



Strategic Management Plan for a Restaurant (Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound Branch – Philippines)

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Abstract

Kenny Rogers Roasters a casual dining establishment that specializes in rotisserie-roasted chicken and a wide range of hot and cold side dishes. Kenny Rogers Roasters renowned homemade muffins, jacket potatoes, vegetable salads, pastas, soups, desserts, and beverages are served in a cheerful and welcoming setting. It was founded in 1991 but the branch in Caltex South Luzon Expressway Southbound was established in 2015. This strategic management paper aims to provide strategic management tools for competitive advantage development. This study used a case-study approach to better understand complex situations in a real-world contexts. The study also used the PESTLE analysis in analyzing the business environment, opportunities, and significant threats. The results of the study indicates that Pizza Hut is the greatest competitor of Kenny Rogers Roasters – Caltex South Luzon Expressway Branch. It was also found and recommended that the business should utilize strategies such as, Market Penetration, Market and Product

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Development, and Diversification. Furthermore, backward, forward, and horizontal integration should also be considered. Lastly, Build strategy was also recommended to Kenny Rogers Roasters. Overall, it is concluded that in order for the business to have a competitive advantage, the company should look into the strategies that was mentioned above.

Keywords: Competitive Advantage; External Factors; Internal Factors; Strategic Management; Strategies

I. Introduction

Be it local or international, the market competition is fierce nowadays. This is the reason why in every business, strategic management plays an important part. Everything a business must do in order to achieve its goals and objectives must be continuously planned, monitored, analysed, and evaluated (Tucci, 2020). The International Institute for Management Development (2021) states that long-term success in the corporate world requires effective strategic management. It entails formulating a business strategy with specific goals in mind, coming up with a game plan to achieve those goals, coordinating daily operations to achieve those goals, and allocating the necessary resources to make it happen. Strategic management is critical to a company's long-term success. As a result of a well-defined strategy, the business will not only survive but also thrive because it will help businesses gain an advantage over their rivals (Victoria University, 2019).

In order to gain a better understanding of complicated situations, this research employed a case study approach- single case. It is possible to conduct in-depth and comprehensive analyses of complex issues by using the case study approach in real-world settings (Crowe, et. Al., 2011). Researchers can use a variety of methods to study a single topic in greater depth with this approach. It also includes a wide range of viewpoints, which aids comprehension of the topic at hand and minimizes the risk of bias. Studying the underlying principles of a real-world event using a case study approach incorporates both qualitative and quantitative research methods (Salmon, 2017).

Kenny Rogers Roasters located in Caltex South Luzon Expressway (SLEX)- Southbound, one of the branches of a market leader in the chicken-based casual dining restaurants, is the subject of this strategic management paper. The business is duly registered with the Department of Trade and Industry (DTI) and the Bureau of Internal Revenue (BIR). Moreover, it is permitted by the City Government of Biñan to operate the business legally. Kenny Rogers Roasters SLEX- Southbound branch started its operations on March 30, 2015. Its day-to-day operations are being supervised by Mariel P. Balisi, the branch manager since 2018. Kenny Rogers Roasters offer a wide variety of healthy, delicious, and fresh-made menus including rotisserie-roasted or unfried fried chicken,



salads, pasta, dinners, soups, muffins, desserts, and beverages. It provides value-for-money wholesome food at the convenience of a full-service casual dining restaurant.

The purpose of this paper is to discuss the different ways to sustain competitive advantage in order for the business to have better focus, sales, profit margins, and customer and employee retention than competitors. Furthermore, this paper aims to analyze the diversity of strategic management and leadership in terms of definition and their impact on strategic decision making. Specifically, this sought answers to the following strategic management questions:

1. What do you think is your edge among competitors in this industry that made you ahead from them?
2. How often do you assess your organization's strengths, weaknesses, opportunities, and threats?
3. How often does the company create strategic plans?

II. Research Method

In the establishment of a business, one must determine the factors that may affect their operations including the appropriate response to such factors. Given this, the PESTLE analysis is a tool that provides the management with relevant information about their current position in the market (Matovic, 2020). It is also known as the cornerstone of environmental scanning and is functional in determining the impact of various factors on an organization and its plans. The PESTLE analysis provides the management with the capability to analyze the business environment, opportunities that may arise, as well as significant threats that may exist but were unnoticed.

In relation to this, data that was used throughout this study was collected through a one-on-one interview with the branch manager of Kenny Rogers Roasters Caltex South Luzon Expressway (SLEX)- Southbound. Acquiring first-hand information on the operations of the business will ensure a clearer and better understanding of the branch's strategic management. Furthermore, the manager of the said branch answered questions that were prepared by the proponents themselves to ensure that the objectives of the paper shall be met. Responses were then transcribed and analyzed by the group strategically. Lastly, to have a further understanding of the system in the specific branch, an observation was also conducted virtually.



Political Factor

Every element of the food industry is subject to extensive regulatory frameworks from governments across the world (UK Essays, 2015). This encompasses the criteria for produce storage and transportation, commercial kitchen cleanliness, and even the qualifications for workers in the food industry. This unquestionably makes the food industry one of the most strictly regulated of all industries. Government plays a big role in how well a firm performs. Because the environment in which this industry functions is always changing, government rules may also change over time. Just like the situation we are having now; the minimum health protocols must be followed by certain restaurants and fast-food chains to operate. To respond to these changes and manage their business plans appropriately, companies must be adaptable.

According to a study made by Bush, T. (2021), people's reliance on ready - to - eat rather than home-cooked meals has increased as a result of their busy lifestyles. It has proven to be a boon to the food industry's profitability. Moreover, taxation that impacts the cost and standard also has an impact on the sector. Country to country variations exist. It is important for businesses to carefully plan their financial resources to maximize the resources to generate favourable results of operation.

Economic Factor

Economic analysis can cover factors such as income differences by region and consumer groups, price fluctuations, and consumption patterns. According to a study conducted by Cox et al. (2020), consumers spend their money differently; low-income households tend to be cautious with what they spend on. In relation to the pandemic, spending has significantly declined due to the lack of income in several households whereas others gradually recovered and are starting to adapt to the “new normal”. With this, it is evident that consumers have different spending patterns which depend on their purchasing power; shaping one's business to cater or fit such differences would be a possible response. Furthermore, price fluctuations are affected by the condition of the market according to a study by Nusair and Olson (2019), but significant effects may also vary depending on the country as each nation has different economic variables. Rising prices often bring greater expenditures for those who import raw materials which may result in degradation of competitiveness. In addition to this, according to a study conducted by Rosas (2019), households with a significantly lower disposable income spend majority of their finances on necessities such as food. It was also found that consumers tend to respond differently to price fluctuations as their consumption may vary from household to household.



