

**Chick-fil-A Marketing Plan** 

Prepared by Daniella Schreiber, Gracie Holbrooks, Gracyn Karp, and Elizabeth Braswell

Prepared for Professor Wang

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# **Chick-fil-A Marketing Plan**

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## 1. Executive Summary

## Which company do you choose and what industry is your company in?

The company we chose is the American fast food franchise, Chick-fil-A within the restaurant industry. Chick-fil-A's founder, Cathy Truett, is famous for having invented the chicken sandwich back in 1964 in the suburbs of Atlanta. They have been successfully operating since 1967 and have steadily expanded all across the country and started internationally expanding in Canada in 2017. They have grown into the third largest fast food company in the United States due to its spectacular customer service and their good quality menu items.

## Which country are you going to suggest your company to enter?

The country we are going to suggest Chick-fil-A enters is Ireland. Specifically, we want to open up a location in Dublin. In 2017, Chick-fil-A opened up a pop-up shop for one day in Dublin and it was a big hit. Although it was only a sample of what the American Chick-fil-A restaurants offer, it was very popular amongst the Irish customers. Chick-fil-A has opened up two locations in the U.K., but had to close them down as a result of protests from LGBTQ+ ally groups. This was due to Chick-fil-A's donation history of donating to charities that are known to have anti-LGBTQ+ policies such as the Salvation Army, the Fellowship of Christian Athletes, and the Paul Anderson Youth Home. Since then, Chick-fil-A has revised their donation guidelines to focus on helping to combat homelessness, hunger, and education. There were no reports of protests when Chick-fil-A hosted their popup shop, so we anticipate that this will not be as big of an issue as it was in the UK.

## Does your company have a competitive advantage in that country?

One competitive advantage that Chick-fil-A has within the fast food industry is their top tier customer service. Fast food chains are typically not known for their dedication to customer service, but Chick-fil-A goes above and beyond to keep their customers happy. They are so meticulous about providing their customers with an amazing service experience, they train their employees to do little things such as saying, "my pleasure" rather than "you're welcome". Another competitive advantage Chick-fil-A has in Ireland is having a small, specialized menu. People come to Chick-fil-A to get one thing: chicken. Many competitors such as Burger King and McDonald's offer a larger menu with different variations of hamburgers, chicken, drinks, etc.

Chick-fil-A could have started offering hamburgers and other items, but then they would have to compete more with their competitors. However because they stuck to what they know that they are best at, whenever a customer wants to get chicken they know exactly where to go.

## What companies are your major competitors in that country?

The major competitors in Ireland for Chick-fil-A are KFC, Burger King, McDonalds, and Nandos. KFC, Burger King, and McDonalds are all American based fast food restaurants that have had success within Dublin. Burger King and McDonald's have successfully opened three locations each within Dublin and KFC has opened 13. Nandos is a South African eatery that specializes in PERi-PERi chicken, which features a hot pepper sauce from Africa. They are a large international brand that has over 1,200 locations in 30 locations. In Dublin, Nandos has 5 locations.

## What strategy/strategies do you suggest to handle competition?

In order for Chick-fil-A to have a successful international expansion, it is necessary to tailor our marketing strategy to reach the Irish consumer. One strategy that we plan on implementing is by adding mashed potatoes to the menu and Irish potatoes as a dessert option. We also plan to utilize a competitive pricing strategy in order to remain competitive in the market. Chick-fil-A is known for having better quality ingredients than other fast food chains and for its customer service so having a little bit of a higher price will not affect sales that much. In addition, Dublin is a wealthy city so the citizens do not have much of a problem paying for it.

We also plan on utilizing various social media platforms such as Instagram, Snapchat, TikTok, Twitter, etc. to engage with our target audience and raise awareness of Chick-fil-A's arrival. We plan on giving away \$15 gift cards to the first 300 customers that come on opening day. We will promote this using social media.

