers.

## 6.3. Strategy as competitive advantage

To increase the competitive advantage of the company offering more value to the customer it has to select the right strategy to have a more superior performance than competitors. The competitive marketing strategy that I propose for this gourmet burger restaurant is a differentiation strategy. The company should focus its strategy on the differentiated quality product by product's ingredients and innovation with new burgers. Moreover, maintaining competitive advantage by differentiating the distribution channel, the design and decor are very different from its rivals.

## 6.4. Segmentation strategy

The selection model of the target market that should apply is the **differentiation strategy**, as the company has several products to meet the needs of various market segments, meaning it has products that appeal to men and women of different ages.

The company has products to suit the needs of different groups of segments. For example, the company will have, in future actions, a new product that will be aimed at children segment.

# 6.5. Positioning strategy

According to the previous study of the main competitors, we will place the eight companies analyzed and The Good Burger in a positioning map to know the position of the company and its competitors in terms of the two criteria that define the market product of TGB: price and healthy product.

+ HEALTHY

- PRICE

- PRICE

+ PRICE

+ PRICE

- HEALTHY

Figure 20. Positioning map

# 7. ACTION PROGRAMS

# 7.1. Summary actions plans

ACTIONS	OBJECTIVES
Action 1. New product line: Spanish regionals burgers	<ol> <li>Increase the rate of repeat visits from customers in the restaurant in 12 months</li> <li>Increase interactivity with the customer in 12 months</li> <li>Increase sales by 10% over the previous year</li> </ol>
Action 2. New product line: Designing of a menu	<ol> <li>Attract 15% new customers in 12 months</li> <li>Increase the rate of repeat visits from customers in the restaurant in 12 months</li> <li>Increase sales by 10% over the previous year</li> </ol>
Action 3. New product line: Kids menu	<ol> <li>Attract 15% new customers in 12 months</li> <li>Increase the rate of repeat visits from customers in the restaurant in 12 months</li> <li>Increase sales by 10% over the previous year</li> <li>Achieving increase profit by 10% over the next year</li> </ol>
Action 4. Creating a children's brand	<ol> <li>Attract 15% new customers in 12 months</li> <li>Increase sales by 10% over the previous year</li> <li>Achieving increase profit by 10% over the next year</li> </ol>
Action 5. New packaging design	<ol> <li>Attract 15% new customers in 12 months</li> <li>Increase sales by 10% over the previous year</li> <li>Achieving increase profit by 10% over the next year</li> </ol>
Action 6. Modifying the size of the burger	2. Getting 90% of customers to be satisfied in a year
Action 7. Order Online TGB	<ul><li>4. Increase interactivity with the customer in 12 months</li><li>6. Achieving increase profit by 10% over the next year</li></ul>
Action 8. Adaptation of merchandising promotions	<ul> <li>3. Increase the rate of repeat visits from customers in the restaurant in 12 months</li> <li>5. Increase sales by 10% over the previous year</li> <li>6. Achieving increase profit by 10% over the next year</li> </ul>
Action 9. Online competition "Hamburger of the month"	4. Increase interactivity with the customer in 12 months

Action 10. Promotion of Spanish Regional Burgers	<ol> <li>Attract 15% new customers in 12 months</li> <li>Increase the rate of repeat visits from customers in the restaurant in 12 months</li> <li>Increase interactivity with the customer in 12 months</li> <li>Increase sales by 10% over the previous year</li> <li>Achieving increase profit by 10% over the next year</li> </ol>	
Action 11. Special edition Pink Burgers	1. Attract 15% new customers in 12 months	
Action 12. Record 100 likes	<ul><li>3. Increase the rate of repeat visits from customers in the restaurant in 12 months</li><li>5. Increase sales by 10% over the previous year</li></ul>	
Action 13. Family weekends	<ol> <li>Attract 15% new customers in 12 months</li> <li>Increase sales by 10% over the previous year</li> <li>Achieving increase profit by 10% over the next year</li> </ol>	
Action 14. Discount 30% online	5. Increase sales by 10% over the previous year	

### 7.2. Product decisions

### Action 1: New product line: Spanish regionals burgers

#### Objective to which it contributes:

- 3. Increase the rate of repeat visits from customers in the restaurant
- 4. Increase customer interactivity
- 5. Increase sales

Implementation period: 12 months

**Description:** A new line of products associated with the sale of regional products called "Spanish regional burgers". It will include 19 new burgers with local and typical of each Spanish region ingredients, as we can see in Figure 21, the description of the Spain's map shows burgers by regions.