Social Factor

Factors such as regional changes in tastes and preferences, attitude towards product quality, and attitude towards customer service are significant in the analysis of a company's social environment. In a study conducted by Wong et al. (2020), cross-cultural differences influence the consumers' tastes and preferences as well. Companies, specifically those in the food and beverage industry, tend to consider their geographical location and their prospective consumers' background when formulating their products; this is to ensure that what they offer would fit well in the market. Moreover, product quality affects the sales of a specific business– the greater the quality, the greater the sales generated due to customer satisfaction.

With this, one can conclude that product development would be essential if one aims to thrive in the market given that there are several competitors already existing. Giving consumers something to look forward to will entice them into purchasing and patronizing the brand. In relation to customer service, a study conducted by Afthanorhan et al. (2019) states that the quality of services provided to consumers play an important role in their satisfaction; thus, it shall be constantly improved in order to have an edge against competitors. This enables the management to determine which system and techniques help them grow economically and what are the areas they may need to work on. Given that Kenny Rogers is a global brand, the taste of their meals may vary depending on the country they are operating in to cater to the differences in preferences.

Technological Factor

In the food and beverage industry, several forms of automation are becoming more prevalent. The use of self-checkout screens at fast-food restaurants like McDonalds is the best example. Some fast-food chain uses their mobile phone to share SMS about their popular food chain and offer some incentives in the form of discounts or vouchers for their clients (Rodrigo, 2012). Advertising their products through various social media platforms is one of the ways by restaurants or any fast-food chain to let people know of their existence. Moreover, with the existence of online food ordering methods like food panda, grab, and the like, restaurants have been more adaptive to the technological advantages given to them by various online applications/platforms. In addition to the revenue, they get from customers who visit their physical stores, they can also gain more from the mobile delivery method.

Some of the restaurants carry out research and development activities more often because of technological advancement to address the ever-changing demands and lifestyle of the people (Greenspan, 2018). Overall, automation is a good thing for the fast-food



industry, as it will allow businesses to improve profitability and reduce the likelihood of human error maximizing the use of technology in their business.

Environmental Factor

In the food and beverage industry, cleanliness is the major element (UK Essays, 2015). Additionally, firms must create plans for managing garbage and recycling. Environmental issues are now more widely recognized mainly due to the increasing environmental disaster. Raw material scarcity, recycling, pollution, carbon footprint, and other issues are some of these. The food industry and the government must cooperate. It will aid in reducing the likelihood of environmental degradation, which could result from them. Waste management must be prioritized and must consider the 3P in business; People, Planet, Profit. Due to the environmental harm caused by the meat industry, the food business must acknowledge and respect the tendency of its customers to switch to a plant-based diet (UK Essays, 2015). They must concentrate on bringing about the long-term advantages of this transformation.

Legal Factor

Laws involving tariffs and import-export regulations, consumer rights, and labor are legal factors which tend to play a role in strategic management. Under the RA 11203 or the Philippine Rice Tariffication Law, limits on rice imports have been lifted, however, tariffs are raised as a means of protecting and supporting our local farmers or suppliers. This may be a potential threat to a business especially when they import raw materials as tariffs may also apply to commodities other than rice. Imposing tariffs and taxes may be a course of action that the government has taken in order to minimize imports while maximizing exports not only for the benefit of businesses operating locally but also for the economic benefit of the country. Furthermore, imports may be a competitive advantage if a particular company pioneers in bringing something new to the local market. Other laws and ordinances such as the RA 7394, which aims to protect consumers in the country and practically states the do's and don'ts that you need to take note of as a business owner; and the RA 6715 or the Labor Code of the Philippines which strengthens the right of employees. Taking into consideration the consumers' welfare may build a business' strength as people usually patronize businesses who care for their customers (Buban & Nagallo, 2021). The same case applies to the Labor Code as employees tend to be more productive and motivated to work when they have good communication with the management (Ali & Anwar, 2021).



3. Results and Discussion

A. Competitive Profile Matrix

Critical success factors are essential as these enable the business to grow and thrive in the market. Though all are considered key factors, their weight varies due to its influence on the business as a whole. With this, ratings are given ranging from 1-4 with four (4) being the highest. These are based on the level of importance that Kenny Rogers Roasters prioritizes as follows:

- 4 - Means having superior importance
- 3 - Means having above average importance
- 2 - Means having average importance
- 1 - Means having poor importance

Table No 1: The Competitive Profile Matrix for Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound Branch

Critical Success Factors	Weight	Kenny Rogers Roasters		Max's Restaurant		Pizza Hut	
		Rating (1-4)	Score	Rating (1-4)	Score	Rating (1-4)	Score
Advertising	0.14	3	0.42	3	0.42	3	0.42
Product Quality	0.15	3	0.45	3	0.45	3	0.45
Price Competitiveness	0.14	3	0.42	2	0.28	4	0.56
Management	0.12	4	0.48	3	0.36	3	0.36
Financial Position	0.10	3	0.30	3	0.30	2	0.20
Customer's Loyalty	0.12	2	0.24	3	0.36	2	0.24
Global Expansion	0.11	3	0.33	3	0.33	3	0.33
Market Share	0.12	3	0.36	2	0.24	2	0.24
Total	1.00		3.00		2.74		2.80

The matrix above shows the critical success factors of Kenny Rogers Roasters along with two of their competitors in the market. They are compared based on eight critical success factors as presented above. This analysis shows the competitive advantage of Kenny Rogers Roasters among others in the same line of business.



The management was a key factor that gave Kenny Rogers Roasters a weighted score of 3.00. This was slightly higher than the other competitors listed above. Furthermore, from the data given above, it can be concluded that Pizza Hut may be a strong competitor of Kenny Rogers Roasters.

B. IFE Matrix, EFE Matrix and SWOT strategy

Internal Factors Evaluation (IFE) Matrix:

Internal Factor Evaluation (IFE) Matrix is a business strategy-formulation tool that strongly resembles Strength, Weakness, Opportunity, and Threat (SWOT) Analysis. It assesses, evaluates, and summarizes the internal position of the company and as well as the strategic intents through its strengths and opportunities.