#### 2. Situation Overview

*Company.* Chick-fil-A is an American fast food franchise that was established in 1967 in Atlanta, GA by Truett Cathy. It is a privately owned family company that is one of the most profitable and popular fast food franchises in the United States. With 2,774 locations in the United States and Canada, Chick-fil-A comes in as the 9th largest franchise company in the US. The company

is famous for their spectacular customer service and for being the creators of the famous chicken sandwich. Despite going through a pandemic in 2020, the company was still able to produce record revenue and earnings increasing their sales by 13%. Chick-fil-A provides high-quality food with an even better service experience that keeps their customers coming back for years.

*Market*. Since 2019, the restaurant industry in Ireland has done well. Thanks to lower employment and better economic conditions following the 2020 pandemic, Irish citizens now have more disposable income to spend. This also has led to more popularity for fast and convenient meals as people have become more busy with work. We expect that this trend will continue and that the fast food industry will expand as a result of the increased demand for quick and easy food options.

In Ireland, Chick-fil-A will compete with a few other fast food chains that include Burger King, McDonalds, KFC, and Nandos. KFC and Nandos specialize in chicken products so they will be more of a direct competitor of Chick-fil-A than Burger King and McDonalds that have a larger menu. Dublin has not become saturated with many fast food restaurant options yet, so we believe it is good to enter soon before other brands do.

## Strengths:

- Top tier customer service
- Selective franchise owner and training process
- Hands-on top down management style
- Good quality ingredients
- People savvy employer

## Opportunities:

- International expansion
- Healthier fast food options for the growing health conscious market

#### Weaknesses:

- Limited international presence
- Higher prices in comparison to competition
- Past history of donating to charities
   with anti-LGBTQ+ stances
- All restaurants are closed on Sundays

#### Threats:

- Other competitors in the fast food industry
- Potential protests

#### 3. Goal

Focus. Chick-fil-A has strategic goals for entering the Dublin restaurant market. The overall goal is a successful launch of Chick-fil-A in Dublin and reaching new consumers in this market as a stepping stone towards a more long-term goal of expanding even further internationally. Our company has strong interests and long-term plans to expand into more areas of the world including Europe, Asia, and Latin America (Meisenzahl). Considering the success of the one-day pop-up location in Dublin during 2017, we are confident that opening a permanent establishment in the same area would be an excellent first step in our international expansion. This will help encourage brand awareness internationally and begin developing brand loyalty among Irish and traveling consumers. Dublin has a usually booming tourism industry, but after the COVID-19 pandemic, just like everywhere in the world, the number of tourists traveling to the country has decreased. However, as it seems we are in the beginning stages of leaving the pandemic behind us, we do not see this as a considerable concern due to the built-up travel demand from consumers. People are eager to travel again (O'Connell). Beginning preparations for our expansion into international waters now is the strategic move to make to give our company ample time to be ready to open our doors for new consumers.

*Benchmarks*. The criteria Chick-fil-A needs to meet to reach our goal of future international expansion is a successful Dublin restaurant. This can be achieved by adapting Chick-fil-A's already small menu to fit the local taste in cuisine and promoting the launch on social media.

A fundamental criterion to be met for a successful fast food chain restaurant launch is adapting to the culture of the area it is being opened. For example, we will add an additional side option of mashed potatoes and a dessert option of Irish potatoes also known as "Potato Candy". We understand that not every culture enjoys the same food taste as American cuisine, so it is important to us that we adapt what we offer based on different cultures in different locations.

The critical aspect of promoting the opening of the restaurant on social media is engaging with our target audience. Since most of our consumers will likely be first-time consumers, it is essential to post content that will give them an idea of what to expect from our brand. For example, posting about our menu items, especially the newly added ones that tailor to Irish taste. It is also vital to engage with consumers on social media platforms. Answering any questions

consumers may have through the comment section of posts or Instagram's Q&A feature, conducting live streams, and posting updates as we near opening day are all forms of engagement that will build excitement about the launch. A promotional strategy will be a significant incentive to give our restaurant a try, so we plan to give away \$15 gift cards to the first 300 customers that arrive on opening day.