Figure 21. Map of Spain regional burgers

Source: own elaboration

Every three weeks a new regional burger will be incorporated into the products portfolio and will be integrated in all establishments of Spain. Then, Figure 22 will show the rotation and sequence of the six first regional burgers:

Andaluza 15/04/201 **Burger** Every three **Asturiana** 25/03/201 Burger weeks rotation hamburger Valenciana Burger 04/03/201 Mallorquina Burger Gallega 22/01/201 Burger Catalana 01/01/201 Burger

Figure 22. Rotation of regional burgers (the first 6 months)

### Action 2: New product line: Designing of a menu

#### Objective to which it contributes:

- 3. Increase the rate of repeat visits from customers in the restaurant
- 1. Attract 15% of new customers
- 5. Increase sales

Implementation period: long term

**Description:** According to the consumer's behavior analysis conducted earlier in this study, consumer visits to establishments it's also due to having a menu in the restaurant's menu. The company TGB doesn't have menus at the moment, therefore,

to increase consumer visits to establishment, a menu of products will be designed to be incorporated in the TGB restaurants menu.

The menú will be as follows:

- 1. Hamburger or hot-dog to choose (special burgers don't apply)
- 2. Choose between three chips types: chips sticks, curly chips or potatoes wedges
- 3. Drink

## Action 3: New product line: Kids menu

#### Objective to which it contributes:

- 5. Increase sales
- 1. Attract 15% of new customers
- 6. Rise benefits
- 3. Increase the rate of repeat visits from customers in the restaurant

Implementation period: long term

It has been noted the lack of children's menu at the restaurant menu, and it's needed to go to the children's segment because children have a great influence on the buying decision of the parents, therefore, a children's menu will appeal parents to go to the establishment and, consequently, increase sales. A new product line integrating two different children's menus will be incorporated. A strategy of market development will be used to meet the new kids segment. To do this the following menus are proposed:

- Kids Menu 1: Chicken burger, chips, water or juice, and dessert to choose from apple, yogurt or ice cream.
- Kids Menu 2: Hot-dog, chips, water or juice, and dessert to choose from apple, yogurt or ice cream.

The new children's menu is represented by Figure 23:

KIds Menu CHOOSE 1

Figure 23. Children menu restaurant

Source: own elaboration

### **Action 4: Creating a children's brand**

Once designed the children's menu in the previous action, it's needed to create a new brand for this new product in order to distinguish itself in the market from other similar products.

The new children's menu's brand is shown in Figure 24; the new brand will serve to identify a product of The Good Burger and distinguish it from the rest of the competition. Moreover, the new logo will refer to the type of child consumer and project personality to the product.



Figure 24. Children's brand

Source: own elaboration

## Action 5: New packaging design

Two new packages are made exclusively for two types of product lines:



- Packaging for Spanish regional burger: A new design will be made to the packaging of the new product line, and will be the same package for all regional burgers.
- Packaging for children's menu: Packaging design intended for the children's segment, besides the aforementioned new brand appears on the container.

### Action 6: Modifying the size of the burger

Objective to which it contributes:

2. Getting 90% of customers satisfied

Implementation period: long term

**Description:** The Good Burger Company has negative reviews of unsatisfied consumers about the size of the burger because it is smaller than those of the competition. On the other hand, customers are dissatisfied about having to pay a higher price and purchase a product that does not meet their burger's size expectations. All negative opinions of customers generate bad image of the company, and could increase in the future. Therefore, it is important to act immediately and to make a small change in the size of the burger to satisfy customers in terms of size and price of the product relation.

### 7.3. Price decisions

The method of attachment of prices is made by the customer perceived value. Consumer perceived value is based on the benefits it brings to you to purchase gourmet products in a fast food service within an establishment with a different and modern atmosphere. The price is determined by consumer perception and, on the other hand, we also propose the following prices for some specific products:

Regional burger price: It is a different product that includes various typical Spanish ingredients in each regional area. Therefore, a higher price for this type of burger is set to increase the positioning of the brand and the consumer places it as a quality burger.



Price of the menu: The chosen value for the menu will be set by the sum of all products and applying a discount of 14% to hot-dog menu and 12% in the burger menu. In Table 41 are shown the prices of the products separately and then the menu's price and the total price of the described products separately.

Table 5. Prices individual menu products

Product	Product price
Burger	€ 4
Hotdog	€ 2.5
Chips Stick/Curly chips/Potato	€ 2.5
wedges	
Soft drink	€2



Individual price products: Hot dog (€ 2.5) +Chips (€ 2.5) +Soft drink (€ 2) = € 7



Individual price products: Burger (€ 4) +Chips (€ 2.5) +Soft drink (€2) = € 8.5

## 7.4. Distribution decisions

The distribution channel used by TGB is the same channel as described in a previous paragraph, and the products will be distributed in all the restaurants that TGB has in Spain.

### **Action 7: Order online TGB**

Objective to which it contributes:

- 4. Increase sales
- 6. Rise benefits

Implementationt period: long term

**Description:** It will be integrated a new distribution channel of TGB online orders. Through this new channel consumers could buy products via credit card, but their purchase has to be over €9. Then, once the order and the payment are done by the customer, the establishment will receive a warning order in the computer and prepare the order according to the collection time set by the customer. Finally, a small area will be enabled in the establishment exclusively for the collection of online orders where the customer should provide his order number. The aim of this new channel is to order online anytime, and collect the product order at the set time to avoid queues at the restaurant.