Table No. 2-A: The Internal Factors Evaluation Matrix for Kenny Rogers Roasters –
Caltex South Luzon Expressway Southbound Branch

	Strengths	Weight	Rating	Weighted Score
1.	Offers healthy and freshly-made food and beverages	0.07	4	0.28
2.	Located near the entrance of SLEX (first restaurant when you enter SLEX)	0.05	4	0.20
3.	Customers can opt to dine inside or outside of the store based on their preference	0.05	4	0.20
4.	Ability to adapt to the changing needs of the market	0.07	3	0.21
5.	Offers affordable meals	0.06	3	0.18
6.	Teamwork among all the service crews	0.03	4	0.12
7.	Strong food branding and trade name	0.04	4	0.16
8.	Interior and exterior design is clean and modern	0.04	3	0.12
9.	Can cater all types of eaters – vegan, vegetarian, pescatarian, flexitarian etc.	0.05	4	0.20
10.	Open to comments and criticisms for improvement	0.04	3	0.12



Table No. 2-B: The Internal Factors Evaluation Matrix for Kenny Rogers Roasters –
Caltex South Luzon Expressway Southbound Branch

	Weaknesses	Weight	Rating	Weighted Score
1.	Lack of strong marketing and promotion efforts	0.04	2	0.08
2.	Poor inventory management process	0.03	2	0.06
3.	Limited access for pedestrians	0.05	1	0.05
4.	Long wait time for food	0.06	2	0.12
5.	Strong existing nearby competitors	0.07	1	0.07
6.	No sufficient supplies (unavailable menu items)	0.05	2	0.10
7.	No drive thru unlike other competitors	0.04	1	0.04
8.	Crews' concerns about automation	0.04	2	0.08
9.	Pricing difference to direct competitors	0.07	2	0.14
10.	Poor organizational culture	0.05	2	0.10
	TOTAL	1.00		2.63

Table No. 2-A shows the internal factors evaluation of Kenny Rogers Roasters-Caltex SLEX Southbound branch with its 10 primary strengths. The weight assigned to a given factor in strengths indicate the relative importance of the factor. In this case, all strengths are given three (3) to seven (7) percent weight multiplied to the rating of three (3) to four (4) based on the level of importance by Kenny Rogers Roasters- Caltex SLEX Southbound branch, summing up with a total weighted score of 1.79. After evaluating their strengths, offering of healthy and freshly-made food and beverages obtained the highest weighted score of 0.28, which is consistent to their tagline, “deliciously healthy.”

Though Kenny Rogers Roasters- Caltex SLEX Southbound branch is the number one branch in the whole Laguna in terms of the monthly number of customers and amount of sales, they are still facing weakening factors. 10 primary weaknesses of the company are presented in Table No. 2-B. From its' IFE Matrix and due to the volume of customers dining in the branch, the most weakening factor with a 12% weighted score is the long waiting time of serving the food. All weaknesses are also given three (3) to seven (7) percent weight and one (1) to two (2) rating, with a total weighted score of 0.84.



The total IFE weighted score of 2.63 of Kenny Rogers Roasters- Caltex SLEX Southbound branch is above the average score of 2.5. It indicates that the company is strong in position and performing favorably against competitors.

External Factors Evaluation (EFE) Matrix:

External Factor Evaluation (EFE) Matrix is a business strategy-formulation tool that strongly resembles Strength, Weakness, Opportunity, and Threat (SWOT) Analysis. It assesses, evaluates, and summarizes the internal position of the company and as well as the strategic intents through its opportunities and threats.

Table No. 3-A: The External Factors Evaluation Matrix for Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound Branch

	OPPORTUNITIES	WEIGHT	RATING (1-4)	WEIGHTED SCORE
1.	Keeping up with the latest food trends in the market	0.07	3	0.21
2.	Able to adapt to customer's preferences that lead to more customers	0.06	4	0.24
3.	Launching of new menu (pan pizza)	0.05	4	0.20
4.	Expansion of the branch	0.03	2	0.06
5.	Offers online order and delivery	0.03	4	0.12
6.	New market around the branch premises	0.05	3	0.15
7.	Increase reviews on social media pages	0.05	3	0.15
8.	Acquisition of technology to reduce business cost	0.03	2	0.06
9.	Strong awareness in the industry or market trends	0.06	3	0.18
10.	Growth of tourism industry and food industry	0.07	3	0.21

Table No. 3-B: The External Factors Evaluation Matrix for Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound Branch



	THREATS	WEIGHT	RATING (1-4)	WEIGHTED SCORE
1.	Competition with other widely available restaurants	0.08	4	0.32
2.	Continuous change of customers' food preferences	0.07	4	0.28
3.	Rising cost of food and beverages	0.04	3	0.12
4.	Successful marketing and promotion of competitors	0.05	3	0.15
5.	New store opening of a competitor	0.03	2	0.06
6.	Gradual increase in rental fee	0.03	2	0.06
7.	Strict regulations brought by COVID-19	0.05	3	0.15
8.	Safety concerns (outside the branch premises)	0.04	3	0.12
9.	Reduction of menu prices by the competitors	0.04	3	0.12
10.	Volatility of the industry in terms of economic status	0.07	4	0.28
	TOTAL	1.00		3.24

Table No. 3-A shows the external factors evaluation of Kenny Rogers Roasters-Caltex SLEX Southbound branch with its 10 primary opportunities. The weight assigned to a given factor in opportunities indicate the relative importance of the factor. In this case, all opportunities are given three (3) to seven (7) percent weight multiplied to the rating of three (3) to four (4) based on the level of importance by Kenny Rogers Roasters- Caltex SLEX Southbound branch, summing up with a total weighted score of 1.58. After evaluating their opportunities, the ability to adapt to customer food preferences gained the highest weighted score of 0.24, which is consistent to their mission and vision.

From its' EFE Matrix, the most threatening factor with a 28% weighted score are the volatility of the industry and the continuous change of customers' food preferences. All threats are also given three (3) to eight (8) percent weight and three (3) to four (4) rating, with a total weighted score of 1.66.



Kenny Rogers Roasters- Caltex SLEX Southbound branch total EFE weighted score of 3.24 is above the average. In this case, it also indicates that the company is strong in position and performing favorably against competitors.