## 4. Strategy

## 4a. Target Market

Target Customer. One of the many great things about Chick-fil-A's consumers is the wide variety of demographics they are a part of. However, one of Chick-fil-A's target customers is families. The company has a notable reputation for being a friendly family environment by having a playground for young children at most locations, playing music clean of profanity or suggestive material, and by maintaining a high cleanliness in their facilities. The idea that we want to promote by targeting families is that if parents or guardians are feeling too overwhelmed to cook dinner one night, they can always rely on Chick-fil-A to serve quality food that the whole family will love.

A specific age group for Chick-fil-A to target would be Millennials. Millennials are those born between the years 1981-1996 at ages 25-40 (Beresford Research). This generation is described as the tech savvy generation. Chick-fil-A has a mobile app that allows customers to order their meal in advance and pick it up conveniently and quickly, skipping the wait line. Chick-fil-A is also the #1 most downloaded quick-service restaurant app in June 2021 according to QSR Magazine (Blacker).

*Company.* Chick-fil-A has 2,774 locations throughout the United States, Canada, and at one point in time, the United Kingdom. An advantage Chick-fil-A has is their high brand awareness. Their "Eat Mor Chikin" campaign is simplistic but highly recognizable to the average consumer. Their logo and advertisements are limited to two colors, red and white, as a form of easy brand recognition.

*Competitors*. Chick-fil-A's main competitors in current locations are Wendy's, McDonalds, KFC, and Burger King nationally and Zaxby's in Southeastern regions. Expanding into Dublin, Chick-fil-A's competitors will be KFC, McDonald's, Burger King, and Nando's.

Collaborators. Chick-fil-A is known for being a community-focused company doing their best to give back to the local communities they serve. Chick-fil-A is a franchise which means someone pays a royalty/fee to a company to gain the rights to open their own facility using the company's name, logo, selling their products, etc. on behalf of the parent company. This gives franchise owners the flexibility to tailor Chick-fil-A's collaborations based on the local community's needs. This also strengthens the bond between Chick-fil-A and the consumer encouraging brand loyalty. If a consumer knows that a brand is giving back and building connections with the people of a community, they will be more likely to choose to financially support that brand by buying their products.

Context. As mentioned earlier, Chick-fil-A has experimented with the Dublin market in the past. They opened a one-day pop-up location, and it was well received by the city. At the time, they only offered a limited menu as they tested the waters, but when our permanent stores open, we will offer a full menu including items that fit more so into Irish cuisine along with our traditional chicken.

## 4b. Value Proposition

Customer value. Chick-fil-A is unique compared to its competitors because of their exceptional quality customer service according to Business Insider. The Chick-fil-A drive-thru service makes it easy and quick to order food. The staff is trained in politeness and deals with all scenarios kindly and efficiently. Nine out of ten times a consumer has a positive interaction with the brand (Peterson).

*Collaborator value*. Chick-fil-A has a strong brand awareness. When organizations on a community level are sponsored by or collaborate with our brand, most recognize who we are and our values just based on our logo. These community organizations can include regional sports teams, schools, local charities, etc. Our logo tells the story of our mission because it is reflected by factors like our customer service. We are focused on making a difference in our customers'

lives and their communities (Who we are). Organizations want to collaborate with us just as much as we want to with them.

Stakeholder value. Chick-fil-A has an upholding reputation for their efficiency, reliability, and consistency. Each time one arrives at a Chick-fil-A location, it is almost guaranteed they will be receiving the same type of service each time. This upholds in different restaurant locations across all 2,744 locations. Their facilities have consistent appearances and customer service. When one becomes involved with our company, they are understanding of what value they will be receiving.

#### 5. Tactics

*Product.* Considering that Chick-fil-A is a fast food restaurant business, the primary product they provide is food and beverages. Ranging from many different types of cuisines and their famous chicken sandwiches, we will also be adapting to the culture and preferences of the Ireland region. We will incorporate desired Irish fast-food cuisines into the menu to draw more customers in and grow a sense of customer loyalty.

