

Brand Management Challenge

This activity is designed around a marketplace (such as a small city), where there are a set number of known competitors. You need to review and discuss the case materials to consider whether the firm's performance is favorable or concerning?

About Burgers Galore

“Burgers Galore” is a hypothetical fast-food chain in a hypothetical burger chain market, where there are only eight competitors.

Your task is to evaluate how Burgers Galore is performing. They have had success in increasing sales and profitability – which is obviously a key objective marketing – but you also need to consider the long-term competitiveness and market position of this firm.

To help you do this, you have been provided with an array of market and firm-based sales, profit, and image data the last three years. You should base your assessment upon the information provided, plus your interpretation and insight from reviewing the data.

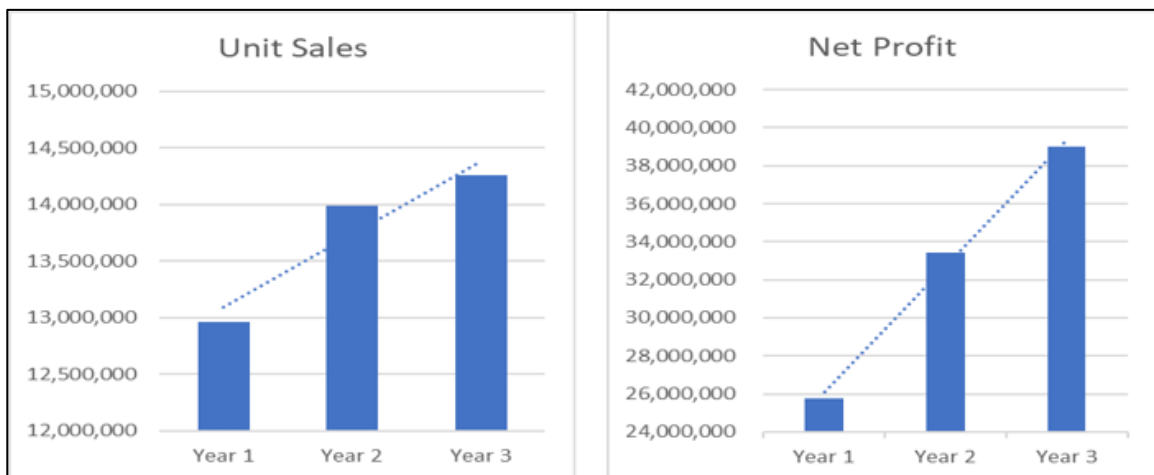
Please note that you are **not** required to outline a new strategy for the brand. Instead, your task is to work out what’s been happening in the marketplace, what marketing strategy have they been pursuing, and how they may have altered the various marketing mix elements.

You may highlight things that are working well or otherwise, in order to suggest marketing activities that should be continued, revised or discontinued.

In the end, you need to determine whether Burgers Galore is on the right marketing track??? And why/why not?

What marketing data do we have?

Sales and profits are up...



Here are our last three years of sales and financial data...

FINANCIALS FOR BURGERS GALORE			
<i>Burgers Galore</i>	Year 1	Year 2	Year 3
Unit Sales	12,962,234	13,989,460	14,258,142
Unit Market Share	15.45%	15.61%	14.96%
\$ Market Share	13.08%	13.21%	11.19%
Average Price	4.86	5.22	4.86
TOTAL BG REVENUE	62,931,783	73,025,901	69,306,175
Variable Unit Cost	1.75	1.65	1.25
Unit Margin	3.11	3.57	3.61
GROSS PROFIT CONTRIBUTION	40,247,873	49,943,292	51,483,498
Advertising Costs	10,000,000	10,000,000	2,500,000
Social Media	2,000,000	2,000,000	1,000,000
Sales Promotions	2,500,000	4,500,000	9,000,000
Total Promotion	14,500,000	16,500,000	12,500,000
NET PROFIT CONTRIBUTION	25,747,873	33,443,292	38,983,498

We also have some comparative information on the overall market, which includes our seven direct competitors...

SALES & MARKET SHARE RESULTS FOR BURGERS GALORE

UNIT SALES	Year 1	Year 2	Year 3	TOTAL
<i>Burgers Galore</i>	12,962,234	13,989,460	14,258,142	41,209,836
Brian Barry's Burgers	11,585,095	12,383,299	13,321,772	37,290,166
The Burger Brothers	8,893,149	9,656,665	10,584,625	29,134,439
Burgers and Buns	8,321,948	8,969,131	9,794,291	27,085,370
Beautiful Burgers	9,127,210	9,878,362	10,731,151	29,736,723
Burgers Are Us	12,395,441	12,798,733	13,067,507	38,261,681
Burgers 4 U	11,891,017	13,036,412	14,292,264	39,219,693
Bangers and Burgers	8,734,316	8,884,488	9,284,290	26,903,094
TOTAL MARKET	83,910,410	89,596,550	95,334,042	268,841,002