SWOT STRATEGY

SWOT analysis is a business strategic planning and management technique that helps identify a company's strengths, weaknesses, opportunities, and threats. This analysis allows Kenny Rogers Roasters- Caltex SLEX Southbound branch to make better decisions since the factors involved in its internal environment (strengths and weakness) and external environment (opportunities and threats) are considered. Moreover, the discovery of strategies and recommendations can be obtained from analyzing the company's SWOT.

Strength and Opportunity (SO) Strategies:

1. SO1 With Kenny Rogers Roasters' tagline, "deliciously healthy," it should launch a new set of meals that can be added to its menu consistent with the latest food trends in the market. (S2, S4, S7, O1-3, O9).
2. SO2 To accommodate more customers, Kenny Rogers Roasters- Caltex SLEX Southbound branch should expand its store or place more tables for outdoor dining option. (S3-4, S8, O2, O4).
3. SO3 Kenny Rogers Roasters- Caltex SLEX Southbound branch should opt to invest in Research & Development (R&D) with the presence of Technological Innovation to attract more customers and serve them faster and easier. (S4, S10, O2, O8).

Weakness and Opportunity (WO) Strategies:

1. WO1 Kenny Rogers Roasters- Caltex SLEX Southbound branch should invest in development and research plans around emerging markets with low Research and Development (R&D) costs. (W1, W5, O2, O6).
2. WO2 Develop future expansion plans like setting up a drive-thru system in order to stay ahead of the competition. (W4-5, W7, O2, O4).
3. WO3 Promote and strategize with the use of technology and social media platforms. (W1, W5, W9, O7-9).



Strengths and Threats (ST) Strategies:

1. ST1 Kenny Rogers Roasters- Caltex SLEX Southbound branch should offer discounts and promotion packages to reduce the price in favor of the consumers. This is to attract more customers, expect more sales, and prevent food spoilage. (O4-5, O7, T1, T3-4, T9)
2. ST2 Make the branch more attractive inside and out. Maximize the floor area and put timely decorations in accordance with certain events and occasions. (S2-4, S8, T1, T5, T8)
3. ST3 Promote al fresco or outdoor dining option since other direct competitors nearby do not have this option. Also, it is the best way to avoid or prevent close contact and spread of the virus during this time of the pandemic. (S3, S4, T1, T7, T8)

Weaknesses and Threats (WT) Strategies:

1. WT1 Kenny Rogers Roasters- Caltex SLEX Southbound branch should have a reliable supply chain for both of their ingredients and essential supplies in order to be secured once fortuitous events strike. (W2, W6, T3, T7, T10)
2. WT2 Prioritize developing marketing and promotional strategies in order to gain an advantage against competitors in terms of brand and product popularity. (W1, W5, W9, T1, T4)
3. WT3 To increase customer satisfaction and product sales, Kenny Rogers Roasters- Caltex SLEX Southbound branch should focus on new product development and food innovation research since customers' preferences continuously change. (W2, W5-6, T1-3)

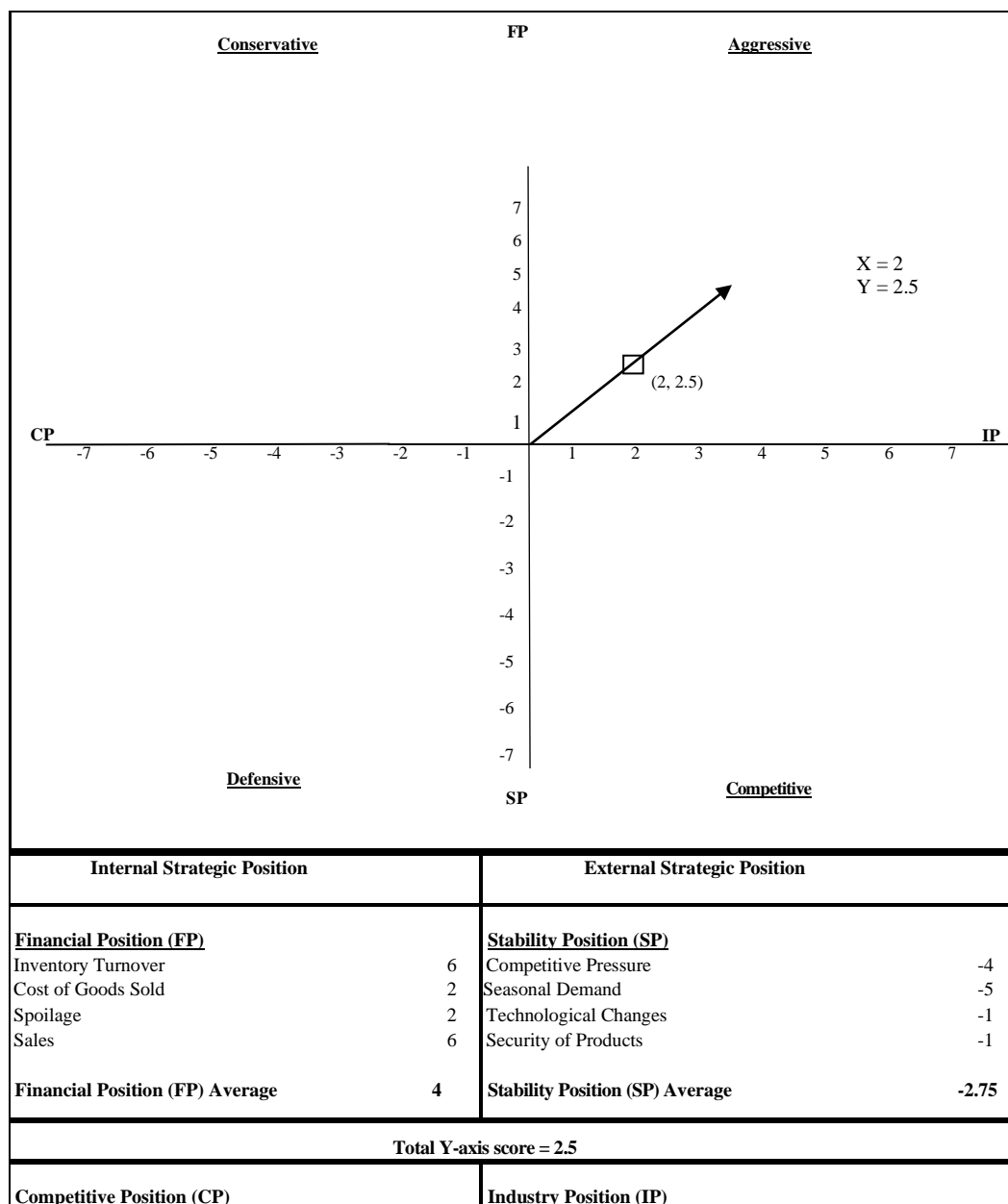
C. SPACE Matrix

The Strategic Position and Action Evaluation (SPACE) Matrix, like the SWOT Matrix, is a strategic management tool. It is a four-quadrant graphical axis that illustrates if Kenny Rogers Roaster restaurant's follows conservative, aggressive, defensive, or competitive strategic plans. Each quadrant is based on the average ratings provided to four



different sorts of positions. Financial Position (FP), Stability Position (SP), Competitive Position (CP), or Industry Position are examples (IP).