#### **Action 8: Adaptation of merchandising promotions**

#### Objective to which it contributes:

- 3. Increase the rate of repeat visits from customers in the restaurant
- 5. Increase sales
- 6. Rise benefits

Implementation period: 12 months

Spanish regional burgers: Every three weeks the decor of the establishment will be inspired by the Spanish region and will change each time the next regional burger is integrated into the products portfolio during those three weeks. On the other hand, it will be attempted to match every typical burger to important dates in its region or with its cities, and that those dates are known nationwide. For example, launch of the Andalucia burger in April to coincide with the April Fair in Seville, and Valencia burger launch in March at the same time that the Fallas in Valencia and Magdalena in Castellon. During those three weeks the establishment decoration will suit the best known festivals in each region and subsequently replaced by a new decoration adapted to the new burger that is promoted for three weeks.

### 7.5. Communication decisions

### Action 9: Online competition "Burger of the month"

#### Objective to which it contributes:

4. Increase customer interactivity

Implementation period: 12 months

**Description:** A new section will be created on the website <a href="www.thegoodburger.com">www.thegoodburger.com</a>, for consumers to register in the website and to make proposals for new burgers, in order to enter a contest. In the competition section on the website it must be included a description of the burger and an attached photo of the burger made by the consumer, it may only be included a monthly proposal per consumer. The competition lasts for 12 months and one proposed burger will be selected each month. The online contest invites consumers to submit, involve themselves with the company, and the chance of winning a prize. Burger proposals will be judged by a panel from the company and the best burger will be selected.

First, a sales promotion will be done through a contest over the Internet as shown in Figure 25, where we can see how it will be displayed on the website of the company. The prize for the winning entry will be a gift card for € 100 for purchasing TGB products and add the burger designed by the consumer in the product portfolio for a month, and include the name of the author of the burger in the website.



Figure 25. Section Online Competition on the website TGB

Source: own elaboration

On the other hand, it has been selected Internet as the communication channel for this competition because it provides us with a relatively low cost and has a high range for most of our target audience. Besides, a viral video will be made and published on social networks constantly. The objective of this action is the interaction with the customer and to create links through the participation of consumers in the company.

## **Action 10: Promotion Spanish regional burgers**

#### Objective to which it contributes:

- 1. Attract 15% of new customers
- 3. Increase the rate of repeat visits from customers in the restaurant
- 5. Increase sales
- 6. Rise benefits

Implementation period: 12 months

**Description:** For this action it has been selected to promote sales and advertising to stimulate in a short time period the purchase of some specific products. Sales promotion for regional burgers includes a promotion for the customer; in this case it's a raffle for a trip. This promotion will be used as incentive to make new customers consume the new products.

The promotion for the customer will be the participation in a raffle for a trip of 15 days in the Spanish peninsula, but to enter into the raffle he must fulfill its conditions. To do this, TGB deliver a brochure with a map image of Spain divided by regions, therefore, for each regional burger the customer consumes, a sticker corresponding to the regional hamburger consumed, which has to be stuck in its region. The following figure shows the brochure described above:



Figure 26. Spanish regional burger pamphlet

Source: own elaboration

Finally, once ended the 12 months promotion for these products, the customer who has completed the entire map of Spain with their stickers in each region shall submit it to the nearest facility within a month and then, once collected and accepted, all brochures will enter into the raffle for the trip.

The second tool used for this promotion will be the outdoor advertising, using marquees located at bus stops and billboard. It has been chosen this type of street furniture because the distance between the canopy and the viewer is very short; well most people are bored waiting for the bus they use their time to analyze in detail the ads. The marquee and billboard of this promotion is shown in Figure 27:

Figure 27. Outdoor advertising marquee and billboard (Spanish regional burgers)



Source: own elaboration

### **Action 11: Special edition Pink burgers**

#### Objective to which it contributes:

- 1. Attract 15% of new customers
- 4. Increase customer interactivity

Implementation period: 13 days

**Description:** "Week against Mom's Breast Cancer": A special edition against breast cancer will be held and TGB's burger bread will be pink. These new pink hamburgers will be launched in a period of fourteen days, beginning the 10/19/2015 and ending on 10/31/2015. Moreover, 50% of the money of every hamburger sold will be collected and it will go to the Spanish Association Against Cancer (AECC). The pink special edition burger against breast cancer is shown in the following figure:

Figure 28. Pink Burger promotion



Communication tool used for this action will be sponsoring, because it puts its corporate image to support this cause and lends its brand image to sensitize consumers to help and empathize with a disease that affects many women. Also, viral marketing will be done through a video broadcast in all social networks to communicate much of the social community and consumers to share the video. Finally, a slogan will appear as seen in Figure 29; this tagline will be identify with the cause and be the repetitive expression of its purpose.

Figure 29. Advertising slogan of pink burgers



### Action 12: Record 100 likes

Objective to which it contributes:

5. Increase sales

Implementation period: 4 months

**Description**: The client must take a photo consuming products in the restaurant The Good Burger, then must upload the photo to Facebook and tag the appropriate TGB restaurant location. If the customer gets 100 likes from his friends within 5 days, he