UNIT MARKET SHARE	Year 1	Year 2	Year 3	AVERAGE
<i>Burgers Galore</i>	15.4%	15.6%	15.0%	15.3%
Big Barry's Burgers	13.8%	13.8%	14.0%	13.9%
The Burger Brothers	10.6%	10.8%	11.1%	10.8%
Burgers and Buns	9.9%	10.0%	10.3%	10.1%
Beautiful Burgers	10.9%	11.0%	11.3%	11.1%
Burgers Are Us	14.8%	14.3%	13.7%	14.2%
Burgers 4 U	14.2%	14.6%	15.0%	14.6%
Bangers and Burgers	10.4%	9.9%	9.7%	10.0%
TOTAL MARKET	100.0%	100.0%	100.0%	100.0%

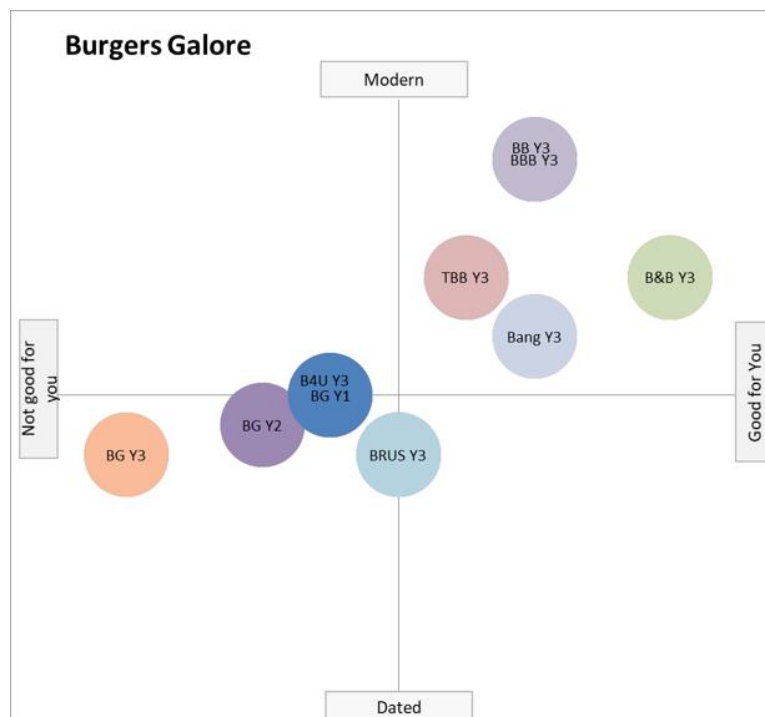
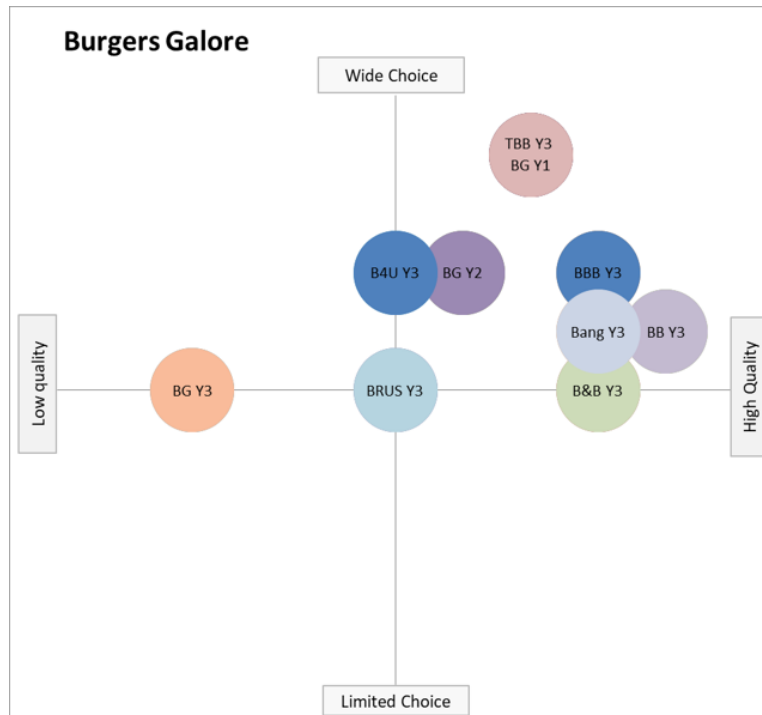
AVERAGE PRICE	Year 1	Year 2	Year 3	AVERAGE
<i>Burgers Galore</i>	4.86	5.22	4.86	4.98
Big Barry's Burgers	7.49	7.86	8.24	7.86
The Burger Brothers	5.18	5.33	5.48	5.33
Burgers and Buns	5.99	6.44	6.74	6.39
Beautiful Burgers	9.15	9.75	10.35	9.75
Burgers Are Us	5.24	5.29	5.34	5.29
Burgers 4 U	3.89	4.19	4.49	4.19
Bangers and Burgers	4.65	6.15	7.65	6.15
AVERAGE MARKET	5.73	6.17	6.49	6.15