Figure No. 1: Strategic Position and Action Evaluation Matrix for Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound Branch





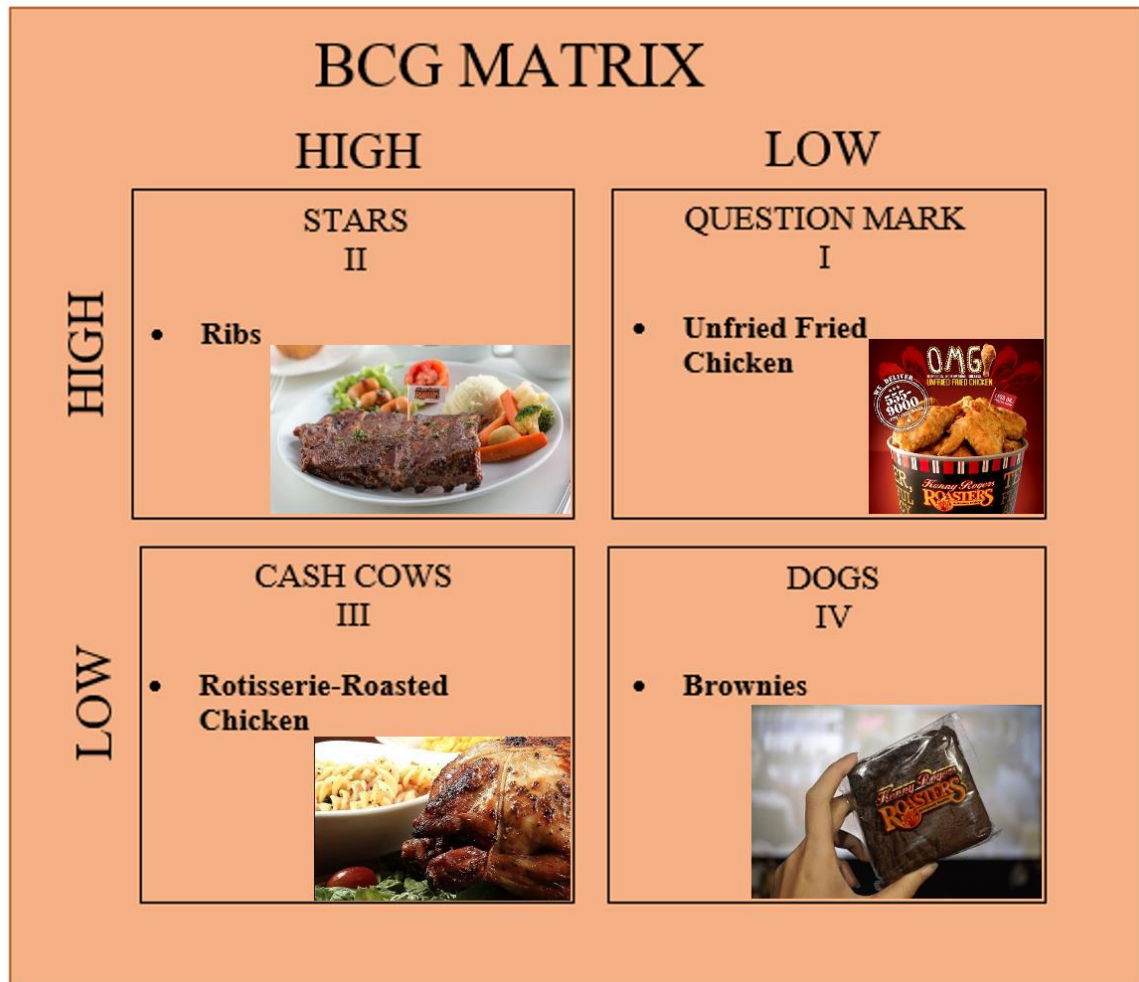
Product Quality	-1	Growth Potential in the Market	5
Brand & Image/Comp	-1	Ease of Entry into Market	3
Product Life Cycle	-3	Financial Stability	6
Customer Loyalty	-3	Productivity	7
Competitive Position (CP) Average	-2	Industry Position (IP) Average	5.25
Total X-axis score = 2			

The SPACE Matrix places Kenny Rogers Roasters firmly in the Aggressive Quadrant, which means it has the financial wherewithal to implement a wide range of strategies. To maintain its stability, the recommend strategies are market penetration, market and product development and diversification. Moreover, the business should also consider backward, forward and horizontal integration.

D. Bonstun Consulting Group (BCG) Matrix

The BCG matrix is a tool created by the Boston Consulting Group to help with long-term strategic planning and help a business think about growth opportunities. A BCG matrix helps businesses figure out who their competitors are now and who they will be in the future. The process can help business owners improve their products, find new opportunities, and even figure out which services they should stop offering (Hanlon, 2022).

Figure No. 2: Boston Consulting Group (BCG) Matrix for Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound Branch



The BCG Matrix shown above depended on Kenny Rogers Roasters' menu that plays a crucial role on its cash generation and cash usage.