Services. Chick-fil-A provides the service of fast and friendly customer service. The restaurant incorporates an at-home and welcoming environment through its curb-side, drive-thru, and counter service. Chick-fil-A has always prioritized the idea of family and has catered to every type of person and family through their services. Having created the Chick-fil-A One app, which we will incorporate in the Ireland branch, it has presented the opportunity and service to customers to gain rewards for being a loyal customer, looking at the menu, and ordering from your local restaurant ahead of time. Select Chick-fil-A's have also begun to incorporate a delivery service.

*Brand.* Chick-fil-A has grown its brand tremendously over the years and will continue to do so with this edition of the Dublin, Ireland restaurant. They have done so by offering different menu items at select Chick-fil-A restaurants. In addition, they have also, since their rise, have stuck to and grown their "cow-plus" and "eat mor chikin" brand through marketing. Recently the restaurant chain has also begun making commercials where customers share heartfelt

experiences they have had with Chick-fil-A employees in order to broadcast the family environment and their brand of caring about their customers.

*Pricing.* Compared to other fast-food restaurants and competition that the Dublin, Ireland branch will have, Chick-fil-A's prices are relatively cheap. The main focus of the restaurant is to provide tasty, healthy, and family-safe meals for an affordable price. Their kid's products and sandwich combos usually range from \$5-\$7 depending on what drinks and additional items you purchase.

*Incentives*. Chick-fil-A offers incentives to their customers through the Chick-fil-A One app. They are offered additional birthday and holiday coupons as well as rewards. Depending on the number of rewards and their rewards status, customers can redeem their rewards and get free products or combo meals which overall saves them money. We will incorporate all of these options in the Dublin branch.

*Communication.* Chick-fil-A communicates their business changes, decisions, etc. to their customers in many ways. Including...

- Media: Chick-fil-A promotes and advertises its products through commercials. They also
  use social media and subscription email services to discuss introducing new or seasonal
  products and deals they are currently offering.
- Chick-fil-A's Slogan: "Eat Mor Chikin"

*Distribution.* Chick-fil-A products and services are only exclusively available at their brick-and-mortar restaurants as well as through selected delivery services, They can also be distributed through companies such as UberEats, GrubHub, Doordash, or whatever is locally available to the customer.

## 6. Implementation

*Development.* Chick-fil-A has an integrated consumer-focused strategy. Chick-fil-A relies heavily on high quality products and most importantly great taste. We do this however by externally focusing on a family-friendly environment that shows how value oriented the company is. The consumer-focused strategy of the company is how they will strive in Ireland.

Chick-fil-A already utilizes many channels in order to hear feedback from consumers. Through social media, their very own Chick-fil-A One app and surveys, the company utilizes the customer communication whenever possible in order to strengthen their brand.

Deployment. If Chick-fil-A were to enter Ireland prior to the actual launch of the restaurant this would give the team assigned to the location an understanding of the local environment. This would allow the company to adapt to the tastes and prices of the consumers. The people would be much more inclined to go to a restaurant with familiar concepts. This would also allow Chick-fil-A to get an understanding of the foreign market because the American culture is so different in comparison to internationally. With that being said, Chick-fil-A needs to find the right entry mode and time. This is a crucial step for any company entering a foreign market and it can either make or break the company. The first soft launch of having a team assessing the environment will be able to allow Chick-fil-A to develop that strategy.

## 7. Control

Performance evaluation. Chick-fil-A will use the Chick-fil-A One app in order to track purchase activity and enable consumers to give the feedback at their fingertips. Utilizing the app to track purchase activity will allow the company to handle the logistics of the store. This will see how much of a product they need to have in stock or if a product is not doing well. We will have a better grasp of our financial situation in determining how the store is responding to a new market. We will have the ability to save money on getting rid of menu items or having just the right amount of the freshest products available.

Environment Analysis. The surveys and consumer feedback is really how we will determine how we are doing in this new foreign market. At the end of each receipt will be a survey asking to provide feedback. This will allow Chick-fil-A to receive optimal feedback on the market in its new location. Customers in this environment will be able to give honest feedback of what menu items they like and don't like that way Chick-fil-A can reevaluate their demographic and how to succeed in this new market.

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