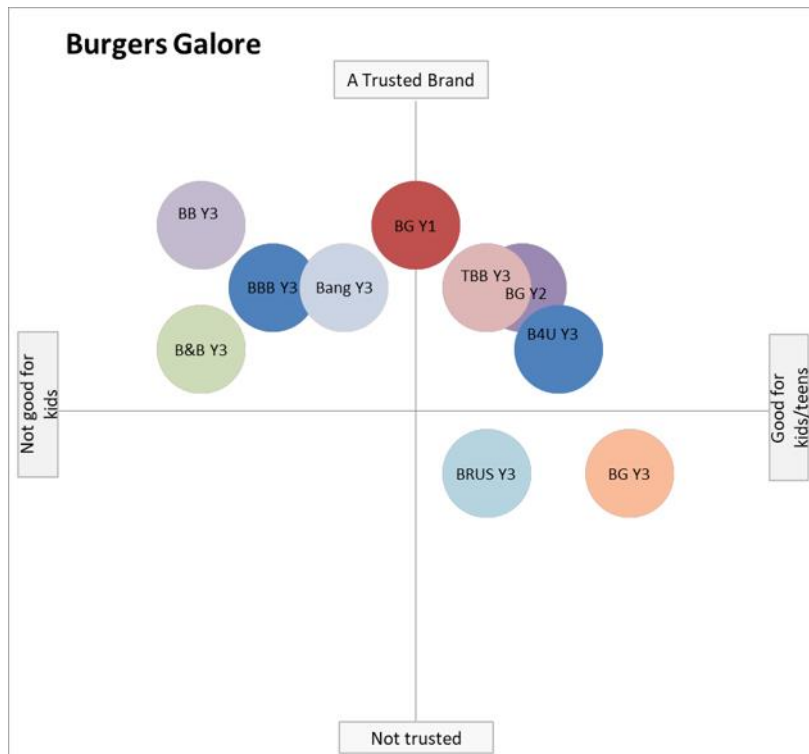
RETAIL REVENUE	Year 1	Year 2	Year 3	TOTAL
<i>Burgers Galore</i>	62,931,783	73,025,901	69,306,175	205,263,859
Big Barry's Burgers	86,772,362	97,332,730	109,771,401	293,876,493
The Burger Brothers	46,066,512	51,470,024	58,003,745	155,540,281
Burgers and Buns	49,848,469	57,761,204	66,013,521	173,623,194
Beautiful Burgers	83,513,972	96,314,030	111,067,413	290,895,414
Burgers Are Us	64,952,111	67,705,298	69,780,487	202,437,896
Burgers 4 U	46,256,056	54,622,566	64,172,265	165,050,888
Bangers and Burgers	40,614,569	54,639,601	71,024,819	166,278,989
TOTAL MARKET	480,955,832	552,871,354	619,139,827	1,652,967,013

\$ MARKET SHARE	Year 1	Year 2	Year 3	AVERAGE
<i>Burgers Galore</i>	13.1%	13.2%	11.2%	12.4%
Big Barry's Burgers	18.0%	17.6%	17.7%	17.8%
The Burger Brothers	9.6%	9.3%	9.4%	9.4%
Burgers and Buns	10.4%	10.4%	10.7%	10.5%
Beautiful Burgers	17.4%	17.4%	17.9%	17.6%
Burgers Are Us	13.5%	12.2%	11.3%	12.2%
Burgers 4 U	9.6%	9.9%	10.4%	10.0%
Bangers and Burgers	8.4%	9.9%	11.5%	10.1%

And finally, we have some image data, as shown in the following three different perceptual maps...

Note: These maps (and the above tables) provide helpful information for understanding how the firm is modifying their marketing mix: what appears to be happening with their product features and mix, what is happening with their pricing, how is their promotion changing, and what conclusions can we draw about their place, people, and process marketing mix elements?





Codes for the Perceptual Maps

- Burgers Galore = BG
- Brian Barry's Burgers = BBB
- The Burger Brothers = TBB
- Burgers and Buns = B&B
- Beautiful Burgers = BB
- Burgers Are Us = BRUS
- Burgers 4 U = B4U
- Bangers and Burgers = Bang
- Year 1 = Y1
- Year 2 = Y2
- Year 3 = Y3