The Kenny Rogers Roasters' ribs have earned a place among the stars because although they have a high cost of production, they have the potential to bring in a significant amount of money. On the other hand, rotisserie-roasted chicken, which is the restaurant's best-selling product overall, falls under the category of cash cows because it commands a large share of the market but requires only a small initial investment. Its return on assets is significantly higher than its market growth rate; as a consequence, Kenny Rogers roasters can be able to invest the additional cash that is generated by the rotisserie-roasted chicken in other projects or products because this ratio is significantly

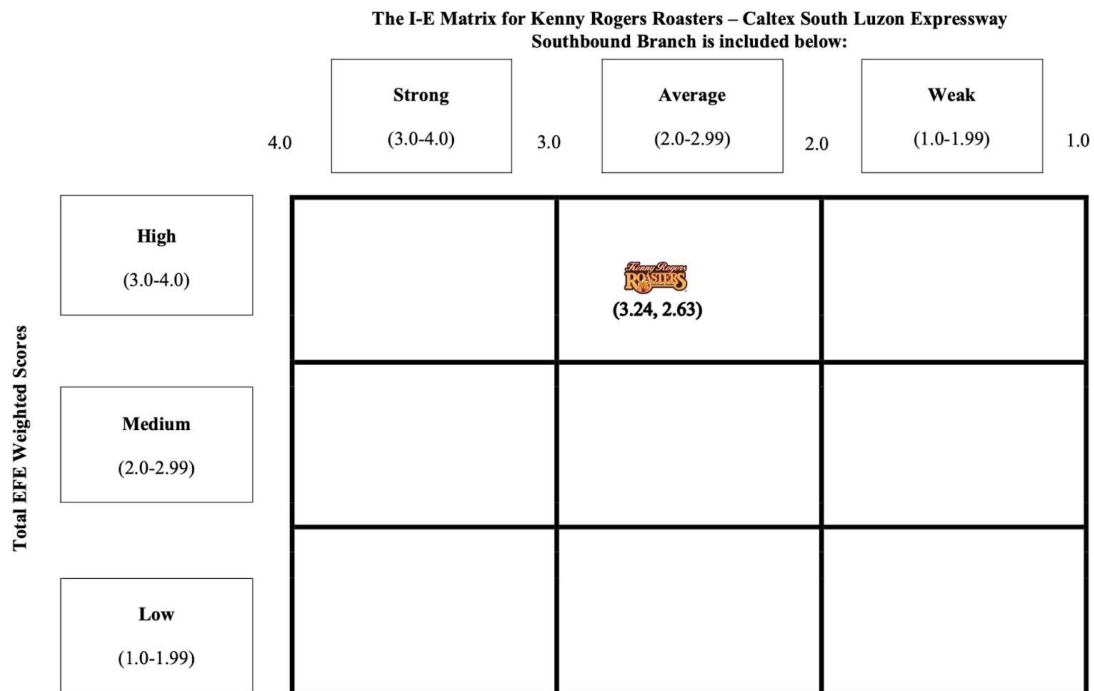


better (Twin, 2020). Unfried-fried chicken, since it is relatively new to the market, it is categorized under the question mark. Ferriors (2022) asserts that the question marks are typically indicative of a recently introduced product. Although they are experiencing rapid sales in the expanding market, it is still in a low position in the market. Last but not least, Kenny Rogers Roasters' desserts are under the category of dogs since they don't generate large sales. According to Twin (2020), dogs are business units that have a small market share in a market that is experiencing low growth. They do not necessitate a significant financial investment, and they do not produce significant cash flows. It is recommended for the company to utilize the Build strategy in order to push the question mark which is the unfried-fried chicken into a star and become a cash cow overtime.

E. Internal-External (IE) matrix

To have a better understanding of the IFE and EFE Matrices, the I-E Matrix serves as a visual illustration of the business' position. It consists of nine boxes that represent quadrants; the "Grow and Build" section consists of quadrants I, II, and IV, "Hold and Maintain" section consists of quadrants III, V, and VII, and the "Harvest or Exit" section consists of quadrants VI, VIII, and IX. The x-axis is graphed based on the total weighted score in the IFE Matrix, whereas the y-axis is graphed based on the total weighted score found in the EFE Matrix.

Figure No. 3: Internal-External (IE) Matrix for Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound Branch



The IE Matrix was based on the total weighted scores of both the IFE and EFE Matrices for Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound Branch. The x-axis was based on the total IFE matrix score which was 2.63; on the other hand, the y-axis was based on the total EFE matrix score which was 3.24. Given this, the business can be seen in quadrant II or the “Grow and Build” section; it is recommended that they utilize strategies such as market penetration, market and product development, and the like. They can also use integrative strategies such as backward, forward, and horizontal integration.

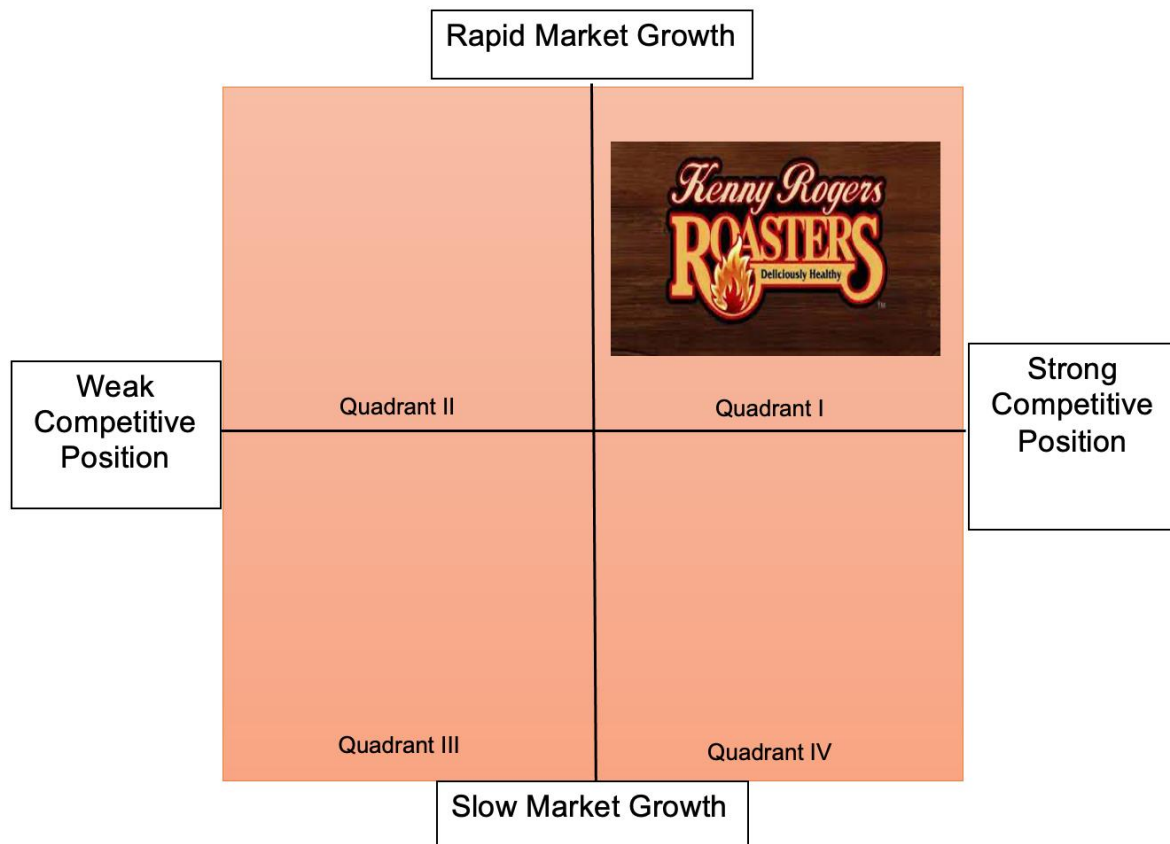
F. Grand Strategy Matrix

Researchers or analysts can create new strategies using the Grand Strategy Matrix, a strategic management method. On a four-quadrant grid, the Grand Strategy Matrix is arranged and logically presented. On the y-axis of the graph, market growth is depicted, with positive y-figures denoting quick growth and negative y-figures denoting slow growth. The competitive position is represented by the x-axis, with positive x-figures denoting a strong competitive advantage and negative x-figures denoting a weakened



competitive position. Any organization may drop off the graph at any point, and when it does, it will base its decision on the solutions and/or tactics the company suggests.

Figure No. 4: Grand Strategy Matrix for Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound Branch



Country star Kenny Rogers and former KFC CEO John Y. Brown Jr. created the chain of chicken-based Kenny Rogers Roasters restaurants in 1991. Basically, this business have been in the industry for over three (3) decades and still operating favorably within the market segment. More emphasis is being placed by Kenny Rogers Roasters on creating a menu that customers will enjoy. Unexpectedly, the needs of the consumer evolve over time. Kenny Rogers Roasters introduced new goods, phased out old ones, and will continue to do so in order to address this issue.

Basically, on the grand strategy matrix, Kenny Rogers Roasters is positioned on the fourth quadrant characterized by having strong competitive position and slow market growth. Let us first tackle why it has a strong competitive position. It has effective



operation management and optimized processes as its top priorities. In its industry, Kenny Rogers Roasters is one of the most productive businesses. Successful execution and effective operations management, which attempts to maximize the utilization of its available resources in order to gain profit, are to be credited for the performance. Second, repeat business and consumer loyalty are very high among current clients. Even if Kenny Rogers Roasters has little success with today's age, its former clients are still devoted to the company. Even with these devoted supporters on side, I think Kenny Rogers Roasters can shift. Lastly, it has already made its name in the industry that is why people can attest to its taste and quality of the products and services being provided. On the other hand, despite all the given competitive advantages, Kenny Rogers Roasters is having a hard time in improving its market growth. This is simply because people's taste and preference change overtime by several factors and one of this is the existence of other firms offering similar products. For example, McDonalds also offers the same products as the Kenny Roger's Roasters (variety of Chicken products) which to people having more options where to take their lunch or dinner. Also, people could compare their prices and would choose the cheapest firm which offers chicken meals. It is recommended that the company should conduct research and analysis on the current market. Conducting a market research and analysis enables the company to determine the current market status. This will enable Kenny Rogers Roasters to determine the customer's needs and wants with regards to the food and services they wanted to avail to. Also, you will find out the different determining factors on the customer's choice of restaurant or fast food (e.g. pricing, accommodation, and etc.). Also, they should Invest on marketing the product (advertisement). This is one of the downside of Kenny Rogers Roasters. They invest less on the promotion of their product thus not being able to penetrate the market that much. To inform your clients of the existence of your product and what it offers, you need the appropriate advertising approach. In order to increase sales, you must use an effective advertising plan to persuade clients to purchase your goods.

G. Quantitative Strategy Planning Matrix (QSPM)

High-level strategic management is the focus of QSPM. The Quantitative Strategic Planning Matrix (QSPM) is utilized in marketing strategy in addition to strategic management. However, by contrasting it with other various actions, QSPM provides the best analytical technique that is appropriate. So, the QSPM aids in the creation of an analytical framework for strategy design.

Table No 5: The Quantitative Strategy Planning Matrix for Kenny Rogers Roasters –
Caltex South Luzon Expressway Southbound Branch

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The QSPM for Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound Branch is included below:

Key Factors	Weight	Market penetration		Market Development		Product and Service Development	
		AS	TAS	AS	TAS	AS	TAS
Strengths							
Offers healthy and fresh-made food and beverages	0.07	4	0.28	4	0.28	4	0.28
Located near the entrance of SLEX (first restaurant when you enter SLEX)	0.05	4	0.2	4	0.2	2	0.1
Customers can opt to dine inside or outside of the store based on their preference	0.05	3	0.15	4	0.2	4	0.2
Ability to adapt to the changing needs of the market	0.07	4	0.28	3	0.21	4	0.28
Offers affordable meals	0.06	4	0.24	3	0.18	4	0.24
Teamwork among all the service crews	0.03	3	0.09	4	0.12	4	0.12
Strong food branding and trade name	0.04	3	0.12	4	0.16	3	0.12

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Interior and exterior design is clean and modern	0.04	3	0.12	3	0.12	3	0.12
Can cater all types of eaters – vegan, vegetarian, pescatarian, flexitarian etc.	0.05	4	0.2	4	0.2	4	0.2
Open to comments and criticisms for improvement	0.04	4	0.16	3	0.12	4	0.16
Weaknesses							
Lack of strong marketing and promotion efforts	0.04	2	0.08	2	0.08	2	0.08
Poor inventory management process	0.03	2	0.06	2	0.06	3	0.09
Limited access for pedestrians	0.05	1	0.05	1	0.05	1	0.05
Long wait time for food	0.06	2	0.12	2	0.12	3	0.18
Strong existing nearby competitors	0.07	2	0.14	1	0.07	1	0.07
No sufficient supplies (unavailable menu items)	0.05	1	0.05	2	0.1	3	0.15
No drive thru unlike other competitors	0.04	1	0.04	1	0.04	3	0.12
Crews' concerns about	0.04	1	0.04	2	0.08	4	0.16

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automation							
Pricing difference to direct competitors	0.07	1	0.07	2	0.14	2	0.14
Poor organizational culture	0.05	2	0.1	2	0.1	4	0.2
Total	1.00		2.59		2.63		3.06
Opportunities							
Keeping up with the latest food trends in the market	0.07	4	0.28	3	0.21	4	0.28
Able to adapt to customer's preferences that lead to more customers	0.06	3	0.18	4	0.24	4	0.24
Launching of new menu (pan pizza)	0.05	1	0.05	4	0.2	4	0.2
Expansion of the branch	0.03	2	0.06	2	0.06	1	0.03
Offers online order and delivery	0.03	3	0.09	4	0.12	3	0.09
New market around the branch premises	0.05	3	0.15	3	0.15	2	0.1
Increase reviews on social media pages	0.05	3	0.15	3	0.15	1	0.05

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Acquisition of technology to reduce business cost	0.03	2	0.06	2	0.06	1	0.03
Strong awareness in the industry or market trends	0.06	4	0.24	3	0.18	4	0.24
Growth of tourism industry and food industry	0.07	4	0.28	3	0.21	3	0.21
Threats							
Competition with other widely available restaurants	0.08	4	0.32	4	0.32	3	0.24
Continuous change of customers' food preferences	0.07	4	0.28	4	0.28	3	0.21
Rising cost of food and beverages	0.04	4	0.16	3	0.12	4	0.16
Successful marketing and promotion of competitors	0.05	4	0.2	3	0.15	4	0.2
New store opening of a competitor	0.03	3	0.09	2	0.06	3	0.09
Gradual increase in rental fee	0.03	4	0.12	2	0.06	3	0.09
Strict regulations	0.05	4	0.2	3	0.15	4	0.2

24 INDEXED AT:



B. A. TAMARAW

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brought by COVID-19							
Safety concerns (outside the branch premises)	0.04	1	0.04	3	0.12	2	0.08
Reduction of menu prices by the competitors	0.04	4	0.16	3	0.12	2	0.08
Volatility of the industry in terms of economic status	0.07	3	0.21	4	0.28	4	0.28
Total	1.00		3.32		3.24		3.1
Sum Total of Attractiveness Scores			<u>5.91</u>		<u>5.87</u>		<u>6.16</u>

Out of the three suggested and feasible marketing strategies, product and service development strategy came on top Rank 1 is Product and service development, with a total score of 6.16. Rank 2 is market penetration strategy, with a total score of 5.91, and Rank 3 is Market Development strategy with a total score of 5.87. The important variables determine the outcomes of thorough analysis and evaluation of the various tactics. The most alluring strategy of them all is product and service development, especially when evaluated from an internal POV. The three various tactics' total attractiveness gaps are not all that different from one another, but in the interests of professional judgment, Kenny Rogers Roasters should choose the third option. When this technique is used, it is believed that both the long-term and short-term results will be good given that there is money available to carry out the specified marketing strategy.

Out of the three (3) possibilities, internal growth (product and service development) was found to be the most appealing one by the QSPM matrix. It is viewed from both an internal and outward perspective. The preferred course of action or plan has already been chosen, so any discrepancies may be handled straight away.



Recommendations:

- 1) **Set up drive-thru ordering system.** Kenny Rogers Roasters- Caltex SLEX Southbound branch is surrounded by two (2) direct competitors. Both of them do not have drive-thru option. Some travelers prefer to choose ordering quickly and conveniently which will set the branch apart from competition.
- 2) **Develop strong marketing and promotion plan.** To inform customers about the existence and positioning of Kenny Rogers Roasters healthy and freshly-made menus, marketing and promoting are key elements. Posting marketing posters in the actual branch and in social media, as well as having buy-one take-one or happy hour promotion will also help boost the overall sales.
- 3) **Target more audience of all ages.** Kid-friendly meals can be added to the menu in order for Kenny Rogers Roasters be considered as all-inclusive family-friendly restaurant.
- 4) **Improve customer satisfaction by improving customer service.** Welcoming customers right in the entrance of the branch, together with proper treatment and excellent meal, will increase their actual dining experience. Thus, increase in customer satisfaction and loyalty are expected.
- 5) **Enhance risk management plan.** Kenny Rogers Roasters should expect and properly handle all possible risks and fortuitous event in the future like COVID-19 pandemic, volatility of the industry, and rising cost of food and beverages to ensure business continuity.
- 6) **Use and acquisition of automation.** Technology is the name of the competition in today's world. Automating business system in the restaurant is advantageous provided that its efficiency and effectiveness are ensured. Self ordering kiosks is one of the automations that the branch may consider.
- 7) **Allot investment to workers' training and development program.** In order to have productive and skilled/talented crews, low employee turnover, and cut labor/unnecessary costs in the future, the branch should implement a structured way of training and development program for workers.
- 8) Allot investment to product development of old and new menus to attract more customers.



- 9) Kenny Rogers Roaster- Caltex SLEX Southbound should strategize by grabbing and managing opportunities and using it to their own advantage in order to keep ahead of the competition.
- 10) Kenny Rogers Roaster- Caltex SLEX Southbound should maintain and improve their strengths and work out on their weaknesses. In the long run, having consistent business planning and strategic planning helps generate profit for the company and dominantly compete with other competitors who may take advantage of the opportunities to accumulate more revenue in their pockets.

4. Conclusion

For a business to succeed in the long run, effective strategic management is crucial. The business will be able to thrive in the market segment for a considerable amount of time by defining a business strategy with clear objectives, developing clear plans as to how these objectives will be achieved, aligning business activities to support the objectives, and allocating the resources needed to achieve the objectives. Beyond enhancing business outcomes, effective strategic management also helps a company maintain its social license to operate, which is becoming an increasingly crucial business factor in today's climate of multiple stakeholders who are all becoming more well-informed. Consumers are becoming more aware of and interested in a company's products as well as its ethical and environmentally responsible business practices. To help assure the long-term sustainability of the company, these components ought to be at the core of strategic management.

Kenny Rogers Roasters – Caltex South Luzon Expressway Southbound have thrived over the span of 7 years in the market industry by providing quality products and services which have led them to sustain competitive advantage, increase in the number of loyal customers, creating a strong brand name, and maximizing its profits. The company's business strategy has been effective in maneuvering their internal factors such as their strengths and weaknesses and reducing the negative impacts of external factors. Also, the act of complying with the political and ethical factors were a success for the company. The Kenny Rogers Roaster management will modify their marketing techniques once more in light of the current scenario in order to maintain their market position. The business will be in a better position to consistently deliver the top-notch services that their devoted clients have come to expect if it takes into account the effects of internal and external factors.



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